

CHANAKYA INTERNATIONAL

Sustainability Report

To bring cultural preservation and sustainability together into a single mission, so that India's artisanal heritage continues to grow in a globalised world.

MUMBAI, SINCE 1984

FY 2025-26

Contents

	Executive summary	3
I	THE HOUSE	4
1	About this report	5
2	A message from the Artistic Director	8
3	Who we are	10
4	Our mission, vision and values	11
5	What makes Chanakya distinct	12
6	Our year at a glance	13
7	Our value-creation model	16
8	Stakeholder engagement	17
9	Methodology and data integrity	18
II	RISK, MATERIALITY AND STRATEGY	19
10	Risks and opportunities	20
11	Materiality assessment	27
12	ESG strategy, pillars and objectives	35
13	Our policies	38
III	PERFORMANCE	40
14	Culture and heritage	41
15	Environment	45
16	Our people	55
17	Governance and ethics	65
IV	FRAMEWORKS AND BENCHMARKS	70
18	Peer benchmarking	71
19	SDG alignment	73
20	UN Global Compact principles	75
21	Our targets and the road to 2030	77
22	GRI content index	91
23	How this report aligns with common frameworks	98
24	Framework gap closure and forward roadmap	107
V	DATA AND ASSURANCE	110
25	Appendix A: ESG data annex	111
26	Appendix B: Methodology and emission factors	129
27	Appendix C: Glossary	142
28	Independent assurance statement	145
	With gratitude	149

Executive summary

In FY 2025-26 we recorded zero recordable injuries, while our grid electricity, our water use and our footprint rose, and women remained 8.1% of our workforce.

Chanakya International is a Mumbai hand-embroidery house, founded in 1984, and this summary covers the reporting period 1 April 2025 to 31 March 2026.

The year in numbers. We recorded zero recordable injuries across 92,352 hours worked. We held seven certifications at 31 March 2026. All 14 of our active suppliers signed our Supplier Code of Conduct. Grid electricity purchased was 90.030 MWh, metered monthly, and Scope 2 emissions on that consumption were 63.92 tCO_2e, location-based. Scope 1 was 0.068 tCO_2e and Scope 3 was 538.82 tCO_2e, on the basis set out in Appendix B. The total footprint is 602.81 tCO_2e, against 597.57 tCO_2e in FY 2024-25, and the rise is the metered rise in Scope 2. Water drawn from municipal piped supply totalled 5,132 KL.

What improved. EcoVadis rated us Gold in January 2026, 79 out of 100 and in the 95th percentile, up from Silver at 70 and the 90th percentile in December 2024.

Where we are behind. Grid electricity rose from 82.644 MWh in FY 2024-25, with no renewable share, against our commitment to 50% renewable electricity by 2027. Water consumed rose to 5,041 KL from 4,350 KL, against our commitment to cut water consumption 25% by 2028. Waste diversion from landfill carries a 2028 target of 90%, from 2% in FY 2024-25, and 2% of our waste was recycled in FY 2025-26. Our workforce is 37 people (34 male, 3 female), women at 8.1%, and 5 of 37, 13.5%, from minority or vulnerable groups. Our Diversity, Equity and Inclusion Policy commits us to at least 45% women by FY 2028.

What we are doing about it. Environment and EHS will document our Scope 3 method this year, and EHS and Sustainability will commission a climate physical-risk assessment for the Mumbai site within one to two years. A renewable-energy declaration and a site water-stress assessment are on our forward roadmap, and section 21 sets out every commitment with its baseline.

Section 28 is reserved for the independent assurance statement over selected disclosures in this report.



PICTURE 1

I

The house

1	ABOUT THIS REPORT	5
2	A MESSAGE FROM THE ARTISTIC DIRECTOR	8
3	WHO WE ARE	10
4	OUR MISSION, VISION AND VALUES	11
5	WHAT MAKES CHANAKYA DISTINCT	12
6	OUR YEAR AT A GLANCE	13
7	OUR VALUE-CREATION MODEL	16
8	STAKEHOLDER ENGAGEMENT	17
9	METHODOLOGY AND DATA INTEGRITY	18

1

About this report

This report presents the sustainability performance of Chanakya International for the reporting period 1 April 2025 to 31 March 2026, across environmental, social, cultural and governance dimensions. It is prepared with reference to the GRI Standards 2021, and it sets out the frameworks we apply and our assurance position. Our Environment Policy provides for an annual sustainability report that publishes our emissions, energy, water, waste and supplier-compliance data for stakeholders and regulators, and this edition is prepared on that basis. It sets FY 2025-26 beside FY 2024-25 throughout, and the ESG data annex carries the four reported years from FY 2022-23, so a movement can be read against the years before it.

We also treat the report as a channel to our stakeholders: the artisans practising heritage craftsmanship, the employees who run the business day to day, the clients and cultural partners we work with, the suppliers and investors we deal with, and the wider community connected to our operations. The Stakeholder engagement chapter sets out how we engage each of those groups and how often, and the materiality assessment in section 11 sets out how their expectations, together with the requirements our clients apply to us as a supplier, shape the topics this report covers.

1.1 Scope and reporting boundary

This report covers Chanakya International for the period 1 April 2025 to 31 March 2026 and is published in May 2026. The reporting boundary is set on the operational control approach and covers the premises we operate at Raheja Xion, Byculla East, Mumbai, which carry every environmental and workforce figure in this report. Value-chain information is reported where the report says so, for Scope 3 emissions and for supplier screening and audit across our 14 active suppliers. Operational control means that we report the premises whose operating practices we set and whose records we keep: the electricity metered on our connection, the municipal water we draw, the waste we weigh and hand to our disposal vendors, and the 37 people we employ directly. We occupy one floor of a multi-storey building at that address. The diesel generator that serves the building is run and controlled by the building management and burns no fuel we buy, so it sits outside our operational control and outside our Scope 1.

The Chanakya School of Craft, the associated training centres, the Chanakya Foundation and the artisan clusters are separate premises outside the reporting boundary: the Culture and heritage chapter describes their programmes, and none of their energy, water, waste or workforce figures is included in this report. Keeping them outside the boundary holds the environmental and workforce figures in this report to one set of premises, one electricity connection and one directly employed workforce.

Prior-year figures restated in this report are set out, with the reason for each, in Appendix B, and the basis of the FY 2025-26 column of the ESG data annex is set out in the Appendix A preamble. Several restatements run through the environmental figures, among them grid electricity and the Scope 2 figure that follows from it, water withdrawal and consumption, waste tonnage, hazardous waste, on-site water reuse and one noise reading, and 26.11 sets out each with its reason. Our FY 2024-25 report published 61.21 MWh of grid electricity and 50.34 tCO_2e of Scope 2 for that year, a tonnage that implies a grid factor of 0.822 tCO_2 per MWh. The monthly meter readings give 82.644 MWh, and at the Central Electricity Authority factor of 0.710 tCO_2 per MWh for the year Scope 2 is restated to 58.68 tCO_2e, 8.34 tCO_2e or 16.6% above the published figure. The FY 2024-25 figures in the tables of this report are shown on the restated basis.

IMPACT AREA	WHAT IT COVERS
Operational facilities & workshops	Design, hand-embroidery production and quality control at our Raheja Xion premises in Mumbai, the premises inside the reporting boundary
Supply chain & partnerships	Sourcing partners, collaborating institutions and stakeholders linked to ethical sourcing, labour rights and resource efficiency
Archival conservation	The archives of 10,000+ heritage artifacts and 100,000+ documented craft explorations
Community & Foundation	Chanakya Foundation training, women's empowerment and heritage-education projects, run from separate premises outside the reporting boundary
Period & value-chain reach	1 April 2025 to 31 March 2026; value-chain information for Scope 3 emissions and supplier screening and audit

1.2 Standards and frameworks applied

The GRI Standards 2021 are the primary reference for the structure and content of this report, prepared with reference to those standards. The GRI content index at the back of the report maps each disclosure to the page on which it is addressed. Reporting with reference to the Standards means that we use them to structure our disclosures and publish a content index against them. It is a different claim from reporting in accordance with them, which this report does not make.

Performance is also mapped to the UN Sustainable Development Goals most material to a hand-embroidery and textile house. Material topics are determined by an assessment of impact materiality and financial materiality, prepared with reference to GRI 3: each topic is scored on its impact on people and the environment, the basis GRI 3 uses, and separately on how it bears on the business. The Materiality assessment chapter sets out the evidence behind each score, the rule that turns the two scores into tiers, and the tests we ran on the result. Section 28 is reserved for the independent assurance statement over selected disclosures, set exactly as signed by the assurance provider. Our targets, commitments and plans are forward-looking statements, and they are not reported performance.

Conduct is benchmarked against the ten principles of the UN Global Compact, to which Chanakya is not a signatory. The UN Global Compact principles chapter names, for each principle across human rights, labour, environment and anti-corruption, the control or practice the house applies. The SDG alignment chapter does the same for the seven goals most material to the house, among them target 4.4 on skills, which our artisan training serves, and target 6.4 on water-use efficiency, which our 2028 water reduction target serves.

FRAMEWORK	ROLE IN THIS REPORT
GRI Standards 2021	Primary reporting reference; the GRI Content Index maps each requirement to where it is addressed.
UN Sustainable Development Goals	Performance mapped to the SDGs most material to the house: 4, 5, 6, 8, 11, 12 and 13.
UN Global Compact	Ten principles across human rights, labour, environment and anti-corruption, each carried into a specific practice.
Materiality · GRI 3	Topics scored on impact materiality, the basis GRI 3 uses, and separately on financial materiality, refreshed annually.

1.3 Independent certification and rating

We hold seven management-system certifications: ISO 9001:2015 for quality management, ISO 14001:2015 for environmental management, ISO 45001:2018 for occupational health and safety, ISO/IEC 27001:2022 for information security, ISO 37001:2016 for anti-bribery management, ISO 28000:2022 for supply-chain security, and SA 8000:2014 for social accountability. All seven were held at 31 March 2026. Each certificate records that an external certification audit has tested the management system against its standard. Certification speaks to the system. The figures in this report are a separate matter, and section 28 is reserved for the independent assurance statement over selected disclosures.

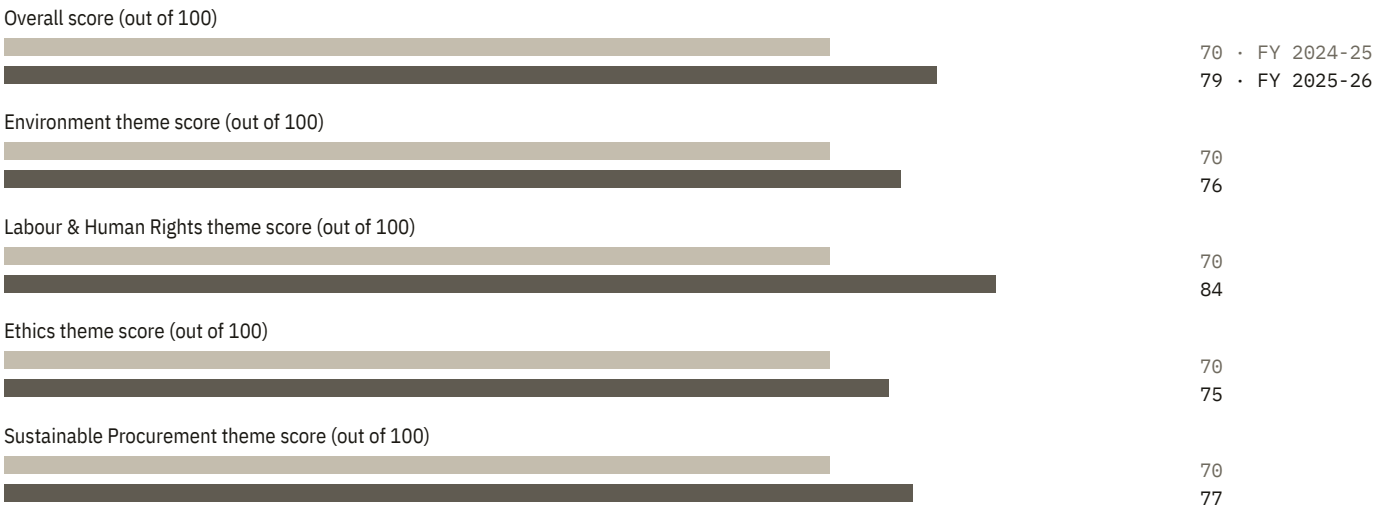
STANDARD	WHAT IT GOVERNS
ISO 9001	Quality management across design and production
ISO 14001	Environmental management, monitoring and continual improvement
ISO 45001	Occupational health & safety management
ISO 27001	Information-security management; certified to ISO/IEC 27001:2022
ISO 37001	Anti-bribery management; certified to ISO 37001:2016
ISO 28000	Supply-chain security management; certified to ISO 28000:2022
SA 8000	Social accountability: labour rights, fair wages, safe conditions

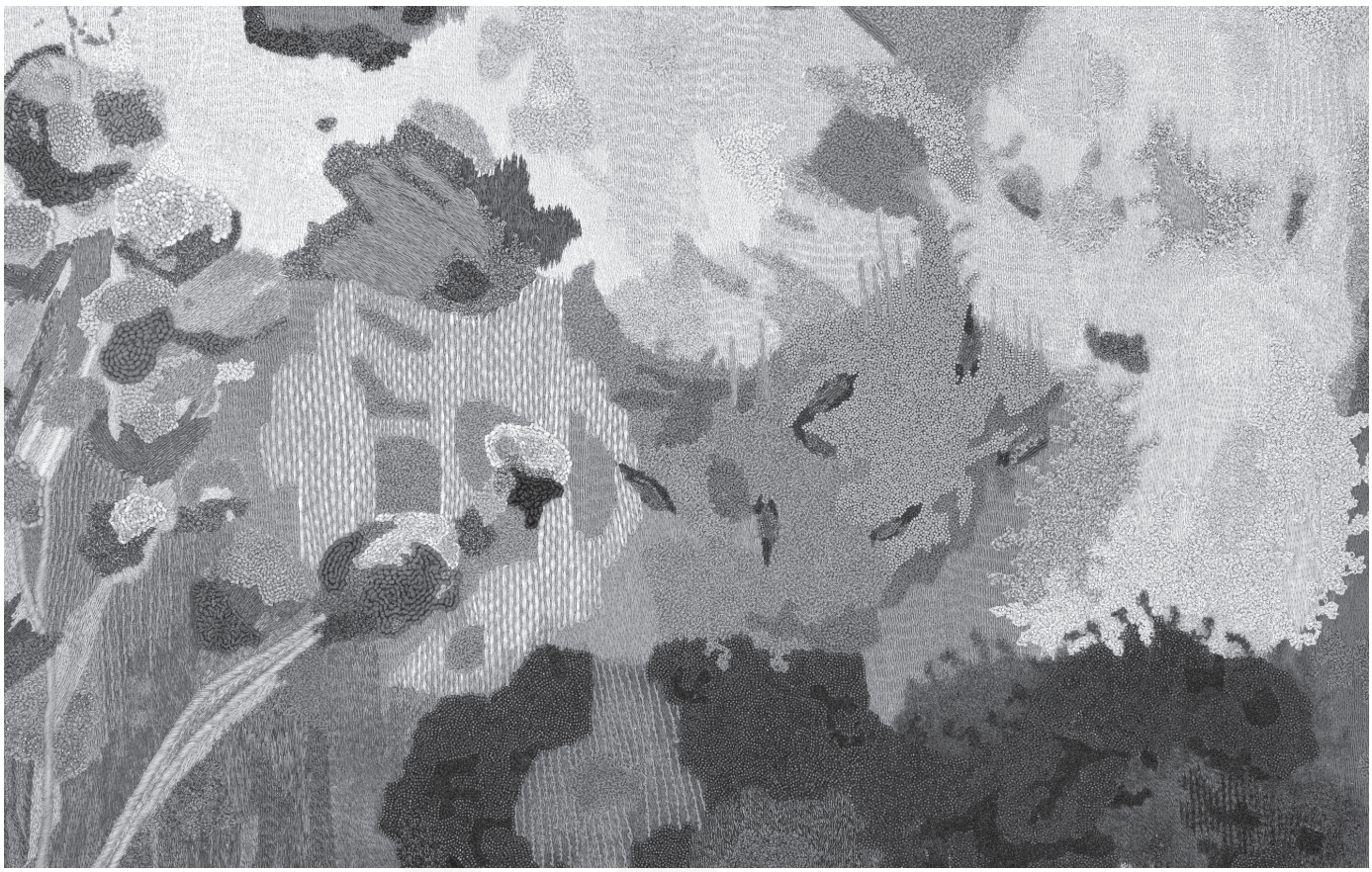
We also hold an EcoVadis Gold rating, awarded in January 2026 with an overall score of 79 out of 100, which places us in the 95th percentile of assessed companies. The assessment covers our Mumbai site. Theme scores are Environment 76, Labour and Human Rights 84, Ethics 75 and Sustainable Procurement 77.

The preceding assessment, of December 2024, awarded a Silver medal, scored 70 out of 100 and placed the house in the 90th percentile, with all four theme scores at 70. Every theme score rose between the two assessments, Labour and Human Rights by the most, from 70 to 84, and Ethics by the least, from 70 to 75.

INDICATOR	FY 2024-25	FY 2025-26
Overall medal	Silver	Gold
Overall score (out of 100)	70	79
Percentile rank (all assessed companies)	90th percentile	95th percentile (top 5%)
Environment theme score (out of 100)	70	76
Labour & Human Rights theme score (out of 100)	70	84
Ethics theme score (out of 100)	70	75
Sustainable Procurement theme score (out of 100)	70	77

INDEPENDENT CERTIFICATION AND RATING · FY 2024-25 AGAINST FY 2025-26





PICTURE 2



2

A message from the Artistic Director

CHANAKYA INTERNATIONAL · HALFTONE CROP

For us, sustainability is inseparable from the cultural heritage we work to preserve.

Chanakya is a textile and embroidery house with a four-decade history at the intersection of art, craft and couture. The house was built on the conviction that a craft is only truly preserved when the people who practise it can live with dignity from it, and over forty years that conviction has widened to take in environmental stewardship and social equity. It rests on a legacy of quality, savoir-faire and uncompromising values handed down to us.

We hold more than 10,000 heritage artifacts and more than 100,000 documented craft explorations. By studying the historical context, symbolism and regional variations of embroidery, we identify and record each craft form and set down the cultural heritage behind it. Inclusion matters to us, as does support for the communities that carry these material cultures forward. The artifacts represent centuries of craftsmanship across India's regions, and the explorations record embroidery techniques, motifs and regional variations. 45% of the archive is now digitised, which safeguards it against physical degradation and opens it to designers, scholars and artisans as a working reference.

Leadership applies sustainability to operational, creative and commercial decisions, and the highest governance body reviews our performance against the GRI Standards and the UN Sustainable Development Goals on a standing basis. That body reviews sustainability priorities, performance indicators and this report's disclosures quarterly, and it endorses the report.

Our work extends to the environment as well as to culture, from water conservation and waste management to the use of renewable fibres. We also support artisan communities in preserving their heritage while building sustainable livelihoods. Our Environment Policy sets the route for the part of this we control directly: renewable electricity through renewable power purchase agreements, lower energy use through smart metering, LED lighting and energy audits, and less waste through segregation at source and partnerships with recycling firms for textile scraps and packaging.

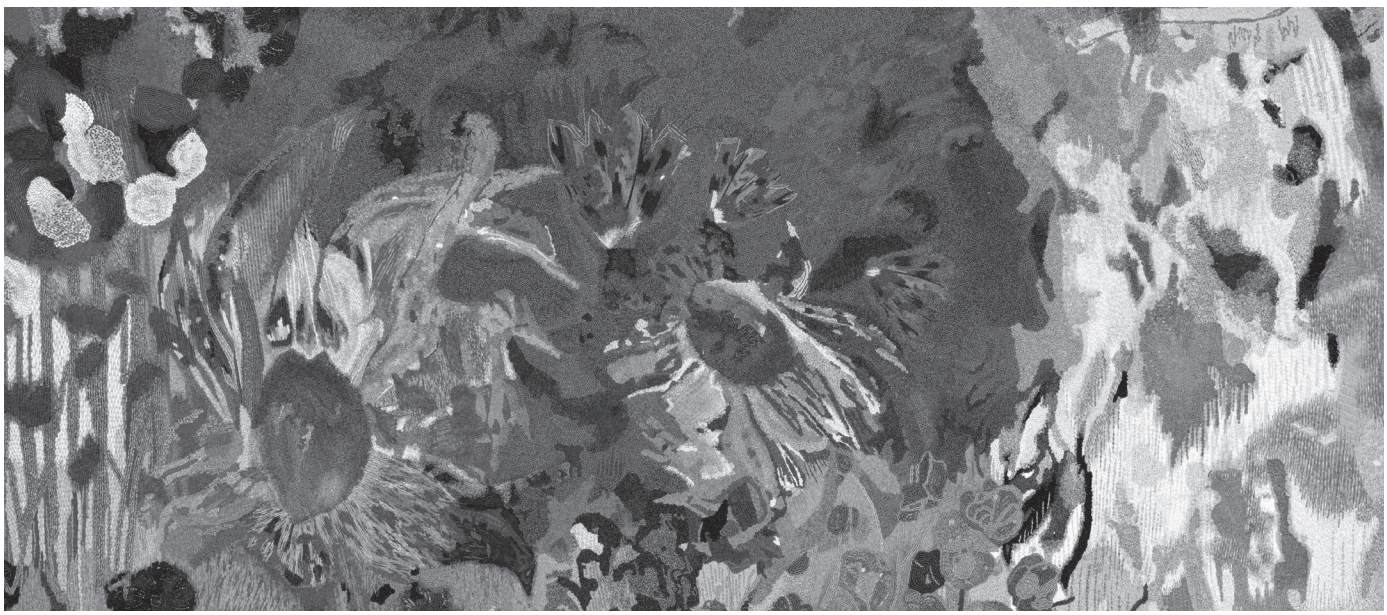
In FY 2025-26 we recorded no recordable injury in 92,352 hours worked, and all 14 of our active suppliers signed our Supplier Code of Conduct. We are behind on our resource and representation commitments. Grid electricity rose to 90.030 MWh, none of it renewable, against our commitment to 50% renewable electricity by 2027. Water consumed rose to 5,041 KL, from 4,350 KL in FY 2024-25, against a 25% reduction commitment for 2028, and women are 8.1% of our workforce against at least 45% by FY 2028. The largest responsibility we carry sits beyond our own floor, with the artisans who work on our products through intermediaries. That is why labour rights and fair wages across the artisan network is the one topic in our materiality assessment that scores 5 on both axes. Our reach there runs through intermediaries, so the Supplier Code of Conduct, SA 8000 certification and the 10 supplier ESG audits of FY 2025-26 are how we exercise it, and section 21 sets out each of our commitments against its baseline.

Karishma Swali

Artistic Director, Chanakya and the School of Craft

For us, sustainability is inseparable from the cultural heritage we work to preserve.

Karishma Swali Artistic Director, Chanakya and the School of Craft



PICTURE 3

3

Who we are

Legal name: Chanakya International

Founded: 1984, in Mumbai

Location: Mumbai, India; cultural presence and collaborations across 15 countries

Business: hand embroidery and textile craftsmanship, cultural preservation, archival documentation and artisan training

Workforce: 37 employees, all permanent and directly employed (women 8.1%); 5 of 37, 13.5%, from minority or vulnerable groups

Certifications: seven held at 31 March 2026, being ISO 9001, ISO 14001, ISO 45001, ISO/IEC 27001, ISO 37001, ISO 28000 and SA 8000

Founded in 1984 in Mumbai, Chanakya International began as a workshop rescuing fading artisanal traditions and now works at the intersection of heritage conservation and sustainable business. From the start the work has been the preservation and revitalisation of India's hand-embroidery and textile craftsmanship. Today our design, hand-embroidery production and quality control are carried out at our premises at Raheja Xion, Byculla East, where we occupy one floor of a multi-storey building, and we make hand-embroidered garment panels and accessories for global luxury fashion houses.

Over four decades we have built an extensive archive of Indian textile heritage, recording the stylistic, regional and symbolic diversity of the country's embroidery traditions. Our work extends across 15 countries through collaborations with cultural institutions and exhibitions, and 45% of the archive is digitised. The archive holds more than 10,000 heritage artifacts and more than 100,000 documented craft explorations, and the house documented 127 new techniques in FY 2024-25.

The Chanakya Foundation carries this purpose into education, healthcare, artisanal skill development and women's empowerment, extending our work beyond the business itself. The Foundation works from its own premises, outside the boundary of this report, and its energy, water, waste and workforce figures are not included in ours. The Culture and heritage chapter describes its programmes.



PICTURE 4

4

Our mission, vision and values

Our vision is to bring cultural preservation and sustainability together into a single mission, so that India's artisanal heritage continues to grow in a globalised world. Our mission is to safeguard and advance India's hand-embroidery heritage through ethical craft, artisan empowerment and responsible production, turning four decades of savoir-faire into secure livelihoods and progress against our environmental, social and governance commitments. The four pillars in section 12, environmental stewardship, empowering people, ethical governance, and community and cultural impact, turn the mission into objectives, and each objective carries its baseline in section 21.

Our core values:

Cultural integrity

Inclusivity

Sustainability

Transparency

Innovation with purpose

How the values show in the record. Cultural integrity shows in the archive and in safeguarding work mapped against the UNESCO 2003 Convention. Inclusivity shows in the Diversity, Equity and Inclusion Policy, which sets a target of at least 45% women by FY 2028 from 8.1% today, and in a gender pay gap of 0.01%. Sustainability shows in the ISO 14001 system and the Environment Policy targets for energy, water, waste and carbon. Transparency shows in publishing every materiality score with its basis and in seeking independent assurance over selected disclosures (section 28). Innovation with purpose shows in the digitised archive, 45% complete, and in the digital pattern optimisation and sustainable design software we use to reduce material waste.



PICTURE 5

5

What makes Chanakya distinct

Chanakya International works at the intersection of art, culture and sustainability. Six capabilities set the house apart. Each is evidenced in the chapters that follow. The first four describe the craft and the people who carry it. The last two describe how the house governs its operations and extends its work into artisan communities.

Cultural archives. A repository of Indian embroidery and textile techniques, spanning centuries of regional and symbolic diversity. Documentation records each craft form's historical context, symbolism and regional variation, so that it continues to inform new work.

Global influence. Collaborations with more than 15 cultural institutions and exhibitions across 15 countries. Joint exhibitions, residencies and research take the craft into contemporary art and design settings.

Empowered workforce. A skilled team of 37 employees carries the craft forward. All 37 are permanent and directly employed, and beyond our own floor a mentorship system of 247 master artisans guides apprentices through on-site learning.

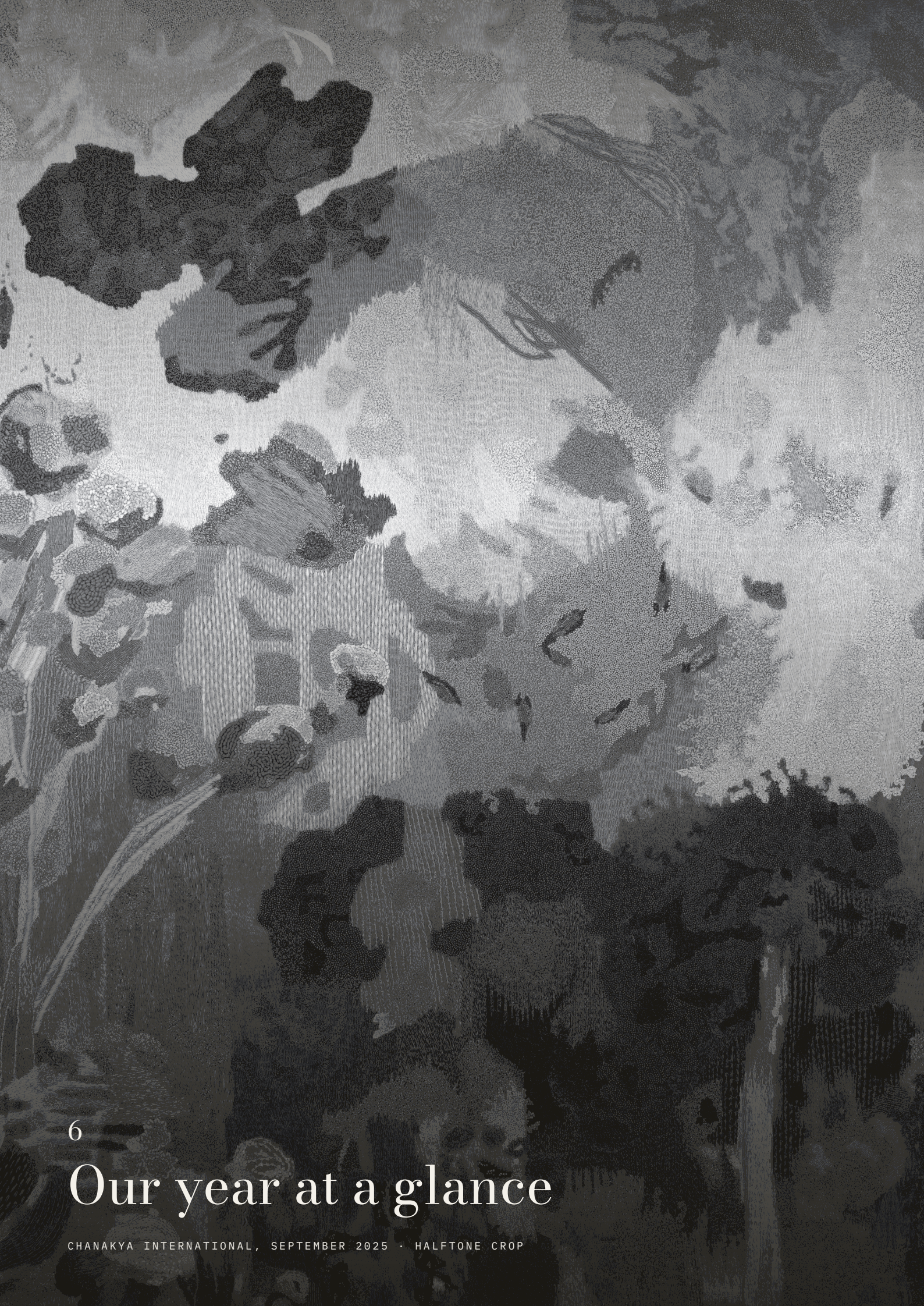
Digitisation. 45% of the archive is digitised. Digitisation safeguards the collection against physical degradation, and a digital learning platform delivers more than 50 multilingual courses.

Sustainability integration. Certified to ISO 9001, ISO 14001, ISO 45001, ISO 28000, SA 8000, ISO/IEC 27001 and ISO 37001; integrating circular design and responsible waste management. All seven certificates were held at 31 March 2026.

Community impact. Through the Chanakya Foundation, initiatives span education, healthcare, skill development and women's empowerment. The Foundation has established more than 100 women's self-help groups among artisan communities.



PICTURE 6



6

Our year at a glance

CHANAKYA INTERNATIONAL, SEPTEMBER 2025 · HALFTONE CROP

Founded in Mumbai in 1984, Chanakya International works across hand embroidery, cultural preservation, archival documentation, artisan training and sustainable design. This chapter summarises FY 2025-26 across culture, environment, people and governance, the four pillars this report is organised around. FY 2024-25 grid electricity and Scope 2 are shown as restated in Appendix B.

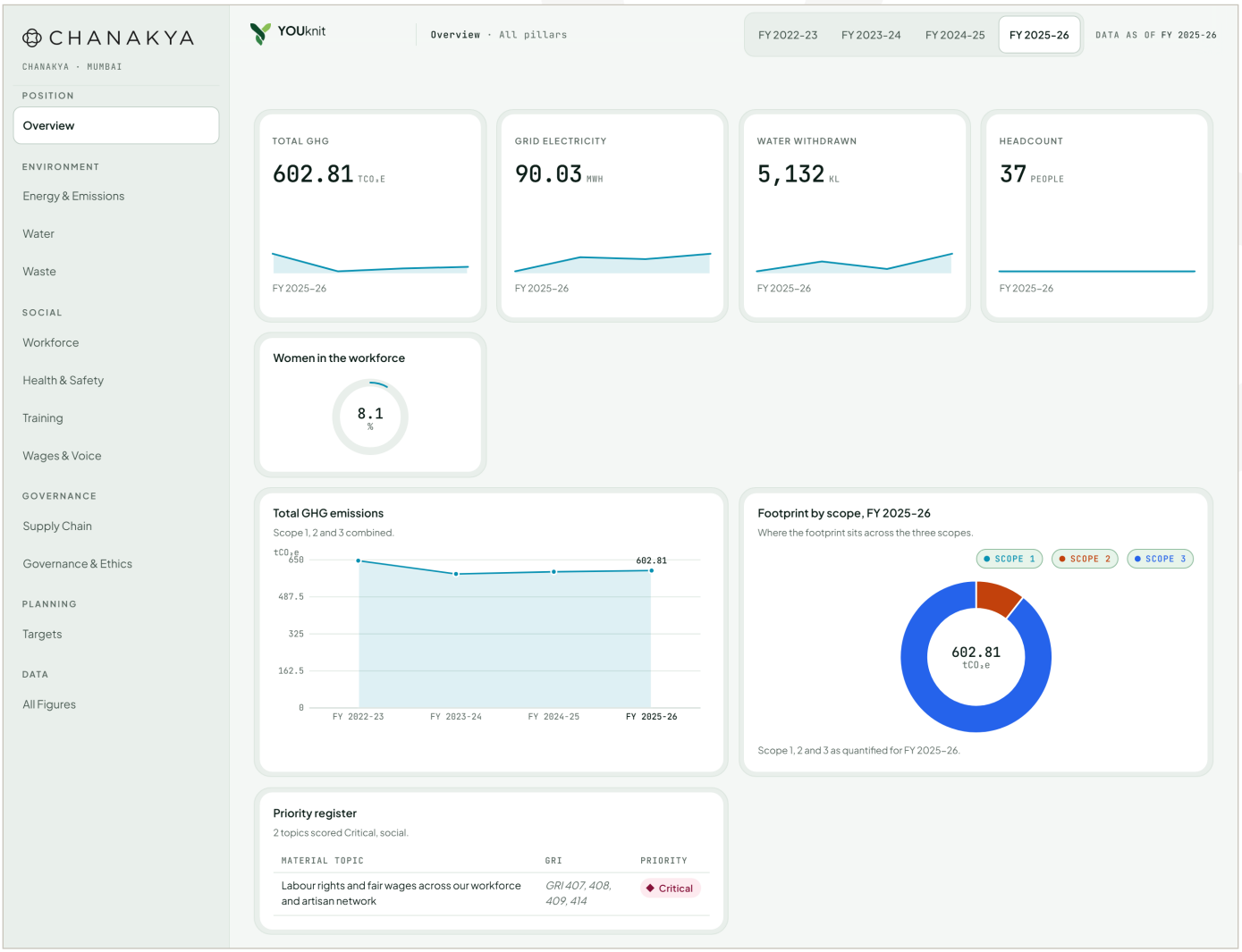
INDICATOR	FY 2024-25	FY 2025-26
Skilled workforce (all permanent, directly employed)	37	37
Countries of presence	15	15
Grid electricity purchased (MWh) and Scope 2 (tCO_2e, location-based)	82.644 MWh; 58.68 tCO_2e	90.030 MWh; 63.92 tCO_2e
Water drawn annually (KL, municipal supply)	4,441 KL	5,132 KL
Waste recycled, diverted from landfill	2%	2%
Employees paid above the statutory minimum wage and the living-wage benchmark	100%	100%
Recordable work-related injuries	0	0
Training hours delivered in the year	85 OHS hrs	96 OHS hrs

OUR YEAR AT A GLANCE · FY 2024-25 AGAINST FY 2025-26



Reading the year. Our workforce held at 37 people and our presence at 15 countries. Grid electricity rose 8.9% on the metered readings, from 82.644 MWh to 90.030 MWh, and Scope 2 rose in the same proportion, because the same Central Electricity Authority factor applies to both years. Water drawn from municipal piped supply rose from 4,441 KL to 5,132 KL, with no on-site recycling or other source. Waste recycled held at 2%, and 98% went to disposal through our two appointed vendors, against a 2028 target of 90% diversion. Every employee was paid above both the statutory minimum wage and the food-basket living-wage benchmark used for our SA 8000 certification. Recordable injuries were zero in both years across 92,352 hours worked, and OHS training rose from 85 to 96 hours, 2.6 hours per employee.

The year on screen. The Overview screen of YOUknit opens on four headline figures for FY 2025-26: total greenhouse gas emissions, grid electricity, water withdrawn and headcount. Below them, a ring gives the share of women in the workforce, 8.1%, as section 16.2 gives it. The charts give total emissions, Scope 1, 2 and 3 combined, for each year from FY 2022-23 to FY 2025-26, and the footprint by scope for FY 2025-26. A priority register counts the two of our twelve material topics scored Critical and shows the first, with its GRI standards. Section 26.7 sets out the Scope 3 categories in the total, and section 26.12 the basis of its FY 2025-26 Scope 1 and Scope 3. Section 9.4 sets out how a figure on this screen traces to this report and to its record. The screen's FY 2025-26 figures are in the tables in sections 6, 11.5, 15.2 to 15.4 and 16.2 and in the data annex at 25.1 to 25.4. The opening of section 9 and Appendix B name the record behind each, and sections 11.1 and 11.4 the evidence the topic scores rest on.



YOUknit · OVERVIEW SCREEN · FY 2025-26 VIEW

7

Our value-creation model

Value creation at Chanakya rests on bringing together heritage preservation, sustainability and the empowerment of the people we work with. The model traces how inputs from artisans, materials and communities are converted, through our activities, into outputs and then into cultural, social, environmental and economic outcomes.

STAGE	WHAT IT COMPRISES
Inputs	Skilled artisans and trained embroidery specialists; responsibly sourced textiles and eco-conscious materials; renewable, biodegradable fibres (raffia, organic cotton, silk); energy, water and waste discipline under ISO 14001; alliances with cultural institutions, NGOs and sustainable suppliers.
Activities	Documentation and digitisation of traditional techniques; hand embroidery rooted in sustainable design; artisan training through a mentorship network of 247 master artisans; community development via the Chanakya Foundation; responsible, traceable supply-chain partnerships.
Outputs	Handcrafted textiles; digitised archives (45%); 127 new embroidery techniques documented in FY 2024-25; a waste diversion target of 90% by 2028, from 2% in FY 2024-25.
Outcomes & impact	Preservation of India's living craft heritage; livelihoods for artisans; cultural collaboration across 15 partner countries; reporting with reference to the GRI Standards and mapped to the UN SDGs.

The model is circular. Outcomes such as trained artisans, documented techniques and resilient communities become inputs to the next cycle. Documented techniques and the digitised archive become the reference for new work and for teaching, and artisans trained through the mentorship system become the skilled hands of the next cycle, so cultural continuity and the growth of the business develop together.

How the model is governed. The inputs that carry an environmental or social cost are managed under certified systems: energy, water and waste under ISO 14001, the health and safety of the people doing the work under ISO 45001, and labour conditions under SA 8000, with our suppliers held to the Supplier Code of Conduct that all 14 active suppliers signed. The outcomes are reported against their indicators in the chapters that follow: the archive and technique figures in Culture and heritage, electricity, water and waste in Environment, and workforce, wages and safety in Our people.



PICTURE 7

8

Stakeholder engagement

Our work depends on the strength of our relationships with the groups who contribute to it and are affected by it. We match the channel and the frequency of engagement to how closely each group's interests intersect with ours.

We use in-person consultations, capacity-building workshops, periodic surveys, digital feedback platforms and confidential grievance-redressal channels across these relationships, at a frequency suited to each one. Each group's expectations reach us through the channel suited to it. For our clients, that is compliance reviews and the due-diligence and audit requirements they apply to us as a supplier, which are one of the two bodies of evidence behind our materiality scores. For our suppliers, it is the half-yearly assessments and the capacity building that ran to 11 supplier training sessions and 180 hours. For our employees, it included 28 social-dialogue engagements in FY 2025-26, with 100% of the agreements reached implemented.

STAKEHOLDER GROUP	HOW WE ENGAGE	KEY TOPICS & EXPECTATIONS	FREQUENCY
Artisans & employees	Consultations, training workshops, grievance redressal	Wages, safety, health, skill development, cultural pride	Ongoing
Clients & customers	Regular meetings, compliance reviews, feedback platforms	Product quality, authenticity, sustainable sourcing	Quarterly
Suppliers & partners	Social & environmental assessments, capacity building	Fair labour, sustainable sourcing, compliance	Half-yearly
Cultural institutions	Collaborations, exhibitions, knowledge exchange	Preservation, global cultural promotion	Project-based
Communities	Foundation programmes, self-help groups, education	Empowerment, healthcare, local livelihoods	Ongoing
Investors & regulators	Compliance disclosures, governance reviews	Accountability, risk management, long-term value	Annual

Where stakeholder input goes. Insights from these channels feed the highest governance body's reviews of strategy and disclosure. Partnerships with cultural organisations, academic institutions and sustainability networks extend our reach and share expertise. No grievance was logged in the Grievance Register from its opening in October 2025 to 31 March 2026, and the People chapter sets out that register. In FY 2024-25, 32 grievances were raised and 32 resolved.

How a concern is raised and handled. Our Grievance Procedure and Policy, which references ILO Convention No. 98, covers employees, prospective employees, agents and contractors. It asks an employee to raise a concern directly with the person involved where they are comfortable doing so, and otherwise with their line manager, who meets the employee, explains the procedure and refers the matter to a more appropriate manager where they cannot handle it impartially. The procedure commits the house to handle grievances without victimisation or intimidation, and as close to their source as possible. Concerns about misconduct run through the Whistleblower and Non-Retaliation Policy, which requires every complaint to be acknowledged within 24 hours, taken into investigation within five working days and concluded within 30 working days.

9

Methodology and data integrity

Our reporting methodology has three streams, set out in sections 9.1 to 9.3. The narratives connect the figures to the people and the craft behind them, the analytics compile the figures themselves, and assurance tests a defined set of them.

Key performance indicators across the report cover environmental parameters, resource consumption, workforce statistics, training metrics and community-development outcomes.

The basis of each figure. Grid electricity is metered monthly at the Raheja Xion address and, for FY 2025-26, checked month by month against the utility bills, and Scope 2 is calculated from it on the Central Electricity Authority grid emission factor. Water withdrawal is recorded monthly, and waste is weighed and recorded monthly on the material handed to the disposal vendors. Work-zone air quality is entered in our data collection workbook by month of monitoring, and each noise result carries the date printed on the laboratory's report. Workforce figures come from the HR record, and hours worked are 92,352 in FY 2025-26 and in FY 2024-25, the headcount of 37 at the HR standard of 312 days of 8 hours, 2,496 hours per employee. Grievances, incidents and maternity benefit are drawn from their registers, and Scope 1 and Scope 3 are set out, with the method behind them, in Appendix B. Where a factor enters a calculation, its source is named beside it, as with the grid emission factor of 0.710 tCO_2 per MWh behind Scope 2.

9.1 Qualitative narratives

We contextualise our mission, heritage-preservation efforts and community engagement through narratives that connect performance indicators to real-world outcomes for artisans and communities. Each narrative in this report rests on a figure or a document: the Culture and heritage chapter on the archive and mentorship figures, and the Risks and opportunities chapter on the site risk assessment of 2 January 2026.

9.2 Quantitative analytics

Data-driven analysis is drawn from operational records and from production and supply-chain monitoring systems. KPIs are compiled and benchmarked against annual objectives for consistent, comparable measurement. Where a better record replaces a figure we have published before, we restate the earlier year and give the reason in Appendix B, as we have for FY 2024-25 grid electricity.

9.3 Independent assurance

Section 28 is reserved for the independent assurance statement over selected disclosures in this report, set on those pages exactly as signed by the assurance provider. It names the provider, the disclosures covered, the standard and level of assurance applied, the procedures performed and the conclusion. The report as a whole, including the reporting processes described in this section, is reviewed by management.

9.4 Data platform and protection

Where the data is held. YOUknit, an ESG data platform, holds up to four years of each of our environmental, social and governance series, from FY 2022-23 to FY 2025-26. Its FY 2025-26 figures on the screens printed here are also printed in this report, and the note beside each screen names where, and which sections name the record. The records are meter readings and BEST bills, our data collection workbook, the HR record, our MPCB undertaking, our materiality scoring record, our policies, our FY 2024-25 report, the Central Electricity Authority's grid emission factor and the methods in Appendix B. A figure on those screens can therefore be followed to the report, and from the report to its record, at any time of the year, not only when a report is prepared. The screens leave out some panels, labels and lines and the year-on-year change markers, and each register shows only some of its rows.

How the data is protected. The company that provides YOUknit holds ISO/IEC 27001:2022 certification for its information security management system. That certificate covers the provider's own management system within its certified scope; it is not a certification of YOUknit. The provider's certificate is separate from our own ISO/IEC 27001:2022 certification, which section 17.3 sets out. Each company's data on YOUknit is held apart, and a login sees only its own company's data.

II

Risk, materiality and strategy

10 RISKS AND OPPORTUNITIES 20

11 MATERIALITY ASSESSMENT 27

12 ESG STRATEGY, PILLARS AND OBJECTIVES 35

13 OUR POLICIES 38



10

Risks and opportunities

CHANAKYA INTERNATIONAL, SEPTEMBER 2025 · HALFTONE CROP

Labour conditions in the artisan and craft-agency network beyond our own floor are the risk most material to this house. The craft is hand embroidery, manual and dry, with no dyeing, no wet processing and no effluent treatment plant, carried out by a directly employed core of 37 people alongside a wider network of artisans and craft agencies engaged on a different basis, for clients who are global luxury fashion houses. Labour rights and fair wages across that network is the only topic in our materiality assessment scoring 5 on both impact and financial materiality, and the site risk assessment scores labour violations in the supplier base at 9, moderate. Cultural heritage transmission, the second Critical topic, follows it in the consolidated table at section 10.7.

10.1 How risk is governed

Oversight of sustainability-related risk sits with the highest governance body, which reviews sustainability priorities, performance indicators and this report's disclosures quarterly and endorses the report, in FY 2025-26 and in FY 2024-25 alike. The materiality assessment that underpins this section was rebuilt this cycle from the evidence base, and its tiering is management's judgement. Section 28 is reserved for the independent assurance statement over selected FY 2025-26 disclosures. Between those reviews, our policies set the monitoring cadence. The Environment Policy provides for quarterly review of energy, emissions, water, wastewater quality, chemical management and waste indicators, and every non-compliance or performance gap it identifies opens a corrective and preventive action, verified to closure. The Labor and Human Rights Policy feeds wage, working-hours, safety, grievance and supplier metrics into quarterly dashboards reviewed by leadership, and provides for cross-checking between HR, payroll and grievance records.

The certified management systems carry the operating detail. ISO 14001:2015 governs environmental risk: energy, emissions, water and waste. ISO 45001:2018 governs occupational health and safety risk, certified to the scope "Design, Manufacture, Collection & Globally Export of Hi-Fashion Hand Embroidered Garment Panels & Accessories". ISO/IEC 27001:2022 governs information-security risk. ISO 37001:2016 governs anti-bribery and corruption risk. ISO 28000:2022 governs supply-chain security risk. SA 8000:2014 governs labour and human-rights risk across the directly employed workforce and feeds into supplier assessment. Each system was independently certified and held at 31 March 2026. The scored register that runs across them is the site risk assessment set out in section 10.2.



PICTURE 8

10.2 The basis for this section

The scored instrument behind this section is our Physical Hazard Identification and Risk Assessment for the site, dated 2 January 2026, which gives 30 June 2026 as its review date. It was carried out by Mr Amit Patwa, our Chief Compliance Officer. Its 43 entries reach well beyond the workshop floor: office and handwork ergonomics, electrical and fire safety, the building's diesel generator, pantry and housekeeping, infectious disease, third-party bribery, data storage and transmission, supplier capacity, quality and labour practice, supply disruption, employee travel, and the particular exposures of women employees, pregnant women, new mothers, young workers and migrant workers.

How each entry is scored. Every activity is scored for severity of impact (I) and for probability of occurrence (P), each from 1 to 5, and its total score is I multiplied by P, to a maximum of 25. The assessment's legend sets the rating bands: low risk below 8, moderate risk from 8, significant risk above 12 and high risk above 16, and the assessor rated the two entries that score exactly 12 as significant. Each entry also names the type of control determined, on a hierarchy running from elimination and substitution through engineering and administrative controls to personal protective equipment, and describes the control in place.

How the entries fall. Of the 43 entries, 11 are rated low risk, 30 moderate and 2 significant, and none is rated high. Administrative controls appear in all 43, engineering controls in 32 and personal protective equipment in 4. The one elimination control applies to lone and out-of-hours working, which is avoided or minimised, with a safe drop home when it cannot be.

The two significant entries. Both score 12, on an impact of 4 and a probability of 3. The first is ignition of fuel at the building's diesel generator during storage, transport and refilling; the generator belongs to the building, and the building management controls the fire risk under a work instruction, an emergency response plan and fire extinguishers. The second is the spread of COVID-19 to staff and visitors on the premises, controlled by standard operating procedures in line with WHO and government guidance: temperature checks at entry, masks, sanitiser and hand-washing points, scheduled disinfection of frequently touched surfaces, physical distancing, staggered lunch times and private transport for employees.

The next band. Eight entries score 10, the highest moderate score, each on an impact of 5 and a probability of 2: food safety in the pantry, electrical kitchen equipment, quality-control failure at an exclusive supplier, political or social instability in a supplier's region, harassment, discrimination and facilities for women employees, transmittable disease, pregnant women, and young workers. Seven of the eight rest on engineering and administrative controls. The entry for pregnant women rests on administrative controls: adjusted workloads and light duties, a workplace free of harmful chemicals, paid maternity leave and flexible working that includes work from home.

The sections that follow set each principal risk against the control that stands against it today, and cite the register's score wherever an entry covers it.

10.3 Principal environmental risks

Three of the 12 topics in the materiality chapter sit in this group: water management and waste management, both tiered Monitor, and climate resilience and emissions, tiered Manage. Chemical management sits alongside them.

Climate transition and physical exposure. Carbon pricing, tightening client and regulatory decarbonisation requirements and energy-market shifts are the house's principal transition exposures. Physical exposure at the Mumbai site, heat and monsoon-linked disruption, is the subject of a dedicated climate physical-risk assessment in the forward roadmap. On the supply side, the site risk assessment scores natural disasters and transport disruption affecting supplier deliveries at 9, moderate, controlled by backup suppliers for critical materials, safety stock and flexible multi-modal transport. Our FY 2025-26 GHG inventory covers all three scopes and totals 602.81 tCO_2e: Scope 1 is 0.068 tCO_2e; Scope 2 is 63.92 tCO_2e, location-based, computed from 90.030 MWh of metered grid electricity against 82.644 MWh in FY 2024-25; and Scope 3 is 538.82 tCO_2e, calculated from the 92,352 hours worked in FY 2025-26, at the HR standard of 312 days. Against that basis, the house has committed to source 50% renewable electricity by 2027 and 100% by 2035, both against a 2024 baseline of 0%, all electricity being purchased from the grid, to reduce its overall carbon footprint by 50% by 2035 from 597.57 tCO_2e in FY 2024-25, and to reach carbon neutrality across Scope 1, 2 and 3 by 2050. Within that, the scope targets for 2035 add up to the overall one: Scope 1 to zero from 0.068 tCO_2e in FY 2024-25, after a 30% cut by 2030; Scope 2 to zero from 58.68 tCO_2e, through 100% renewable electricity; and Scope 3 45% lower, from 538.82 to 296.35 tCO_2e. Together they leave 296.35 tCO_2e in 2035, 50.4% below 597.57 tCO_2e, with SBTi validation targeted by 2028. These are forward commitments, not achieved outcomes.

Water withdrawal was 5,132 KL in FY 2025-26, against 4,441 KL in FY 2024-25, drawn entirely from municipal piped supply. There is no borewell, no rainwater harvesting and no on-site recycling, so a local supply interruption or water stress event would pass straight through to the studio, with no on-site buffer to absorb it. The standing controls are the ISO 14001 system, monthly withdrawal recording, potability testing of supply, and discharge limited to domestic wastewater to the MCGM sewer under the Pollution Control undertaking.

Waste diversion against the 2028 target. The Environment Policy commits the house to divert 90% of waste from landfill by 2028, and we measure that commitment from our FY 2024-25 position of 2%. Non-hazardous waste generation is recorded monthly by weight in our waste log, 3.36 MT in FY 2024-25 and 2.54 MT in FY 2025-26, and 2% of FY 2025-26 waste was recycled, with 98% sent for disposal. The standing controls are three-stream source segregation, disposal through two appointed vendors, and employee segregation training.

Chemical inputs draw high regulatory and buyer scrutiny in textiles generally. The craft here is dry, with no dyeing, wet processing or effluent treatment plant, so the wastewater chemical load that dominates conventional textile chemical management is largely absent. The standing controls are 100% chemical-input screening and the elimination of restricted substances, under a Customer Health & Safety Policy aligned to OEKO-TEX, REACH and ZDHC. The one chemical exposure on the site risk assessment, contact with housekeeping chemicals, is rated low at 6, with masks, mops and protective gloves provided and used.

10.4 Principal social risks

Three of the 12 topics anchor this group directly: cultural heritage preservation and transmission, and labour rights and fair wages, both tiered Critical in the materiality chapter, and artisan empowerment, skills and employment, tiered Manage. Diversity, equity and inclusion, also tiered Manage, sits alongside them. Community impact, one of the two remaining social topics in the materiality chapter, is carried through the artisan empowerment and cultural heritage risks below, because the Chanakya Foundation's programmes and the artisan network are where it arises; the other, occupational health, safety and wellbeing, is set out with the operational risks at 10.6.

Craft-knowledge and heritage transmission. Intangible embroidery techniques and motifs depend on continued transmission across the directly employed workforce and the wider artisan network. Gaps in documentation or succession would narrow the house's craft and provenance advantage over time. Heritage safeguarding activity is mapped against the UNESCO 2003 Convention's measures: identification, documentation, research, preservation, protection, promotion, enhancement and transmission. 127 new techniques were documented in FY 2024-25 and the archive is 45% digitised, and a catalogued inventory of techniques and motifs is the planned step that completes the mapping.

Embroidery work extends beyond the 37 directly employed staff into an extended craft-agency and supplier tier engaged on a different basis, where labour and human-rights conditions are harder to observe directly than inside direct employment. The site risk assessment scores labour violations in the supplier base, child labour, forced labour and poor working conditions among them, at 9, moderate, controlled by a code of conduct every supplier signs. The standing controls are SA 8000 certification, a Supplier Code of Conduct signed by 100% of active suppliers, child-labour risk assessed within the supplier ESG audit, which reached 9 of the 10 strategic suppliers, 90%, in FY 2025-26, the Child Remediation and Living Wage Policies, and the Remediation for Human Rights and Abuses framework. 10 of the 14 active suppliers are classified as strategic, and 10 supplier ESG audits were conducted in FY 2025-26.

Low representation of women in the direct workforce. The craft has historically been male-dominated, and women are 8.1% of the 37-person workforce (3 people), with 1 of the 3 Board seats held by a woman. The house has committed to raise that to at least 45% women across all levels by FY 2028 under the Diversity, Equity and Inclusion Policy. The site risk assessment scores harassment, discrimination and facilities for women employees at 10, controlled by a zero-tolerance policy with training for all employees, gender-neutral restrooms, private spaces for breastfeeding, committees for female employees and flexible working. Annual DEI training is required of every employee, and completion was 100% in FY 2025-26 and in FY 2024-25. Female retention was 3 of 3, 100%.

10.5 Principal governance risks

Sustainable supply chain, governance and integrity, and information security and client data are the three governance-pillar topics in the materiality chapter. Tightening buyer and regulatory disclosure expectations, though not a named material topic in its own right, sits naturally alongside them because the controls that answer all four run through the same certified systems.

Supplier oversight runs at three different levels of assurance. Screening, 100% of the 14 active suppliers signing the Code of Conduct and being assessed for sustainability risk, is the broadest. Self-assessment sits above it, completed by the supplier and not verified. On-site audit is narrower again: 10 of the 14 active suppliers are classified as strategic, and 10 supplier ESG audits were conducted in FY 2025-26, covering 9 of the 10 strategic suppliers, 90%. 1 of the 10 suppliers audited, 10%, was found non-compliant, and 100% of those non-compliances were remediated within three months. The site risk assessment scores supplier capacity, quality-control failure and supply disruption at 9 to 10, controlled by periodic capacity assessment, quality audits and incoming-material testing, backup suppliers in other regions and safety stock. The standing controls are ISO 28000 certification, the Supplier Code of Conduct, environmental, social and labour clauses in contract, annual buyer training, and remediation of non-compliances within three months.

Bribery, corruption and an untested grievance channel. Sensitive transactions and dealings with suppliers and clients carry bribery and conflict-of-interest exposure. The site risk assessment scores bribery or kickbacks in third-party dealings at 9, moderate, controlled by due diligence on third parties, including background checks and financial assessments, and by regular internal audits. The standing controls are ISO 37001 anti-bribery certification, the Business Ethics and Integrity Policy, dual approval on 100% of high-value transactions, a corruption-risk assessment covering 100% of operations, 100% ethics and anti-bribery training, and the Whistleblower and Non-Retaliation Policy. Zero whistleblowing complaints and zero confirmed corruption incidents were recorded in FY 2025-26 and in each year of the trend window.

Tightening SEBI BRSR Core assurance, EU CSRD and ESRS value-chain reporting flowing down through luxury buyers, and continued ISSB adoption raise what clients will expect the house to disclose, even though Chanakya is unlisted and outside BRSR's mandatory scope. CBAM was assessed and found not applicable to Chanakya's product profile, since the mechanism covers iron and steel, aluminium, cement, fertiliser, electricity and hydrogen, not textiles or craft. The standing position against this is the multi-framework alignment set out in the Frameworks chapter: GRI, SASB, TCFD and IFRS S2, the Higg FEM and FSLM modules, and the voluntary BRSR and NGRBC mapping.

10.6 Principal operational risks

Workplace health and safety and information security are each a named material topic in the materiality chapter, both tiered Manage, and each carries its own GRI Standard and its own certified management system.

Workplace health and safety hazards. The exposure that comes from the craft itself is postural strain and eye strain from long sitting and display-screen work, scored 8 in the site risk assessment of 2 January 2026 and controlled by ergonomically designed chairs and workstations, screens set against glare and frequent breaks, and daily ergonomics reinforcement on the floor, 182.5 hours in the year, which is 30 minutes for each day of the year and is floor practice, not training. The register's two highest entries among its 43, each significant at 12, are diesel-generator fire and COVID-19; the generator on the premises belongs to the building, as the Environment chapter sets out, and is controlled by the building management. The standing controls are the ISO 45001 certified management system, quarterly equipment inspections, four emergency drills a year, risk assessment twice a year, annual medical examinations for 100% of employees, and one standing health and safety committee. Zero fatalities, high-consequence injuries, recordable injuries and lost-time injuries were recorded in FY 2025-26 and in FY 2024-25, across 92,352 hours worked in each year, a rate of zero per 200,000 hours.

Clients are global luxury fashion houses whose designs and specifications are commercially sensitive, so a breach or unauthorised disclosure of client data would affect client trust directly. The site risk assessment scores unauthorised access and data loss in storage and transmission, cloud services and remote access included, at 9, controlled by regular patching and updating of software and by vulnerability assessment and penetration testing. The standing controls are the ISO/IEC 27001 certified information-security management system, annual information-security risk assessments, company-wide cybersecurity and data-protection training reaching 100% of employees in FY 2025-26 and in FY 2024-25, a formal Incident Response Plan, and data-protection agreements with vendors, with vendor compliance at 100%. Zero data breaches were confirmed in FY 2025-26 and in FY 2024-25.

10.7 Principal risks, consolidated

The twelve principal risks are ordered by materiality tier, and eight of them are covered by entries in the site risk assessment. Workplace health and safety draws on the register as a whole, with its two significant entries at 12. Low representation of women corresponds to the entries for women employees, pregnant women and new mothers, scored 10, 10 and 9. Human-rights exposure in the supplier network corresponds to the labour-violations entry at 9, bribery to the third-party dealings entry at 9, and client-data confidentiality to the data storage and transmission entry at 9. Supplier assurance corresponds to the supplier capacity, quality and disruption entries at 9 and 10, climate exposure to the supply-disruption entry, whose named causes include natural disasters, at 9, and chemical inputs to the housekeeping-chemicals entry, rated low at 6.

RISK	WHY IT MATTERS HERE	CONTROL IN PLACE TODAY	WHERE DISCLOSED
Human-rights and livelihood exposure in the extended artisan and supplier network	Craft-agency and supplier tiers sit outside direct employment, where conditions are harder to observe directly	SA 8000 certification; Supplier Code of Conduct; child-labour risk assessed within the supplier ESG audit; Child Remediation and Living Wage Policies; remediation framework	People chapter; Governance and ethics chapter; Frameworks chapter
Craft-knowledge and heritage transmission	Techniques and motifs depend on continued transmission; documentation gaps would narrow the craft and provenance advantage	Heritage safeguarding activity mapped against the UNESCO 2003 Convention; formal technique and motif inventory planned	Frameworks chapter

RISK	WHY IT MATTERS HERE	CONTROL IN PLACE TODAY	WHERE DISCLOSED
Low representation of women in the direct workforce	Women are 8.1% of the 37-person workforce in a historically male-dominated craft	Diversity, Equity and Inclusion Policy target of at least 45% women by FY 2028, from 8.1%; annual DEI training	People chapter
Assurance depth narrower than headline supplier coverage suggests	Screening covers 100% of the 14 active suppliers; on-site audit reached 9 of the 10 classified as strategic in FY 2025-26	ISO 28000 certification; Supplier Code of Conduct; contract clauses; remediation within three months	Governance and ethics chapter
Workplace health and safety hazards	43 hazards recorded on site; postural and eye strain from handwork and screen work scored 8; the two entries rated significant, at 12, are the building's diesel generator and COVID-19	ISO 45001 certified system; quarterly inspections; four drills a year; site risk assessment dated 2 January 2026, review due 30 June 2026; one health and safety committee	Frameworks chapter; People chapter
Climate transition and physical exposure	Carbon pricing and tightening decarbonisation requirements bear on cost and market access; site-level physical exposure is the subject of a dedicated climate physical-risk assessment in the forward roadmap	ISO 14001 system; GHG inventory; Environment Policy decarbonisation commitments to 2027, 2030, 2035 and 2050; climate physical-risk assessment planned	Environment chapter; Frameworks chapter
Bribery, corruption and an untested grievance channel	Sensitive transactions carry conflict-of-interest exposure; third-party bribery scores 9 in the site risk assessment	ISO 37001 certification; Business Ethics and Integrity Policy; dual approval; annual corruption-risk assessment; whistleblowing policy	Governance and ethics chapter
Client-data confidentiality and information security	Clients are global luxury fashion houses with commercially sensitive designs and specifications	ISO/IEC 27001 certified system; annual risk assessments; cybersecurity training; Incident Response Plan	Governance and ethics chapter
Dependence on external piped water supply	No borewell, rainwater harvesting or on-site recycling, so supply interruption or local water stress passes straight through	ISO 14001 system; monthly withdrawal recording; supply potability testing; domestic-only discharge under the Pollution Control undertaking	Environment chapter
Waste diversion running behind the 2028 target	Diversion was 2% in FY 2025-26, as in FY 2024-25, against a 90% commitment for 2028	Three-stream source segregation; disposal through two appointed vendors; segregation training	Environment chapter
Chemical inputs to buyer standard	High regulatory and buyer scrutiny of chemical inputs generally, though the craft is dry with no wet processing	100% chemical-input screening; restricted substances eliminated	Frameworks chapter; Environment chapter
Tightening buyer and regulatory disclosure expectations	SEBI BRSR Core, EU CSRD/ESRS and ISSB adoption raise what luxury buyers will expect, though Chanakya is unlisted	Multi-framework alignment (GRI, SASB, TCFD/IFRS S2, Higg FEM/FSLM, voluntary BRSR/NGRBC mapping)	Frameworks chapter

10.8 Opportunities

Three opportunities follow from what the house already is: its heritage, the buyers it serves and a dry, manual craft.

Heritage and craft provenance as a commercial asset. The house's intangible-heritage safeguarding work, mapped against the UNESCO 2003 Convention in the Frameworks chapter, gives clients a documented record of craft provenance. It rests on more than 10,000 heritage artifacts, more than 100,000 documented craft explorations and 127 new techniques documented in FY 2024-25, and the catalogued inventory of techniques and motifs planned within 24 months completes the mapping.

Buyer ESG data requests as market access. The Frameworks chapter maps the house's existing data against the Higg FEM and FSLM modules, SASB, TCFD and IFRS S2, and the BRSR and NGRBC principles. With that mapping in place, most buyer requests are answered from one consistent data base. The seven certificates held at 31 March 2026, the Supplier Code of Conduct signed by all 14 active suppliers and the 10 supplier ESG audits of FY 2025-26 sit in that same data base.

A dry, manual craft with structurally low transition exposure. No dyeing, no wet processing and no effluent treatment plant mean the house's environmental profile and its exposure to tightening chemical and carbon-intensive-process regulation are both structurally lower than a conventional textile manufacturer's. Our own operations account for 63.92 tCO_2e of Scope 2 and 0.068 tCO_2e of Scope 1. The remaining 89.4% of our 602.81 tCO_2e footprint sits in Scope 3, mostly packaging and raw materials we buy, which is where the Environment Policy directs reduction, through supplier engagement, material innovation and responsible logistics.

10.9 What would strengthen this position

Health and safety risk assessment is conducted twice a year. The site risk assessment dated 2 January 2026 gives 30 June 2026 as its review date. It scores natural disasters as a cause of supplier disruption, at 9, and does not assess them as a hazard to the Mumbai site itself, which is the gap the physical-risk assessment below is set to close.

Two actions committed in the forward roadmap chapter extend it. A dedicated climate physical-risk assessment for the Mumbai site, covering flood, heat-stress, cyclone, sea-level and water-stress exposure, is owned by EHS and Sustainability within the next one to two years. Formal documentation of the Scope 3 quantification methodology is owned by Environment and EHS this year, moving toward third-party verification. The Scope 3 documentation matters to our reported figures because Scope 3 is 538.82 tCO_2e, 89.4% of the footprint, and packaging materials at 390 tCO_2e and raw-material procurement at 95 tCO_2e were 90.0% of the FY 2024-25 total, which is why our reduction work is aimed at packaging and procurement.



PICTURE 9



11

Materiality assessment

CHANAKYA INTERNATIONAL, SEPTEMBER 2025 · HALFTONE CROP

Materiality, for Chanakya International, means two things at once: the environmental, social and governance topics on which the house has its largest effect on people and the environment, and the topics most capable of affecting the business itself, through the buyers who qualify us as a supplier, the regulators who permit us to operate, and the artisans and employees whose work is our product. This chapter sets out how we identified those topics for FY 2025-26, the two bodies of evidence we scored them against, the tiers that result, how each topic in the top two tiers is managed, and what moved since our previous cycle. The topics are close to the ones we have reported before. The scoring behind them is new.

11.1 The basis of this assessment

This is a management assessment formed from documented evidence, and every score in this chapter is management's own rating. The channels set out in the Stakeholder engagement chapter are how we work with artisans, employees, clients, suppliers, cultural institutions, communities, investors and regulators through the year.

What the evidence base is. The scores rest on our own records: metered electricity and water, waste and circularity figures, workforce composition, the grievance and remuneration registers, the site risk assessment of 2 January 2026, the certified management systems and their certificates, the ten policies and the commitments in them, and the requirements our clients apply to us as a supplier. Each score carries a written rationale naming the evidence it rests on, held in the scoring record behind this chapter.

Proportionate to our size. We employ 37 people at one site in Byculla East. The tiering is management's judgement, formed from the evidence cited, and it sits with the highest governance body, which reviews sustainability priorities and this report's disclosures quarterly and endorses the report, as the Risks and opportunities chapter records.

What the next cycle adds. We intend to gather stakeholder input for this purpose and record it topic by topic: a short structured instrument for employees and artisans, a written question set to our principal clients on the topics they weight most heavily, and a supplier question set that reaches the artisan and homeworker network we work with through intermediaries. The site risk assessment already scores 43 entries on impact and probability, and the Risks and opportunities chapter sets its scores against the principal risks behind these topics.

11.2 Building the assessment

Purpose and scope. We defined material topics as those on which the house has, or could have, its most significant effect on people and the environment, and those most capable of affecting its value, its risk and its permission to trade, across our single site, our directly employed workforce, our 14 active suppliers and the extended artisan and homeworker network our work reaches through intermediaries.

Long list. We built a candidate list from our operations and value chain, our policy suite, the certifications we hold, the due-diligence requirements our luxury fashion clients apply to their suppliers, and the sector references the Frameworks chapter maps us against.

Categorisation. We clustered the candidates into Environment, Social and Governance, and kept cultural heritage as a named social topic, separate from community impact, because the archive and the transmission work behind it have a scale of their own.

Evidence. We assembled two bodies of evidence, one for how we affect people and the environment and one for how a topic bears on the business. They are separate in purpose and in most cases in source. Three records carry in both directions and appear on both sides: our Scope 1 emissions, our recorded water withdrawal, and our ISO/IEC 27001 certification.

Scoring. We scored every topic on both axes on a 1 to 5 scale, each score carrying a one-line rationale that names its evidence.

Testing. We tested the result three ways: whether either axis is the other one relabelled, which the scoring record calls the transpose test; whether every tier follows from the rule we state and every score sits inside the scale we declare, the threshold test; and whether the two axes rank the topics differently, the divergence test. Section 11.4 reports each result.

Publication and challenge. We publish the scores with their basis, so that a reader, a buyer or an assessor can disagree with a specific score and not only with the ranking as a whole.

11.3 The topics we considered

Our long list ran to 16 candidates, of which 12 are carried as material topics and 4 are not carried this cycle. One topic from our previous list has been divided in two.

The 4 candidates not carried are these:

Biodiversity and land use. We occupy one floor of a multi-storey building and operate no land that interacts with habitats, so there is no impact here for us to manage.

Energy as a topic in its own right. Our energy use within the organisation is 90.302 MWh, of which 90.030 MWh is purchased grid electricity, the whole of our Scope 2 basis, and 0.272 MWh is petrol for one company-owned bike, the whole of our Scope 1, so we score energy once, inside climate resilience and emissions.

Chemical management. The craft is dry, with no dyeing, no wet processing and no effluent, and the MPCB undertaking we signed on 27 March 2024 declares exactly that. Every chemical input is screened, restricted substances are eliminated, and the site risk assessment rates contact with housekeeping chemicals low, at 6.

Product and customer safety. It is governed by the Customer Health and Safety Policy and by the ISO 9001 quality system, and the site risk assessment scores quality-control failure in the supply base at 9 and 10, controlled by quality audits, random sampling and laboratory tests of materials and finished products. We manage it there and carry it as a candidate for the next cycle.

Two topics added. Occupational health, safety and wellbeing is now a named material topic. Fine hand embroidery carries ergonomic and eye-strain exposure: the site risk assessment of 2 January 2026 scores postural problems and eye strain from long sitting and display-screen work at 8, among 43 scored entries, and ergonomics is reinforced on the floor for 30 minutes for each day of the year. Information security and client data is the second addition. Our clients are luxury fashion houses whose designs and specifications are commercially sensitive, our information-security management system is certified to ISO/IEC 27001:2022 and we disclose against GRI 418.

One topic divided. Artisan empowerment and inclusion is now two topics. Employment, skills and craft transmission sit on one side. Wages and working conditions for the people who work on our products through intermediaries, outside our employment sit on the other. The two rest on different evidence, carry different exposures and are disclosed against different GRI Standards, and scoring them apart lets each carry its own evidence.

11.4 Two axes, and the rule that sets the tiers

Impact materiality. This axis scores our effect on people and the environment, following GRI 3-1. We rated severity from the scale of the effect, its scope and, for negative effects, how far they can be put right, and we rated separately how likely the effect is: occurring now, likely, possible, unlikely or remote. Where an effect is occurring or likely, the impact score is the severity rating. Where it is possible or less likely, the score is one band below severity. The evidence for this axis is operational: withdrawal and waste figures, workforce composition, the registers, the hazard record, the archive and mentorship figures, and the visibility we do and do not have into the extended artisan network.

Financial materiality. This axis scores how far a topic bears on the business, and it uses a different body of evidence: the due-diligence and audit requirements our clients apply to us, the expectations our clients record with us through the channels the Stakeholder engagement chapter sets out, our regulatory obligations and declarations, our own published commitments, cost and continuity exposure, and what our permission to trade depends on. Every score names its driver. This report publishes no figure drawn from our audited financial statements, no turnover, revenue, profit or capital figure, so the axis is ordinal and no exposure is expressed as a share of turnover. Likelihood is scored on the impact axis only and is deliberately not counted again here, because using the same likelihood judgement on both axes would make each axis restate the other.

The tier rule. Tiers follow the two scores by a stated rule, not by rank order:

Critical: 4 or above on both axes, or 5 on one axis with 3 or above on the other.

Manage: not Critical, and either 4 or above on one axis, or 3 on both.

Monitor: 3 or below on both axes, and not Manage.

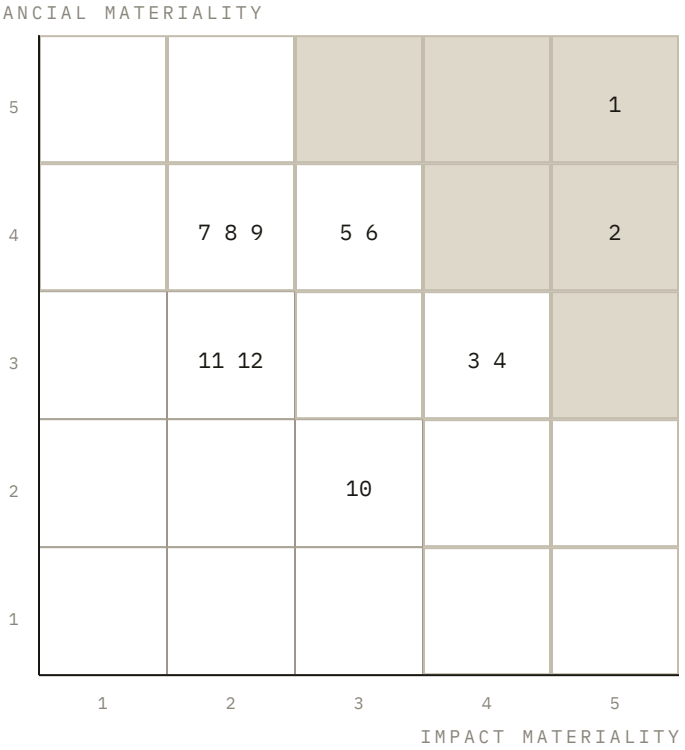
What the three tests showed. The transpose test asks whether either axis merely repeats the other. It does not: 11 of the 12 topics carry a different score on the two axes, 7 score higher on financial materiality than on impact, 4 score higher on impact, one scores equally, and three topics sit two bands apart. The threshold test asks whether the tiers follow from the rule. Every score sits inside the 1 to 5 scale this chapter declares, and every one of the 12 topics sits in the tier its two scores produce, with no exceptions and no discretionary override, so no tier label in this chapter implies a threshold the numbers do not meet. The divergence test asks whether the two axes order the topics differently, and they do: the topic scoring highest on impact that does not also top the financial axis sits a band lower on financial materiality, and the topic sitting mid-range on impact comes last on financial materiality.

11.5 The material topics

MATERIAL TOPIC	PILLAR	GRI STANDARD	IMPACT MATERIALITY	FINANCIAL MATERIALITY	PRIORITY
Labour rights and fair wages across our workforce and artisan network	S	GRI 407, 408, 409, 414	5	5	Critical
Cultural heritage preservation and transmission	S	GRI 413	5	4	Critical
Artisan empowerment, skills and employment	S	GRI 401, 404	4	3	Manage
Occupational health, safety and wellbeing	S	GRI 403	4	3	Manage
Diversity, equity and inclusion	S	GRI 405, 406	3	4	Manage

MATERIAL TOPIC	PILLAR	GRI STANDARD	IMPACT MATERIALITY	FINANCIAL MATERIALITY	PRIORITY
Sustainable supply chain and responsible procurement	G	GRI 204, 308	3	4	Manage
Climate resilience and emissions	E	GRI 302, 305	2	4	Manage
Governance and integrity	G	GRI 205, GRI 2	2	4	Manage
Information security and client data	G	GRI 418	2	4	Manage
Community impact	S	GRI 413	3	2	Monitor
Water management	E	GRI 303	2	3	Monitor
Waste management	E	GRI 306	2	3	Monitor

MATERIAL TOPICS BY IMPACT AND FINANCIAL MATERIALITY



1 Labour rights and fair wages across our workforce and artisan network
2 Cultural heritage preservation and transmission
3 Artisan empowerment, skills and employment
4 Occupational health, safety and wellbeing
5 Diversity, equity and inclusion
6 Sustainable supply chain and responsible procurement
7 Climate resilience and emissions
8 Governance and integrity
9 Information security and client data
10 Community impact
11 Water management
12 Waste management

Where the two axes pull apart. Three topics score 2 on impact and 4 on financial materiality: climate resilience and emissions, governance and integrity, and information security and client data. That is the profile of a small, dry, single-site craft house selling to buyers who ask hard questions. Our own operations contribute 63.92 tCO_2e of Scope 2 on 90.030 MWh of purchased electricity and 0.068 tCO_2e of Scope 1, Scope 3 in our value chain adds 538.82 tCO_2e, 89.4% of our 602.81 tCO_2e footprint and mostly packaging and raw materials we buy, our recorded corruption and breach incidents are zero in both reported years, and the population directly exposed to a governance or data failure is small. What is not small is what a buyer, an assessor or a regulator does about any of the three. The reverse pattern holds for community impact, which scores 3 on impact and 2 on financial materiality, because the Chanakya Foundation's programmes reach artisan communities while no client requirement, regulatory obligation or measured cost attaches to them.

Where they converge. Only one topic scores 5 on both: labour rights and fair wages across our workforce and the artisan network. On the impact side it covers people who work on our products through intermediaries, where conditions are hardest for us to observe and a wage or rights failure is the hardest to put right. On the business side it is where the strongest driver in our file lands, since our clients run supplier due diligence and a confirmed labour finding removes a supplier from a luxury supply chain. Zero child-labour and forced-labour cases were confirmed in FY 2025-26 and in FY 2024-25, and section 11.8 sets out how the topic is managed.

11.6 Reading the tiers

The Critical tier holds 2 topics. Labour rights and fair wages, and cultural heritage preservation and transmission. These carry the fullest management attention and the most complete disclosure in this report, in the Our people, Governance and ethics and Culture and heritage chapters.

The Manage tier holds 7 topics. Artisan empowerment, occupational health and safety, diversity, equity and inclusion, sustainable supply chain, climate resilience and emissions, governance and integrity, and information security. Each is actively managed, most of them under a certified management system, and each is disclosed in the Environment, Our people or Governance and ethics chapters with its own data.

The Monitor tier holds 3 topics. Community impact, water management and waste management. We track and disclose all three. Monitor does not release the commitments we have already published on any of them: the Environment Policy's 25% water reduction and 90% landfill diversion targets for 2028 stand, as the targets chapter records. Water withdrawal is entered monthly and waste is weighed and logged monthly, so a movement in either is visible within the month it occurs, and both are reported against their 2028 targets in section 21.

11.7 What changed from our previous cycle

The assessment we carried into this cycle scored 9 topics on two layers, one headed severity and likelihood and one headed impact and financial materiality. On review, the layers were not independent of each other: each resolved to the same pair of numbers, so neither could corroborate the other, and the tier labels did not follow the threshold that was stated alongside them. We have rebuilt the scoring so that each axis rests on its own evidence and each tier follows a stated rule, and the topics that follow moved as a result.

TOPIC	PREVIOUS TIER	NOW	WHY IT MOVED
Labour rights and fair wages in the artisan network	Part of a Critical topic	Critical	Separated out and scored on its own evidence, where it is the only topic scoring highest on both axes
Artisan empowerment, skills and employment	Critical	Manage	The remaining half of that topic. Impact stays high; the business exposure scores moderate, with female retention at 3 of 3, 100%, and high-performer retention at 83%
Water management	Critical	Monitor	A dry craft with no wet processing, no industrial effluent and domestic-grade withdrawal. What keeps it disclosed and watched is a withdrawal of 5,132 KL drawn entirely from piped municipal supply
Waste management	High	Monitor	2.54 MT non-hazardous and 14 kg of hazardous e-waste generated in FY 2025-26, both weighed and recorded monthly by the house, and 2% recycled. The published 2028 diversion commitment of 90% stands
Climate resilience and emissions	High	Manage	Same position in substance, now reached by a stated rule. Previously it sat in the second tier on a score below the threshold published beside it
Diversity, equity and inclusion	Medium	Manage	Women are 8.1% of the workforce against a published commitment of at least 45% by FY 2028, and the Risks and opportunities chapter names low representation as a principal social risk. The lowest tier could not be reconciled with either
Governance and integrity	Medium	Manage	Our clients run integrity due diligence, and the site risk assessment scores bribery in third-party dealings at 9, moderate
Occupational health, safety and wellbeing	*Not a listed topic*	Manage	Named as a risk elsewhere in this report and covered by a certified system, with postural and eye-strain exposure scored at 8 in the site risk assessment
Information security and client data	*Not a listed topic*	Manage	Certified to ISO/IEC 27001:2022 and disclosed against GRI 418, on client designs and specifications that are commercially sensitive

Cultural heritage preservation remains in the top tier and community impact remains in the lowest. Sustainable supply chain holds its position, now under the name responsible procurement as well, with supplier social assessment moved across to the labour rights topic where the substance of it is disclosed.

11.8 How we manage these topics (GRI 3-3)

Each of the nine topics in the top two tiers has a governing instrument, a tracking method and a place of disclosure in this report.

MATERIAL TOPIC	GOVERNING INSTRUMENT	HOW PERFORMANCE IS TRACKED	WHERE DISCLOSED
Labour rights and fair wages	Labor & Human Rights Policy and Child Labor Prevention Policy; Supplier Code of Conduct; SA 8000:2014	Zero confirmed child-labour and forced-labour cases in both years; child-labour risk assessed within the supplier ESG audit, reaching 9 of the 10 strategic suppliers, 90%; no grievance logged in the Grievance Register from its opening in October 2025 to 31 March 2026; average annual wage INR 291,568, gender pay gap 0.01%, and every employee paid above both the statutory minimum wage and the living-wage benchmark of INR 125,450; supplier labour violations scored 9 in the site risk assessment	Our people; Governance and ethics
Cultural heritage preservation and transmission	Managed through the archive, the Chanakya School of Craft, the mentorship system and alignment with the UNESCO 2003 Convention	Archive digitisation at 45%, 127 new techniques documented in FY 2024-25 and 247 master artisans in the mentorship system; a catalogued inventory of techniques and motifs is planned	Culture and heritage
Artisan empowerment, skills and employment	Labor & Human Rights Policy, including upskilling for at least 75% of homeworkers by FY 2027; Chanakya School of Craft and the mentorship system	Two dated sessions on 23 January 2026, reaching 4 and 14 attendees; 96 OHS training hours in FY 2025-26, up from 85 in FY 2024-25, being 2.6 hours per employee; performance-linked training 4.5 hours per employee; female retention 3 of 3, 100%, high-performer retention 83%, internal promotion 24.2%	Our people; Culture and heritage
Occupational health, safety and wellbeing	Employee Health, Safety & Wellbeing Policy; ISO 45001:2018	Site risk assessment of 2 January 2026, 43 entries, two rated significant; zero fatalities and zero injuries in both years, as a rate of zero per 200,000 hours across 92,352 hours worked; quarterly equipment inspections, four emergency drills a year and risk assessment twice a year; annual medical examinations for 100% of employees; daily ergonomics reinforcement on the floor, 30 minutes for each day of the year	Our people; Risks and opportunities
Diversity, equity and inclusion	Diversity, Equity & Inclusion Policy, targeting at least 45% women across all levels, from 8.1%, and 30% in leadership, from 25%, by FY 2028, and a gender pay gap at or below 5% by FY 2027, against 0.01% today	3 women of 37, being 8.1%, and 1 of 3 on the Board; 5 of 37 employees, 13.5%, from underrepresented groups; DEI training completion 100%; gender pay gap 0.01%; DEI satisfaction index 4.8 out of 5	Our people
Sustainable supply chain and responsible procurement	Sustainable Procurement Policy and the Supplier Code of Conduct; ISO 28000:2022	14 active suppliers, all signed and screened; 10 classified as strategic; 10 supplier ESG audits in FY 2025-26, covering 9 of the 10 strategic suppliers, 90%; 1 of the 10 suppliers audited, 10%, found non-compliant and 100% remediated within three months; 11 supplier training sessions, 180 hours; 75% of spend local	Governance and ethics; ESG data annex

MATERIAL TOPIC	GOVERNING INSTRUMENT	HOW PERFORMANCE IS TRACKED	WHERE DISCLOSED
Climate resilience and emissions	Environment Policy; ISO 14001:2015	90.030 MWh of purchased grid electricity metered monthly, the whole of our Scope 2 basis, converted to 63.92 tCO_2e on the published CEA grid factor; Scope 1 0.068 tCO_2e; Scope 3 538.82 tCO_2e; annual energy and carbon audits; renewable share nil; site climate physical-risk assessment planned	Environment; Frameworks
Governance and integrity	Business Ethics & Integrity Policy and Whistleblower & Non-Retaliation Policy; ISO 37001:2016	Zero corruption and bribery incidents in both years; 100% ethics and anti-bribery training, dual approval on 100% of high-value transactions, corruption-risk assessment across 100% of operations; zero whistleblowing reports, on a policy that names the Compliance Office as the monitor of cases; third-party bribery scored 9 in the site risk assessment	Governance and ethics
Information security and client data	Information Security & Data Retention Policy; ISO/IEC 27001:2022	Zero confirmed breaches in both years; information-security training coverage 100%; annual risk assessments; Incident Response Plan requiring every incident to be detected, reported and resolved within 72 hours; stakeholder consent for data processing 100%; vendor data-protection compliance 100%; data storage and transmission scored 9 in the site risk assessment	Governance and ethics

Where the management approach rests on practice and on measured outcomes. Cultural heritage preservation scores 5 on impact, our highest band, and it is managed through the archive, the School of Craft and the mentorship system, aligned with the UNESCO 2003 Convention; no policy in the ten-policy suite covers it. On wages, the gender pay gap is 0.01%, and every employee is paid above both the statutory minimum wage and the living-wage benchmark of INR 125,450, which is set by a food-basket analysis of the local market and was used for our SA 8000 certification. On occupational health, 100% of employees undergo the annual medical examination, and ergonomic exposure is scored in the site risk assessment and reinforced daily. On grievances, none was logged in the Grievance Register from its opening in October 2025 to 31 March 2026, and 32 were raised and 32 resolved in FY 2024-25, and the whistleblowing policy guarantees non-retaliation. Across the artisan and homeworker network our reach is through intermediaries, so the assurance behind our zero counts is the Supplier Code of Conduct, SA 8000 certification and the 10 supplier ESG audits of FY 2025-26.

Who is accountable. The policy suite is reviewed by the Chief Compliance Officer, Mr Amit Patwa, and signed by the Chief Strategy Officer, Mr Balakrishna Vasudevan. Each policy carries a named owner in the policy document itself, and we intend to publish the owner of each material topic in the next cycle. Two forward actions carry named functions: the site climate physical-risk assessment sits with EHS and Sustainability, and formal documentation of the Scope 3 methodology sits with Environment and EHS, as the forward roadmap chapter records.

On what certification evidences. 6 of the 9 topics above are managed under a third-party certified system, and certification means an external auditor has tested the system against the standard. The outcomes are the figures in the tracking column of the table above, reported beside the certificate for each topic.

11.9 Alignment to GRI 3

This assessment is prepared with reference to GRI 3: Material Topics 2021. Disclosure 3-1 is addressed by the process and the scoring rules in sections 11.1 to 11.4, including the basis on which topics entered and left the list. The assessment drew on documented evidence and on the requirements our clients apply to us as a supplier, and the structured stakeholder input described in section 11.1 is planned for the next cycle. Disclosure 3-2 is addressed by the tiered list of 12 topics in section 11.5, together with the record of what changed since the previous cycle in section 11.7. All 12 topics are reported as material topics for GRI 3, and three of them, climate resilience and emissions, governance and integrity, and information security and client data, score 2 on impact and are carried on the strength of their financial score. Disclosure 3-3 is addressed for the 9 topics in the top two tiers by section 11.8, and the 3 Monitor topics are managed under the Environment Policy and the Chanakya Foundation's programmes and disclosed in the Environment and Culture and heritage chapters.

MATERIAL TOPIC	GRI STANDARD	SDG
Labour rights and fair wages across our workforce and artisan network	GRI 407, Freedom of Association and Collective Bargaining; GRI 408, Child Labor; GRI 409, Forced or Compulsory Labor; GRI 414, Supplier Social Assessment	–
Cultural heritage preservation and transmission	GRI 413, Local Communities	SDG 4, 11
Artisan empowerment, skills and employment	GRI 401, Employment; GRI 404, Training and Education	SDG 5, 8
Occupational health, safety and wellbeing	GRI 403, Occupational Health and Safety	–
Diversity, equity and inclusion	GRI 405, Diversity and Equal Opportunity; GRI 406, Non-discrimination	SDG 5, 10
Sustainable supply chain and responsible procurement	GRI 204, Procurement Practices; GRI 308, Supplier Environmental Assessment	SDG 12
Climate resilience and emissions	GRI 302, Energy; GRI 305, Emissions	SDG 13
Governance and integrity	GRI 205, Anti-corruption; GRI 2, General Disclosures	SDG 16
Information security and client data	GRI 418, Customer Privacy	–
Community impact	GRI 413, Local Communities	SDG 1, 11
Water management	GRI 303, Water and Effluents	SDG 6
Waste management	GRI 306, Waste	SDG 12

The SDG column carries the mappings in the materiality workbook for the 9 topics that continue from our previous cycle. Of the 3 topics new to this cycle, labour rights and fair wages sits with the SDG 8.5 decent-work contribution set out in the SDG alignment chapter, and occupational health and safety and information security are managed under ISO 45001 and ISO/IEC 27001.

Wages against the local benchmarks. Every employee is paid above both the statutory minimum wage and the living-wage benchmark of INR 125,450, which is set by a food-basket analysis of the local market and was used for our SA 8000 certification, in FY 2025-26 and in FY 2024-25. The ESG data annex carries the full wage series.

Basis of the scores in this chapter. Both axis scores are management's own ratings for FY 2025-26, made against the evidence named in section 11.8 and in the scoring record behind this chapter, and each is a rating. No score is taken from a previous cycle. The operational figures cited to explain a score are drawn from the Environment, Our people, Governance and ethics and Culture and heritage chapters. The SDG mappings are from the materiality workbook. No financial figure is used anywhere in this chapter.



PICTURE 10

12

ESG strategy, pillars and objectives

This section sets out the six principles that guide the strategy, the four pillars that organise it, and the objectives and targets tracked against them through 2030. The strategy answers the material topics in section 11: each pillar gathers the topics it governs, and each objective carries the baseline against which section 21 reports progress.

12.1 Six guiding principles

The strategy rests on six guiding principles.

Cultural integration: sustainability and cultural preservation are treated as inseparable, so that authenticity is upheld while operations adapt to modern standards.

Leadership accountability: the leadership team and senior management hold direct responsibility for embedding sustainability in strategic decisions. The policy suite is reviewed by the Chief Compliance Officer and signed by the Chief Strategy Officer, and the highest governance body reviews sustainability priorities and this report's disclosures quarterly.

Alignment with global standards: practice is reported with reference to the GRI Standards and mapped to the UN Sustainable Development Goals. Conduct is benchmarked against the ten principles of the UN Global Compact.

Materiality-driven approach: priorities are set by the materiality assessment, which scores every topic on impact materiality and on financial materiality. The Materiality assessment chapter sets out the rule that turns those two scores into tiers.

Transparency and assurance: we seek independent assurance over selected non-financial disclosures, and section 28 is reserved for the signed statement.

Continuous innovation: digital records and the digitised archive, now 45% complete, support transparency and traceability. Digital pattern optimisation and sustainable design software are used to reduce material waste.

12.2 Strategic ESG pillars

Our ESG framework has four pillars, from environmental stewardship to community and cultural impact.

Environmental stewardship. Our environmental commitments run to 2050, the year of the carbon-neutrality commitment, and cover energy, water, waste and sourcing. They come from the Environment Policy, the packaging commitment aside, which is the Customer Health and Safety Policy's. The Environment Policy names renewable power purchase agreements as the route to renewable electricity, and segregation at source, with recycling partners for textile scraps and packaging recovery, as the route to the 2028 diversion target. Because purchased grid electricity is the whole of our Scope 2, renewable sourcing is the main lever we hold on energy-related emissions.

FOCUS	COMMITMENT
Energy	Reduce energy use 30% by 2030 from 298.50 GJ within the organisation in FY 2024-25, through automation, LED retrofits and smart metering; transition to 50% renewable electricity by 2027 and 100% by 2035, from 0% in FY 2024-25.
Water	Reduce water consumption 25% by 2028 from 4,350 KL consumed in FY 2024-25; achieve 100% wastewater recycling by 2032, from no on-site recycling in FY 2024-25.
Waste	Divert 90% of waste from landfill by 2028, from 2% in FY 2024-25; all packaging recyclable, non-toxic and safe by 2026, with 80% recyclable in FY 2025-26.
Sourcing	Source certified sustainable textiles aligned with ISO 14001 and SA 8000; conduct annual supplier assessments.

Empowering people. We aim to advance equity, wellbeing and inclusive growth for artisans and staff. These commitments come from the Diversity, Equity and Inclusion Policy, the Labor and Human Rights Policy and the Employee Health, Safety and Wellbeing Policy. The DEI Policy provides for quarterly dashboards on workforce diversity, pay equity, accessibility and training completion, and for annual pay equity audits whose results are disclosed in this report; the gender pay gap is 0.01%.

FOCUS	COMMITMENT
Skills	Provide continuous upskilling for all employees, achieving 100% annual OHS and skill-training coverage.
Representation	Raise women's representation to 45% across all levels and 30% in leadership by FY 2028 under the Diversity, Equity and Inclusion Policy, from 8.1% and 25% in FY 2024-25.
Safety	Maintain zero recordable injuries and 100% annual medical check-ups, from zero recordable injuries and 100% coverage in FY 2024-25.
Fair work	Uphold SA 8000 compliance across operations: fair wages, equal opportunity and secure conditions.

Ethical governance. Our governance commitments cover zero tolerance for corruption, leadership diversity, ethics training and assurance. They rest on the Business Ethics and Integrity Policy, the Whistleblower and Non-Retaliation Policy and our ISO 37001 anti-bribery management system. In FY 2025-26 there were zero confirmed corruption incidents, every employee completed ethics and anti-bribery training, and dual approval applied to 100% of high-value transactions.

FOCUS	COMMITMENT
Zero tolerance	Maintain zero tolerance for corruption, money laundering and unethical practice across operations and supply chains.
Leadership diversity	Strengthen the leadership team with cultural leaders, sustainability specialists and independent experts.
Ethics training	Ensure all employees, including new hires and senior leadership, complete ethics, anti-bribery and compliance training each year.
Assurance	Continue regular independent assurance and transparent ESG reporting aligned with recognised frameworks.

Community and cultural impact. We extend our mission to grassroots social and cultural change. The Chanakya Foundation delivers these programmes from its own premises, outside the reporting boundary, and the School of Craft and the mentorship system of 247 master artisans lead the transmission work.

FOCUS	COMMITMENT
Self-help groups	Grow and sustain the network of women's self-help groups beyond the 100 already established, focused on education, entrepreneurship and financial inclusion, to 2030.
Digitised archives	Continue digitising the archive, now 45% complete.
Collaboration	Partner with global cultural institutions, NGOs and academic bodies to deepen exchange and visibility.
Foundation programmes	Deliver targeted education, healthcare and empowerment programmes through the Chanakya Foundation.

12.3 ESG objectives and targets, 2024 to 2030

Our objectives run from their baseline values through interim milestones to longer-dated targets, so that each long-term commitment carries a near-term checkpoint. Section 21 reports each headline commitment against its FY 2024-25 baseline. Of the 16, 7 are met in FY 2025-26 and 9 are behind, among them renewable electricity, energy use, water, waste diversion, the carbon footprint, the share of women in the workforce and occupational illness.

Under our Diversity, Equity and Inclusion Policy, the workforce-diversity commitment is at least 45% women representation across all levels and 30% in leadership roles by FY 2028, from 8.1% and 25% today, and a minimum 10% participation of marginalised or economically disadvantaged groups. 5 of our 37 employees, 13.5%, are from underrepresented groups, above that 10% floor, and women hold 1 of the 3 seats on the Board. Under our Environment Policy, the climate pathway commits to 50% renewable electricity by 2027 and 100% by 2035, from 0% today, and carbon neutrality across Scope 1, 2 and 3 by 2050. These are forward-looking commitments, not achieved outcomes. Progress is reviewed by the highest governance body, and section 28 is reserved for the independent assurance statement over selected disclosures.

GOAL AREA	BASELINE	INTERIM TARGET	LONGER-DATED TARGET
GHG emissions	FY 2024-25: Scope 1 0.068, Scope 2 58.68, Scope 3 538.82 tCO_2e (Appendix A)	Validate all carbon reduction goals through SBTi by 2028	Reduce overall carbon footprint by 50% by 2035; achieve full carbon neutrality by 2050
Energy efficiency	298.50 GJ within the organisation (FY 2024-25, Appendix A)	Source 50% renewable electricity by 2027	Reduce industrial energy consumption by 30% by 2030
Water stewardship	4,350 KL consumed (FY 2024-25, Appendix A)	Reduce water consumption by 25% by 2028	Achieve 100% wastewater recycling by 2032
Waste management	2% recycled; 3.36 MT non-hazardous waste generated (FY 2024-25, Appendix A)	Divert 90% of waste from landfills by 2028	Recycle or repurpose 75% of post-consumer apparel by 2030
Occupational H&S	0 lost-time injuries (FY 2024-25)	Maintain zero lost-time injuries each year to FY 2027	Maintain zero lost-time injuries and zero workplace fatalities each year to FY 2030
Employee wellbeing	Wellbeing Index 85%	≥90% satisfaction	≥90% satisfaction maintained
Diversity & inclusion	Women 8.1%, 3 of 37 (FY 2024-25)	Expand women & minority share	45% women; 30% leadership (2028)
Information security	ISO/IEC 27001:2022 certified ISMS	100% trained; zero breaches	Zero breaches; 100% encryption
Supplier ethics	100% of 14 active suppliers signed and screened (FY 2024-25, Governance chapter)	100% sign-off; ≥90% compliance	Maintain 100% ethics compliance
Ethics & integrity	0 confirmed corruption or bribery incidents; 100% anti-bribery training coverage (FY 2024-25, Governance chapter)	100% anti-bribery certification	Zero corruption or fraud
Child-labour prevention	Age-verification active	100% supplier & agency review	100% child-labour-free chain
Whistleblower protection	0 whistleblower complaints recorded (FY 2024-25, Governance chapter)	100% cases resolved ≤30 working days	≥90% confidence index

The baselines. The 2024 baselines for energy efficiency, water stewardship, waste management, supplier ethics, ethics and integrity, and whistleblower protection are the FY 2024-25 figures given elsewhere in this report: energy at 298.50 GJ within the organisation, water at 4,350 KL consumed and non-hazardous waste at 3.36 MT generated with 2% recycled, all in Appendix A; supplier ethics at 100% of the 14 active suppliers signed and screened, zero confirmed corruption or bribery incidents with 100% anti-bribery training coverage, and zero whistleblower complaints across the trend window, all in the Governance chapter. The employee wellbeing baseline is the Wellbeing Index of 85% set in our 2024 objectives, measured on the same percentage scale as its targets. The DEI satisfaction index, a separate measure, stands at 4.8 out of 5. Where our FY 2024-25 report and the metered record differ, the baseline follows the restated figure in Appendix B, as for grid electricity and Scope 2 at 82.644 MWh and 58.68 tCO_2e.



PICTURE 11

13

Our policies

Our sustainability commitments are governed by a formal suite of ten policies. Each policy has a defined owner, a scheduled review cycle and target baselines set in 2023 and 2024. Every one of the ten carries the same governance block: reviewed by the Chief Compliance Officer, Mr Amit Patwa, and signed by the Chief Strategy Officer, Mr Balakrishna Vasudevan.

The suite covers what the house is accountable for beyond its financial statements. Child labour, labour and human rights, and employee health, safety and wellbeing cover the people who make our work, in our own operations and across supply chains and homeworker networks. Diversity, equity and inclusion, and environment, cover how the workplace is composed and what our operations consume and emit. Business ethics, information security and sustainable procurement cover how we transact, what we do with the data we hold, and what we require of the suppliers we buy from. Customer health and safety covers the product itself, and the whistleblower policy covers the channel through which any of the above can be challenged.

Each policy is written against an external reference point. Between them, the ten cite the ILO core conventions and ILO Conventions 138 and 182, the UN Guiding Principles, the Paris Agreement and SBTi, the Prevention of Corruption Act 1988, the DPDP Act 2023, Section 177 of the Companies Act 2013, OEKO-TEX, REACH and ZDHC, ISO 20400, and the ISO 9001, 14001, 27001, 37001 and 45001 standards together with SA 8000. Alignment to a standard in a policy document is not the same as certification against it, and the two are reported separately in this report.

How the policies reach the people they bind. Each policy applies beyond our own payroll. The Environment Policy names employees, artisans, managers, suppliers, contractors, vendors and third-party collaborators within its scope, and the Sustainable Procurement Policy makes acknowledgement of its terms a condition for any new supplier, contractor or agent doing business with us. All ten close with an acknowledgement that employees and suppliers sign, and all ten are introduced at onboarding. Every policy provides for translation into Hindi and other local languages.

THE POLICY REGISTER

POLICY	WHAT IT GOVERNS
Child Labor Prevention Policy	Zero-tolerance elimination of child labour across operations, supply chains and homeworker networks. Aligned to ILO Conventions 138 and 182.
Customer Health and Safety Policy	Non-toxic, fully tested and compliant products across the value chain. Aligned to ISO 9001 and ISO 45001, and to OEKO-TEX, REACH and ZDHC.
Diversity, Equity and Inclusion Policy	A diverse, equitable and inclusive workplace, with measurable diversity, pay-equity and accessibility commitments.
Employee Health, Safety and Wellbeing Policy	A Zero Harm workplace, with injury, PPE, training and wellbeing commitments. Aligned to ISO 45001 and SA 8000.
Environment Policy	Decarbonisation, energy, water, waste and circularity commitments. Aligned to ISO 14001 and the Paris Agreement; SBTi validation targeted by 2028.
Business Ethics and Integrity Policy	Zero tolerance for bribery, corruption and fraud. Aligned to ISO 37001 and the Prevention of Corruption Act, 1988.
Information Security and Data Retention Policy	Confidentiality, integrity and availability of information. Aligned to ISO 27001:2022 and the DPDP Act, 2023.
Labor and Human Rights Policy	Labour and human-rights commitments across operations and the value chain. Aligned to the ILO core conventions and the UN Guiding Principles.
Sustainable Procurement Policy	Responsible sourcing, with supplier screening, audit and local-sourcing commitments. Aligned to ISO 20400 and the UN Guiding Principles.
Whistleblower and Non-Retaliation Policy	A confidential whistleblowing channel with guaranteed non-retaliation. Aligned to Section 177 of the Companies Act 2013 and ISO 37001.

Owners and review. Each policy names its owner and its fixed review cycle. The suite as a whole is reviewed by the Chief Compliance Officer and signed by the Chief Strategy Officer. Each policy is reviewed at least once a year, and the Employee Health, Safety and Wellbeing Policy is also reviewed after any major incident, audit or change in legal or operational requirements. Each also carries a performance-monitoring clause, under which a deviation from a target or a legal requirement opens a corrective and preventive action whose closure is verified.

Together the ten policies set quantitative targets and qualitative commitments, which section 21 lists target by target with the policy each comes from. Each policy also carries a section on how its targets are measured. The Environment Policy, for example, measures Scope 1 and Scope 2 emissions from fuel logs and utility bills, energy intensity, and water withdrawal and consumption, and the Environment chapter reports them against GRI 305-1, 305-2, 302-3, 303-3 and 303-5.



PICTURE 12

III

Performance

14 CULTURE AND HERITAGE 41

15 ENVIRONMENT 45

16 OUR PEOPLE 55

17 GOVERNANCE AND ETHICS 65



14

Culture and heritage

CHANAKYA INTERNATIONAL · HALFTONE CROP

Chanakya International preserves hand-embroidery craft, transmits it to new artisans, and supports the artisan communities and the Chanakya Foundation that carry it forward. The archive, the Chanakya School of Craft, the Chanakya Foundation and the technology described below exist to keep this craft alive and turn that work into livelihoods. Each of the following subsections is disclosed against GRI 413-1 and mapped to the Sustainable Development Goals on quality education, gender equality, decent work, innovation and sustainable communities. The artisan network and the Foundation's community programmes are reported here on their own terms, and they sit outside the workforce of 37 whose figures the People chapter reports.

14.1 Cultural preservation

We combine traditional craftsmanship with contemporary innovation to safeguard intangible cultural heritage and generate livelihoods for the artisan communities who practise it.

The archive holds more than 10,000 heritage artifacts. They are catalogued and preserved alongside more than 100,000 documented craft explorations, and designers, scholars and artisans use the archive as a creative and educational reference. 45% of the archive is digitised, and that share stands in both reporting years. The artifacts represent craftsmanship from across India's regions, and the craft explorations record the embroidery techniques, motifs and regional variations behind them, so the archive holds method as well as finished pieces. Digitisation serves access and conservation together: a digitised piece can be consulted by a designer or scholar without the original being handled, which safeguards it against physical degradation.

Documentation is paired with transmission, so a craft form's historical context, symbolism and regional variation continue to inform new work. The house documented 127 new techniques in FY 2024-25. Our materiality assessment places cultural heritage preservation and transmission in its Critical tier, beside labour rights and fair wages, and scores it 5 on impact, our highest band. It is managed through the archive, the School of Craft and the mentorship system.

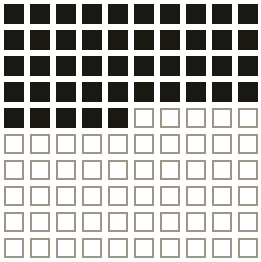
PRESERVATION ACTIVITIES

PRESERVATION ACTIVITY	DETAIL	STATUS
Archival cataloguing	10,000+ heritage artifacts	Ongoing
Craft exploration records	100,000+ explorations	Ongoing
Digitisation of archives	45% complete	In progress
New techniques documented	127 in FY 2024-25	Recorded

CULTURAL PRESERVATION, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Textile artifacts catalogued and preserved	10,000+	10,000+
Documented craft explorations	100,000+	100,000+
Archives digitised to date	45%	45%
New techniques documented	127	127

ARCHIVES DIGITISED TO DATE, FY 2025-26



45%

CULTURAL PRESERVATION, FY 2024-25 AND FY 2025-26 · FY 2024-25 AGAINST FY 2025-26



14.2 Innovation and technology

Digital pattern optimisation and sustainable design software are used to reduce material waste.

A mentorship system connects the house's 247 master artisans with emerging talent, alongside contemporary design education so traditional methods remain relevant to the markets they serve. The Chanakya School of Craft and the Chanakya Foundation are the two supporting bodies for this work, each on its own premises, and a digital learning platform delivers more than 50 multilingual courses.

How transmission is organised. The 247 master artisans guide apprentices through on-site learning, and the platform's more than 50 multilingual courses are designed for accessibility across the languages and learning needs of the artisans who use them. Our Labor and Human Rights Policy commits us to equal access to training and career advancement for employees, artisans and homeworkers, with structured induction, refresher and upskilling programmes each year and mentorship to support internal mobility. Our Diversity, Equity and Inclusion Policy adds skill-building and leadership mentoring for women artisans and for artisans moving into supervisory roles.

INNOVATION AND TRANSMISSION, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Master artisans mentoring apprentices	247	247
Multilingual courses on the platform	50+	50+
Supporting bodies (School of Craft & Foundation)	2	2
New techniques documented	127	127
Archives digitised	45%	45%

INNOVATION AND TRANSMISSION, FY 2024-25 AND FY 2025-26 · FY 2024-25 AGAINST FY 2025-26



14.3 Community and socioeconomic impact

Cultural preservation here is tied to livelihoods: the people who keep a craft alive are also the people the house works to support economically.

Women's self-help groups. The Chanakya Foundation has established more than 100 women's self-help groups among artisan communities. The groups are organised for community resilience and collective growth, and our Diversity, Equity and Inclusion Policy names partnership with self-help groups, rural cooperatives and training institutes as a route to gender equity and artisan inclusion.

Youth and apprenticeship. On-site apprenticeships continue the transmission of craft knowledge from master artisans to younger artisans. Apprenticeship here means the transmission of craft to young artisans of legal working age. Our Child Labor Prevention Policy prohibits the engagement of anyone below that age, directly or through subcontractors, homeworkers or labour brokers, and requires valid government-issued proof of age for every employee and worker before onboarding.

The Chanakya Foundation delivers education, healthcare and empowerment programmes for artisan communities. Its livelihood work is aimed at artisan income and skill diversification, and its wellness programmes at working conditions. Artisans are also supported to represent their craft in national and international forums.

14.4 Recognition and global standing

Chanakya International's cultural preservation work is carried out through cross-cultural collaboration. Our practice aligns with UNESCO's principles on safeguarding intangible cultural heritage; this is an alignment with those principles, not a UNESCO endorsement or certification.

Partnerships with museums, cultural institutions and design houses take our embroidery and textile craft into contemporary art and design settings, through joint exhibitions, residencies and research. These partnerships cover more than 15 partner bodies across 15 countries. The collaborations and exhibitions in those 15 countries carry the craft into cross-border cultural exchange. The most public recent instance is The Toran, the 46-foot community installation at the Gateway of India that our Artistic Director co-created in 2023, which the Governance chapter records with the leadership.

RECOGNITION AND GLOBAL COLLABORATIONS

RECOGNITION & COLLABORATION	FOCUS	REACH
UNESCO principles alignment	Safeguarding intangible heritage	Global
Cultural institution partnerships	Exhibitions & research	15+ bodies
International residencies	Cross-cultural exchange	15 countries
Museum & design-house work	Contemporary art dialogue	Global
Design forums & showcases	Heritage innovation	International



PICTURE 13



15

Environment

CHANAKYA INTERNATIONAL · HALFTONE CROP

Chanakya International is a hand-embroidery house. There is no dyeing, no wet processing and no effluent treatment plant on our floor, so the environmental footprint of the work sits in two places: the purchased electricity that lights and runs the studios, and the materials, packaging and freight that carry finished panels to clients. This chapter reports both, for the studios at the Raheja Xion address where our environmental figures are recorded.

15.1 Environmental performance overview

Our environmental management system is certified to ISO 14001:2015, held at 31 March 2026. Energy and emissions are compiled against the GRI 302 and GRI 305 disclosures, water against ISO 14001 and CPCB guidance, work-zone air quality against the IS:5182 method named in our monitoring form, and workplace noise against the Central Pollution Control Board day-time norm the laboratory applies on its own reports.

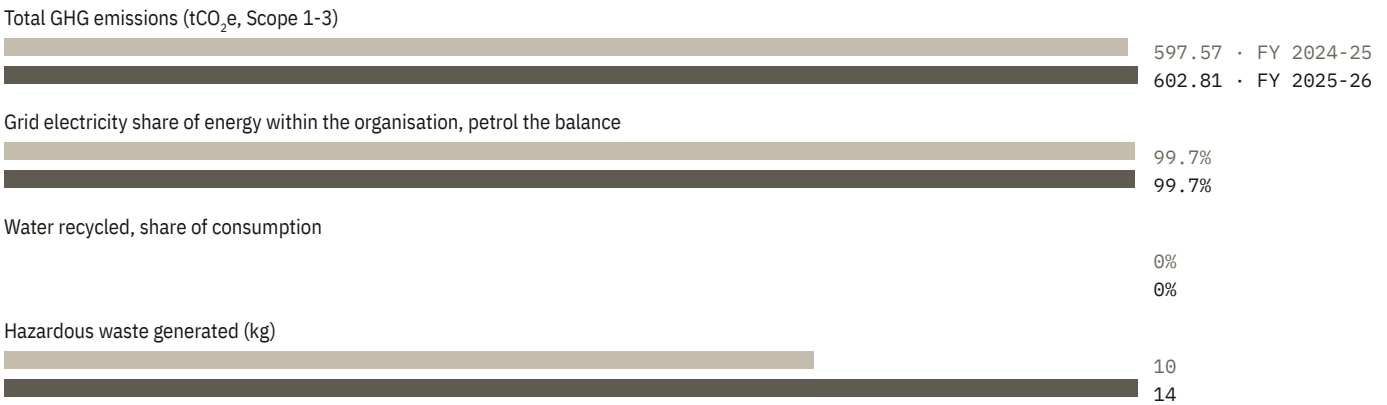
How the environmental figures are compiled. Grid electricity is metered monthly on our BEST commercial connection at the Raheja Xion address, and the petrol used by the company two-wheeler is the only other energy line within the organisation. Scope 2 is calculated from the meter and the grid emission factor published by the Central Electricity Authority, and Scope 1 and Scope 3 are set out in Appendix B. Water withdrawal from municipal supply is entered monthly. Waste is entered monthly in our waste log by stream and by weight, and e-waste is entered in the same log by weight in the month it arises. On-site water recycling is nil, because the site has no treatment plant. Energy, emissions and water intensity are expressed per employee, on the headcount of 37.

How environmental performance is governed. Our Environment Policy allocates the work. Senior management sets direction, approves budgets and integrates sustainability into governance; the compliance and sustainability officer the policy names leads implementation, regulatory compliance and reporting; an environmental compliance team conducts audits, maintains certifications and tracks the indicators; and operations and facility managers run the resource-efficiency and waste-reduction programmes. Under the policy, performance is reviewed each quarter across energy, greenhouse gas emissions, water, wastewater quality, chemical management and waste. A deviation from a target or a legal requirement opens a corrective and preventive action and a management review.

ENVIRONMENT OVERVIEW, FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Total GHG emissions (tCO_2e, Scope 1-3)	597.57	602.81
Energy within the organisation, change year on year (GJ)	Fall of 9.87 GJ (3.2%)	Rise of 26.59 GJ (8.9%)
Grid electricity share of energy within the organisation, petrol the balance	99.7%	99.7%
Water recycled, share of consumption	0%	0%
Hazardous waste generated (kg)	10	14

ENVIRONMENT OVERVIEW, FY 2025-26 · FY 2024-25 AGAINST FY 2025-26



15.2 Energy (GRI 302)

Energy within the organisation was 90.302 MWh, or 325.09 GJ, in FY 2025-26. It comprises 90.030 MWh of grid electricity, metered monthly, and 0.272 MWh of petrol in the company two-wheeler, against 82.916 MWh, or 298.50 GJ, in FY 2024-25, of which 82.644 MWh was grid electricity and 0.272 MWh petrol. Grid electricity and total energy within the organisation both rose 8.9% on the year. Energy intensity was 8.79 GJ per employee on the headcount of 37, against 8.07 GJ in FY 2024-25. Energy consumed outside the organisation, in the value chain, was 521.16 MWh, which brings total energy including the value chain to 611.462 MWh, or 2,201.26 GJ, against 604.076 MWh in FY 2024-25. Grid electricity is 99.7% of energy within the organisation and the whole of the Scope 2 basis. Our FY 2024-25 report published 61.21 MWh of grid electricity for that year; the monthly meter readings give 82.644 MWh, and the year is restated on that basis in Appendix B.

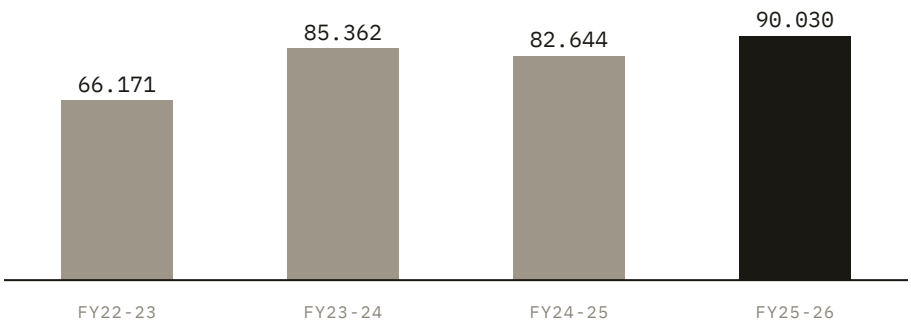
The generator on the premises. A diesel generator serves the building we occupy. We hold the first floor of a multi-storey building, and our site hazard register places the control against the generator with building management. Our undertaking to the Maharashtra Pollution Control Board declares no DG set among our own sources, and the house operates none.

Efficiency work and targets. The Environment Policy commits us to 50% renewable electricity sourcing by 2027 and 100% by 2035, both against a 2024 baseline of 0%, all electricity being purchased from the grid. Since purchased grid power is the whole of Scope 2, that transition is the main lever we hold on energy-related emissions. The policy names the means for each target: energy management systems and smart metering, high-efficiency equipment, LED lighting and automation to cut idle loads for the 30% reduction in energy use by 2030, from 298.50 GJ in FY 2024-25, and rooftop solar, long-term renewable power purchase agreements and energy storage for the renewable targets.

ENERGY, FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Grid electricity within the organisation (MWh)	82.644	90.030
Total energy incl. value chain (MWh)	604.076	611.462
Total energy incl. value chain (GJ)	2,174.67	2,201.26
Diesel / DG-set fuel (litres)	*No DG set operated by the house*	*No DG set operated by the house*
Energy intensity (GJ per employee)	8.07	8.79

PURCHASED ELECTRICITY, MWh, FY 2022-23 TO FY 2025-26



ENERGY, FY 2025-26 · FY 2025-26

90.030
Grid electricity within the organisation (MWh)

8.79
Energy intensity (GJ per employee)

ENERGY, FY 2025-26 · FY 2024-25 AGAINST FY 2025-26



15.3 Emissions (GRI 305)

We maintain a greenhouse gas inventory on the GHG Protocol basis against the GRI 305 disclosures. We set out the three scopes separately and name the year each figure belongs to.

Scope 1. Scope 1 was 0.068 tCO_2e in FY 2025-26, calculated from hours worked as Appendix B sets out, and 0.068 tCO_2e in FY 2024-25. The whole of it is mobile combustion in one company petrol two-wheeler, and our greenhouse gas calculator records that vehicle as the only Scope 1 source. Stationary combustion does not apply in any year: our undertaking to the Maharashtra Pollution Control Board records no process emissions, no boiler flue gas, no DG set and no fugitive emissions among our sources, which follows from a dry hand-embroidery process with no dyeing or washing. The Scope 1 targets are a 30% reduction by 2030 and zero by 2035, against a 2024 baseline of 0.068 tCO_2e.

Scope 2. Scope 2 was 63.92 tCO_2e in FY 2025-26 on the location-based method, computed from 90.030 MWh of metered grid electricity and a grid emission factor of 0.710 tCO_2 per MWh, the weighted average emission rate published by the Central Electricity Authority of India in its CO_2 Baseline Database for the Indian Power Sector, User Guide Version 21.0 of December 2025, Table B. That is the most recent factor the Authority has issued, and the series has moved from 0.711 in FY 2021-22 to 0.727 in FY 2023-24 and back to 0.710. The market-based figure equals the location-based figure in both years, because we hold no renewable energy certificates and purchase no supplier-specific tariff. FY 2024-25 stands at 58.68 tCO_2e on the same factor and 82.644 MWh. Our FY 2024-25 report published 50.34 tCO_2e for that year, calculated on 61.21 MWh, and the year is restated on the metered 82.644 MWh, with the effect on the totals set out in Appendix B.

Scope 3. Value chain emissions were 538.82 tCO_2e in FY 2025-26, as set out in Appendix B, and 538.82 tCO_2e in FY 2024-25, 525.83 tCO_2e in FY 2023-24 and 598.81 tCO_2e in FY 2022-23. The seven category rows sum to the total in every year and are set out in the ESG data annex. Packaging materials at 390 tCO_2e and raw-material procurement at 95 tCO_2e are 90.0% of the FY 2024-25 total, which is why our reduction work is aimed at packaging and procurement. Documenting the Scope 3 method under the GHG Protocol Corporate Value Chain standard, and its verification by a third party, are forward commitments in the Environment Policy.

EMISSIONS BY SCOPE, GRI 305

SCOPE	FY 2025-26 (tCO_2e)	SHARE, FY 2025-26	REDUCTION TARGET
Scope 1 · direct combustion	0.068	Less than 0.1%	Zero by 2035
Scope 2 · purchased electricity	63.92	10.6%	Zero by 2035, all renewable
Scope 3 · value chain	538.82	89.4%	296.35 by 2035, 45% lower
Total footprint	602.81	100%	296.35 by 2035, 50.4% lower

EMISSIONS BY SCOPE, GRI 305 · SHARE, FY 2025-26

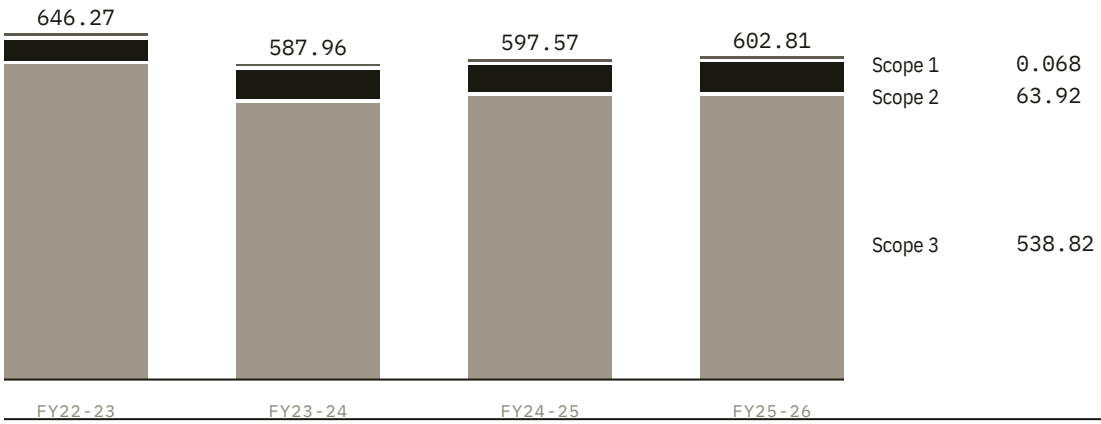
10.6%
Scope 2 · purchased electricity

89.4%
Scope 3 · value chain

GHG inventory. The total footprint was 602.81 tCO_2e in FY 2025-26, being Scope 1 of 0.068, Scope 2 of 63.92 and Scope 3 of 538.82 tCO_2e, against 597.57 tCO_2e in FY 2024-25, the rise being the metered rise in Scope 2. Emission intensity was 16.29 tCO_2e per employee on a headcount of 37, against 16.15.

INDICATOR	FY 2024-25	FY 2025-26
Total footprint (tCO_2e)	597.57	602.81
Scope 2, purchased electricity (grid MWh; tCO_2e, location-based)	82.644 MWh; 58.68	90.030 MWh; 63.92
Scope 3 · value chain (tCO_2e)	538.82	538.82
Emission intensity (tCO_2e per employee)	16.15	16.29

GHG EMISSIONS BY SCOPE, tCO_2e, FY 2022-23 TO FY 2025-26



GHG INVENTORY · FY 2024-25 AGAINST FY 2025-26



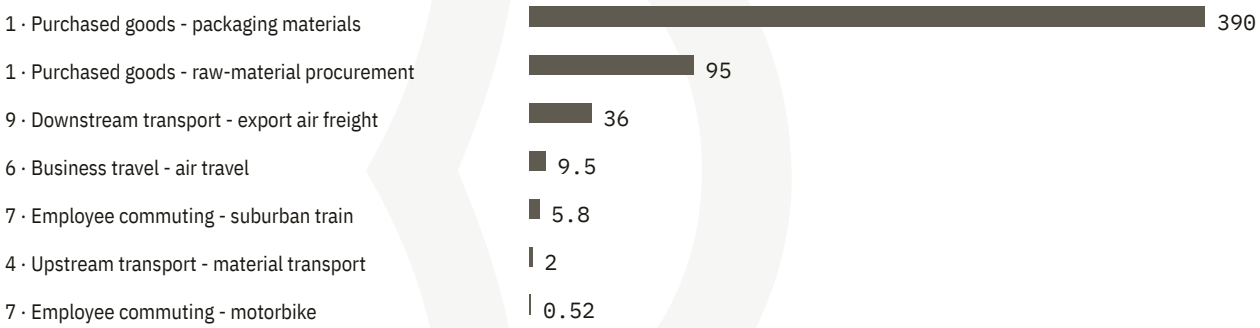
Audits. Energy and carbon audits run annually across lighting, equipment and scheduling, on a fixed cadence: metering and baseline across all units, then the audit itself, then integration of each recommendation into the efficiency plan with a named owner and a date.

Transport and logistics. Transport is a small share of the footprint. Vendor transport data is being brought into the Scope 3 baseline by FY 2027. The Environment Policy commits us to move transport to CNG, hybrid and electric vehicles, to consolidate shipments, to optimise delivery routes and to work with eco-certified freight carriers. Export air freight, at 36 tCO_2e in FY 2025-26, is the largest of the transport lines that follow. The table presents no figure for the optimised-routing line, and a dash marks it.

TRANSPORT-LINKED EMISSIONS, SCOPE 3

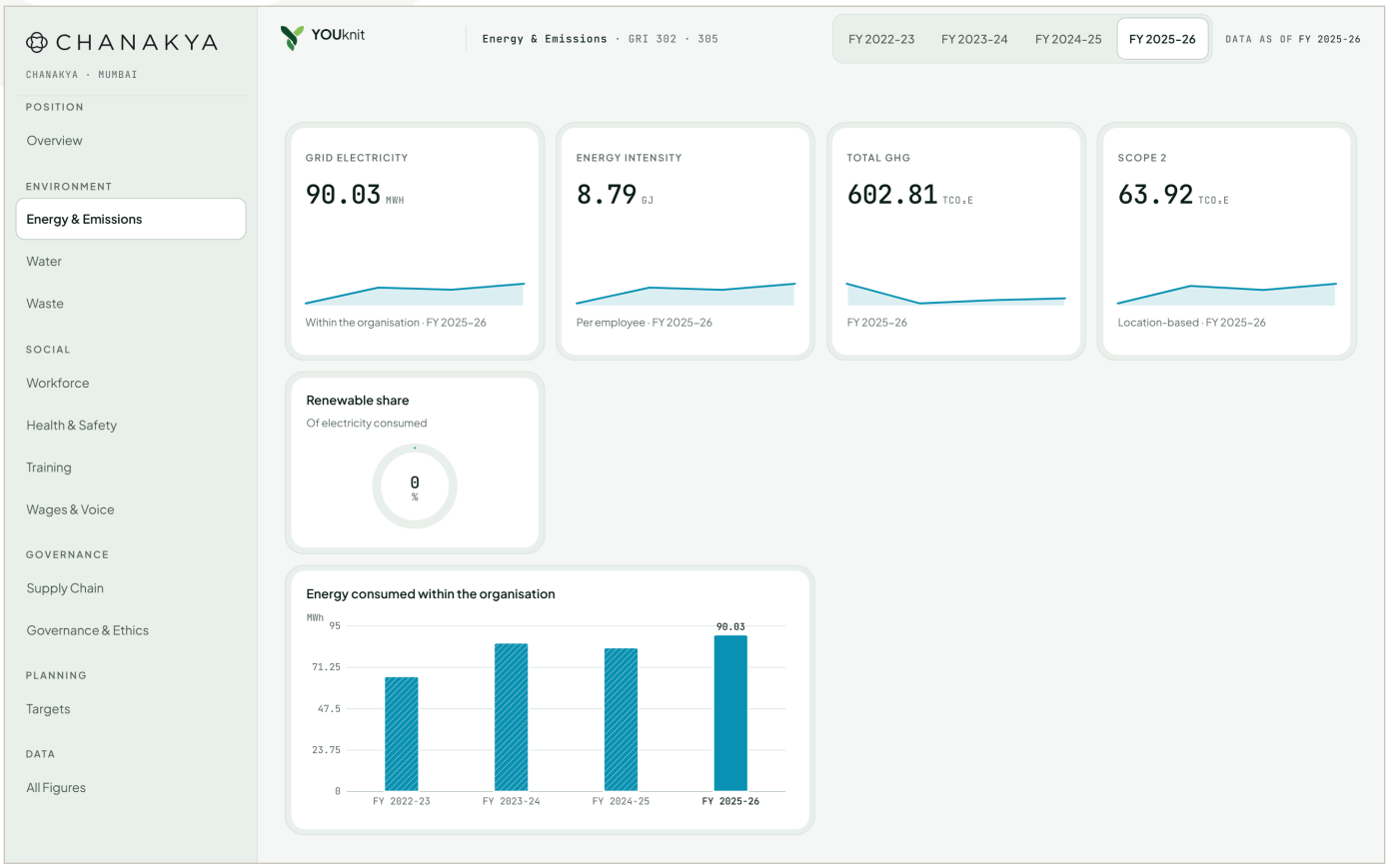
TRANSPORT & LOGISTICS	VALUE	STATUS
Fuel via optimised routing	–	Ongoing
Vendor data into Scope 3	In progress	By FY 2027
Export air freight	36 tCO_2e (FY 2025-26)	Monitored
Business air travel	9.5 tCO_2e (FY 2025-26)	Monitored
Employee commuting	5.8 tCO_2e suburban rail and 0.52 tCO_2e motorbike (FY 2025-26)	Monitored

SCOPE 3 EMISSIONS BY CATEGORY, tCO_2e, FY 2025-26



Climate physical risk. A climate physical-risk assessment for the Raheja Xion address is planned. Our hazard register covers the occupational hazards of the workplace and is maintained under the health and safety system.

Energy and emissions on screen. The Energy & Emissions screen of YOUknit opens on four figures for FY 2025-26: grid electricity, energy intensity per employee, total greenhouse gas emissions and location-based Scope 2. A ring gives the renewable share of electricity consumed. The chart, headed energy consumed within the organisation, draws grid electricity for each year from FY 2022-23 to FY 2025-26; the hatched bars are the three earlier years, which 26.11 restates. Section 26.7 sets out the Scope 3 categories in the total, and section 26.12 the basis of the FY 2025-26 petrol, Scope 1 and Scope 3 within the intensity and the total. Section 9.4 sets out how a figure on this screen traces to this report and to its record. The screen's FY 2025-26 figures are in the tables in sections 15.2, 15.3 and 21.1 and in the data annex at 25.1 and 25.2, and sections 26.2 to 26.8 and 26.12 name the record and method behind each.



YOUknit · ENERGY & EMISSIONS SCREEN · FY 2025-26 VIEW

15.4 Water (GRI 303)

Water withdrawal was 5,132 KL in FY 2025-26, against 4,441 KL in FY 2024-25, drawn entirely from municipal piped supply and entered monthly in our data collection workbook. There is no borewell, no rainwater harvesting and no tanker supply, and each of the three reads 0, which follows from a dry hand-embroidery operation. On-site recycling and reuse read 0 for the reason given below.

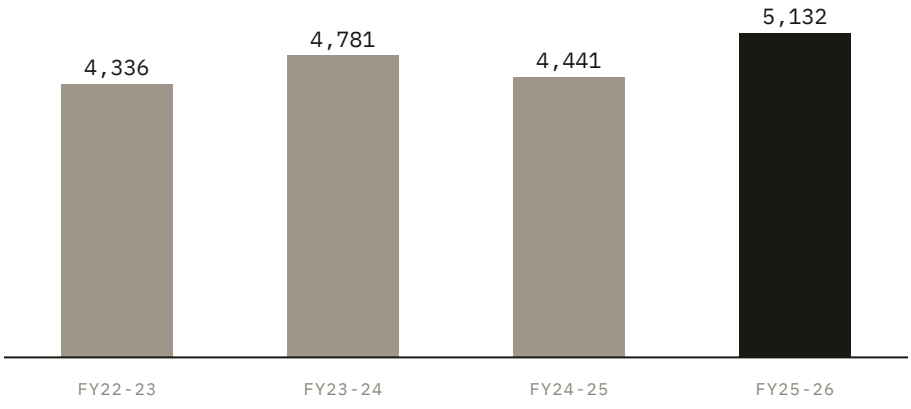
Discharge and the regulatory declaration. The only discharge is domestic. The Pollution Control undertaking declares domestic water consumption of 3,000 litres per day and domestic effluent of 250 litres per day, discharged to the MCGM sewer. Our recorded withdrawal of 5,132 KL in FY 2025-26 is above the 1,095 KL a year that 3,000 litres a day gives. Water consumed, 5,041 KL in FY 2025-26, is withdrawal less discharge, and the discharge in it is the 250 litres a day declared in the undertaking, 91 KL a year, so consumed water rests on a declared discharge, not a metered one. There is no dyeing and no wet processing, so no industrial effluent is generated and no on-site sewage treatment plant is installed, and STP outlet effluent testing does not apply to the site.

Water testing. Supply water is tested for potability against IS:10500-2012 by an accredited external laboratory. Two tests fall inside the reporting year: 6 June 2025, pH 6.65 and total dissolved solids 118.0 mg/l; and 19 November 2025, pH 6.52 and 83.0 mg/l. Across the year the range is pH 6.52 to 6.65 and total dissolved solids 83 to 118 mg/l, inside the IS:10500-2012 acceptable pH band of 6.5 to 8.5 and its acceptable total dissolved solids limit of 500 mg/l. A further sample on 3 April 2026, gave pH 6.71 and 65.0 mg/l. Coliform and E. coli were not detected in any of the three. On-site recycling and reuse are 0 KL and a 0% recycled share: the Pollution Control undertaking declares no on-site treatment plant and disposal direct to the MCGM sewer, and the monthly recycled line in the workbook is nil across all four years.

WATER, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Total water withdrawal (KL)	4,441	5,132
Freshwater withdrawal (KL)	4,441	5,132
Recycled / reused on site (KL)	0	0
Recycled share	0%	0%
Groundwater draw	0	0

WATER WITHDRAWN, KL, FY 2022-23 TO FY 2025-26



WATER INTENSITY

138.70 KL per employee



FY22-23 117.19 FY25-26 138.70

> “Products are developed with mono-material blends, low-impact finishes and standardised trims so that recovery stays viable, and design reviews work to reduce mixed-fibre construction.

WATER, FY 2024-25 AND FY 2025-26 · FY 2024-25 AGAINST FY 2025-26



15.5 Product end of life and circularity

Product-stage impact for hand embroidery sits in materials and packaging, so circularity is decided at the design stage. Products are developed with mono-material blends, low-impact finishes and standardised trims so that recovery stays viable, and design reviews work to reduce mixed-fibre construction.

Circularity rates. The rates below are stated by management, and there were no product recalls in FY 2025-26.

PRODUCT END OF LIFE AND RECOVERY

CIRCULARITY METRIC	FY 2025-26
Recyclable packaging	80%
Recyclable / biodegradable in design	20%
Designs under disassembly review	80%
Chemical inputs screened	100%

Chemical screening. On a dry embroidery floor the chemical question sits in the threads, trims and other materials that go into a panel, not in wastewater. The Customer Health and Safety Policy requires a Material Safety Data Sheet for every chemical input, monitoring against restricted-substances lists, and restricted-substance testing of every production lot before shipment. The same policy governs what leaves the floor with the panel: labels are to state fibre composition, care instructions, origin and safety information accurately, and packaging is to be recyclable, non-toxic and free from sharp edges or hazardous adhesives. Safety-related customer complaints are to be acknowledged within 24 hours and resolved within ten working days.

15.6 Waste (GRI 306)

Waste is segregated at source into three streams: green for biodegradable, blue for non-recyclable and red for hazardous. Collection and disposal run through two appointed vendors, and the December 2025 e-waste consignment went to an authorised e-waste recycler. Employees are trained on segregation, reduction and emergency response.

Waste generated, all four years. Our monthly waste log records four non-hazardous streams by weight: fabric and cutting waste, cardboard and packaging, plastic waste, and general office and canteen waste. Summed across the year they come to 3.00 MT in FY 2022-23, 3.65 MT in FY 2023-24, 3.36 MT in FY 2024-25 and 2.54 MT in FY 2025-26.

The record that governs. Waste is reported from the monthly log, which is kept month by month through the year. Our undertaking to the Maharashtra Pollution Control Board, signed 27 March 2024, is the basis for the nil positions this chapter states on process emissions, boiler flue gas, the DG set and on-site water reuse.

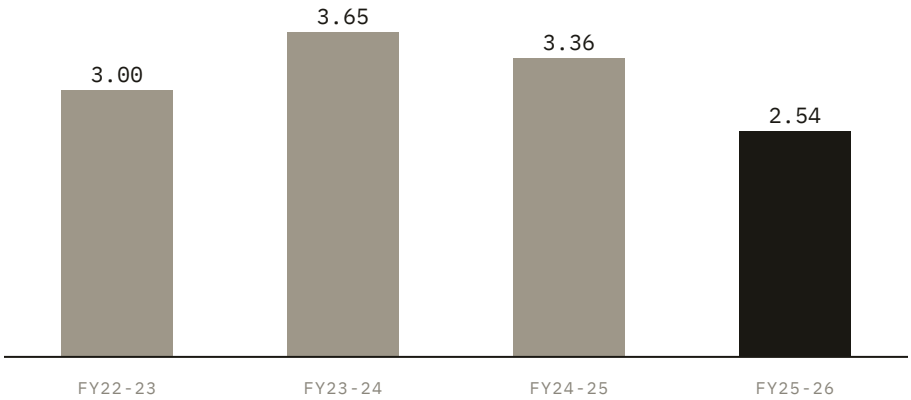
Landfill diversion. Our monthly log records the weight of each non-hazardous stream handed over to our two appointed vendors. 2% of FY 2025-26 waste was recycled and 98% was sent for disposal. Our target is 90% diversion by 2028, from 2% in FY 2024-25. The Environment Policy sets the route to it: segregation at source, recycling and upcycling, recycling partners for textile scraps and packaging recovery, and process changes that reduce the waste generated in the first place.

Hazardous waste. Electronic waste is the one hazardous stream in our monthly log, and it is governed by the E-Waste (Management) Rules 2022. The log records 14 kg in FY 2025-26, entered in June, December and February, against 10 kg in FY 2024-25. The December consignment of five items was handed to an authorised e-waste recycler under a manifest dated 26 December 2025, which records the recycler's authorisation by the Maharashtra Pollution Control Board. Our Pollution Control undertaking of 27 March 2024 declares no hazardous waste under the Hazardous and Other Wastes Rules 2016, and this chapter reports the e-waste our log records. No other hazardous stream arises: the process is dry hand embroidery with no dyeing, no washing and no chemical effluent. The December consignment comprised two items of IT equipment, computers or laptops, and three peripherals, printers or scanners, all studio and office equipment.

WASTE, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Non-hazardous waste generated (MT)	3.36	2.54
Recycled	2%	2%
Sent for disposal	98%	98%
Hazardous waste (kg)	10	14
Total waste generated (MT)	3.37	2.55
Segregation streams	3	3

NON-HAZARDOUS WASTE GENERATED, MT, FY 2022-23 TO FY 2025-26



HAZARDOUS WASTE

14 kg



FY22-23 17 FY25-26 14

15.7 Air and noise

Work-zone air quality. Our data collection workbook records the work-zone air results for the weaving and production area, against the IS:5182 method it names. It carries two monitoring entries in FY 2025-26, for June and December 2025.

Sulphur dioxide was 7.72 µg/m3 in June and 7.83 in December, nitrogen dioxide 10.78 and 10.34, and suspended particulate matter 40.3 and 39.31 µg/m3. Sulphur dioxide and nitrogen dioxide sat inside the National Ambient Air Quality Standard limit of 80 µg/m3 at both samplings, and suspended particulate matter inside the limit of 100 µg/m3 for PM10. Every parameter fell against FY 2024-25, when sulphur dioxide was 17.07 and 10.47, nitrogen dioxide 19.65 and 14.63, and suspended particulate matter 60.12 and 51.49 µg/m3.

Noise near the working area was 54.6 dB(A) Leq on 3 December 2025, against the Central Pollution Control Board day-time norm of 75 dB(A), which is the limit the laboratory itself applies on that report. The prior-year reading was 53.9 dB(A) Leq on 16 January 2025. Both sit inside the norm, and noise rose by 0.7 dB(A) between the two years. Both are day-time readings, which the laboratory characterises as ambient.

What the monitoring covers, and what our policy commits to. Every air and noise result above comes from a single monitoring point: the workbook enters the air results for its weaving and production area, and the laboratory records the noise readings as near the working area. The form's dyeing and processing zone does not arise here: our undertaking to the Maharashtra Pollution Control Board declares a dry process with no dyeing or washing operation. Our Employee Health, Safety and Wellbeing Policy commits us to holding indoor air quality within national occupational limits at PM2.5 < 50 µg/m3 and CO_2 < 800 ppm, to ambient noise below 85 dB(A), and to quarterly environmental monitoring. Noise sat at 54.6 dB(A), below the 85 dB(A) the policy sets, and in FY 2025-26 monitoring ran twice for air and once for noise against the quarterly cadence the policy sets. The four-year series for air and noise is in the ESG data annex.

Controls at source. The operation is dry hand embroidery on one floor of a multi-storey building, with no dyeing, washing or wet processing, and our Pollution Control undertaking records no process emissions, no boiler flue gas and no fugitive emission, with no control equipment fitted against any of those sources. That undertaking also records no open space and no greenbelt at the address. The controls that stand behind the air and noise results are the nature of the process itself and the ISO 14001:2015 management system; no abatement plant is fitted.

Follow-up on the results. Under our Environment Policy, a deviation from a target or a legal requirement opens a corrective and preventive action, with closure verified and preventive training given to the departments concerned. The people in the monitored zone are covered by a second check: the Employee Health, Safety and Wellbeing Policy requires occupational hygiene monitoring for noise, air quality and chemical exposure alongside pre-employment and annual medical examinations, and every employee was declared fit for duty in the Health Register, as section 16.3 sets out.

WORK-ZONE AIR QUALITY, FY 2025-26

PARAMETER	JUN 2025	DEC 2025	LIMIT APPLIED	STATUS
SO_2 (µg/m3)	7.72	7.83	80, National Ambient Air Quality Standard	Within the standard at both samplings
NO_2 (µg/m3)	10.78	10.34	80, National Ambient Air Quality Standard	Within the standard at both samplings
SPM (µg/m3)	40.3	39.31	100, National Ambient Air Quality Standard for PM10	Within the standard, and lower than FY 2024-25 at both samplings

WORK-ZONE AIR QUALITY, FY 2025-26 · JUN 2025





PICTURE 14



16

Our people

CHANAKYA INTERNATIONAL · HALFTONE CROP

At 31 March 2026 our workforce was 37 people, all permanent and directly employed: 34 male and 3 female. Women are 8.1% of the workforce, and 5 of our 37 employees, 13.5%, are drawn from underrepresented groups, as in FY 2023-24 and FY 2024-25. The workforce tables published in our FY 2024-25 report give the same totals for FY 2024-25, 37 people, 34 male and 3 female, and its highlights pages give 36, 32 male and 4 female, as 26.11 sets out. The artisan network described elsewhere in this report is a separate population engaged on a different basis, and no figure in this chapter includes it.

Two counts of the workforce. Our SA 8000 stakeholder communication for calendar year 2025, dated 5 January 2026, records 39 workers paid and 39 employees trained across the twelve months of that calendar year. The 37 is the workforce management reports at 31 March 2026, and it is the denominator of every per-employee ratio in this report.

Basis of this chapter. Disclosures here are reported against the GRI 400 series and against two certifications held at 31 March 2026: SA 8000:2014 and ISO 45001:2018. Five of the ten policies in section 13 govern the matters in this chapter: the Labor and Human Rights, Child Labor Prevention, Diversity, Equity and Inclusion, and Employee Health, Safety and Wellbeing policies, and the Whistleblower and Non-Retaliation Policy for concerns that go beyond a personal grievance. Beside them sit the standing procedures of our SA 8000 system, among them the Remuneration Policy, the Grievance Procedure and the Freedom of Association and Collective Bargaining policy.

16.1 Labour and human rights (GRI 407, 408, 409)

Our labour-rights commitments are aligned with ILO Conventions 100 and 131, SA 8000, and UN Sustainable Development Goals 5, 8 and 10. Four standing instruments carry the commitments: the Remuneration Policy, the Living Wage Policy, the Child Remediation Policy, and the Remediation for Human Rights and Abuses framework. The living-wage benchmark for Mumbai is INR 125,450 a year, set by a food-basket analysis of the local market and used for our SA 8000 certification, and every employee is paid above both it and the statutory minimum wage. Section 16.5 sets out the wage figures.

Child labour and forced labour (GRI 408, 409). Child labour is prohibited without exception under the Child Remediation Policy. The Child Labor Prevention Policy commits us to conduct child-labour audits for at least 80% of high and medium-risk suppliers by FY 2027, and to provide structured annual training for 100% of employees, supervisors and high-risk suppliers by FY 2026. The requirement already in force is broader: every supplier undergoes periodic child-labour risk assessment, with supplier risk assessment and supplier audits placed with the Head of Procurement and Supplier Sustainability. That requirement is discharged through our on-site supplier ESG audit, whose checklist carries child labour within its scope. We work with 14 active suppliers, none rated high risk, 1 rated medium and 13 rated low. In FY 2025-26 we completed 10 supplier ESG audits, covering 9 of the 10 strategic suppliers, 90%. 1 of the 10 suppliers audited, 10%, was found non-compliant, and it was remediated within three months. Confirmed child-labour and forced-labour cases were zero in FY 2025-26 and zero in FY 2024-25.

Freedom of association (GRI 407). A Freedom of Association policy is in place, aligned with ILO Conventions 87 and 98. No union is formed, and worker representatives are freely elected in its place. Collective-bargaining coverage is 0%, because no union and no collective agreement exists for a coverage figure to describe, and Appendix B restates to 0% the 77%, 100% and 100% our FY 2024-25 report published for FY 2022-23 to FY 2024-25. Dialogue runs through the elected representatives, with 28 social dialogue engagements held in FY 2025-26 and a social dialogue satisfaction index of 4.5 out of 5. Every agreement reached through that dialogue was implemented, 100% in the year. Our Freedom of Association and Collective Bargaining policy, written against ILO Conventions 87 and 98, sets out how the right is kept open: personnel are told through the notice board, a poster and internal training that they are free to form or join a union and to bargain collectively, the members of the workers' committee are displayed at the workplace, and the Social Performance Team and the workers' committee hold regular meetings whose minutes are kept.

How a grievance reaches us. Reports of discrimination, harassment or any workplace grievance are made through secure, independent channels under the Remediation for Human Rights and Abuses framework, and a three-step procedure runs through informal resolution, formal complaint and appeal to the President, supported by an external mediator. Non-retaliation is a governing principle of the framework. The whistleblowing route runs separately under the Whistleblower and Non-Retaliation Policy, through confidential channels, being email, an online platform, a hotline and on-site drop boxes, monitored by the Chief Compliance Officer.

SUSTAINABLE DEVELOPMENT GOALS

SDG 5 | SDG 8 | SDG 10

What the Grievance Procedure covers. The procedure applies to employees, prospective employees, agents and contractors, and treats as a grievance any problem, concern or complaint about work or the work environment, including safety, training, leave, supervision, hours of work, appraisal, promotion and pay. An employee may first raise a matter with the person involved or with the line manager; at the formal stage the matter is investigated and the HR Manager makes recommendations. An employee may bring a support person to any grievance meeting, work continues as normal while a grievance is dealt with, and the Grievance Register is the procedure's record.

Grievances logged. No grievance was logged in the Grievance Register from its opening in October 2025 to 31 March 2026, and the FY 2025-26 grievance, harassment and discrimination counts in this report cover those six months. In FY 2024-25, 32 grievances were raised and all 32 were resolved, with an average response time of 6.5 days and 31 of the 32, 96.9%, resolved through the social dialogue mechanism. Our SA 8000 stakeholder communication records nil disciplinary actions for the year.

RIGHTS AND REMEDIATION, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Gender pay gap	0.01%	0.01%
Employees paid above the statutory minimum wage	100%	100%
DEI training completion	100%	100%
Suppliers audited for child-labour risk	9 of 10 strategic suppliers (90%)	9 of 10 strategic suppliers (90%)
Confirmed child or forced-labour cases	0	0
Grievances raised / resolved, all types	32 / 32	0 / 0 (nil logged, register covers Oct 2025 to Mar 2026)

RIGHTS AND REMEDIATION, FY 2024-25 AND FY 2025-26 · FY 2024-25 AGAINST FY 2025-26



16.2 Workforce and diversity (GRI 401, 405)

We use no contract labour, so the employed population and the covered population in every other disclosure in this chapter are the same 37 people.

The share of women. Women are 8.1% of the workforce, in a craft that has historically been male-dominated. The Diversity, Equity and Inclusion Policy targets at least 45% women across all levels by FY 2028, set against current performance of 8.1%. Women hold 1 of the 3 seats on the Board.

Retention and inclusion. Hiring and promotion are merit based, and annual Diversity, Equity and Inclusion training is required of every employee, with completion at 100% in FY 2025-26 and in each of the three preceding years. Female retention is 3 of 3, 100%, and the high-performer retention rate is 83%. Employees from underrepresented groups are 5 of the 37 in the workforce, 13.5%, and 0 of the 7 in top management, 0%, and the DEI employee satisfaction index stands at 4.8 out of 5.

OUR PEOPLE

37 people

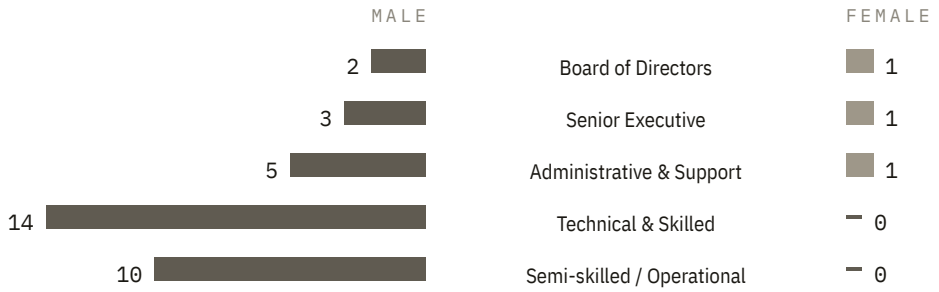
31 MARCH 2026

At 31 March 2026 our workforce was 37 people, all permanent and directly employed: 34 male and 3 female.

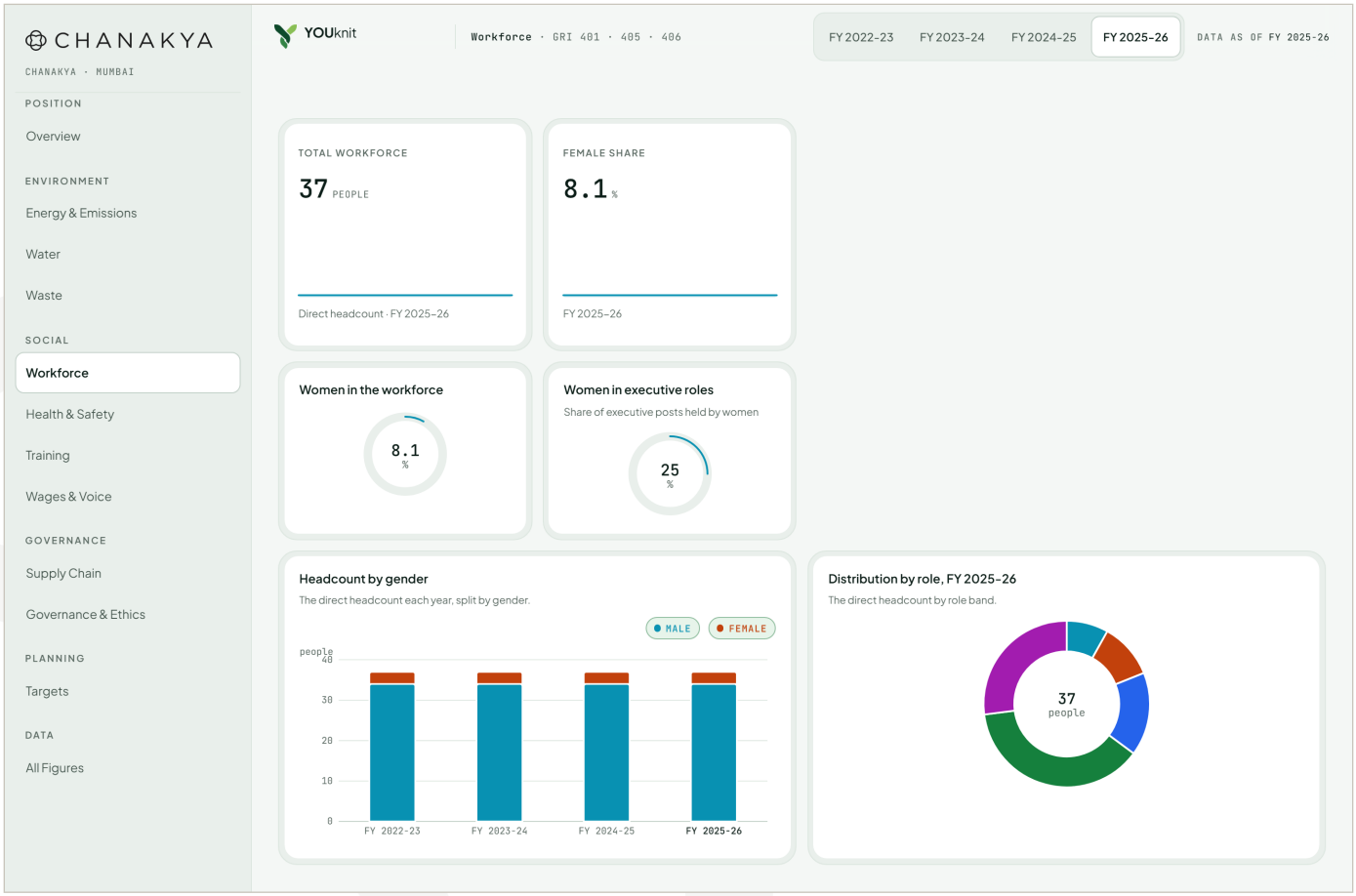
WORKFORCE AND DIVERSITY, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Total workforce (all permanent, directly employed)	37 (34 male, 3 female)	37 (34 male, 3 female)
Women in the workforce	3 (8.1%)	3 (8.1%)
Women on the Board	1 of 3 (33.3%)	1 of 3 (33.3%)
From underrepresented groups	5 of 37 (13.5%)	5 of 37 (13.5%)
Female retention rate	3 of 3 (100%)	3 of 3 (100%)
DEI training completion	100%	100%

WORKFORCE BY ROLE AND GENDER, FY 2025-26



The workforce on screen. The Workforce screen of YOUknit opens on two figures for FY 2025-26: the total workforce and the female share. Two rings give the share of women in the workforce, 8.1%, as section 16.2 gives it, and the share of executive positions held by women. A chart gives the headcount by gender for each year from FY 2022-23 to FY 2025-26, and a ring divides the 37 into five role bands, unlabelled on screen; the data annex at 25.4 gives the count in each band. Section 9.4 sets out how a figure on this screen traces to this report and to its record. The screen's FY 2025-26 figures are in the table in section 16.2 and in the data annex at 25.4 and 25.5. The opening of section 9 names the HR record behind them, and the Appendix A preamble the source of the earlier years.



YOUknit · WORKFORCE SCREEN · FY 2025-26 VIEW

16.3 Health and safety (GRI 403)

We recorded zero work-related fatalities, zero high-consequence injuries, zero recordable injuries and zero lost-time injuries in FY 2025-26, and the same in FY 2024-25. Permanent employees worked 92,352 hours in each of those two years, the headcount of 37 at the HR standard of 312 days of 8 hours, 2,496 hours per employee, against 91,104 in FY 2023-24 and 89,856 in FY 2022-23 as the HR record gives them. Those two figures equal 36.5 and 36 full-time equivalents at 2,496 standard hours, against a headcount of 37 in each year. We use no contract labour, so no contract-worker hours arise in any year. Zero recordable injuries and zero lost-time injuries across those hours is a rate of zero per 200,000 hours in both years.

What the accident register evidences. The zeros rest on a statutory record. We maintain the Register of Accidents and Dangerous Occurrences prescribed under the Factories Rules 1950 and Regulation 66 of the Employees' State Insurance (General) Regulations 1950. Its pages for the reporting year carry a dated, signed nil entry for each month from May 2025 to March 2026, at serial numbers 76 to 86, each reading that no accident occurred in that month. The register continues past the year end with a nil entry for April 2026. The April 2025 nil rests on the annual counts management entered from its accident register in the safety sheet of our data input form.

The management system and its certified scope. Every employee is enrolled in the occupational health and safety management system and covered by company health insurance, all 37 in both years. All employees undergo annual medical examinations and are declared fit for duty in the Health Register. The ISO 45001:2018 certificate scope reads "Design, Manufacture, Collection & Globally Export of Hi-Fashion Hand Embroidered Garment Panels & Accessories".

Routine controls. Equipment inspections run quarterly, and formal health and safety risk assessments are conducted twice a year. Emergency evacuation drills run four times a year across the studios, per the drill log. One standing health and safety committee reviews working conditions, covering all 37 employees in FY 2025-26 and in FY 2024-25, per the factory safety records. The Employee Health, Safety and Wellbeing Policy sets the method behind these controls: hazard identification and risk assessment for every activity, controls applied in the order of elimination, substitution, engineering, administrative measures and personal protective equipment, and findings documented in the risk register. Emergency response teams are to be trained in first aid, firefighting and evacuation, and each drill is followed by an evaluation of the procedure it tested.

Ill health, first aid and emergency preparedness. One occupational ill-health case arose in FY 2025-26 against zero in FY 2024-25, per the occupational health centre and medical records, and no fatality resulted from work-related ill health in either year. Two first aid cases were logged in FY 2025-26 against zero in FY 2024-25, per the first-aid log. Four first-aiders are trained and available in both years, per the training records. Four emergency drills were conducted in each of the four years, per the drill log. Our Employee Health, Safety and Wellbeing Policy requires four exercises a year, being two full-scale evacuation drills, one tabletop emergency simulation and one medical emergency drill per facility, and sets a floor of at least two mock drills a year. The four drills conducted each year match the count the policy requires.

Near-misses, restricted work and days lost. Near-misses reported, restricted work cases and total days lost across all lost-time injuries were zero in each of the four years, per the safety sheet of our data return. Our Employee Health, Safety and Wellbeing Policy requires near-miss reporting, Job Safety Analyses and a centralised digital log of incidents, near misses and corrective actions.

WORK-RELATED ILL HEALTH, GRI 403-10, FY 2024-25 AND FY 2025-26

GRI 403-10 DISCLOSURE	FY 2024-25	FY 2025-26
Cases of recordable work-related ill health	0	1
Fatalities as a result of work-related ill health	0	0
Main types of work-related ill health recorded	*None*	Occupational ill health, 1 case

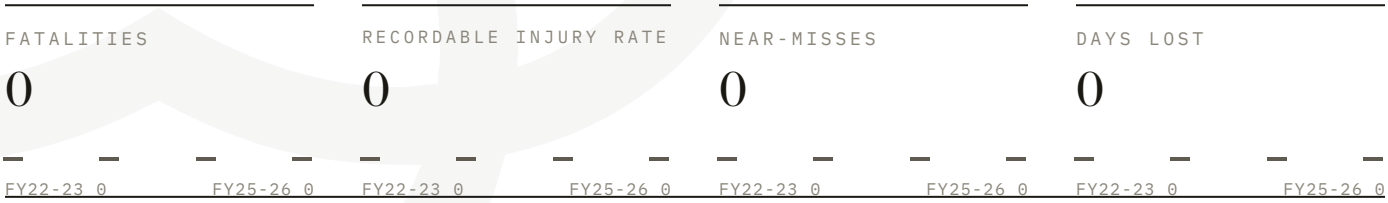
OCCUPATIONAL HEALTH AND SAFETY, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Work-related fatalities	0	0
High-consequence injuries	0	0
Recordable injuries	0	0
Lost-time injuries	0	0
Man-hours worked per employee	2,496	2,496
Covered by OHS management system	37	37
Occupational ill-health cases (GRI 403-10)	0	1
First aid cases	0	2

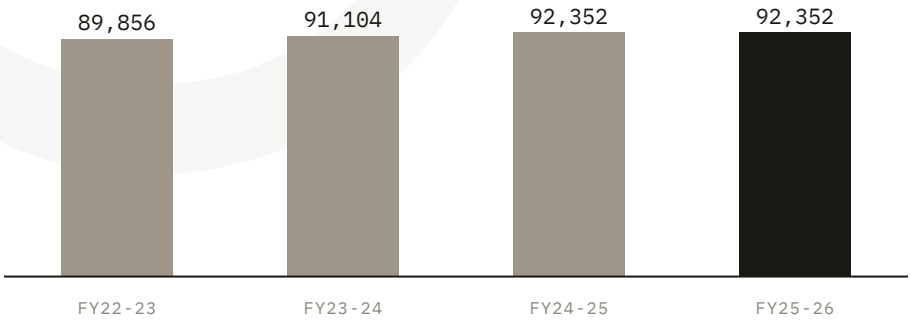
OCCUPATIONAL HEALTH AND SAFETY, FY 2024-25 AND FY 2025-26 · CONTINUED

INDICATOR	FY 2024-25	FY 2025-26
Near-misses reported	0	0
Restricted work cases	0	0
Total days lost (all lost-time injuries)	0	0
First-aiders trained and available	4	4
Emergency drills conducted	4	4
Number of safety committees	1	1
Employees covered by safety committee	100%	100%

SAFETY RECORD, FY 2022-23 TO FY 2025-26



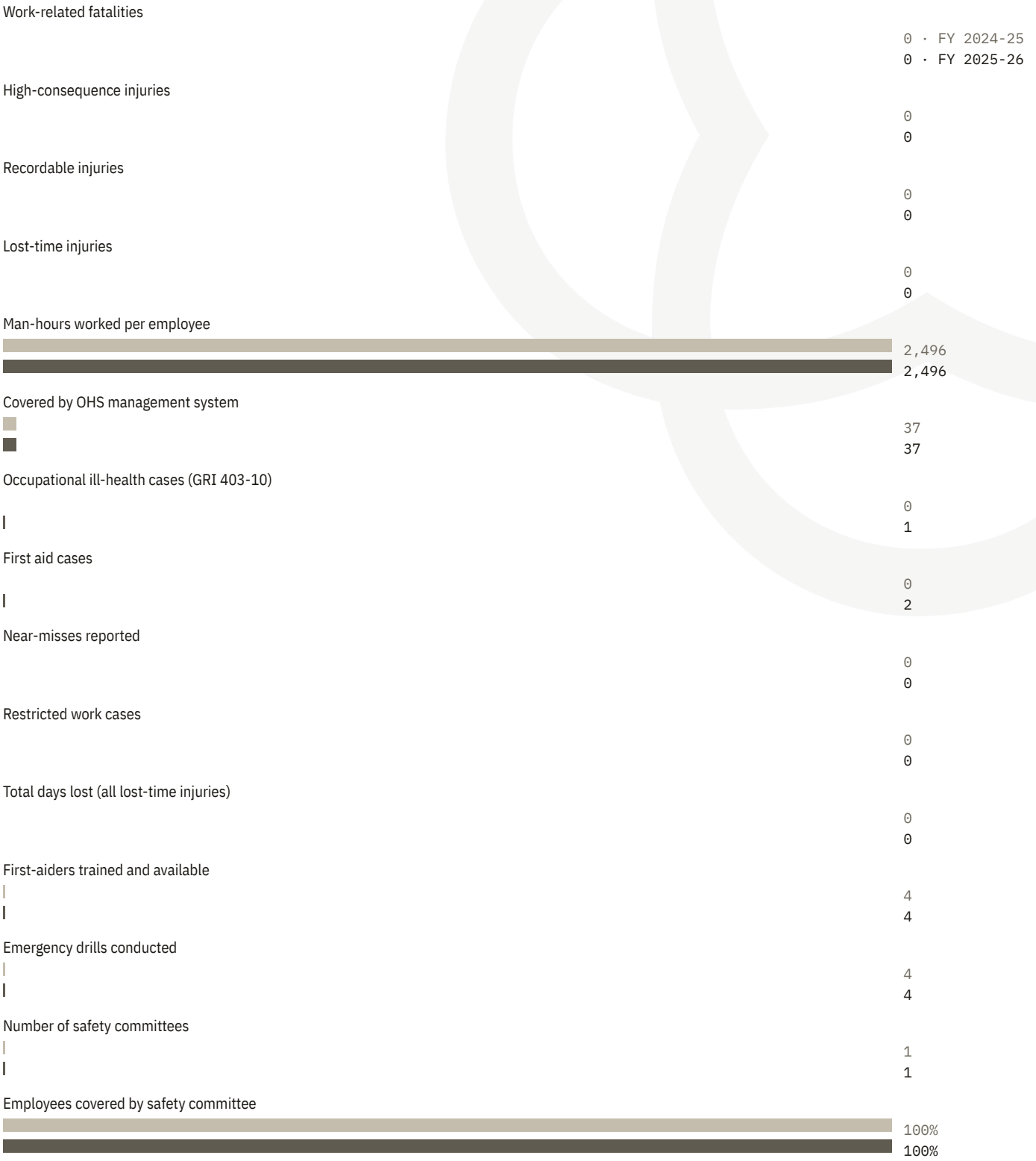
TOTAL HOURS WORKED, FY 2022-23 TO FY 2025-26





PICTURE 15

OCCUPATIONAL HEALTH AND SAFETY, FY 2024-25 AND FY 2025-26 · FY 2024-25 AGAINST FY 2025-26



Workplace illumination. Illumination near the working area was measured at 391 Lux on 16 January 2025, within FY 2024-25, and at 396 Lux on 9 December 2025, within FY 2025-26, both against the IS 3646 (Part 1) 1992 permissible range of 300 to 500 Lux. Both readings sit within the permissible range.

ILLUMINATION, FY 2024-25 AND FY 2025-26

ILLUMINATION (GRI 403)	FY 2024-25	FY 2025-26
Illumination near working area (Lux)	391	396
Permissible range (IS 3646, Part 1)	300 to 500	300 to 500

ILLUMINATION, FY 2024-25 AND FY 2025-26 · ILLUMINATION NEAR WORKING AREA (LUX) AGAINST PERMISSIBLE RANGE (IS 3646, PART 1)



16.4 Training and development (GRI 404)

Our training attendance records carry two dated sessions within FY 2025-26: a 4-hour Fire Fighting session on 23 January 2026 trained four employees, and a 30-minute Soft-Skills session on the same day had 14 named attendees.

Hours in the year. Occupational health and safety training totalled 96 hours in FY 2025-26, per the Training register. OHS training per employee was 2.6 hours, against 85 hours and 2.3 hours per employee in FY 2024-25. Performance-linked training runs at 4.5 hours per employee.

The annual plan. A 21-topic Social Accountability training calendar guides the annual plan, and our SA 8000 stakeholder communication states four training programmes a year. The calendar sets 30-minute sessions for all employees every three months on the work of the Social Performance Team and of the emergency response, workers', health and safety, sexual-harassment prevention and grievance committees, together with mock-drill and first-aid training. Twice a year it schedules waste handling, fire fighting, soft skills, health and safety and grievance training, a one-hour session training internal auditors on the elements of the SA 8000 standard, and the management review meeting, and it closes with an annual health check-up, supplier monitoring and stakeholder communication. The Fire Fighting and Soft-Skills sessions held on 23 January 2026 are two of its January entries.

Appraisal and progression. Every employee is covered by performance appraisal and receives annual performance feedback, in FY 2025-26 and in FY 2024-25. The average performance rating is 9.1 out of 10, and 34 of the 37 employees, 91.9%, received an annual salary appraisal. The internal promotion rate is 24.2%.

TRAINING AND DEVELOPMENT, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Occupational health and safety training hours (Training register)	85	96
Average hours per employee	2.3	2.6
Covered by performance appraisal	100%	100%
Average performance rating (out of 10)	9.1	9.1
Given an annual salary appraisal	34 of 37 (91.9%)	34 of 37 (91.9%)
Internal promotion rate	24.2%	24.2%

KEY FIGURES

37 people

31 MARCH 2026

At 31 March 2026 our workforce was 37 people, all permanent and directly employed: 34 male and 3 female.

SECTION 16

37 employees

FY 2025-26 AND FY 2024-25

One standing health and safety committee reviews working conditions, covering all 37 employees in FY 2025-26 and in FY 2024-25, per the factory safety records.

SECTION 16.3

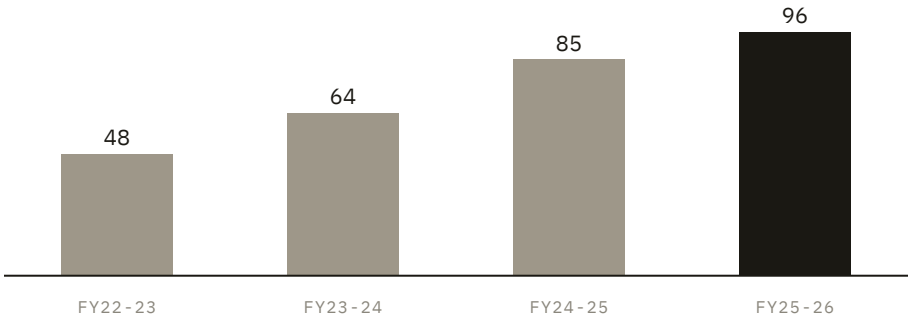
96 hours

FY 2025-26

Occupational health and safety training totalled 96 hours in FY 2025-26, per the Training register.

SECTION 16.4

OHS TRAINING HOURS, TRAINING REGISTER, FY 2022-23 TO FY 2025-26



16.5 Fair wages and wellbeing

Every employee is paid above both the statutory minimum wage and the living-wage benchmark, 100% of the workforce in FY 2025-26 and in FY 2024-25. Our SA 8000 stakeholder communication states that we are fully compliant with the Minimum Wages Act.

The statutory floor. The rates that apply are set by the Maharashtra notification for Schedule 47, Readymade Garments, Zone I, and that schedule is revised every six months, on 1 January and on 1 July, so FY 2025-26 spans three notification windows. Every employee was paid above the rate in force in each of them.

Living wage. The living-wage benchmark for Mumbai is INR 125,450 a year in FY 2025-26 and in FY 2024-25, set by a food-basket analysis of the local market and used for our SA 8000 certification, and 100% of employees are paid above it in both years. The Living Wage Policy is the standing instrument behind the benchmark.

The gender pay gap. The gender pay gap is 0.01% in FY 2025-26, on an average annual wage of INR 291,550 for women and INR 291,570 for men. We apply a single, gender-neutral remuneration structure under the Remuneration and Equal Remuneration policies, and we maintain the Equal Remuneration Act register as a statutory compliance record. A formal pay-gap study is a forward commitment.

Statutory benefits. All employees are covered under ESI and EPF, per our SA 8000 stakeholder communication, which also records that wages are paid by the 7th of each month.

Parental leave (GRI 401-3). All 3 female employees are entitled to maternity leave under the Maternity Benefit Act 1961, as amended in 2017: 26 weeks for each of the first two children and 12 weeks, 84 days, from the third. No employee took parental leave in FY 2025-26. Our Maternity Benefit Register, Form 10 under Rule 12(1) of that Act, carries a signed monthly return for every month of the reporting year, thirteen consecutive returns from April 2025 to April 2026, each recording that no maternity benefit request was received. With no leave taken, return-to-work and retention after leave do not arise for the year.

Average annual wage is INR 291,568 in FY 2025-26 and in FY 2024-25, and the average performance bonus is 8.33% of annual pay. With no grievance logged in the Grievance Register from its opening in October 2025 to 31 March 2026, response time does not arise for that period; in FY 2024-25 the average response to employee concerns was 6.5 days.

The records behind the wage figures. The Remuneration Policy, written against ILO Conventions 100 and 131, requires a defined salary structure with ranges for each job level and function, regular review of base salaries against market conditions and individual performance, and performance-based pay on stated criteria. Its related records are the salaries, attendance, overtime and leave-with-wages registers, the provident fund contributions and challans, the statement of holidays, the minimum-wage notification and the living-wage calculations.

WAGES, BENEFITS AND VOICE, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Average annual wage (₹)	291,568	291,568
Living-wage benchmark, Mumbai (₹)	125,450 (food-basket analysis, local market)	125,450
Gender pay gap	0.01%	0.01%
Paid above the statutory minimum wage	100%	100%
Average performance bonus	8.33% of annual pay	8.33% of annual pay
Collective-bargaining coverage	0% (no union formed; representatives freely elected)	0% (no union formed; representatives freely elected)
Grievances raised / resolved	32 / 32	0 / 0 (nil logged, register covers Oct 2025 to Mar 2026)
Average response time (days)	6.5	*Nil raised*

WAGES, FY 2022-23 TO FY 2025-26

GENDER PAY GAP

0.01%

FY22-23 0.11% FY25-26 0.01%

AVERAGE WAGE, FEMALE

291,550 INR

FY22-23 269,850 FY25-26 291,550

AVERAGE WAGE, MALE

291,570 INR

FY22-23 270,150 FY25-26 291,570



PICTURE 16

17

Governance and ethics

This chapter sets out the structure that directs the house, the ethics regime that constrains it, the information-security controls that protect the data of everyone we work with, and the procurement discipline that carries our standards into the supply chain.

Three of those four rest on a management system a third party has audited: anti-bribery on ISO 37001:2016, information security on ISO/IEC 27001:2022, and supply-chain security on ISO 28000:2022, each held at 31 March 2026. Labour practice is certified to SA 8000:2014.

17.1 Oversight and structure

Chanakya International is directed by a leadership team of founding and executive members who make strategic, creative and operational decisions between them. Responsibilities are delegated across creative leadership, operations and community engagement, and each is reviewed by the leadership team against long-term goals. Responsibility for each sustainability commitment is allocated in the policy that makes it. The Chief Compliance Officer reviews all ten policies and, under the Business Ethics and Integrity Policy, manages investigations, coordinates internal and external audits and oversees the whistleblowing mechanism.

THE LEADERSHIP

NAME	ROLE	FOCUS
Vinod Shah	Founder	Founded Chanakya as a textile and embroidery house rooted in the traditions of India's master artisans.
Nehal Shah	Director since 1998	Leads production systems, partnerships and process development.
Karishma Swali	Artistic Director · Chanakya & the School of Craft	With more than 25 years in art, design and luxury craftsmanship, she embeds social responsibility in the house's creative practice. In 2023 she co-created The Toran, a 46-foot community installation at the Gateway of India.

What the highest governance body reviews. It reviews sustainability priorities, performance indicators and the disclosures in this report against the GRI Standards and the UN Sustainable Development Goals, and it endorses the report. Sustainability performance reviews were held quarterly in FY 2025-26 and quarterly in FY 2024-25. Section 28 is reserved for the independent assurance statement over selected disclosures in this report.

GOVERNANCE OVERSIGHT, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Sustainability performance reviews	Quarterly	Quarterly
Disclosure frameworks endorsed	GRI · SDG	GRI · SDG
Report reviewed by the highest body	Endorsed	Endorsed
Independent assurance basis	Statement headed Independent Assurance Statement, ISAE 3000 (Revised), limited level; GRI index: internal verification	Independent assurance statement, section 28

External assessment of how the house is run. Section 1.3 sets out the external rating the house holds, with its theme scores.

> “Stakeholder consent for data processing was 100%, and vendor compliance with data-protection clauses was 100%, in both FY 2025-26 and FY 2024-25.

17.2 Ethics and integrity (GRI 205)

Zero tolerance, and the certificate behind it. We hold a zero-tolerance position on corruption, bribery and unethical practice, set out in the Business Ethics and Integrity Policy and written against ISO 37001 and the Prevention of Corruption Act, 1988. Our anti-bribery management system is certified to ISO 37001:2016.

Controls that run on a cadence. Anti-corruption risk assessments are run annually and cover exposure across operations and supply chains. Sensitive and high-value transactions go through dual approval. Employees are trained on ethics, anti-bribery and responsible conduct, and our dealings with suppliers, clients and partners are governed by the Code of Ethics.

What the policy prohibits and requires. Offering, giving, receiving or soliciting any bribe, kickback or facilitation payment is prohibited, and so is the use of a third party to do what the policy forbids. Real or potential conflicts of interest are declared on the Conflict of Interest Declaration Form and updated annually. Gifts and hospitality are allowed only where reasonable, infrequent and not intended to influence a decision, monetary gifts and cash equivalents are forbidden, and charitable donations and sponsorships need written authorisation from senior management. Collusion, bid rigging and price-fixing are prohibited under the policy and the Competition Act, 2002.

A clean record in both years. There were zero corruption or bribery incidents in FY 2025-26 and in FY 2024-25, and 100% of employees were trained in ethics and anti-bribery in each year.

The controls operate across the whole of the business. 100% of high-value transactions passed through dual approval, and 100% of our operations were assessed for corruption risk, in FY 2025-26 and in FY 2024-25 alike. No fine or penalty for non-compliance with occupational health and safety law was recorded in FY 2025-26 or in any of the three years before it.

ETHICS AND INTEGRITY, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Corruption or bribery incidents	0	0
Employees trained in ethics & anti-bribery	100%	100%
High-value transactions under dual approval	100%	100%
Operations assessed for corruption risk	100%	100%

ETHICS AND INTEGRITY, FY 2024-25 AND FY 2025-26 · FY 2024-25 AGAINST FY 2025-26



The whistleblowing mechanism. Our Whistleblower and Non-Retaliation Policy establishes a confidential channel and guarantees non-retaliation, and it is written against Section 177 of the Companies Act 2013 and ISO 37001. Reports go through confidential channels, being email, an online platform, a hotline and on-site drop boxes, which the Chief Compliance Officer monitors. A separate grievance procedure exists alongside it. The channel is for serious concerns about misconduct: our whistleblower mechanism states that it is not a route for a grievance about a personal situation, which runs through the Grievance Procedure instead. The Whistleblower and Non-Retaliation Policy covers matters from bribery, fraud and accounting irregularities to harassment, labour-law breaches in supplier operations and data-privacy violations, and it provides for reports through online platforms, hotlines, a dedicated email address or on-site drop boxes.

Zero whistleblower complaints were received in FY 2025-26 and in each of the four years of our published series. The policy requires every complaint to be acknowledged within 24 hours, taken into investigation within five working days and concluded within 30 working days, and it requires at least four reporting channels, tested quarterly for anonymity and multilingual access. Whistleblower, witness and accused identities are protected through restricted access and controlled information sharing, and every case is tracked from initiation to resolution with each stage time-stamped.

17.3 Information security and data protection (GRI 418)

Certification. Our information-security management system is certified to ISO/IEC 27001:2022, held at 31 March 2026.

The controls behind it. Information-security risk assessments are run annually, and the year's assessments and records-retention audits were completed in full. Company-wide training covers cybersecurity and data protection. Stakeholder privacy is protected through explicit consent for the collection, sharing and retention of data, and through data-protection agreements with vendors. The system is governed by the Information Security and Data Retention Policy, written against ISO 27001:2022 and the DPDP Act, 2023. The policy requires role-based access control, multi-factor authentication and encryption of sensitive data at rest and in transit, regular access reviews, business continuity plans tested twice a year, and phishing simulations alongside annual training.

Breach handling and records. A formal Incident Response Plan governs any breach or unauthorised disclosure and defines containment, investigation and resolution. A structured records-retention schedule defines the lifecycle of digital and physical records, with role-based access and encrypted handling, and 100% of departments follow the approved retention schedules and secure disposal practices. The schedule sets its periods by record type: employee records are kept for at least 7 years after employment and financial records for 7 years or more, customer data is deleted or anonymised within 90 days of the end of the relationship unless the law requires otherwise, supplier data is kept for 5 years after the contract ends, and security logs run on a 12-month rolling basis. The policy requires each disposal at the end of its retention period to be recorded in a Data Disposal Register.

Zero breaches, full training coverage. There were zero confirmed data breaches in FY 2025-26 and in FY 2024-25, no substantiated complaint concerning a breach of customer privacy in either year, and 100% of employees were trained in information security in each year. Certification is a separate measure: 35 of the 37, 94.6%, are certified in annual cybersecurity training, in both years.

Consent and vendor discipline. Stakeholder consent for data processing was 100%, and vendor compliance with data-protection clauses was 100%, in both FY 2025-26 and FY 2024-25. Our Information Security and Data Retention Policy requires vendor certifications to be verified before data is shared.

What the Incident Response Plan requires. Under our Information Security and Data Retention Policy, 100% of information-security incidents are to be detected, reported and resolved within 72 hours of discovery, and 100% of unauthorised access attempts detected and mitigated within 24 hours. Real-time monitoring runs to a target of under 4 hours to detect and under 12 hours to respond.

INFORMATION SECURITY, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Confirmed data breaches	0	0
Employees trained in information security	100%	100%
Stakeholder consent for data processing	100%	100%
Vendor data-protection compliance	100%	100%
Incident resolution target	Within 72 hours (target)	Within 72 hours (target)

INFORMATION SECURITY, FY 2024-25 AND FY 2025-26 · FY 2024-25 AGAINST FY 2025-26



17.4 Sustainable procurement (GRI 308, 414)

Certification. Supply-chain security is certified to ISO 28000:2022, held at 31 March 2026, a certification our FY 2024-25 report described as in progress.

Screening, then audit. Every active supplier has signed our Supplier Code of Conduct, carries environmental, social and labour clauses in contract, and has been assessed for sustainability risk, which is 100% coverage at the screening level. Of the 14 active suppliers, 10 are classified as strategic. 10 supplier ESG audits were conducted in the year, and 9 of the 10 strategic suppliers, 90%, were audited. The risk profile is low: 0 suppliers are rated high risk, 1 medium and 13 low. Before engagement, the Sustainable Procurement Policy requires integrity due diligence, background checks and conflict-of-interest declarations, and suppliers are categorised by risk level so that high-risk suppliers receive enhanced due diligence and on-site verification.

The supplier base numbers 14 active suppliers in each of the two years, with 75% of spend placed with local suppliers. All buyers receive annual training on responsible purchasing, labour rights and environmental management.

Remediation. One of the 10 audited suppliers, 10%, was found non-compliant at audit, and every non-compliant supplier was remediated within three months, in FY 2025-26 as in FY 2024-25. Every active supplier is reassessed each year, 14 of 14. A non-compliance found at audit opens a corrective and preventive action with a re-audit. Under our Child Labor Prevention Policy, a supplier in violation of that policy must implement a corrective action plan subject to review and re-audit within 60 days, and repeat violations lead to suspension or termination of the contract.

Supplier development. We ran 11 supplier training sessions in the year, reaching 100% of suppliers, for 180 hours of training in total, 12.9 hours per supplier.

Full supplier tables, covering classification, risk profile, development and audit results, are in the ESG Data Annex.

SUSTAINABLE PROCUREMENT, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Total active suppliers	14	14
Signed Supplier Code of Conduct	100%	100%
Strategic suppliers audited annually	9 of 10 (90%)	9 of 10 (90%)
Spend on local suppliers	75%	75%
Non-compliance remediated ≤3 months	100%	100%

> “Offering, giving, receiving or soliciting any bribe, kickback or facilitation payment is prohibited, and so is the use of a third party to do what the policy forbids.

SUSTAINABLE PROCUREMENT, FY 2024-25 AND FY 2025-26 · FY 2024-25 AGAINST FY 2025-26





PICTURE 17

IV

Frameworks and benchmarks

18	PEER BENCHMARKING	71
19	SDG ALIGNMENT	73
20	UN GLOBAL COMPACT PRINCIPLES	75
21	OUR TARGETS AND THE ROAD TO 2030	77
22	GRI CONTENT INDEX	91
23	HOW THIS REPORT ALIGNS WITH COMMON FRAMEWORKS	98
24	FRAMEWORK GAP CLOSURE AND FORWARD ROADMAP	107

18

Peer benchmarking

This section compares Chanakya with its closest craft and embroidery peers and, separately, with the environmental disclosures of 3 listed textile majors. None of the 5 atelier peers publishes quantitative ESG data. The listed-major comparison gives scale context and is not a like-for-like benchmark.

18.1 Method and peer set

Method. We agreed a peer set, selected material metrics, collected each peer's public disclosures, and recorded non-disclosure explicitly. The peer set comprises the ateliers closest to Chanakya in craft and clientele, identified in this section as Peer A to Peer E, and, for environmental metrics only, 3 listed Indian textile majors, included for scale reference only.

18.2 Disclosure and assurance maturity

The finding, stated first, is structural: none of the 5 atelier peers is a listed entity, none files a BRSR report, and none publishes a sustainability report referenced to GRI or SASB with quantitative figures. The comparison with this peer set is therefore qualitative: certifications, policies, audit posture and reporting, which is where the distinction lies.

DISCLOSURE AND ASSURANCE MATURITY, ATELIER PEER SET

MATURITY DIMENSION	CHANAKYA INTERNATIONAL	PEER A	PEER B	PEER C	PEER D	PEER E
Published sustainability report (with reference to GRI)	Yes, second annual; assurance statement at section 28	–	–	–	–	–
Independent ESG assurance	Yes, selected disclosures (section 28)	–	–	Closest proxy: annual third-party compliance audit	–	–
EcoVadis rating	Gold, 79/100, 95th percentile	–	–	–	–	–
Management-system certifications	ISO 9001, 14001, 45001, 27001, 37001 and 28000, and SA 8000; seven certifications held	SA 8000 (since 2007, renewed annually)	–	Third-party compliance audit; 100% labour/ environment, 86% overall	*No ESG detail public*	–
Quantitative ESG KPIs public	Full multi-year GRI data annex	Qualitative only	–	Qualitative plus one audit score	–	–

Of the six houses compared, only Chanakya publishes a GRI-referenced report and seeks independent assurance over selected disclosures, holds the external rating shown in the table and holds ISO 27001 and ISO 37001. Peer A's SA 8000 and Peer C's third-party audit score are the only other public ESG signals, and both are narrower. For a buyer comparing suppliers of hand embroidery, the practical consequence is that Chanakya is the only house in the set whose labour, environmental and governance positions can be read against published, multi-year figures.

> “ Chanakya publishes more than the 5 atelier peers on disclosure, assurance and certification, and none of them publishes quantitative ESG data.

18.3 Metrics against the peer set and scale-distant references

The 3 listed majors publish some environmental data, but they are orders of magnitude larger than a hand-embroidery house of 37 people, so their figures are shown only to demonstrate that Chanakya's absolute footprint is small and its own data is comparably structured, not to rank the house against them. Chanakya's figures below are the values reported elsewhere in this report, with the year each belongs to named in the cell; the peers' figures are drawn from their own public reports and are not normalised for scale.

DISCLOSURE AGAINST THE PEER SET

METRIC	CHANAKYA INTERNATIONAL	PEER SET (PUBLIC DATA)
Published sustainability report	GRI Standards 2021 (2nd annual)	*No atelier peer publishes one*
External assurance	Sought over selected disclosures; statement at section 28	–
Management-system certifications	ISO 9001, 14001, 45001, 27001, 37001, 28000 and SA 8000	Peer A SA 8000 (since 2007); others none public
Third-party social / compliance audit	SA 8000 basis; zero recordable injuries reported	Peer A SA 8000; Peer C third-party audit (86% overall, 100% labour and environment)
Scope 1 GHG (tCO_2e)	0.068 (FY 2025-26); mobile combustion only	Listed majors disclose; not scale-comparable. Atelier peers none
Scope 2 GHG (tCO_2e)	63.92 (FY 2025-26), location-based	Listed majors disclose; not scale-comparable. Atelier peers none
Scope 3 GHG (tCO_2e)	538.82 (FY 2025-26); methodology not yet formalised	Listed majors 1 and 2 disclose; not scale-comparable. Atelier peers none
Non-hazardous waste generated (MT)	3.36 MT (FY 2024-25); 2.54 MT (FY 2025-26)	The two listed majors that disclose tonnage, 5,555 to 42,394; atelier peers none
Renewable energy share	*Nil; no renewable energy certificates held*	–
Gender diversity disclosure	Disclosed in People chapter	Peers qualitative only
OHS training hours per employee	2.6 (FY 2025-26); 96 hours of OHS training in total	Peers qualitative only
Pay-equity ratio	Gender pay gap 0.01% (FY 2025-26)	–
Board-level ESG oversight	Disclosed (quarterly review)	–

ENVIRONMENTAL METRICS AGAINST THE THREE LISTED MAJORS, INDIVIDUALLY

ENVIRONMENTAL METRIC	CHANAKYA INTERNATIONAL	LISTED MAJOR 1	LISTED MAJOR 2	LISTED MAJOR 3
Scope 1 GHG	0.068 (FY 2025-26)	Disclosed (not scale-comparable)	Disclosed (not scale-comparable)	Disclosed (not scale-comparable)
Scope 2 GHG	63.92 (FY 2025-26), location-based	Disclosed	Disclosed	Disclosed
Scope 3 GHG	538.82 (FY 2025-26)	Disclosed	Disclosed	–
Non-hazardous waste generated	3.36 MT (FY 2024-25); 2.54 MT (FY 2025-26)	Disclosed (thousands of MT)	Qualitative recycling claim, no tonnage	Disclosed (tens of thousands of MT)
Renewable energy share	*Nil; no renewable energy certificates held*	*Not comparable*	–	–

18.4 Lead, lag and blind spot

Chanakya publishes more than the 5 atelier peers on disclosure, assurance and certification, and none of them publishes quantitative ESG data. The gaps are against the standards themselves: a formal Scope 3 methodology, a renewable-energy declaration, and platform assessments such as Higg and CDP that the house has not yet completed. The larger benchmarking risk is the evidence the house's own buyers will ask of it.

Our policies already address two of the gaps in part. The Environment Policy commits us to disclose in line with GRI, SASB, CDP and TCFD and to validate all carbon reduction goals through SBTi by 2028, from a 2024 baseline, and documenting the Scope 3 method under the GHG Protocol Corporate Value Chain standard is a forward commitment in the same policy, as section 15.3 records. The renewable-energy position follows from grid supply being 99.7% of energy within the organisation, and it changes only when the renewable sourcing targets in section 15.2 are acted on.



19

SDG alignment

CHANAKYA INTERNATIONAL · HALFTONE CROP

We map our ESG performance against the Sustainable Development Goals most material to a hand-embroidery and textile house. The seven goals below sit within a wider mapping to the full SDG set, set out across the environment, social and governance chapters of this report.

Contribution tied to a named target. Each goal is paired with the specific SDG target it addresses and the practice we point to as evidence, so the claim is one of contribution toward a shared goal, not of having achieved it. The seven targets are the ones our FY 2024-25 report mapped, which keeps the two years comparable. Three of them, SDG 6, 12 and 13, carry a quantified commitment from the Environment Policy; SDG 4, 5, 8 and 11 rest on the programmes described in the Culture and heritage and People chapters.

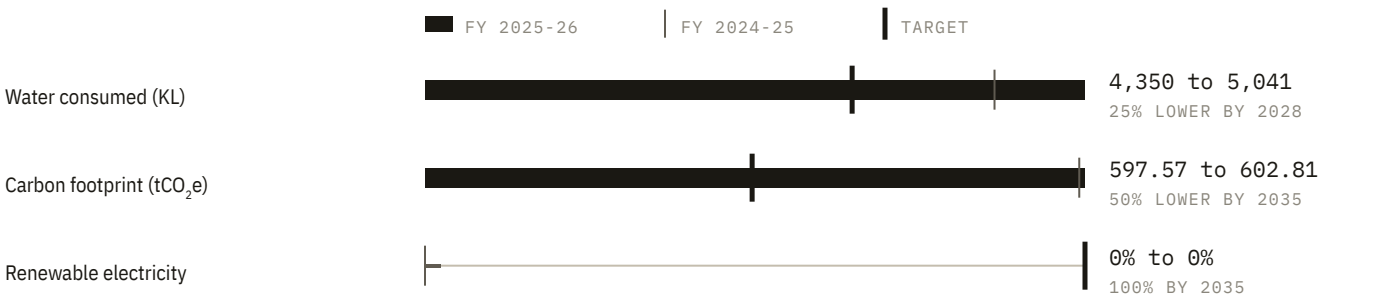
SDG · TARGET	HOW WE CONTRIBUTE
SDG 4 · 4.4 Quality education	Substantially increase the number of youth and adults with relevant skills, through artisan training, digital learning and skill development at the Chanakya Foundation and School of Craft.
SDG 5 · 5.5 Gender equality	Ensure women's full and effective participation in leadership and decision-making, through inclusive hiring, leadership opportunities and 100+ self-help groups.
SDG 6 · 6.4 Clean water	Increase water-use efficiency and sustainable withdrawals; we target a 25% reduction in water consumption by 2028 from 4,350 KL in FY 2024-25, and 100% wastewater recycling by 2032 from 0% today.
SDG 8 · 8.5 Decent work & growth	Full, productive employment and decent work with equal pay for work of equal value, supporting artisans and sustainable production.
SDG 11 · 11.4 Sustainable communities	Protect and safeguard cultural and natural heritage, through archive digitisation and community-based craft programmes.
SDG 12 · 12.5 Responsible production	Substantially reduce waste through prevention, recycling and reuse, via circular design, ethical supply chains and a 90% waste diversion target for 2028, from 2% in FY 2024-25.
SDG 13 · 13.2 Climate action	Integrate climate measures into strategy, targeting a 50% carbon-footprint reduction by 2035 from 597.57 tCO_2e in FY 2024-25 and 100% renewable electricity by 2035, from 0% today.

Our position on four of the goals. On SDG 6, water consumed was 5,041 KL in FY 2025-26 against 4,350 KL in FY 2024-25, the base of the 25% reduction by 2028. On SDG 12, 2% of waste was recycled in FY 2025-26, against 90% diversion by 2028 from 2% in FY 2024-25. On SDG 13, the footprint was 602.81 tCO_2e against 597.57 tCO_2e in FY 2024-25, the base of the 50% reduction by 2035, and renewable electricity stayed at 0% against 100% by 2035. On SDG 5, women are 8.1% of the workforce, against the policy target of at least 45% by FY 2028.

TARGETS AND WHERE THE HOUSE STANDS

INDICATOR	FY 2024-25	FY 2025-26
Water consumed, target 25% lower by 2028 (KL)	4,350	5,041
Waste recycled, target 90% diversion by 2028	2%	2%
Carbon footprint, target 50% lower by 2035 (tCO_2e)	597.57	602.81
Renewable electricity, target 100% by 2035	0%	0%

TARGETS AGAINST BASELINE



SUSTAINABLE DEVELOPMENT GOALS

SDG 4	SDG 5	SDG 6	SDG 8	SDG 11	SDG 12	SDG 13
4.4 Quality education	5.5 Gender equality	6.4 Clean water	8.5 Decent work & growth	11.4 Sustainable communities	12.5 Responsible production	13.2 Climate action

20

UN Global Compact principles

Our conduct aligns with the ten principles of the UN Global Compact, grouped across human rights, labour, environment and anti-corruption. For each principle we name the control or practice the house applies.

Signatory status. Chanakya is not a signatory to the UN Global Compact. What follows describes conduct consistent with the ten principles, and it is not a claim of membership. Seven of our ten policies name the UN Global Compact among the frameworks they are written or reviewed against: the Environment, Employee Health, Safety and Wellbeing, Business Ethics and Integrity, Information Security and Data Retention, Sustainable Procurement, Whistleblower and Non-Retaliation, and Diversity, Equity and Inclusion policies.

PRINCIPLE	HOW WE CARRY IT INTO PRACTICE
1 · Protect human rights	Support and respect internationally proclaimed human rights, safeguarding the dignity, safety and fair treatment of artisans and employees.
2 · Avoid complicity	Ensure we are not complicit in human-rights abuses, through strict supplier codes and monitoring across embroidery, sourcing and supply-chain operations.
3 · Freedom of association	Uphold freedom of association; worker representatives are freely elected, and no union or collective agreement exists.
4 · No forced labour	Eliminate all forms of forced and compulsory labour across our operations and related services.
5 · No child labour	Prohibit child labour under the Child Labor Prevention Policy and the Supplier Code of Conduct, signed by all 14 active suppliers.
6 · End discrimination	Eliminate discrimination in employment, promoting gender equality and equal opportunity in creative and leadership roles.
7 · Precautionary approach	Keep the process dry, with no dyeing or wet processing, and screen 100% of chemical inputs in threads, trims and other materials against the restricted-substance requirements of the Customer Health and Safety Policy.
8 · Environmental responsibility	Undertake energy audits, waste minimisation and recycling of fabrics and embroidery materials.
9 · Clean technologies	Encourage environmentally friendly technologies, from energy-efficient machines to digital design methods.
10 · Work against corruption	Work against corruption in all its forms, including extortion and bribery, through transparent dealings backed by the Code of Ethics.

How the principles are evidenced. Principles 1 and 2 rest on the Labor and Human Rights Policy and the Supplier Code of Conduct, signed by all 14 active suppliers and tested through the supplier ESG audits that covered 9 of the 10 strategic suppliers in FY 2025-26. Principles 3 to 6 rest on freely elected worker representatives, the Child Labor Prevention Policy and the Diversity, Equity and Inclusion Policy, with zero confirmed child or forced labour cases in either year. Principles 7 to 9 rest on the dry process and the ISO 14001:2015 management system described in the Environment chapter, and principle 10 on the anti-bribery management system certified to ISO 37001:2016, with zero corruption incidents in both years.

INDICATORS TRACKED AGAINST THE TEN PRINCIPLES, FY 2024-25 AND FY 2025-26

INDICATOR	FY 2024-25	FY 2025-26
Confirmed corruption incidents	0	0
Operations assessed for human-rights impact	100%	100%
Suppliers screened on social criteria	100%	100%
Discrimination or rights grievances	2	0 (register from Oct 2025)
Child-labour cases	0	0

INDICATORS TRACKED AGAINST THE TEN PRINCIPLES, FY 2024-25 AND FY 2025-26 · FY 2024-25 AGAINST FY 2025-26

Confirmed corruption incidents

0 · FY 2024-25
0 · FY 2025-26

Operations assessed for human-rights impact

100%
100%

Suppliers screened on social criteria

100%
100%

Child-labour cases

0
0



PICTURE 18



21

Our targets and the road to 2030

CHANAKYA INTERNATIONAL · HALFTONE CROP

This register brings together 110 commitments drawn from Chanakya's ten policies, each reviewed by the Chief Compliance Officer and signed by the Chief Strategy Officer: 17 environmental, 55 social and 38 governance. Every row is a forward-looking commitment. The table that opens this chapter shows where the house stands against the principal commitments; the register records what the house has committed to do, and by when.

The headline environmental commitments are carbon neutrality across Scope 1, 2 and 3 by 2050, and renewable electricity at 50% by 2027 rising to 100% by 2035, from 0% today. On the 2050 commitment, our source policy uses two terms for the same target. The Environment Policy commits us to "achieve full carbon neutrality by 2050" and then describes that as achieving "net-zero emissions across Scope 1, 2, and 3", to be realised in part through "high-quality carbon removal offsets such as afforestation, reforestation, and direct air capture technologies for residual emissions". Net zero and carbon neutrality are not the same commitment: net zero normally requires deep absolute abatement with permanent removals for a small residual, while carbon neutrality permits offsetting at a larger scale. Because the policy describes an offsetting mechanism, we state the commitment as carbon neutrality throughout, in the policy's own headline term. On waste, the commitment is to divert 90% of waste from landfill by 2028, from a baseline of 2% in FY 2024-25; 2% of waste was recycled in FY 2025-26. On safety, the commitment is to cut the Lost Time Injury Frequency Rate by 40% by FY 2027 and 60% by FY 2030. On people, the workforce-diversity commitment is at least 45% women representation across all levels by FY 2028, from 8.1% today, and the pay-equity commitment is a gender pay gap at or below 5% by FY 2027, against 0.01% today.

21.1 Headline commitments: where we stand

Of the 16 headline commitments below, 7 are met in FY 2025-26 and 9 are behind: renewable electricity, energy use, water, wastewater recycling, waste diversion, the carbon footprint, the share of women in the workforce and in leadership roles, and occupational illness, where one case arose against a commitment to none. Met means the FY 2025-26 position already satisfies the commitment. Behind means the position has not moved toward the commitment since FY 2024-25, or has moved away from it. The baseline column gives the FY 2024-25 position, which is the policy baseline for the environmental commitments and the latest prior-year position for the others; the register at 21.4 gives each commitment's policy base year. The last column gives the basis of each status, as the chapter that reports the figure states it.

COMMITMENT	BASELINE, FY 2024-25	FY 2025-26	STATUS	BASIS OF THE STATUS
Renewable electricity: 50% by 2027, 100% by 2035	0%	0%	Behind	All electricity is grid supply and no renewable energy certificates are held
Energy within the organisation: 30% lower by 2030	298.50 GJ	325.09 GJ	Behind	Grid electricity, 99.7% of the total, rose 8.9% on the metered readings
Water consumption: 25% lower by 2028	4,350 KL consumed	5,041 KL consumed	Behind	Municipal withdrawal rose to 5,132 KL, with no on-site recycling or other source
Wastewater recycling: 100% by 2032	0%	0%	Behind	No on-site treatment plant; domestic discharge goes to the MCGM sewer
Waste diverted from landfill: 90% by 2028	2%	2%	Behind	98% of waste went to disposal through the two appointed vendors
Carbon footprint: 50% lower by 2035	597.57 tCO_2e	602.81 tCO_2e	Behind	The rise of 5.24 tCO_2e is the metered rise in Scope 2
Women in the workforce: at least 45% by FY 2028	8.1%	8.1%	Behind	Headcount unchanged at 3 women of 37, in a historically male-dominated craft
Women in leadership roles: at least 30% by FY 2028	25% of senior executive roles	25% of senior executive roles	Behind	1 of the 4 senior executive roles is held by a woman, unchanged
Occupational illness: zero reported cases	0	1	Behind	One occupational ill-health case arose, per the occupational health centre and medical records
Gender pay gap: at or below 5% by FY 2027	0.01%	0.01%	Met	One gender-neutral remuneration structure applies to every employee
Workplace fatalities: zero each year	0	0	Met	Zero in each of the four reported years
Lost-time injuries: zero each year	0	0	Met	Zero in each of the four reported years
Ethics and anti-bribery training: 100% of employees each year	100%	100%	Met	100% in each of the four reported years
Confirmed corruption incidents: zero each year	0	0	Met	Zero in each of the four reported years

COMMITMENT	BASELINE, FY 2024-25	FY 2025-26	STATUS	BASIS OF THE STATUS
Child and forced labour: zero verified incidents each year	0	0	Met	Zero confirmed cases in each of the four reported years
Confirmed data breaches: zero each year	0	0	Met	Zero confirmed in each of the four reported years

21.2 How the register is built

Baselines and sourcing. The targets are drawn from the policy suite, which the Chief Compliance Officer reviewed and the Chief Strategy Officer signed, and are forward-looking commitments. They are stated against policy baseline years: 2024 for most environmental targets, FY 2024 for the Labor and Human Rights Policy injury target, and 2023 for the others. The Environment Policy dates the baseline of all its targets to January 2024, and we measure those baselines on FY 2024-25, the first full financial year after that date for which figures are published and the base year of our greenhouse gas inventory (26.1). The 2024 environmental baseline is the FY 2024-25 position given in Appendix A: energy within the organisation of 298.50 GJ, water consumed of 4,350 KL, non-hazardous waste generated of 3.36 MT with 2% recycled, and emissions of 0.068 tCO_2e in Scope 1, 58.68 tCO_2e in Scope 2 and 538.82 tCO_2e in Scope 3. The Baseline column gives the value beside its year wherever this report holds one. For a 2023 baseline, the value is given where the measure reads the same in every reported year, or for both FY 2022-23 and FY 2023-24 where it does not. Where the report holds no value for the base year but holds an FY 2024-25 value for the row's measure, the column gives the base year with the FY 2024-25 value beside it. Qualitative and procedural commitments, and commitments whose measure this report carries no figure for, give their base year alone. For commitments whose deadline fell in FY 2026 or earlier, the Deadline column adds the status: Met or Behind, with the FY 2025-26 figure and the section that reports it, or Not reported this cycle where this report holds no FY 2025-26 figure for the measure. The standing commitment to zero occupational illness also reads Behind, for the one case recorded in FY 2025-26. Every target is cited to its source policy. The 2035 scope targets are set so that together they meet the overall 50% reduction: Scope 1 and Scope 2 to zero, and Scope 3 45% lower at 296.35 tCO_2e, a total 50.4% below the FY 2024-25 baseline of 597.57 tCO_2e. The 45% Scope 3 reduction replaces the 25% the Environment Policy states, which with the other scope targets left 404.12 tCO_2e in 2035, above the 298.79 tCO_2e the overall target allows. Twenty-three of the 110 commitments are standing or continuous requirements in their source policy, such as a zero-incident record or an annual training completion rate, and their Deadline reads Ongoing. The Labor and Human Rights Policy states its injury target as a 40% cut in the Lost Time Injury Frequency Rate by FY 2027 and 60% by FY 2030 against an FY 2024 baseline. The rate has been zero in every reported year, so the register states that commitment as maintaining zero lost-time injuries.

21.3 Qualitative commitments by theme

Qualitative commitments. Alongside the quantitative targets, the policy suite sets out qualitative commitments by theme. On the environmental side, these cover the transition to renewable energy, water stewardship, source segregation and circular-economy take-back, emissions control, biodiversity conservation, sustainable product lifecycles and low-carbon logistics. On the social side, they cover safe and healthy workplaces, decent work and fair wages, freedom of association, diversity and equal opportunity, the prohibition of child, forced and trafficked labour, migrant-worker protections, and product safety with responsive customer grievance handling. On the governance side, they commit the house to integrity and anti-bribery conduct, conflict-of-interest management, data confidentiality, integrity and availability, supplier and partner ethics, and a transparent, confidential and impartial whistleblowing system.

21.4 Quantitative targets by theme

Quantitative sustainability targets by theme. Each row gives the target as the policy suite states it, cut to the target clause where the policy text runs on and set in British spelling, with its baseline, deadline and source policy. The exceptions are the rows 21.2 names, the 2035 emissions targets and the injury target, which carry the house's restated target with the policy's own wording noted beside it. Where the policy names only a baseline year, the baseline value in the row is taken from Appendix A. Performance against the indoor air quality, noise and monitoring-frequency commitments in the Employee Health, Safety and Wellbeing Policy is reported in the air and noise section of the Environment chapter.

THEME	TARGET	BASELINE	DEADLINE	SOURCE POLICY
Environmental	Source at least 75% of raw materials from certified sustainable origins (GRS, FSC, OEKO-TEX).	2024	Ongoing	Environment Policy
Environmental	Reduce industrial energy consumption by 30% by 2030.	298.50 GJ (FY 2024-25)	2030	Environment Policy
Environmental	Source 50% renewable electricity by 2027 and 100% by 2035.	0% renewable (FY 2024-25)	2027 / 2035	Environment Policy
Environmental	Validate all carbon reduction goals through SBTi by 2028.	2024	2028	Environment Policy
Environmental	Reduce water consumption by 25% by 2028.	4,350 KL consumed (FY 2024-25)	2028	Environment Policy
Environmental	Achieve 100% wastewater recycling by 2032.	0% (FY 2024-25)	2032	Environment Policy
Environmental	Divert 90% of waste from landfills by 2028.	2% recycled (FY 2024-25)	2028	Environment Policy
Environmental	Recycle or repurpose 75% of post-consumer apparel by 2030.	2024	2030	Environment Policy
Environmental	Reduce overall carbon footprint by 50% by 2035 (the scope targets leave 296.35 tCO_2e, 50.4% lower, 21.2).	597.57 tCO_2e (FY 2024-25)	2035	Environment Policy
Environmental	Achieve full carbon neutrality by 2050.	597.57 tCO_2e (FY 2024-25)	2050	Environment Policy
Environmental	Scope 1: Direct Emissions Reduction Target: Baseline: 2024; Target: 30% absolute reduction by 2030 (zero by 2035 is added in this report, 21.2).	0.068 tCO_2e (FY 2024-25)	2030 / 2035	Environment Policy
Environmental	Scope 2: Indirect Energy Emissions Reduction Target: Baseline: 2024; Target: 50% renewable electricity sourcing by 2027 and 100% by 2035 (zero Scope 2 by 2035 follows, 21.2).	0% renewable; 58.68 tCO_2e (FY 2024-25)	2027 / 2035	Environment Policy
Environmental	Scope 3: Value Chain Emissions Reduction Target: Baseline: 2024; Target: 45% absolute reduction by 2035, to 296.35 tCO_2e (the Environment Policy states 25%; raised to 45%, 21.2).	538.82 tCO_2e (FY 2024-25)	2035	Environment Policy
Environmental	Emission Intensity Reduction Target: Baseline: 2024; Target: 40% reduction by 2030.	16.15 tCO_2e per employee (FY 2024-25), on the per-employee basis of section 26.8	2030	Environment Policy
Environmental	Employee Engagement: Participation in sustainability programmes is monitored, with a target of 80% workforce involvement by 2028.	2024	2028	Environment Policy

THEME	TARGET	BASELINE	DEADLINE	SOURCE POLICY
Environmental	Carbon Reduction: Achieve a 15% reduction in logistics-related emissions by 2027 through optimised route planning, use of eco-efficient transport, and transition to recyclable and biodegradable packaging materials.	2023; upstream and downstream transport 42.05 tCO_2e (FY 2022-23); 37.13 tCO_2e (FY 2023-24), Scope 3 categories 4 and 9	2027	Sustainable Procurement Policy
Environmental	Local Procurement: Source at least 40% of goods and services from Indian MSMEs by 2026, with a focus on empowering local artisans, social enterprises, and women-led businesses.	2023	2026; Not reported this cycle	Sustainable Procurement Policy
Social	100% Age Verification: By FY 2026, ensure that all new hires provide validated, government-issued proof of age (Aadhaar, birth certificate, or passport) before employment.	2023	FY 2026; Not reported this cycle	Child Labor Prevention Policy
Social	Any supplier found in violation must implement a corrective action plan, subject to review and re-audit within 60 days.	2023	within 60 days	Child Labor Prevention Policy
Social	Recruitment Agency Audits: Conduct comprehensive audits of 100% of labour brokers and recruitment agencies annually by FY 2027.	2023	FY 2027	Child Labor Prevention Policy
Social	Supplier Compliance: Ensure that 100% of Tier 1 suppliers sign and comply with the Supplier Code of Conduct by FY 2026.	2023; 14 of 14 suppliers signed (FY 2024-25)	FY 2026; Met, 14 of 14 signed in FY 2025-26 (section 17.4)	Child Labor Prevention Policy
Social	Conduct child labour audits for at least 80% of high and medium-risk suppliers by FY 2027.	2023	FY 2027	Child Labor Prevention Policy
Social	Remediation Response: Guarantee 100% remediation of any identified child labour cases within 30 days, ensuring the child's enrolment in school under the Right to Education Act, provision of financial support for the family, and verification of progress through follow-up visits.	0 child-labour incidents (2023)	within 30 days	Child Labor Prevention Policy
Social	Awareness Training: Provide structured annual training for 100% of employees, supervisors, and high-risk suppliers by FY 2026.	2023	FY 2026; Not reported this cycle	Child Labor Prevention Policy
Social	The supplier involved must submit a corrective action plan (CAPA) within 30 days in compliance with Indian regulations.	2023	within 30 days	Child Labor Prevention Policy
Social	Affected suppliers will undergo frequent audits and inspections for at least two years.	2023	at least 2 years	Child Labor Prevention Policy

THEME	TARGET	BASELINE	DEADLINE	SOURCE POLICY
Social	Chemical Compliance: 100% of raw materials, dyes, and chemicals must comply with REACH, ZDHC, and OEKO-TEX standards and be verified through supplier certifications, test reports, and incoming inspection audits.	2023	Ongoing	Customer Health and Safety Policy
Social	Product Testing Rate: 100% of production lots must be tested for restricted substances, mechanical safety, and colourfastness before shipment.	2023	before shipment	Customer Health and Safety Policy
Social	Non-Conformance Rate: Maintain product safety non-conformance at <0.5% of total output annually through proactive quality planning, root-cause analysis, and CAPA implementation.	2023	annually	Customer Health and Safety Policy
Social	Customer Complaint Resolution: 100% of safety-related complaints must be acknowledged within 24 hours and resolved within 10 working days.	2023	acknowledged within 24 hours; resolved within 10 working days	Customer Health and Safety Policy
Social	Supplier Compliance: 100% of suppliers are required to sign and comply with Chanakya's Supplier Code of Conduct and Customer Safety Standards. Non-compliant suppliers must complete a corrective action plan within 30 days to maintain active status.	2023; 14 of 14 suppliers signed (FY 2024-25)	CAPA within 30 days	Customer Health and Safety Policy
Social	Packaging Safety: 100% of packaging materials must meet recyclability, non-toxicity, and safety standards by 2026.	2023	2026; Behind, 80% recyclable packaging in FY 2025-26 (section 15.5)	Customer Health and Safety Policy
Social	Training Coverage: 100% of production, quality, logistics, procurement, and sourcing teams must receive annual training on customer safety, hazard identification, and chemical management best practices.	2023	Ongoing	Customer Health and Safety Policy
Social	Workforce Diversity Ratio: Achieve and maintain at least 45% women representation across all levels and 30% in leadership roles by FY 2028.	8.1% women; 25% of senior executive roles (2023)	FY 2028	Diversity, Equity and Inclusion Policy
Social	Additionally, aim for 5% representation of individuals with disabilities and 10% participation of marginalised or economically disadvantaged groups by FY 2028.	Underrepresented groups 4 of 37, 10.8% (FY 2022-23); 5 of 37, 13.5% (FY 2023-24)	FY 2028	Diversity, Equity and Inclusion Policy
Social	Pay Equity: Conduct annual pay audits to ensure gender pay gap ≤5% by FY 2027.	0.11% (FY 2022-23); 0.07% (FY 2023-24)	FY 2027	Diversity, Equity and Inclusion Policy

THEME	TARGET	BASELINE	DEADLINE	SOURCE POLICY
Social	Accessibility Improvements: Ensure 100% of workplaces meet accessibility standards under the RPWD Act by FY 2026, including physical access, adaptive technologies, and communication accessibility for hearing- and visually-impaired employees.	100% of facility accessible (2023)	FY 2026; Met, 100% accessible in FY 2025-26 (section 25.5)	Diversity, Equity and Inclusion Policy
Social	Training Completion & Impact: Achieve 100% annual participation in DEI, PoSH, and unconscious bias training programmes by FY 2026.	100% trained in DEI (2023)	FY 2026; Met for DEI, 100% in FY 2025-26 (section 16.2); not reported this cycle for PoSH and unconscious bias	Diversity, Equity and Inclusion Policy
Social	Conduct post-training impact assessments and ensure at least 85% positive knowledge retention rate.	2023	Ongoing	Diversity, Equity and Inclusion Policy
Social	Supplier Diversity & Social Inclusion: Ensure at least 15% of procurement value comes from women-owned, minority-run, or small rural enterprises by FY 2028.	2023	FY 2028	Diversity, Equity and Inclusion Policy
Social	Inclusive Leadership Benchmarks: By FY 2027, ensure that at least 40% of all people managers and 25% of senior executives have completed certified inclusive leadership programmes and mentorship engagements.	2023	FY 2027	Diversity, Equity and Inclusion Policy
Social	Community Engagement Goals: Support education, skill-building, and employability programmes benefiting at least 1,000 women and youth from rural and marginalised backgrounds by FY 2028.	2023	FY 2028	Diversity, Equity and Inclusion Policy
Social	Zero Fatalities: Maintain zero workplace fatalities each year through continuous risk assessment, proactive leadership involvement, and accountability mechanisms.	0 fatalities (2023)	each year	Employee Health, Safety and Wellbeing Policy
Social	Lost Time Injury Rate (LTIR): Keep LTIR below 1.0 per 200,000 man-hours by FY 2026, progressively lowering by 10% annually.	0 lost-time injuries (2023)	FY 2026 (then annual); Met, 0 in FY 2025-26 (section 16.3)	Employee Health, Safety and Wellbeing Policy
Social	Incident Investigation Closure: Ensure 100% of incidents, near-misses, and unsafe acts are reported, investigated, and closed within 7 working days.	0 recordable injuries and 0 near-misses (2023)	within 7 working days	Employee Health, Safety and Wellbeing Policy
Social	PPE Compliance & Standards: Achieve 100% PPE compliance through daily monitoring, random inspections, and disciplinary action for non-compliance.	2023	Ongoing	Employee Health, Safety and Wellbeing Policy

THEME	TARGET	BASELINE	DEADLINE	SOURCE POLICY
Social	Training Completion & Competency Development: Attain 100% participation in induction, refresher, and advanced safety training programmes.	100% trained on health and safety (2023)	Ongoing	Employee Health, Safety and Wellbeing Policy
Social	Emergency Drills & Response Readiness: Conduct two full-scale evacuation drills, one tabletop emergency simulation, and one medical emergency drill per facility each year.	4 emergency drills a year (2023)	each year	Employee Health, Safety and Wellbeing Policy
Social	Health Surveillance & Ergonomics: Ensure 100% of employees undergo annual medical and ergonomic assessments, covering vision, hearing, respiratory health, musculoskeletal fitness, and exposure to occupational hazards.	100% periodic medical examinations (2023)	Ongoing	Employee Health, Safety and Wellbeing Policy
Social	Fire, Electrical & Chemical Safety Compliance: Maintain zero major fire, explosion, or chemical spill incidents annually. Conduct quarterly fire safety audits, electrical system checks, and hazardous material compatibility reviews.	0 process-safety incidents (2023)	annually (quarterly audits)	Employee Health, Safety and Wellbeing Policy
Social	Contractor & Visitor Safety Performance: Require that 100% of contractors and visitors complete safety orientation before site access.	2023	before site access	Employee Health, Safety and Wellbeing Policy
Social	Wellbeing Index & Psychological Health: Maintain ≥90% satisfaction in annual employee wellbeing surveys, focusing on stress management, workload balance, and psychological health.	2023; Wellbeing Index 85% (2024 objectives)	annual	Employee Health, Safety and Wellbeing Policy
Social	Environmental Health, Air & Noise Quality: Maintain indoor air quality parameters within national occupational limits (PM2.5 < 50 µg/m³, CO_2 < 800 ppm) and ambient noise below 85 dB(A).	Noise 52 dB(A) Leq (FY 2022-23); 54.2 dB(A) Leq (FY 2023-24)	Ongoing	Employee Health, Safety and Wellbeing Policy
Social	Occupational Disease Prevention: Achieve zero reported cases of occupational illnesses related to chemical exposure, hearing loss, or repetitive strain through proactive monitoring, PPE use, and exposure limit management.	Occupational ill-health cases: 0 (FY 2022-23); 1 (FY 2023-24)	Ongoing; Behind, 1 case in FY 2025-26 (section 16.3)	Employee Health, Safety and Wellbeing Policy

THEME	TARGET	BASELINE	DEADLINE	SOURCE POLICY
Social	Continuous Improvement & Innovation: Target a 15% annual reduction in TRIFR through continuous improvement, leadership walkthroughs, and worker engagement programmes.	Recordable injury rate 0, excluding occupational ill health (2023)	annually	Employee Health, Safety and Wellbeing Policy
Social	Injury Reduction: Maintain zero lost-time injuries (the Labor and Human Rights Policy states a 40% cut in the Lost Time Injury Frequency Rate by FY 2027 and 60% by FY 2030; restated as zero, 21.2).	0 lost-time injuries; LTIFR 0 (FY 2024)	each year	Labor and Human Rights Policy
Social	Achieve ≥95% corrective action closure within 90 days of H&S audit findings by FY 2026.	2023	FY 2026; Not reported this cycle	Labor and Human Rights Policy
Social	Training Coverage: Ensure 100% of employees, artisans, contractors, and homeworkers receive annual training on labour & human rights, grievance procedures, anti-harassment, and H&S induction by FY 2026.	2023	FY 2026; Not reported this cycle	Labor and Human Rights Policy
Social	Wages & Hours Compliance: Achieve and sustain ≥99% accuracy of on-time, correct wage payments verified by quarterly payroll audits, and maintain ≥98% compliance with working-hours standards across all sites by FY 2026. Any deviations must be corrected within 30 days.	2023	FY 2026 (deviations within 30 days); Not reported this cycle	Labor and Human Rights Policy
Social	Freedom of Association & Social Dialogue: Expand structured worker committees, unions, or social dialogue platforms to cover at least 85% of our workforce by FY 2027.	Joint committee covering 100% of employees (FY 2022-23); 35 of 37, 94.6% (FY 2023-24)	FY 2027	Labor and Human Rights Policy
Social	Diversity, Equity & Inclusion (DEI): Reach ≥45% women representation in the workforce and ≥30% women in supervisory roles by FY 2028.	8.1% women (2023)	FY 2028	Labor and Human Rights Policy
Social	Conduct annual gender pay gap analyses; where disparities >5% are found, implement corrective plans within 12 months.	Gender pay gap 0.11% (FY 2022-23); 0.07% (FY 2023-24)	corrective plans within 12 months	Labor and Human Rights Policy
Social	Child/Forced Labour Controls: Maintain 0 verified incidents annually of child labour, forced labour, or trafficking.	0 incidents (2023)	annually	Labor and Human Rights Policy
Social	Ensure 100% of new hires have verified age documentation.	2023	Ongoing	Labor and Human Rights Policy
Social	Require 100% of recruiters and labour brokers to be audited and certified as no-fee by FY 2027.	2023	FY 2027	Labor and Human Rights Policy

THEME	TARGET	BASELINE	DEADLINE	SOURCE POLICY
Social	Supplier Standards Adoption: By FY 2026, ensure 100% of Tier 1 suppliers sign our Supplier Code of Conduct and incorporate labour & human rights clauses.	2023; 14 of 14 suppliers signed (FY 2024-25)	FY 2026; Met, 14 of 14 signed, with labour clauses in contract, in FY 2025-26 (section 17.4)	Labor and Human Rights Policy
Social	Audit or assess 80% of high/medium-risk suppliers annually, with ≥90% CAP closure within 120 days by FY 2027.	Non-compliant suppliers remediated within three months, 60% (FY 2022-23); 80% (FY 2023-24)	annually; CAP within 120 days by FY 2027	Labor and Human Rights Policy
Social	Grievance Mechanism Effectiveness: Resolve ≥95% of grievances within 30 days by FY 2026, with outcomes documented and communicated.	11 of 11 grievances resolved, 9.8 days average response (FY 2022-23); 43 of 46 resolved, 9.2 days (FY 2023-24)	FY 2026; Not reported this cycle, as no grievance was logged from the register's opening in October 2025 to 31 March 2026 (section 16.1)	Labor and Human Rights Policy
Social	Increase awareness of grievance channels to ≥90% of employees and suppliers (via surveys) by FY 2026.	2023	FY 2026; Not reported this cycle	Labor and Human Rights Policy
Social	Career Management & Training: Provide an average of at least 40 training hours per employee annually by FY 2027, covering technical, leadership, and rights-based modules.	OHS training 1.3 hours per employee (FY 2022-23); 1.7 hours (FY 2023-24)	FY 2027	Labor and Human Rights Policy
Social	Ensure ≥25% of managerial and supervisory roles are filled through internal promotions by FY 2028.	Internal promotion rate 17.5% (FY 2022-23); 23.8% (FY 2023-24)	FY 2028	Labor and Human Rights Policy
Social	Expand artisan upskilling initiatives to reach ≥75% of homeworkers by FY 2027, measured through participation records and skill assessments.	2023	FY 2027	Labor and Human Rights Policy
Governance	Zero Incidents of Bribery, Fraud, or Corruption: Maintain a zero-tolerance record for all forms of bribery, fraud, and unethical practices annually.	0 confirmed corruption incidents (2023)	annually	Business Ethics and Integrity Policy
Governance	100% Employee Ethics & Anti-Bribery Training Completion: Ensure all employees, including new hires and senior leadership, complete ethics, anti-bribery, and compliance training each year.	100% trained in anti-bribery and corruption (2023)	each year	Business Ethics and Integrity Policy
Governance	100% Annual Conflict of Interest Declarations: Achieve full compliance in filing annual Conflict of Interest (COI) forms.	2023	annually	Business Ethics and Integrity Policy
Governance	100% Tier 1 Supplier Compliance & Sign-off: Require every Tier 1 supplier to sign and adhere to the Supplier Code of Conduct. Suppliers must undergo ethics and integrity training annually.	Suppliers trained 6 of 14 (FY 2022-23); 11 of 14 (FY 2023-24)	annually	Business Ethics and Integrity Policy

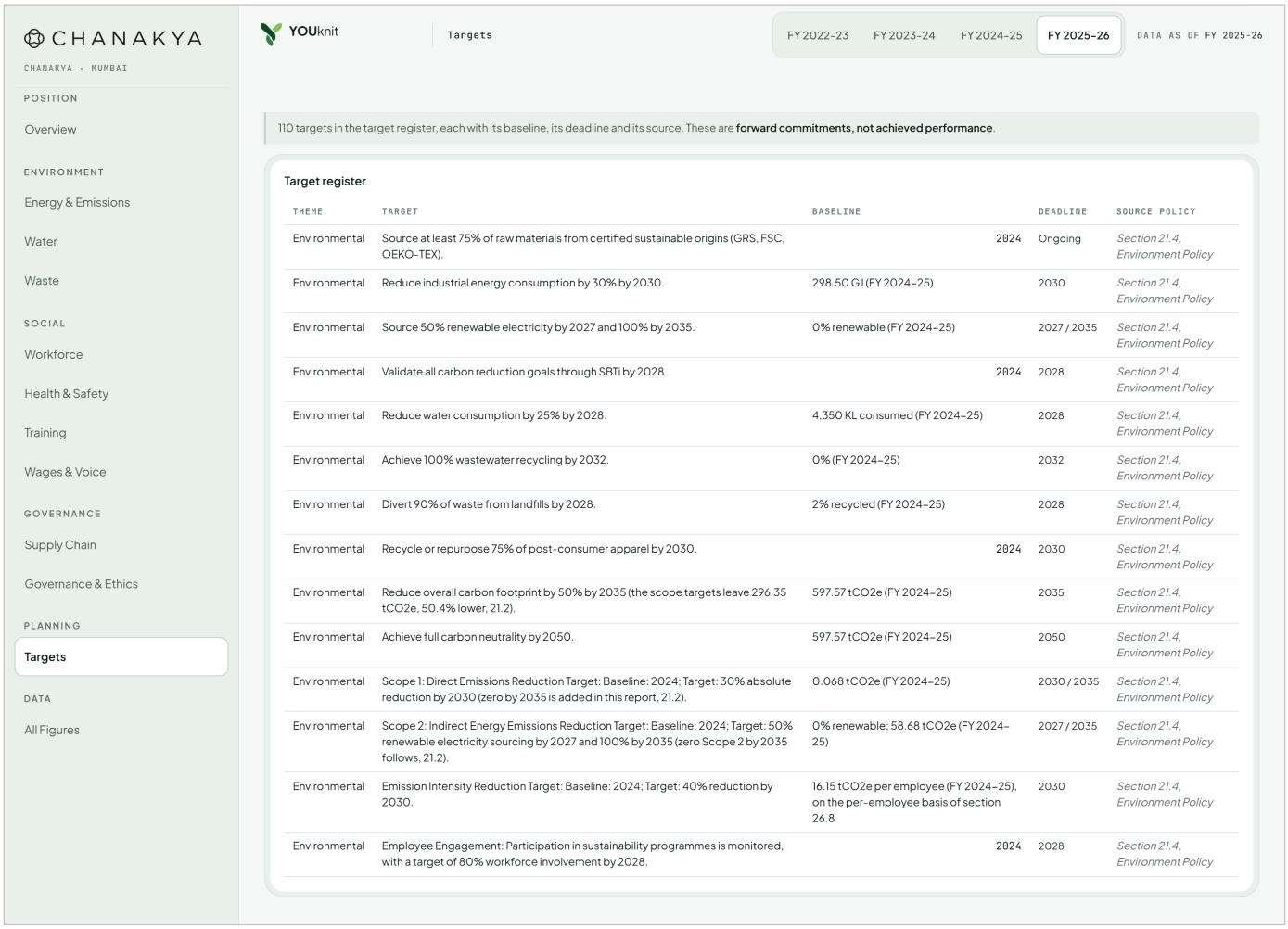
THEME	TARGET	BASELINE	DEADLINE	SOURCE POLICY
Governance	100% Whistleblower Cases Investigated & Resolved Within 30 Working Days: Guarantee that all reports received through the Whistleblowing Procedure are acknowledged, investigated, and resolved within 30 working days.	0 whistleblower complaints (2023)	within 30 working days	Business Ethics and Integrity Policy
Governance	Ethics Culture Index: Introduce an annual Ethics Culture Index, and achieve and maintain a minimum score of 90% on employee ethics confidence and integrity ratings.	2023	Ongoing	Business Ethics and Integrity Policy
Governance	Supplier Integrity Rating: Establish a Supplier Integrity Rating system, with a target of 100% supplier participation and continuous improvement over three years.	2023	over three years	Business Ethics and Integrity Policy
Governance	Zero Retaliation Incidents: Maintain a zero-incident record of retaliation or victimisation against whistleblowers or individuals participating in compliance investigations.	2023	Ongoing	Business Ethics and Integrity Policy
Governance	100% Employee Training: All employees, contractors, and relevant third parties must complete annual information security and data privacy training.	2023; 100% of employees trained in information security (FY 2024-25)	annual	Information Security and Data Retention Policy
Governance	Zero Data Breach Target: Maintain zero confirmed data breaches annually by implementing advanced intrusion detection systems, endpoint protection, and continuous vulnerability monitoring.	0 confirmed information-security incidents (2023)	annually	Information Security and Data Retention Policy
Governance	Incident Response: Detect, report, and resolve 100% of information security incidents within 72 hours of discovery.	0 confirmed information-security incidents (2023)	within 72 hours	Information Security and Data Retention Policy
Governance	Access Control Compliance: Ensure 100% of systems, databases, and applications implement multi-factor authentication (MFA), least privilege access, and quarterly access reviews.	2023	Ongoing	Information Security and Data Retention Policy
Governance	Encryption Coverage: Ensure 100% encryption of confidential, personal, and sensitive data at rest and in transit using AES-256 or equivalent standards.	2023	Ongoing	Information Security and Data Retention Policy
Governance	Backup Reliability: Maintain >99.9% data backup success rate with weekly verification and cross-site redundancy testing.	2023	Ongoing	Information Security and Data Retention Policy

THEME	TARGET	BASELINE	DEADLINE	SOURCE POLICY
Governance	Data Retention Compliance: Maintain 100% adherence to defined retention and disposal timelines.	2023	Ongoing	Information Security and Data Retention Policy
Governance	Employee Records: Retained for a minimum of 7 years post-employment, covering payroll, appraisal, and grievance data, or longer if required under Indian labour and social welfare laws.	2023	post-employment	Information Security and Data Retention Policy
Governance	Financial & Transactional Data: Retained for 7 years or more, in line with the Companies Act, 2013, Income Tax Act, and Indian accounting standards.	2023	Ongoing	Information Security and Data Retention Policy
Governance	Customer Data: Deleted or anonymised within 90 days after termination unless otherwise mandated by law.	2023	after termination	Information Security and Data Retention Policy
Governance	Supplier Data: Stored for 5 years post-contract termination to ensure accountability, traceability, and compliance verification.	2023	post-contract termination	Information Security and Data Retention Policy
Governance	Security Logs & System Backups: Retained on a 12-month rolling basis with automated purging unless flagged for forensic or regulatory use.	2023	Ongoing	Information Security and Data Retention Policy
Governance	ISMS Audits: KPI: Number of ISMS non-conformities identified per audit cycle; Target: ≤2 per annum.	2023	per annum	Information Security and Data Retention Policy
Governance	Data Access Logs: KPI: Percentage of unauthorised access attempts detected and mitigated within 24 hours; Target: 100%.	2023	within 24 hours	Information Security and Data Retention Policy
Governance	Training Analytics: KPI: Annual training completion rate and average test score; Target: ≥95% completion and 80% average score.	2023; 100% of employees trained in information security (FY 2024-25)	annual	Information Security and Data Retention Policy
Governance	System Health Checks: KPI: Patch compliance rate and number of vulnerabilities remediated within SLA; Target: 100% compliance within 30 days of detection.	2023	within 30 days of detection	Information Security and Data Retention Policy
Governance	Supplier Compliance Audits: KPI: Percentage of suppliers passing annual information security assessments; Target: ≥95%.	2023	annual	Information Security and Data Retention Policy

THEME	TARGET	BASELINE	DEADLINE	SOURCE POLICY
Governance	Real-Time Monitoring: KPI: Mean Time to Detect (MTTD) and Mean Time to Respond (MTTR), with a target of <4 hours for detection and <12 hours for response.	2023	Ongoing	Information Security and Data Retention Policy
Governance	100% Supplier Screening: All new suppliers are evaluated against ESG, compliance, and quality criteria before approval. Every supplier must sign the Chanakya Supplier Code of Conduct as a mandatory condition of engagement.	2023; 14 of 14 suppliers screened (FY 2024-25)	before approval	Sustainable Procurement Policy
Governance	Supplier Training Coverage: 95% of Tier 1 suppliers are trained annually on sustainable procurement practices, responsible sourcing, and ethical business conduct.	Suppliers trained 6 of 14 (FY 2022-23); 11 of 14 (FY 2023-24)	annually	Sustainable Procurement Policy
Governance	Audit Compliance Rate: Minimum 90% of suppliers must pass social, environmental, and human rights audits each year.	2023; 4 of 5 suppliers audited passed, 80% (FY 2022-23); 7 of 8, 87.5% (FY 2023-24)	each year	Sustainable Procurement Policy
Governance	Supplier Code of Conduct Compliance: 100% of active suppliers to sign and renew the Supplier Code of Conduct annually.	2023; 14 of 14 suppliers signed (FY 2024-25)	annually	Sustainable Procurement Policy
Governance	Awareness Coverage: Achieve 100% dissemination of whistleblower rights and reporting mechanisms across the Raheja Xion premises, its departments and supplier locations.	2023	Ongoing	Whistleblower and Non-Retaliation Policy
Governance	Channel Availability: Maintain a minimum of four accessible and fully functional reporting mechanisms, tested quarterly for reliability, multilingual accessibility, and anonymity features.	2023	Ongoing	Whistleblower and Non-Retaliation Policy
Governance	Response Efficiency: Acknowledge 100% of received complaints within 24 hours and initiate investigations within five working days.	0 whistleblower complaints (2023)	within 24 hours; investigation within 5 working days	Whistleblower and Non-Retaliation Policy
Governance	Resolution Timeliness: Conclude 100% of validated cases within 30 working days from initiation.	0 whistleblower complaints (2023)	within 30 working days	Whistleblower and Non-Retaliation Policy
Governance	Training Completion: Achieve 100% completion of annual whistleblower and ethics awareness training for all employees, contractors, and suppliers.	100% trained in anti-bribery and corruption (2023)	annual	Whistleblower and Non-Retaliation Policy

THEME	TARGET	BASELINE	DEADLINE	SOURCE POLICY
Governance	Zero Retaliation: Maintain zero confirmed incidents of retaliation, victimisation, or discrimination against whistleblowers.	2023	Ongoing	Whistleblower and Non-Retaliation Policy
Governance	Employee Confidence Index: Sustain a minimum 90% trust score in anonymous whistleblower perception surveys assessing safety, confidentiality, and fairness of the system.	2023	Ongoing	Whistleblower and Non-Retaliation Policy
Governance	Audit Compliance: Conduct one comprehensive, independent ethics and whistleblower system audit each year. Audit results, recommendations, and CAPA implementation will be tracked with an on-time closure rate of 90% within six months.	2023	each year; closure within six months	Whistleblower and Non-Retaliation Policy

The register on screen. The Targets screen of YOUknit counts the 110 targets in the register at 21.4 and lists environmental ones, each with its theme, target, baseline, deadline and source. The rows in view are fourteen of the register's seventeen environmental targets; the other three, for Scope 3, logistics emissions and local procurement, are in the register itself. The screen gives targets and baselines, not FY 2025-26 results. Every row on it is printed in the register at 21.4, which names the source policy of each target. Sections 21.2 and 21.4 set out the basis of the baselines, and Appendix B names the record behind each baseline figure.



YOUknit · TARGETS SCREEN · FY 2025-26 VIEW

22

GRI content index

This index maps each disclosure to the place in this report that addresses it. The ESG data annex at section 25 carries the figures behind the narrative chapters, and section 28 is reserved for the independent assurance statement, which names the disclosures it covers; a location in this index does not mean a disclosure is assured. Where a disclosure is answered in more than one place, each section is listed, and the restatements that affect indexed figures are set out at 26.11 and referenced under 2-4. General disclosures and the management of material topics are set out first, followed by the economic, environmental and social topic disclosures, in the sequence of the GRI Standards. Only disclosures this report answers are listed.

Statement of use: Chanakya International has reported the information cited in this GRI content index for the period 1 April 2025 to 31 March 2026 with reference to the GRI Standards.

GRI 1 used: GRI 1: Foundation 2021. Applicable GRI Sector Standards: none for this reporting period.

The Remarks column carries the figure or control that answers each disclosure; where it is empty, the location answers the disclosure in full. Disclosures recording no incident reflect zero occurrences within the reporting period. Where part of a disclosure is omitted, the Remarks column names the part and gives the reason, information unavailable, as in the 2-9, 2-19 and 2-20, 2-27, 404-1 and 405-1 rows.

22.1 General disclosures and material topics (GRI 2 and GRI 3)

General disclosures and material topics. Organisational profile, governance, strategy, stakeholder engagement and the materiality process are indexed here.

GRI STANDARD	DISCLOSURE	REMARKS / REASON FOR OMISSION	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details		p. 10
GRI 2: General Disclosures 2021	2-2 Entities included in the organization's sustainability reporting	Chanakya International is the reporting entity. The energy, water, waste, air and noise figures are those of our premises at Raheja Xion, Byculla East, Mumbai. The Chanakya School of Craft, the associated training centres, the Chanakya Foundation and the artisan clusters are separate premises outside that boundary.	p. 5
GRI 2: General Disclosures 2021	2-3 Reporting period, frequency and contact point	1 April 2025 to 31 March 2026; annual; published May 2026; our second report prepared with reference to the GRI Standards.	pp. 5 to 7, 150



PICTURE 19

GRI STANDARD	DISCLOSURE	REMARKS / REASON FOR OMISSION	LOCATION
GRI 2: General Disclosures 2021	2-4 Restatements of information	The energy and emissions series, water withdrawal, discharge and consumption, the waste tonnage, hazardous waste, collective-bargaining coverage, on-site water reuse, total training hours, man-hours worked per employee, the FY 2024-25 harassment and discrimination counts, grievances resolved through social dialogue, occupational ill health for FY 2023-24, female retention, employees from underrepresented groups, salary appraisal coverage, cybersecurity training certification, women in leadership roles, suppliers audited for child-labour risk, strategic suppliers audited, suppliers found non-compliant, average training hours per supplier, joint committees, the FY 2024-25 noise reading, the emission intensity target baseline and the average annual wage are restated from our FY 2024-25 report, each with its reason; FY 2024-25 figures that report's highlights print differently are given beside the figures used; and the 2024 baselines of that report's objectives table are replaced, each with its published value and reason.	pp. 134 to 140
GRI 2: General Disclosures 2021	2-5 External assurance	Chanakya seeks external assurance over selected disclosures. External assurance: see the independent assurance statement at section 28, set exactly as signed by the assurance provider, which names the disclosures covered, the standard and level of assurance applied and the conclusion. Our FY 2024-25 report included a statement headed Independent Assurance Statement, at a limited level under ISAE 3000 (Revised), whose coverage table listed, among others, 302-1 to 302-3, 303-3, 303-5, 305-1 to 305-4, 306-3, 306-4 and 403-9, and its GRI index gave internal verification as the assurance basis; 26.11 identifies the restated FY 2024-25 figures within that coverage.	pp. 18, 134 to 140, 145 to 148
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships		pp. 10, 16, 68 to 69
GRI 2: General Disclosures 2021	2-7 Employees	37 employees, all permanent and directly employed, 34 male and 3 female; women are 8.1% of the workforce.	pp. 57 to 58, 118 to 119
GRI 2: General Disclosures 2021	2-8 Workers who are not employees	We use no contract labour. The artisan network is a separate population engaged on a different basis, and no workforce figure in this report includes it.	pp. 42, 56 to 58
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	The Board has 3 members, 1 of them a woman. A leadership team of founding and executive members directs the house. The executive or non-executive status and independence of Board members, and the tenure of the other Board members, are omitted: information unavailable; Nehal Shah has been a Director since 1998 (17.1).	pp. 65, 118 to 119
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	The highest governance body reviews sustainability priorities, performance indicators and the disclosures in this report, quarterly in FY 2025-26 and in FY 2024-25.	p. 65

GRI STANDARD	DISCLOSURE	REMARKS / REASON FOR OMISSION	LOCATION
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	Responsibilities are delegated across creative leadership, operations and community engagement, and each is reviewed by the leadership team against long-term goals.	p. 65
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	The highest governance body reviews the disclosures in this report and endorses it.	p. 65
GRI 2: General Disclosures 2021	2-19 and 2-20 Remuneration policies; Process to determine remuneration	A single, gender-neutral remuneration structure applies to employees under the Remuneration and Equal Remuneration policies. The remuneration policies and process for members of the highest governance body and senior executives are omitted: information unavailable.	pp. 63 to 64, 124 to 125
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy		pp. 8 to 9, 35 to 37
GRI 2: General Disclosures 2021	2-23 Policy commitments	Ten controlled policies, each with a named owner and a review cycle set in the policy document, reviewed by the Chief Compliance Officer and signed by the Chief Strategy Officer.	pp. 38 to 39
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	Remedy runs through the grievance procedure and the Remediation for Human Rights and Abuses framework, with remediation tracked to closure.	pp. 56 to 57, 101 to 102
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	The Whistleblower and Non-Retaliation Policy provides a confidential channel monitored by the Chief Compliance Officer, alongside a separate grievance procedure.	pp. 65 to 67
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	No fines or penalties for non-compliance with occupational health and safety law in FY 2025-26 or in the three preceding years, per the safety sheet of our data input form. Fines and non-monetary sanctions under other laws and regulations are omitted: information unavailable.	pp. 65 to 67
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement		p. 17
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	Coverage is 0%: no union is formed and there is no collective agreement, and worker representatives are freely elected under the Freedom of Association Policy. The 77%, 100% and 100% published in our FY 2024-25 report is restated to 0% across all years.	pp. 56 to 57, 124 to 125
GRI 3: Material Topics 2021	3-1 Process to determine material topics	16 candidates were assessed on impact materiality and on financial materiality, and 12 are carried.	pp. 28 to 29
GRI 3: Material Topics 2021	3-2 List of material topics	12 topics: 2 Critical, 7 Manage and 3 Monitor. Movements since the previous cycle are at 11.7.	pp. 29 to 32
GRI 3: Material Topics 2021	3-3 Management of material topics	Reported for the 9 topics in the Critical and Manage tiers. The 3 Monitor topics are managed under the Environment Policy and the Chanakya Foundation's programmes.	pp. 32 to 33, 41 to 54

22.2 Economic and environmental disclosures (GRI 200 / 300)

Economic and environmental topics. Economic value, tax, materials, energy, water, biodiversity, emissions, waste and environmental compliance are indexed here. Figures in the Remarks column are those of the ESG data annex at section 25.

GRI STANDARD	DISCLOSURE	REMARKS / REASON FOR OMISSION	LOCATION
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Climate-related risks are set out at 10.3 and in the TCFD and IFRS S2 mapping at 23.3, where no financial figure is disclosed. The site climate physical-risk assessment is scheduled in the roadmap at 24.4.	pp. 22 to 23, 100 to 101
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	75% of spend is placed with local suppliers, and 10 of our 14 active suppliers are local or regional.	pp. 68 to 69, 126 to 128
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	100% of operations were assessed for corruption risk in FY 2025-26 and FY 2024-25, and dual approval applies to 100% of high-value transactions.	pp. 65 to 67
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	100% of employees were trained in ethics and anti-bribery in both years.	pp. 65 to 67, 125 to 126
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Zero confirmed corruption incidents in both years.	pp. 65 to 67, 125 to 126
GRI 302: Energy 2016	302-1, 302-2 and 302-3 Energy consumption within and outside of the organization; energy intensity	Energy within the organisation is 90.302 MWh, 325.09 GJ, being grid electricity of 90.030 MWh, metered monthly and corroborated against the BEST utility bills, on the billing basis of the twelve bills issued in the year, one month behind the reporting period (26.6), and petrol of 0.272 MWh; intensity is 8.79 GJ per employee. Energy outside the organisation is 521.16 MWh, for a total including the value chain of 611.462 MWh, 2,201.26 GJ. The FY 2024-25 comparative is restated.	pp. 47 to 48, 111 to 115
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	All water is drawn from the municipal piped supply; there is no borewell, rainwater harvesting or tanker supply.	pp. 51 to 52
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Discharge is domestic sewage to the MCGM sewer under the Pollution Control undertaking, which declares no on-site treatment plant, so on-site reuse is 0 KL.	pp. 51 to 52, 116 to 118
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Withdrawal is 5,132 KL, recorded monthly, 100% municipal supply with no groundwater.	pp. 51 to 52, 116 to 118
GRI 303: Water and Effluents 2018	303-4 Water discharge	91 KL, on the 250 litres a day declared in the Pollution Control undertaking.	pp. 116 to 118
GRI 303: Water and Effluents 2018	303-5 Water consumption	5,041 KL in FY 2025-26, being withdrawal of 5,132 KL less the declared discharge of 91 KL, against 4,350 KL in FY 2024-25.	pp. 51 to 52, 116 to 118
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity and land use was assessed and is not carried as a material topic: we occupy one floor of a multi-storey building and operate no land that interacts with habitats. The upstream fibre regions are addressed through the TNFD mapping.	pp. 28 to 29, 103

GRI STANDARD	DISCLOSURE	REMARKS / REASON FOR OMISSION	LOCATION
GRI 305: Emissions 2016	305-1, 305-2, 305-3 and 305-4 Direct (Scope 1), energy indirect (Scope 2) and other indirect (Scope 3) GHG emissions; GHG emissions intensity	Scope 1 is 0.068 tCO_2e, Scope 2 63.92 tCO_2e and Scope 3 538.82 tCO_2e, a total of 602.81 tCO_2e and 16.29 tCO_2e per employee. Scope 2 is calculated from metered consumption, on the same billing basis one month behind the reporting period (26.6), and the grid factor published by the Central Electricity Authority, location-based and market-based alike. The basis of the Scope 1 and Scope 3 figures is set out at 26.12, and the work-zone air readings at 15.7.	pp. 48 to 50, 53 to 54, 111 to 116
GRI 306: Waste 2020	306-2 to 306-5 Management of significant waste-related impacts; waste generated; waste diverted from disposal; waste directed to disposal	2.54 MT of non-hazardous waste in FY 2025-26, against 3.36 MT in FY 2024-25; 2% was recycled and 98% sent for disposal in each year, against a target of 90% diversion by 2028, from 2% in FY 2024-25. The monthly waste log records weight by stream, not by recovery or disposal operation, so 306-4 and 306-5 are given as shares. Hazardous e-waste was 14 kg, and the December 2025 consignment went to a recycler authorised by the MPCB under a manifest dated 26 December 2025.	pp. 52 to 53, 116 to 118
GRI 308: Supplier Environmental Assessment 2016	308-1 and 308-2 New suppliers that were screened using environmental criteria; negative environmental impacts in the supply chain and actions taken	Screening covers 100% of the 14 active suppliers, and 10 are classified as strategic. 10 supplier ESG audits in FY 2025-26 covered 9 of the 10 strategic suppliers, 90%; 1 of the 10 suppliers audited, 10%, was found non-compliant, and 100% of non-compliances were remediated within three months.	pp. 68 to 69, 126 to 128

22.3 Social disclosures (GRI 400)

Social topics. Employment, occupational health and safety, training, diversity, human rights, community engagement, supplier social assessment, customer privacy and socioeconomic compliance are indexed here. The 406-1 row states the period the FY 2025-26 grievance count covers.

GRI STANDARD	DISCLOSURE	REMARKS / REASON FOR OMISSION	LOCATION
GRI 401: Employment 2016	401-2 and 401-3 Benefits provided to full-time employees; parental leave	All employees are covered under ESI and EPF, and 100% hold medical insurance. The 3 female employees are entitled to maternity leave under the Maternity Benefit Act 1961, as amended in 2017, of 26 weeks for the first two children and 12 weeks from the third, and no employee took parental leave in FY 2025-26, per the Maternity Benefit Register.	pp. 57 to 58, 63 to 64, 121
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Certified to ISO 45001:2018, held at 31 March 2026.	pp. 59 to 62
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	The site risk assessment scores 43 entries: 11 are rated low, 30 moderate and 2 significant, and none high.	pp. 22, 100 to 101
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety	A joint health, safety and welfare committee covers 100% of employees.	pp. 59 to 62, 124 to 125

GRI STANDARD	DISCLOSURE	REMARKS / REASON FOR OMISSION	LOCATION
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	96 hours of occupational health and safety training in FY 2025-26, per the Training register, and 100% of employees trained on health and safety in FY 2024-25.	pp. 62 to 63, 121 to 124
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	100% of employees hold medical insurance and undergo periodic medical examinations.	pp. 59 to 62, 121 to 123
GRI 403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	All 37 employees are covered; the house engages no contract workers.	pp. 59 to 62, 121 to 123
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Zero fatalities, zero high-consequence injuries and zero recordable injuries in both years, a rate of zero per 200,000 hours across 92,352 hours worked.	pp. 59 to 62, 121 to 123
GRI 403: Occupational Health and Safety 2018	403-10 Work-related ill health	One case of work-related ill health in FY 2025-26, and no fatality from work-related ill health.	pp. 59 to 62, 121 to 123
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	96 hours of occupational health and safety training in FY 2025-26, 2.6 hours per employee, against 85 hours and 2.3 in FY 2024-25; the figure covers occupational health and safety training. The breakdown by gender and employee category is omitted: information unavailable.	pp. 62 to 63, 123 to 124
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	100% of employees are covered by performance appraisal, and 34 of 37, 91.9%, received an annual salary appraisal.	pp. 62 to 63, 119 to 120
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Women are 3 of 37, being 8.1%, and 1 of the 3 Board members; 5 of 37 employees, 13.5%, are from underrepresented groups. The breakdown by age group is omitted: information unavailable.	pp. 57 to 58, 118 to 120
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	The gender pay gap is 0.01%, from the average annual wages by gender at 16.5 and 25.8.	pp. 63 to 64, 124 to 125
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	One harassment case and two discrimination or rights grievances in FY 2024-25, each resolved, as our FY 2024-25 report prints them, and none in FY 2022-23 or FY 2023-24. No complaint was logged in the Grievance Register from its opening in October 2025 to 31 March 2026, the period the FY 2025-26 count covers.	pp. 56 to 57, 125 to 126
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	In our own operations, worker representatives are freely elected under the Freedom of Association Policy, no union is formed and collective-bargaining coverage is 0%, and 28 social-dialogue engagements were held in FY 2025-26. Across the supply chain, all 14 active suppliers carry labour clauses in contract, none is rated high risk, and 9 of the 10 strategic suppliers were audited in FY 2025-26.	pp. 56 to 57, 68 to 69, 124 to 125
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Zero confirmed child-labour cases in both years. Child-labour risk is assessed within the supplier ESG audit, and the Child Labor Prevention Policy commits the house to child-labour audits of at least 80% of high and medium-risk suppliers by FY 2027. All 14 active suppliers have signed the Supplier Code of Conduct, and none is rated high risk.	pp. 56 to 57, 125 to 126

GRI STANDARD	DISCLOSURE	REMARKS / REASON FOR OMISSION	LOCATION
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Zero confirmed forced-labour cases in both years. All 14 active suppliers have signed the Supplier Code of Conduct, and none is rated high risk.	pp. 56 to 57, 125 to 126
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	100% of operations are assessed for human-rights impacts, and human-rights violations reported are zero in all four years.	pp. 56 to 57, 75 to 76, 125 to 126
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	The Chanakya Foundation runs education, healthcare, skill-development and women's empowerment programmes for artisan communities and has established more than 100 women's self-help groups; 247 master artisans mentor younger artisans through on-site apprenticeships.	pp. 42 to 44
GRI 414: Supplier Social Assessment 2016	414-1 and 414-2 New suppliers that were screened using social criteria; negative social impacts in the supply chain and actions taken	Every active supplier has signed the Supplier Code of Conduct and has been assessed for sustainability risk, 100% coverage at the screening level. 10 supplier ESG audits in FY 2025-26 reached 9 of the 10 strategic suppliers, 90%, and 11 supplier training sessions reached 100% of suppliers over 180 hours.	pp. 56 to 57, 68 to 69, 126 to 128
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Zero product recalls. Product and customer safety is governed by the Customer Health and Safety Policy; the topic was considered in the materiality assessment and is not carried this cycle.	pp. 38 to 39, 52, 105 to 106
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Zero confirmed data breaches and zero substantiated privacy complaints in both years. Stakeholder consent for data processing and vendor data-protection compliance are both 100%, and the Information Security and Data Retention Policy sets a 72-hour resolution target for any incident, under ISO/IEC 27001:2022 certification held at 31 March 2026.	pp. 67 to 68, 125 to 126



PICTURE 20

23

How this report aligns with common frameworks

This chapter re-expresses information already disclosed in the chapters above against ten frameworks that Chanakya's global clients and their auditors read in. A buyer working in Higg, an assessor reading in TCFD or SASB, or an Indian bank reading in the NGRBC principles should each be able to find the house's position in the language they already use. No value in this chapter is new: each is the figure reported in the Environment, Our people, Governance and ethics or Culture and heritage chapters, or in the ESG data annex, and each FY 2025-26 value rests on the basis set out in Appendix A and Appendix B.

Each section below states the standard it follows and carries the house's own figures into that standard's structure. Each position carries a status. The subsection headings use in place, partial, planned or not applicable. The tables use the wording each framework's own structure calls for: established, reported, partial, planned, to be evidenced and low materiality confirmed, each qualified in the few places where a single word would mislead. A status describes the house's position against what the framework asks for, not the direction of the underlying figure, so a position can read partial where the performance is favourable because the framework asks for a verified platform score or a documented method. The roadmap at 24.4 gives each open position an owner, a horizon and the evidence that will close it.

23.1 Higg Facility Environmental Module

The Higg Facility Environmental Module, administered by Cascale (formerly the Sustainable Apparel Coalition) and its verification partners, is the environmental disclosure format most widely requested of suppliers by global fashion houses. Chanakya's fashion-house clients increasingly ask for facility data in this structure, and the underlying information is reported throughout this report; what follows re-expresses it against the module's seven sections. Every value in it is the Mumbai site figure reported in the Environment chapter and the ESG data annex, with FY 2024-25 beside FY 2025-26 so that the movement in each section can be read.

Status: partial, self-assessed. A scored FEM assessment on Cascale's platform, with third-party verification, is a roadmap action, and no FEM percentage score is claimed here. The self-assessment rests on the ISO 14001:2015 system and on the monthly electricity, water and waste records that Appendix B describes.

FEM SECTION	CHANAKYA POSITION (MUMBAI SITE, FY 2025-26 WITH FY 2024-25 COMPARATIVES)	STATUS
1 · Environmental Management System	ISO 14001:2015 certified EMS, held at 31 March 2026, with documented policy, defined KPIs and annual energy and carbon audits; verification of the inventory under ISO 14064-1 is a forward commitment	Established; ISO 14064-1 verification planned
2 · Energy & GHG emissions	Grid electricity 90.030 MWh (FY 2025-26) and 82.644 MWh (FY 2024-25) as the principal energy source, with petrol 0.272 MWh, for 90.302 MWh within the organisation in FY 2025-26; no DG set is operated by the house; the generator on the premises belongs to the building; Scope 2 63.92 tCO_2e (FY 2025-26) and 58.68 tCO_2e (FY 2024-25, restated), location-based and market-based alike; Scope 1 0.068 tCO_2e (FY 2025-26) and 0.068 tCO_2e (FY 2024-25); Scope 3 538.82 tCO_2e (FY 2025-26) and 538.82 tCO_2e (FY 2024-25); full carbon neutrality by 2050 per Environment Policy	Reported; renewable procurement to be evidenced
3 · Water	5,132 KL drawn (FY 2025-26) against 4,441 KL (FY 2024-25), 100% municipal, no groundwater; no on-site reuse, reported as 0 KL because the Pollution Control undertaking declares no on-site treatment plant; a site water-stress screening (WRI Aqueduct) is scheduled in the roadmap	Reported; formal water-stress tool score to be run
4 · Wastewater	No dyeing, no wet processing and no effluent treatment plant; discharge is non-hazardous domestic sewage (250 L/day to MCGM per Pollution Control undertaking)	Reported; low materiality confirmed
5 · Emissions to air	Work-zone air quality (FY 2025-26), two samplings in the weaving and production zone: SO2 7.72 and 7.83 µg/m3, NO2 10.78 and 10.34 µg/m3, SPM 40.3 and 39.31 µg/m3, each lower than both FY 2024-25 samplings and inside the National Ambient Air Quality Standard. Workplace noise 54.6 dB(A) Leq (3 December 2025) against the CPCB day-time norm of 75 dB(A) stated on that report, inside the norm and 0.7 dB(A) above the FY 2024-25 reading of 53.9	Reported; air inside the National Ambient Air Quality Standard and noise inside the CPCB norm

FEM SECTION	CHANAKYA POSITION (MUMBAI SITE, FY 2025-26 WITH FY 2024-25 COMPARATIVES)	STATUS
6 · Waste	Appointed-vendor disposal with three-stream segregation; 2.54 MT non-hazardous waste generated (FY 2025-26) against 3.36 MT (FY 2024-25), summed from the monthly waste log; 2% recycled and 98% sent for disposal in FY 2025-26, against a 90% diversion target by 2028 from 2% in FY 2024-25; hazardous e-waste 14 kg (FY 2025-26) and 10 kg (FY 2024-25), with the December 2025 consignment handed to a recycler authorised by the MPCB, under a manifest dated 26 December 2025	Reported
7 · Chemicals	Hand-embroidery process with no chemistry on the floor; 100% of chemical inputs screened; see the ZDHC / OEKO-TEX section for input-management detail	Reported; MRSL/ RSL evidence to be supplied
Overall	Verified FEM platform score	Planned; platform assessment is a roadmap action

The mapping shows an environmental profile that is light for the sector because the craft is manual and dry, with no dyeing or wet processing. A formal FEM assessment is therefore less about surfacing hidden impact and more about converting the existing record into the standardised, comparable evidence buyers ask for. The two sections where the position is least complete are energy and chemicals. Grid electricity rose 8.9% between FY 2024-25 and FY 2025-26 with no renewable share, against 50% renewable by 2027, and the screening that covers 100% of chemical inputs is yet to be matched by compiled MRSL and RSL evidence. Both are roadmap actions at 24.4, the renewable-energy declaration within 6 months and the conformance evidence within 12 months.

23.2 Higg Facility Social and Labor Module

The Facility Social and Labor Module draws on the Social and Labor Convergence Program's Converged Assessment Framework, the social counterpart to the FEM and, like it, frequently requested by luxury and apparel buyers.

Status: partial, self-assessed. The mapping below re-expresses the labour and human-rights data in the People chapter against the module's standard sections. A verified SLCP or FSLM assessment on the platform is a roadmap action, and no verified FSLM score is claimed here. Because the workforce is small, permanent and directly employed, several of the module's higher-risk areas, among them labour agents, dormitories, excessive overtime and wage deductions, do not arise in the house's own operations, and this is noted where relevant. The positions rest on the SA 8000:2014 system, the Grievance Register, the Register of Accidents and Dangerous Occurrences and the wage records reported in the People chapter, and every figure in the table is one that the People chapter or the ESG data annex prints.

FSLM SECTION	CHANAKYA POSITION	STATUS
Recruitment & hiring	Merit-based hiring; no recruitment fees or labour agents; internal promotion rate 24.2%	Established
Working hours	Standard working hours with no excessive-overtime pattern in a directly employed workforce; 92,352 hours worked in FY 2025-26	Reported
Wages & benefits	100% of workers paid above both the statutory minimum wage and the living-wage benchmark of INR 125,450, which is set by a food-basket analysis and was used for our SA 8000 certification; a gender pay gap of 0.01%; wages paid by the 7th of each month; ESI and EPF coverage; full health insurance	Reported
Worker treatment & harassment	Remediation for Human Rights and Abuses framework; confidential grievance channels; 1 harassment case and 2 discrimination or rights grievances in FY 2024-25, all resolved; none logged in the Grievance Register from its opening in October 2025 to 31 March 2026	Reported

FSLM SECTION	CHANAKYA POSITION	STATUS
Worker involvement & communication	No trade union currently formed, with representatives freely elected under the Freedom of Association Policy; no grievance logged in the Grievance Register from its opening in October 2025 to 31 March 2026; one joint health and safety committee in place, covering 100% of employees in FY 2025-26, FY 2024-25 and FY 2022-23 and 35 of 37, 94.6%, in FY 2023-24; 28 social-dialogue engagements in FY 2025-26, with a satisfaction index of 4.5 out of 5 and 100% of agreements implemented	Reported
Health & safety	ISO 45001 basis; zero fatalities and zero lost-time injuries (Accident Register nil); OHS training delivered and annual medical examinations	Reported
Termination & retrenchment	No retrenchment events reported; female retention 3 of 3, 100%, and high-performer retention 83%	Reported
Management systems	SA 8000 certified social-accountability system underpinning the above	Established
Overall	Verified FSLM / SLCP assessment	Planned; platform assessment is a roadmap action

Workforce composition, disclosed in a buyer-facing format. Women represent 8.1% of the workforce (3 of 37 employees) and 1 of the 3 Board members, and 5 of 37 employees, 13.5%, are drawn from minority or vulnerable groups. The share of women is addressed through the Diversity, Equity and Inclusion Policy, which targets at least 45% women across all levels and 30% in leadership roles by FY 2028, from 8.1% and 25% today. Pay is not where the gap lies: the gender pay gap is 0.01%, on average annual wages of INR 291,550 for women and INR 291,570 for men, under a single gender-neutral remuneration structure. The gap is in representation, since the technical and skilled band and the semi-skilled and operational band, which together hold 24 of the 37 employees, are all male.

23.3 Climate-related disclosures, TCFD and IFRS S2

Chanakya reports a greenhouse-gas inventory in the Environment chapter. This section frames climate as a governed risk topic in the four-pillar structure the Task Force on Climate-related Financial Disclosures established, and that the International Sustainability Standards Board has since carried into IFRS S2. Forward-looking statements and scenario outcomes below are illustrative and directional, not forecasts, and no financial figure is disclosed.

Governance: in place. Oversight of climate-related risks and opportunities sits with the highest governance body, which reviews sustainability performance quarterly and endorses this report. Climate is governed inside the general sustainability remit; naming a specific climate-oversight responsibility at leadership level, with a defined review cadence, is recorded in the roadmap. The materiality tiering sits with the same body, and climate resilience and emissions is tiered Manage, scoring 2 on impact and 4 on financial materiality, as section 11.5 sets out.

Strategy: planned. A dedicated climate physical-risk assessment for the Mumbai site, covering flood, heat-stress, cyclone, sea-level and water-stress exposure, is scheduled in the roadmap. The document titled Physical Risk Assessment per Site is the occupational health and safety hazard register, 43 hazards scored under the ISO 45001 system, and the climate assessment sits alongside it. The house's principal transition exposures are carbon pricing, tightening client and regulatory decarbonisation requirements, and energy-market shifts. Scenario analysis will take the NGFS scenarios (Net Zero 2050, Delayed Transition and Current Policies) and the IEA and IPCC decarbonisation pathways as its reference set. On the supply side, the site risk assessment scores natural disasters and transport disruption affecting supplier deliveries at 9, moderate, controlled by backup suppliers for critical materials, safety stock and flexible multi-modal transport, and section 10.7 maps climate exposure to that entry.

Risk management: partial. Climate risk is managed through the ISO 14001 environmental management system, annual energy and carbon audits, and the emissions inventory. A discrete climate physical-risk process follows from the site assessment above. Energy and carbon audits run annually on a fixed cadence: metering and baseline across all units, then the audit itself, then integration of each recommendation into the efficiency plan with a named owner and a date.

Metrics and targets: partial. The metrics are those reported in the Environment chapter, linked here explicitly to climate. Scope 2 is quantified for every reported year, on metered consumption and a published grid emission factor: 63.92 tCO_2e in FY 2025-26 on 90.030 MWh of purchased grid electricity, against 58.68 tCO_2e on 82.644 MWh in FY 2024-25. Location-based and market-based are the same, because all electricity is purchased from the grid with no renewable energy certificates. Scope 1 is 0.068 tCO_2e and Scope 3 538.82 tCO_2e in FY 2025-26, on the basis set out in Appendix B, for a total of 602.81 tCO_2e against 597.57 tCO_2e in FY 2024-25. Energy intensity is 8.79 GJ per employee on the headcount of 37 (26.8). Against that baseline the house has adopted decarbonisation commitments under its Environment Policy: to source 50% renewable electricity by 2027 and 100% by 2035 from 0% today, to reduce the overall carbon footprint by 50% by 2035 from 597.57 tCO_2e in FY 2024-25, and to reach carbon neutrality across Scope 1, 2 and 3 by 2050. By 2035 the scope targets bring Scope 1 and Scope 2 to zero and Scope 3 45% lower, to 296.35 tCO_2e, 50.4% below 597.57 tCO_2e, after a 30% cut in Scope 1 by 2030; SBTi validation is targeted by 2028. All of these are forward commitments, not achieved outcomes.

CLIMATE METRIC	FY 2024-25	FY 2025-26	TARGET
Scope 1 (direct)	0.068	0.068	Zero by 2035
Scope 2 (purchased electricity)	58.68	63.92	Zero by 2035, all renewable
Scope 3 (value chain)	538.82	538.82	296.35 by 2035, 45% lower
Total footprint	597.57	602.81	296.35 by 2035, 50.4% lower
Renewable electricity procured	0%	0%; all electricity is purchased grid supply	100% renewable sourcing by 2035
Scope 3 quantification methodology	Category figures as published in our FY 2024-25 report (26.7)	Basis set out at 26.12; to be formally documented (GHG Protocol Corporate Value Chain / ISO 14064-1)	Verified basis by FY 2027

Documenting the Scope 3 quantification methodology, and bringing it to third-party verification by FY 2027, is the principal open climate action. Scope 3 is disclosed for every year from FY 2021-22 to FY 2025-26. Scope 3 is 89.4% of the FY 2025-26 footprint, and packaging materials and raw-material procurement are 90.0% of Scope 3, so the documented method will govern the figures that carry most of the house's emissions. Scope 2, the one scope calculated from a meter, is 10.6% of the total.

23.4 Human rights, salient issues and due diligence under the UN Guiding Principles

The People chapter sets out the house's human-rights commitments. The UN Guiding Principles on Business and Human Rights ask a further question: not what a company's policies say, but which human-rights risks are most severe, and how the company identifies, prevents, mitigates and accounts for them. Reframing the house's existing controls against that structure strengthens the disclosure without requiring new data.

Salient human-rights issues. A salient issue is one of the most severe potential impacts on people connected to the business, whether or not it has materialised. For a hand-embroidery house with a compact, directly employed core workforce and an extended craft supply chain, the salient issues and the standing controls against each are set out below. The sub-contracted and craft-agency tiers of the supply chain are where conditions are hardest to observe directly, and the own operations are where the house holds direct records.

SALIENT ISSUE	WHERE THE RISK CONCENTRATES	STANDING CONTROL	RESIDUAL POSITION
Forced or bonded labour	Sub-contracted embroidery and raw-material supply chain	SA 8000; supplier Code of Conduct; supplier ESG audits; Modern Slavery Statement (below)	Zero confirmed cases
Child labour	Supply chain and craft-agency tiers	Child Remediation Policy; Child Labor Prevention Policy commitment to child-labour audits of at least 80% of high and medium-risk suppliers by FY 2027; child-labour risk assessed within the supplier ESG audit; 10 supplier ESG audits in FY 2025-26, covering 9 of the 10 strategic suppliers, 90%; 11 supplier training sessions in FY 2025-26, reaching 100% of suppliers	Zero confirmed cases

SALIENT ISSUE	WHERE THE RISK CONCENTRATES	STANDING CONTROL	RESIDUAL POSITION
Fair wages & working hours	Own operations and supply chain	Living Wage Policy and Remuneration Policy; 100% paid above both the statutory minimum wage and the living-wage benchmark of INR 125,450; wages extended into the supply chain	Gender pay gap 0.01%
Occupational health (eye strain, ergonomic and repetitive-strain risk inherent to fine handwork)	Own atelier and artisan clusters	ISO 45001; daily ergonomics reinforcement on the floor; annual medicals; quarterly inspections	Zero lost-time injuries
Discrimination & gender inequality	Own workforce, given a low overall share of women	DEI training completed by 100% of employees; merit-based hiring and promotion; inclusive-hiring priority	Named openly as the priority gap
Freedom of association	Own operations and supply chain	No trade union currently formed; representatives freely elected under the Freedom of Association Policy	Upheld
Access to remedy	All of the above	Remediation for Human Rights and Abuses framework; confidential, non-retaliatory channels	No grievance logged, October 2025 to March 2026 (Grievance Register)

Due diligence process: in place, one step planned. The house operates the four-step cycle the Guiding Principles describe: it identifies risk through supplier risk-mapping and the annual audit programme; it prevents and mitigates through policy, contract clauses, training and supplier development; it tracks through audit results, grievance data and management review; and it accounts through this report and independent assurance. The step still open is evidentiary: the standalone child-labour, living-wage and freedom-of-association policy documents exist and are to be issued as separate controlled documents, as the roadmap at 24.4 sets out. The identification step draws on the site risk assessment, which scores labour violations in the supplier base, child labour, forced labour and poor working conditions among them, at 9, moderate. The tracking step draws on the 10 supplier ESG audits of FY 2025-26, which reached 9 of the 10 strategic suppliers, 90%, and found 1 of the 10 audited non-compliant, remediated within three months.

Access to remedy: in place. Remedy runs through the Remediation for Human Rights and Abuses framework and the grievance channels described in the People chapter: confidential reporting, fair and transparent handling, non-retaliation, and remediation tracked to closure. No grievance was logged in the Grievance Register from its opening in October 2025 to 31 March 2026. In FY 2024-25, 32 grievances were raised and all 32 resolved, with an average response time of 6.5 days. The grievance procedure runs in three steps, informal resolution, formal complaint and appeal to the President, supported by an external mediator, and the whistleblowing route runs separately through the confidential channels the Chief Compliance Officer monitors under the Whistleblower and Non-Retaliation Policy.

23.5 Modern slavery statement

This statement is made in the spirit of the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018.

Mandatory filing: not applicable. *Voluntary disclosure: in place. This statement is published voluntarily because the house's clients and their regulators increasingly request a dedicated modern-slavery disclosure distinct from scattered policy references. It draws entirely on controls and data reported elsewhere in this report.*

Organisation and supply chains. Chanakya International is a hand-embroidery and textile house founded in 1984, headquartered in Mumbai, with a directly employed core workforce of 37 and a compact, predominantly local and long-standing supply base, supplemented by extended craft-agency and raw-material tiers. Its clients include global luxury fashion houses. The supply base comprises 14 active suppliers, 10 of them local or regional and 4 national, with 75% of supplier spend placed locally, and 10 of the 14 are classified as strategic.

Policies. Modern-slavery risk is addressed through the supplier Code of Conduct, the Child Remediation Policy, the Living Wage and Remuneration Policies, and the Remediation for Human Rights and Abuses framework, underpinned by SA 8000 certification. Child and forced labour are further addressed by a dedicated Child Labor Prevention Policy alongside the Labor and Human Rights Policy. Each of the ten policies is reviewed by the Chief Compliance Officer and signed by the Chief Strategy Officer, and the Labor and Human Rights Policy is written against the ILO core conventions and the UN Guiding Principles.

Due diligence and risk assessment. Every active supplier is assessed for sustainability and human-rights risk. The Child Labor Prevention Policy commits the house to child-labour audits of at least 80% of high and medium-risk suppliers by FY 2027, and child-labour risk is assessed within the supplier ESG audit; 10 supplier ESG audits were conducted in FY 2025-26, covering 9 of the 10 strategic suppliers, 90%. Contracts carry environmental, social and labour clauses. The supply base is deliberately small and long-standing, which lowers modern-slavery risk relative to a large, fragmented or subcontracted chain.

Training. Buyers receive annual training on responsible purchasing and labour rights, 100% of employees completed DEI training, and 11 supplier training sessions in FY 2025-26 reached 100% of suppliers over 180 hours. The Child Labor Prevention Policy commits us to structured annual training for 100% of employees, supervisors and high-risk suppliers by FY 2026. Employee training follows a 21-topic Social Accountability calendar, and our SA 8000 stakeholder communication states four training programmes a year.

Effectiveness. The house recorded zero confirmed incidents of child, forced or bonded labour across the trend window. 100% of suppliers signed the Code of Conduct, 10 of the 14 active suppliers are classified as strategic, and none is rated high risk. 10 supplier ESG audits were conducted in FY 2025-26, covering 9 of the 10 strategic suppliers, 90%; one of the 10 audited suppliers, 10%, was found non-compliant, and identified non-compliances were remediated within three months in both years.

Approval. This statement is issued on behalf of Chanakya International for the financial year ended 31 March 2026 under the authority of the Chief Strategy Officer, Mr Balakrishna Vasudevan, and reviewed by the Chief Compliance Officer, Mr Amit Patwa.

23.6 Nature and biodiversity, TNFD

The Taskforce on Nature-related Financial Disclosures asks companies to assess their dependencies and impacts on nature. The house relies on natural fibres (organic cotton, silk, raffia) and, historically, on natural dyes, and that reliance carries land-use, water and biodiversity exposure in the regions where those fibres are grown and processed, while the house's own hand-craft operations have negligible direct impact on nature.

Mapped against the TNFD's LEAP approach, largely planned. Locate is partial: own operations, an urban Mumbai facility, carry a negligible direct land or biodiversity footprint, and mapping the upstream natural-fibre cultivation and processing regions is the next step. Evaluate is partial and qualitative. Assess and Prepare are planned.

TNFD STEP	CHANAKYA POSITION	STATUS
Locate: interface with nature	Own operations: an urban Mumbai facility with negligible direct land or biodiversity footprint. Value chain: natural-fibre cultivation and processing regions upstream	Own operations low; value-chain mapping planned
Evaluate: dependencies & impacts	Dependency on healthy soil, water and pollinator systems for natural fibres; impact via upstream land and water use	Qualitative only
Assess: risks & opportunities	Sourcing exposure to land-use change and water stress in fibre regions; opportunity in regenerative and certified fibres	Planned
Prepare: respond & disclose	Complements the existing 75% local-sourcing disclosure with a nature lens; a screening-level nature assessment of fibre sourcing is scheduled in the roadmap	Planned

The house's move toward renewable and biodegradable fibres and its local, traceable sourcing are reported strengths that reduce nature-related risk. A first, screening-level nature assessment of the natural-fibre supply chain is the recommended next step. Biodiversity and land use was assessed as a candidate topic in the materiality assessment and is not carried, because the house occupies one floor of a multi-storey building and operates no land that interacts with habitats, so the nature question for the house sits upstream, in the fibre regions. The screening is a Procurement and Sustainability action within 24 months at 24.4, covering the cotton, silk and raffia sourcing regions.

23.7 Industry metrics, SASB Apparel, Accessories and Footwear

The SASB standard for Apparel, Accessories and Footwear, now maintained within the ISSB, defines the sustainability metrics investors use to compare companies within the industry.

Status: partial. Each metric carries the SASB code and metric title; the table answers it from data this report carries where it holds them, and otherwise names the governing control or roadmap action. Supplier coverage is given at two levels, screening across the 14 active suppliers and on-site audit across the 10 classified as strategic, because the SASB labour-audit metric asks for audited facilities and the two levels are not interchangeable.

SASB CODE	METRIC	CHANAKYA POSITION	STATUS
CG-AA-250a.1	Processes to maintain compliance with restricted substances regulations	100% of chemical inputs screened; no restricted substances; see ZDHC / OEKO-TEX section	Partial; MRSL/RSL evidence to be supplied
CG-AA-430a.1	Tier 1 and beyond Tier 1 supplier facilities in compliance with wastewater discharge permits or contractual agreement (%)	Not given as a share; supplier environmental performance is covered by the supplier ESG audit, 10 audits in FY 2025-26 covering 9 of the 10 strategic suppliers, 90%	Partial
CG-AA-430a.2	Tier 1 and beyond Tier 1 supplier facilities that completed the Higg FEM or an equivalent environmental data assessment (%)	Every active supplier assessed for sustainability risk, 14 of 14, at the screening level; supplier Higg FEM completion is not given, and our own FEM platform assessment is a roadmap action (23.1)	Partial
CG-AA-430b.1	Tier 1 and beyond Tier 1 supplier facilities audited to a labour code of conduct (%), and share of audits conducted by a third-party auditor	10 on-site supplier ESG audits in FY 2025-26, whose checklist carries child labour, covering 9 of the 10 strategic suppliers, 90%; Supplier Code of Conduct signed by 14 of 14	Reported for strategic suppliers; third-party share to be evidenced
CG-AA-430b.2	Priority non-conformance rate and associated corrective action rate for suppliers' labour code of conduct audits	1 of the 10 suppliers audited, 10%, found non-compliant in FY 2025-26, and remediated within three months	Reported
CG-AA-430b.3	Description of the greatest labour and environmental, health and safety risks in the supply chain	Forced or bonded labour in the sub-contracted embroidery and raw-material supply chain, and child labour in the supply-chain and craft-agency tiers (23.4); every active supplier reassessed each year, 14 of 14	Reported qualitatively; supply-chain EHS risks to be evidenced
CG-AA-440a.1	Description of environmental and social risks in raw-materials sourcing	Natural-fibre sourcing (cotton, silk, raffia); 75% local spend; see TNFD section	Reported qualitatively
CG-AA-440a.2	Raw materials third-party certified to an environmental/social standard (%)	Governed by the Supplier Code of Conduct; tracking the certified share by fibre (GOTS, BCI or OEKO-TEX by material) is a roadmap action	Planned

The clearest single addition is tracking the certified share of raw materials by fibre, for example GOTS, BCI or OEKO-TEX by material, which populates CG-AA-440a.2 and strengthens the SASB, TNFD and ZDHC disclosures at once. Tracking by fibre is a Procurement action within 12 months in the roadmap at 24.4, and its result will be reported against the 75% certified-sourcing commitment at 21.4.

23.8 Safeguarding intangible cultural heritage, UNESCO 2003 Convention

Chanakya's cultural-heritage work is disclosed at length in the Culture chapter, but as narrative. The 2003 UNESCO Convention for the Safeguarding of the Intangible Cultural Heritage gives that work the same rigour as the environmental and social sections, and lets a cultural institution or funder read it in a familiar frame. The Convention defines safeguarding as the measures that ensure the viability of intangible heritage, including its identification, documentation, research, preservation, protection, promotion, enhancement and transmission. The house's programmes map directly onto those measures.

UNESCO SAFEGUARDING MEASURE	CHANAKYA PROGRAMME	EVIDENCE (FY 2024-25 BASIS)
Identification & documentation	Living archive of embroidery techniques and motifs; documentation of new techniques	10,000+ artifacts; 100,000+ craft explorations; 127 new techniques documented in-year
Research	Study of historical context, symbolism and regional variation informing new work	Ongoing; archive treated as a working reference
Preservation & protection	Digitisation of the heritage archive	45% of the archive digitised
Transmission	Structured master-to-apprentice mentorship; the Chanakya School of Craft; a digital learning platform	247 master artisans mentoring; 50+ multilingual courses
Promotion & enhancement	Exhibitions, residencies and museum and design-house collaborations that carry the craft into contemporary culture	Presence across 15 countries; 15+ institutional partners

Status: in place as a principled alignment, not an accreditation. A formal inventory of distinct techniques and motifs, catalogued to a defined methodology, is planned as the one element that would complete this mapping and turn the existing record into a UNESCO-style inventory. The house's alignment with UNESCO's safeguarding principles is a principled alignment, not an accreditation or a listing by UNESCO, and is described as such throughout this report.

23.9 Chemical management, ZDHC and OEKO-TEX

Chemical management appears elsewhere in this report as a single line. For a textile business, chemicals attract high regulatory and buyer scrutiny, so the theme is given its own short section here, structured against the two reference points buyers use: the ZDHC Manufacturing Restricted Substances List, which governs chemical inputs, and OEKO-TEX, for example Standard 100, which governs the finished product. Chanakya's exposure is structurally low because its craft is dry: there is no dyeing, no wet processing and no effluent treatment plant, so the wastewater chemical load that dominates conventional textile chemical management is largely absent here. Within the premises, the one chemical exposure on the site risk assessment is contact with housekeeping chemicals, rated low at 6, with masks, mops and protective gloves provided and used.

REFERENCE	WHAT IT GOVERNS	CHANAKYA POSITION	STATUS
Input screening	Chemical inputs used in production	100% of chemical inputs screened; restricted substances eliminated	Reported
ZDHC MRSL	Restricted substances in manufacturing inputs	Conformance asserted through input screening; formal MRSL conformance evidence to be supplied	To be evidenced
OEKO-TEX (product)	Restricted substances in the finished product	Finished-product conformance managed through input screening and the Customer Health and Safety Policy; certificate evidence to be compiled	To be evidenced
Wastewater chemical parameters	Chemical-specific wastewater testing	Not applicable at a material level: no wet processing; discharge is non-hazardous domestic sewage	Low materiality confirmed
Product safety outcome	Product recalls	Zero product recalls	Reported

Status: partial. Input screening is in place: 100% of chemical inputs are screened and restricted substances are eliminated. Wastewater chemical management is not applicable at a material level, since there is no wet processing and discharge is non-hazardous domestic sewage. The chemical footprint is small, and the remaining work is documentary: compiling and citing formal ZDHC MRSL and OEKO-TEX evidence so that a practice already in place becomes a claim buyers can audit. The Customer Health and Safety Policy already requires a Material Safety Data Sheet for every chemical input, monitoring against restricted-substances lists and restricted-substance testing of every production lot before shipment, and those requirements are the basis on which the evidence will be compiled. Compilation is a roadmap action for Environment and Procurement within 12 months.

23.10 BRSR principle-wise mapping, the NGRBC nine principles

The Business Responsibility and Sustainability Report format is mandatory only for the largest listed Indian companies. SEBI mandates it for listed companies by market capitalisation, and the tightening of BRSR Core assurance is part of the regulatory horizon at 24.3.

Mandatory filing: not applicable. Voluntary mapping: in place. Chanakya International, as a private company, is not required to file a BRSR. It is included here as a voluntary convenience: Indian banks and investors read fluently in the nine principles of the National Guidelines on Responsible Business Conduct, and mapping the report's existing content onto those principles requires no new data, only repackaging.

NGRBC PRINCIPLE	WHERE ADDRESSED IN THIS REPORT	GRI DISCLOSURES
P1 · Ethics, transparency & accountability	Ethics & Integrity; Governance; independent assurance statement (section 28)	GRI 2-9, 2-12 to 2-14, 2-23, 2-27; 205
P2 · Sustainable & safe goods and services	Product End-of-Life; circular design; chemical input screening	GRI 306; 416
P3 · Employee wellbeing	Labour & Human Rights; Health & Safety; Training; Fair Wages & Wellbeing	GRI 401; 403; 404
P4 · Stakeholder responsiveness	Stakeholder Engagement; grievance and social-dialogue mechanisms	GRI 2-25; 2-26; 2-29
P5 · Human rights	Labour & Human Rights; UNGP salient-issues section; Modern Slavery Statement	GRI 406; 407; 408; 409; 412
P6 · Environment	Energy; GHG Emissions; Water; Waste; Air & Noise; TCFD/ISSB and TNFD sections	GRI 302; 303; 305; 306
P7 · Responsible policy advocacy	Reporting with reference to GRI, mapping to the UN SDGs and the UN Global Compact principles	–
P8 · Inclusive growth & equitable development	Community & Socioeconomic Impact; Chanakya Foundation; women's self-help groups; local sourcing	GRI 204; 413
P9 · Consumer / client value	Cultural authenticity, provenance and information security in client relationships	GRI 416; 418

The mapping signposts where each principle is evidenced in this report, for an Indian financial audience. It is a voluntary mapping, and the house files no BRSR. The P7 row carries no GRI disclosure and points to the frameworks this report is prepared with reference to and mapped against.

24

Framework gap closure and forward roadmap

This roadmap sets out the actions that close the gaps named in this report, each with its owning function, horizon and evidence of completion. Where section 23 gives a position as partial, planned or to be evidenced, this chapter names the action that closes it, and the actions are ordered by horizon.

24.1 Basis for the roadmap

The gaps. Each gap in the roadmap is named in an earlier chapter of this report, and each row cites that section. Horizons run from publication of this report in three bands, within 6, 12 and 24 months, and the Scope 3 verification carries the FY 2027 date set in section 23.3. The actions are management commitments, not reported results. Each row names its evidence of completion, so that the next report can show an action as closed by pointing to a document, a listing or a verification statement. Four actions rest wholly on chapters other than section 23: the UN Global Compact registration on section 20, the HR master record on the workforce disclosure at 16.2, the ethics acknowledgement record on 17.2 and 25.9, and the CDP disclosure on the benchmarking at 18.4.

24.2 Framework applicability and gap position

The frameworks that apply to a private, unlisted heritage-textile house have been mapped explicitly: the GRI Standards as the reporting basis, the SASB Apparel, Accessories and Footwear standard (CG-AA), the TCFD and ISSB IFRS S2 climate structure, the Higg FEM and FSLM facility modules that buyers request, and the SEBI BRSR and NGRBC nine-principle format, which is voluntary here because Chanakya International is not a listed entity. Only the GRI Standards are the basis of preparation. The others are mapped in section 23 so that buyers, investors and banks can read the report in the framework each already uses.

Gap position. The forward actions split into near-term registrations and records, being the UN Global Compact registration, a consolidated HR master record and a renewable-energy declaration, and larger projects, being a documented Scope 3 methodology and a dedicated climate physical-risk assessment. The near-term items draw on records the house already keeps, among them the HR record, the ethics training that reached 100% of employees and the utility bills for grid supply, and they need to be consolidated or declared. The larger projects need a documented method or an external assessment, which is why they sit in the 12 and 24 month bands.

24.3 Endorsements and regulatory horizon

Endorsements. The house holds no external sustainability endorsement and is not a signatory to the UN Global Compact. Registering with the UN Global Compact commits the house publicly to the ten principles it reports against in section 20, and it is the first action in the roadmap below. Section 20 already sets out how the house carries each of the ten principles into practice, with the indicators tracked against them, so registration would formalise a position the report describes.

Regulatory horizon. The regulatory horizon that matters for Chanakya is the tightening of SEBI BRSR Core assurance, the EU CSRD and ESRS value-chain reporting that flows down through luxury buyers, and continued ISSB adoption. CBAM was assessed and is not currently applicable to Chanakya's product profile, since the mechanism covers iron and steel, aluminium, cement, fertiliser, electricity and hydrogen, not textiles or craft. The relevant value-chain horizon item for Chanakya is instead EU CSRD and ESRS and buyer ESG data requests. Those requests reach the house through its buyers, and the Higg modules mapped in section 23 are the formats buyers most widely request of suppliers.

24.4 Prioritised roadmap actions

Five of the fifteen actions fall within 6 months: the UN Global Compact registration, the HR master record, the renewable-energy declaration, the three standalone labour policies and the ethics acknowledgement record. Six fall within 12 months: the climate-oversight role, the documented Scope 1 and Scope 3 method, the water-stress screening, the chemical conformance evidence, the certified-fibre tracking and the CDP disclosure. The remaining four, within 24 months, are the climate physical-risk assessment, the nature screening, the verified Higg scores and the heritage inventory.

GAP CLOSED (SECTION)	ACTION	OWNER	HORIZON	EVIDENCE OF COMPLETION
No external sustainability endorsement; not a signatory to the UN Global Compact (20; 24.3)	Register with the UN Global Compact	Sustainability / Leadership	Within 6 months	Participation listed by the UN Global Compact
No single workforce system of record (16.2)	Consolidate the HR master: headcount by gender, worker and staff split and contractor split in one record	Human Resources	Within 6 months	One HR master record from which the workforce tables at 16.2 and 25.4 are produced
Renewable electricity is 0% against 50% by 2027; renewable procurement to be evidenced (18.4; 21.1; 23.1)	Issue a renewable-energy declaration stating the renewable share of electricity procured	Environment / EHS	Within 6 months	Signed declaration with the supply documents behind it
Standalone child-labour, living-wage and freedom-of-association policies to be presented as separate policy evidence (23.4)	Issue each as a controlled document with a named owner and review cycle	Human Resources	Within 6 months	Three controlled documents entered in the policy register at 13
Ethics-policy acknowledgement and anti-corruption training records, retained per employee as evidence (17.2; 25.9)	Keep a signed record of each employee's ethics-policy acknowledgement and anti-corruption training attendance	Compliance, under the Chief Compliance Officer	Within 6 months	Signed acknowledgement and attendance record for every employee, retained each year
No named climate-oversight responsibility at leadership level (23.3)	Name the leadership role accountable for climate risk and set its review cadence	Leadership	Within 12 months	Role and cadence recorded in the minutes of the highest governance body
Scope 3 quantification methodology to be formally documented; Scope 1 and Scope 3 rest on the basis in 26.12 (23.3; 26.12)	Document the Scope 1 and Scope 3 method under the GHG Protocol Corporate Value Chain Standard and ISO 14064-1, then bring it to third-party verification	Environment / EHS	Documented within 12 months; verified basis by FY 2027	Documented method; third-party verification statement
Site water-stress tool score to be run (23.1)	Run a site water-stress screening with WRI Aqueduct	Environment / EHS	Within 12 months	Screening result for the Mumbai site reported in the Environment chapter
ZDHC MRSL and OEKO-TEX conformance evidence to be compiled (23.9)	Compile MRSL conformance evidence for chemical inputs and OEKO-TEX evidence for finished product	Environment / Procurement	Within 12 months	Conformance evidence on file for each chemical input and product line
Certified share of raw materials by fibre, SASB CG-AA-440a.2 (23.7)	Track the certified share of raw materials by fibre, for example GOTS, BCI or OEKO-TEX by material	Procurement	Within 12 months	Certified share by fibre reported against the 75% certified-sourcing commitment at 21.4
No CDP climate disclosure (18.4)	Register with CDP and submit a Climate Change disclosure	Environment / EHS	Within 12 months	Submitted CDP Climate Change response
Site climate physical-risk assessment, TCFD strategy pillar (23.3)	Commission a climate physical-risk assessment for the Mumbai site covering flood, heat stress, cyclone, sea level and water stress	EHS / Sustainability	Within 24 months	Assessment report, with its physical risks entered in the site risk register
Upstream natural-fibre regions to be mapped, TNFD Locate step (23.6)	Complete a screening-level nature assessment of natural-fibre sourcing	Procurement / Sustainability	Within 24 months	Screening covering the cotton, silk and raffia sourcing regions

GAP CLOSED (SECTION)	ACTION	OWNER	HORIZON	EVIDENCE OF COMPLETION
No verified Higg FEM or FSLM score (18.4; 23.1; 23.2)	Complete Higg FEM and FSLM platform assessments with third-party verification	Sustainability	Within 24 months	Verified FEM and FSLM scores on the platform
Formal inventory of techniques and motifs, UNESCO safeguarding (23.8)	Catalogue the documented techniques and motifs to a defined inventory methodology	Creative leadership	Within 24 months	Inventory with its stated methodology



PICTURE 21

V

Data and assurance

25 APPENDIX A: ESG DATA ANNEX 111

26 APPENDIX B: METHODOLOGY AND EMISSION FACTORS 129

27 APPENDIX C: GLOSSARY 142

28 INDEPENDENT ASSURANCE STATEMENT 145

25

Appendix A: ESG data annex

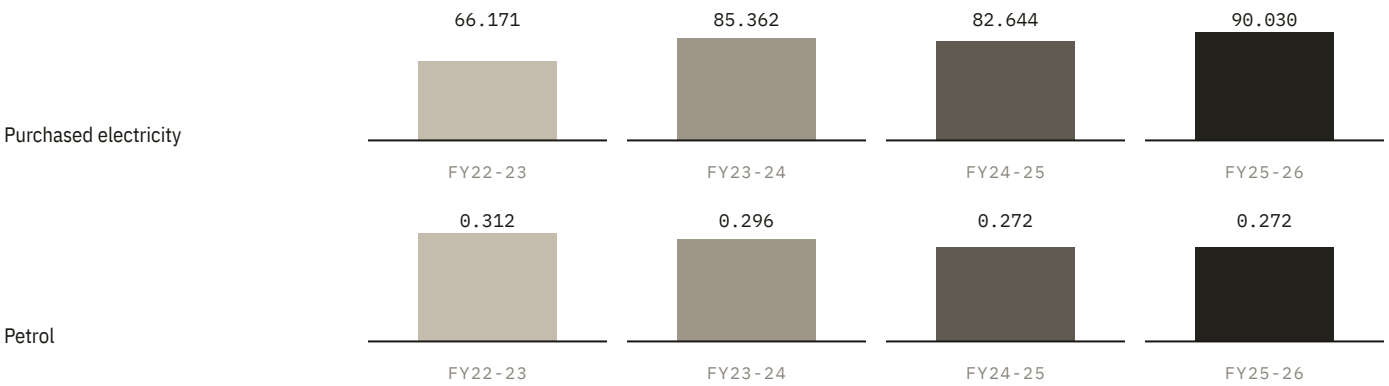
This annex is the table of record for the environmental and social figures in this report, prepared with reference to the GRI Standards. Each series table carries four year columns, FY 2022-23 to FY 2025-26, and FY 2025-26 is the reporting year; the Scope 3 category table at 25.2 also carries FY 2021-22, as our FY 2024-25 report printed it. Figures for FY 2022-23 to FY 2024-25 are as published in our FY 2024-25 report, except where section 26.11 restates them or names another source; a restated series is on one basis in all four years and can be compared year on year. Where an FY 2025-26 figure was not available when data collection closed, the table presents, by management decision, our published FY 2024-25 figure in the FY 2025-26 column, and the two columns then read the same. Such a cell gives the FY 2024-25 figure and supports no comparison between the two years. Petrol, Scope 1 and Scope 3 for FY 2025-26, and the energy and emissions totals and intensities that include them, are calculated from the hours worked in FY 2025-26 by the method in section 26.12. Where a metric is zero the table states 0, and where a line does not apply to this operation the table says so in words. A dash marks a year for which the table presents no figure; where a published figure is withdrawn, section 26.11 gives the reason. Published percentages are restated to the nearest whole count of their printed base, and each restated figure is given as the count and its percentage; where a published percentage fits more than one base, the base printed in the same table is used. The supplier remediation rate for FY 2022-23 and FY 2023-24 is printed as published, for the reason section 26.11 gives. Energy is given in MWh and in GJ at 1 MWh equal to 3.6 GJ, and every intensity ratio is per employee on a headcount of 37. A total is calculated before its rows are rounded, so it can differ by 0.01 from the sum of the rounded rows, as the gigajoule totals of energy including the value chain do. The environmental figures are those of our Raheja Xion address. Work-zone air readings are given in µg/m3 and against the limits our FY 2024-25 report prints for the same series: 80 µg/m3 under the National Ambient Air Quality Standard for sulphur dioxide and nitrogen dioxide, and 100 µg/m3 for particulate matter, which that report prints as PM10.

25.1 Energy and emissions (GRI 302 and 305)

Energy consumption within the organisation, in MWh. Purchased grid electricity and petrol for the company-owned bike make up the whole, 90.302 MWh in FY 2025-26. The house operates no DG set, so diesel does not apply. Grid electricity is 99.7% of the total and petrol the balance. Purchased electricity rose from 82.644 MWh in FY 2024-25 to 90.030 MWh in FY 2025-26, metered monthly on one BEST commercial connection and, for FY 2025-26, checked month by month against the utility bills.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Purchased electricity	66.171	85.362	82.644	90.030	
Petrol	0.312	0.296	0.272	0.272	
Diesel (no DG sets)	*Not applicable*	*Not applicable*	*Not applicable*	*Not applicable*	
Total	66.483	85.658	82.916	90.302	

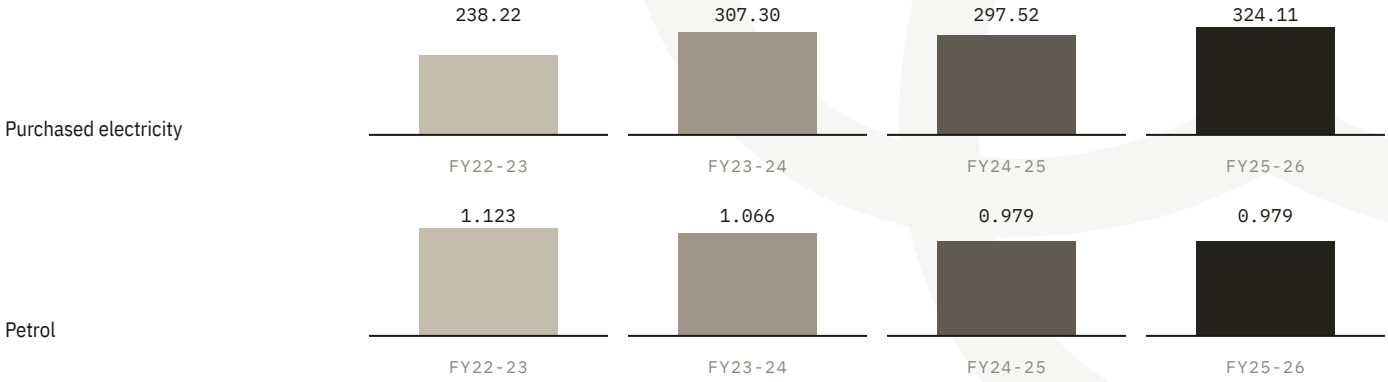
ENERGY AND EMISSIONS (GRI 302 AND 305)



Energy consumption within the organisation, in GJ. *This is the series above at 3.6 GJ per MWh, 325.09 GJ in FY 2025-26, of which purchased electricity is 324.11 GJ. Purchased electricity in GJ for FY 2022-23 to FY 2024-25 is restated at 26.11 from the metered MWh series, and the conversion itself is unchanged.*

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Purchased electricity	238.22	307.30	297.52	324.11	
Petrol	1.123	1.066	0.979	0.979	
Diesel (no DG sets)	*Not applicable*	*Not applicable*	*Not applicable*	*Not applicable*	
Total	239.34	308.37	298.50	325.09	

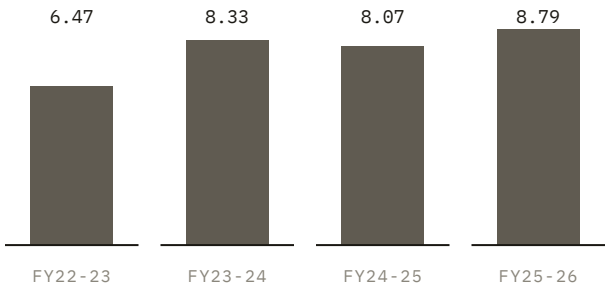
ENERGY AND EMISSIONS (GRI 302 AND 305)



Energy intensity, per employee. Energy within the organisation over the workforce of 37, in GJ per employee, was 8.79 in FY 2025-26 against 8.07 in FY 2024-25. The ratio rose because energy within the organisation rose 8.9% while the headcount held at 37, and it is expressed per employee because the house maintains no production-output denominator.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Energy intensity (GJ per employee)	6.47	8.33	8.07	8.79	

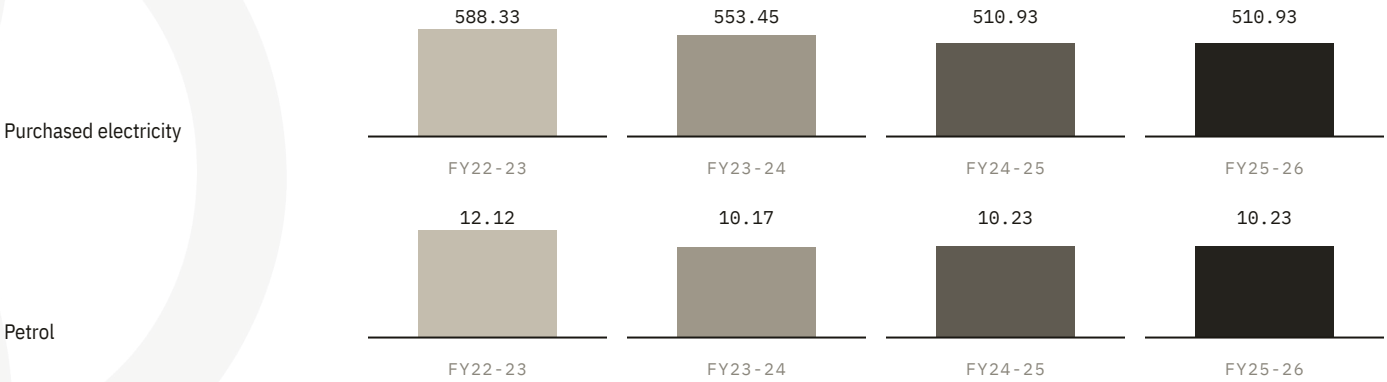
ENERGY INTENSITY, PER EMPLOYEE · ENERGY INTENSITY (GJ PER EMPLOYEE)



Energy consumption outside the organisation, in MWh. This is energy used in our value chain beyond the premises we operate. It was 521.16 MWh in FY 2025-26, of which purchased electricity is 510.93 MWh.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Purchased electricity	588.33	553.45	510.93	510.93	
Petrol	12.12	10.17	10.23	10.23	
Diesel (no DG sets)	*Not applicable*	*Not applicable*	*Not applicable*	*Not applicable*	
Total	600.45	563.62	521.16	521.16	

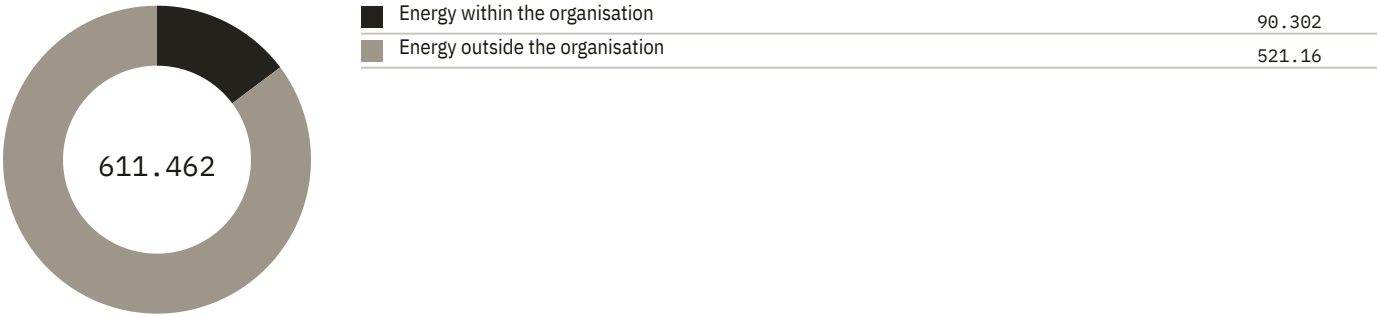
ENERGY AND EMISSIONS (GRI 302 AND 305)



Total energy including the value chain. Energy within and outside the organisation together came to 604.076 MWh, or 2,174.67 GJ, in FY 2024-25. The FY 2025-26 total is 611.462 MWh, or 2,201.26 GJ. Both tables add the metered series within the organisation to the value-chain series in section 26.8, in MWh and at 3.6 GJ per MWh, and the FY 2024-25 figure for energy outside the organisation in GJ is restated at 26.11 on that conversion.

TOTAL ENERGY INCLUDING THE VALUE CHAIN, IN MWh	FY 2024-25	FY 2025-26
Energy within the organisation	82.916	90.302
Energy outside the organisation	521.16	521.16
Total energy consumption	604.076	611.462

TOTAL ENERGY INCLUDING THE VALUE CHAIN · FY 2025-26 · TOTAL ENERGY INCLUDING THE VALUE CHAIN, IN MWh



TOTAL ENERGY INCLUDING THE VALUE CHAIN, IN GJ	FY 2024-25	FY 2025-26
Energy within the organisation	298.50	325.09
Energy outside the organisation	1,876.18	1,876.18
Total energy consumption	2,174.67	2,201.26

ENERGY AND EMISSIONS (GRI 302 AND 305) · FY 2025-26 · TOTAL ENERGY INCLUDING THE VALUE CHAIN, IN GJ



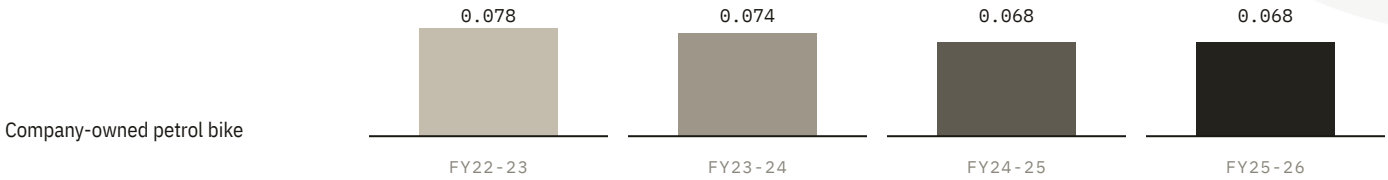
Energy within the organisation, change year on year, in GJ. Energy within the organisation fell 9.87 GJ, 3.2%, from FY 2023-24 to FY 2024-25, and rose 26.59 GJ, 8.9%, from FY 2024-25 to FY 2025-26, in line with purchased electricity. The FY 2024-25 fall follows the lower metered electricity of that year, 82.644 MWh against 85.362 MWh in FY 2023-24.

ENERGY WITHIN THE ORGANISATION, CHANGE FROM THE PRIOR YEAR (GJ)	FY 2024-25	FY 2025-26
Change from the prior year	Fall of 9.87 GJ (3.2%)	Rise of 26.59 GJ (8.9%)

Direct GHG emissions, Scope 1, in tCO_2e. Scope 1 is the petrol burned by the company-owned bike, the only fuel the house combusts, and was 0.068 tCO_2e in FY 2025-26. Appendix B sets out the method. The FY 2022-23 to FY 2024-25 tonnages equal 0.25 tCO_2e per MWh of the petrol energy published beside them, a ratio read from our FY 2024-25 report, and stationary combustion does not arise.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Company-owned petrol bike	0.078	0.074	0.068	0.068	
Total	0.078	0.074	0.068	0.068	

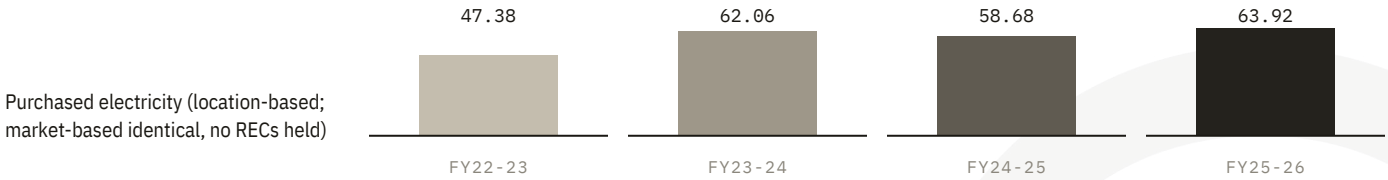
DIRECT GHG EMISSIONS, SCOPE 1, IN tCO_2e



Indirect GHG emissions, Scope 2, in tCO_2e. Scope 2 is location-based, calculated from metered grid electricity and the national average grid emission factor, and was 63.92 tCO_2e in FY 2025-26. The market-based figure is the same in every year, because the house buys no renewable energy certificates and draws all its electricity from the grid. The factor is 0.710 tCO_2 per MWh for FY 2024-25 and FY 2025-26, from the Central Electricity Authority's CO_2 Baseline Database, User Guide Version 21.0, so the rise of 8.9% in Scope 2 is the rise in metered consumption. The FY 2022-23 to FY 2024-25 figures are restated at 26.11 from the published series.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Purchased electricity (location-based; market-based identical, no RECs held)	47.38	62.06	58.68	63.92	
Total	47.38	62.06	58.68	63.92	

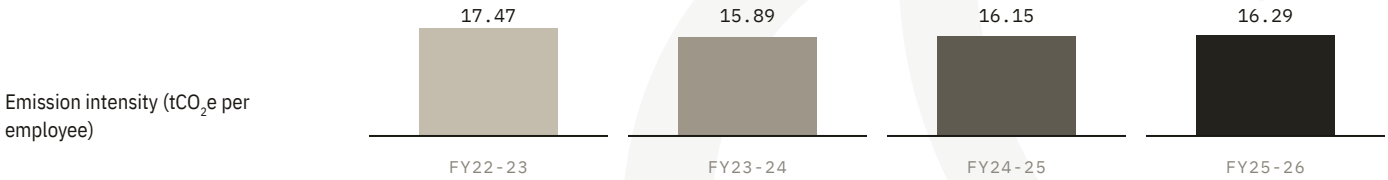
INDIRECT GHG EMISSIONS, SCOPE 2, IN tCO_2e



Emission intensity, per employee. Total Scope 1, Scope 2 and Scope 3 emissions over the workforce of 37, in tCO_2e per employee, were 16.29 in FY 2025-26 against 16.15 in FY 2024-25. Scope 3 is 89.4% of the numerator, and the FY 2025-26 rise is the metered rise in Scope 2 over an unchanged headcount.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Emission intensity (tCO_2e per employee)	17.47	15.89	16.15	16.29	

EMISSION INTENSITY, PER EMPLOYEE

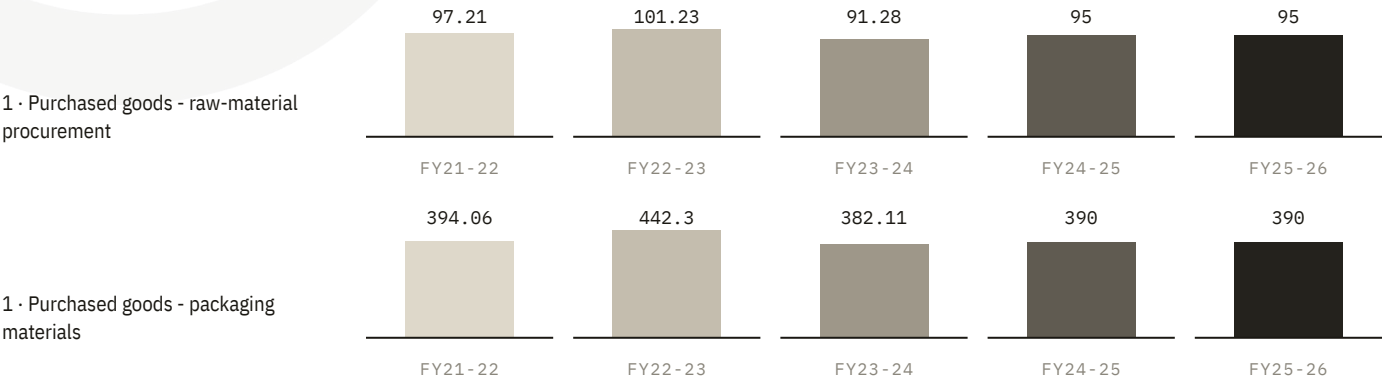


25.2 Greenhouse gas inventory (GRI 305)

Other indirect GHG emissions, Scope 3, in tCO_2e, by category. The 7 rows sit across 5 GHG Protocol categories and sum to the Total Scope 3 row in every year. Packaging materials and raw-material procurement are the two largest sources, 90.0% of the total in both FY 2024-25 and FY 2025-26. Appendix B sets out the method for each category. Category 1, purchased goods and services, carries the two largest rows, and category 7 carries employee commuting by suburban train and by motorbike. Categories 4 and 9 carry the upstream material transport and the downstream export air freight, which together form the logistics baseline of the Sustainable Procurement Policy's 15% reduction target at 21.4. Two rows are renumbered from our FY 2024-25 report, as 26.11 sets out, and its FY 2021-22 column is carried as published.

	VALUE CHAIN	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
1 · Purchased goods - raw-material procurement	Upstream	97.21	101.23	91.28	95	95	
1 · Purchased goods - packaging materials	Upstream	394.06	442.3	382.11	390	390	
4 · Upstream transport - material transport	Upstream	0.5	0.55	1.93	2	2	
6 · Business travel - air travel	Upstream	8.13	12.19	9.1	9.5	9.5	
7 · Employee commuting - suburban train	Upstream	0.81	0.94	5.7	5.8	5.8	
7 · Employee commuting - motorbike	Upstream	0.05	0.1	0.51	0.52	0.52	
9 · Downstream transport - export air freight	Downstream	39	41.5	35.2	36	36	
Total Scope 3		539.76	598.81	525.83	538.82	538.82	

GREENHOUSE GAS INVENTORY (GRI 305)



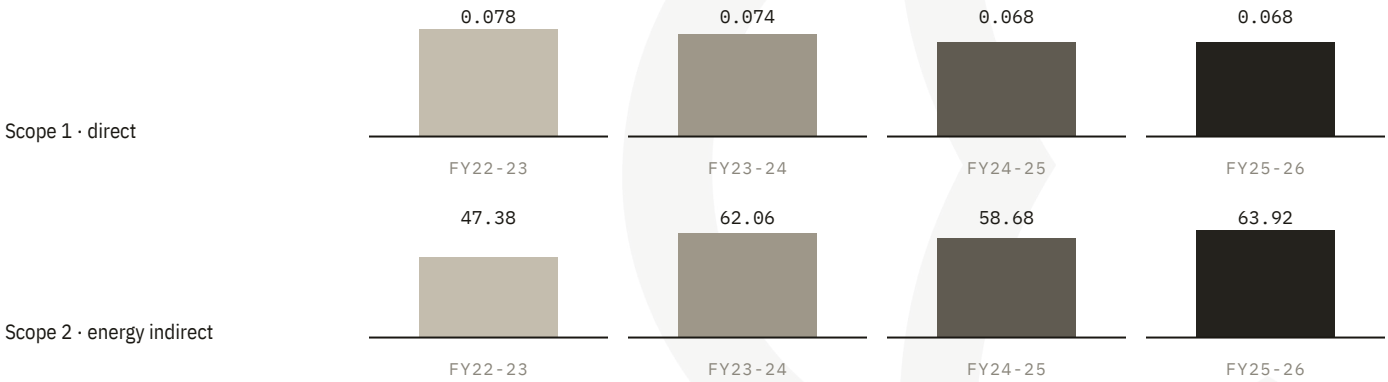
Scope 3 by category, upstream and downstream. All 15 GHG Protocol categories are classified for FY 2025-26: five in the inventory, with their figures in tCO_2e; categories 3 and 5 outside the inventory, as 26.7 sets out; and eight outside the FY 2025-26 inventory.

UPSTREAM CATEGORY	FY 2025-26	DOWNSTREAM CATEGORY	FY 2025-26
1 · Purchased goods and services	In the inventory: 95 and 390	9 · Downstream transport and distribution	In the inventory: 36
2 · Capital goods	Outside the FY 2025-26 inventory	10 · Processing of sold products	Outside the FY 2025-26 inventory
3 · Fuel- and energy-related activities	Outside the inventory, 26.7	11 · Use of sold products	Outside the FY 2025-26 inventory
4 · Upstream transport and distribution	In the inventory: 2	12 · End-of-life treatment of sold products	Outside the FY 2025-26 inventory
5 · Waste generated in operations	Outside the inventory, 26.7	13 · Downstream leased assets	Outside the FY 2025-26 inventory
6 · Business travel	In the inventory: 9.5	14 · Franchises	Outside the FY 2025-26 inventory
7 · Employee commuting	In the inventory: 5.8 and 0.52	15 · Investments	Outside the FY 2025-26 inventory
8 · Upstream leased assets	Outside the FY 2025-26 inventory		

Total GHG emissions summary, in tCO_2e. Emissions across the three scopes were 602.81 tCO_2e in FY 2025-26, of which Scope 3 is 538.82 and Scope 2 is 63.92. Appendix B sets out the method for each scope. Scope 2 is 10.6% of the FY 2025-26 total and Scope 1 less than 0.1%. The FY 2022-23 to FY 2024-25 totals are restated at 26.11, and the base-year total of 597.57 tCO_2e is the restated figure.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Scope 1 · direct	0.078	0.074	0.068	0.068	
Scope 2 · energy indirect	47.38	62.06	58.68	63.92	
Scope 3 · other indirect	598.81	525.83	538.82	538.82	
Total GHG emissions	646.27	587.96	597.57	602.81	

TOTAL GHG EMISSIONS SUMMARY, IN tCO_2e

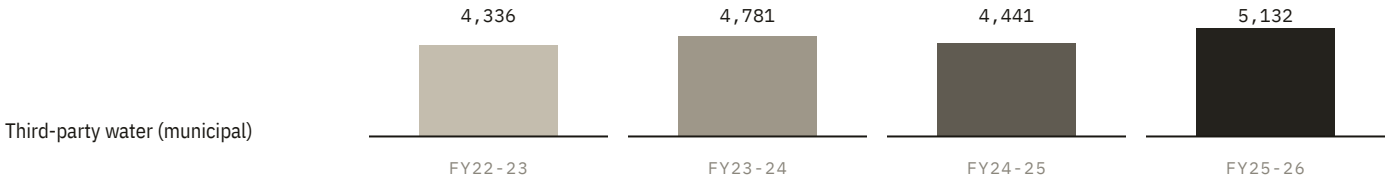


25.3 Water and waste (GRI 303 and 306)

Water withdrawal, in KL. All water is third-party municipal supply to our Raheja Xion address, summed from our monthly withdrawal entries, 5,132 KL in FY 2025-26 against 4,441 KL in FY 2024-25. Water intensity is this series over the headcount, and water consumed is this series less the discharge below. There is no borewell, rainwater harvesting or tanker supply, so withdrawal and freshwater withdrawal are the same figure. Supply water is tested for potability against IS:10500-2012, and both tests inside the year sat inside its acceptable pH and total dissolved solids limits.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Third-party water (municipal)	4,336	4,781	4,441	5,132	
Total	4,336	4,781	4,441	5,132	

WATER WITHDRAWAL, IN KL



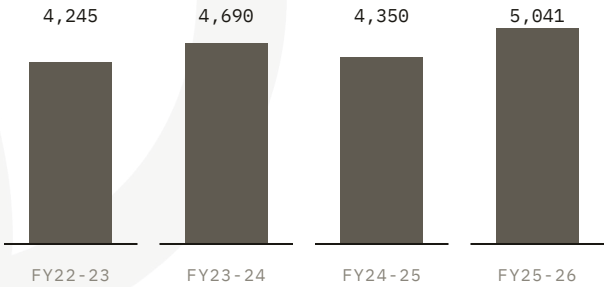
Water discharge and reuse, in KL. Discharge is domestic wastewater to the MCGM sewer at the 250 litres a day declared in our Pollution Control undertaking, 91 KL a year. The same undertaking declares no on-site treatment plant, so on-site reuse is nil in every year and the external total is the municipal sewage line. Our monthly record carries no reuse volume in any year, and the reuse figures printed in our FY 2024-25 report are restated to 0 KL at 26.11.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Municipal sewage / domestic wastewater	91	91	91	91	
On-site reuse (gardening / cleaning)	0	0	0	0	
Total water discharged (external)	91	91	91	91	

Water consumed, in KL. Water consumed is withdrawal less the discharge declared in the Pollution Control undertaking, which is not metered: 5,132 KL less 91 KL, or 5,041 KL, in FY 2025-26, against 4,350 KL in FY 2024-25. With reuse at nil, net fresh-water consumption equals water consumed in every year. The Environment Policy commits us to reduce water consumption by 25% by 2028 from 4,350 KL, and section 21.1 gives the FY 2025-26 position as Behind.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Total water consumed	4,245	4,690	4,350	5,041	
Water reused / recycled	0	0	0	0	
Net fresh-water consumption	4,245	4,690	4,350	5,041	

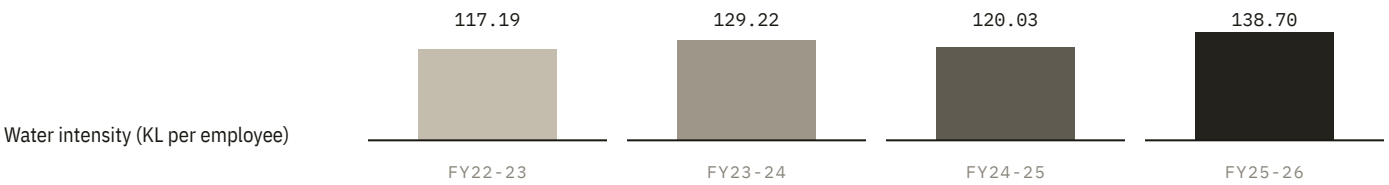
WATER CONSUMED, IN KL · NET FRESH-WATER CONSUMPTION



Water intensity, per employee. Water withdrawal over the workforce of 37, in KL per employee, was 138.70 in FY 2025-26 against 120.03 in FY 2024-25. The ratio rose because withdrawal rose to 5,132 KL while the headcount held at 37.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Water intensity (KL per employee)	117.19	129.22	120.03	138.70	

WATER INTENSITY, PER EMPLOYEE



Waste generated. Our monthly waste log across 4 non-hazardous streams gives 3.00 MT in FY 2022-23, 3.65 MT in FY 2023-24, 3.36 MT in FY 2024-25 and 2.54 MT in FY 2025-26. With hazardous e-waste added, total waste generated was 2.55 MT in FY 2025-26 and 3.37 MT in FY 2024-25. Appendix B sets out the basis of the series. The four streams are fabric and cutting waste, cardboard and packaging, plastic waste, and general office and canteen waste, each weighed on the material handed to our two appointed vendors. The FY 2022-23 to FY 2024-25 figures replace the published aggregates, as 26.11 sets out.

Landfill diversion. In FY 2025-26, 2% of waste was recycled and 98% went to disposal. Our target is 90% diversion by 2028, from 2% in FY 2024-25.

Hazardous waste. Electronic waste is the only hazardous stream our monthly log records, and it is scheduled waste under the E-Waste (Management) Rules 2022. We generated 14 kg in FY 2025-26, in 3 consignments in June, December and February, against 10 kg in FY 2024-25. The December consignment, two computers or laptops and three printers or scanners, went to a recycler authorised by the Maharashtra Pollution Control Board under a manifest dated 26 December 2025. The process is dry hand embroidery with no dyeing, no washing and no chemical effluent, so no other hazardous stream arises.

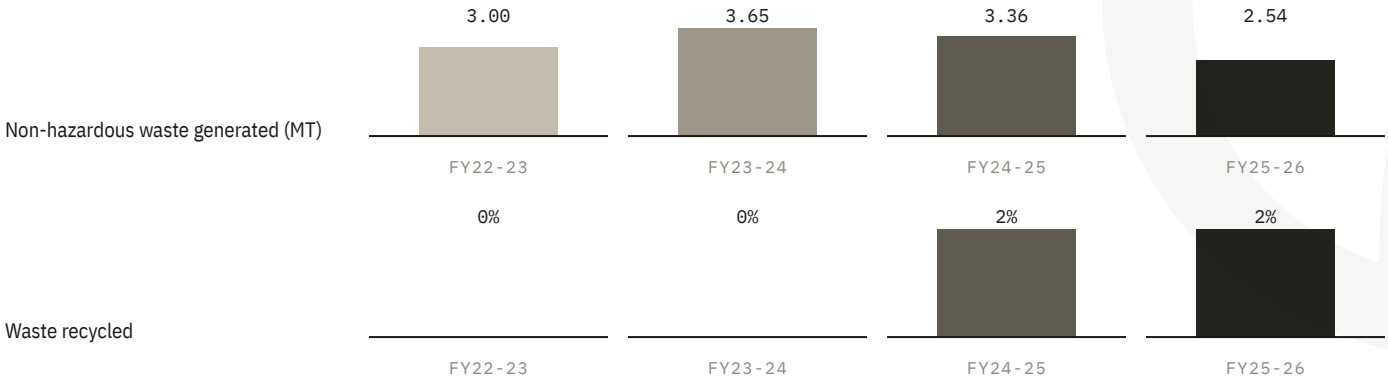
WASTE GENERATED AND RECYCLED, FY 2022-23 TO FY 2025-26

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Non-hazardous waste generated (MT)	3.00	3.65	3.36	2.54	
Waste recycled	0%	0%	2%	2%	
Waste sent for disposal	100%	100%	98%	98%	

WASTE GENERATED AND RECYCLED, FY 2022-23 TO FY 2025-26 · CONTINUED

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Hazardous waste generated (kg)	17	13	10	14	
Total waste generated (MT)	3.02	3.66	3.37	2.55	

WASTE GENERATED AND RECYCLED, FY 2022-23 TO FY 2025-26



25.4 Workforce composition (GRI 2-7 and 405-1)

Employee distribution by role and gender. Headcount in 5 role bands, by gender, for a workforce of 37. The workforce is 34 men and 3 women in every year. Every employee is directly employed and the house uses no contract labour, so the table is the whole of the covered workforce. Every employee was permanent in FY 2023-24, FY 2024-25 and FY 2025-26; in FY 2022-23, 1 of the 34 men was employed other than permanently, as our FY 2024-25 report records.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Board of Directors, male	2	2	2	2	
Board of Directors, female	1	1	1	1	
Senior Executive, male	3	3	3	3	
Senior Executive, female	1	1	1	1	
Administrative & Support, male	5	5	5	5	
Administrative & Support, female	1	1	1	1	
Technical & Skilled, male	14	14	14	14	
Technical & Skilled, female	0	0	0	0	
Semi-skilled / Operational, male	10	10	10	10	
Semi-skilled / Operational, female	0	0	0	0	
Total Male	34	34	34	34	
Total Female	3	3	3	3	
Grand Total	37	37	37	37	

> Our anti-bribery management system is certified to ISO 37001:2016, and the Whistleblower and Non-Retaliation Policy requires every complaint to be acknowledged within 24 hours.

EMPLOYEE DISTRIBUTION BY ROLE AND GENDER · FY22-23



Gender composition and female representation. Women are 8.1% of the workforce in every year and hold roles in 3 bands: 1 of 3 Board seats, 1 of 4 senior executive roles and 1 of 6 administrative and support roles. The technical and skilled band and the semi-skilled and operational band, which together hold 24 of the 37 employees, are all male. The Diversity, Equity and Inclusion Policy targets at least 45% women across all levels and 30% in leadership roles by FY 2028.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
% female employees	8.1%	8.1%	8.1%	8.1%	
% male employees	91.9%	91.9%	91.9%	91.9%	
Female, Board of Directors	33.3%	33.3%	33.3%	33.3%	
Female, Senior Executive	25%	25%	25%	25%	
Female, Administrative & Support	16.7%	16.7%	16.7%	16.7%	
Female, Technical & Skilled	0%	0%	0%	0%	
Female, Semi-skilled / Operational	0%	0%	0%	0%	
Overall female share	8.1%	8.1%	8.1%	8.1%	

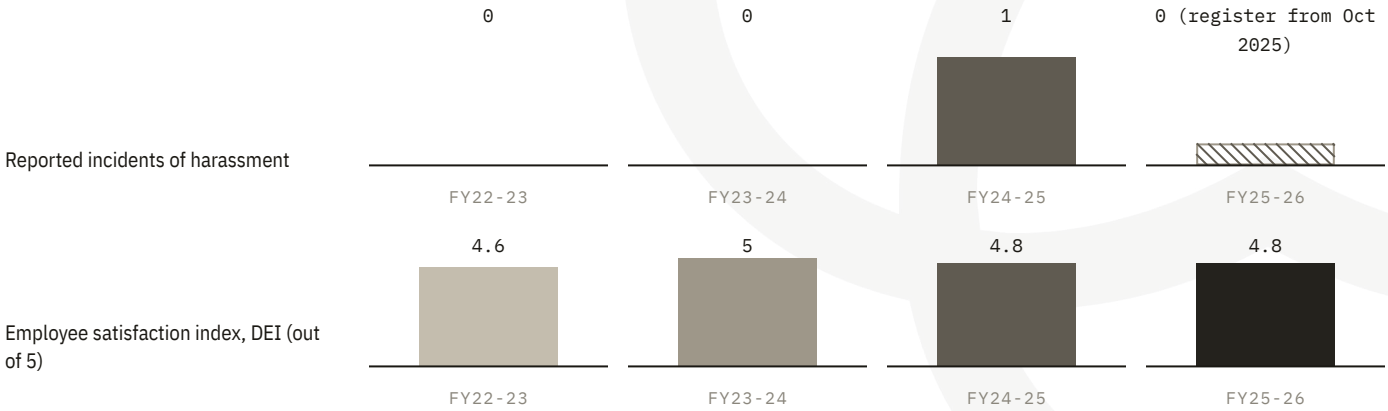
25.5 Performance and inclusion (GRI 401, 404, 405 and 406)

Diversity, equity and inclusion. In FY 2025-26, 5 of the 37 employees, 13.5%, are from underrepresented groups, against 0 of the 7 in top management, 0%, and female retention is 3 of 3, 100%. The DEI satisfaction index is 4.8 out of 5, every employee is trained in DEI and every part of the facility is accessible to persons with disabilities. One harassment case was reported in FY 2024-25 and none in FY 2022-23 or FY 2023-24, and the Grievance Register records none from its opening in October 2025 to 31 March 2026. Female retention for FY 2022-23 to FY 2024-25 is restated at 26.11 to the nearest whole count of the 3 women employed.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
% female in total workforce	8.1%	8.1%	8.1%	8.1%	
% female in executive positions	25%	25%	25%	25%	
% female at board level	33.3%	33.3%	33.3%	33.3%	
Employees from underrepresented groups	4 of 37 (10.8%)	5 of 37 (13.5%)	5 of 37 (13.5%)	5 of 37 (13.5%)	
% employees trained in DEI	100%	100%	100%	100%	
Reported incidents of harassment	0	0	1	0 (register from Oct 2025)	

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Female retention rate	3 of 3 (100%)	2 of 3 (66.7%)	3 of 3 (100%)	3 of 3 (100%)	
Employee satisfaction index, DEI (out of 5)	4.6	5	4.8	4.8	
Underrepresented groups in top management	0 of 7 (0%)	0 of 7 (0%)	0 of 7 (0%)	0 of 7 (0%)	
% facility accessible to persons with disabilities	100%	100%	100%	100%	

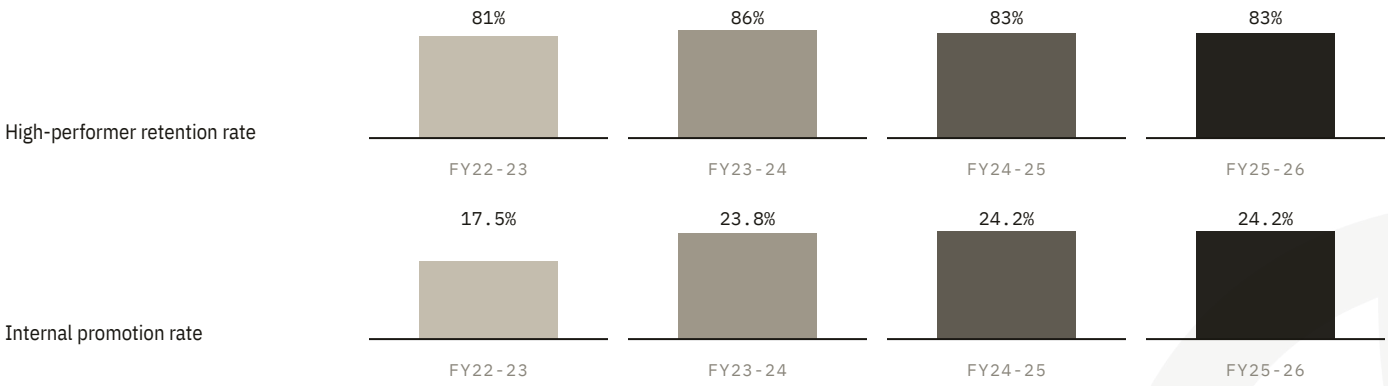
DIVERSITY, EQUITY AND INCLUSION



Employee performance. Every employee is covered by performance appraisal and receives annual performance feedback. In FY 2025-26, 34 of the 37, 91.9%, received an annual salary appraisal, the average performance rating is 9.1 out of 10, and high-performer retention is 83%. Performance-linked training was 4.5 hours per employee. The internal promotion rate is 24.2%, against the Labor and Human Rights Policy's commitment that at least 25% of managerial and supervisory roles are filled through internal promotions by FY 2028.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
% covered under performance appraisal	100%	100%	100%	100%	
% receiving annual performance feedback	100%	100%	100%	100%	
High-performer retention rate	81%	86%	83%	83%	
Internal promotion rate	17.5%	23.8%	24.2%	24.2%	
Performance-linked training hours per employee	–	3.8	4.5	4.5	
Average performance rating (out of 10)	8.3	8.7	9.1	9.1	
Given an annual salary appraisal	34 of 37 (91.9%)	34 of 37 (91.9%)	34 of 37 (91.9%)	34 of 37 (91.9%)	

EMPLOYEE PERFORMANCE

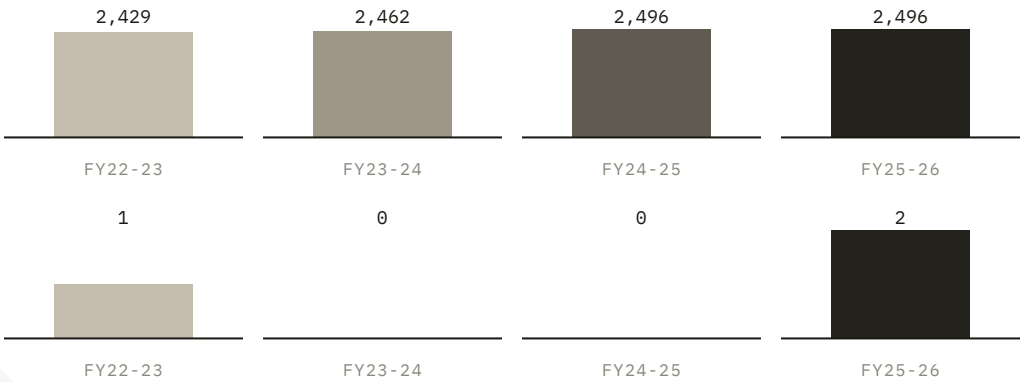


25.6 Occupational health and safety (GRI 403)

Occupational health and safety performance. We recorded no work-related fatality, no high-consequence injury and no recordable injury in any of the 4 years, and no near-miss, restricted work case or lost day. Total hours worked are 89,856, 91,104, 92,352 and 92,352 hours from our HR record, with no contract-worker hours in any year; the FY 2024-25 and FY 2025-26 figures are the headcount of 37 multiplied by 2,496 standard hours per employee, and those for FY 2022-23 and FY 2023-24 equal 36 and 36.5 full-time equivalents against a headcount of 37. First aid cases numbered 2 in FY 2025-26. Man-hours worked per employee are restated at 26.11 from these totals. The FY 2025-26 zeros rest on the Register of Accidents and Dangerous Occurrences kept for the premises for May 2025 to March 2026, and on the annual counts management entered from its accident register for April 2025.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Work-related fatalities	0	0	0	0	
High-consequence work-related injuries	0	0	0	0	
Recordable work-related injury rate, excluding occupational ill health (per 200,000 hours)	0	0	0	0	
Process-safety incident count	0	0	0	0	
Total hours worked	89,856	91,104	92,352	92,352	
Man-hours worked per employee	2,429	2,462	2,496	2,496	
First aid cases	1	0	0	2	
Near-misses reported	0	0	0	0	
Restricted work cases	0	0	0	0	
Total days lost (all lost-time injuries)	0	0	0	0	

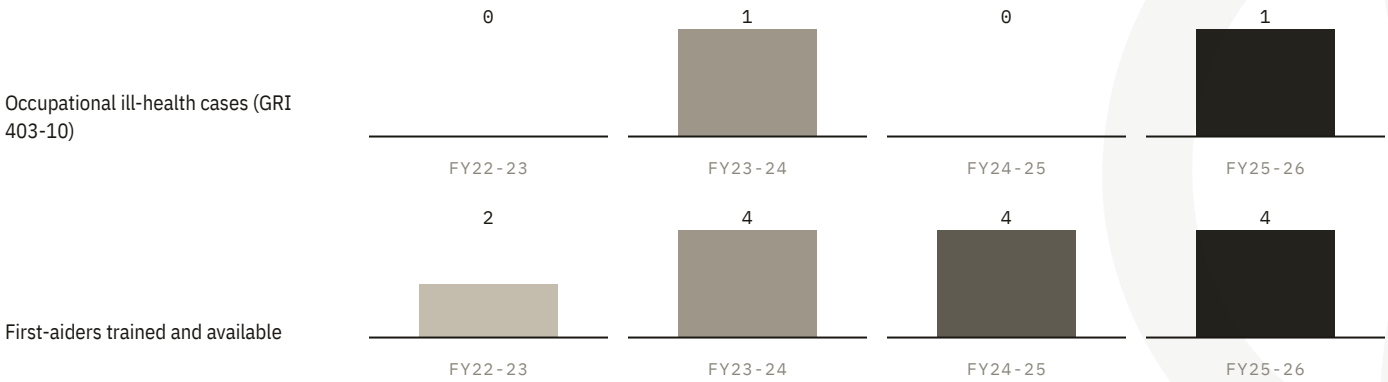
OCCUPATIONAL HEALTH AND SAFETY PERFORMANCE



Health parameters and OHS coverage. All 37 employees are covered by the OHS system, by medical insurance and by periodic medical examinations, and every employee was trained on health and safety in FY 2024-25. There were 4 first-aiders trained and available, and 4 emergency drills were conducted in FY 2025-26. No contract worker falls within the system, as the house engages none. Our Employee Health, Safety and Wellbeing Policy requires four exercises a year, and the four drills conducted match that count.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
% covered under medical insurance	100%	100%	100%	100%	
% undergoing periodic medical exams	100%	100%	100%	100%	
Occupational ill-health cases (GRI 403-10)	0	1	0	1	
% trained on health & safety	100%	100%	100%	100%	
First-aiders trained and available	2	4	4	4	
Emergency drills conducted	4	4	4	4	
Total employees covered under OHS system	37	37	37	37	
Third-party / contract workers covered	0	0	0	0	

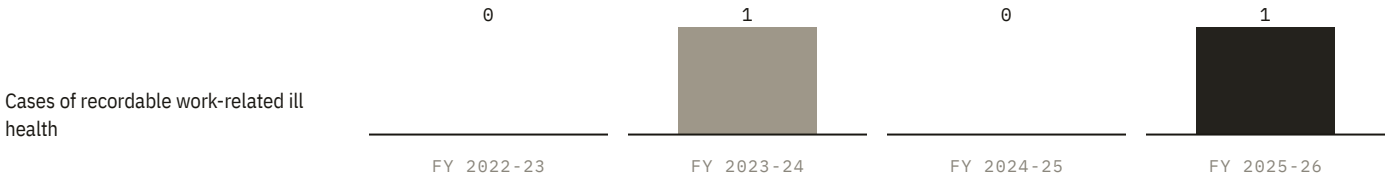
HEALTH PARAMETERS AND OHS COVERAGE



Work-related ill health, GRI 403-10. There was 1 case of recordable work-related ill health in FY 2025-26 and 1 in FY 2023-24, from our accident and medical records, with none in the other two years. No fatality from work-related ill health occurred in any year, as total workplace fatalities were zero throughout. The FY 2023-24 case is restated at 26.11 from our occupational health centre and medical records.

GRI 403-10 DISCLOSURE	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	SHAPE
Cases of recordable work-related ill health	0	1	0	1	
Fatalities as a result of work-related ill health	0	0	0	0	
Main types of work-related ill health recorded	*None*	Occupational ill health, 1 case	*None*	Occupational ill health, 1 case	

WORK-RELATED ILL HEALTH, GRI 403-10



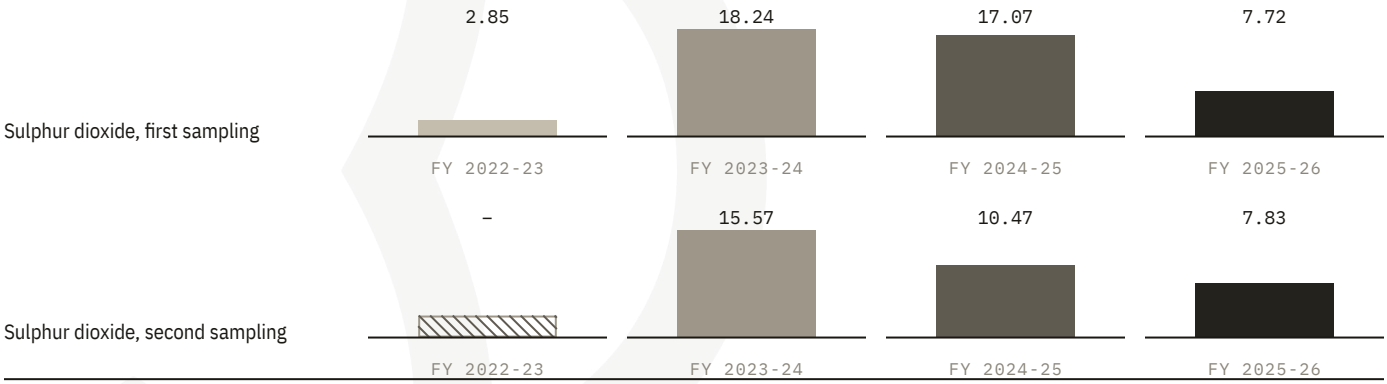
Workplace illumination, GRI 403. Illumination near the working area was 391 Lux on 16 January 2025 and 396 Lux on 9 December 2025, both inside the IS 3646 (Part 1) 1992 permissible range of 300 to 500 Lux.

ILLUMINATION (GRI 403)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	SHAPE
Illumination near working area (Lux)	–	–	391	396	
Permissible range (IS 3646, Part 1)	–	–	300 to 500	300 to 500	

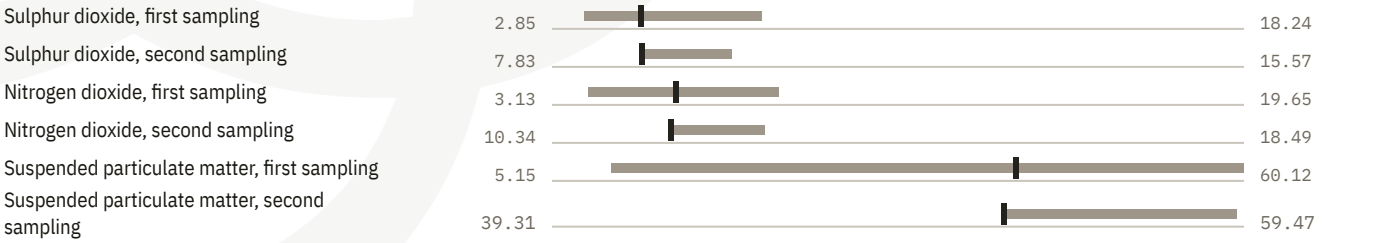
Work-zone air quality, in µg/m3. Sulphur dioxide, nitrogen dioxide and suspended particulate matter in the weaving and production zone, sampled twice a year from FY 2023-24 and once in FY 2022-23. In FY 2025-26 every parameter was lower than in FY 2024-25 at both samplings. The workbook names the IS:5182 method. At both FY 2025-26 samplings sulphur dioxide and nitrogen dioxide sat inside the National Ambient Air Quality Standard limit of 80 µg/m3, and suspended particulate matter inside the limit of 100 µg/m3 for PM10.

WORK-ZONE AIR QUALITY (µg/m3)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	SHAPE
Sulphur dioxide, first sampling	2.85	18.24	17.07	7.72	
Sulphur dioxide, second sampling	–	15.57	10.47	7.83	
Nitrogen dioxide, first sampling	3.13	17.51	19.65	10.78	
Nitrogen dioxide, second sampling	–	18.49	14.63	10.34	
Suspended particulate matter, first sampling	5.15	38.31	60.12	40.3	
Suspended particulate matter, second sampling	–	59.47	51.49	39.31	
Months sampled	December	June and January	June and December	June and December	

WORK-ZONE AIR QUALITY, IN µg/m3



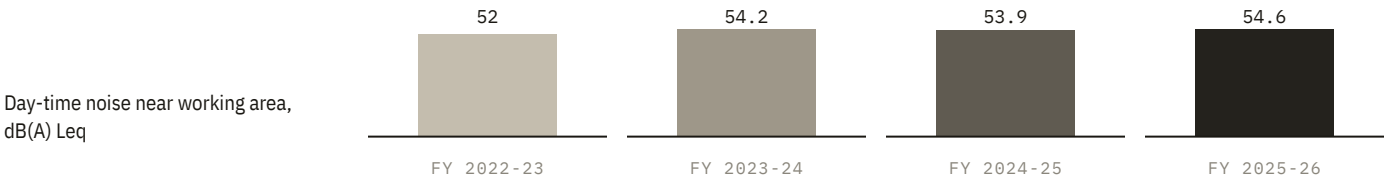
WORK-ZONE AIR QUALITY, IN µg/m3 · WORK-ZONE AIR QUALITY (µg/m3) · FY 2022-23 TO FY 2025-26



Workplace noise. A single day-time reading each year near the working area, in dB(A) Leq, against the Central Pollution Control Board day-time norm of 75 dB(A). Every reading sits inside the norm, between 52 and 54.6 dB(A). The FY 2025-26 reading was 54.6 dB(A) Leq on 3 December 2025, 0.7 dB(A) above the FY 2024-25 reading of 53.9, as restated at 26.11 from the laboratory report.

WORKPLACE NOISE	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	SHAPE
Day-time noise near working area, dB(A) Leq	52	54.2	53.9	54.6	
Month of measurement	February 2023	January 2024	January 2025	December 2025	

WORKPLACE NOISE

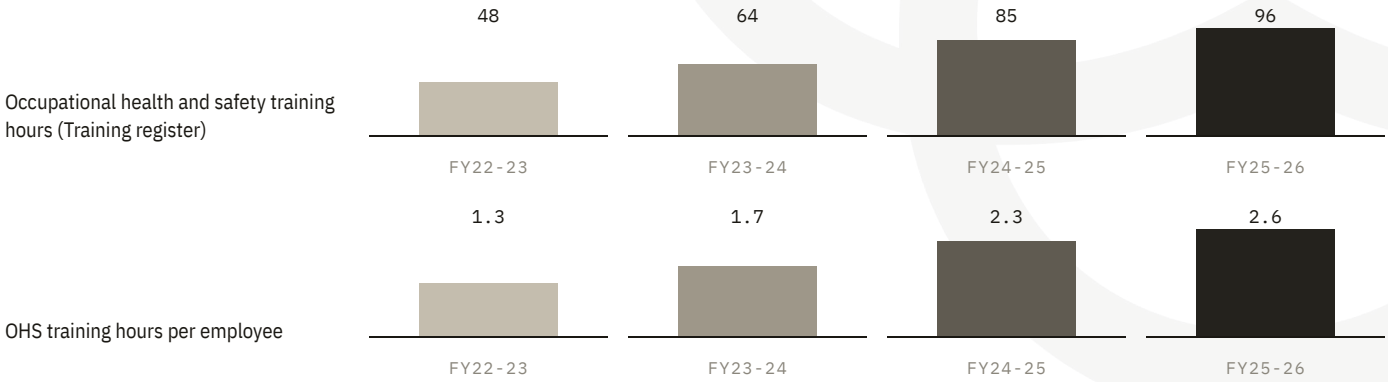


25.7 Training and development (GRI 404)

Employee training by programme, in hours. The register row is occupational health and safety training from our Training register, 96 hours in FY 2025-26 against 85 in FY 2024-25, or 2.6 hours per employee. The six programme rows give the hours of each training programme. Daily ergonomics reinforcement on the production floor, 30 minutes for each day of the year, is floor practice, not training, and section 10.6 describes it. The OHS total is taken from the Training register and is a separate measure from both.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Ethics	2	2	2	2	
Fire safety	4	4	4	4	
First aid	2	2	2	2	
Workplace health & safety	2	2	2	2	
Employee code of conduct	2	2	2	2	
Environment	2	2	2	2	
Occupational health and safety training hours (Training register)	48	64	85	96	
OHS training hours per employee	1.3	1.7	2.3	2.6	

EMPLOYEE TRAINING BY PROGRAMME, IN HOURS

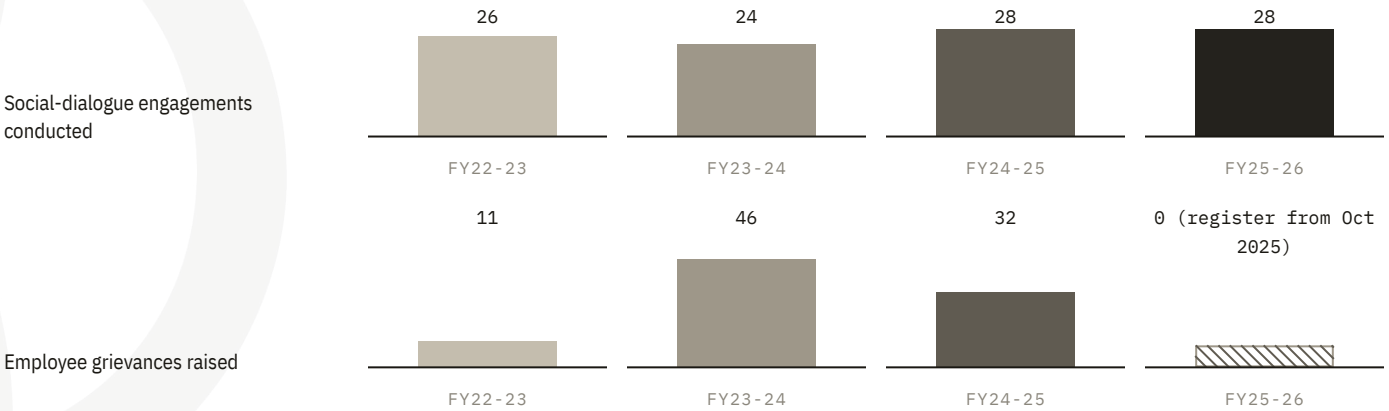


25.8 Wages and social dialogue (GRI 401 and 407)

Social dialogue. We held 28 social-dialogue engagements in FY 2025-26, implemented 100% of the agreements reached, and scored 4.5 out of 5 on the social-dialogue satisfaction index. A single joint committee for health, safety and welfare covers all employees. The Grievance Register, from its opening in October 2025 to 31 March 2026, records no grievance, so the resolution share and response time read Nil raised. Worker representatives are freely elected under our Freedom of Association Policy and no workers union has been formed, so collective-bargaining coverage is 0%. The FY 2024-25 grievance counts, 32 raised and 32 resolved, are those of our FY 2024-25 report, and the joint-committee count for FY 2022-23 to FY 2024-25 is restated to 1 in each year.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
% covered under collective bargaining	0%	0%	0%	0%	
Social-dialogue engagements conducted	26	24	28	28	
Employee grievances raised	11	46	32	0 (register from Oct 2025)	
Employee grievances resolved	11	43	32	0	
Grievances resolved via mechanism	11 of 11 (100%)	31 of 46 (67.4%)	31 of 32 (96.9%)	*Nil raised*	
Average response time to concerns (days)	9.8	9.2	6.5	*Nil raised*	
Joint committees (health, safety, welfare)	1	1	1	1	
Employees covered by safety committee	100%	35 of 37 (94.6%)	100%	100%	
Social-dialogue satisfaction index (out of 5)	4.1	4.6	4.5	4.5	
% agreements implemented post-dialogue	94%	100%	100%	100%	

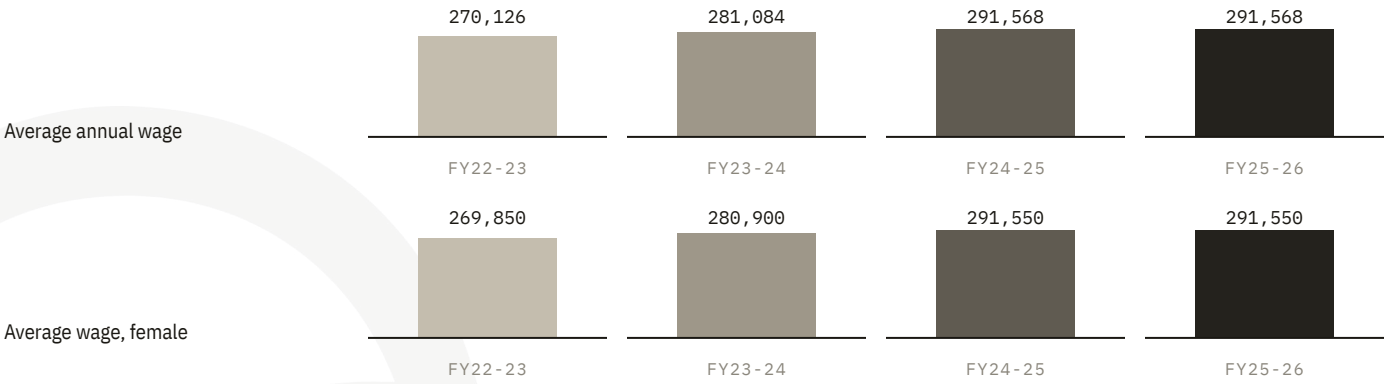
SOCIAL DIALOGUE



Wages, in INR. The average annual wage in FY 2025-26 is INR 291,568, the headcount-weighted average of INR 291,550 for 3 women and INR 291,570 for 34 men, a gender pay gap of 0.01%. Every employee is paid above both the statutory minimum wage and the living-wage benchmark of INR 125,450, which is set by a food-basket analysis of the local market and was used for our SA 8000 certification. Section 16.5 sets out our wage position. The benchmark rose from INR 120,540 in FY 2022-23 and FY 2023-24 to INR 125,450 in FY 2024-25, and the gender pay gap narrowed from 0.11% in FY 2022-23 to 0.01%.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Average annual wage	270,126	281,084	291,568	291,568	
Average wage, female	269,850	280,900	291,550	291,550	
Average wage, male	270,150	281,100	291,570	291,570	
Gender pay gap	0.11%	0.07%	0.01%	0.01%	
Living wage (food-basket, local market)	120,540	120,540	125,450	125,450	
% employees paid living wage	100%	100%	100%	100%	
% direct employees paid below living wage	0%	0%	0%	0%	

WAGES, IN INR



25.9 Labour, human rights and ethics (GRI 205, 406, 408, 409 and 412)

Labour and human-rights incidents. No labour-rights violation, human-rights violation, child-labour incident or forced-labour incident was reported in any of the four years. The FY 2024-25 harassment and discrimination counts are restated at 26.11 from the highlights of our FY 2024-25 report, and the FY 2025-26 count covers the Grievance Register from its opening in October 2025.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Reported labour-rights violations	0	0	0	0	
Human-rights violations reported	0	0	0	0	
Child-labour incidents identified	0	0	0	0	
Forced or bonded-labour incidents	0	0	0	0	
Harassment or discrimination complaints	0	0	1 harassment; 2 discrimination or rights	0 (register from Oct 2025)	

Ethics and integrity incidents. No code-of-conduct violation, whistleblower complaint, information-security incident or corruption incident arose in any year. In FY 2025-26 every employee completed anti-bribery and corruption training and acknowledged our ethics policies. Our anti-bribery management system is certified to ISO 37001:2016, and the Whistleblower and Non-Retaliation Policy requires every complaint to be acknowledged within 24 hours.

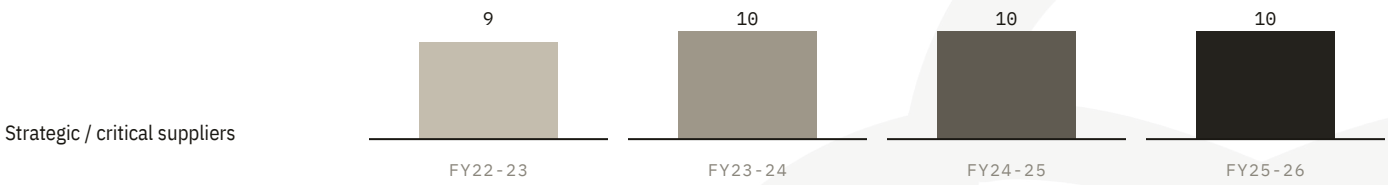
	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Reported code-of-conduct violations	0	0	0	0	
Whistleblower complaints received	0	0	0	0	
Anti-bribery & corruption training coverage	100%	100%	100%	100%	
Confirmed information-security incidents	0	0	0	0	
Confirmed corruption incidents	0	0	0	0	
% employees acknowledging ethics policies	100%	100%	100%	100%	
Employees certified in annual cybersecurity training	–	–	35 of 37 (94.6%)	35 of 37 (94.6%)	

25.10 Supply chain performance (GRI 204, 308 and 414)

Supplier classification and composition. We work with 14 active suppliers, 10 of them strategic or critical. Of the 14, 10 are local or regional and 4 are national, and 75% of supplier spend goes to local suppliers. Strategic suppliers rose from 9 in FY 2022-23 to 10 from FY 2023-24, and every active supplier has signed the Supplier Code of Conduct.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Total active suppliers	14	14	14	14	
Strategic / critical suppliers	9	10	10	10	
Local / regional suppliers	10	10	10	10	
National suppliers	4	4	4	4	
% spend on local suppliers	75%	75%	75%	75%	

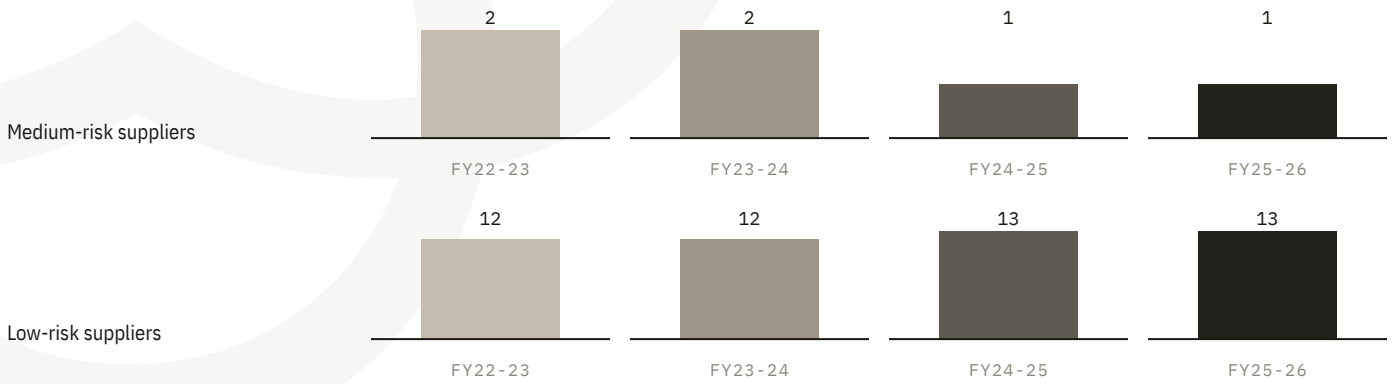
SUPPLIER CLASSIFICATION AND COMPOSITION



Supplier ESG risk assessment. Every active supplier is assessed for sustainability risk and rated high, medium or low, and the table gives the count in each band with the suppliers under a mitigation plan and those reassessed in the year.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
High-risk suppliers	0	0	0	0	
Medium-risk suppliers	2	2	1	1	
Low-risk suppliers	12	12	13	13	
Suppliers with mitigation plans	6 of 14 (42.9%)	11 of 14 (78.6%)	14 of 14 (100%)	14 of 14 (100%)	
Suppliers reassessed	4 of 14 (28.6%)	8 of 14 (57.1%)	14 of 14 (100%)	14 of 14 (100%)	

SUPPLIER ESG RISK ASSESSMENT

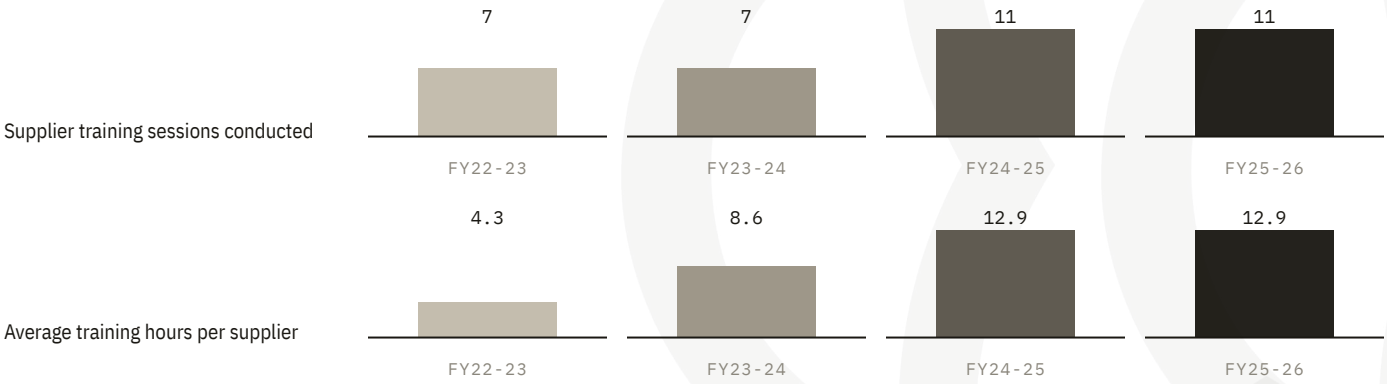


No active supplier is high risk in any year. In FY 2025-26, 1 supplier is medium risk and 13 are low risk, and mitigation plans and reassessment each cover 100% of suppliers. Reassessment coverage rose from 4 of 14 in FY 2022-23 to 14 of 14 from FY 2024-25.

Supplier development and audit. Supplier training sessions rose from 7 to 11 over the four years, and total supplier training hours from 60 to 180. Audit reached 9 of the 10 strategic suppliers in FY 2025-26, and the one supplier found non-compliant was remediated within three months. Average training hours per supplier and suppliers found non-compliant for FY 2022-23 to FY 2024-25, and strategic suppliers audited for FY 2022-23 and FY 2024-25, are restated at 26.11.

	FY22-23	FY23-24	FY24-25	FY25-26	SHAPE
Supplier training sessions conducted	7	7	11	11	
Suppliers attending training	6 of 14 (42.9%)	11 of 14 (78.6%)	14 of 14 (100%)	14 of 14 (100%)	
Total supplier training hours	60	120	180	180	
Average training hours per supplier	4.3	8.6	12.9	12.9	
Supplier ESG audits conducted	5	8	10	10	
Strategic suppliers audited	5 of 9 (55.6%)	5 of 10 (50%)	9 of 10 (90%)	9 of 10 (90%)	
Suppliers found non-compliant at audit	1 of 5 audited (20%)	1 of 8 audited (12.5%)	1 of 10 audited (10%)	1 of 10 audited (10%)	
Non-compliant suppliers remediated within three months	60%	80%	100%	100%	

SUPPLIER DEVELOPMENT AND AUDIT





PICTURE 22

26

Appendix B: Methodology and emission factors

This appendix sets out how the environmental figures in this report are produced: the period and boundary they cover, the standards they are compiled against, and the emission factors and conversions behind them, so that each environmental number can be traced to its basis. Section 26.14 also sets out the criteria for the three work-related injury indicators.

26.1 Basis of preparation

Period and boundary. The reporting period is 1 April 2025 to 31 March 2026. The environmental data covers our Mumbai premises. Our greenhouse gas calculator identifies one facility, the Mumbai site's purchased grid electricity, on one meter. The meter is a BEST commercial connection, and water is drawn on one piped municipal supply connection.

Premises. The environmental figures in this report are those of our premises at Raheja Xion, Byculla East, Mumbai, and the Chanakya School of Craft, the associated training centres, the Chanakya Foundation and the artisan clusters are separate premises outside them.

Consolidation approach. The greenhouse gas inventory follows the operational control approach of the GHG Protocol Corporate Standard. It includes the sources at the Raheja Xion premises that Chanakya International operates, and it excludes the building's diesel generator, which building management operates, as the next paragraph sets out. Operational control is also the basis of the reporting boundary at 1.1, so the inventory and the rest of the report cover the same premises.

Base year and recalculation. FY 2024-25 is the base year, being the most recent year covered by our published FY 2024-25 report. Its Scope 2 figure is restated at 26.11, and the base-year total of 597.57 tCO_2e is the restated figure. Base-year figures are recalculated when the boundary changes, when an error is found in them, or when the data source or method behind them changes, and each recalculation is disclosed as a restatement at 26.11. No numerical significance threshold is set.

Combustion sources. Our undertaking to the Maharashtra Pollution Control Board, signed 27 March 2024, declares no stationary or process combustion at the site, and our site hazard register, dated 2 January 2026, records the building's diesel generator as controlled by building management. The second of the two records falls inside the reporting period. The undertaking declares a dry process with no dyeing or washing operation, and the Environment chapter reports on that basis.

26.2 What is metered and what is calculated

Metered. Purchased grid electricity is metered monthly on one BEST commercial connection. Each of the twelve monthly readings for FY 2025-26 agrees with a figure printed by the utility and with the corresponding entry in our data collection workbook, as 26.6 sets out. Waste is recorded by weight on the material handed to the disposal vendors, from our own monthly logs.

Recorded. Water withdrawal is recorded monthly on one piped municipal supply connection. The monthly entries are labelled in units, and the unit basis is taken as KL, as 26.13 sets out.

Calculated. Scope 2 is calculated for all four reported years, as metered kilowatt-hours multiplied by a published grid emission factor and divided by 1,000. Energy in gigajoules is converted from megawatt-hours at 3.6 GJ per MWh. Water consumed is water withdrawn less water discharged. Energy, emissions and water intensity are calculated by dividing the annual quantity by the workforce headcount of 37 stated in the People chapter.

From our FY 2024-25 report. The Scope 1 tonnages for FY 2022-23, FY 2023-24 and FY 2024-25, the Scope 3 tonnages and their category breakdown for the same years, and the energy consumed outside the organisation for the same years are as published in our FY 2024-25 report. Waste generation for all four years is summed from our own monthly waste log, as 26.9 and 26.11 set out.

Calculated from hours worked at 26.12. Petrol energy, Scope 1 and Scope 3 for FY 2025-26, and the energy totals, total footprint and intensities that follow from them, are calculated from their FY 2024-25 figures in proportion to the hours worked in FY 2025-26, as 26.12 sets out.

Nil. On-site water recycling is nil, on the evidence set out at 26.9 and 26.11, and every table that carries it reads 0.

Not applicable. Stationary combustion, process emissions, boiler flue gas, fugitive emissions, industrial effluent and on-site sewage treatment do not arise. A dry hand-embroidery process on one floor of a multi-storied building does not generate them, and the diesel generator on the premises is controlled by the building management and burns no fuel we buy.

26.3 Accounting standards and reporting frameworks

The greenhouse gas inventory is maintained on the GHG Protocol basis, under the GHG Protocol Corporate Standard, with Scope 2 reported on both the location-based and the market-based method as the GHG Protocol Scope 2 Guidance requires. Emissions disclosures are made against GRI 305, energy against GRI 302, water against GRI 303 with ISO 14001 and CPCB guidance, waste against GRI 306, work-zone air quality against the IS:5182 method our data-collection form specifies, and workplace noise against the Central Pollution Control Board day-time norm stated on the laboratory's own reports. Third-party verification of the inventory is a forward commitment.

The Scope 3 standard. Documenting the Scope 3 methodology under the GHG Protocol Corporate Value Chain standard, with third-party verification, is planned under our Environment Policy. The Scope 3 figures for FY 2022-23 to FY 2024-25 are as published in our FY 2024-25 report, and those for FY 2025-26 are calculated at 26.12; 26.7 sets out what the published figures state and what they do not.

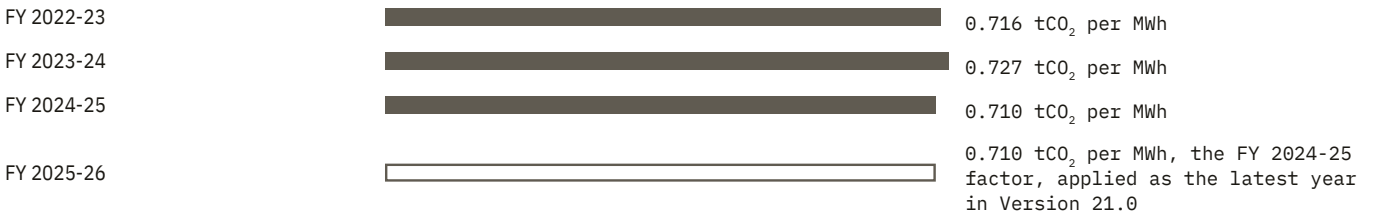
Gases and global warming potentials. Scope 2 covers carbon dioxide only, because the Central Electricity Authority factor is a carbon dioxide factor, published in tCO_2 per MWh; each tonne of carbon dioxide is reported as one tonne of carbon dioxide equivalent, and methane and nitrous oxide from grid generation are outside that factor. The Scope 1 and Scope 3 tonnages for FY 2022-23 to FY 2024-25 are applied in tCO_2e as published in our FY 2024-25 report, which does not name the gases or the global warming potential values behind them, and the FY 2025-26 figures calculated at 26.12 rest on the same basis. Our Pollution Control undertaking lists no fugitive emission source, and the inventory carries no hydrofluorocarbon, perfluorocarbon, sulphur hexafluoride or nitrogen trifluoride emission.

26.4 Emission factors and conversions

The grid emission factor. Scope 2 is calculated on the weighted average emission rate published by the Central Electricity Authority of India in its CO_2 Baseline Database for the Indian Power Sector, User Guide Version 21.0 of December 2025. The operating margin, build margin and combined margin published alongside it are project-baseline figures for the Clean Development Mechanism, not Scope 2 factors, and are not used here. The database publishes one weighted average emission rate for each financial year, and each of FY 2022-23 to FY 2024-25 takes its own year's rate.

YEAR	FACTOR APPLIED
FY 2022-23	0.716 tCO_2 per MWh
FY 2023-24	0.727 tCO_2 per MWh
FY 2024-25	0.710 tCO_2 per MWh
FY 2025-26	0.710 tCO_2 per MWh, the FY 2024-25 factor, applied as the latest year in Version 21.0

THE GRID EMISSION FACTOR · FACTOR APPLIED · ALL ROWS IN tCO_2 PER MWh



The published values govern. For FY 2022-23, FY 2023-24 and FY 2024-25, the factor applied is the one the database publishes for that year.

On the grid factor. Version 21.0 is the edition applied, and its latest year is FY 2024-25, so the FY 2024-25 factor of 0.710 tCO_2 per MWh is applied to FY 2025-26 consumption, one year later than the year the factor describes, without adjustment.

Other factors and conversions. Each row gives the factor, its source and whether this report applies it, and a factor our calculator carries for a source the house does not operate, such as diesel or LPG, is listed with the reason it is not applied.

CONVERSION OR EMISSION SOURCE	FACTOR	SOURCE	APPLIED TO
Purchased electricity, Scope 2, market-based	No supplier-specific factor and no renewable energy certificate adjustment	Our calculator applies no supplier-specific factor, and no renewable energy certificates are purchased	Yes, as an equality. The market-based figure equals the location-based figure in all four years
Energy, MWh to GJ	1 MWh equal to 3.6 GJ	The definition of the units. The same conversion reproduces the petrol gigajoule figures in our own FY 2024-25 annexe from its petrol megawatt-hour figures	Yes, for every gigajoule figure in this report, energy outside the organisation included. The FY 2024-25 figure for energy outside the organisation is restated at 26.11
Intensity denominator	Workforce headcount	Our greenhouse gas calculator specifies intensity rows per full-time equivalent employee for Scope 1 plus 2 and for Scope 1 plus 2 plus 3	Yes. Every energy, emissions and water intensity figure in the ESG data annex
Scope 1 fuels	Diesel 2.68 $kgCO_2e$ per litre, LPG 2.98 $kgCO_2e$ per kg, PNG and CNG 2.02 $kgCO_2e$ per SCM, coal 2,425 $kgCO_2e$ per MT, petrol 2.31 $kgCO_2e$ per litre	IPCC AR6 and MoEFCC India GHG inventory guidance	No. Scope 1 is stated on petrol energy for FY 2022-23 to FY 2024-25 and calculated at 26.12 for FY 2025-26
Scope 1, company petrol two-wheeler, FY 2022-23 to FY 2024-25	0.25 tCO_2e per MWh of petrol energy, implied	The ratio of the Scope 1 tonnages to the petrol energy figures in our FY 2024-25 report	The FY 2022-23 to FY 2024-25 tonnages reproduce at this factor. FY 2025-26 is calculated at 26.12
Petrol, MWh to litres	*Not applied*	Petrol is stated in energy units, MWh and GJ, in every year	No. Petrol is reported in MWh and GJ, so no litre conversion is made
Scope 3, purchased goods and services	Spend multiplied by a spend-based factor, as our calculator specifies	Our calculator template	The FY 2022-23 to FY 2024-25 category figures are those of our FY 2024-25 report. FY 2025-26 is calculated at 26.12
Scope 3, business travel	Passenger-km multiplied by domestic air 0.133, international air 0.195, train 0.041, taxi 0.141 $kgCO_2e$ per passenger-km	Our calculator template	The FY 2022-23 to FY 2024-25 air travel figures are those of our FY 2024-25 report. FY 2025-26 is calculated at 26.12
Scope 3, freight	Tonne-km multiplied by rail 0.029 and sea 0.011 $kgCO_2e$ per tonne-km	Our calculator template	The FY 2022-23 to FY 2024-25 freight figures are those of our FY 2024-25 report. FY 2025-26 is calculated at 26.12
Scope 3, fuel and energy-related activities	Transmission and distribution losses on purchased electricity	Our greenhouse gas calculator names the category and carries a line for it	No. Category 3 is outside the five categories the inventory reports, as 26.7 sets out
Water volume	No conversion factor. Source records are labelled in units and the unit basis is taken as KL	Data collection workbook	Yes, as an assumption about the unit
Waste weight	No conversion factor. Weight recorded on material handed to the disposal vendors	Our monthly waste log	All four years (26.9)

Biogenic carbon dioxide. A dry hand-embroidery process has no biogenic carbon dioxide source, so none is reported.

26.5 Scope 1

Scope 1 was 0.078 tCO_2e in FY 2022-23, 0.074 in FY 2023-24 and 0.068 in FY 2024-25, and 0.068 tCO_2e in FY 2025-26, calculated at 26.12. The whole of it is mobile combustion in one company petrol two-wheeler. The three earlier tonnages are as published in our FY 2024-25 report, and the FY 2024-25 tonnage is the base from which the FY 2025-26 figure is calculated.

The factor behind the three earlier years. Each of the three published tonnages equals 0.25 times the petrol energy published beside it. Our FY 2024-25 report does not name that factor or its source, so 0.25 tCO_2e per MWh is a ratio read from the published figures, not a sourced emission factor. Petrol is stated in energy units in every year, so the per-litre petrol factor in our calculator is not applied.

Stationary combustion is not applicable. Our undertaking to the Maharashtra Pollution Control Board records no process emissions, no boiler flue gas, no DG set and no fugitive emissions among our sources, which follows from the dry process it declares. The diesel generator on the premises appears in our site hazard register, dated 2 January 2026, where the control against it sits with building management, and we operate no generator and buy no fuel for one. The undertaking of 27 March 2024 and the hazard register of 2 January 2026 carry this position, the second inside the reporting period.

The Scope 1 targets. The 30% absolute reduction by 2030 and the zero target for 2035 in the Environment chapter are expressed against an FY 2024-25 baseline. Scope 1 was 0.068 tCO_2e in FY 2024-25 and 0.068 tCO_2e in FY 2025-26.

26.6 Scope 2

Method. Scope 2 is calculated on the location-based method as metered kilowatt-hours multiplied by the published national grid emission factor for the year and divided by 1,000. The formula is the one our calculator specifies and the factors are the published Central Electricity Authority values set out in 26.4. The market-based figure is calculated on the same consumption with no supplier-specific factor and no renewable energy certificate adjustment, so it equals the location-based figure in every year. With no contractual instrument and no residual-mix factor applied, the market-based figure uses the same Central Electricity Authority grid average.

RESULT

YEAR	METERED ELECTRICITY	FACTOR	SCOPE 2, LOCATION-BASED	SCOPE 2, MARKET-BASED
FY 2022-23	66,171 kWh, 66.171 MWh	0.716 tCO_2 per MWh	47.38 tCO_2e	47.38 tCO_2e
FY 2023-24	85,362 kWh, 85.362 MWh	0.727 tCO_2 per MWh	62.06 tCO_2e	62.06 tCO_2e
FY 2024-25	82,644 kWh, 82.644 MWh	0.710 tCO_2 per MWh	58.68 tCO_2e	58.68 tCO_2e
FY 2025-26	90,030 kWh, 90.030 MWh	0.710 tCO_2 per MWh	63.92 tCO_2e	63.92 tCO_2e

RESULT · FACTOR · ALL ROWS IN tCO_2 PER MWh



Scope 2 rose 8.9% between FY 2024-25 and FY 2025-26. Because the same factor applies to both years, that is the rise in metered consumption. The same rise appears in energy within the organisation, of which grid electricity is 99.7%.

The utility's own print. Every reading is a monthly figure entered in our data collection workbook. Each of the twelve FY 2025-26 readings was verified against the utility's own print for this report: September 2025 to March 2026 from the Units Consumed line of the bill for each month, and April to August 2025 from the eleven-month past-consumption panel of the September 2025 bill, with April and May 2025 also printed in the prior-year comparison line of the April and May 2026 bills. For FY 2024-25, the readings for September 2024 to March 2025 agree exactly with the prior-year rows and history panels of the same bills.

The billing basis. Grid electricity is reported on the billing basis: the reported year is the twelve utility bills issued in the financial year, April 2025 to March 2026. BEST issues each bill for the consumption of the preceding month, so the bill issued in March 2026 carries the period 31 January to 28 February 2026. The same basis is applied in every year shown, FY 2022-23 to FY 2025-26, so the year-on-year movement is on a like basis.

Renewable electricity. All electricity reported is purchased from the grid, and no renewable energy certificates are purchased. The Environment Policy sets 50% renewable electricity sourcing by 2027 and 100% by 2035, both against an FY 2024-25 baseline of 0%, all electricity being purchased from the grid. A renewable-energy declaration stating the renewable share of electricity procured is an Environment and EHS action within 6 months at 24.4.

26.7 Scope 3

Categories reported. Scope 3 was 539.76 tCO_2e in FY 2021-22, 598.81 in FY 2022-23, 525.83 in FY 2023-24, 538.82 in FY 2024-25 and 538.82 in FY 2025-26. The inventory covers five categories: purchased goods and services, upstream transport, business travel, employee commuting and downstream transport. All seven category rows in the ESG data annex carry a figure for every year, and they sum exactly to the totals above. The FY 2025-26 figures are calculated at 26.12. In FY 2024-25, packaging materials at 390 tCO_2e and raw-material procurement at 95 tCO_2e are 90.0% of the total between them, which is why our reduction work is directed at packaging and procurement.

Categories outside the inventory. Category 3, fuel and energy-related activities, would cover transmission and distribution losses on the metered grid electricity, and our calculator names it and carries a line for it. Category 5, waste generated in operations, would cover the waste whose weights our monthly log holds. Neither is quantified in this report. Categories 2, 8 and 10 to 15 are outside the FY 2025-26 inventory, and 25.2 classifies all 15. The GHG Protocol Corporate Value Chain Standard, under which Environment and EHS will document the Scope 3 method within 12 months as the roadmap at 24.4 sets out, requires each category to be screened for relevance.

Method behind the category figures. The category figures for FY 2021-22 to FY 2024-25 are as published in our FY 2024-25 report, which does not state the spend, distance or freight quantities, or the emission factors, behind them. The Scope 3 factors listed in 26.4 are those of our calculator template, and the template carries no factor for air freight, the mode of the export freight row. Documenting the Scope 1 and Scope 3 method under the GHG Protocol Corporate Value Chain Standard and ISO 14064-1 is the Environment and EHS action at 24.4, with a verified basis by FY 2027.

26.8 Energy

Within the organisation. Grid electricity within the organisation was 90.030 MWh in FY 2025-26 against 82.644 MWh in FY 2024-25, metered monthly, and it is the whole of the Scope 2 activity basis. Total energy within the organisation was 90.302 MWh in FY 2025-26, or 325.09 GJ, of which 0.272 MWh is petrol for the company two-wheeler, calculated at 26.12, and 82.916 MWh in FY 2024-25, of which petrol was 0.272 MWh. The petrol line was 0.312 MWh in FY 2022-23 and 0.296 MWh in FY 2023-24.

The gigajoule conversion. *The gigajoule table is the same series converted at 1 MWh equal to 3.6 GJ. The gigajoule figures in our FY 2024-25 report were produced from that report's electricity figures at the same 3.6, and they are restated at 26.11 on the metered series.*

Outside the organisation. Energy consumed outside the organisation was 600.45 MWh in FY 2022-23, 563.62 in FY 2023-24 and 521.16 in FY 2024-25 and in FY 2025-26. Total energy including the value chain, being this series added to total energy within the organisation, was 611.462 MWh in FY 2025-26, or 2,201.26 GJ, against 604.076 MWh in FY 2024-25.

Intensity. We do not maintain a production-output denominator, so energy, emissions and water intensity are expressed per employee, calculated as the annual quantity divided by the workforce headcount of 37 stated in the People chapter. Energy intensity within the organisation was 8.79 GJ per employee in FY 2025-26. Our FY 2024-25 report expressed the same three ratios per rupee of turnover. This report carries no turnover figure, so those ratios are excluded, and the per-employee ratios are a separate calculation from energy, emissions, water and headcount.

Diesel. *The diesel lines in the energy tables read not applicable, for the reason given in 26.5.*

26.9 Water and waste

Water withdrawal was 5,132 KL in FY 2025-26 against 4,441 KL in FY 2024-25, drawn from municipal piped supply and recorded monthly. The source records are labelled in units, and the unit basis is taken as KL throughout this report. Discharge is domestic only, declared in the Pollution Control undertaking at 250 litres per day to the MCGM sewer. The declared rate, from the undertaking signed on 27 March 2024, is applied to every year shown, FY 2022-23 and FY 2023-24 included. Water consumed is withdrawal less that discharge: 5,041 KL in FY 2025-26 and 4,350 KL in FY 2024-25. The declared rate gives 91 KL a year.

Waste is recorded by weight on the material handed to the disposal vendors, from our monthly logs. The e-waste recycler's authorisation is printed on the December 2025 consignment manifest. The log records four non-hazardous streams by weight, and e-waste by weight in the month it arises, in 3 consignments in FY 2025-26, in June, December and February.

26.10 Air and noise monitoring

Work-zone air quality results are those entered in our data collection workbook, which names the IS:5182 method, and they are reported in µg/m3 against the limits set out in the Appendix A preamble. Workplace noise is measured by a third-party laboratory and reported against the Central Pollution Control Board day-time norm of 75 dB(A), which is the limit stated on the laboratory's own reports, and the laboratory characterises those samples as ambient. The workbook enters the air results for June and December 2025, and noise was measured on 16 January 2025 and 3 December 2025.

Currency. The June and December 2025 air samplings and the December 2025 noise sampling fall inside FY 2025-26, and each result is given in the Environment chapter with its month or date of monitoring. Air was sampled twice in each year from FY 2023-24 and noise once, against the quarterly monitoring cadence of our Employee Health, Safety and Wellbeing Policy.

26.11 Restatements (GRI 2-4)

GRI 2-4 asks an organisation to report restatements of information given in earlier periods. This is our second report prepared with reference to the GRI Standards 2021, and it restates from our FY 2024-25 report the energy and emissions series, water withdrawal, discharge and consumption, the waste tonnage series, hazardous waste generation, collective-bargaining coverage, on-site water reuse, total training hours, man-hours worked per employee, the FY 2024-25 harassment and discrimination counts, grievances resolved through social dialogue, occupational ill health for FY 2023-24, female retention, employees from underrepresented groups, salary appraisal coverage, cybersecurity training certification, women in leadership roles, suppliers audited for child-labour risk, strategic suppliers audited, suppliers found non-compliant, average training hours per supplier, joint committees, the FY 2024-25 noise reading, the emission intensity target baseline and the average annual wage, and it replaces the 2024 baselines printed in that report's objectives table. That report also prints some FY 2024-25 figures in its highlights, among them headcount, training hours, the injury rate, drill frequency and Scope 2, that differ from the figures this report uses, and the register gives each beside the figure used and the record behind it. Our FY 2024-25 report included a statement headed Independent Assurance Statement whose coverage table listed, among others, GRI 302, 303, 305, 306 and 403-9 disclosures, and the restated FY 2024-25 figures include figures within that coverage, among them purchased electricity, Scope 2 emissions, total GHG emissions, water withdrawal and consumption, and waste generated.

Water. Water withdrawal, discharge and consumption for FY 2022-23 to FY 2024-25 are restated from our monthly withdrawal record and the discharge declared in our Pollution Control undertaking, and the register gives each published figure beside the figure used. Our FY 2024-25 report prints 280 KL for FY 2024-25 as water use on page 14 and as total water consumption on pages 41 and 72, and its withdrawal table on page 71 dates the same 280 KL to FY 2023-24.

SERIES	AS PUBLISHED	RESTATED	REASON
Purchased electricity within the organisation, FY 2022-23	61.54 MWh	66.171 MWh	The published figure does not agree with the monthly meter readings in our own records. A meter reading is primary evidence and a figure in a report is derived from it
Purchased electricity within the organisation, FY 2023-24	63.88 MWh	85.362 MWh	As above
Purchased electricity within the organisation, FY 2024-25	61.21 MWh	82.644 MWh	As above
Purchased electricity in GJ, FY 2022-23 to FY 2024-25	221.54, 229.97 and 220.36 GJ	238.22, 307.30 and 297.52 GJ	Recomputed at 3.6 GJ per MWh from the restated electricity figures. The conversion is unchanged; only its input is
Total energy within the organisation, FY 2022-23 to FY 2024-25	61.852, 64.176 and 61.482 MWh; 222.67, 231.03 and 221.34 GJ (page 67); for FY 2024-25, a reduction of 4.2% since FY 2023-24 (page 39)	66.483, 85.658 and 82.916 MWh; 239.34, 308.37 and 298.50 GJ; for FY 2024-25, a fall of 3.2%	Follows from the purchased electricity restatement above; the petrol line is as published
Energy outside the organisation in GJ, FY 2024-25	1,877 GJ	1,876.18 GJ	Recomputed at 3.6 GJ per MWh from the published 521.16 MWh, the conversion every other gigajoule figure in this report uses. Total energy including the value chain for FY 2024-25 is 2,174.67 GJ on the same basis
Scope 2, FY 2022-23	50.49 tCO_2e	47.38 tCO_2e	Recomputed from metered consumption at the grid factor the Central Electricity Authority publishes for that year
Scope 2, FY 2023-24	52.55 tCO_2e	62.06 tCO_2e	As above
Scope 2, FY 2024-25	50.34 tCO_2e	58.68 tCO_2e	As above

SERIES	AS PUBLISHED	RESTATED	REASON
Purchased electricity and Scope 2, FY 2024-25, highlights	6,695 kWh and 6.7 tCO_2e on the ESG highlights page (page 14); 61.21 MWh and 50.34 tCO_2e in the energy and Scope 2 tables (pages 67 and 69)	82,644 kWh and 58.68 tCO_2e	This report uses the monthly meter readings and the Central Electricity Authority factor for the year, as the purchased electricity and Scope 2 rows above set out
Scope 1 and Scope 3, FY 2024-25, highlights	1.5 tCO_2e for Scope 1 and 3 together, described as LPG use only, on the ESG highlights page (page 14); 0.068 and 538.82 tCO_2e in the Scope 1 and Scope 3 tables (pages 68 and 70)	0.068 and 538.82 tCO_2e	This report uses the Scope 1 and Scope 3 tables of the same published report (26.5, 26.7)
Total Scope 3, FY 2022-23	599.81 tCO_2e	598.81 tCO_2e	The published total is 1.00 higher than the sum of the seven category rows printed above it in the same table
Scope 1 and Scope 2 combined, FY 2022-23	50.968 tCO_2e	47.46 tCO_2e	The published total was 0.400 higher than the sum of its own two rows, and the Scope 2 component is restated above
Total GHG emissions, FY 2022-23	650.378 tCO_2e	646.27 tCO_2e	Follows from the Scope 2 and Scope 3 restatements above
Total GHG emissions, FY 2023-24	578.45 tCO_2e	587.96 tCO_2e	Follows from the Scope 2 restatement above
Total GHG emissions, FY 2024-25	589.22 tCO_2e	597.57 tCO_2e	Follows from the Scope 2 restatement above
Collective-bargaining coverage, FY 2022-23 to FY 2024-25	77%, 100% and 100%, the three years our FY 2024-25 report covers that this report also covers. Its fourth published figure, 25%, is FY 2021-22 and falls outside this report	0% in every year	No workers union is formed and no collective agreement is in place; worker representatives are freely elected under the Freedom of Association Policy, and GRI 2-30 is satisfied by a nil with that reason
On-site water reuse, all years	64, 70, 75 and 82 KL, printed on page 72 of our FY 2024-25 report under an FY 2020-21 to FY 2023-24 heading in its discharge table and under an FY 2021-22 to FY 2024-25 heading in its consumption table, and recycled water at 26% of total consumption for FY 2022-23 and 29% for FY 2024-25 on page 41	0 KL and 0% in every year	The Pollution Control undertaking declares no on-site treatment plant and disposal direct to the MCGM sewer, and our monthly record carries no reuse volume in any year
Water withdrawal, FY 2022-23 to FY 2024-25	260 and 280 KL for FY 2022-23 and FY 2023-24 in the withdrawal table on page 71, which has no FY 2024-25 column; 198 KL as freshwater withdrawal in the FY 2024-25 water panel on page 41	4,336, 4,781 and 4,441 KL	The sum of the monthly withdrawal entries for the piped municipal supply in our data collection workbook, labelled in units and taken as KL (26.13)
Water discharged, FY 2022-23 and FY 2023-24	185 and 198 KL in the discharge table on page 72, which has no FY 2024-25 column	91 KL in each year	The domestic discharge of 250 litres a day declared in our Pollution Control undertaking of 27 March 2024, applied to every year (26.9)
Water consumed, FY 2022-23 to FY 2024-25	255, 260 and 280 KL total, and 185, 185 and 198 KL net fresh-water, in the consumption table on page 72; 280 KL for FY 2024-25 also as water use on page 14 and total water consumption on page 41	4,245, 4,690 and 4,350 KL, total and net fresh-water alike	Withdrawal from our monthly record less the declared discharge of 91 KL a year (26.9). For FY 2024-25 the figure used is 4,070 KL above the published 280 KL

SERIES	AS PUBLISHED	RESTATED	REASON
Total waste generated, FY 2022-23 to FY 2024-25	6.5, 7 and 8 MT, read from the column header of that table on page 73, which runs FY 2021-22 to FY 2024-25. Those are the three years our FY 2024-25 report covers that this report also covers. Its fourth published figure, 5 MT, is FY 2021-22 and falls outside this report	3.00, 3.65 and 3.36 MT non-hazardous	The restated figures are the monthly stream-level records in the data collection workbook, summed across the four non-hazardous streams, in place of an annual aggregate. A monthly record is primary evidence and a published aggregate is derived from it. For FY 2024-25 the restatement lowers the figure by 4.64 MT, which is 58% of the published figure
Hazardous waste generated, FY 2022-23 to FY 2024-25	0 in every year	17, 13 and 10 kg	The workbook's block headed HAZARDOUS WASTE (requires manifest / Form-2 record) carries e-waste consignments in all four years, and the December 2025 manifest evidences the handover to an authorised recycler. The published nil is contradicted by the house's own monthly record. Our Pollution Control undertaking of 27 March 2024 also declares no hazardous waste, and it is displaced on the same basis
Grievances resolved through the social dialogue mechanism, FY 2023-24 and FY 2024-25	67% and 96%	31 of 46 (67.4%) and 31 of 32 (96.9%)	Neither published rate is a whole share of the grievances raised in its year, 46 and 32. The restated figures are the nearest whole count of that base, as the Appendix A preamble sets out, and they lie 0.4 and 0.9 points from the published rates
Harassment and discrimination counts, FY 2024-25	0, in the annex tables for harassment incidents and for harassment or discrimination complaints	1 harassment case and 2 discrimination or rights grievances	The FY 2024-25 labour and human-rights highlights of the same report print 1 harassment case, resolved, and 2 discrimination or rights grievances, both resolved in 12 days, and this report prints those counts
Occupational ill-health cases, FY 2023-24	0	1	Our occupational health centre and medical records, entered in the safety sheet of our data input form, record one case in FY 2023-24
Workforce, FY 2024-25	36 employees with women at 11% on the FY 2024-25 highlights page (page 14), and 32 male and 4 female on the business footprint page (page 13); 37 employees, 34 male and 3 female, in the workforce tables (pages 73 to 75)	37, 34 male and 3 female, women 8.1%	This report uses the workforce tables of the same published report (25.4)
Female retention rate, FY 2022-23 to FY 2024-25	86%, 78% and 96%	3 of 3 (100%), 2 of 3 (66.7%) and 3 of 3 (100%)	None of the published rates is a whole share of the 3 women employed in each year. The restated figures are the nearest whole count of that base, as the Appendix A preamble sets out, and they lie 14.0, 11.3 and 4.0 points from the published rates
Employees from underrepresented groups, FY 2022-23 to FY 2024-25	10.96%, 13.55% and 14.62% in the inclusion table (page 81); for FY 2024-25, 18% from minority or vulnerable groups on the highlights page (page 14) and 6% representation in the labour and human-rights highlights (page 50)	4 of 37 (10.8%), 5 of 37 (13.5%) and 5 of 37 (13.5%)	No rate in the inclusion table is a whole share of the 37 employees. The restated figures are the nearest whole count of that base, as the Appendix A preamble sets out, and they lie 0.15, 0.04 and 1.11 points from its rates

SERIES	AS PUBLISHED	RESTATED	REASON
Employees from underrepresented groups in top management, FY 2022-23 to FY 2024-25	2%, 2% and 5% (page 81)	0 of 7 (0%) in each year	No published rate is a whole share of the 7 in top management. The nearest whole count of that base is 0, as the Appendix A preamble sets out, and it lies 2, 2 and 5 points from the published rates
Gender pay gap, FY 2024-25	0.0%, full parity, in the labour and human-rights highlights (page 50); 0.01% in the wages table (page 88)	0.01%	This report uses the wages table of the same published report (25.8)
Average annual wage, FY 2022-23 to FY 2024-25	INR 270,000, 281,000 and 291,560 (page 88)	INR 270,126, 281,084 and 291,568	Each published average is the simple mean of the female and male averages printed beside it. The restated figure is the headcount-weighted mean over 34 men and 3 women, and it lies INR 126, 84 and 8 above the published figure
Employees given an annual salary appraisal, FY 2022-23 to FY 2024-25	91%, 92% and 93% (pages 76 and 88)	34 of 37 (91.9%) in each year	No published rate is a whole share of the 37 employees. The nearest whole count of that base is 34 in each year, as the Appendix A preamble sets out, and it lies 0.9, 0.1 and 1.1 points from the published rates
Employees certified in annual cybersecurity training, FY 2024-25	95%, in the information-security highlights (page 52)	35 of 37 (94.6%)	95% is not a whole share of the 37 employees. The nearest whole count of that base is 35, as the Appendix A preamble sets out, and it lies 0.4 points from the published rate
Women in leadership roles, FY 2024-25	32% of leadership and supervisory roles, in the labour and human-rights highlights	25%, 1 of 4 senior executive roles	The workforce tables of the same published report print 25% female in executive positions and 1 woman among 4 senior executives for FY 2024-25 (25.4), and this report uses that base
Suppliers audited for child-labour risk, FY 2024-25	100%, 26 suppliers	9 of 10 strategic suppliers (90%)	Child-labour risk is assessed within the supplier ESG audit. The supplier tables of the same published report print 14 active suppliers, 10 supplier ESG audits and 92.5% of strategic suppliers audited for FY 2024-25 (25.10)
Strategic suppliers audited, FY 2022-23	50%	5 of 9 (55.6%)	50% is not a whole share of the 9 strategic suppliers published for that year, and 4 of 9 and 5 of 9 lie equally far from it. The report uses 5, the number of supplier ESG audits published for that year
Strategic suppliers audited, FY 2024-25	92.5% (pages 85 and 87)	9 of 10 (90%)	92.5% is not a whole share of the 10 strategic suppliers published for that year. The restated figure is the nearest whole count of that base, as the Appendix A preamble sets out, and it lies 2.5 points from the published rate
Suppliers found non-compliant at audit, FY 2022-23 to FY 2024-25	18%, 12% and 8% (page 87)	1 of 5 (20%), 1 of 8 (12.5%) and 1 of 10 (10%) audited	No published rate is a whole share of the supplier ESG audits published for its year, 5, 8 and 10. The restated figures are the nearest whole count of that base, as the Appendix A preamble sets out, and they lie 2.0, 0.5 and 2.0 points from the published rates

SERIES	AS PUBLISHED	RESTATED	REASON
Average training hours per supplier, FY 2022-23 to FY 2024-25	2.5, 4.8 and 6.4	4.3, 8.6 and 12.9	The restated figures are the published total supplier training hours, 60, 120 and 180, over the 14 active suppliers printed in the same report
Joint committees for health, safety and welfare, FY 2022-23 to FY 2024-25	5, 6 and 6	1 in each year	The safety sheet of our data input form, sourced to the factory safety records, counts one safety committee in each year (16.3)
Lost-time injury frequency rate, FY 2024-25	0.4, with no unit or denominator printed, in the health and safety highlights (page 51)	0	The safety sheet of our data input form, sourced to the accident register, records no lost-time injury in FY 2024-25, and the safety table of the same published report prints a recordable injury rate of zero in every year (25.6)
Emergency evacuation drills, FY 2024-25	"Conducted bi-annually", in the health and safety highlights (page 51)	4 drills	The safety sheet of our data input form, sourced to the drill log, records 4 emergency drills in FY 2024-25 (25.6)
Day-time noise near the working area, FY 2024-25	54.2 dB(A) Leq, January 2025	53.9 dB(A) Leq	The laboratory report of the measurement on 16 January 2025 reads 53.9 dB(A) Leq
Emission intensity target baseline, FY 2024-25	0.0000024 tCO_2e per INR of turnover	16.15 tCO_2e per employee	This report carries no turnover figure, so the ratio per rupee of turnover is withdrawn and the baseline of the 40% intensity target is stated per employee on the headcount of 37 (26.8)
Non-compliant suppliers remediated within three months, FY 2022-23 and FY 2023-24	60% and 80%	60% and 80%, under the published definition	The rate is printed as published. With 1 supplier found non-compliant at audit in each of those years (25.10), neither rate is a whole share of that base, and the nearest whole count, 1 of 1, lies 40 and 20 points from them
Training hours, FY 2024-25, highlights	580 total training hours, 15 hours per employee, on the highlights page (page 14); 196.5 hours per employee in the training table (page 80)	85 hours, 2.3 per employee	This report uses the occupational health and safety training hours of our data input form, as the total training hours row of this table sets out
Total training hours, FY 2022-23 to FY 2024-25	196.5 hours in each of the three years, under the row label "Total Training Hours (All Programs)". It prints the same 196.5 for FY 2021-22, which falls outside this report	48, 64 and 85 hours	Our data input form records occupational health and safety training hours of 48, 64, 85 and 96 across FY 2022-23 to FY 2025-26, sourced to the Training register. The published 196.5 is a different measure: it sums a seven-programme split in which 182.5 hours is daily ergonomics reinforcement, 30 minutes for each day of the year, described at source as continuous daily reinforcement, while the restated series counts occupational health and safety training hours only

SERIES	AS PUBLISHED	RESTATED	REASON
Man-hours worked per employee, FY 2022-23 to FY 2024-25	2,104 in each of those three years, and in FY 2021-22 as well	2,429, 2,462 and 2,496	The published figure is flat across all four of its years. This report computes the ratio from the total hours worked in the safety sheet of our data input form, sourced to the payroll and HR record, divided by the headcount of 37 stated in the People chapter: 89,856 and 91,104 hours for FY 2022-23 and FY 2023-24 as that record gives them, which equal 36 and 36.5 full-time equivalents at 2,496 standard hours against the headcount of 37, and 92,352 hours for FY 2024-25, being the headcount of 37 multiplied by 2,496 standard hours
2024 baseline for GHG emissions, published objectives table	Scope 1 and 2 inventory complete	Scope 1 0.068, Scope 2 58.68 and Scope 3 538.82 tCO_2e, FY 2024-25	The baseline is stated in tonnes from the inventory in Appendix A, with Scope 2 as restated above
2024 baseline for renewable energy, published objectives table	40%	0%	All electricity is purchased from the grid on one BEST connection and no renewable energy certificates are held (26.6)
2024 baseline for water recycling, published objectives table	35%	0%	The Pollution Control undertaking declares no on-site treatment plant and our monthly record carries no reuse volume in any year, as the on-site water reuse row above sets out
2024 baseline for landfill diversion, published objectives table	25%	2% recycled, FY 2024-25	The waste table of the same published report prints 2% recycled and 98% sent for disposal for FY 2024-25 (25.3)
2024 baseline for the Lost Time Injury Rate, published objectives table	1.5 per 200,000 hours	0	No lost-time injury arose in any of the four reported years (25.6), and the safety table of the same published report prints a recordable injury rate of zero in every year
2024 baseline for women in the workforce, published objectives table	40%	8.1%, 3 of 37	The workforce table of the same published report prints 8.1% female employees for FY 2022-23 to FY 2024-25 (25.4)
2024 baseline for Tier 1 Code of Conduct sign-off, published objectives table	80%	100%, 14 of 14	The supplier table of the same published report prints 100% of suppliers signed in every year (25.10)
2024 baseline for ethics training completion, published objectives table	75%	100%	The ethics table of the same published report prints 100% anti-bribery and corruption training coverage in every year (25.9)
2024 baseline for whistleblower protection, published objectives table	90% trust index	0 whistleblower complaints	The baseline is replaced by the complaint count, 0 in every year of the published series (25.9); the confidence-index commitment stands in the register at 21.4

Why the Scope 2 figures are restated. For FY 2024-25 the published series used an electricity input 26% below the metered figure, and its tonnage implies a grid factor of about 0.82 tCO_2 per MWh, above the 0.710 to 0.727 range the Central Electricity Authority publishes for the reported years. The restated series applies the published factor to metered consumption in every year.

One electricity series in the annex. *In our FY 2024-25 report, the energy intensity row reproduced on the metered gigajoule totals, while the gigajoule table two rows above it printed the superseded figures. The restated electricity series puts both on the metered basis.*

Effect on the totals. For FY 2024-25 the restatement raises Scope 2 by 8.34 tCO_2e, which is 16.6% of the published figure, and raises the sum of the three scopes by the same 8.34 tCO_2e, which is 1.4% of that sum. Scope 1 and Scope 3 for FY 2024-25 are unchanged. The FY 2025-26 figures are first published in this report.

FY 2021-22. *Our FY 2024-25 report carried an FY 2021-22 column. The Scope 3 category table at 25.2 carries it as published, and its seven rows sum to the published total of 539.76 tCO_2e. No other table carries an FY 2021-22 column, and nothing is restated for that year.*

Presentation changes that are not restatements of a figure. Two Scope 3 rows are renumbered. Our FY 2024-25 report printed packaging materials as category 2 and motorbike commuting as category 8, numbering its rows in sequence. Under the GHG Protocol each belongs to the category above it, purchased goods and services being category 1 and employee commuting category 7, and this report numbers them so. No figure changes and no row is added or removed; the seven rows sit across five categories, each now marked upstream or downstream. The FY 2025-26 cells of the petrol, Scope 1 and Scope 3 rows hold the figures calculated at 26.12, and the FY 2025-26 emissions total is the sum of Scope 1 and Scope 3 with Scope 2. Our FY 2024-25 report expressed energy, emission and water intensity per rupee of turnover. This report carries no turnover figure, so those ratios are withdrawn and replaced by ratios per employee, which are new series and not relabelled ones. The recordable rate row, which our FY 2024-25 report labelled as recordable injuries and illness per 1,000,000 hours, is presented as the recordable work-related injury rate per 200,000 hours, excluding occupational ill health; occupational ill health is reported as a count, restated for FY 2023-24 in the table above, and the rate reads 0 in every year.

26.12 The hours driver

What this covers. Petrol energy within the organisation, Scope 1, the seven Scope 3 category rows and Total Scope 3 for FY 2025-26, and the figures that follow from them: energy within the organisation, total energy including the value chain, energy intensity, the total footprint and the emission intensity. Grid electricity and Scope 2 come from metered consumption and a published grid factor, as 26.6 sets out, and are not calculated from hours worked.

The method. Each figure is its FY 2024-25 value, as published in our FY 2024-25 report, multiplied by the movement of an operational driver between the two years: the FY 2025-26 figure equals the FY 2024-25 figure multiplied by the driver in FY 2025-26 and divided by the driver in FY 2024-25. Scope 1 moves with petrol energy, which keeps the relationship between the two in our FY 2024-25 report without asserting an emission factor.

The driver. Hours worked by permanent employees drive petrol and every Scope 3 category. We maintain no production-output denominator and this report carries no turnover figure, and on a hand-embroidery floor, where output is hand work, hours worked is the closest operational measure of production that our records hold for both years. It is also the direct driver of employee commuting, business travel and the use of the company two-wheeler. Hours worked were 92,352 in FY 2024-25 and 92,352 in FY 2025-26, in each year the headcount of 37 at the HR standard of 312 days of 8 hours, 2,496 hours per employee from the HR record, a ratio of 1.000.

FIGURE	FY 2024-25	DRIVER, FY 2024-25 AND FY 2025-26	RATIO	FY 2025-26	SHAPE
Petrol, company two-wheeler (MWh)	0.272	Hours worked, 92,352 and 92,352	1.000	0.272	
Scope 1 (tCO_2e)	0.068	Petrol energy, 0.272 and 0.272 MWh	1.000	0.068	
Scope 3, seven category rows (tCO_2e)	538.82	Hours worked, 92,352 and 92,352	1.000	538.82	

Why electricity is not the driver. Metered grid electricity rose 29.0% between FY 2022-23 and FY 2023-24 while Scope 3 fell 12.2%, and fell 3.2% the following year while Scope 3 rose 2.5%. Applied to those two years, an electricity driver would have overstated Scope 3 by 46.9% and understated it by 5.5%, and overstated petrol by 36.0% and 5.4%. Hours worked would have overstated Scope 3 by 15.5% and understated it by 1.1%, and overstated petrol by 6.9% and 10.3%. Electricity is therefore not used for any of the three figures.

The result. Calculated from the 92,352 hours worked in FY 2025-26, at the HR standard of 312 days, petrol energy is 0.272 MWh, Scope 1 is 0.068 tCO_2e and Scope 3 is 538.82 tCO_2e. Each equals its FY 2024-25 value because the hours did not move, and the seven category rows are each unchanged, so they continue to sum to the total. With Scope 2 at 63.92 tCO_2e, the total footprint is 602.81 tCO_2e, against 597.57 tCO_2e in FY 2024-25, and the rise of 5.24 tCO_2e is the metered rise in Scope 2. The emission intensity is 16.29 tCO_2e per employee on the headcount of 37. Energy within the organisation is 90.302 MWh, or 325.09 GJ, and 8.79 GJ per employee. Total energy including the value chain is 611.462 MWh, or 2,201.26 GJ, with energy consumed outside the organisation at the 521.16 MWh the ESG data annex carries.

How far the figures can move. Petrol fell 5.1% and then 8.1% in the two years to FY 2024-25 while hours worked rose, so no driver we hold reproduces that fall, and the FY 2025-26 petrol and Scope 1 figures are more likely high than low. For Scope 3, the driver's error against the two reported years was 15.5% and 1.1%.

Standing of the figures. The FY 2026-27 collection workbook carries fuel, procurement and freight quantities for the next cycle.

26.13 Limitations

Assumptions. Three stated assumptions underlie figures in this report. The water unit basis is taken as KL. Water discharge is taken at the 250 litres a day declared in our Pollution Control undertaking, so water consumed, being withdrawal less discharge, rests on that declared rate. The work-zone air results are taken as µg/m3. The first rests on the unit labels of our monthly water record, the second on the undertaking signed on 27 March 2024, and the third on the unit our FY 2024-25 report prints for the same air series, since the unit column of our data collection workbook is a pre-filled default.

Bases used. Scope 2 rests on metered consumption and the Central Electricity Authority grid factor set out in 26.4. Grid electricity and Scope 2 are on the billing basis of 26.6, the twelve bills issued from April 2025 to March 2026, which carry consumption to 28 February 2026 and so run one month behind the reporting period. Scope 1 and Scope 3 for FY 2022-23 to FY 2024-25 are as published in our FY 2024-25 report, and for FY 2025-26 they, and petrol energy, are calculated from hours worked at 26.12. Energy consumed outside the organisation for FY 2022-23 to FY 2024-25 is as published in our FY 2024-25 report. Waste is our monthly log by weight, and hazardous e-waste is recorded in the same log by consignment. The absence of stationary combustion rests on the Pollution Control undertaking of 27 March 2024 and the site hazard register of 2 January 2026. Every intensity ratio is calculated on the headcount of 37.

26.14 Relationship to the assurance statement

Section 28 is reserved for the independent assurance statement over selected disclosures in this report, set exactly as signed by the assurance provider. The statement names the disclosures it covers, the standard and level of assurance applied, the procedures performed and the conclusion. This appendix sets out how the figures are prepared and does not describe the statement's scope or conclusion.

Criteria for the work-related injury indicators. Work-related fatalities, high-consequence work-related injuries and recordable work-related injuries follow the definitions of GRI 403-9. They cover the 37 employees, the house engaging no contract workers, are drawn from the register of accidents and dangerous occurrences kept for the Raheja Xion premises. The reported counts cover 1 April 2025 to 31 March 2026. Rates are expressed per 200,000 hours worked, on hours worked of 92,352 in FY 2025-26, being the headcount of 37 multiplied by 2,496 standard hours per employee from the HR record.

Figures and their basis. The Scope 1 and Scope 3 tonnages for FY 2022-23 to FY 2024-25 rest on the basis set out at 26.5 and 26.7, and the FY 2025-26 figures for those two scopes and for petrol energy are calculated at 26.12. The data systems relating to Scope 3 are being formalised. The Scope 2 and energy figures are calculated from metered consumption, as 26.2 and 26.6 set out.

27

Appendix C: Glossary

This glossary gives standard public definitions for the frameworks, standards and metrics used elsewhere in this report. Definitions are general and independent of this report; they are not claims about Chanakya International's own performance or status against any of them. Terms are listed alphabetically.

TERM	DEFINITION
BEST	The Brihanmumbai Electric Supply and Transport Undertaking, the municipal utility that supplies grid electricity to our Mumbai premises.
BRSR	Business Responsibility and Sustainability Reporting, the disclosure format mandated by India's Securities and Exchange Board (SEBI) for listed companies, covering environmental, social and governance performance against the nine principles of the National Guidelines on Responsible Business Conduct.
CAPA	Corrective and preventive action: correcting the cause of a non-conformity and preventing it from recurring.
CBAM	The European Union's Carbon Border Adjustment Mechanism, which prices the emissions embedded in specified imported goods.
CDP	CDP, formerly the Carbon Disclosure Project, a not-for-profit organisation that runs a global disclosure system through which companies report on climate change, water security and forests at the request of investors and customers.
CEA	The Central Electricity Authority of India, which publishes the CO_2 Baseline Database for the Indian Power Sector.
CSRD	The European Union's Corporate Sustainability Reporting Directive, which requires the companies within its scope to report sustainability information, including information on their value chain, in accordance with the European Sustainability Reporting Standards.
dB(A) and Leq	dB(A) is sound level in decibels, weighted to the sensitivity of human hearing. Leq is the equivalent continuous sound level over the period of a measurement.
DEI	Diversity, equity and inclusion, the practice of building a workforce of people from different backgrounds and giving each of them fair treatment and equal access to opportunity.
DG set	A diesel generator set.
DPDP	India's Digital Personal Data Protection Act 2023, which governs the processing of digital personal data and sets the obligations of those who collect and process it.
EHS	Environment, health and safety, the management discipline and function that covers an organisation's environmental performance and the health and safety of its workers.
ESI and EPF	Employees' State Insurance and the Employees' Provident Fund, India's statutory schemes for employee health insurance and retirement savings.
ESRS	The European Sustainability Reporting Standards, adopted by the European Commission under the CSRD, which set out the sustainability information the companies within its scope report.
GHG Protocol	The Greenhouse Gas Protocol, the most widely used international accounting standard for categorising and calculating an organisation's greenhouse gas emissions into Scope 1, Scope 2 and Scope 3.

TERM	DEFINITION
GRI Standards	The Global Reporting Initiative's modular sustainability reporting standards, first published in 2016 and most recently updated as GRI Standards 2021, used worldwide as a common reference for what an organisation discloses and how. A report can be prepared "with reference to" GRI, drawing on specific disclosures, or "in accordance with" GRI, which requires a fuller set of disclosures and a formal claim of compliance.
Higg Index (FEM and FSLM)	A suite of self-assessment tools for the apparel and footwear sector maintained by Cascale (formerly the Sustainable Apparel Coalition). The Facility Environmental Module (FEM) assesses a facility's environmental management; the Facility Social and Labor Module (FSLM) assesses labour conditions and social management systems.
Impact and financial materiality	Two tests of whether a sustainability topic matters. Impact materiality, the basis GRI 3 uses to determine material topics, weighs the significance of an organisation's impacts on the economy, the environment and people. Financial materiality weighs how a topic affects the organisation's financial position and performance. An assessment can score a topic on each test separately.
ISAE 3000 (Revised)	The International Standard on Assurance Engagements 3000 (Revised), issued by the International Auditing and Assurance Standards Board, governing assurance engagements on non-financial information. It supports two levels: limited assurance, where procedures are less extensive and the conclusion is expressed in a negative form ("nothing has come to our attention…"), and reasonable assurance, which involves more extensive procedures and a positive-form conclusion.
ISMS	Information security management system, the policies, processes and controls an organisation uses to manage information-security risk, with its requirements specified in ISO/IEC 27001.
ISO management-system standard	A family of international standards published by the International Organization for Standardization, each defining requirements for a management system in a stated area, such as quality (ISO 9001), environment (ISO 14001), occupational health and safety (ISO 45001), information security (ISO/IEC 27001), anti-bribery (ISO 37001) or supply-chain security (ISO 28000). Certification is issued by a third-party certifying body and is maintained through periodic surveillance and recertification audits.
KL (kilolitre)	A unit of volume equal to 1,000 litres, commonly used to report water withdrawal, discharge and consumption.
LTIFR (Lost Time Injury Frequency Rate)	The number of lost-time injuries per a standard number of hours worked, commonly one million or 200,000, used as a comparable measure of workplace safety performance across periods and organisations. This report states rates per 200,000 hours worked.
MPCB	The Maharashtra Pollution Control Board, the state regulator for air and water pollution and waste.
MRSL and RSL	A Manufacturing Restricted Substances List governs the chemicals used in production. A Restricted Substances List governs substances in the finished product.
MSME	Micro, small and medium enterprises, classified in India under the Micro, Small and Medium Enterprises Development Act 2006 by investment in plant and machinery or equipment and by annual turnover.
MT	Metric tonnes. One metric tonne equals 1,000 kilograms.
NGFS	The Network of Central Banks and Supervisors for Greening the Financial System, which publishes climate scenarios, among them Net Zero 2050, Delayed Transition and Current Policies, for use in climate scenario analysis.
NGRBC	The National Guidelines on Responsible Business Conduct, issued by India's Ministry of Corporate Affairs, setting out nine principles of responsible business conduct that underpin the BRSR disclosure format.
OEKO-TEX	A group of independent testing and certification standards for textiles, most commonly STANDARD 100 by OEKO-TEX, which certifies that a textile product has been tested for a defined list of substances that are harmful to health.
OHS	Occupational health and safety, the protection of workers from injury and ill health arising from their work, the subject of ISO 45001 and GRI 403.

TERM	DEFINITION
PoSH	India's Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013, and the policies and training that give effect to it.
SA 8000	A voluntary social accountability standard, developed by Social Accountability International, that sets requirements for labour rights, working conditions, wages and management systems, certified by third-party bodies.
SASB	The Sustainability Accounting Standards Board, whose industry-specific standards, now part of the IFRS Foundation, define financially material sustainability metrics for more than 70 industries, including apparel, accessories and footwear.
SBTi	The Science Based Targets initiative, which validates corporate emission-reduction targets against climate science.
Scope 1, Scope 2 and Scope 3 emissions	The three categories of greenhouse gas emissions defined by the GHG Protocol. Scope 1 covers direct emissions from sources an organisation owns or controls. Scope 2 covers indirect emissions from purchased electricity, heat or steam. Scope 3 covers all other indirect emissions across the value chain, such as purchased goods, transport, business travel and employee commuting.
SPM	Suspended particulate matter, the mass of fine particles suspended in air.
tCO_2e	Tonnes of carbon dioxide equivalent, the standard unit for expressing the combined warming effect of different greenhouse gases on a common basis.
TCFD	The Task Force on Climate-related Financial Disclosures, whose 2017 recommendations for disclosing climate-related governance, strategy, risk management and metrics have since been incorporated into the IFRS Foundation's ISSB S2 climate standard.
TNFD	The Taskforce on Nature-related Financial Disclosures, which recommends a framework, including the LEAP approach (Locate, Evaluate, Assess, Prepare), for disclosing nature and biodiversity-related dependencies, impacts, risks and opportunities.
TRIFR (Total Recordable Injury Frequency Rate)	The number of recordable work-related injuries and illnesses per a standard number of hours worked, commonly one million or 200,000, covering a broader set of incidents than LTIFR alone. This report states its recordable injury rate per 200,000 hours worked and reports occupational ill health as a count of cases.
UNGC (UN Global Compact)	A voluntary United Nations initiative under which signatory companies commit to align their operations with ten principles covering human rights, labour, environment and anti-corruption, and to report on progress annually. Membership requires formal signatory status; operating consistently with the ten principles is not the same as being a signatory.
UNGP	The UN Guiding Principles on Business and Human Rights, a United Nations framework setting out the respective duties and responsibilities of states and businesses to protect, respect and remedy human rights in the context of business activity.
ZDHC	Zero Discharge of Hazardous Chemicals, an industry programme for the textile, apparel and footwear sector that maintains a Manufacturing Restricted Substances List (MRSL) and related tools to eliminate hazardous chemicals from production processes.

28

Independent assurance statement

To the Board of Directors of Chanakya International

Youniformity Consulting Pvt. Ltd. ("we") was engaged by Chanakya International ("the Company") to perform a reasonable assurance engagement on selected sustainability information in the Company's Sustainability Report FY 2025-26 ("the Report") for the year 1 April 2025 to 31 March 2026. The Report covers, under operational control, the premises the Company operates on one floor at Raheja Xion, Byculla East, Mumbai, and its 37 directly employed people. The Chanakya School of Craft, the associated training centres, the Chanakya Foundation and the artisan clusters are outside the reporting boundary, as is the building's diesel generator, which is run by the building management. This statement is to be placed in Section 28 of the Report.

Our engagement covered only the selected information listed below for FY 2025-26. We did not assure any other information in the Report, including figures for earlier years, petrol energy, Scope 1 and Scope 3 emissions, energy outside the organisation, total emissions, energy totals and intensities, hours worked, narrative statements, targets, forward-looking statements, the GRI content index or the framework alignment tables.

Selected information

The selected information is the FY 2025-26 figures below, as reported in the tables named.

SELECTED INFORMATION, FY 2025-26

INDICATOR	FY 2025-26 AS REPORTED	LOCATION IN THE REPORT
Purchased grid electricity, one BEST connection	90.030 MWh (324.11 GJ)	Section 6; Appendix A 25.1
Scope 2 GHG emissions, location-based and market-based	63.92 tCO_2e	Section 6; Appendix A 25.1
Municipal water withdrawn	5,132 KL	Section 6; Appendix A 25.3
Non-hazardous waste generated	2.54 MT	Appendix A 25.3
Hazardous waste (e-waste) generated	14 kg	Appendix A 25.3
Waste recycled	2%	Section 6; Appendix A 25.3
Workforce, by gender	37 (34 men, 3 women)	Section 6; Appendix A 25.4
Recordable work-related injuries	0	Section 6
OHS training delivered	96 hours	Section 6
Active suppliers that signed the Supplier Code of Conduct	14 of 14	Executive summary
Employees paid above the statutory minimum wage and the living-wage benchmark	100%	Section 6

Reporting criteria

The selected information was assessed against the Company's basis of preparation in Section 9 and Appendix B of the Report, read together with the GRI Standards 2021 (with reference), and, for greenhouse gas emissions, the GHG Protocol Corporate Accounting and Reporting Standard and its Scope 2 Guidance. Scope 2 applies the Central Electricity Authority grid factor of 0.710 tCO_2 per MWh, as stated in Appendix B.

Management's responsibilities

The Company's management is responsible for preparing the Report and the selected information in accordance with the reporting criteria. This includes designing, implementing and maintaining internal controls over the collection and reporting of the information, selecting and applying suitable criteria, making reasonable estimates, and keeping adequate records. Management is also responsible for preventing and detecting fraud and for identifying and complying with laws and regulations applicable to its activities.

Our responsibilities, standards and independence

Our responsibility is to express a reasonable assurance opinion on the selected information, based on sufficient appropriate evidence we obtained. We conducted our engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised), for the greenhouse gas emissions, ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, both issued by the International Auditing and Assurance Standards Board.

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' Code of Ethics. Youniformity applies International Standard on Quality Management 1 and maintains a system of quality management. We did not prepare or design any part of the Report, and Youniformity has provided no other paid services to the Company.

The engagement team comprised well-qualified and credentialed professionals with experience in greenhouse gas accounting, environmental data and social compliance assurance.

Procedures performed

Reasonable assurance is a high, but not absolute level of assurance. We obtained an understanding of the internal controls relevant to the selected information, assessed the risks of material misstatement and designed our procedures to respond to them. We applied materiality to each indicator using our professional judgement, considering both quantitative and qualitative factors, including the nature of each indicator and its significance to the Report's users. We tested all records supporting the selected information, rather than a sample. Our procedures included:

- Interviewing workers and staff members about working conditions, wages, health and safety and the processes used to collect and record the selected information.
- Evaluating the design and implementation of controls over meter readings, the data collection workbook, the HR record, registers and payroll, and taking a fully substantive approach.
- Site visits to the Company's premises at Raheja Xion, Byculla East, Mumbai, completed before the date of this statement, inspecting the BEST meter, the water supply, the waste storage and the registers kept at the premises.
- Agreeing monthly meter readings for April 2025 to March 2026 to the BEST bills for the Company's connection.
- Agreeing municipal water withdrawn to the monthly withdrawal entries and the water bills, and confirming that they relate to the Company's premises only.
- Agreeing non-hazardous waste to the monthly waste log and vendor weighments, and e-waste to the consignment records and the recycler's manifest of 26 December 2025.
- Agreeing the workforce to the HR record and payroll; recordable injuries to the Accident Register; and OHS training hours to the Training register.
- Agreeing supplier signatures to the signed Supplier Code of Conduct for each of the 14 active suppliers.
- Agreeing wages for all employees to payroll and bank transfers, against the Maharashtra minimum wage notification and the living-wage benchmark used for SA 8000.
- Independently recalculating energy and Scope 2 and agreeing the grid factor to the Central Electricity Authority source.
- Tracing figures on the Company's YOUknit ESG data platform to the Report and to their source records.
- Analytical review of monthly data, with unusual items investigated to source.
- Obtaining written representations from management and checking the selected information is presented consistently throughout the Report.

Inherent limitations

Non-financial information is subject to more inherent limitations than financial information, given its nature and the methods used to determine, calculate and estimate it. Greenhouse gas quantification is subject to scientific uncertainty in emission factors. Water discharge is declared rather than metered, as the Report discloses. Even when all records are tested, assurance procedures may not detect every misstatement, for example where the source records are themselves incomplete.

Opinion

> **We verified the selected information against source records and supporting evidence, including during our visit to the Company's premises, and found it to be correct. In our opinion, the selected information for FY 2025-26 is prepared, in all material respects, in accordance with the reporting criteria.**

Emphasis of matter and other matters

Some FY 2025-26 figures repeat FY 2024-25 values. We draw attention to Appendix A and section 26.12 of Appendix B. Petrol energy, Scope 1, the seven Scope 3 lines, energy outside the organisation, and the totals and intensities that include them are calculated from FY 2024-25 values scaled by hours worked. Hours worked are calculated from the headcount of 37 at a standard 2,496 hours each, unchanged from FY 2024-25, so these FY 2025-26 figures equal their FY 2024-25 values. They were not subject to our assurance. Our opinion is not modified in respect of this matter.

Other information. Our opinion does not extend to any other information in the Report. We read the other information to identify material inconsistencies with the selected information and did not identify any.

Recommendations

The following recommendations do not modify our opinion. We recommend that, going forward, the Company:

- Calculates Scope 1 and Scope 3 from the year's own data. Petrol purchases, procurement, packaging, freight, travel and commuting records for the year should replace values scaled from the previous year.

- Records actual hours worked. Hours should come from attendance records rather than a standard of 312 days of 8 hours, so that injury rates and any hours-based figures rest on the year's record.
- Meters its own water use and discharge. Withdrawal of 5,132 KL is about 380 litres a person a day for 37 people; a sub-meter for the Company's floor and a metered discharge figure would confirm the Company's share of the building's supply.

Restriction of use

This statement is made solely to the Board of Directors of Chanakya International in accordance with the terms of our engagement. We permit it to be published in the Report so the Company can show it has obtained independent assurance. To the fullest extent permitted by law, we accept no responsibility to anyone other than the Company for our work or this statement.

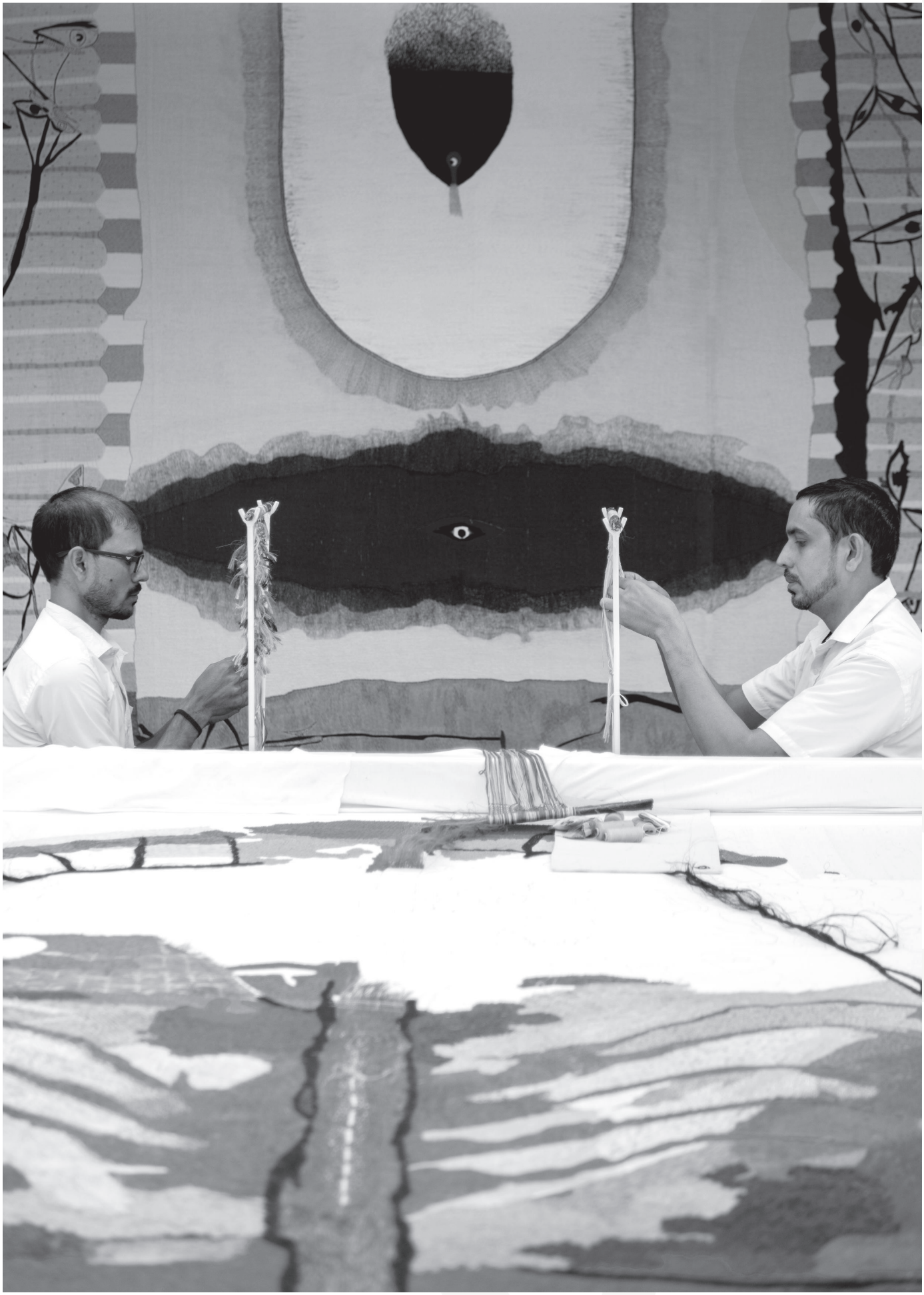
For and on behalf of Youniformity Consulting Pvt. Ltd.

Achraj N. Prakash

YOUNIFORMITY CONSULTING PVT. LTD.

Achraj Prakash
Lead Assurance Partner
ISO 14001 and ISO 45001 Lead Auditor
ISO 14064 GHG Lead Verifer

Mumbai, Maharashta, India
Date: May 19, 2026



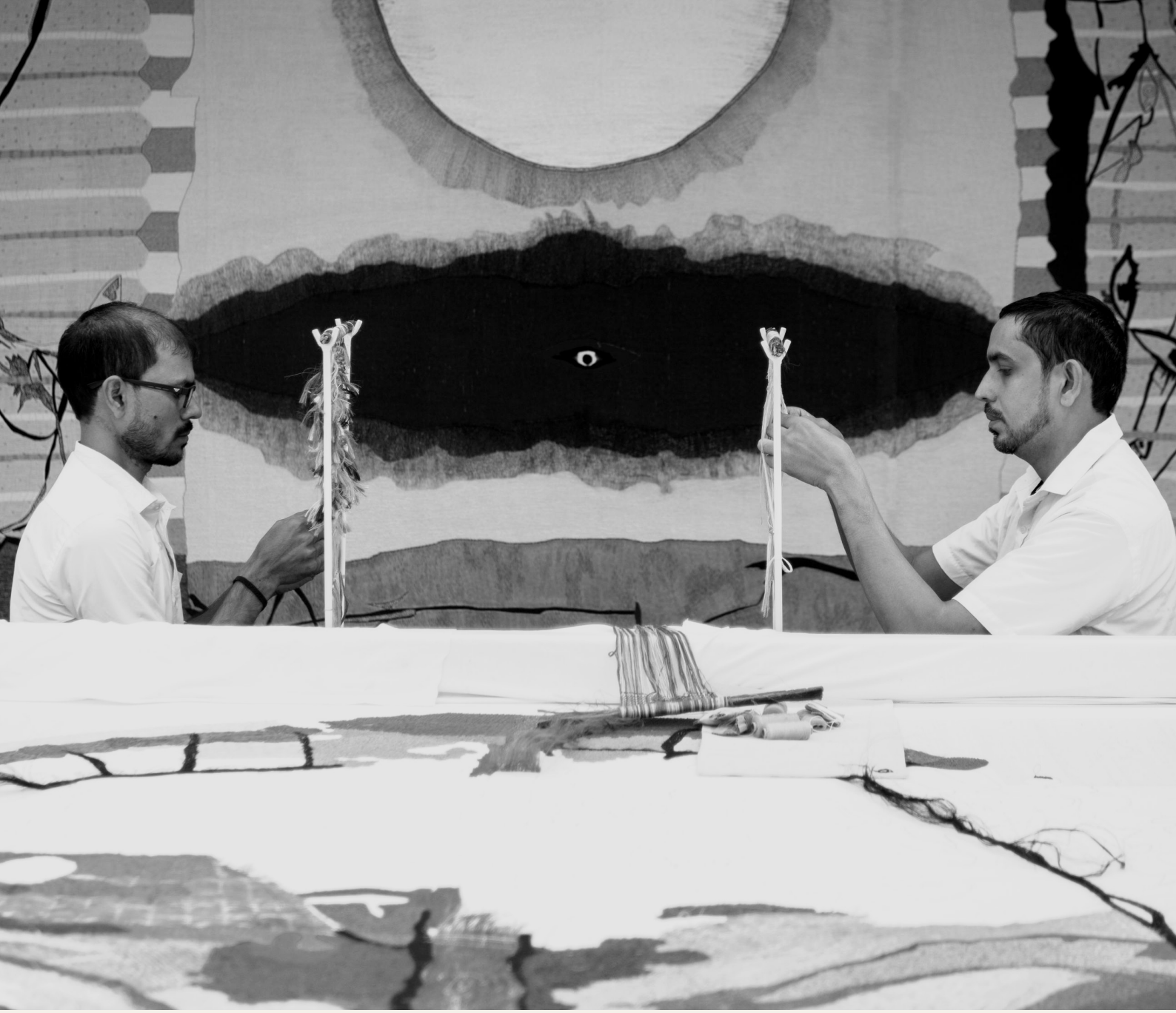
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With gratitude

This report would not exist without the people who make Chanakya what it is. We thank our artisans and employees, whose hands and judgement carry the craft forward. We thank our clients and cultural partners, who work with us and hold us to a high standard. We thank our suppliers, who work with us on the sourcing and material choices this report describes. We thank the communities the Chanakya Foundation works with, in education, healthcare, skill development and women's empowerment, for their trust and their time.

Karishma Swali

Artistic Director, Chanakya and the School of Craft



CHANAKYA INTERNATIONAL

ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO/IEC 27001:2022,
ISO 37001:2016, ISO 28000:2022 and SA 8000:2014

SUSTAINABILITY REPORT FY 2025-26

1 APRIL 2025 TO 31 MARCH 2026

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