HIRDARAMANI

UNVEILING OUR PURPOSE IN ACTION 2025



Hirdaramani Apparel
Sustainability Report 2025



www.hirdaramani-sustainability.com

Scan to access the 2025 Hirdaramani Apparel Sustainability Report

CONTROL UNION CERTIFIED

Carbon neutralized PRODUCT

www.controlunion.com/en/certifications

CN-C903519



Purpose only becomes meaningful when it inspires action.
Across Hirdaramani Apparel, sustainability is brought to life through the everyday decisions, innovations and collaborations of our people. From reducing our environmental footprint and creating opportunities for our people to strengthening communities and building trusted partnerships, every action contributes to a shared ambition of creating lasting value.

This Report showcases how that ambition has been translated into meaningful progress across our global operations. It reflects the collective efforts of our teams in Sri Lanka, Africa, Bangladesh and Vietnam, demonstrating that sustainable progress is achieved not through individual initiatives, but through a shared commitment to continuous improvement.

As One Hirdaramani, we recognise that our greatest impact comes from working together. Guided by our purpose, Continuous Progression, Together, we continue to strengthen our business while creating positive outcomes for our people, our communities and the planet. Every milestone achieved today reinforces our commitment to building a more resilient and sustainable future for generations to come.

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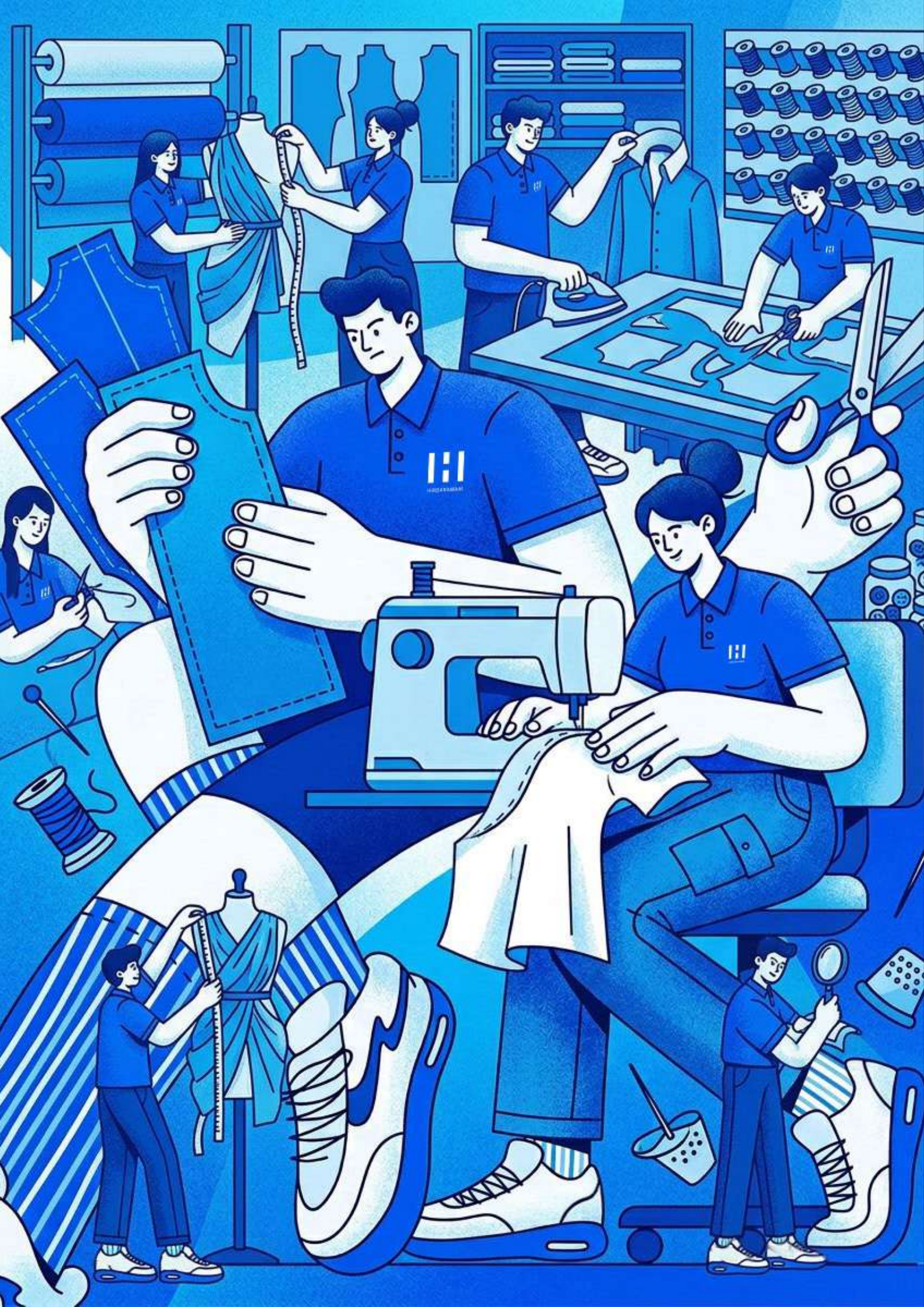
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A LEGACY OF CONTINUOUS PROGRESSION

FOR GENERATIONS,
HIRDARAMANI APPAREL HAS
EVOLVED WITH PURPOSE,
INNOVATION AND RESPONSIBILITY.

TODAY, OUR GLOBAL PRESENCE AND
SHARED VALUES CONTINUE TO DRIVE
LASTING VALUE FOR OUR PEOPLE,
PARTNERS AND THE PLANET.

CONTINUOUS PROGRESSION, TOGETHER!



A LEGACY OF CONTINUOUS PROGRESSION

GRI: 2-1

With a legacy spanning more than a century, Hirdaramani has grown from a Sri Lankan family business into a diversified global enterprise with interests across apparel, renewable energy, leisure, services, retail and capital markets. At the heart of the Group remains Hirdaramani Apparel, a globally recognised apparel manufacturer and trusted partner to some of the world's leading fashion and lifestyle brands.

Operating across **Sri Lanka, Africa, Bangladesh, Nicaragua and Vietnam**, Hirdaramani Apparel delivers end-to-end apparel solutions through vertically integrated capabilities, advanced design and innovation expertise and a commitment to operational excellence. While our footprint spans multiple markets, we operate as One Hirdaramani, united by our Corporate Purpose 'to weave our world closer together through the power of continuous progression' and a shared belief that lasting success is built through collaboration, innovation and responsible growth.

For decades, Hirdaramani has played a progressive role in driving the future of apparel manufacturing. From advancing sustainable production practices and renewable energy adoption to developing industry-leading facilities and partnerships, we have consistently challenged conventional thinking to create long-term value for our customers, people, communities and the environment.

Today, sustainability remains deeply embedded within our business strategy and decision-making. Guided by our Future First Sustainability Roadmap, we continue to advance action across our focus areas of Sustainable Practices, Power of People, Strategic Partnerships and Profitable Operations.

This framework reflects our commitment to balancing business performance with positive impact, while creating value for all stakeholders.

As we continue to evolve and expand our global presence, our focus remains unchanged; delivering excellence for our customers, creating opportunities for our people and contributing to a more sustainable and resilient future for the apparel industry.

A SHARED PURPOSE

OUR CORPORATE PURPOSE, ‘TO WEAVE OUR WORLD CLOSER TOGETHER THROUGH THE POWER OF CONTINUOUS PROGRESSION,’ REFLECTS OUR BELIEF THAT MEANINGFUL PROGRESS HAPPENS WHEN PEOPLE, IDEAS AND OPPORTUNITIES COME TOGETHER.

IT INSPIRES US TO CONTINUOUSLY EVOLVE, CREATE VALUE AND MAKE A POSITIVE DIFFERENCE THROUGH EVERYTHING WE DO.

As One Hirdaramani, we work across geographies, functions and cultures with a shared commitment to progressing together and delivering lasting impact for our customers, people, communities and the planet.






එකට, අඛණ්ඩ ප්‍රගතියකට!


LIÊN TỤC PHÁT TRIỂN, CÙNG NHAU!


একসাথে অবিরাম অগ্রগতি!
একসাথে অবিরাম


CONTINUOUS PROGRESSION, TOGETHER!

THE VALUES THAT UNITES US

OUR VALUES GUIDE THE WAY WE THINK, ACT AND WORK TOGETHER. THEY PROVIDE A SHARED FOUNDATION THAT INFORMS DECISION-MAKING, STRENGTHENS ACCOUNTABILITY AND CULTIVATES A CULTURE OF INNOVATION, COLLABORATION AND CONTINUOUS IMPROVEMENT. ACROSS OUR GLOBAL OPERATIONS, THEY UNITE OUR PEOPLE AROUND A COMMON VISION AND DRIVE US TO DELIVER LASTING VALUE FOR OUR CUSTOMERS, COMMUNITIES AND THE ENVIRONMENT.



CREATE THE FUTURE

It is about recognising an opportunity, having an innovative vision, creating a solution and making it a reality.



KEEP IT MOVING

We value the ability to think quickly and act fast. It is about continuous progress, staying on our toes and always moving forward.



BELIEVE WE CAN

It is about recognising an opportunity, having an innovative vision, creating a solution and making it a reality.



MAKE THINGS BETTER

As sustainability, compliance and equality become increasingly important, we will continue our efforts to make the world a better place.



STRONGER TOGETHER

We treat our suppliers, employees and customers like they are one of us, partnering with them on the journey to success.

GROUP CHAIRMAN AND HIRDARAMANI APPAREL EXECUTIVE COMMITTEE



VINOD HIRDARAMANI
CHAIRMAN, HIRDARAMANI GROUP



RANIL PATHIRANA
MANAGING DIRECTOR,
HIRDARAMANI GROUP



AROON HIRDARAMANI
DIRECTOR, HIRDARAMANI GROUP



RAKHIL HIRDARAMANI
DIRECTOR, HIRDARAMANI GROUP



AKSHAY HIRDARAMANI

DIRECTOR, HIRDARAMANI GROUP



SIDDARTH HIRDARAMANI

DIRECTOR, HIRDARAMANI GROUP



MADHAWA ATAPATTU

MANAGING DIRECTOR,
HIRDARAMANI APPAREL



NIROSHA FERNANDO

COUNTRY DIRECTOR,
HIRDARAMANI BANGLADESH

HIRDARAMANI APPAREL SUSTAINABILITY EXECUTIVE COMMITTEE



NIKHIL HIRDARAMANI

DIRECTOR,
HIRDARAMANI GROUP



SIDDARTH HIRDARAMANI

DIRECTOR,
HIRDARAMANI GROUP



MADHAWA ATAPATTU

MANAGING DIRECTOR,
HIRDARAMANI APPAREL



MANINDRI BANDARANAYAKE

DIRECTOR
STRATEGIC BRANDING &
SUSTAINABILITY,
HIRDARAMANI GROUP

SUSTAINABILITY LEAD



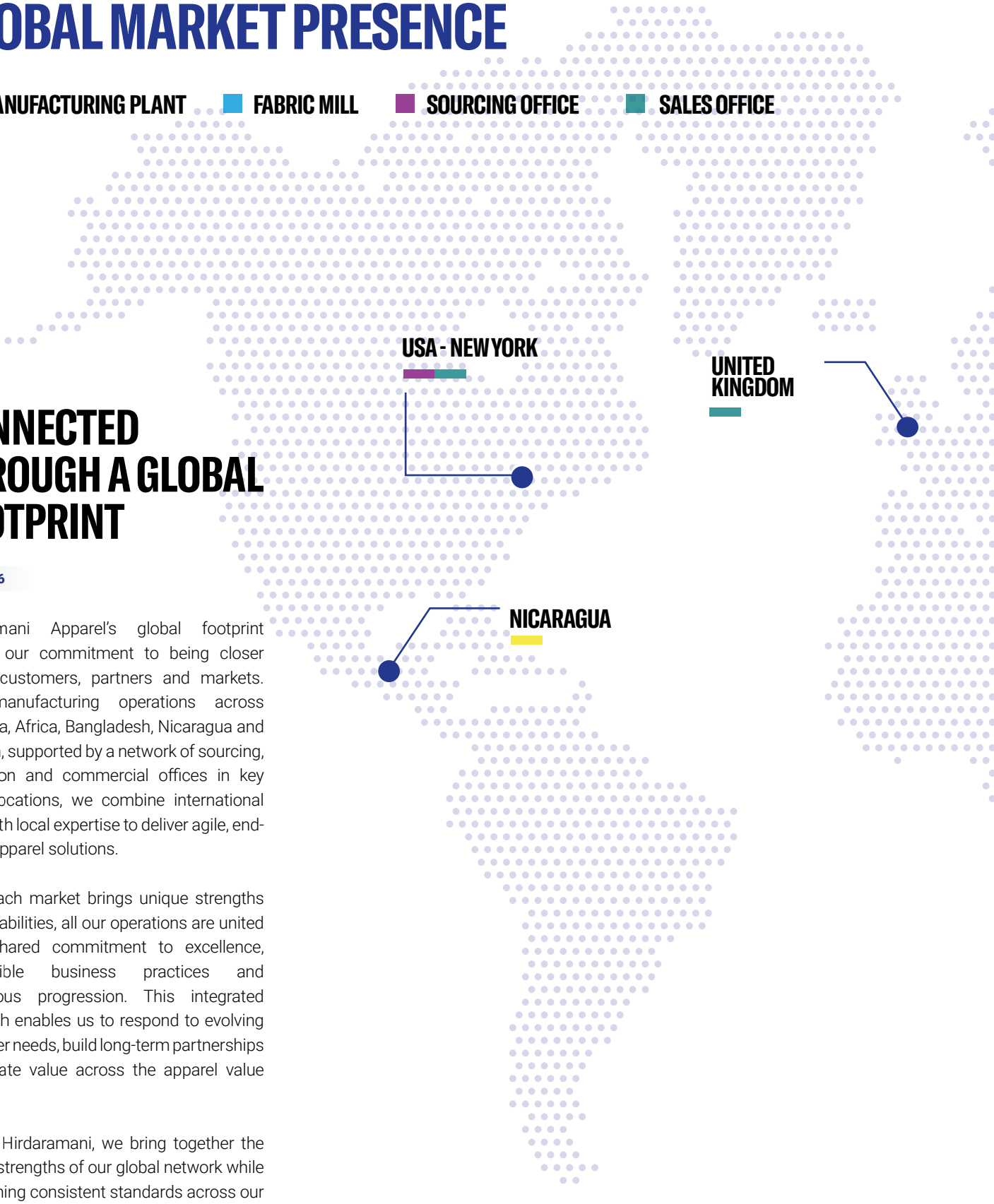
LEONIE VAAS

GENERAL MANAGER
SUSTAINABILITY,
HIRDARAMANI GROUP


100+
YEAR LEGACY AND EXPERT
IN APPAREL
LEADING THE WAY IN SUSTAINABI
EXTENDING OUR
FOOTPRINT
GLOBALLY

GLOBAL MARKET PRESENCE

MANUFACTURING PLANT FABRIC MILL SOURCING OFFICE SALES OFFICE



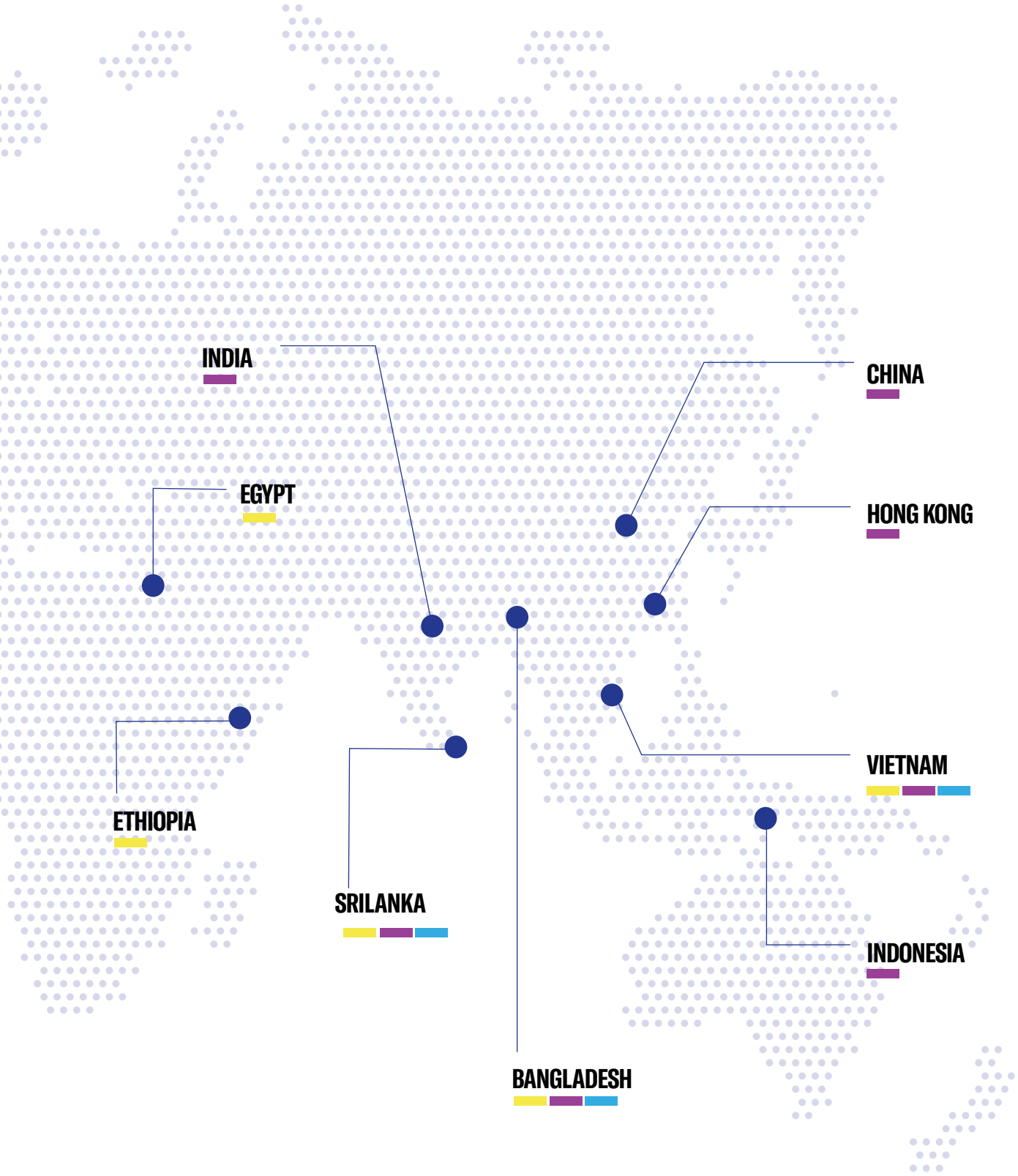
CONNECTED THROUGH A GLOBAL FOOTPRINT

GRI: 2-6

Hirdaramani Apparel's global footprint reflects our commitment to being closer to our customers, partners and markets. With manufacturing operations across Sri Lanka, Africa, Bangladesh, Nicaragua and Vietnam, supported by a network of sourcing, innovation and commercial offices in key global locations, we combine international scale with local expertise to deliver agile, end-to-end apparel solutions.

While each market brings unique strengths and capabilities, all our operations are united by a shared commitment to excellence, responsible business practices and continuous progression. This integrated approach enables us to respond to evolving customer needs, build long-term partnerships and create value across the apparel value chain.

As One Hirdaramani, we bring together the diverse strengths of our global network while maintaining consistent standards across our operations. By connecting talent, innovation and expertise from around the world, we are strengthening our ability to drive sustainable growth, adapt to a changing industry and contribute positively to the communities in which we operate.

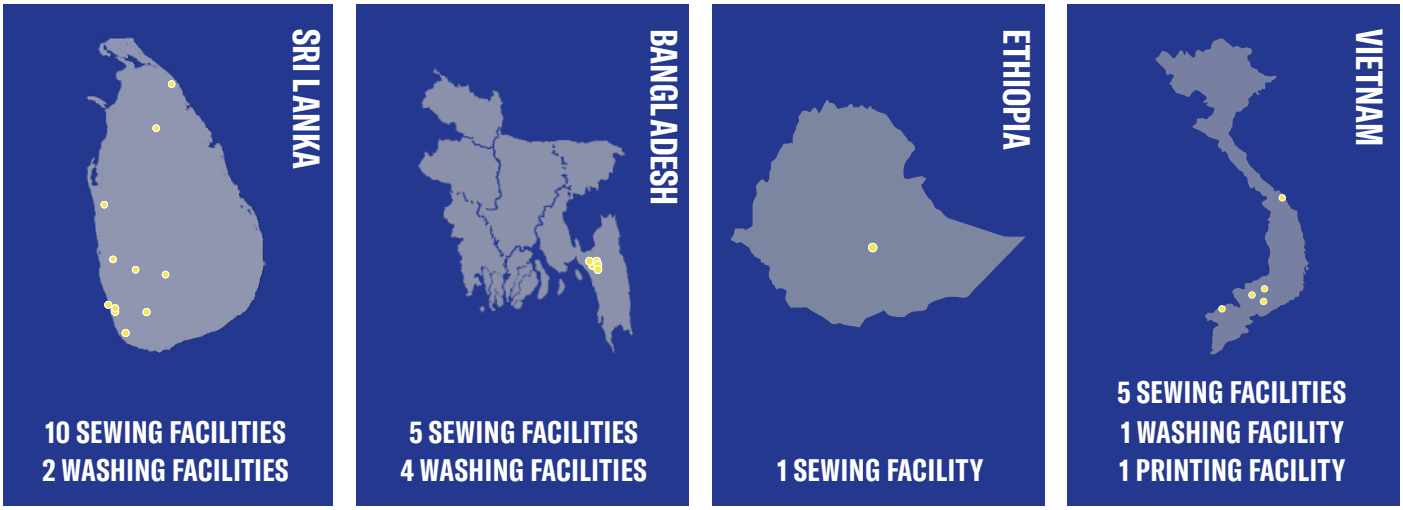


GLOBAL REACH
Expanding sustainable manufacturing worldwide

SUSTAINABILITY COMMITMENT
Leading ethical global manufacturing

HOW WE CREATE VALUE

GLOBAL MANUFACTURING FOOTPRINT



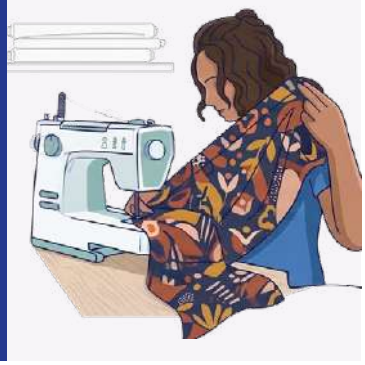
MANUFACTURING CAPACITY

18.4 MN
PCS/ MONTH



TOTAL WORKFORCE

54,000+



GENDER DIVERSITY

1:1.7

MALE	20,265
FEMALE	33,781



TOTAL REVENUE

1.1 Bn (USD)

OUR CONTRIBUTION TOWARDS ENVIRONMENT STEWARDSHIP

2%

OUR CONTRIBUTION TOWARDS CSR & WONDERS OF WELL-BEING (W.O.W.) INITIATIVES

.25%

1

COLLABORATIVE SOLUTION PROVIDER

- Engaging with buyers (brands, retailers, sourcing agents)
- Participating in trade fairs, buyer forums and sourcing platforms
- Negotiating pricing and delivery terms
- Securing contracts or purchase orders
- Forecasting based on buyer demand

2

PROCESS DRIVEN

- Forecasting based on buyer demand
- Capacity planning
- Selection of suppliers
- Quality checks and compliance with standards
- Supply chain traceability and risk assessment

3

IN-HOUSE CAPABILITIES OF DESIGN & DEVELOPMENT

- Market research and trend analysis
- Concept development and design
- Sampling and prototyping
- Customer feedback and relationship building

4

MANUFACTURING EXCELLENCE

- Cutting
- Sewing (Assembly)
- Washing, dyeing and finishing
- Quality control and assurance
- Process optimisation and lean manufacturing
- Digitalisation and technology integration
- Training and upskilling workforce
- Packaging
- Labelling
- Warehousing and inventory management
- Distribution to brands

5

ETHICAL PRACTICES

- Order fulfilment and lead time management
- Sustainability & Compliance
- Labour and ethical practices
- Environmental compliance (waste, water, energy and chemicals - Higg Index)
- Certifications (e.g., OEKO-TEX®, GOTS, Fair Trade)
- Health and Safety (OHS) standards



PRODUCT CATEGORIES AND MARKET SEGMENTS

HIRDARAMANI APPAREL SERVES A DIVERSE RANGE OF MARKET SEGMENTS THROUGH A BROAD PORTFOLIO OF APPAREL SOLUTIONS THAT COMBINE INNOVATION, QUALITY AND SUSTAINABILITY. EXTENDING ACROSS ACTIVEWEAR, PREMIUM ATHLEISURE, LIFESTYLE KNITS, INTIMATES AND LOUNGEWEAR, ALONGSIDE DENIM, CASUALWEAR AND OUTERWEAR CATEGORIES, OUR PRODUCT EXPERTISE ALLOWS US TO MEET THE EVOLVING NEEDS OF GLOBAL BRANDS AND CONSUMERS.

BY COMBINING STRONG CATEGORY EXPERTISE WITH RESPONSIBLE MANUFACTURING PRACTICES, WE DEVELOP PRODUCTS THAT ANTICIPATE CHANGING MARKET TRENDS WHILE SUPPORTING A MORE RESPONSIBLE AND SUSTAINABLE FUTURE, FOR OUR CUSTOMERS AND STAKEHOLDERS.

40%

- DENIM
- CASUAL BOTTOMS
- CHINOS
- CASUAL SHIRTS
- JACKETS



60%

- LIFESTYLE KNIT
- PREMIUM ATHLEISURE ACTIVEWEAR
- LOUNGEWEAR
- INTIMATES

ACTIVEWEAR

OUTERWEAR



I SUSTAINABILITY JOURNEY

2006
Inspired by 'An Inconvenient Truth' Documentary, We Began Our Sustainability Journey

2008
Hirdaramani Mihila Commenced Operations as the World's First Custom-Built Green Apparel Facility

2009
Group-wide Commitment to LEED Certification

2014
Introduced Wonders of Well-being (W.O.W.) Programmes

2018
Launched Rooftop Solar Project – Suryadhanavi

2019
Established the Hirdaramani Discovery Lab for Design, Innovation and Sustainable Product Development

2020
Unveiled the Future First Sustainability Roadmap

2023
Committed to the Science Based Targets initiative (SBTi)

2024
Approved SBTi Net-Zero Targets – First Company in Sri Lanka

2025
Launched the renewed and next phase of our Sustainability Roadmap - Future First 2.0

NET ZERO COMMITMENT: SBTI APPROVAL

Our Science Based Targets initiative (SBTi) approval reinforces Hirdaramani Apparel's commitment to credible climate action and provides the framework for achieving our Net Zero ambitions through measurable, science-based progress.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

DATE OF APPROVAL
15 August 2024

APPROVED
NEAR-TERM SCIENCE-BASED TARGETS

The Science Based Targets initiative has validated that the science-based greenhouse gas emissions reductions target(s) submitted by Hirdaramani International Exports (Pvt) Ltd conform with the SBTi Criteria and Recommendations (Criteria version 5.1).

SBTi has classified your company's scope 1 and 2 target ambition as in line with a 1.5°C trajectory.

The official near-term science-based target language:

Hirdaramani International Exports (Pvt) Ltd commits to reduce absolute scope 1 and 2 GHG emissions 54.6% by 2033 from a 2022 base year*. Hirdaramani International Exports (Pvt) Ltd also commits to reduce absolute scope 3 GHG emissions from purchased goods and services 32.5% within the same timeframe. *The target includes land-related emissions and removals from bioenergy feedstocks.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

DATE OF APPROVAL
15 August 2024

APPROVED
NET-ZERO SCIENCE-BASED TARGETS

The Science Based Targets initiative has validated that the science-based greenhouse gas emissions reductions target(s) submitted by Hirdaramani International Exports (Pvt) Ltd conform with the SBTi Corporate Net Zero Standard.

SBTi has classified your company's scope 1 and 2 target ambition as in line with a 1.5°C trajectory.

The official net-zero science-based target language:

Overall Net-Zero Target: Hirdaramani International Exports (Pvt) Ltd commits to reach net-zero greenhouse gas emissions across the value chain by 2050.
Near-Term Targets: Hirdaramani International Exports (Pvt) Ltd commits to reduce absolute scope 1 and 2 GHG emissions 54.6% by 2033 from a 2022 base year*. Hirdaramani International Exports (Pvt) Ltd also commits to reduce absolute scope 3 GHG emissions from purchased goods and services 32.5% within the same timeframe. *The target includes land-related emissions and removals from bioenergy feedstocks.
Long-Term Targets: Hirdaramani International Exports (Pvt) Ltd commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2050 from a 2022 base year*. Hirdaramani International Exports (Pvt) Ltd also commits to reduce absolute scope 3 GHG emissions from purchased goods and services, capital goods, fuel-and-energy related activities, upstream and downstream transportation and distribution, and business travel 90% within the same timeframe. *The target includes land-related emissions and removals from bioenergy feedstocks.





GLOBAL GREEN LEADERSHIP : LEED JOURNEY

HIRDARAMANI



GOLD
Hirdaramani Mihila
2009 - 05 - 04

PLATINUM
Hirdaramani Kuruwita
2014-01-21

GOLD
Hirdaramani Vavuniya
2015-01-05

PLATINUM
Hirdaramani Kahathuduwa
2015-06-04

GOLD
Hirdaramani Eheliyagoda
2015-01-05

PLATINUM
Hirdaramani Mullaitivu
2015-06-04

GOLD
Hirdaramani Discovery Lab
2015-06-04

HIRDARAMANI
BANGLADESH



GOLD
Hirdaramani Bangladesh - Kenpark 5
2013-12-19

GOLD
Hirdaramani Bangladesh - Kenpark 3
2014-04-21

GOLD
Hirdaramani Bangladesh - Kenpark 1
2014-10-01

GOLD
Hirdaramani Bangladesh - Regency 1
2016-01-27

GOLD
Hirdaramani Bangladesh - Regency 4
2017-07-12

PLATINUM
Hirdaramani Bangladesh - Kenpark 2
2018-12-04



HIRDARAMANI VIETNAM | FGL

PLATINUM	GOLD	PLATINUM	PLATINUM
Hirdaramani Vietnam - Tan Phu	Hirdaramani Vietnam - Unit 2	Hirdaramani Vietnam - Quang Nam	Hirdaramani Vietnam - Mekong
2015-04-01	2016-12-13	2023-03-09	2023-07-01

OUR COMMITMENT TO SUSTAINABLE MANUFACTURING CONTINUES TO BE REFLECTED ACROSS OUR GLOBAL OPERATIONS, WITH 17 OF OUR 28 FACILITIES CERTIFIED LEED PLATINUM OR GOLD, INCLUDING HIRDARAMANI MIHILA PLANT, THE WORLD'S FIRST CUSTOM-BUILT GREEN APPAREL FACTORY.

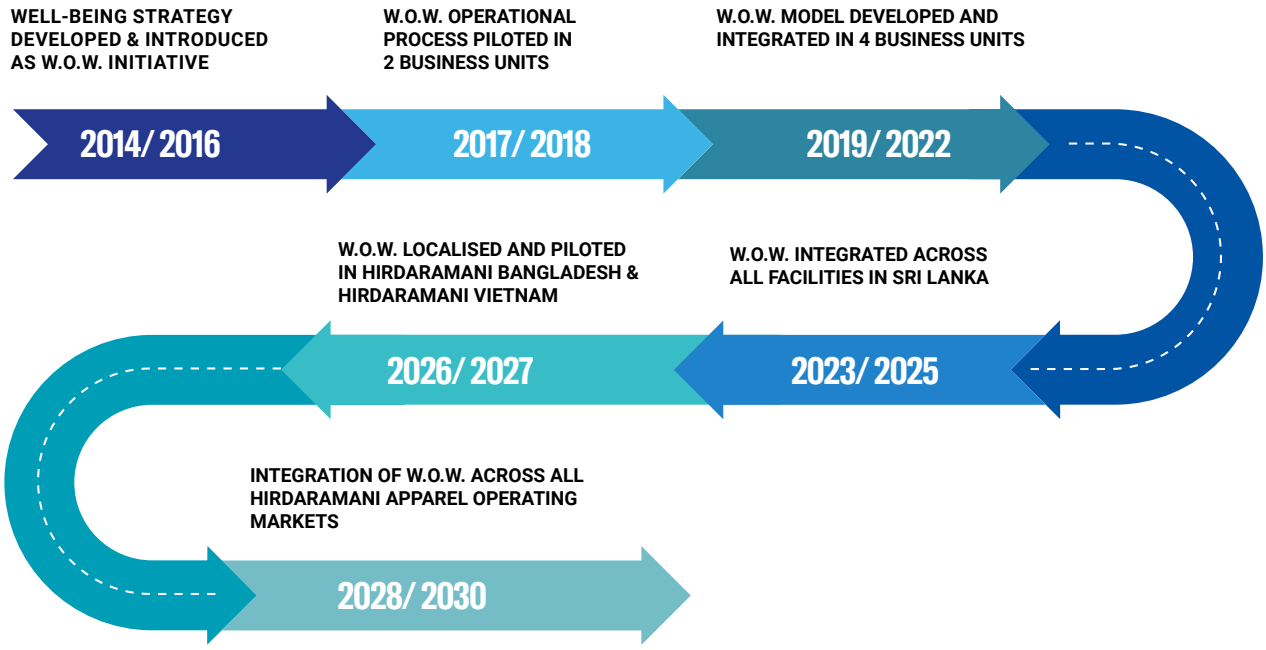
U.S. GREEN BUILDING COUNCIL LEED PLATINUM USGBC — PLATINUM

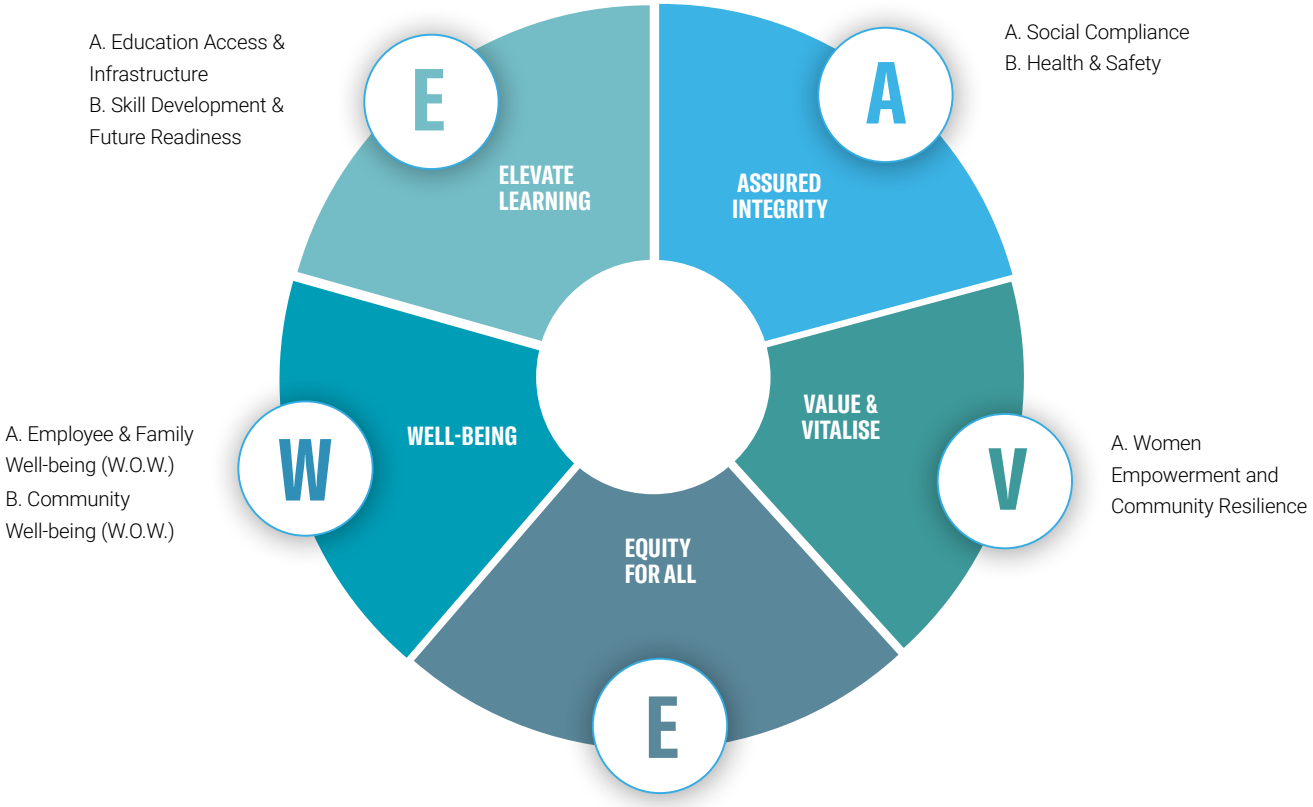
U.S. GREEN BUILDING COUNCIL LEED GOLD USGBC — GOLD



BUILDING OUR SOCIAL FUTURE

Over the past decade, Hirdaramani has continuously evolved its approach to social sustainability, strengthening the way we support our people and communities. From the introduction of the Wonders of Well-being (W.O.W.) programme to the W. E. A. V. E. framework under Future First 2.0, our journey reflects a continued commitment to creating sustainable social impact, through people-centred progress.





SUSTAINABILITY EXCELLENCE

GRI: 2-28

OUR CERTIFICATIONS AND PARTNERSHIPS REFLECT HIRDARAMANI APPAREL'S ONGOING COMMITMENT TO RESPONSIBLE BUSINESS PRACTICES, INTERNATIONALLY RECOGNISED STANDARDS AND CONTINUOUS IMPROVEMENT, PROVIDING CONFIDENCE TO OUR CUSTOMERS AND STAKEHOLDERS.

PRODUCT

ENVIRONMENT

SOCIAL

CELEBRATING PURPOSE IN ACTION















HIRDARAMANI PURPOSE & SUSTAINABILITY AWARDS 2025

The Hirdaramani Purpose & Sustainability Awards serves as our annual platform to recognise and celebrate the teams who bring our sustainability commitments and corporate purpose to life. In its second year, the awards spotlighted impactful initiatives across sustainability, CSR, well-being and purpose-driven innovation from across our global operations.

Progress is made possible by the collective efforts of our people. The awards recognise those who are leading by example, transforming ideas into action and creating positive impact across our business, communities and the environment. By showcasing and celebrating these initiatives, we encourage the sharing of best practices, inspire innovation and strengthen a culture of continuous progression across One Hirdaramani.







2025 RECOGNITIONS AS ONE HIRDARAMANI

THE RECOGNITIONS EARNED ACROSS OUR GLOBAL OPERATIONS IN 2025 ARE A REFLECTION OF THE PASSION, COMMITMENT AND TEAMWORK THAT DEFINE HIRDARAMANI. UNITED BY A SHARED PURPOSE AND WORKING AS ONE HIRDARAMANI, OUR TEAMS CONTINUE TO ADVANCE EXCELLENCE ACROSS EVERY ASPECT OF OUR BUSINESS.

THESE ACHIEVEMENTS CELEBRATE NOT ONLY OUTSTANDING PERFORMANCE, BUT ALSO THE COLLECTIVE EFFORT OF OUR PEOPLE IN CREATING POSITIVE IMPACT AND DELIVERING VALUE FOR OUR CUSTOMERS, COMMUNITIES AND STAKEHOLDERS.

GOLD AWARD
APPAREL INDUSTRIES - HIRDARAMANI KAHATHUDUWA
PRESIDENTIAL ENVIRONMENT AWARDS 2025

SILVER AWARD
TEXTILE PROCESSING - HIRDARAMANI JA-ELA (WASHING)
PRESIDENTIAL ENVIRONMENT AWARDS 2025

BRONZE AWARD
HIRDARAMANI KURUWITA
PRESIDENTIAL ENVIRONMENT AWARDS 2025

MERIT AWARD
HIRDARAMANI SEETHAWAKA
PRESIDENTIAL ENVIRONMENT AWARDS 2025



GOLD - PRESIDENTIAL AWARDS
HIRDARAMANI JA-ELA (WASHING)
NATIONAL CLEANER PRODUCTION AWARDS 2025

SILVER AWARD
HIRDARAMANI SEETHAWAKA (WASHING)
NATIONAL CLEANER PRODUCTION AWARDS 2025

BRONZE AWARD
HIRDARAMANI KAHATHUDUWA
NATIONAL CLEANER PRODUCTION AWARDS 2025





SILVER AWARD
ESG & SUSTAINABILIY CATEGORY
CIMA-JXG PINNACLE AWARDS

SILVER AWARD
NEW BUSINESS MODELS
HIRDARAMANI VIETNAM
GLOBAL CHEMICAL LEASING AWARD





SILVER AWARD
BEST WEB OVERALL WINNER
BESTWEB.LK 2025



GOLD AWARD
BEST CORPORATE SOCIAL RESPONSIBILITY WEBSITE
BESTWEB.LK 2025



WINNER
BEST MOBILE USER EXPERIENCE CORPORATE WEBSITE
BESTWEB.LK 2025



GREEN BRAND OF THE YEAR - HIRDARAMANI APPAREL
SLIM BRAND EXCELLENCE 2025



BRONZE AWARD
BEST CORPORATE WEBSITE
BESTWEB.LK 2025



WINNER
BEST MOBILE USER EXPERIENCE CORPORATE SOCIAL RESPONSIBILITY WEBSITE
BESTWEB.LK 2025



CORPORATE SECTOR - DISABILITY INCLUSION EXCELLENCE
THE CEYLON CHAMBER OF COMMERCE



MERIT AWARD
HIRDARAMANI KURUWITA
NATIONAL CLEANER PRODUCTION AWARDS 2025



MERIT AWARD
HIRDARAMANI SEETHAWAKA
NATIONAL CLEANER PRODUCTION AWARDS 2025



WINNER
HIRDARAMANI SEETHAWAKA (WASHING)

WATER STEWARDSHIP CHAMPION AWARDS 2025



WINNER
HIRDARAMANI MIHILA
WATER STEWARDSHIP CHAMPION AWARDS 2025

BRONZE AWARD
CSR & SUSTAINABILITY - HIRDARAMANI MIHILA
JASTECA AWARDS 2025





BRONZE AWARD

CSR & ESG LEADERSHIP AWARD

HIRDARAMANI VIETNAM

GLOBAL CSR & ESG SUMMIT & AWARDS 2025

GOLD AWARD

CSR & ESG LEADERSHIP AWARD

HIRDARAMANI VIETNAM

GLOBAL CSR & ESG SUMMIT & AWARDS 2025

SILVER AWARD

BEST COMMUNITY PROGRAMME AWARD

HIRDARAMANI VIETNAM

GLOBAL CSR & ESG SUMMIT & AWARDS 2025



CATEGORY AWARD
DISABILITY INCLUSION EXCELLENCE

DEI CHAMPIONS AWARDS 2025

MERIT AWARD
BEST PROJECT SUSTAINABILITY AWARDS

BEST CORPORATE CITIZEN SUSTAINABILITY AWARDS 2025



BEST ORGANIZATION ON SOCIAL IMPACT THROUGH WOMEN EMPOWERMENT

TOP50 PROFESSIONAL & CAREER WOMEN GLOBAL AWARDS 2025



LEADING WITH PURPOSE AND ACCOUNTABILITY

STRONG LEADERSHIP AND RESPONSIBLE GOVERNANCE ARE THE FOUNDATION OF OUR BUSINESS. BY EMBEDDING INTEGRITY, TRANSPARENCY AND ACCOUNTABILITY INTO OUR DECISIONS, WE CONTINUE TO CREATE LONG-TERM VALUE AND BUILD STAKEHOLDER TRUST.

CHAIRMAN'S MESSAGE

GRI: 2-22

FROM COMMITMENT TO ACTION

Our journey has always been one of continuous evolution, embracing change while remaining true to the values that continue to guide our business. Today, sustainability is integral to the way we create value. It strengthens our resilience, informs our decisions and enables us to deliver long-term value for our customers, our people, our communities and the planet. It also guides the partnerships we build and the legacy we aspire to leave for future generations.

This Report marks an important milestone in our sustainability journey. As we conclude the first phase of our Future First Sustainability Roadmap, we recognise both the progress achieved and the areas where further progress is needed.



While several commitments were achieved, others remain priorities for continued action. Future First 2.0 builds on the progress made over the past five years while setting a renewed direction for the future.

More importantly, it demonstrates how our ambitions are being translated into measurable outcomes across every part of our business. This year's report theme, Purpose in Action, reflects how our shared commitments are being translated into meaningful and measurable progress, across our business.

CREATING LASTING IMPACT TOGETHER

The achievements presented throughout this report are the result of the collective efforts of our people across Sri Lanka, Bangladesh, Africa and Vietnam. Operating as One Hirdaramani, our teams have continued to demonstrate that meaningful progress is achieved when we work together, towards a shared purpose.

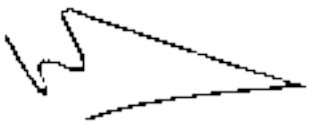
Building on the approval of our Science Based Targets initiative (SBTi) Net-Zero targets, we have continued to accelerate the actions needed to achieve them. Throughout the year, we continued to strengthen our environmental performance through investments in renewable energy, resource efficiency, responsible manufacturing and circular innovation, translating our climate commitments into measurable progress across our operations and value chain.

Alongside these efforts, we continued to invest in our people and communities by advancing well-being, inclusion, learning and ethical business practices, recognising that sustainable growth is only possible, when those around us grow with us.

LOOKING AHEAD AS ONE HIRDARAMANI

Building on the progress made through the first phase of Future First initial phase (2020 – 2025), sustainability is a journey of continuous evolution. As climate change, technological advancement and evolving stakeholder expectations continue to redefine our industry, businesses must respond with resilience, innovation and purpose. Future First 2.0 (2026 – 2030) represents our continued commitment to creating long-term value in a changing world. Through more ambitious environmental targets and an expanded focus on social sustainability under the W.E.A.V.E. framework, it will guide how we strengthen our business, empower our people and create meaningful impact across our value chain

Our greatest strength will always be our people. United by a shared purpose and guided by our values, we will continue to collaborate across borders, functions and disciplines as One Hirdaramani. It is through this collective commitment that we will continue to build a more resilient business while creating lasting value for our people, our communities and the planet for generations to come.



VINOD HIRDARAMANI
CHAIRMAN,
HIRDARAMANI GROUP

GOVERNANCE PHILOSOPHY

GRI: 2-9, 2-11, 2-12, 2–13, 2-14, 2-23, 2-24, 2-26, 2-27



As a leading apparel manufacturer operating across multiple geographies and serving some of the world's most recognised brands, Hirdaramani Apparel's ability to maintain the trust and confidence of stakeholders depends on its unwavering commitment to the highest standards of corporate governance. High standards of governance are also essential in navigating the increasingly complex regulatory, environmental, social and market expectations associated with global business operations Accordingly, the Group's governance philosophy is built on the principles of integrity, ethical conduct, transparency, accountability and responsible decision-making that together guide the manner in which business is conducted on a day to day basis across the jurisdictions in which it operates.

GOVERNANCE FRAMEWORK

Hirdaramani Apparel's commitment to good governance is encapsulated within its Corporate Governance Policy and Corporate Governance Statement, which collectively establish the principles, structures and practices that guide the management and oversight of the Group in line with applicable regulations in all local jurisdictions where Hirdaramani Apparel operates. Beyond compliance, the voluntary adoption of recognised governance codes, standards and best practices further strengthen the Group's governance framework by promoting accountability, transparency, ethical conduct and effective oversight.

The adoption of governance codes, policies and related governance practices is formalised through Board-approved resolutions.

The Board periodically reviews emerging regulatory developments, evolving stakeholder expectations and governance best practices to determine whether enhancements to the governance framework are required.

BOARD OF DIRECTORS

The Board of Directors serves as the highest governing body of Hirdaramani Apparel and bears ultimate responsibility for the long-term success, strategic direction, governance and stewardship of the Group. As a privately held family-owned company, Hirdaramani Apparel is not subject to the governance requirements applicable to listed entities. Nevertheless, the Group remains committed to maintaining robust governance practices that reflect the expectations of a global business operating within complex international value chains.

The role, responsibilities, composition and operating principles of the Board are formally documented in the Hirdaramani Family Constitution, which serves as the Board's primary terms of reference. The Family Constitution provides a structured framework for governance and decision-making, defining the respective roles of the Board, shareholders and executive management while promoting accountability, continuity and alignment with the long-term vision and values of the Hirdaramani Group.

Accordingly, the Board is responsible for overseeing corporate strategy, monitoring business performance, approving key policies and investments, managing material risks and opportunities and ensuring the effectiveness of the Group's governance and control environment. The Board also plays a critical role in setting the tone from the top, promoting ethical business conduct and ensuring that sustainability considerations are integrated into strategic decision-making processes.

BOARD COMPOSITION

Board Directors are appointed in accordance with the provisions of the Companies Act and the Company's Articles of Association. As a privately held, family-owned Company, the Board currently comprises family representatives and Executive Directors with strong industry expertise and deep institutional knowledge of the apparel sector business dynamics.

The Group is committed to maintaining a Board that possesses an appropriate balance of skills, experience, perspectives and competencies required to effectively oversee a complex, multi-country business operating within global value chains. In this regard, diversity is considered an important component of overall Board effectiveness, alongside factors such as industry expertise, functional knowledge, governance experience and strategic insight.

While the Group retains the flexibility necessary to appoint individuals best suited to its evolving business needs, it remains mindful of the value that diverse viewpoints bring to decision-making, risk oversight, innovation and long-term value creation. As such, appointments to the Board are made through a rigorous assessment of an individual's leadership capabilities, professional experience, integrity and ability to contribute to the long-term success and sustainability of the organisation.

Recognising that governance requirements continue to evolve alongside the growth and increasing complexity of the business, the Group periodically reviews the composition and effectiveness of the Board to ensure it remains aligned with the Company's strategic priorities and future aspirations. As part of this process, consideration is also given to the potential benefits of incorporating independent perspectives where appropriate, strengthening the Board's ability to provide objective oversight, challenge assumptions and support sound decision-making.

SEGREGATION OF DUTIES AND RESPONSIBILTIES AT A LEADERSHIP LEVEL

In line with recognised corporate governance best practices, Hirdaramani Apparel maintains a clear segergeation of responsibilities at a leadership level to ensure effective governance and avoid the concentration of authority. Accordingly, the roles of the Group Chairman and the Managing Director are clearly defined and remain separate.

Group Chairman

The Chairman of the Hirdaramani Apparel Board is responsible for providing leadership to the Board, fostering an effective governance culture, facilitating constructive Board deliberations and overseeing the Company's strategic direction and governance framework. The Chairman also ensures that the Board functions effectively in fulfilling its responsibilities and exercises appropriate oversight of the Company's performance, risk management and long-term sustainability.

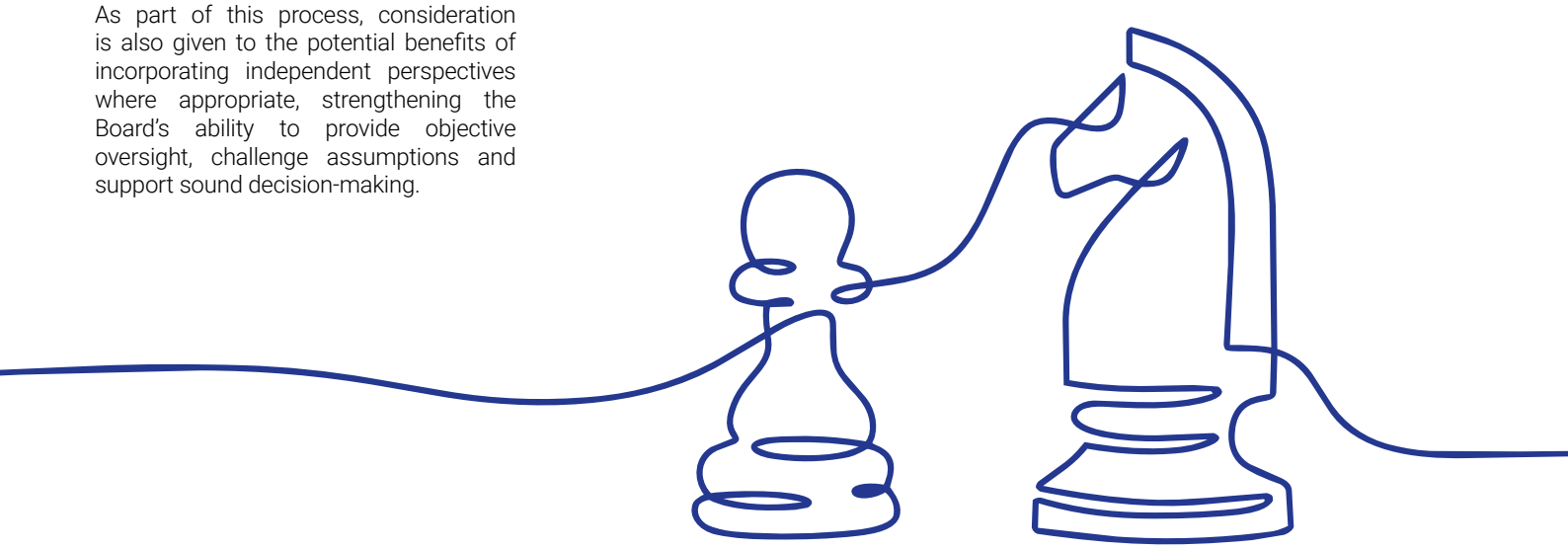
Managing Director

The Managing Director is responsible for the executive leadership of the business and the day-to-day management of the Company's operations. This includes implementing the strategic direction established by the Board, delivering operational and financial performance, managing business risks, leading the executive management team and ensuring that the Company's policies, objectives and governance requirements are effectively executed across all operations.

MEETINGS

Given the Company's ownership structure as a privately held family enterprise, the Board adopts a pragmatic and integrated approach to governance that enables timely decision-making while maintaining appropriate oversight over all business operations.

Governance oversight is often exercised through sector-level leadership forums that bring together the relevant Directors and senior executives responsible to review relevant matters.



BOARD RESPONSIBILITIES

As the highest governing authority of Hirdaramani Apparel, the Board of Directors are responsible for ensuring the Company operates responsibly, sustainably and in alignment with its purpose, values and long-term strategic objectives. In fulfilling this role, the Board provides oversight for certain key aspects.

Risk Management and Internal Control

The Board is responsible for the establishment of a comprehensive risk management process designed to identify, assess, monitor and mitigate risks that may affect the achievement of the Company's strategic and operational objectives. As part of its efforts to strengthen enterprise-wide risk management, the Board is currently in the process of implementing a comprehensive Risk Register.

Once fully operational, the Risk Register will serve as a platform for documenting key risks across, defining mitigation actions, monitoring risk exposure and facilitating regular reporting to management and the Board. The Risk Register will also strengthen accountability and risk ownership.

The effectiveness of the Company's internal control environment is supported by the Group Internal Audit function, which operates in accordance with the Hirdaramani Group Internal Audit Methodology developed based on the internationally recognised COSO Internal Control Framework.

The Board obtains independent assurance regarding the effectiveness of risk management practices and internal controls through the internal audit function.

The Annual Audit Plan is developed based on business priorities, strategic risks and operational requirements and is reviewed and approved by the Board and Executive Committee at the commencement of each financial year.

As per the approved Audit Plan, the Internal Audit function evaluates both the design and operating effectiveness of internal controls with findings and recommendations communicated to management through formal audit reports and agreed action plans established to address identified weaknesses. Follow-up reviews are subsequently conducted to assess the effectiveness of remediation efforts and ensure that issues have been satisfactorily resolved.

To maintain independence and objectivity, the Internal Audit Department reports directly to the Group Audit Committee.

Ethics, Integrity and Compliance

The Board is committed to fostering a culture founded on integrity, accountability, fairness and responsible business conduct. Ethical values and standards of behaviour are embedded across the organisation through a combination of Group policies, human resource frameworks, customer compliance requirements and operational procedures that collectively guide employee conduct and decision-making.

The Board is currently working towards consolidating its existing governance and compliance requirements into a formal Group Code of Conduct. Once implemented, the Code will serve as a comprehensive statement of expected behaviours and ethical standards applicable across all operations, reinforcing the Company's commitment to conducting business responsibly and in accordance with applicable laws, regulations and stakeholder expectations.

Anti-Bribery and Anti-Corruption

Hirdaramani Apparel maintains a zero-tolerance approach towards bribery, corruption, fraud, facilitation payments, conflicts of interest and all other forms of unethical conduct that may compromise the integrity, reputation, or sustainability of the business. These principles apply across all levels of the organisation and extend to interactions with customers, suppliers, contractors, agents, public officials and other business partners.
The purpose of this framework is to ensure that all business activities are conducted fairly, transparently and in compliance with applicable anti-corruption laws and regulatory requirements within the jurisdictions in which the Company operates.

To reinforce these expectations, employees receive regular awareness programmes and compliance-related training designed to strengthen understanding of ethical business practices, conflicts of interest, bribery risks, reporting obligations and individual responsibilities.

Whistleblowing Mechanism

The Board recognises the importance of early identification of potential issues and encourages employees and other stakeholders can raise concerns in good faith, without fear of reprisal. In this regard the Board is committed to fully investigate reports of suspected misconduct, unethical behaviour, fraud, corruption, regulatory breaches, or other inappropriate activities, while protecting individuals who report concerns from retaliation, discrimination, or adverse consequences.

Compliance

The Board promotes a culture where compliance is viewed not merely as a regulatory obligation, but as an extension of the Group's commitment to integrity, accountability and responsible business conduct.

Business units are responsible for ensuring adherence to applicable legal and regulatory requirements within their respective jurisdictions, while specialist functions provide guidance, support and oversight where required.

Regular internal reviews, customer compliance audits, external assessments and management reporting processes provide assurance to the Board regarding the Group's compliance status and facilitate the timely identification and remediation of any gaps.

No incidents of non-compliance were reported in the current year.

DELEGATION OF AUTHORITY

While the Board of Directors retains ultimate responsibility for the governance, strategic direction and long-term sustainability of Hirdaramani Apparel, certain responsibilities are delegated to specialised committees and designated officers to facilitate effective oversight, informed decision-making and efficient management of key governance matters.

Audit Committee

The Audit Committee serves as an important mechanism for maintaining accountability, transparency and assurance across the organisation. The Audit Committee assists the Board in overseeing the effectiveness of the Group's internal control environment, risk management processes, internal audit activities, financial governance and compliance framework. The Committee works closely with the Group Internal Audit Department and provides oversight on the execution of the Annual Audit Plan, the adequacy of internal controls and the effectiveness of remediation measures implemented in response to audit observations.

In this regard, the Audit Committee convenes on a weekly basis to closely monitor the progress and outcomes of ongoing internal audits, review significant findings, assess management responses and track the implementation of corrective actions.
Detailed minutes are maintained for each meeting and circulated to relevant stakeholders to ensure transparency, accountability and effective follow-up of matters discussed.

In addition to its core audit responsibilities, the Audit Committee has also been designated to undertake the functions of the Risk Management Committee. In this capacity, the Audit Committee provides Board-level oversight of the Group's enterprise risk management framework, including the identification, assessment, monitoring of all key risks. The Audit Committee also reviews the effectiveness of risk management processes and monitors the implementation of risk mitigation strategies to esnure risk considerations are appropriately integrated into strategic decision-making and day to day business operations.

Sustainability Committee

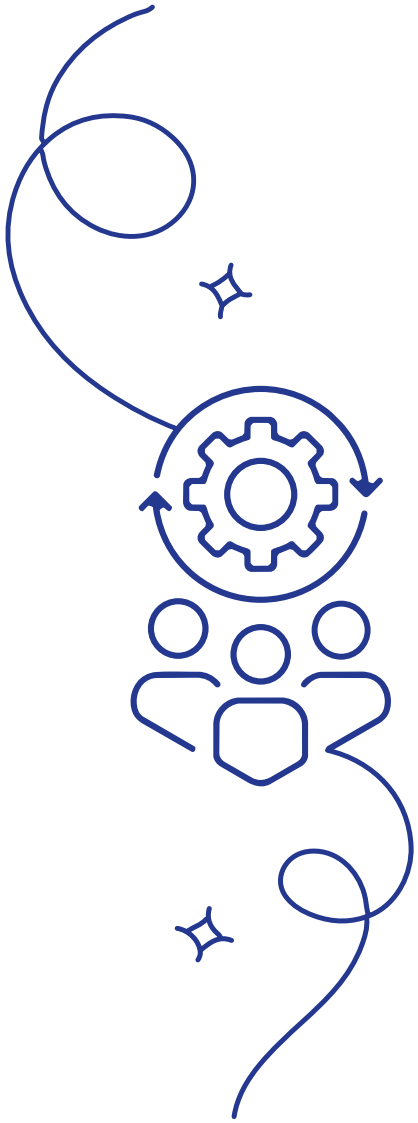
The Hirdaramani Apparel Board has established a Sustainability Committee to provide strategic direction, oversight and coordination of sustainability initiatives across the organisation.

The Committee is responsible for guiding the implementation of the Future First Sustainability Roadmap, monitoring progress against sustainability objectives and targets, reviewing material ESG risks and opportunities and fostering alignment between sustainability priorities and business strategy. The Committee also facilitates cross-functional collaboration, ensuring that environmental, social and governance considerations are integrated into operational decision-making and performance management processes.
Through regular engagement with business functions, the Committee supports the development of sustainability programmes, monitors performance against key sustainability indicators and provides strategic guidance on emerging ESG issues, stakeholder expectations and regulatory developments.

Company Secretary

The Company Secretary is responsible for supporting the effective functioning of the Board and ensuring compliance with all applicable corporate governance and statutory obligations. Acting as the primary liaison between the Board and management on governance matters, the Company Secretary facilitates the smooth administration of Board processes while promoting adherence to legal and regulatory requirements.

The responsibilities, authority and reporting arrangements of the Company Secretary are formally defined within the Board Charter and the Terms of Reference for the Company Secretary. These documents outline the Secretary's role in coordinating Board and committee meetings, maintaining statutory records, advising directors on governance matters, ensuring the timely circulation of Board papers, recording and safeguarding meeting minutes, monitoring compliance with statutory obligations and supporting the implementation of Board decisions.





REPORTING WITH TRANSPARENCY

THIS REPORT REFLECTS OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE THROUGHOUT 2025. IT DEMONSTRATES OUR COMMITMENT TO TRANSPARENCY, ACCOUNTABILITY AND CONTINUOUS PROGRESS AS WE CREATE LASTING VALUE.

ABOUT THIS REPORT

GRI: 2-2, 2 -3, 2-4, 2-5

REPORT PROFILE

Hirdaramani Apparel is pleased to present its latest Sustainability Report, marking another important milestone in the Group's sustainability reporting journey. Reflecting our commitment to transparency, accountability and continuous improvement, the current Report represents a significant enhancement in both the depth and quality of our disclosures, which reflects not only our growing sustainability maturity but also the commitment to meeting the increasing expectations of stakeholders for meaningful, decision-useful and transparent information.

At the heart of these disclosures lies the Hirdaramani Apparel's Future First Sustainability Roadmap, which serves as the strategic framework guiding the Group's sustainability ambitions and long-term value creation efforts.
The roadmap articulates our vision for building a resilient, responsible and future-ready organisation through four interconnected strategic pillars: Conserve, Empower, Support and Trust.

The disclosures presented in this Report have been structured to demonstrate progress and performance across each of these pillars.

Disclosures under Conserve aim to provide insight into how the Company is working to preserve natural capital while strengthening operational resilience in the face of evolving environmental challenges.

Through Empower, we highlight our commitment to creating a workplace where people can thrive by unlocking their full potential.

The Support pillar demonstrates our commitment to creating positive social impact beyond our operations and in doing so outlines our efforts to strengthen communities, support vulnerable groups, promote education, well-being and contribute to broader social development objectives through strategic partnerships and targeted interventions.

Under Trust, we disclose the governance structures, ethical business practices, risk management processes, compliance mechanisms and stakeholder engagement approaches that underpin responsible business conduct.

Recognising that effective governance serves as the foundation for sustainable business success, this Report also provides an overview of the governance frameworks that guide the Group's operations.

Collectively, the disclosures contained in this Report are intended to provide stakeholders with a balanced and comprehensive view of Hirdaramani Apparel's sustainability performance, priorities and future aspirations.
More importantly, they demonstrate how sustainability is being integrated into the Company's strategy, operations and culture to create long-term value for employees, customers, business partners, communities and the environment.

As we continue to advance our Future First Sustainability journey, we remain committed to strengthening our disclosures, deepening stakeholder engagement and accelerating progress towards a more sustainable and inclusive future.

SCOPE AND BOUNDARY

This Report covers the period from 01 January 2025 to 31 December 2025 (FY 2025) and presents Hirdaramani Apparel's sustainability performance across its operations in Sri Lanka, Bangladesh, Ethiopia and Vietnam. In line with reporting best practices, the Report has been prepared with a strong emphasis on transparency, comparability, completeness and stakeholder relevance, with disclosures intended to provide a balanced and comprehensive understanding of the Group's sustainability performance, progress against strategic priorities and future areas of focus.

REPORTING FRAMEWORKS

To ensure consistency, credibility and alignment with internationally recognised reporting standards, this Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, as issued by the Global Sustainability Standards Board (GSSB) and is also aligned with Sustainability Accounting Standards Board (SASB) and UNGC Ten Principles framework.

The GRI Standards provide a globally accepted framework for reporting on an organisation's material economic, environmental and social impacts, enabling stakeholders to assess the Group's sustainability performance in a structured and comparable manner.

Where relevant, the Report also demonstrates Hirdaramani Apparel's contribution towards the United Nations Sustainable Development Goals (SDGs) by highlighting how business activities and sustainability initiatives contribute to addressing broader global challenges and advancing sustainable development outcomes.

INFORMATION GATHERING AND REPORT PREPARATION

The information presented throughout the Sustainability Report has been compiled from a wide range of credible internal systems, operational records and structured management reviews. Strategic perspectives and operational insights have been developed through extensive engagement with key stakeholders across business units.

The reporting process has been centrally coordinated by the Hirdaramani Apparel's Sustainability team, in close collaboration with internal stakeholders and external specialists to ensure rigorous oversight for the integrity, consistency and reliability of disclosures.

MATERIALITY

IN ALIGNMENT WITH THE GLOBAL REPORTING INITIATIVE (GRI) STANDARDS, THE PRINCIPLE OF MATERIALITY SERVES AS A KEY DETERMINANT IN GUIDING THE SELECTION AND PRIORITISATION OF CONTENT WITHIN THE HIRDARAMANI APPAREL SUSTAINABILITY REPORT FOR FY 2025.

BY IDENTIFYING AND PRIORITISING TOPICS THAT MOST STRONGLY INFLUENCE THE GROUP'S ABILITY TO CREATE VALUE OVER THE SHORT, MEDIUM AND LONG TERM, THE MATERIALITY-DRIVEN REPORTING PROCESS ENHANCES THE RELEVANCE, CLARITY AND DECISION-USEFULNESS OF REPORTED INFORMATION. THIS IN TURN STRENGTHENS STAKEHOLDER CONFIDENCE, TRUST AND UNDERSTANDING OF THE GROUP'S LONG-TERM SUSTAINABILITY APPROACH.

REFER PAGE 47 FOR MORE INFORMATION ON THE MATERIALITY DETERMINATION PROCESS.

CHAIRMAN'S MESSAGE
PAGE 38

CONSERVE OUR ENVIRONMENT
PAGE 56

EMPOWER OUR PEOPLE
PAGE 82

SUPPORT OUR COMMUNITIES
PAGE 114

TRUST IN GOOD CHOICES
PAGE 128

FORWARD-LOOKING STATEMENTS

This Sustainability Report may contain forward-looking statements that reflect the Company's current expectations, projections and assumptions regarding future events, performance and outcomes. Such statements are based on information available at the time of preparation and may include, but are not limited to, references to future targets, objectives, strategies, initiatives and anticipated performance in relation to Environmental, Social and Governance (ESG) matters.

Disclaimer:

Forward looking statements are inherently subject to a range of risks, uncertainties and factors that may cause actual results to differ materially from those expressed or implied and hence are not guarantees of future performance and should not be interpreted as such. Readers are advised to exercise caution and not place undue reliance on such statements when interpreting the contents of this Report.

Further Hirdaramani Apparel undertakes no obligation to publicly update or revise any forward-looking statements contained in this report or any reports published in the past.

ASSURANCE

The preparation of this Report has been subject to a multi-layered assurance process designed to uphold the integrity, accuracy and reliability of all disclosed information. Data and insights have been consolidated through close collaboration across all key functions within Hirdaramani Apparel, with each input subject to rigorous validation by relevant subject matter experts to ensure consistency and completeness.

To strengthen internal assurance, all qualitative and quantitative disclosures have undergone further review by the Company's Sustainability team, ensuring alignment with reporting standards and internal governance requirements.

The final Report has been reviewed and approved by the Sustainability Committee, reinforcing strong oversight and accountability at the highest level of governance.

In addition, selected disclosures aligned to the GRI Standards, SASB and UNGC Ten Prinicipals have been independently assured by Ernst & Young. The external assurance statement dated 21st August 2026 on Page 159 provides further confidence in the reliability, transparency and credibility of the reported information.

RESPONSIBILITY OF THE SUSTAINABILITY COMMITTEE

The Sustainability Committee, as the highest governing body overseeing sustainability reporting, holds ultimate responsibility for ensuring the integrity, credibility and strategic alignment of the Sustainability Report. In this capacity, the Committee provides overall direction on the reporting approach, ensuring that disclosures are consistent with the Company's sustainability strategy, governance framework and long-term value creation objectives.

The Committee is also responsible for overseeing the identification and validation of material topics included in the Report and providing guidance on the scope and boundaries of reporting to ensure the content meaningfully captures the Company's performance and impact.

In addition, the Sustainability Committee has fully reviewed the Report to ensure its reliability and compliance with applicable reporting standards, including GRI, SASB and UNGC Ten Principles.
On this basis, the Sustainability Committee remains satisfied that the Report adheres to the relevant standards and frameworks and represents a true and fair view of Hirdaramani Apparel's sustainability efforts for the reporting period.

FEEDBACK AND COMMENTS

In keeping with our endeavour to improve future publications, we urge readers to provide their feedback and suggestions on areas for improvement.

We kindly request that such responses be directed to;

NAME
Leonie Vaas

DESIGNATION
General Manager Sustainability

EMAIL ADDRESS
leonie.vaas@hirdaramani.com

WEBSITE
https://www.hirdaramani.com/

CARBON NEUTRAL REPORT

This Sustainability Report has been developed as a carbon neutral publication. Carbon emissions generated throughout the report development process including content development, design, assurance, verification, printing and distribution have been measured and independently verified by the Control Union in Sri Lanka.



CARBON NEUTRAL CERTIFICATE

Certificate Code: C808023CU-CNC-01-2026

Field of attention:
Carbon Neutralized Product

Issued to:

Hirdaramani International Exports (Private) Limited,
No. 143, Dehiwala Road, Maharagama – 10280, Western Province, Sri Lanka

Control Union Inspections (Pvt) Ltd certifies that the product-level GHG emissions quantified and verified for the Hirdaramani Apparel Sustainability Report 2025 have been neutralized in accordance with ISO 14068-1:2023, as applicable to the reporting scope and boundaries defined by the organization.

Emission Reporting Standard	: ISO 14067:2018
System Boundary	: Planning, Writing, Designing, Auditing, Printing and Distribution of Hirdaramani Apparel Sustainability Report 2025
Emission Verified	: 1.043 tonnes of CO_2e
Assurance level achieved	: Reasonable Level
Offset Project Activity	: 2 x 5 MW Baner khad & iku khad small hydroelectric project for a grid system
No. of Credits Cancelled	: 2 CERs

The certificate is valid until 03 August 2027

Date of Certification
03 August 2026
Place and Date of Issue:
Colombo 07, 03 August 2026

Declared by
On behalf of the Managing Director

Gayan Ranasinghe
Certifier
Control Union Inspections (Pvt) Ltd
2nd Floor, BAM Musee Tower,
52 Sir Marcus Fernando Mawatha,
Colombo 07, Sri Lanka

CONTROL UNION ENVIRONMENTAL SERVICES

Carbon neutralized PRODUCT

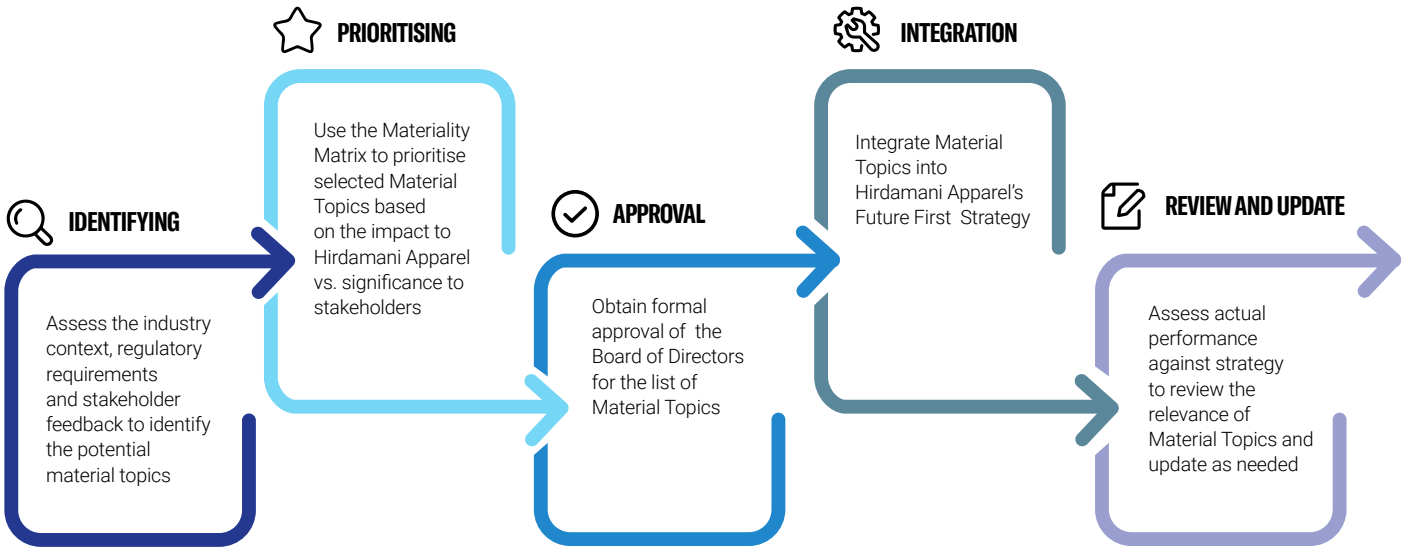
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MATERIAL TOPICS

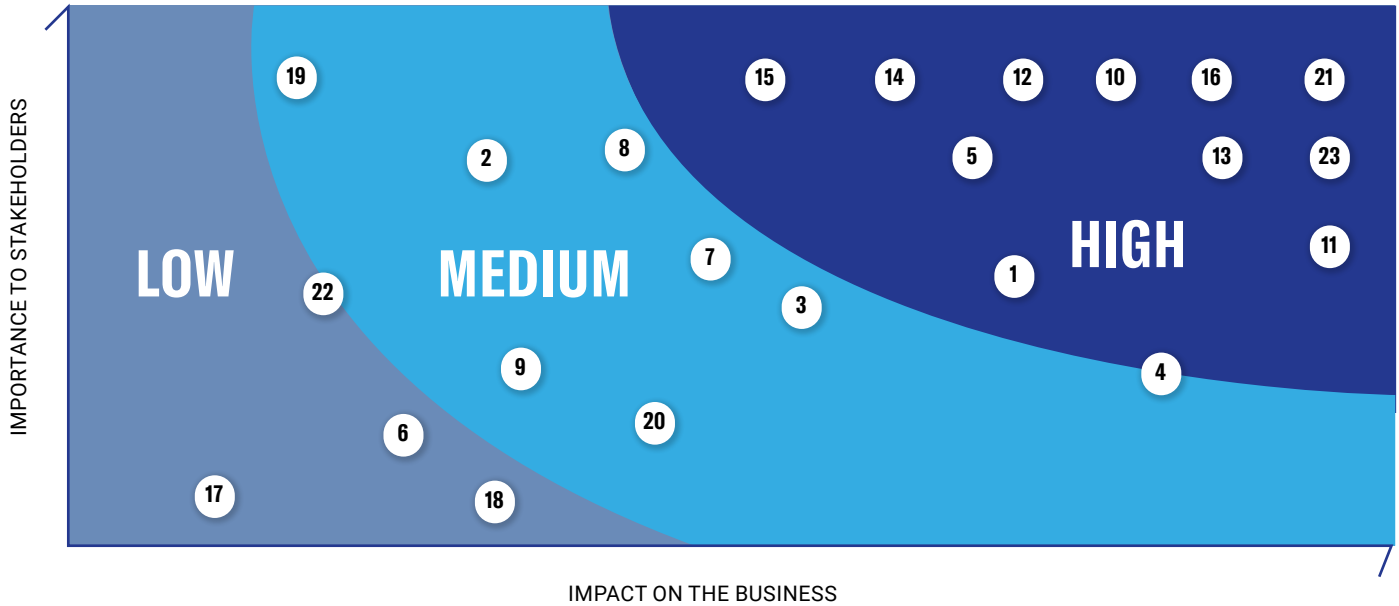
GRI: 3-1, 3-2, 3-3

Material Topics form the foundation of the Group's Future First Sustainability Roadmap, by providing foundation managing critical aspects of its operations, including environmental stewardship, climate action, resource efficiency, responsible supply chain management, employee well-being, human rights, diversity and inclusion, product responsibility, community development, and business ethics. In an industry increasingly shaped by evolving customer requirements, changing regulatory landscapes, heightened ESG expectations, climate-related risks, technological advancements, and growing demands for transparency across global supply chains, Hirdamani Apparel acknowledges that a clear understanding of Material Topics play a crucial role in shaping Hirdaramani Apparel's business model by informing strategic priorities.

MATERIALITY DETERMINATION PROCESS



MATERIALITY MATRIX



HIGH MODERATE LOW

	MATERIAL TOPIC	TOPIC BOUNDARY	IMPACT			MANAGEMENT APPROACH		TRACKING AND REPORTING
			ECONOMIC	ENVIRONMENT	SOCIAL			
1	Market Presence	Internal	High	Low	High	Ensuring fair wages, benefits and employment opportunities across all locations, while aligning with local regulations and global best practices.	• HR Governance Structure • Labour Laws • HR Policy Framework • Best Practices	GRI 202
2	Indirect Economic Impacts	Internal & External	Moderate	Moderate	High	Supporting local economies through infrastructure investment, community development programmes and job creation.	• Future First Sustainability Roadmap • Regulatory Compliance • Strategic Partnerships • Community-Focused CSR Initiatives	GRI 203
3	Procurement Practices	Internal & External	High	Moderate	Moderate	Ensuring supply chain sustainability through vendor engagement and evaluation.	• Group-level Policy Framework • Location-wise Policies and Procedures • Supplier Code of Conduct	GRI 204
4	Energy	Internal	Moderate	High	Low	Reducing energy consumption and increasing the share of renewable energy in operations through solar installations and energy efficiency projects.	• Environment Governance Structure • Environmental Laws • Environment Policy Framework • Best Practices • Environment Management System	GRI 302
5	Water and Effluents	Internal	Moderate	High	High	Implementing water conservation initiatives, monitoring water use and ensuring responsible discharge of effluents.		GRI 303
6	Biodiversity	External	Low	High	Moderate	Protecting ecosystems around operational sites through conservation programmes and environmental impact assessments.		GRI 101
7	Emissions	Internal	High	High	High	Minimising GHG emissions through renewable energy adoption and efficient processes.		GRI 305 GRI 201
8	Effluents and Waste	Internal	High	High	High	Managing waste and effluents through recycling, circularity, safe disposal practices and compliance with local environmental standards.		GRI 306
9	Supplier Environmental Assessment	External	High	High	High	Evaluating suppliers based on environmental criteria and encouraging improvements through regular audits and capacity-building.		GRI 308

HIGH MODERATE LOW

	MATERIAL TOPIC	TOPIC BOUNDARY	IMPACT			MANAGEMENT APPROACH		TRACKING AND REPORTING
			ECONOMIC	ENVIRONMENT	SOCIAL			
10	Employment	Internal	High	Low	High	Providing decent work, fair compensation, job security and career growth opportunities across all facilities.	• HR Governance Structure • Labour Laws • HR Policy Framework • Best Practices • Supplier Code of Conduct	GRI 401
11	Labour/ Management Relations	Internal	High	Low	High	Maintaining open dialogue through employee councils and grievance mechanisms to ensure harmonious workplace relations.		GRI 402
12	Occupational Health and Safety	Internal	High	Moderate	High	Ensuring a safe and healthy workplace through ISO 45001-certified systems, training and preventive health programmes.		GRI 403
13	Training and Education	Internal	High	Moderate	Moderate	Investing in employee development through technical, leadership and soft skills training aligned with performance goals.		GRI 404
14	Diversity and Equal Opportunity	Internal	Moderate	Low	High	Promoting gender equality, non-discrimination and inclusive employment policies at all organisational levels.		GRI 405
15	Non-discrimination	Internal	High	Low	High	Enforcing strict policies against discrimination and creating an inclusive culture through awareness and enforcement.		GRI 406
16	Freedom of Association and Collective Bargaining	Internal	High	Low	High	Respecting the right to organise and collectively bargain, with structures like employee councils supporting worker representation.		GRI 407
17	Child Labor	Internal & External	Low	Low	High	Upholding zero tolerance for child labour, with strict supplier codes and internal audits.		GRI 408
18	Forced or Compulsory Labour	Internal & External	Low	Low	High	Enforcing policies that prohibit forced labour in both operations and the supply chain, with ongoing monitoring.		GRI 409
19	Local Communities	External	Moderate	Low	High	Engaging with communities through CSR initiatives, stakeholder dialogue and long-term development partnerships.	• Future First Sustainability Roadmap • Regulatory Compliance • Strategic Partnerships • Community-Focused CSR Initiatives	GRI 413
20	Supplier Social Assessment	External	High	Moderate	High	Assessing social practices of suppliers and promoting improvements through codes of conduct and supplier development programmes.	• Group-level Policy Framework • Location-wise Policies and Procedures • Supplier Code of Conduct	GRI 414
21	Customer Health and Safety	External	High	Low	High	Ensuring product safety and compliance with quality standards throughout the manufacturing process.	• Product Quality and Safety assurance • Innovation	GRI 416
22	Marketing and Labelling	External	Low	Low	Low	Providing transparent product information and encouraging responsible consumer behavior through labels and awareness.	• Responsible Labelling • Customer Communication and Feedback	GRI 417
23	Customer Privacy	Internal & External	Moderate	Low	High	Protecting customer data through strong data governance, cybersecurity measures and privacy policies.	• Commitment to Customer Privacy	GRI 418

STAKEHOLDER ENGAGEMENT

GRI: 2-29

Operating within one of the world's most dynamic and highly competitive industries, Hirdaramani Apparel recognises that effective stakeholder engagement is a strategic imperative for long-term business success. With rapidly evolving consumer preferences, increasing sustainability expectations, changing regulatory requirements, technological advancements and growing demand for transparency across global supply chains continuing to reshape the apparel sector, maintaining strong and collaborative relationships with stakeholders enables the Group to anticipate emerging trends, identify risks and opportunities, strengthen resilience and respond proactively to a constantly changing operating environment.

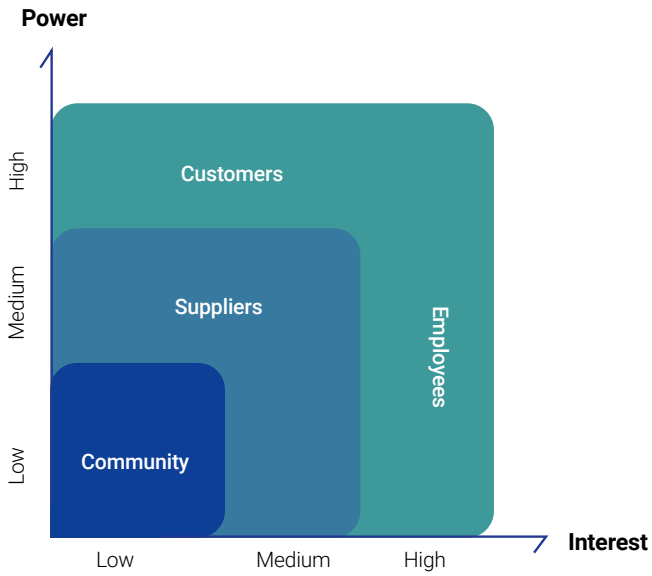
Stakeholder engagement thus serves as a strategic lever that informs decision-making to support the development of responsive business strategies and ensure that the Group remains aligned with the needs of both its stakeholders and the broader industry landscape. Given the increasing emphasis placed by global brands and consumers on responsible sourcing, ethical manufacturing, environmental stewardship and social compliance, stakeholder engagement also plays a critical role in advancing Hirdaramani Apparel's sustainability agenda. Feedback gathered through stakeholder interactions helps shape strategic priorities, refine policies and programmes, strengthen ESG performance and inform the identification of material topics that are most relevant to both the business and its stakeholders.

The Group's approach to stakeholder engagement begins with the identification of stakeholders based on their influence on the organisation and the extent to which they are affected by the Group's activities. Engagement mechanisms are tailored according to stakeholder expectations, while insights generated through these interactions are reviewed by management and integrated into strategic planning, risk management processes, operational improvements and sustainability initiatives.

STAKEHOLDER ENGAGEMENT PROCESS



POWER & INTEREST GRID



CUSTOMERS

Importance to Hirdaramani Apparel **CRITICAL** / Strength of Relationship **STRONG**

ENGAGEMENT MECHANISM AND FREQUENCY OF ENGAGEMENT

- Customer on-boarding process (Periodical)
- Seasonal Roadshows / Vendor meets (Periodical)
- Interactions with dedicated Account Management Teams (Continuous and Ongoing)
- Customer Feedback Surveys (Annual)
- Site visits by Customer Leadership teams (As needed)
- Online meetings, emails, phone/ conference calls (Continuous and Ongoing)
- Meetings with Leadership/ Management Teams (Monthly)
- Product & Design Development Reviews/ Customer Connects (Continuous and Ongoing)

KEY CONCERN AREAS

- Manufacturing Capacity
- Capacity Allocation
- On-time Delivery
- Quality Assurance
- Product Innovation
- Sustainability Commitments
- Standards and Certifications
- Collaborations on Product and Manufacturing Processes
- Procurement Partnerships

HIRDARAMANI APPAREL'S RESPONSE

The integration of advanced technology, sustainable practices and exceptional craftsmanship to deliver innovative, high-quality solutions that create lasting value for customers.

Support responsible production, ethical sourcing and sustainability leadership, to contribute meaningfully towards a sustainable future for the global fashion industry.

Reducing environmental impacts across operations to meet the growing expectations of customers for responsible and sustainable manufacturing.

Further Reading

- Trust in Good Choices - Page 128
- Conserve Our Environment - Page 56

EMPLOYEES

Importance to Hirdaramani Apparel **CRITICAL** / Strength of Relationship **STRONG**

ENGAGEMENT MECHANISM AND FREQUENCY OF ENGAGEMENT

- Departmental meetings / team briefings (Continuous and Ongoing)
- Employee satisfaction surveys/ Engagement Activities (As needed)
- Performance Monitoring (Continuous and Ongoing)
- Training activities, open door policy at all management levels (Continuous and Ongoing)
- Employee Council meetings (Monthly)
- Email / notice boards (As needed)
- Grievance process / We Share.We Care Platform

KEY CONCERN AREAS

- Safety & Well-being
- Remuneration & Benefits
- Career Progression
- Training & Development
- Engagement Opportunities
- Diversity & Inclusion/ Non-Discrimination
- Recognition & Rewards
- Long-term Job Security

HIRDARAMANI APPAREL'S RESPONSE

Focus on fostering a supportive and inclusive work environment.

Encourage innovation and purpose-driven performance to promote personal and professional growth.

Prioritise the health, safety and overall physical and mental well-being of employees across all operations.

Further Reading

- Empower Our People - Page 82

SUPPLIERS

Importance to Hirdaramani Apparel
HIGH

Strength of Relationship
GOOD

ENGAGEMENT MECHANISM AND FREQUENCY OF ENGAGEMENT

- Supplier on-boarding (As needed)
- Procurement and Capacity Planning Meetings (Regularly)
- Site Visits (As needed)
- Email/ Online Meetings (Weekly)
- Supplier Audits (Annually)
- Supplier Training and Capacity Building Initiatives (As needed)

KEY CONCERN AREAS

- Adherence to Regulatory Compliance
- Adoption of Global Best Practices for Sustainability
- Contractual Terms
- Due Diligence Activities
- Opportunities for Long Term Partnerships

HIRDARAMANI APPAREL'S RESPONSE

Prioritising partners who align with Hirdaramani Apparel's commitment to ethical sourcing, environmental stewardship and social compliance thereby ensuring resilience and reliability of supply chain partners.

Further Reading

- Trust In Good Choices - Page 128

COMMUNITIES

Importance to Hirdaramani Apparel
MODERATE

Strength of Relationship
GOOD

ENGAGEMENT MECHANISM AND FREQUENCY OF ENGAGEMENT

- Community Outreach Initiatives (Continuous and Ongoing)
- CSR Activities (Continuous and Ongoing)
- Joint Community Building Projects with Customers (Continuous and Ongoing)

KEY CONCERN AREAS

- Focus areas for CSR
  - Education
  - Healthcare & Well-being
  - Livelihood Development
- Environmental Impact related to Water Consumption, Waste Generation and Pollution

HIRDARAMANI APPAREL'S RESPONSE

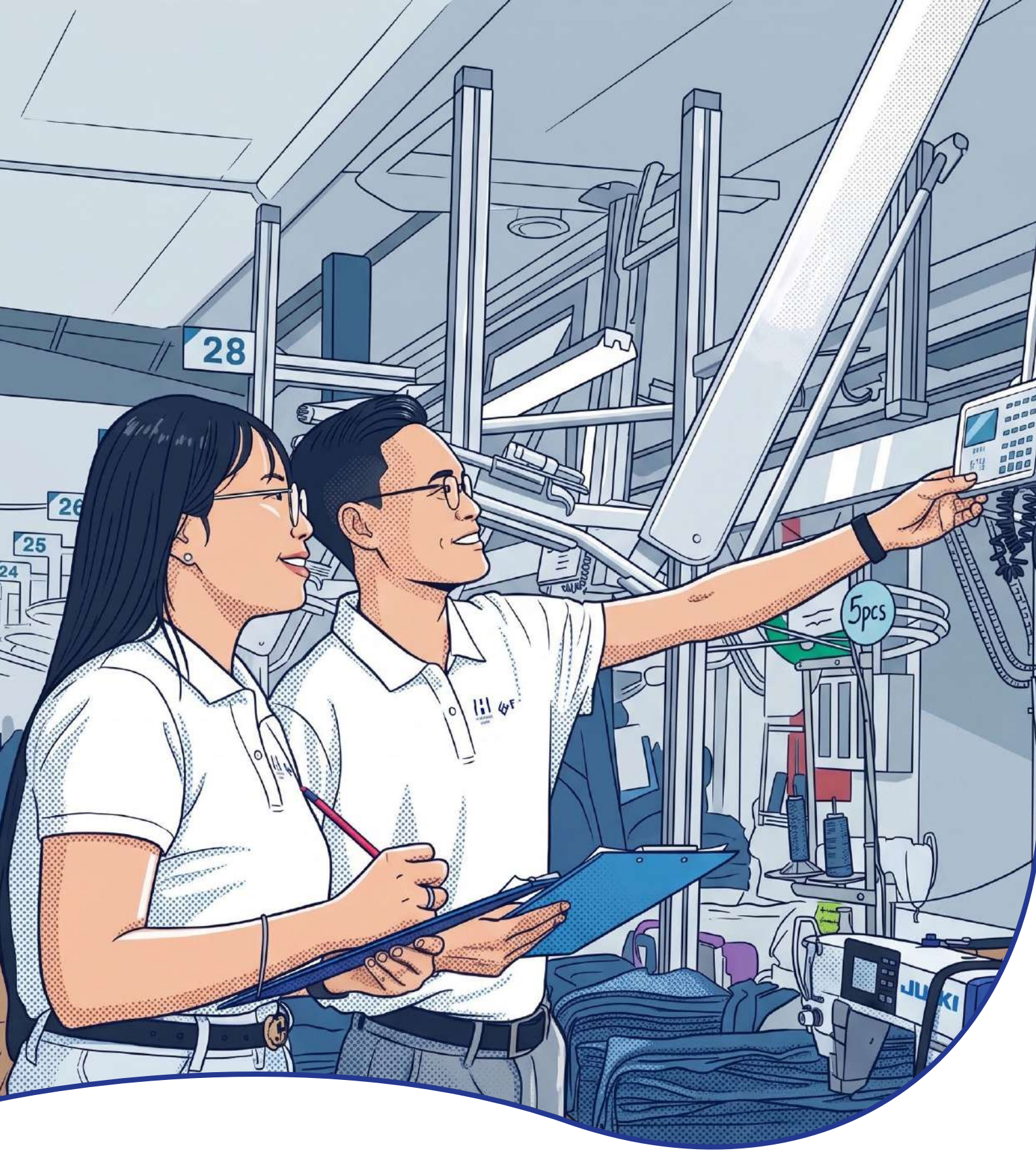
Guided by the Future First Sustainability Roadmap, Hirdaramani Apparel invests in CSR initiatives that are tailored to meet the specific needs of local communities.

Pursue strategic partnerships to support national development goals.

Protecting and restoring biodiversity to ensure healthy ecosystems for future generations.

Further Reading

- Support Our Communities- Page 114
- Conserve Our Environment - Page 56



PURPOSE IN ACTION

OUR FUTURE FIRST SUSTAINABILITY ROADMAP GUIDES HOW WE CREATE MEANINGFUL IMPACT. THROUGH ITS FOUR PILLARS, WE CONTINUE TO STRENGTHEN OUR BUSINESS, EMPOWER OUR PEOPLE, SUPPORT OUR COMMUNITIES AND PROTECT THE ENVIRONMENT.

SUSTAINABILITY PRIORITIES

GRI: 2-9, 2-12, 2-13, 2-14

PROGRESS GUIDED BY PURPOSE

The successful completion of our first Future First Sustainability Roadmap marks an important milestone in Hirdaramani Apparel's sustainability journey. Throughout 2025, we continued to build on the progress achieved over the past five years, strengthening the integration of sustainability across our operations and creating measurable value for our stakeholders.

The achievements presented throughout this report demonstrate that sustainability is driven by consistent action, collaboration and a shared commitment across our global operations. Together, they reflect the progress made in advancing our environmental, social and governance priorities while reinforcing our long-term vision for sustainable growth.

As we transition into Future First 2.0, our focus remains on building on this momentum while responding to evolving stakeholder expectations and the changing landscape in which we operate.

OUR PRIORITIES IN ACTION

Our four sustainability priorities continue to guide how we manage our most significant environmental, social and governance opportunities and challenges. Shaped by stakeholder engagement, materiality assessments and robust governance, they provide the framework through which we create long-term value, strengthen our business and deliver meaningful impact for our people, our communities and the environment.

Conserve Our Environment

Throughout 2025, we continued to strengthen our approach to environmental stewardship by improving resource efficiency, advancing climate action and promoting more sustainable manufacturing practices. Through continued investment in renewable energy, circular innovation and responsible resource management, we are reducing our environmental footprint while building greater resilience across our operations and contributing to the protection of natural ecosystems.

Empower Our People

Our people remain at the heart of our business. During the year, we continued to invest in their well-being, safety, learning and professional development, creating an inclusive workplace where every associate is empowered to grow, contribute and thrive. By fostering a culture built on collaboration, respect and opportunity, we are strengthening a resilient and future-ready workforce.

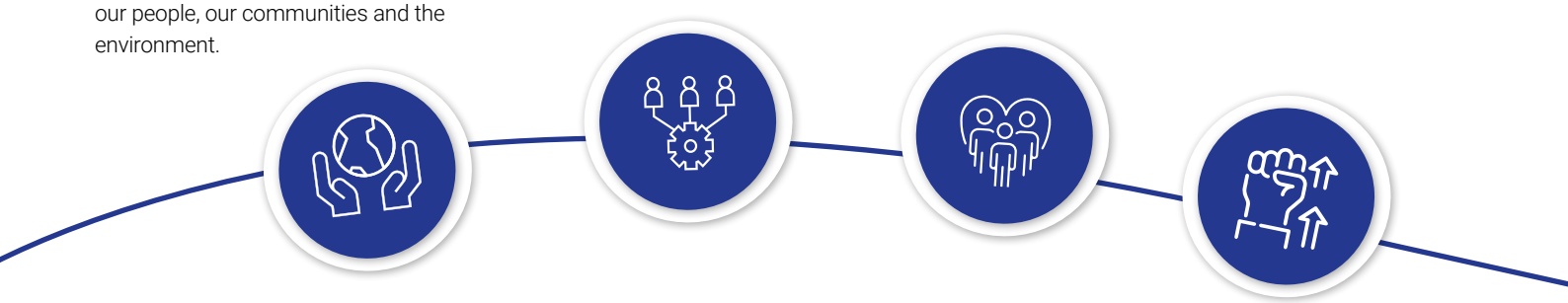
Support Our Communities

Creating positive impact beyond our operations remained a key focus throughout 2025. By working alongside local partners and supporting initiatives that promote education, healthcare & well-being and livelihoods development, we continued to strengthen the communities in which we operate. Our approach is centred on creating shared value through long-term partnerships that contribute to more resilient and inclusive communities.



Trust In Good Choices

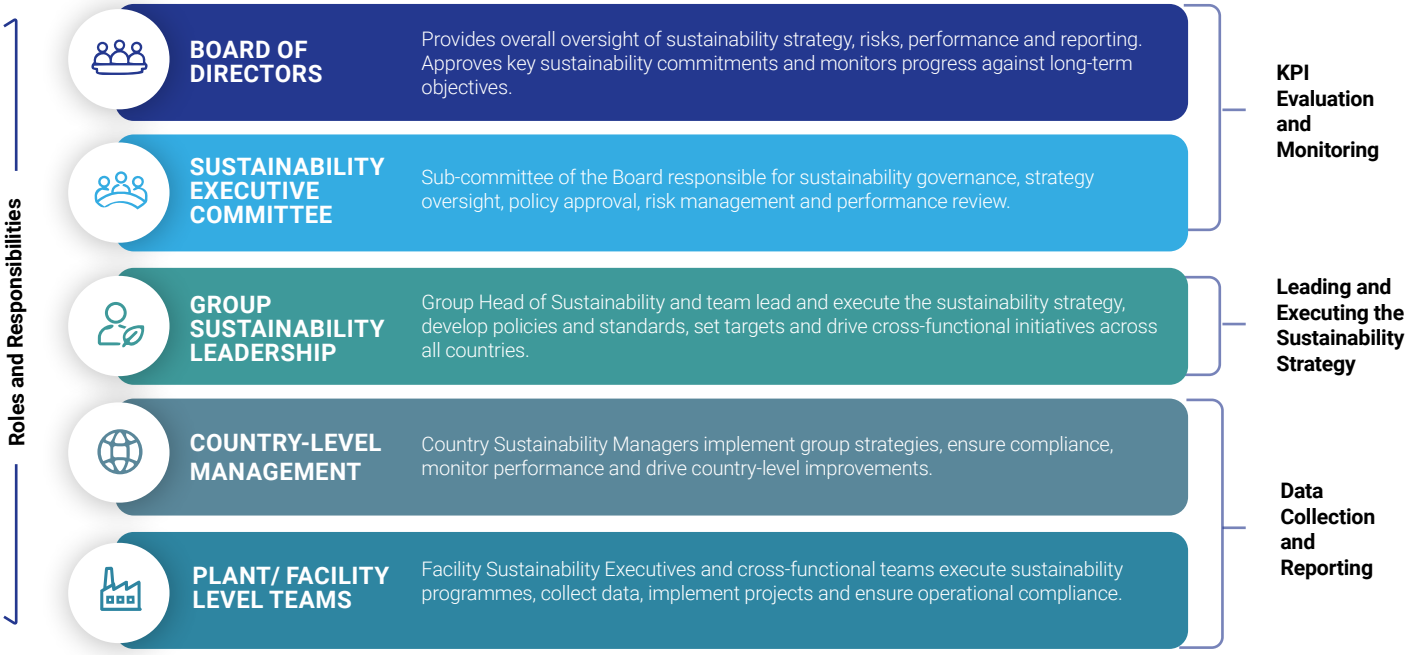
Responsible governance continued to underpin the way we conduct business throughout the year. By reinforcing ethical business practices, strengthening responsible sourcing and maintaining robust governance frameworks, we continue to build trust with our stakeholders while promoting transparency, accountability and integrity across our operations and value chain.



SUSTAINABILITY GOVERNANCE AT HIRDARAMANI APPAREL

Hirdaramani Apparel has established a comprehensive sustainability governance framework to embed sustainability into the core of our business. This structure ensures strong leadership, clear accountability, data-driven decision-making, and effective implementation at every level of the organisation to achieve our Future First 2.0 commitments and long-term value creation.

HIRDARAMANI APPAREL SUSTAINABILITY GOVERNANCE STRUCTURE



BOARD OF DIRECTORS

The Board of Directors provides the highest level of oversight for sustainability governance, ensuring sustainability remains integrated into the Group's long-term business strategy and value creation. The Board approves the sustainability strategy, material topics, key commitments and long-term targets, including science-based climate commitments, while overseeing sustainability-related risks, opportunities and overall organisational performance.

SUSTAINABILITY EXECUTIVE COMMITTEE

The Sustainability Executive Committee, as a sub-committee of the Board, provides governance oversight for the implementation of the Group's sustainability strategy. The Committee reviews sustainability policies, strategic priorities, enterprise risks, compliance requirements and organisational performance, providing recommendations to the Board to strengthen sustainability governance and drive continual improvement across the Group.

GROUP SUSTAINABILITY LEADERSHIP

Led by the Group Head of Sustainability, the Group Sustainability Leadership team is responsible for leading and executing the Group's sustainability strategy across all operating countries. The team develops sustainability policies, standards and frameworks, establishes Group-wide targets, drives cross-functional collaboration, stakeholder engagement and innovation, and consolidates sustainability performance to support transparent reporting and informed decision-making.

COUNTRY LEVEL MANAGEMENT

Country Sustainability Managers are responsible for translating the Group sustainability strategy into country-level implementation plans. They coordinate sustainability programmes across facilities, ensure compliance with Group standards, regulatory requirements and customer expectations, monitor country performance, and drive continuous improvement through collaboration with business functions.

PLANT/ FACILITY LEVEL TEAMS

Facility Sustainability Executives and cross-functional teams are responsible for implementing sustainability initiatives at operational level. They execute programmes related to climate, energy, water, waste, chemicals, biodiversity and social sustainability, ensure compliance with Group policies and standards, promote employee engagement and awareness, and collect and validate sustainability data to support performance monitoring and reporting.

GOVERNANCE ENABLERS

- Policies and Standards
- Risk Management and Compliance
- Training and Capacity Building
- Internal Audits and Assurance
- Innovation and Continuous Improvement
- Stakeholder Engagement

CONSERVE OUR ENVIRONMENT





PROTECTING NATURAL RESOURCES THROUGH RESPONSIBLE ENVIRONMENTAL STEWARDSHIP, CLIMATE ACTION AND MORE SUSTAINABLE OPERATIONS.



MANAGEMENT APPROACH

Environmental stewardship remains central to Hirdaramani Apparel's approach to sustainable business. Guided by the Conserve Our Environment pillar of our Future First Sustainability Roadmap, we are committed to minimising our environmental impact while strengthening the resilience of our operations.

Our environmental management approach is underpinned by the Hirdaramani Apparel Environmental Policy and a suite of supporting policies that guide the responsible management of material environmental priorities, including climate action, energy and emissions, water stewardship, waste and circularity, biodiversity and responsible resource use across our operations in Sri Lanka, Bangladesh, Ethiopia and Vietnam.

While regulatory compliance remains fundamental to our approach, we continue to go beyond compliance by aligning with internationally recognised standards and best practices. Through robust governance, continuous improvement and responsible manufacturing, we are strengthening environmental performance while supporting our long-term commitment to Net Zero and a more sustainable future.

POLICY FRAMEWORK

- Environmental Policy
- Energy Management Policy
- Water Management Policy
- Waste Management Policy
- Biodiversity Policy
- Chemical Management Policy

REGULATORY COMPLIANCE REQUIREMENTS

SRI LANKA

- National Environment Act
- Environmental Protection License (EPL)
- Scheduled Waste Management License (SWML)

BANGLADESH

- Environmental Conservation Rules, 2023 (SRO No. 53)

VIETNAM

- Environmental Protection License (EPL)

GLOBAL BEST PRACTICES (VOLUNTARY ADOPTION)

ISO 14001:2015
Environmental Management Standard

ISO 50001:2018
Energy Management Standard

ISO 14064:2018
GHG Management Standard

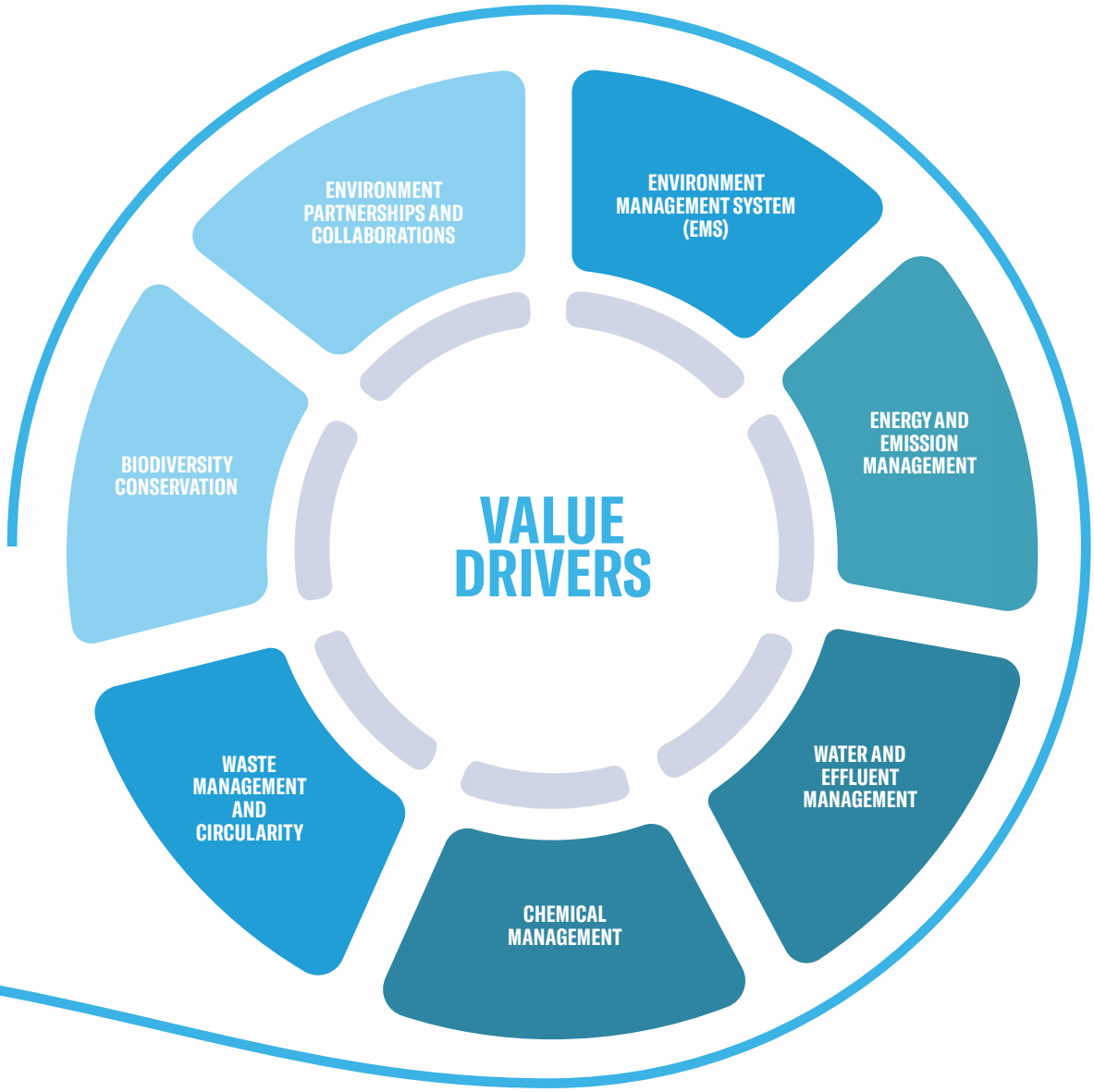
ISO 14046:2014
Water Footprint Management Standard

LEED Green Building Certification

Higg Facility Environmental Module (FEM)

Science Based Targets Initiative (SBTi)

Zero Discharge of Hazardous Chemicals (ZDHC)



KEY HIGHLIGHTS FOR 2025

31%
of energy requirements met through renewables

1%
year-on-year reduction in GHG emissions (Scope 1 & 2)

3.9
hectares within Group facilities managed under biodiversity conservation interventions

2.6%
year-on-year reduction in consumption of non-renewables

91
Higg FEM average score

4500+
beneficiaries from the environmental education programmes delivered through the GenGreen Programme



01

ENVIRONMENT MANAGEMENT SYSTEM (EMS)

The Hirdaramani Apparel's Environment Management System (EMS) serves as a vital tool for identifying, managing and mitigating environmental impacts arising from the Group's operations as a global apparel manufacturer. The core operational architecture of the EMS which is derived based on the ISO 14001:2015 Environmental Management Standard, facilitates target-setting and performance monitoring, alongside clearly defined accountability mechanisms to institutionalise environmental considerations within core business processes. All facilities are required to submit environmental performance data through the Future First centrally managed digital portal, in relation to key indicators such as energy consumption, water usage, waste generation and greenhouse gas emissions.

Over the years, the Group has made a conscious effort to achieve formal certification through the systematic implementation of ISO 14001:2015 across its global operations.
Since 2015, Hirdaramani facilities in Sri Lanka have been certified under the standard, while focused efforts undertaken culminated in several of the global facilities also obtaining the certification in 2025.

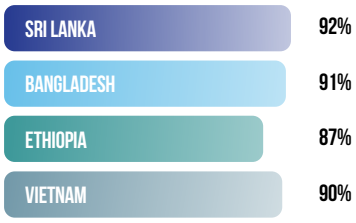
With 2025 marking the final year of Hirdaramani Apparels' first five-year strategic cycle under the Future First Sustainability Roadmap, the Company leveraged the experience, operational insights, and performance data gathered over recent years to further strengthen its environmental measurement and management processes.

The EMS was further strengthened in the current year by enabling enhanced data capture through the Future First digital portal to streamline performance tracking, enable trend analysis, benchmarking across locations and sharing of best practices across facilities.
Monthly performance review meetings were also introduced with the participation of location-wise cross function teams to review performance and identify areas for improvement.

GRI: 2-23, 2-24

In addition scheduled audits by the Central Sustainability Team continue to be carried out to independently assess facility-level EMS implementation and compliance. These audits also play a critical role in identifying inefficiencies, verifying data integrity, strengthening regulatory compliance and reinforcing the Group's commitment to continual environmental improvement.
Additionally, internationally recognised frameworks and standards adopted by the Group, such as the Higg Facility Environmental Module (FEM), SBTi and ZDHC, also promote transparency, comparability and continuous improvement across Group-wide manufacturing footprint.

COUNTRY WISE AVERAGE HIGG FEM SCORE



EMS GOVERNANCE STRUCTURE



TIER 1

Group-Level Strategic Oversight for Sustainability and Environmental Management
- The Sustainability Steering Committee drives alignment with the Future First Sustainability Roadmap.
- The Sustainability Leads develop and update policies in line with regulatory requirements, international standards and best practices.

TIER 2

Country-Level Coordination and Oversight for Implementation Across Sri Lanka, Bangladesh, Ethiopia and Vietnam
- Dedicated sustainability teams are tasked with regular monitoring and reporting of performance, risks and challenges to Group-level to enable consistent performance management and informed decision-making across geographies.

TIER 3

Plant-Level Implementation and Performance Management
- Environmental management embedded at plant-level through dedicated Sustainability teams.
- Close coordination with Plant Management teams.
- Integration of environmental considerations into daily operations and production processes.
- The Plant Management team accountable for performance tracking, target achievement and continuous improvement.

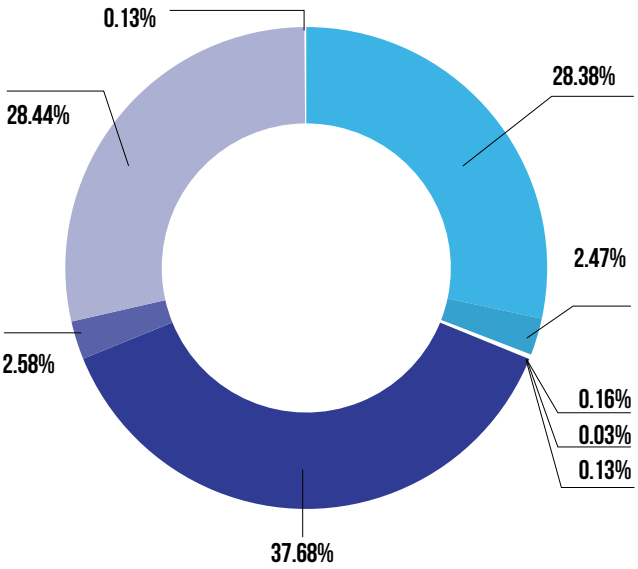
The effectiveness of the Hirdaramani Apparel's EMS is underpineed by a robust three tier governance structure, with clearly defined roles and responsibilities that ensure strategic alignment, accountability and consistent execution across all operations.

03 ENERGY AND EMISSION MANAGEMENT

As a responsible apparel manufacturer, energy consumption and associated greenhouse gas (GHG) emissions across manufacturing facilities constitute a significant share of the Hirdaramani Apparel's overall environmental footprint. The Group's global operations rely on a combination of both renewable and non-renewable energy sources.

Given its highly energy intensive manufacturing operations, the Group has established a comprehensive Energy Management System (EnMS) benchmarked on global best practices set out by the ISO 50001:2018 standard to institutionalise the operational controls optimise energy use and drive continuous efficiency improvements. The EnMS is supported by a formal Energy Management Policy that sets out clear governance structures, defines energy baselines and performance indicators for monitoring energy and emissions across Group facilities. Location-wise energy and emission performance data is monitored through the Future First portal. As part of the first phase of the ISO 50001:2018 roll out, Hirdaramani Seethawaka and Hirdaramani Kahathuduwa were the first facilities to achieve certification, marking a key milestone in advancing energy efficiency across operations.

GROUP ENERGY MIX



Grid Electricity	28.38%	Natural Gas	37.68%
Diesel	2.47%	Solar Electricity	2.58%
Furnace Oil	0.16%	Biomass	28.44%
LPG	0.03%	Other	0.13%
Kerosene	0.13%		

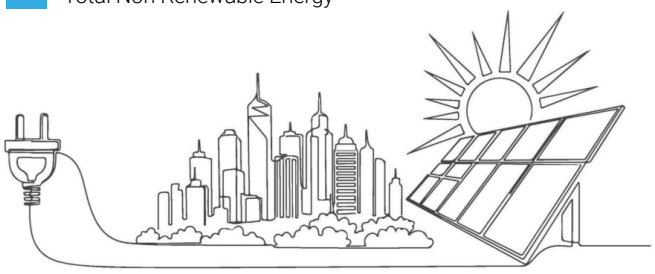
TOTAL ENERGY CONSUMPTION
1,216,239 GJ

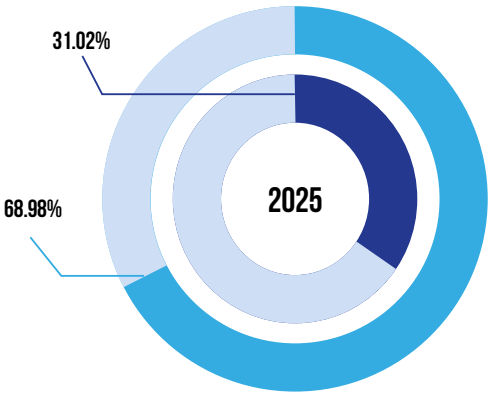
Meanwhile, recognising the need to reduce dependence on non-renewable sources, the Hirdaramani Apparel has continued to systematically increase investments in renewable energy over the years.
Today, energy generated through solar and biomass initiatives contribute to approximately 31% of the Group's total annual energy requirements.

GRI: 302-1, 302-4

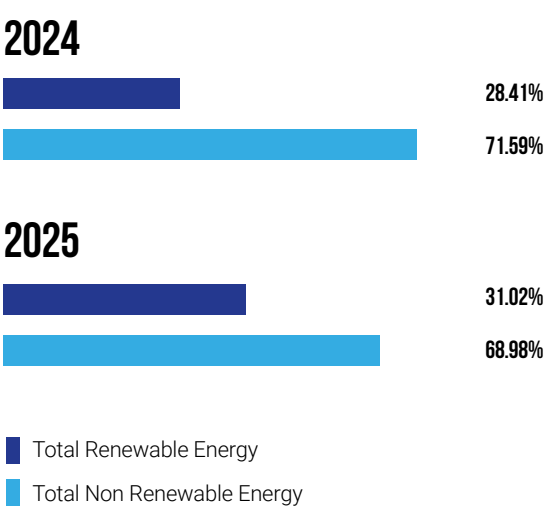
RENEWABLE & NON RENEWABLE ENERGY

- Total Renewable Energy
- Total Non Renewable Energy





YEAR-ON-YEAR COMPARISON



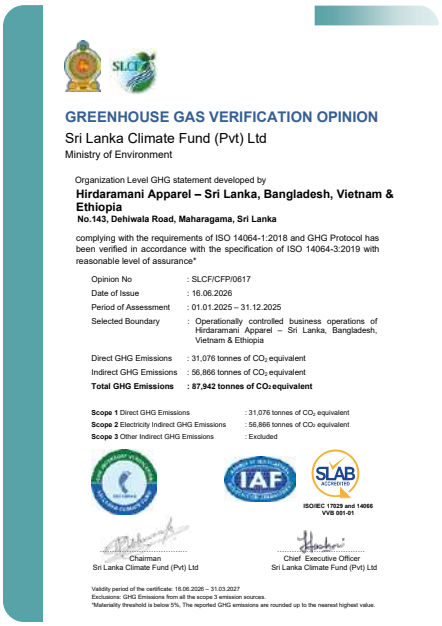
The Hirdaramani Apparel's approach to emission management stems from the commitment to globally recognised climate frameworks including the Science Based Targets initiative (SBTi) and the global climate ambitions established under COP 21 aimed at limiting global temperature rise and supporting the transition to a low-carbon future. The Group's Future First Sustainability Roadmap serves as the overarching mandate driving clear, measurable actions that translates into the achievement of global climate goals.

A key component of this approach is the annual carbon emission inventory report produced in accordance with ISO 14064-1 covering Scope 1 and Scope 2 greenhouse gas (GHG) emissions across Group operations in Sri Lanka, Bangladesh, Ethiopia and Vietnam. The report is independently verified by a third-party expert.

GRI: 305-1, 305-2, 305-5

CARBON FOOTPRINT (SCOPE 1 & SCOPE 2) 2025

	Scope 1 (tCO_2e)	Scope 2 (tCO_2e)	Total (tCO_2e)
Sri Lanka	2,355	9,931	**12,286**
Bangladesh	28,155	36,387	**64,542**
Ethiopia	118	-	**118**
Vietnam	450	10,549	**10,999**
Total	**31,076**	**56,866**	**87,942**



GREENHOUSE GAS VERIFICATION OPINION

Sri Lanka Climate Fund (Pvt) Ltd

Ministry of Environment

Organization Level GHG statement developed by

Hirdaramani Apparel – Sri Lanka, Bangladesh, Vietnam & Ethiopia

No.143, Dehiwala Road, Maharagama, Sri Lanka

complying with the requirements of ISO 14064-1:2018 and GHG Protocol has been verified in accordance with the specification of ISO 14064-3:2019 with reasonable level of assurance*

Opinion No : SLCF/CFP/0617

Date of Issue : 16.06.2026

Period of Assessment : 01.01.2025 – 31.12.2025

Selected Boundary : Operationally controlled business operations of Hirdaramani Apparel – Sri Lanka, Bangladesh, Vietnam & Ethiopia

Direct GHG Emissions : 31,076 tonnes of CO_2 equivalent

Indirect GHG Emissions : 56,866 tonnes of CO_2 equivalent

Total GHG Emissions : 87,942 tonnes of CO_2 equivalent

Scope 1 Direct GHG Emissions : 31,076 tonnes of CO_2 equivalent

Scope 2 Electricity Indirect GHG Emissions : 56,866 tonnes of CO_2 equivalent

Scope 3 Other Indirect GHG Emissions : Excluded

ISO/IEC 17029 and 14066 VVB 001-01

Chairman
Sri Lanka Climate Fund (Pvt) Ltd

Chief Executive Officer
Sri Lanka Climate Fund (Pvt) Ltd

Validity period of the certificate: 16.06.2026 – 31.03.2027

Exclusions: GHG Emissions from all the scope 3 emission sources.

*Materiality threshold is below 5%, The reported GHG emissions are rounded up to the nearest highest value.

AIR EMISSIONS MANAGEMENT

The Group's approach to air emissions management extends to addressing ozone-depleting substances, underscoring the commitment to the Montreal Protocol advocating the global phase-out of HCFCs. Strict controls in place to minimise the use of refrigerants across all Group operations, including prohibiting the procurement of R-22-based equipment and progressively transitioning to ozone-friendly, low-carbon alternatives, such as HFCs and natural refrigerants including CO_2, ammonia and hydrocarbons. Meanwhile for the management of pollutants such as SOx, NOx and other emissions the Group has invested in appropriate infrastructure, including optimal stack heights, carbon filters, cyclone separators and scrubber systems, supported by ongoing monitoring of ambient air quality and periodic testing to assess compliance with applicable global standards and benchmarks.





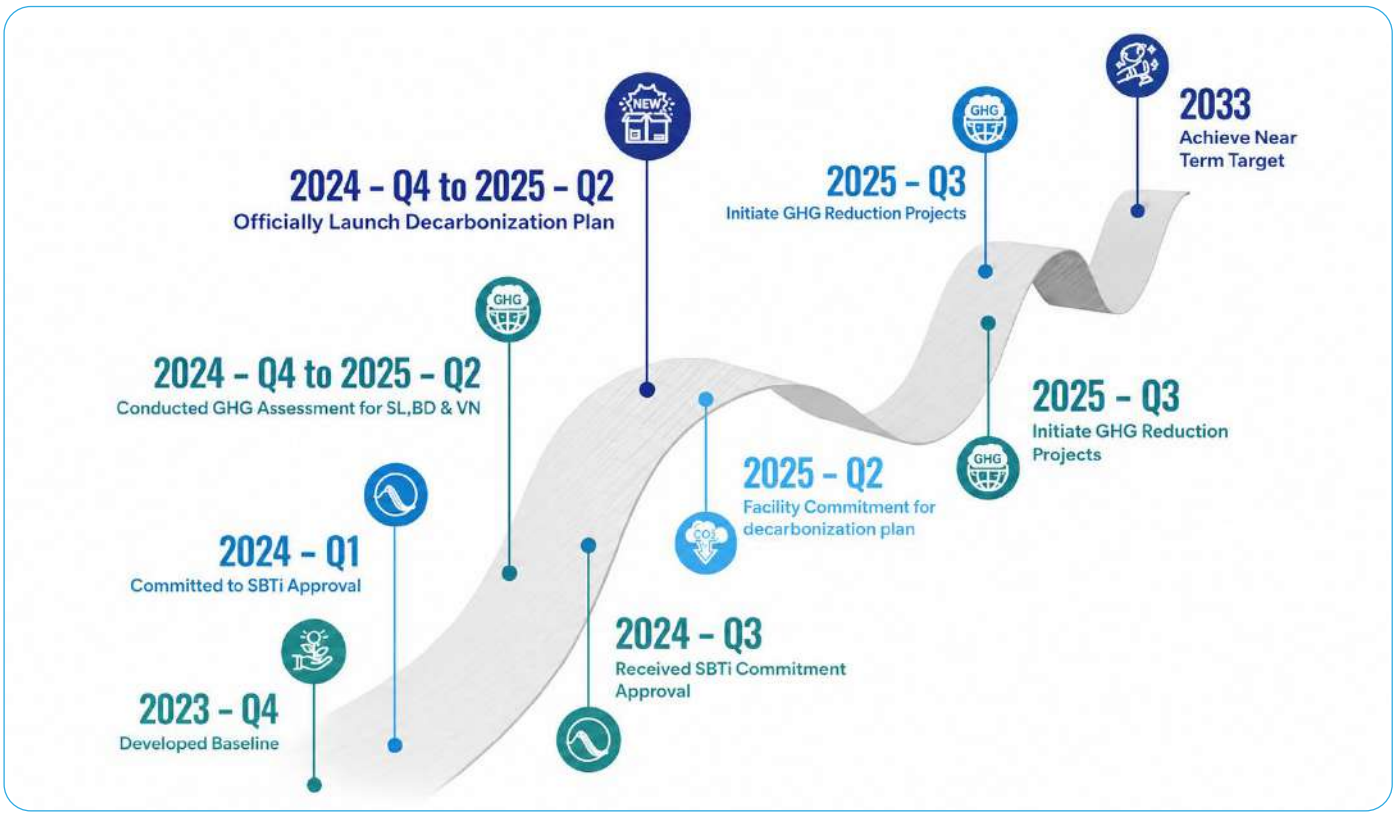








IN 2024, THE HIRDARAMANI APPAREL BECAME THE FIRST SRI LANKAN ORGANISATION TO RECEIVE FORMAL VALIDATION OF ITS COMMITMENT TO ALIGN WITH THE SCIENCE-BASED TARGETS INITIATIVE (SBTI) NET ZERO 2050 TARGET.



54.6% Near-term target (2033): 54.6% reduction in Scope 1 & 2 and 32.5% reduction in Scope 3 (purchased goods & services).

90% Net-zero target (2050): 90% reduction across Scope 1, 2 and all major Scope 3 categories.

32.5% Advancing Decarbonisation beyond internal operations through the commitment to SBTi-aligned Scope 3 reduction (32.5% by 2033).

Understanding that a sizeable proportion of its emissions footprint lies within its upstream supply network, Hirdaramani Apparel extended its decarbonisation efforts beyond internal operations to advocate value chain-wide climate responsibility. To operationalise this ambition, the Group launched a structured Supplier Onboarding Programme in 2025 to formally engage suppliers as active partners in the decarbonisation journey.

The initial phase of the on-boarding programme focuses on high-impact upstream categories, including fabrics, trims, packaging materials, dyes and chemicals which collectively account for a substantial share of Scope 3 emissions. The programme which places strong emphasis on education, transparency and capability building, with the initial kick-off sessions used to communicate the Group's decarbonisation roadmap and Scope 3 expectations and establish a common understanding of emissions responsibilities. Subsequent sessions focused on strengthening supplier capacity on Scope 3 data capture and monitoring systems to facilitate more accurate tracking as the basis of driving systemic decarbonisation across the apparel value chain.

ENERGY AND EMISSION MANAGEMENT INITIATIVES UNDERTAKEN IN 2025

DEPLOYMENT OF ENERGY AUDITS AND LAUNCH OF THE DECARBONISATION ROADMAP

Comprehensive energy audits were conducted across all facilities in Sri Lanka, Bangladesh and Vietnam conducted by the National Cleaner Production Centre Sri Lanka, the audits assessed energy systems, equipment performance and operational practices to identify facility-specific gaps and determine opportunities for improvement. The ultimate aim of the exercise was to establish a Group-wide roadmap for energy and GHG reduction, supported by customised action plans for the 2025–2030 period.

BOILER AND STEAM DISTRIBUTION SYSTEM OPTIMISATION

With boilers being a major source of thermal energy consumption, the Group undertook a series of optimisation initiatives covering efficiency monitoring, equipment upgrades and improved operational practices, all aimed at enhancing boiler efficiency and steam distribution.

COMPRESSED AIR SYSTEM OPTIMISATION

Compressed air systems were optimised through targeted interventions such as leak reduction, compressor efficiency improvements, system right-sizing and enhanced control mechanisms.

CENTRAL AIR CONDITIONING SYSTEM OPTIMISATION

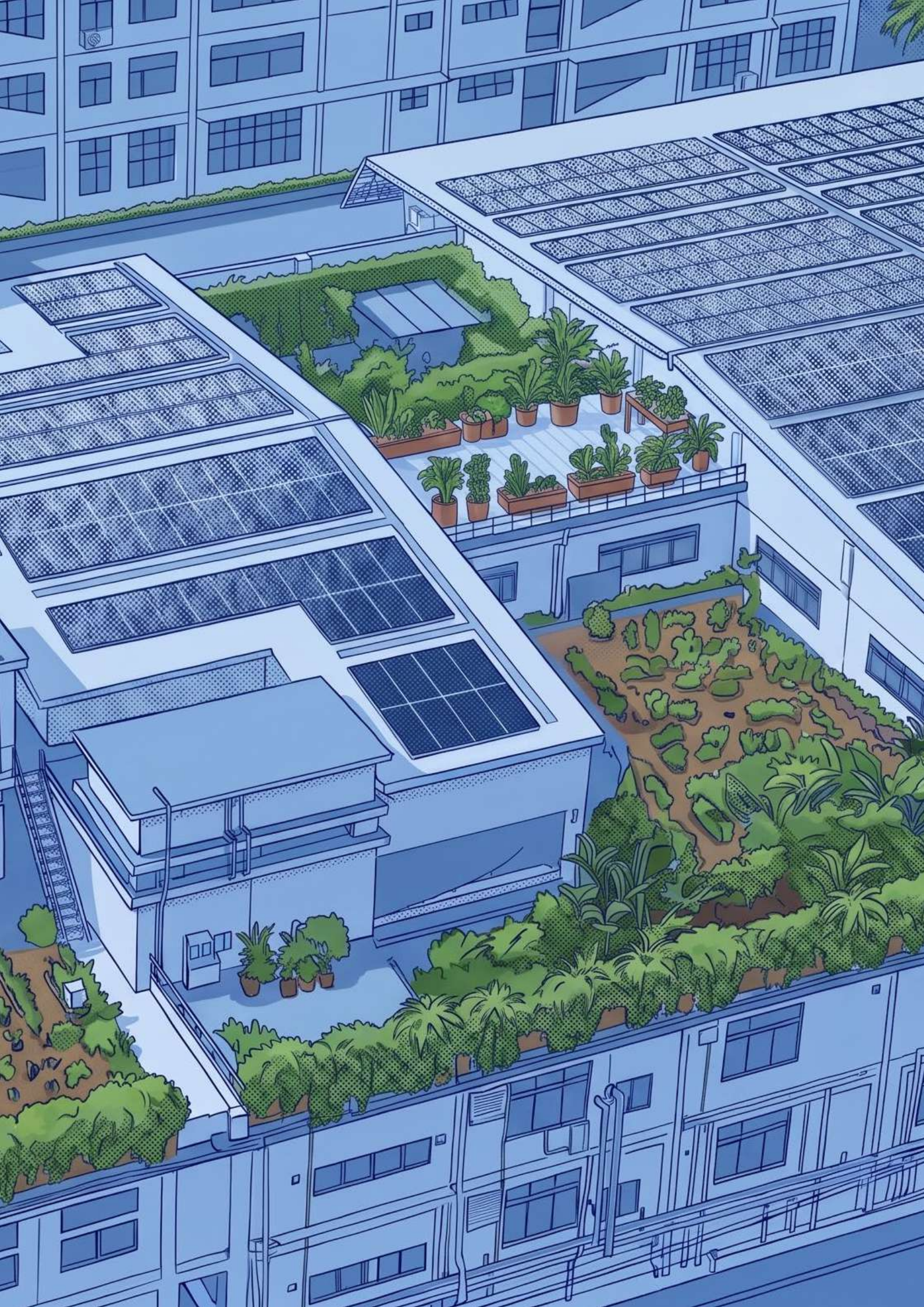
Given the high electricity demand for cooling systems, a series of energy optimisation initiatives including upgrading control systems and replacing inefficient air handling units were implemented to improve chiller efficiency, enhance cooling distribution.

EnMS TRAINING AND AWARENESS

To support effective implementation of Group-wide energy and emission management initiatives, targeted training programmes were conducted, including internal auditor training for Sustainability teams and awareness sessions for key operational staff.

Hirdaramani Apparel's integrated approach to energy and emissions management aligns with SDG 7, 9, 12, 13 and 17.





03 WATER AND EFFLUENT MANAGEMENT

Recognising water as a critical shared resource, the Hirdaramani Apparel places strong emphasis on responsible water stewardship across its operations in line with applicable local regulations and global best practices. The Group's Water Management Policy, aligned with the Future First Sustainability Roadmap establishes the framework for efficient water use, conservation and effluent management across all manufacturing locations in Sri Lanka, Bangladesh, Ethiopia and Vietnam. This framework is supported by clearly defined water reduction and efficiency targets at both Group and facility levels, with domestic and industrial water consumption and water intensity continuously monitored through the Future First centrally managed digital Portal. Throughout the first five-year cycle of the Future First Sustainability Roadmap, the primary focus under the Water Management Policy was on strengthening water efficiency, enhancing reuse and recycling practices and improving water stewardship across operations. Building on the progress achieved to date, emphasis in 2025 was on advancing water circularity initiatives, improving operational integration of rainwater harvesting systems and accelerating the adoption of advanced water reduction technologies across key manufacturing processes.

Moreover, the Group's water footprint calculation covering water withdrawal, consumption, discharge and reuse at facility level is calculated in accordance with ISO 14046:2014 (Water Footprint Principles, Requirements and Guidelines) and independently verified to enhance transparency and credibility.
Further expanding on these measures, work commenced on the Group-wide quantification of direct blue water footprint (freshwater consumption) and direct grey water footprint (water pollution impact).



National Cleaner Production Centre,
Sri Lanka

Water Footprint Verification Certificate

This is to certify that the Water Footprint Assessment conducted for
Hirdaramani Apparel – Sri Lanka, Bangladesh, Vietnam & Ethiopia
has been independently verified in accordance with,
ISO 14046:2014 and ISO/IEC 17029:2019

Certificate No	NCPC/WFPV/2026/03
Period of Assessment	01/01/2025 – 31/12/2025
Verification Date	28/07/2026
Date of Issue	03/08/2026
Level of Assurance	Reasonable Level Assurance
System Boundary	Gate-to-Gate operation of Hirdaramani Apparel

Verified Water Footprint Values for 2025

(verification of water footprint conducted by Water Division, National Cleaner Production Centre, Sri Lanka)

	Blue Water Footprint	Grey Water Footprint	Green Water Footprint
Product Water Footprint	273,347 m^3/year	5,845,253 m^3/year	N/A
Domestic Water Footprint	366,088 m^3/year	2,941,178 m^3/year	N/A
Total Water Footprint	**9,425,866 m^3/year**		

Eng. Samantha Kumarasena
Chief Executive Officer
National Cleaner Production Centre, Sri Lanka

Supporting documentation: Water Footprint Assessment Report of Hirdaramani Apparel – Sri Lanka, Bangladesh, Vietnam & Ethiopia- Report No: HA-WFA-2025

WATER FOOTPRINT 2025

Water Footprint (m3)	Sri Lanka	Bangladesh	Ethiopia	Vietnam	Total
Blue Water Footprint					
Domestic Blue Water Footprint	120,781	183,665	708	60,935	366,088
Production Blue Water Footprint	31,934	229,322	659	11,431	273,347
Total Blue Water Footprint	152,715	412,987	1,367	72,366	639,435
Grey Water Footprint					
Domestic Grey Water Footprint	211,211	776,388	32,847	1,920,732	2,941,178
Production Grey Water Footprint	2,539,900	1,566,783	-	1,738,570	5,845,253
Total Grey Water Footprint	2,751,111	2,343,171	32,847	3,659,302	8,786,431
Total Water Footprint	**2,903,826**	**2,756,158**	**34,213**	**3,731,668**	**9,425,866**



Meanwhile, ongoing water reduction efforts saw the introduction of implementing advanced technologies such as ozone washing, smart foam systems, nano spray applications and e-flow machines to reduce water intensity across core operations. At the same time, plant-level initiatives to reduce domestic water consumption also continued through targeted efficiency improvements couple with awareness to reinforce sustainable water stewardship.

As part of its broader commitment to sustainable water use, the Group has progressively invested in rainwater harvesting infrastructure, to reduce dependence on extracted water particularly in water-stressed regions. Building on these efforts, the focus in 2025 was on strengthening operational integration to ensure that captured rainwater is stored efficiently and effectively reused within production processes. Performance tracking was also mandated through the Future First portal to monitor facility-level water balances.

Regulatory compliance underpins the Group's effluent management practices, with all facilities operating in strict adherence to applicable local laws governing the treatment, monitoring and discharge of wastewater and effluents to ensure adverse environmental impacts are minimised. Accordingly, industrial wastewater generated from garment washing and related processes is treated at on-site Effluent Treatment Plants (ETPs) prior to discharge. All ETPs are designed and operated to meet applicable regulatory requirements, with discharge quality monitored in line with conditions stipulated under environmental licences and permits.

The quality of treated effluents is monitored on an ongoing basis in line with regulatory parameters and further verified through quarterly wastewater testing by authorised independent bodies. Moreover as per the ZDHC Wastewater Guidelines, bi-annual ZDHC testing is carried out to validate compliance and support responsible chemical and industrial water management across wet processing operations.

GRI: 303-1, 303-2, 303-4, 303-5

ADVANCING WATER CIRCULARITY - HIRDARAMANI BANGLADESH

The Hirdaramani Apparel's operations in Bangladesh, located in an area deemed vulnerable to water stress has set new industry benchmarks in water circularity, through its investment in ultrafiltration and Reverse Osmosis (RO) technology.

The fully integrated closed-loop water recovery system with the capability to recycle 51% industrial water, has enabled approximately 1.4 million cubic metres of treated water to be reintroduced into production processes annually, thereby, significantly reducing the Plant's dependency on freshwater extraction. At the same time, water unsuitable for recovery is further treated and discharged in strict alignment with the Zero Discharge of Hazardous Chemicals (ZDHC) framework.

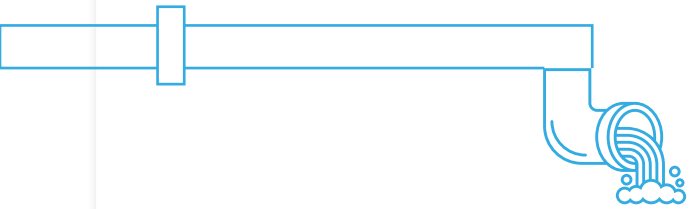




VOLUME OF WATER WITHDRAWAL

Ground Water
19.57%
1,063 ML

Recycled Water
29.53%
1,604 ML



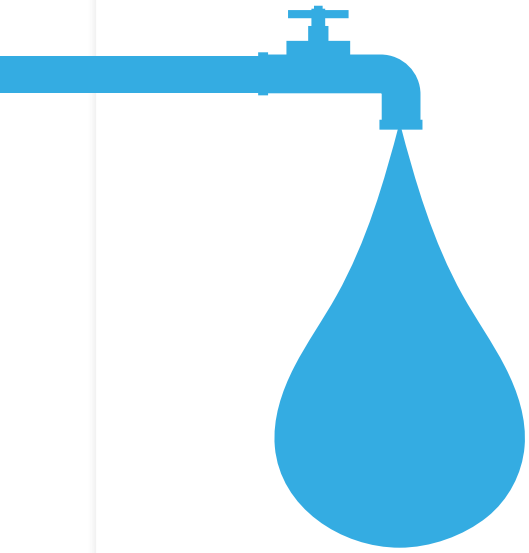
Municipal Water
50.57%
2,747 ML

Rainwater
0.33%
18 ML

VOLUME OF WATER USAGE

Domestic Water Consumption
23.46%
1,086 ML

Production Consumption
76.54%
3,545 ML



DOMESTIC AND PRODUCTION WATER INTENSITY

Domestic Water Intensity L/ Employee/ Day	74.80
Production Water Intensity L/ Garment	43.19

VOLUME OF WATER TREATED AND DISCHARGED

4,346 ML

Hirdaramani Apparel's water stewardship initiatives collectively contribute to SDG 6, 12, 13 and 17.

04

CHEMICAL MANAGEMENT

Given that use of chemicals is an inherent part of Hirdaramani Apparel's manufacturing operations, the responsible chemical use remains a top priority for the Group. The Group's commitment to responsible chemical management is driven by strict compliance with applicable local regulations and alignment with globally recognised best practices. A comprehensive Chemical Management Policy, anchored in the Future First Sustainability Roadmap, establishes a three tier model-input, throughput and output for the management of the chemical lifecycle.

The input stage focuses on chemical procurement, specifically supplier screening as outlined by the Group's Chemical Procurement Policy. The throughout stage, governs chemical handling during operations, with emphasis on safe storage, usage controls, worker protection and adherence to established operational procedures, while the final output component promotes compliance with Restricted Substances List (RSL) product safety compliance guidelines as well as other industry specific best practices such as the OEKO-TEX® Standard 100 Certified and the ZDHC wastewater guidelines.

CHEMICAL MANAGEMENT FRAMEWORK

INPUT : SUPPLIER SCREENING AND CHEMICAL PROCUREMENT

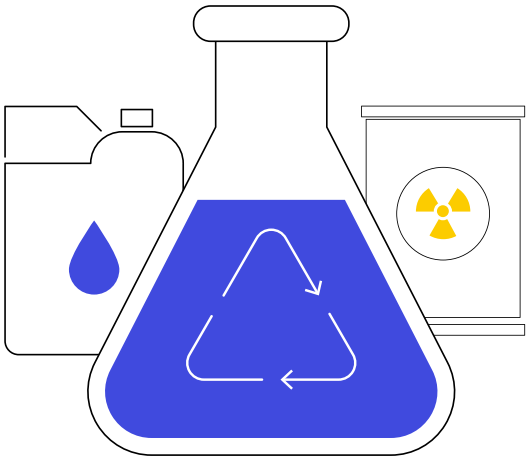
- Conduct a rigorous supplier pre-screening process prior to chemical procurement.
- Source chemicals in compliance with international standards, including the ZDHC MRSL guidelines and relevant customer specific guidelines.
- Require suppliers to provide Safety Data Sheets (SDS) and all necessary compliance documentation during the selection process.
- Screen chemical inventories using CleanChain InCheck/ BVE3 reports to ensure MRSL conformance before purchase.

THROUGHPUT: CHEMICAL HANDLING IN OPERATIONS

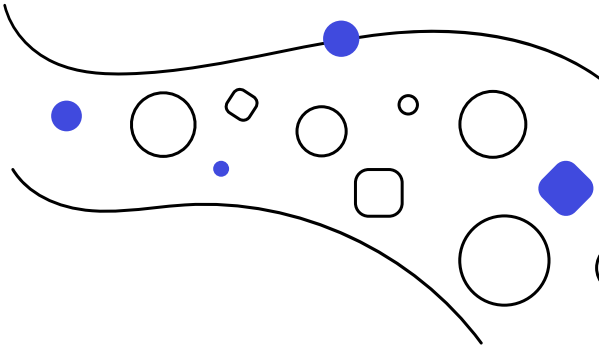
- Ensure proper handling, storage and transportation of chemicals by trained personnel following standard operating procedures.
- Store chemicals in designated areas with appropriate labeling, segregation and containment systems.
- Implement effective chemical waste management, ensuring hazardous waste is safely segregated and disposed of through authorized vendors.

OUTPUT: COMPLIANCE AND ENVIRONMENTAL ASSURANCE

- Ensure final products are free from hazardous substances through certification under RSL compliance guidelines.
- Maintain facilities as OEKO-TEX® Standard 100 Certified.
- Conduct bi-annual third-party effluent testing to ensure no hazardous chemical discharge, aligned with ZDHC wastewater.







To support the achievement of these commitments, each manufacturing location is subject to a bi-annual internal environmental management assessment designed to evaluate chemical management performance to identify gaps and drive continuous improvement. Assessments are conducted against a set of pre-determined criteria, including compliance with restricted substances standards, accuracy of chemical inventories, safe storage and handling practices as well as worker safety protocols, emergency preparedness and wastewater compliance.
The assessment also includes a special segment to assess location-wise alignment with the Group's Higg FEM and ZDHC expectations. Facilities are assigned an overall rating and high-performing sites recognised for their achievements.

Beyond its own operations, all supply chain partners also undergo annual assessments covering key areas such as restricted substance compliance, chemical traceability, safe handling and storage and wastewater management (where applicable), with each facility receiving an appropriate grading. Partners receiving a low grading are further supported through training and technical advisory services to help them implement targeted improvement actions to ensure alignment with the Group's standards.

CHEMICAL MANAGEMENT COMMITMENTS AND ACHIEVEMENTS

ZERO HAZARDOUS CHEMICAL USE

Eliminated hazardous chemicals in all operations.

100% HIGG FEM CHEMICAL MANAGEMENT COMPLIANCE

All facilities comply with Higg FEM requirements related to MRSL, RSL, storage, handling and chemical management systems.

ACHIEVED 100% ZDHC PROGRESSIVE LEVEL

Multiple facilities have reached ZDHC Progressive Level compliance.

Hirdaramani Apparel's chemical management efforts directly contribute to SDG 3, 6, 12 and 17.

05

WASTE MANAGEMENT

As a responsible apparel manufacturer the Group's waste profile is represented by both hazardous and non-hazardous waste. Effective waste management is therefore a critical operational priority. The Group's Waste Management Policy, which is derived from the Future First Sustainability Roadmap articulates the approach for minimising waste generation and promoting circularity to support the Group's long-term ambition of achieving zero waste to landfill.

As stipulated by the Waste Management Policy, non-hazardous waste is segregated and disposed of responsibly in keeping with the objective of minimising waste diverted towards landfills. As part of this approach, fabric off cuts are collected and channeled towards recycling.

Hazardous waste is managed in accordance with regulatory guidelines with chemical handling in compliance with Scheduled Waste Management guidelines and country-specific regulations, for each location.

Strict protocols are in place to ensure secure storage and transport of hazardous waste. Sludge generated through on-site effluent treatment plants are disposed of through licensed and government approved hazardous waste recyclers.

All waste collection and disposal service providers continue to be evaluated annually, with findings used to further strengthen responsible waste partnerships.

VOLUME OF WASTE GENERATION 2025

14,069 *t*

Total Non-Hazardous Waste (Fabric, Polythene, Plastic, Paper, Cardboard, Metal, Glass, Rubber, Organic, Mixed)

3,479 *t*

Total Hazardous Waste (Chemical Sludge, Contaminated Materials, PPEs & Biohazardous, Waste Oil & Chemicals, E-Waste)

VOLUME OF WASTE DISPOSAL THROUGH THIRD-PARTY SUPPLIERS 2025

12,259 *t*

Waste Diverted from Disposal (Recycle, Reuse and Waste to Energy)

5,290 *t*

Waste Disposed (Incineration and landfill)

TOTAL WASTE GENERATION

17,548 *t*

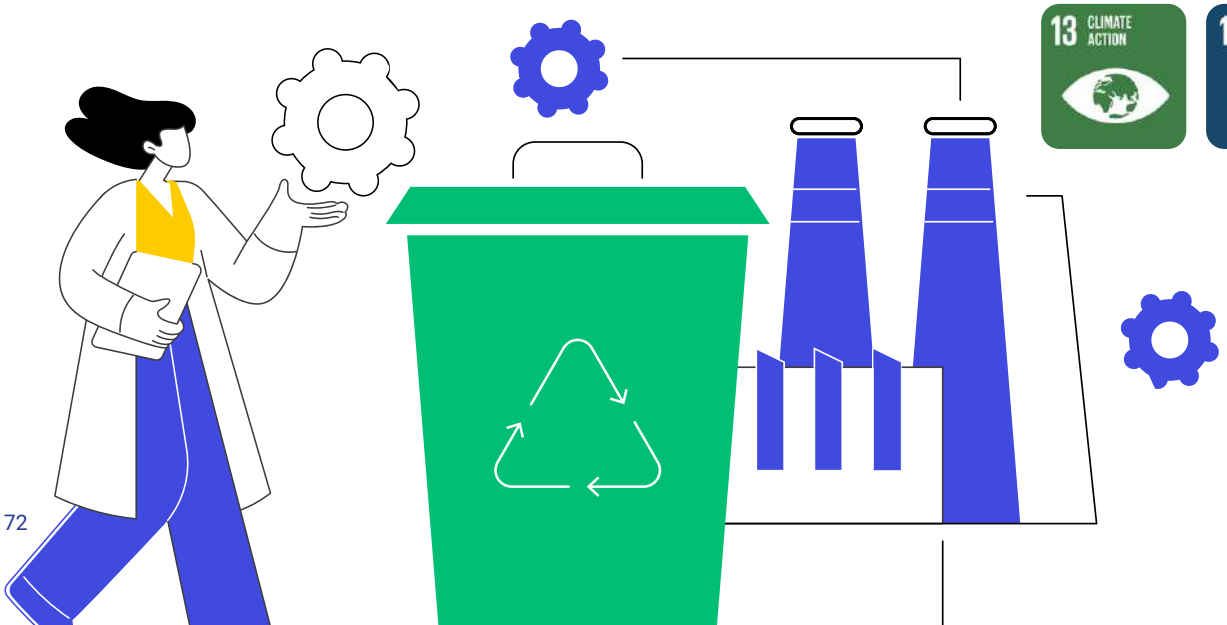
Meanwhile, impact identification is conducted through regular internal audits and environmental assessments to evaluate waste management practices across all touch-points, including waste generation, segregation, storage, transportation and disposal activities to identify potential environmental risks. Findings from audits and assessments also help in the identification of improvement opportunities to enable corrective actions in line with continuous improvement objectives.

Based on the outcomes from the most recent audit, a comprehensive Group-wide Waste Management Initiative towards Zero Waste to Landfill was launched in 2025 with the aim of embedding circular principles across all facilities.

GRI: 306-1, 306-2, 306-3, 306-4, 306-5

The aforementioned initiatives aim to support SDG 3, 12, 13 and 17.







06

BIODIVERSITY CONSERVATION

Biodiversity conservation is deeply embedded in the Hirdaramani Apparel's sustainability ethos, a testament to the Group's long-term aspiration to enhance the ecological value of its own lands in order to contribute to broader ecosystem restoration. Hence, biodiversity conservation remains a fundamental operational practice, where investments in scaling manufacturing operations are undertaken with due consideration to delivering measurable ecosystem services that not only preserve but also improve ecological balance over time.

The Biodiversity Policy embedded within the Future First Sustainability Roadmap underscores the Group's commitment to integrating biodiversity considerations into environmental management practices across all manufacturing facilities.
The Policy provides the structure for institutionalising ecological stewardship into planning of land use facility development and 1:1 building-to-green ratio along with water management to support on-site ecosystem restoration and enhancement of natural habitats within factory premises.
In this regard, the Hirdaramani Apparel's internal biodiversity conservation efforts aim to contribute directly to global and national sustainability priorities, including the UN Sustainable Development Goals and the Kunming–Montreal Global Biodiversity Framework.

To guide interventions, comprehensive baseline biodiversity surveys are conducted as part of the project development process to establish reference points for flora and fauna diversity, habitat quality and ecosystem services. The Group often collaborates with local universities, ecological experts and relevant government agencies to ensure scientific stringency in baseline assessments, species selection and habitat design.
Ongoing monitoring remains crucial with periodic ecological surveys focusing on tracking, survival rate assessments for plantings and habitat conditions. Insights from these assessments feed into adaptive management practices, supporting continuous improvement and long-term ecological viability. Further underlining the broader commitment to transparency and accountability, the Group's biodiversity performance, progress and outcomes are published through the Sustainability Report for the benefit of internal and external stakeholders.

The Group's internal initiatives are carried out under the flagship Eco Breath Programme which centres on nature-positive initiatives aimed at enhancing ecosystems within plant premises, while external initiatives in collaboration with stakeholders focus on the restoration and protection of biodiversity hotspots in countries where the Group is present.

Our internal initiatives were globally recognised at the World Sustainability Awards 2025.

GRI: 101-1, 101-2, 101-3



INTERNAL BIODIVERSITY INITIATIVES

Eco Breath – Restoring Ecosystems, Breathing New Life into Our Lands is a Group-wide initiative launched in 2023 to integrate nature into industrial spaces. The programme focuses on nature-based solutions with higher priority assigned to strengthen local ecological integrity through integration of native and endemic plant species and building ecosystem resilience through the expansion of wetlands, forest patches, pollinator gardens and green corridors. To ensure efficacy and optimal impact, all biodiversity interventions are guided by scientific baseline assessments.



HIRDARAMANI MIHILA – MIMICKING SINHARAJA FOREST RESERVE

This nature-positive restoration initiative aims to recreate the structure and ecological functions of Sinharaja forest reserve, through dense canopy development, layered vegetation, and stable shaded microclimates. Biodiversity assessments have recorded a rich variety of native and endemic flora and fauna. Future plans include butterfly and herbal gardens, ornamental planting areas, and vertical greenery to strengthen pollinator habitats and ecological connectivity.

HIRDARAMANI MULLAITIVU – DRY ZONE RESTORATION

This initiative focuses on restoring degraded dry-zone land using indigenous, drought-resilient species suited to high temperatures and seasonal water scarcity. The project enhances biodiversity and habitat availability while improving soil stability, microclimate regulation and long-term ecosystem resilience in line with regional conservation priorities.

HIRDARAMANI KAHATHUDUWA – URBAN FOREST

Located within a suburban environment, the Kahathuduwa Urban Forest provides important ecosystem services, including temperature regulation, improved air quality, and habitat creation. The site is being developed with native and climate-resilient species in a multi-layered forest structure that mimics natural ecosystems, helping address biodiversity loss, urban heat stress and habitat fragmentation.

HIRDARAMANI JA-ELA WASHING – DIYA ARANA WETLAND PARK

The Diya Arana Wetland Park supports groundwater recharge, water purification, and wildlife habitats while maintaining hydrological links with surrounding marshes, paddy fields, and canal systems. The park brings together two interconnected ecosystems: a wetland area and an adjoining forest patch. Biodiversity assessments have identified a diverse range of plant and animal species, including endemic and threatened species.

COLLECTIVELY ALL PROJECTS UNDER THE ECO BREATHE PROGRAMME HAVE CONTRIBUTED TO THE RESTORATION OF OVER 9 ACRES OF DEGRADED OR UNDERUTILISED LAND.

BIODIVERSITY MONITORING INDICATES A NOTABLE INCREASE IN NATIVE FLORA AND FAUNA, INCLUDING IMPROVEMENTS IN BIRD, INSECT AND AMPHIBIAN DIVERSITY ACROSS SELECTED SITES.

VIETNAM TREE PLANTING INITIATIVE

Planted 30,000 trees to support coastal protection, biodiversity enhancement and climate resilience.
Strong employee and community engagement, including participation from staff and families.



EXTERNAL BIODIVERSITY INITIATIVES

External biodiversity initiatives are conducted in partnership with government authorities, academic institutions, environmental organisations and local communities through targeted interventions such as reforestation, mangrove and wetland restoration, coastal ecosystem protection, catchment rehabilitation and tree plantation.
The main objective of these off-site restoration initiatives is to enhance the integrity and ecological value of wider ecosystems, while working towards establishing a baseline 1:1 building-to-green ratio for all countries the Group is present in.

REFORESTATION & AFFORESTATION PROJECT

Restore degraded landscapes and enhance forest cover to support carbon sequestration, soil stabilisation and biodiversity recovery at the Udawalawa (Embilipitiya Range) in partnership with the Department of Forest Conservation in Sri Lanka, focusing on native forest restoration and improved habitat connectivity.

CATCHMENT RESTORATION

Implement catchment-level restoration along the We Oya catchment under the Surakimu Ganga initiative in collaboration with Kelani Valley Plantations PLC in Sri Lanka to support watershed protection, erosion control and downstream water quality improvement.

MANGROVE & WETLAND RESTORATION

Multi-stakeholder partnerships with the Wildlife Nature Protection Society of Sri Lanka, Department of Wildlife Conservation, Department of Forest Conservation in Sri Lanka and Wayamba University of Sri Lanka to carry out natural regeneration, habitat restoration and long-term biodiversity conservation efforts to restore and protect critical ecosystems at the Anavilundawa wetland, a Ramsar-recognised site. Mangrove restoration initiatives were also carried out in collaboration with the Marine Environment Protection Authority, to ensure plant survival and long-term ecosystem stability of marine ecosystems in and around the Ambakadawila wetland in Chilaw.

WHILE MULTI-STAKEHOLDER COLLABORATION ENSURES THE SCIENTIFIC INTEGRITY AND MAXIMISING THE LONG-TERM ECOLOGICAL IMPACT OF THE GROUP'S EXTERNAL BIODIVERSITY INITIATIVES, ACTIVE COMMUNITY PARTICIPATION IN NURSERY DEVELOPMENT, PLANTING PROGRAMMES AND ONGOING MONITORING ACTIVITIES, HAVE PROVEN TO BE EQUALLY CRITICAL IN SUPPORTING ENVIRONMENTAL STEWARDSHIP, IN ENHANCING LOCAL LIVELIHOODS.
IN ADDITION, PARTNERSHIPS WITH PRIVATE SECTOR ORGANISATIONS SUCH AS VALLIBEL POWER ENABLE THE SCALING OF TREE PLANTING AND ECOSYSTEM RESTORATION EFFORTS, AMPLIFYING OVERALL IMPACT.



05

ENVIRONMENT PARTNERSHIPS AND COLLABORATIONS

The Group's environmental agenda. Accordingly, the Group actively engages with government institutions, international organisations, academia, global brands, NGOs and industry platforms to facilitate access to technical expertise and accelerate the implementation of environmental initiatives while ensuring such efforts remain closely aligned with national priorities and global sustainability frameworks.



PROJECT 1
NATIONAL ENVIRONMENTAL ENGAGEMENT

Hirdaramani Apparel partnered with Sri Lanka's Ministry of Environment as a sponsor of National Environmental Day in 2025. The Group also supported International Mangrove Conservation Day at the Anavilundawa Wetland, promoting mangrove protection, wetland biodiversity and awareness of the importance of coastal ecosystems, which will indirectly support local communities to grow.



PROJECT 2
#RUNFORREFORESTATION CAMPAIGN

In partnership with ASICS, Hirdaramani Apparel launched the #RunForReforestation campaign to mark Earth Day 2025in Sri Lanka. The run engaged employees in raising awareness of reforestation and environmental conservation, while supporting tree-planting initiatives aligned with national sustainability goals.

PROJECT 3
GTEX PROGRAMME

As a sector leader and sustainability contributor to the International Trade Center (ITC) GTEX programme, Hirdaramani Apparel supports the low-carbon transformation of SMEs in Sri Lanka's apparel sector. Through knowledge sharing, advisory support and capacity building, the Group promotes resource efficiency, renewable energy, GHG management, cleaner production and process optimisation across the value chain.

PROJECT 4
WASTE UPCYCLING PROJECT WITH UNIVERSITY OF MORATUWA, SRI LANKA

This three-year collaboration between the Hirdaramani Apparel and University of Moratuwa's ProGreen Lab focuses on transforming textile waste into high-value construction materials, including lightweight and biodegradable bio-composite ceiling panels. The project evaluates the material's mechanical, thermal and acoustic performance, demonstrating a scalable circular solution and a lower-carbon alternative to conventional construction materials.

PROJECT 5
PREVENTIVE LEPTOSPIROSIS RESEARCH WITH UNIVERSITY OF SRI JAYAWARDENEPURA

Hirdaramani Apparel partnered with the University of Sri Jayewardenepura on a multi-disciplinary One Health study addressing leptospirosis, a major zoonotic disease affecting agricultural communities. The research examined soil and water samples, developed geospatial risk maps and identified key environmental, behavioural and antibiotic-resistance factors to support national disease control strategies, strengthen surveillance, enable early detection and promote preventive action.

GENGREEN - CULTIVATING THE FUTURE OF SUSTAINABILITY

GenGreen is the Hirdaramani Apparel's flagship sustainability education initiative, launched in 2023 to drive long-term climate action through youth engagement.

VISION & TARGETS FOR 2030

DELIVER
500
PROGRAMMES

50,000
STUDENT BENEFICIARIES

PROMOTE SUSTAINABILITY AS A
CULTURAL NORM RATHER THAN A CHOICE.

GROWTH (EOY 2025)

27
PROGRAMMES REACHING

4,649
PARTICIPANTS



CLIMATE RISK METRICS

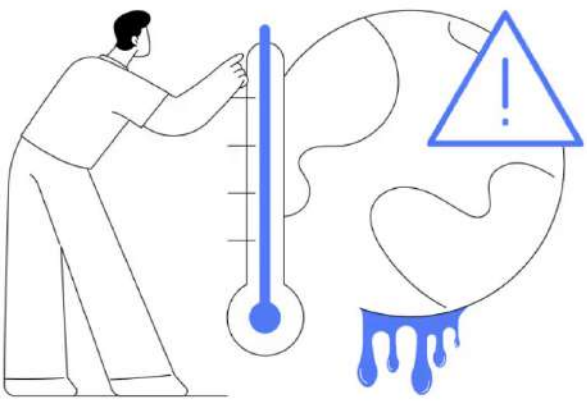
RISK TYPE		IMPACT	PROBABILITY	RISK SCORE	MITIGATION ACTION
Extreme Weather Events (O1)	Several Hirdaramani Apparel facilities are exposed to heightened climate-related risks, particularly flooding and severe storm events in Sri Lanka and Vietnam. Recent incidents, including flooding at the Hirdaramani Ja-Ela Washing Plant and storm impacts in Quang Nam leading to temporary production disruptions, damage to critical equipment and increased safety risks for employees.	05	03	15	• Implement flood defense and resilience measures, including elevating critical equipment and building flood barriers/drainage around factories to reduce flood impact. • Develop emergency response plans (e.g. safe shutdown procedures, worker evacuation drills) to minimise harm. • Maintain insurance for storm/ flood damage.
Heat Stress (O2)	Rising temperatures and more frequent heatwaves in Bangladesh and Vietnam pose risks to worker health, productivity and utility costs.	04	04	16	• Invest in cooling and ventilation systems at all facilities to protect workers and maintain productivity (e.g. high-efficiency HVAC, air circulation, heat-reflective roofing). • Adjust shift schedules or provide extra breaks during peak heat periods to reduce health risk. • Install IoT sensors to monitor indoor temperatures and trigger cooling measures before heat stress thresholds are reached. • Engage with brands on heat mitigation (as new due diligence rules may require safe conditions).
Water Stress (O3)	Climate change is exacerbating water scarcity in certain regions. Sri Lanka, Bangladesh and Vietnam with seasonal shortages leading to stricter water allocations leading to disruptions to -production and higher costs.	05	03	15	• Implement water efficiency and recycling measures to reduce dependence on external water sources. • Upgrade processes with low-water or waterless technologies where possible. • Install onsite water storage (rainwater harvesting in wet season for use in dry months).
Disruption to Energy Sources (O4)	Climate events can disrupt power supply: e.g. storms damaging the grid, or droughts reducing hydropower generation. Additionally, transitional factors like fuel price spikes or mandated power cuts in peak demand could occur. A prolonged outage would idle production lines.	04	03	12	• Equip facilities with backup power solutions to reduce operational downtime. • Install on-site generators and consider renewable energy with battery storage (solar panels at facilities in Sri Lanka, etc.) to provide resilience during grid outages. • Implement energy efficiency to lower load and dependency on grid during peak stress. • Maintain insurance that covers losses from prolonged power interruptions. • Engage with utility providers and government for early warnings of power rationing and schedule critical production outside high-risk periods.
Stricter Environmental Regulations (R1)	Tightening environmental regulations including more stringent limits on emissions, wastewater discharge and waste management, as well as mandatory environmental permits and audits.	04	04	16	• Proactively upgrade environmental controls and ensure compliance ahead of regulations. • Invest in pollution control tech (efficient boilers, wastewater treatment upgrades, waste reduction) to meet or exceed current and anticipated standards. • Conduct regular internal audits and obtain certifications (e.g. ISO 14001) as a framework to manage compliance. • Train staff on regulatory requirements and engage policymakers via industry groups to stay informed.
Climate Policy (R2)	International and local climate policies could introduce direct costs or operational constraints. Climate-related reporting mandates (e.g. EU due diligence laws/ COP21)	03	04	12	• Invest in renewable energy at facilities (solar, biomass) and energy efficiency to reduce GHG emissions. • Begin internal carbon accounting and shadow pricing in financial planning to anticipate future costs. • Ensure robust data collection and reporting for GHG emissions – building capacity to comply with TCFD or other climate disclosure standards to meet reporting mandates accurately.
Reporting Standards & ESG Disclosure (R3)	Growing demand from buyers and financial partners expect transparency in environmental performance (e.g. CDP climate reporting, GRI sustainability reports, or supply chain due diligence disclosures). New regulations like the EU Corporate Sustainability Due Diligence Directive will require brands (and indirectly suppliers) to report on and address environmental and human rights risks.	02	04	08	• Build an internal ESG reporting capability to meet global standards. • Establish data systems and software to gather environmental metrics (energy use, emissions, water, waste) across all facilities. • Train a team to compile accurate sustainability reports (aligned with GRI, TCFD, etc.) and have them externally assured, if possible, for credibility.

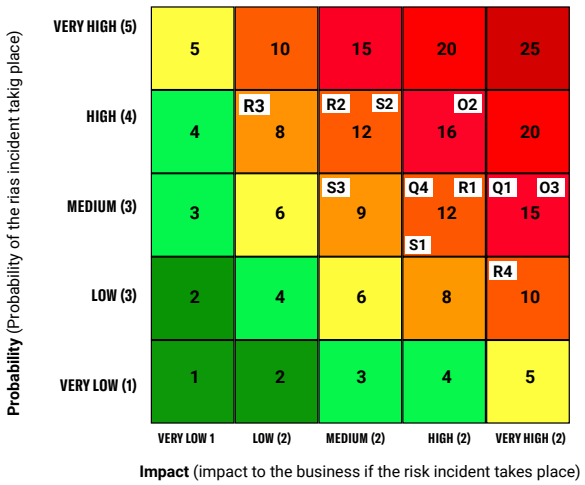
RISK TYPE		IMPACT	PROBABILITY	RISK SCORE	MITIGATION ACTION
Environmental Incidents (Pollution) (R4)	A major pollution incident such as a toxic chemical spill or ongoing unsustainable practice including untreated wastewater polluting local waterways, or hazardous waste mismanagement at one of the Group's facilities could draw public criticism and damage Hirdaramani's reputation with clients, consumers and stakeholders.	05	02	10	• Enforce strict operational controls: e.g. proper maintenance of effluent treatment plants to avoid any untreated discharge, safe chemical handling protocols and third-party audits for compliance. • Avoid using banned substances and adhere to industry best practices (ZDHC wastewater standards, etc.). • Establish a crisis communication plan (to quickly address any allegations transparently) to mitigate damage if an incident occurs.
Raw Material Supply Disruption (S1)	Climate change threatens the supply of key raw materials (like cotton, other natural fibers and even petrochemical-based fibers). Severe droughts or floods can drastically cut cotton output, driving up prices and causing shortages as well as quality issues. Similarly, other inputs (dyes, trims) might face supply issues if their production hubs are hit by hurricanes or water shortages.	04	03	12	• Diversify sourcing for key materials by engaging suppliers in different geographies. • Use long-term agreements to secure priority supply even in tight markets. • Collaborate with raw material suppliers on climate adaptation (e.g. more drought-resistant cotton varieties or support their irrigation and resilience measures) to shore up the supply. • Build safety stock or strategic inventory of critical raw materials to buffer short-term disruptions. • Explore supply chain insurance or contractual clauses with suppliers (e.g. force majeure provisions).
Logistics and Transportation Disruption (S2)	Extreme weather events can directly disrupt transport networks and shipping lanes that the supply chain partners rely on. Heavy floods can wash out roads or rail lines, port operations can be suspended during cyclones and storms at sea can delay container ships. These disruptions cause delayed delivery of raw materials to factories or finished goods to clients, potentially breaching delivery deadlines leading to the loss in customer confidence.	03	04	12	• Enhance logistics flexibility and emergency planning to minimise disruption impact. • Use advanced weather monitoring and AI routing tools to re-route shipments around impacted areas in real time. • Keep buffer stocks to accommodate minor delays. • Insure cargo in transit against losses from disasters. • Work with customers on agile delivery schedules, if extreme events occur, communicate promptly and, where possible, arrange partial shipments from unaffected facilities to avoid total stockouts.
Supplier Non-Compliance/ Shutdown (S3)	Indirect climate risks may arise if one of our critical suppliers faces an environmental compliance issue or climate-related incident that forces them to shut down.	03	03	09	• Avoid over-reliance on any single high-risk supplier. • Qualify multiple suppliers for each critical input (dual sourcing), including suppliers in more climate-resilient regions, to avoid complete dependency. • Collaborate with key suppliers to reduce the risk of their non-compliance or failure: share best practices, possibly help fund improvements in their environmental management and audit them regularly. • Maintain contingency plans for rapid re-sourcing – e.g., a list of approved alternative vendors that can be tapped if a primary supplier goes offline. • Include contractual clauses to encourage suppliers to have their own risk mitigation (backup production sites, etc.).

RISK CATAGORIES OPERATIONAL REQULATORY REPUTATIONAL SUPPLY CHAIN

GRI: 201-2

RISK MATRIX : CLIMATE AND ENVIRONMENTAL RISKS

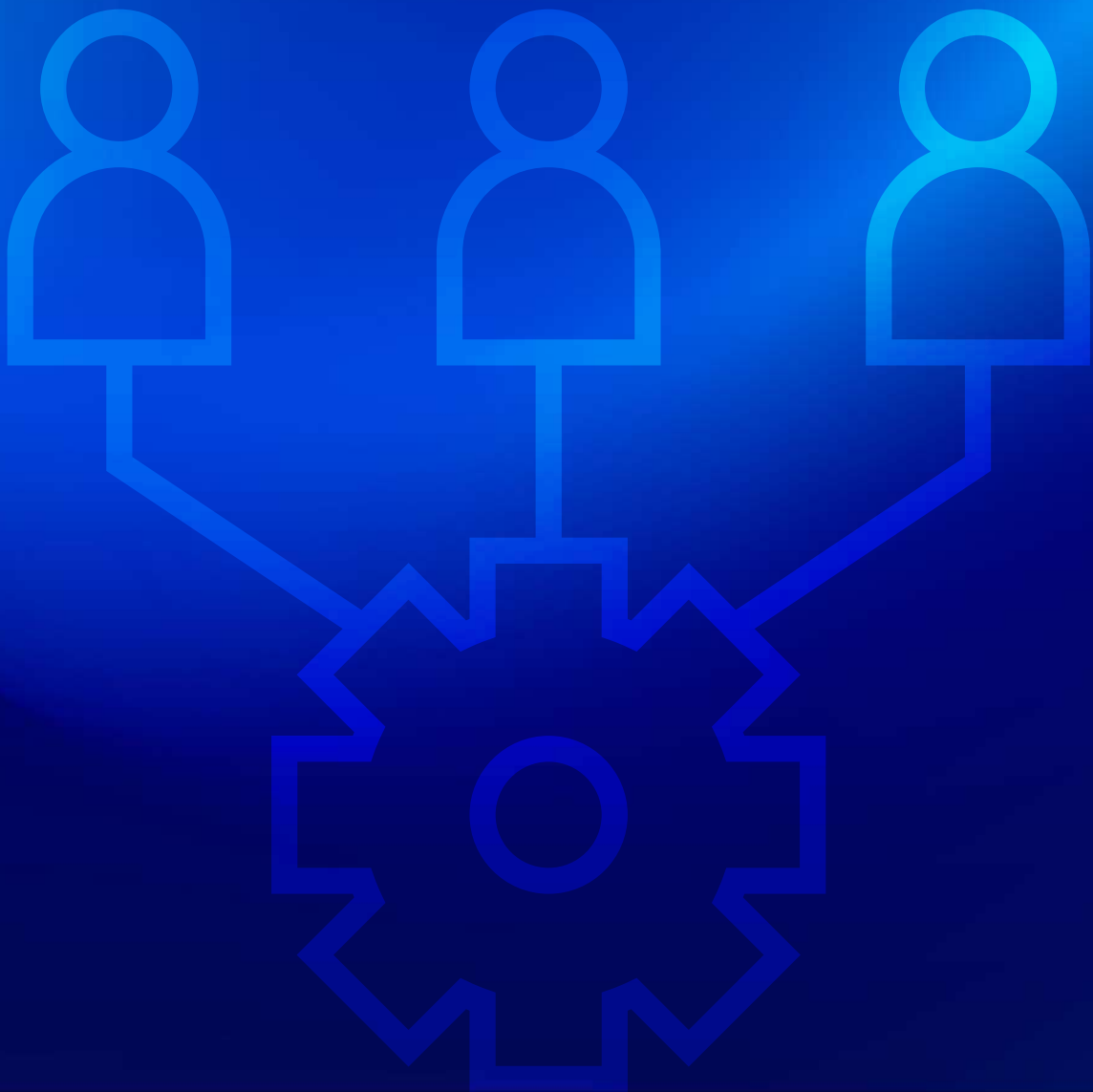




Impact (impact to the business if the risk incident takes place)

(Impact and Probability are scored 1=lowest to 5=highest.
Risk Score = Impact × Probability on a 5×5 matrix)

EMPOWER OUR PEOPLE





CREATING A SAFE, INCLUSIVE AND ENGAGING WORKPLACE WHERE OUR PEOPLE CAN LEARN, GROW AND THRIVE.



MANAGEMENT APPROACH

Empowering our people at Hirdaramani Apparel reflects our commitment to creating a safe, inclusive and engaging workplace where every associate has the opportunity to learn, grow and succeed. We believe our people are the driving force behind our business and their well-being, development and engagement are fundamental to our long-term success.

Our people management approach is guided by a comprehensive framework of policies and programmes that promote occupational health and safety, diversity, equity and inclusion, talent development, leadership capability, employee well-being and fair labour practices across our global operations. Through continuous learning, meaningful engagement and a culture built on collaboration and respect, we strive to create an environment where every associate feels valued, supported and empowered to reach their full potential.

By investing in our people and fostering an inclusive workplace culture, we continue to build a resilient, future-ready workforce that enables sustainable business growth.

HR GOVERNANCE AND POLICIES

LABOUR LAWS

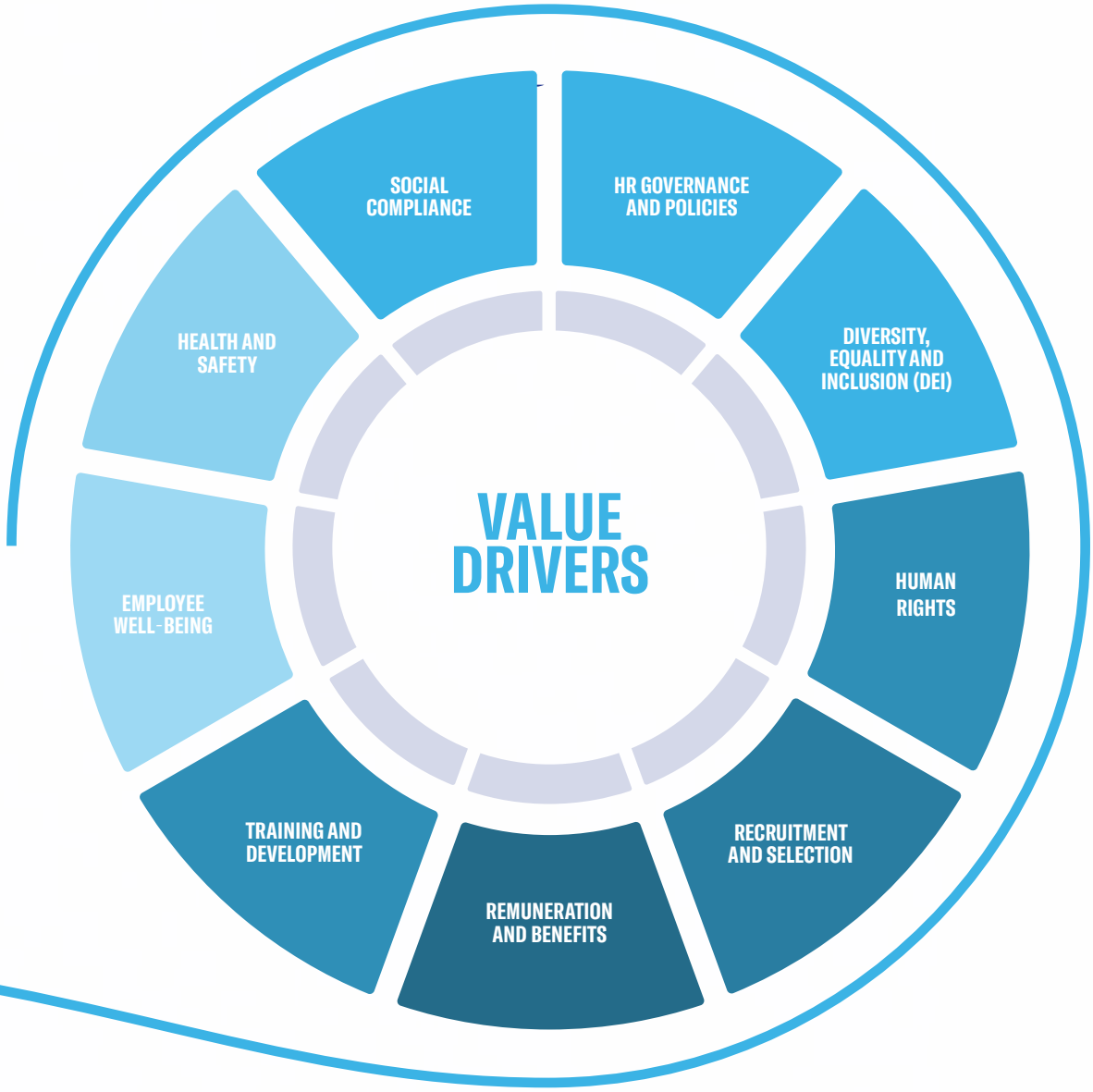
- Adherence to Labour Laws in each operating market

HR POLICIES

- Anti-Harassment, Anti-Abuse and Non-Retaliation Policy
- Canteen Food Management Policy
- Child Labour Policy
- Child Labour Remediation Policy
- Company Rules & Regulation Policy
- Compensation & Benefits Employee Welfare Policy
- Disciplinary Action Policy
- Diversity, Equity & Inclusion (DE&I) Policy
- Employee Feedback Policy
- Employee Retention Policy
- Fair & Equal Treatment Policy
- Forced Labour Policy
- Freedom of Association Policy
- Grievance Handling Policy
- Human Rights Policy
- Introduction of Employment Policy
- Performance Management System Policy
- Retrenchment & Termination Policy
- Reward & Recognition Policy
- Succession Planning Policy
- Training & Development Policy
- Transport Policy
- Women's Rights Policy
- Working Hours and Leave Management Policy
- Workplace Flexibility Policy

GLOBAL BEST PRACTICES

- International Labour Organisation (ILO) Convention
- UNGC Principles on Human Rights and Labour
- Great Place to Work (GPTW)
- UNDP Disability Inclusion



KEY HIGHLIGHTS FOR 2025

1:1.7
gender diversity (Male: Female)

29.6%
female representation in leadership positions

38%
improved relationships due to positive contribution of W.O.W. programmes

6.6%
year-on-year reduction in employee turnover

10.6
average training hours per employee

ISO 45001
certified facilities

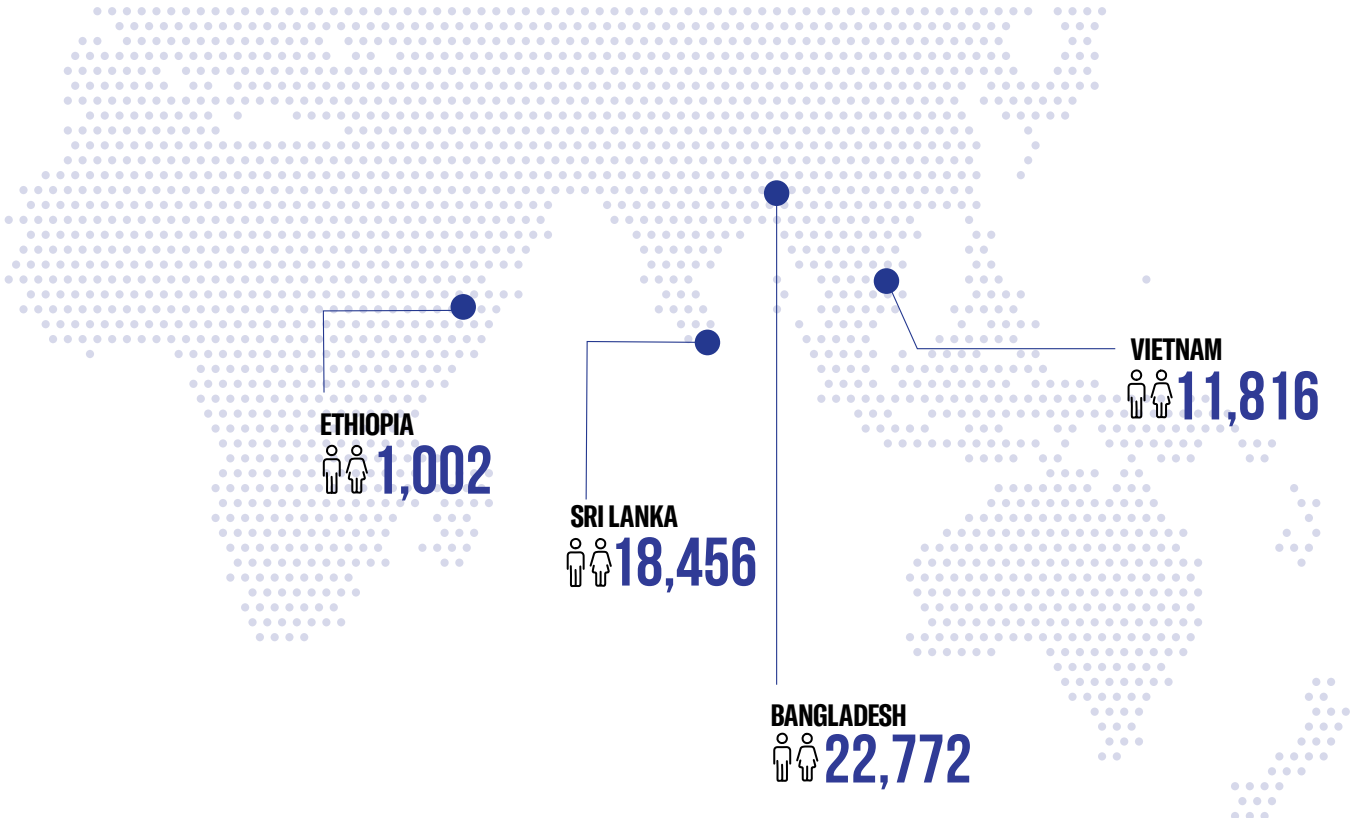


WORKFORCE STATISTICS 2025

Employee Category	Sub Category	Sri Lanka			Bangladesh			Ethiopia			Vietnam			Total		
		M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Employment Type	Permanent Employees	5,296	9,033	14,329	10,744	11,922	22,666	147	855	1,002	2,328	9,291	11,619	18,515	31,101	49,616
	Temporary Employees	1,652	2,475	4,127	69	37	106	0	0	0	29	168	197	1,750	2,680	4,430
Sub Total		6,948	11,508	18,456	10,813	11,959	22,772	147	855	1,002	2,357	9,459	11,816	20,265	33,781	54,046
Designation-wise Breakdown	Executive and above	1,007	404	1,411	1,153	206	1,359	43	28	71	321	1,280	1,601	2,524	1,918	4,442
	Production Associates	5,941	11,104	17,045	9,660	11,753	21,413	104	827	931	2,036	8,179	10,215	17,741	31,863	49,604
Sub Total		6,948	11,508	18,456	10,813	11,959	22,772	147	855	1,002	2,357	9,459	11,816	20,265	33,781	54,046
Age-wise Distribution	Below 30 years	3,924	5,753	9,677	6,647	6,564	13,211	123	840	963	1,175	3,383	4,558	11,869	16,540	28,409
	30–55 years	2,966	5,609	8,575	4,159	5,395	9,554	24	15	39	1,143	5,910	7,053	8,292	16,929	25,221
	Above 55 years	58	146	204	7	0	7	0	0	0	39	166	205	104	312	416
Sub Total		6,948	11,508	18,456	10,813	11,959	22,772	147	855	1,002	2,357	9,459	11,816	20,265	33,781	54,046
Total Workforce		6,948	11,508	18,456	10,813	11,959	22,772	147	855	1,002	2,357	9,459	11,816	20,265	33,781	54,046

M MALE F FEMALE T TOTAL

GRI: 2-7



01 HR GOVERNANCE AND POLICIES

Human Resources Governance at Hirdaramani Apparel is supported by a two-tier structure, wherein the Central Head Office HR function serves as the main custodian of the operating Company's people strategy and as such provides overall direction for workforce management activities. A key responsibility of the Central HR team is the development, review and continuous enhancement of HR policies, procedures and frameworks to ensure alignment with evolving labour legislation, regulatory requirements, emerging workplace trends and global best practices in Human Resource management. In addition, the team provides technical guidance and oversight to ensure implementation of HR policies and procedures at each operational location. In this regard, all policies and procedures have been translated into local and disseminated across all operational locations to ensure consistent and effective application.

At the operational level, dedicated on-site HR teams are responsible for the day-to-day execution of HR processes in line with established policies and procedures for recruitment and onboarding, payroll administration, attendance management, training and development, performance management and employee welfare. Plant HR teams also play a critical role in managing employee relations, particularly addressing site-specific workforce matters, including employee grievances, disciplinary issues and workforce engagement to ensure challenges are managed effectively while remaining aligned with the Group's overall HR philosophy and governance framework.

There were no instances of non-compliance with applicable laws and regulations during the reporting period.

GRI: 2-23, 2-24, 2-27

HR GOVERNANCE STRUCTURE



03 DIVERSITY, EQUALITY AND INCLUSION (DEI)

Anchored in its purpose, "To weave our world closer together through the power of continuous progression," Hirdaramani Apparel believes that sustained progress can be achieved only through Diversity, Equality and Inclusion (DEI) in the workplace. The Group's DEI journey began in 2021 with the establishment of an Inclusive Workplace Framework, led by the Group's Wonders of Well-being (W.O.W.) programme which was further strengthened through the formal introduction of a comprehensive Diversity, Equity & Inclusion (DEI) Policy in 2024.

DEI FRAMEWORK

Hirdaramani Apparel's DEI policy serves as the overarching framework guiding fair, consistent and inclusive employment practices across all operational locations, while the accompanying "Embracing an Inclusive Culture" strategy provides a structured roadmap for building a workplace where all employees can thrive.

Guided by these frameworks, the Group ensures equal opportunity across the entire employee lifecycle, with decisions relating to recruitment, promotion, remuneration, training, performance evaluation and career progression based strictly on merit, capability and performance.
Gender equality remains a key component of the DEI framework, with priority assigned to equitable pay practices, comprehensive employee benefits, flexible working arrangements for caregivers and targeted provisions for pregnant employees.
Beyond gender inclusion, Hirdaramani Apparel is committed to building an accessible and supportive workplace for Persons with Disabilities (PwDs).
In collaboration with the W.O.W. team, the Group has implemented specialised recruitment practices, tailored induction programmes and ongoing workplace support systems to ensure equitable access to employment opportunities, infrastructure and organisational programmes.

This commitment to fairness and respect is further reinforced through a series of Human Resources and Social Compliance policies that prohibit discrimination, bias, harassment, abuse and retaliation at every stage of employment.
Supporting frameworks, including the No Harassment and Abuse Policy and the Grievance Handling Policy, which ensure employees have access to confidential reporting channels.

DEI indicators across key processes encompassing recruitment, promotion, retention and workforce diversity, are continuously monitored through a combination of internal assessments, employee feedback mechanisms and internationally recognised frameworks. The Future First Portal serves as the main platform for capturing and analysing DEI-related data to support evidence-based decision-making and continuous improvement. These insights are complemented by internal employee surveys focused on well-being, diversity and disability inclusion, alongside regular awareness and training programmes that reinforce inclusive behaviours. Annual KPI reviews, routine internal audits and ongoing dashboard monitoring along with periodic site visits by the Central Sustainability Team aim to ensure accountability and continuous advancement of Hirdaramani Apparel's DEI commitments.

Performance is further benchmarked against globally recognised standards, including the Higg Facility Social & Labour Module (FSLM), the Social & Labour Convergence Program (SLCP) and the Women's Empowerment Principles (WEPs) Gender Gap Analysis Tool, which collectively assess areas such as gender equality, discrimination, harassment, labour practices, wages and working conditions.

BUILDING AN INCLUSIVE WORKPLACE CULTURE

Hirdaramani Apparel is committed to building an inclusive workplace culture across all levels of the Group, where DEI principles are embedded in everyday behaviours, decision-making and leadership practices to create an environment where every employee feels valued, respected and empowered to contribute their full potential.

KEY EFFORTS



Flexible Work:
Support for pregnant employees and caregivers to achieve better work–life balance.



Ongoing Awareness:
H Beat Radio, H Unite, the Group's web based intranet promotes workplace inclusivity through engagement and shared understanding.



Mental Health-Informed Leadership:
The Para Counselling Pilot Project helps destigmatise mental health and encourages employees to seek help, when needed.



Confidential Grievance Channels:
The Grievance Policy ensures secure, confidential reporting of concerns and enables fair and timely resolution.

Inclusive recruitment, equitable career development, comprehensive mentorship and effective retention strategies.

Regular accessibility audits, integration of universal design in new developments and proactive provision of reasonable accommodations.

STRATEGIES

Mandatory Diversity, Equity, Inclusion & Accessibility (DEIA) training, leadership education, awareness campaigns and promotion of inclusive communication all delivered through W.O.W. initiatives and counseling support.

Collaborations with other organisations, engagement in CSR projects and support for community-wide inclusion efforts.

Implement inclusive recruitment practices, provide tailored development programmes and ensure equitable career progression for all. This includes providing reasonable accommodations to support employees with disabilities

Conduct accessibility audits of our facilities and digital platforms, social compliance audits integrating universal design principles into all new developments and procurements and proactively providing necessary reasonable accommodations to ensure full accessibility.

INITIATIVES

Implement mandatory DEIA training for all employees and leadership, conduct awareness campaigns and support inclusive communication practices.

Collaborate with external organisations, participate in community projects and engage in initiatives that promote DEIA beyond Hirdaramani.

DEI SCORECARD

Indicator	2025
Overall Gender Ratio (Male:Female)	1:1.7
Female Recruits (Female new recruits as a % of total recruits)	64%
Basic salary ratio at entry level (Male:Female)	1:1
Average training hours per employee (Male:Female)	1:1.7
Promotions (Females promoted as a % of total promotions)	37%
Female representation in leadership positions (Females in leadership as % of total leadership cadre)	30%

GRI: 2-25, 202-1, 405-1, 405-2

03 HUMAN RIGHTS

As a responsible employer, Hirdaramani Apparel demonstrates its commitment to safeguarding human rights through the dedication to fairness, equality and ethical labour practices. At the core of this commitment is the Human Rights Policy, which underpins the Group's responsibility to uphold, respect and promote human rights in alignment with internationally recognised frameworks, including the United Nations Global Compact (UNGC) Principles on Human Rights and Labour Standards. Strict safeguards, including continuous monitoring and routine audits aim to ascertain adherence to the provisions of the Human Rights Policy.

UNGC PRINCIPLE 3
UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

Hirdaramani Apparel respects employees' right to freedom of association and collective bargaining. As set out in the Company's Freedom of Association Policy, employees are free to engage with trade unions and represent their interests without fear of retaliation.
At the same time, the Company promotes open dialogue and structured employee engagement mechanisms, enabling collaborative resolution of workplace concerns and supporting constructive labour relations across operations.
For Executives, formal team briefings, town halls and the open door approach, promote continuous and ongoing dialogue between employees and their respective team leadership.

For Production Associates, communication is facilitated through Employee Councils, with each unit maintaining its own council represented by a cross-functional team.

These councils convene mandatory monthly meetings, along with additional ad-hoc sessions as required, to address workplace concerns, strengthen engagement and ensure sustained two-way dialogue between employees and management.

Reinforcing its commitment to strong employee relations, the Group ensures that all employees, irrespective of role, are kept informed of operational changes. While the minimum notice period for such changes may vary depending on the nature and severity of impact, the overarching principle remains timely, transparent and consistent communication across all levels.

Creating a culture of transparent and continuous communication has helped to proactively address employee concerns at an early stage, thereby eliminating the need for formal union representation or collective bargaining arrangements. Hirdaramani Apparel's operations are not at risk for freedom of association or collective bargaining.

UNGC PRINCIPLE 4
ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR

Hirdaramani Apparel is committed to ensuring that all employment is voluntary, freely chosen and free from coercion, deception, or restriction of movement. This commitment is formalised through the Forced Labour Policy, which applies across both operations and the supply chain and further reinforced through:

- Mandatory training for employees and suppliers on forced labour risks and reporting mechanisms.
- Regular internal audits and third-party assessments to monitor compliance
- Supplier due diligence processes to identify and mitigate risks.
- Confidential grievance channels to report concerns safely.

Hirdaramani Apparel's operations are not at risk for forced or compulsory labour.

UNGC PRINCIPLE 5
ABOLITION OF CHILD LABOUR

Hirdaramani Apparel maintains a strict zero-tolerance approach to child labour supported by a formal Child Labour Policy that mandates:

- Age verification checks during recruitment.
- Regular internal and third-party audits across operations and supply chain.
- Targeted employee awareness and training programmes.
- Community outreach initiatives promoting education as a fundamental right.

In cases where risks are identified in the community, the Company's Child Labour Remediation Policy stipulates immediate removal from harmful conditions and structured support for rehabilitation, reintegration and return to education.
No incidents of child labour were reported in the current year.

UNGC PRINCIPLE 6
ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

Hirdaramani Apparel is committed to fostering a workplace free from discrimination, bias, harassment and unfair treatment. This express commitment is governed by the Fair & Equal Treatment Policy, which prohibits discrimination based on any personal characteristic and is reinforced by the Women's Rights Policy.

Key covenants under the Fair & Equal Treatment Policy include:

- Gender-neutral recruitment and selection practices.
- Unconscious bias mitigation guidelines aligned with global best practices.
- Pay equity reviews to ensure fair and equitable compensation.
- Leadership development programmes to increase female representation.
- Mentorship and sponsorship.. opportunities for career advancement
- Flexible work arrangements and parental leave policies.
- Continuous training and awareness on inclusion and equality.
- Data-driven monitoring of gender representation across workforce stages.
- Confidential channels for reporting incidents.

No incidents of discrimination were reported across company-wide operations during the reporting period.

GRI: 2-25, 2-26, 2-30, 402-1, 406-1, 407-1, 408-1, 409-1

04

RECRUITMENT AND SELECTION

Recruitment and selection which represents the entry point of the employee lifecycle also serves as the critical process through which the Hirdaramani Apparel identifies and secures best-fit candidates. Recruitment begins with manpower planning, which ensures recruitment activity is driven by actual business demand and long-term workforce planning priorities. For executive and senior-level positions, recruitment begins with the identification of workforce requirements in line with the approved Human Resource plan. All staffing needs must be justified by the respective Department Head and routed through the Human Resource Manager and Unit Head, before receiving final approval from a Senior Leadership Member. This ensures that recruitment decisions are strategically aligned and properly authorised. Once approved, the Recruitment Request Form (RRF) is submitted along with the Job Description and Organisational Structure.
The RRF includes key details such as budget allocation, unit requirements and role specifications, while job descriptions are developed based on defined organisational functions and organisational structures are updated to reflect existing vacancies.

Hirdaramani Apparel adopts a blended recruitment approach, incorporating both internal and external sourcing methods. Internal recruitment is prioritised to promote career progression and talent mobility within the organisation.
Internal vacancies are advertised for seven days, with eligible employees encouraged to apply through a transparent process involving their immediate manager and the relevant HR Manager. Confidential applications may also be submitted through a designated internal recruitment channel.

External recruitment is undertaken where required to access a broader and more diverse talent pool. This includes sourcing through job advertisements, recruitment agencies, employee referrals and job fairs.

The Group's Recruitment Policy serves as the overarching mandate for ensuring that all hiring activities are conducted in an unbiased manner. Selections are made strictly on merit, qualifications and job-related requirements, without discrimination of any form.

For non-executive (wages board) roles, recruitment is aligned with approved manpower plans and departmental justification, with final approvals obtained through the HR Manager, Unit Head and General Manager. These roles are filled through targeted outreach methods conducted within the community, vocational training centres, job fairs, publications and employee referrals. All applications are screened and shortlisted based on minimum job requirements to ensure fairness, consistency and transparency.

Equal opportunity principles are applied throughout the recruitment process. As a non-discriminatory employer, Hirdaramani Apparel does not discriminate at any stage of employment, including hiring, compensation, training access, promotion, termination, or retirement, on the basis of race, caste, origin, religion, nationality, disability, gender, sexual orientation, union affiliation, or political views, with selections based solely on merit, qualifications and job-related criteria as well as the candidate's ability to align with the organisation's values, operational needs and long-term strategic direction. As part of the selection process all candidates are subject to age verification to determine their eligibility for employment. Hirdaramani Apparel recruits only full time, permanent employees.

ONBOARDING AND INDUCTION

The onboarding and induction process aims to ensure that all new employees are effectively familiarised with the organisation and smoothly integrated into their roles. The process is designed to support employees in understanding the Group's culture, systems, policies and operational environment from the outset to enable a seamless transition into the workplace. Induction is tailored separately for non-executive employees and for staff and executives.

For non-executives, induction is delivered as a full-day programme and covers key areas such as the company profile, corporate purpose, values, organisational structure, policies and employee rights and responsibilities, along with practical aspects including probation, confirmation, maternity benefits, disciplinary and grievance procedures and health and safety requirements. It also introduces compliance standards such as Worldwide Responsible Accredited Production (WRAP), Customs Trade Partnership Against Terrorism (CTPAT) and 5S, complemented by a plant visit and structured evaluation and feedback process. The induction programme for staff and executives, provides a more in-depth understanding of organisational systems, including performance management, HR frameworks and career development pathways, alongside core policies, compliance standards and operational exposure. Both programmes are supported by HR and relevant departmental representatives and delivered using a mix of communication methods such as presentations, handbooks and audio-visual materials and conclude with participant feedback and formal documentation.

GRI: 401-1

EMPLOYEE MOVEMENT 2025

Employee Category	Sub Category	Sri Lanka			Bangladesh			Ethiopia			Vietnam			Total		
		M	F	T	M	F	T	M	F	T	M	F	T	M	F	T
Region-wise New Hire by Age and Gender	Below 30 years	1,534	2,706	4,240	3,366	5,037	8,403	712	1,678	2,390	34	29	63	5,646	9,450	15,096
	30–55 years	442	809	1,251	928	1,743	2,671	278	791	1,069	3	3	6	1,651	3,346	4,997
	Above 55 years	2	8	10	0	0	0	1	6	7	0	0	0	3	14	17
Sub Total		1,978	3,523	5,501	4,294	6,780	11,074	991	2,475	3,466	37	32	69	7,300	12,810	20,110
Region-wise Turnover by Age and Gender	Below 30 years	3,278	7,155	10,433	3,606	5,296	8,902	856	1,967	2,823	29	87	116	7,769	14,505	22,274
	30–55 years	812	1,794	2,606	673	1,051	1,724	230	496	726	6	12	18	1,721	3,353	5,074
	Above 55 years	4	19	23	0	0	0	2	16	18	0	0	0	6	35	41
Sub Total		4,094	8,968	13,062	4,279	6,347	10,626	1,088	2,479	3,567	35	99	134	9,496	17,893	27,389

M MALE F FEMALE T TOTAL







05

REMUNERATION AND BENEFITS

Hirdaramani Apparel's remuneration philosophy aims to attract, retain and motivate talent through the provision of fair, equitable and market competitive remuneration, while maintaining full compliance with applicable labour laws and regulatory requirements across all operating locations. Reiterating the commitment to reward employees in a manner that is consistent with the job requirements, the Group maintains a strict 1:1 pay equity policy to support equitable compensation at all levels.

Remuneration structures are reviewed and updated periodically to ensure continued alignment with market benchmarks, internal equity considerations and evolving business needs.

Meanwhile, wage structures for non-executive employees (production associates) are determined in accordance with the minimum wage standards stipulated under relevant local labour laws in each country of operation. In testament to the commitment to providing competitive and fair remuneration for all employee categories, the minimum wage offered by Hirdaramani Apparel has always remained significantly higher than the statutory minimum wage thresholds, across all operating locations.

Beyond monetary compensation, employees are provided with a comprehensive range of benefits under the Compensation & Benefits and Employee Welfare framework, which supports overall well-being and reinforces a positive employee experience. In addition, the Working Hours and Leave Management Policy ensures full compliance with statutory leave entitlements while also providing structured and supportive leave provisions that enable employees to balance personal and professional responsibilities throughout their employment journey.

GRI: 202-1, 401-2, 405-2

Benefits	Executive & Above	Non-Executives (Production Associates)
Insurance coverage (including hospitalisation claims for employees and family members)	✓	✓
Death donations	✓	✓
Annual health check-ups/ medical camps & awareness programmes	✓	✓
Free medical facilities during working hours	✓	✓
Free gymnasium/ fitness facility	✓	✓
Transportation facilities/ support	✓	✓
Accommodation/ hostel facilities	✓	✓
Mobile connections	✓	
Free breakfast and evening tea	✓	✓
Subsidsed lunch		✓
KPI-based/ annual performance bonus	✓	✓
Annual gifts	✓	✓
Learning & Development opportunities	✓	✓
Library facilities	✓	✓
Welfare shop facility	✓	✓
Free company-provided uniforms	✓	✓
Employee welfare & engagement activities (sports, events, etc.)	✓	✓
Attendance bonus		✓
Counselling services		✓
Fair Trade Fund benefits		✓
Savings schemes (W.O.W. savings)		✓
Daycare and nursery facilities		✓
Festival advance		✓
Emergency welfare loans		✓
Discounted stationery for employees' children		✓

MATERNITY LEAVE STATISTICS 2025

Indicator	Sri Lanka	Bangladesh	Ethiopia	Vietnam
Total Employees Entitled to Maternity Leave	11,508	11,959	855	9,459
Total Employees Who Took Maternity Leave	220	611	27	703
Total Employees Who Returned to Work After Maternity Leave	81	611	20	367
Total Employees Still Employed 12 Months After Returning	41	382	17	448
Return-to-Work Rate	36.80%	100.00%	74.10%	52.20%
Retention Rate	43.20%	66.90%	81.00%	73.00%

GRI: 401-3

06

PERFORMANCE MANAGEMENT

Performance management is a critical component of Hirdaramani Apparel's people strategy as it facilitates effective alignment of individual performance with business objectives, drives accountability and promotes a culture of continuous improvement, all contributing towards the development of a high-performing workforce capable of driving sustainable business success.
The performance of employees across all categories is evaluated at least once every year, if not more often.

A Skill Matrix that maps the skills and competency requirements of different employee categories is used as the basis for developing performance objectives of Hirdaramani Apparel's non-executive employee cadre. Based on these requirements, supervisors, together with Production and Work Study teams, develop annual skill development plans that are aligned with operational objectives and workforce capability needs. These plans are communicated to the respective Heads of Department (HODs), Human Resource Managers and General Managers to ensure organisational alignment and oversight. Identified development objectives are subsequently communicated to selected employees and progress is monitored through monthly evaluations against the Skill Matrix and annual targets.

The outcomes of these assessments are used to identify competency gaps and develop targeted training and development interventions that support continuous improvement and career growth.

The performance of staff and executive employees, Hirdaramani Apparel follows a formal performance management cycle comprising KPI setting, quarterly reviews and an annual performance evaluation. At the beginning of each cycle, the HR Department facilitates the process by coordinating with Heads of Department, who work collaboratively with employees to develop individual Performance Development Plans. These plans establish clearly defined KPIs and performance objectives aligned with departmental and organisational priorities. Once agreed upon, the objectives are formally documented and signed off by both parties to ensure clarity and accountability.

Performance discussions are conducted quarterly to review progress against established KPIs, provide feedback and identify any changes required due to evolving business priorities. These reviews create opportunities for continuous dialogue between employees and managers, enabling timely support and course corrections where necessary.
At the conclusion of the performance cycle, a comprehensive annual review is conducted to evaluate achievement against agreed objectives and performance expectations. The outcomes of the evaluation process are subsequently used to identify training requirements.

The performance management process also serves as the primary mechanism for recognising and rewarding employee performance, with evaluation outcomes informing decisions relating to salary increments, bonus entitlements, promotions and other forms of performance-based recognition.

Beyond reward determination, the process plays a critical role in talent development by identifying competency gaps, training requirements and future career opportunities. This enables the creation of targeted development plans and progression pathways, ensuring that performance management functions not only as an assessment tool but also as a key enabler of employee growth, career advancement and long-term organisational capability building.

GRI: 404-3



REWARDS AND RECOGNITION PROGRAMMES

- Annual Best Attendance Appreciation (Employee wise)
- Best Attendance And Zero LTO Team Appreciation
- Annual Performance Evaluations as Individuals & Teams
- Best Care Leader Gift
- Best Employee Programme (Monthly/ Annually)
- Department Wise Best Employees
- Best Executive Annually
- Best Line Leader of The Month
- Best Supervisor Appreciation
- Best Team Selection
- Best Zone Selection
- Performance-based Rewards:
- Production Incentives for Meeting or Exceeding Targets
- Golden Hour Competition (Best SAH)
- Implementing the Buddy System
- Productivity Booster Programmes
- Productivity Weekly/ Monthly Celebrations
- Art Competitions
- Singing Competitions
- Celebratory & Welfare Initiatives: Birthday Gifts
- Recruitment Competition
- Service Completion Appreciation (5 Years,10 Years & etc.)
- Supervisors Launching Ceremony
- Women's Day Appreciations

PROMOTIONS GRANTED

SRI LANKA

2024	
MALE	224
FEMALE	43
TOTAL	224

2025	
MALE	311
FEMALE	181
TOTAL	492

BANGLADESH

2024	
MALE	165
FEMALE	35
TOTAL	200

2025	
MALE	254
FEMALE	30
TOTAL	284

ETHIOPIA

2024	
MALE	NIL
FEMALE	NIL
TOTAL	NIL

2025	
MALE	12
FEMALE	11
TOTAL	23

VIETNAM

2024	
MALE	58
FEMALE	160
TOTAL	218

2025	
MALE	57
FEMALE	158
TOTAL	215

07

TRAINING AND DEVELOPMENT

Operating in the dynamic and highly competitive global apparel industry, the continuous development of employee capabilities is essential to maintaining operational excellence, driving innovation and sustaining long-term business growth. Hence, the primary objective of Hirdaramani Apparel's Training and Development framework is to enhance the competencies in order to deliver measurable value for both employees and the organisation. In line with this approach, each Strategic Business Unit (SBU) maintains an annual Training Calendar based on identified learning requirements and business priorities. The calendar is periodically updated to accommodate emerging business needs, changing operational requirements and trainer availability.

TRAINING AND DEVELOPMENT FOR NON-EXECUTIVES

The process begins with a comprehensive training needs analysis that draws on multiple sources, including Skill Matrix assessments, bi-annual Employee Opinion Surveys conducted at Strategic Business Unit (SBU) level, the annual Group Employee Opinion Survey, accident registers, risk assessments, internal and external audit findings, employee council and Environment, Safety and Health (ESH) committee outcomes, as well as monthly performance reviews. This multidimensional approach enables the Group to identify technical competency gaps, compliance requirements, behavioural development needs and operational improvement opportunities, ensuring that training interventions remain targeted and relevant to business needs. Annual training plans and budgets are subsequently developed, following which programmes are coordinated jointly by HR and Operational departments.

Training programmes for Non-executives focus on three key areas:

Technical Training:
Programmes on machinery operation, sewing techniques and quality management practices.

Awareness Programmes:
To enhance employees' understanding of lean manufacturing principles, sustainability principles, in-line quality management practices and company policies and procedures.

Career Development Initiatives:
Supervisor Development Programmes, Leadership Development Programmes and the Buddy System prepare employees for increased responsibilities and future leadership opportunities.

Participant feedback is obtained upon completion of training, while awareness programmes are subject to impact assessments approximately six weeks after delivery to evaluate effectiveness and identify areas for further improvement.

TRAINING AND DEVELOPMENT FOR STAFF AND EXECUTIVES

Training needs are identified through outcomes of the Performance Management System (PMS), Employee Opinion Surveys and role-specific job descriptions. Additionally, the Human Resources function conducts formal gap analyses and collaborates with departmental leadership to identify suitable learning interventions and nominate participants.

Following approval of training plans and budgets, programmes are delivered through internal or external learning providers. Based on the identified development needs, employees are provided with a range of learning opportunities encompassing technical training, soft skills development, awareness programmes and support for higher education through educational assistance schemes.

Upon completion, participants are required to complete training evaluations to assess programme effectiveness. Depending on the nature of the programme, employees may also be required to present key learnings and practical applications to their teams, facilitating broader knowledge transfer across the Group. Records of completed training programmes, certifications and qualifications are maintained within employee personnel files, supporting career development planning, succession management and the continuous enhancement of the Group's capability.

GRI: 404-1, 404-2



TRAINING HOURS 2025

SRI LANKA
72,927

BANGLADESH
171,837

ETHIOPIA
965

VIETNAM
327,993

TRAINING INVESTMENT 2025
316,576 USD

AVERAGE TRAINING HOURS PER EMPLOYEE/ PER ANNUM
11 HRS













CAREER DEVELOPMENT PROGRAMMES

Hirdaramani Apparel delivered extensive career development programmes, reaching thousands of employee engagements across the Group. These programmes strengthened leadership, technical, digital and interpersonal skills while also supporting employee well-being and growth.

As a result, the Group enhanced its leadership pipeline, improved operational performance, strengthened decision-making and nurtures a more agile, collaborative and inclusive workplace.

CAREER DEVELOPMENT HIGHLIGHTS IN 2025

DEVELOPMENT AREA	KEY FOCUS	CONTRIBUTION AND OUTCOMES
Leadership and Career Progression	Supervisor and team-leader development, leadership coaching, management skills and succession readiness.	Strengthened leadership capabilities and prepared employees for greater responsibilities and future career opportunities.
Technical and Operational Excellence	Industrial engineering, GSD, Lean, supply chain, quality, maintenance, finance, compliance and sustainability.	Improved productivity, quality, process efficiency, risk management and operational performance.
Digital and Data Capabilities	Artificial intelligence, data analytics, Excel, digital tools, automated scheduling and data storytelling.	Enhanced digital confidence, data-driven decision-making and future-ready workplace capabilities.
Communication and Personal Effectiveness	Communication, English, presentation, negotiation, emotional intelligence, conflict management and problem-solving.	Improved employee confidence, collaboration, professional effectiveness and stakeholder engagement.
Well-being, Inclusion and Workplace Respect	Personal well-being, financial awareness, stress management, respectful workplace practices and disability inclusion.	Supported a safer, healthier, more inclusive and resilient working environment.
Continuous Learning and Global Exposure	Professional certifications, e-learning, industry forums, study tours and best-practice networks.	Encouraged self-directed learning, knowledge exchange and the application of global best practices.

102 CAREER DEVELOPMENT PROGRAMMES

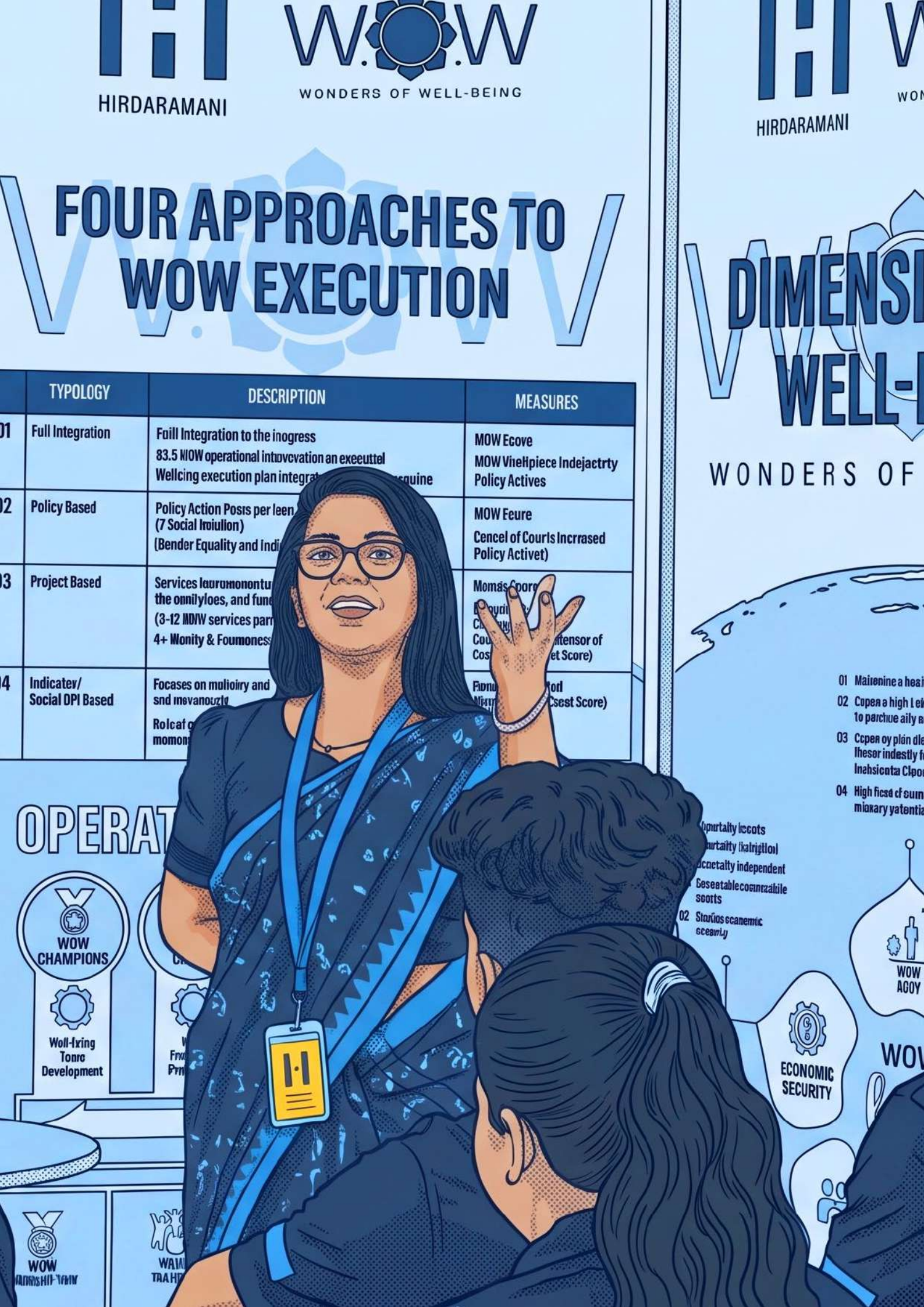
6 KEY DEVELOPMENT AREAS

HIRDARAMANI

WONDERS OF WELL-BEING

FOUR APPROACHES TO WOW EXECUTION

	TYPOLOGY	DESCRIPTION	MEASURES
01	Full Integration	Foill Integration to the inogress 83.5 MOW operational intuovcvation an exeeuttel Wellcing execution plan integra...squine	MOW Ecove MOW VieHpiece Indejactrty Policy Actives
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03	Project Based	Services laurumonontu the onnilyloes, and fune (3-12 MOW services parr 4+ Wonity & Foumoness	Momas Coore ...tensor of ...et Score)
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HIRDARAMANI

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08

EMPLOYEE WELL-BEING

Employee well-being is a strategic priority at Hirdaramani Apparel, reflecting our commitment to creating an environment where employees can thrive both personally and professionally. This commitment is brought to life through our flagship Wonders of Well-being (W.O.W.) programme, guided by the Hirdaramani Well-being Framework. Built around five interconnected dimensions of well-being, the framework promotes healthier, happier and more meaningful lives for employees, their families and communities.

These dimensions are supported through targeted programmes, practical resources and behavioural interventions that empower employees to make informed choices, adopt positive lifestyle behaviours and improve their overall quality of life.

FIVE DIMENSIONS OF WELL-BEING

The W.O.W. initiative adopts a holistic approach to well-being, built around five interconnected dimensions that collectively support employees' overall quality of life and long-term well-being.

Physical Well-being

Promoting healthy lifestyles and preventive healthcare to enhance the physical well-being and quality of life of employees and their families.

Financial Well-being

Strengthening financial resilience through education, responsible financial management and initiatives that promote long-term economic security.

Environmental Well-being

Encouraging environmentally conscious behaviours by empowering employees to integrate sustainable practices into their daily lives, both within the workplace and beyond.



Socal Well-being

Creating an inclusive and respectful workplace that nurtures positive relationships, advances equality, challenges harmful social norms, and encourages responsible citizenship.

Mental Well-being

Building psychological resilience and emotional well-being by fostering mindfulness, self-awareness and access to programmes that support mental health.

OPERATIONAL INTERVENTIONS

The W.O.W. initiative is delivered through five operational interventions that embed well-being into everyday operations, ensuring a consistent, measurable and scalable approach across Hirdaramani Apparel.



Employee volunteers who promote well-being, lead initiatives and foster a culture of peer support across our facilities.



Behaviour change programmes that build positive habits through coaching, counselling, awareness campaigns, peer learning and practical experiences.



Organisational practices that integrate well-being into daily operations, embed the principle of Do No Harm, and encourage collaboration and peer learning.



A holistic support ecosystem comprising over 30 services and facilities that enhance employees' health, well-being and quality of life.



A data-driven framework that measures well-being outcomes, monitors progress and informs continuous improvement.

CORE COMMITMENTS UNDER W.O.W.

The W.O.W. programme is supported by a number of core commitments

- 90 Minutes of Well-being Engagement.
- Monthly well-being sessions for every employee.

- Certified Well-being Facilitators.
- Facilitators who drive employee learning and engagement.

- Dedicated Professional Counselling Support.
- Full-time counsellors, supported by specialist external experts.

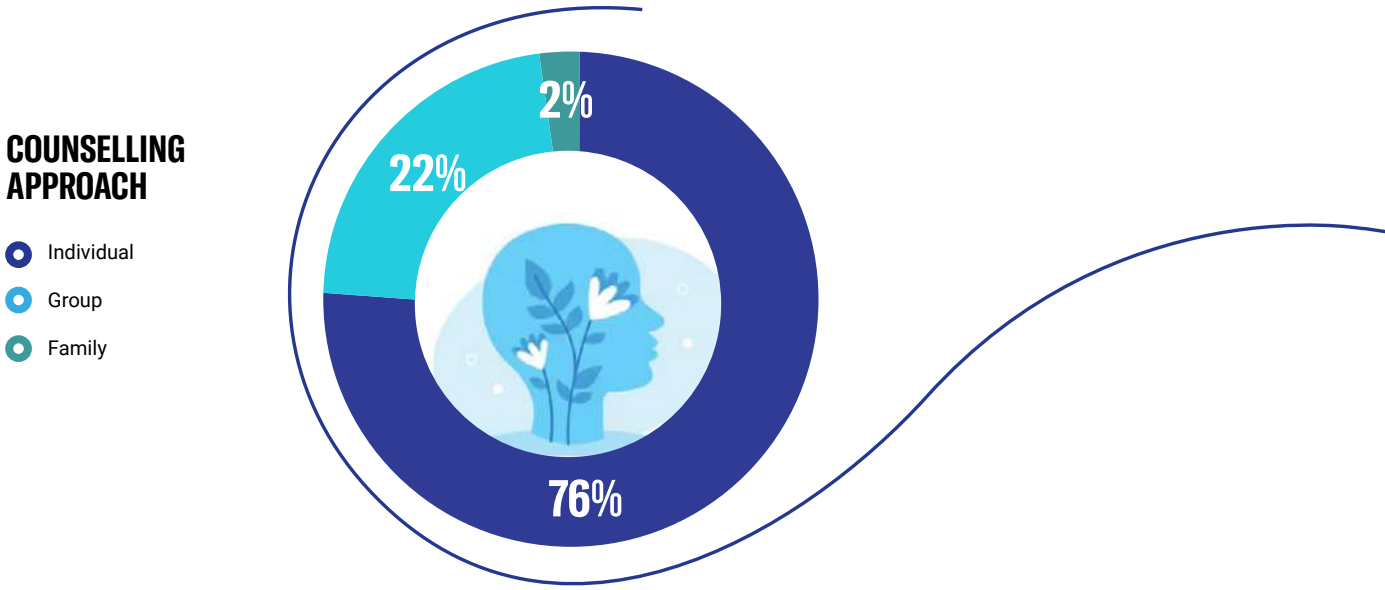
- Trained Project Leaders.
- To implement local well-being initiatives.

- Access to Multidisciplinary Specialists.
- Experts in health, mental well-being, gender, legal awareness and financial literacy.

GROUP W.O.W. STATUS 2025



COUNSELLING APPROACH



CONTRIBUTIONS TO THE BUSINESS 2025

Areas of Impact	Male	Female	Other	Total
Improving Relationships	578	928	1	1,507
Building Trust	443	880	1	1,324
Comapny Processes Advocator	159	439	1	599
Promote Leadership & Organisational Values	64	344	1	409
Other	21	58	0	79
Total	**1,625**	**3,275**	**1**	**4,901**

CONTRIBUTIONS TO THE PEOPLE 2025

Areas of Imapct	Male	Female	Other	Total
Avoiding Absenteeism Risk	588	1,108	1	1,697
Avoinding Turnover Risk	309	664	0	973
Minimised Presentism	366	676	0	1,042
Other	362	827	0	1,189
Total	**1,625**	**3,275**	**1**	**4,901**



KEY PROJECT FOR 2025

PHYSICAL WELL-BEING

COLOUR FUN RUN

Project Description

Conducted annually across Hirdaramani Vietnam – FGL, the Colour Fun Run promotes physical well-being by encouraging active lifestyles, strengthening team spirit and nurturing an inclusive workplace culture.

Key Intervention

Held across four operational locations, the initiative brought employees together through a vibrant community run that combined physical activity with team engagement. Supported by cross-functional teams and employee volunteers, the programme created opportunities to build stronger workplace connections while promoting a culture of health, collaboration and belonging.

Impact

3,445	Employees participated across four Hirdaramani Vietnam – FGL locations.
120	Cross-functional employees supported the planning and delivery of the programme.
80	Employee volunteers contributed to event coordination and engagement.
	Strengthened employee well-being, teamwork and organisational culture.

SDG Alignment



MENTAL WELL-BEING

W.O.W. BREAK THE LOOP

Project Description

Under the W.O.W. Aesthetics programme, W.O.W. Break the Loop harnesses the power of creative art therapy to strengthen employees' mental well-being by promoting mindfulness, emotional resilience and healthy emotional expression.

Key Intervention

Designed to address the impact of repetitive negative thought patterns on mental well-being, the initiative introduced guided art therapy sessions that encouraged employees to interrupt unhelpful thinking, express emotions through creativity, and build greater emotional resilience and self-awareness.

Impact

45+	45+ employees participated in each session across our facilities.
	Strengthened mindfulness, emotional resilience and stress management.
	Improved self-awareness, emotional expression and employee engagement.
	Participants reported feeling calmer, more focused and emotionally balanced.

SDG Alignment



FINANCIAL WELL-BEING

W.O.W. SAVINGS DAY

Project Introduction

Under the W.O.W. Financial Well-being programme, the W.O.W. Savings Initiative was expanded in 2025 to strengthen employees' financial well-being by promoting financial literacy, encouraging responsible saving habits and improving long-term financial resilience.

Key Intervention

Through awareness campaigns such as W.O.W. Savings Day and I Love My Money, employees were equipped with practical knowledge on budgeting, saving and financial planning. Partnerships with seven banking institutions enabled employees to conveniently open confidential savings accounts and establish automated salary deductions, making regular saving more accessible and sustainable.

Impact

1,300+	Employees reached through financial literacy awareness initiatives.
160+	Savings accounts opened across participating plants.
80%	Employee participation in financial education sessions.
65%	Of employees committed to regular savings plans.

SDG Alignment



SOCIAL WELL-BEING

PROMOTING WORKPLACE INCLUSION

Project Description

Since 2006, Hirdaramani Bangladesh has partnered with Marks & Start to create meaningful employment opportunities for Persons with Disabilities (PwDs). Through its partnership with the Centre for the Rehabilitation of the Paralysed (CRP), the programme promotes workplace inclusion, equal opportunity and long-term economic empowerment.

Key Intervention

The programme supports the recruitment of Persons with Disabilities (PwDs) by sponsoring recruitment costs and facilitating their integration into an inclusive workplace. By providing accessible employment opportunities and a supportive work environment, the initiative empowers individuals to build confidence, achieve financial independence and thrive as valued members of the workforce.

Impact

24	Persons with Disabilities (PwDs) employed across Hirdaramani Bangladesh.
	Expanded access to inclusive and equitable employment opportunities.
	Strengthened financial independence, confidence and workplace inclusion.
	Strengthening Hirdaramani's commitment to diversity, equity and social inclusion.

SDG Alignment



ENVIRONMENTAL WELL-BEING

WORLD ENVIRONMENT DAY INITIATIVE

Project Introduction

Under the W.O.W. Green programme, the Act Today for a Better Tomorrow initiative engaged employees across multiple plants to promote environmental well-being by promoting environmental awareness, encouraging sustainable behaviours and strengthening employees' connection with nature.

Key Intervention

To mark World Environment Day 2025, employees participated in a series of environmental initiatives, including tree planting, beach clean-ups, sustainability awareness sessions, eco-art exhibitions and plant distribution programmes. These activities empowered employees to adopt more sustainable practices while reinforcing a shared commitment to environmental stewardship within the workplace and surrounding communities.

Impact

2000 Employees engaged across multiple plants.

Tree planting and beach clean-up initiatives strengthened community environmental action.

Increased employee awareness of biodiversity conservation and sustainable living.

Building a culture of environmental responsibility across the workplace.

SDG Alignment












Great Place To Work.












COLOUR FUN RUN
ĐƯỜNG ĐUA SẮC MÀU 2025

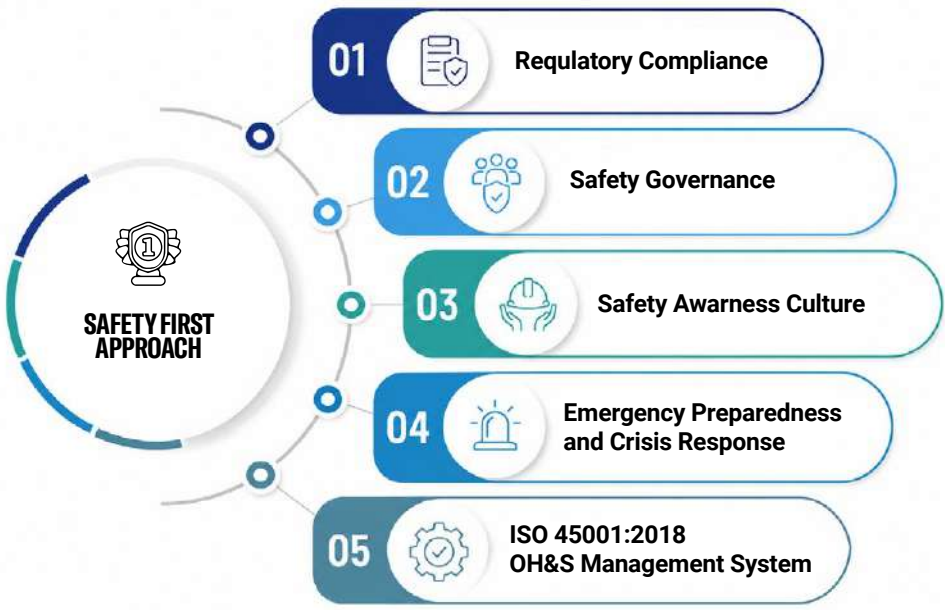
08 HEALTH AND SAFETY

Safety is a foundational principle at Hirdaramani Apparel and is fully integrated into the Group's operational culture and Future First Sustainability Roadmap in line with the commitment to ensuring that all work environments are safe, healthy and conducive to fair and responsible working conditions. Operating within a highly regulated manufacturing sector, Hirdaramani Apparel ensures strict compliance with all applicable local and international occupational health and safety regulations and best practices.

Furthermore, all employees are covered under workmen's compensation and occupational injury insurance schemes, ensuring financial protection in the event of work-related illness, injury, or accidents. In addition, employees also benefit from medical insurance and access to healthcare support services, which extend protection beyond workplace incidents and contribute to overall well-being.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

Reflecting a deep-rooted ambition to achieve safety excellence in line with internationally recognised best practices, Hirdaramani Apparel has formally institutionalised the ISO 45001:2018 Occupational Health and Safety Management System to provide a structured, proactive and preventive approach to managing health and safety risks across all facilities. The system applies to 100% of employees, as well as all third parties present at Hirdaramani Apparel sites, including suppliers, contractors and visitors.



The system is operationalised through standardised Standard Operating Procedures (SOPs) to ensure consistency in safety practices and strengthen overall operational discipline. These SOPs are built on a systematic approach to hazard identification and risk assessment, which includes workplace inspections to identify physical, chemical, ergonomic and psychosocial hazards, review of historical incident data and active employee consultation to capture ground-level insights. To further strengthen safety performance, measurable Occupational Health and Safety (OH&S), Key Performance Indicators (KPIs) have been established and are continuously monitored to drive improvement and accountability across all levels of the organisation. On-site Health & Safety Officers work closely with department heads and supervisors to conduct regular inspections, safety walk-throughs and spot audits, ensuring that risk controls are effectively implemented and maintained in day-to-day operations. Operational safety is managed by the Maintenance Team, which conducts routine inspections of machinery, infrastructure and emergency systems to identify and mitigate potential risks before they escalate.

In addition, a formal programme of internal audits is conducted on a rotational basis at least once a year as part of an independent assessment of compliance and system effectiveness. The annual external certification audits under ISO 45001:2018 provides further assurances regarding system efficacy. The most recent verification audit recorded zero non-conformities, underscoring the strength of the system and reflecting Hirdaramani Apparel's unwavering commitment to maintaining the highest standards of workplace safety across all operations.

GRI: 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-8, 403-9, 403-10

POTENTIAL SAFETY RISKS IDENTIFIED

IDENTIFIED RISK ACTIVITY	SAFETY MEASURES ADOPTED
Use of Cutting Machines	Providing of steel gloves, Operator awareness, Auto cutters, Fence for band knife, Blade guards
Lifting Heavy Weights	Providing pallet trucks and forklifts, Ergonomics trainings, Safety shoes provided
Moving Parts in Sewing Machines	Machine guards, Daily safety inspections, Operator & mechanic awareness programmes, SOPs
Electrical Hazards	Use of the Lockout Tagout (LOTO) system, Safety trainings for electricians, Daily safety inspections, Insulated tools, Annual electrical installation & thermography test, SOPs
Working at Height	Awareness programmes, Safety harnesses & helmets provided, Ladder inspections conducted, Work permit system
Fire	Availability of fire detection equipment, including alarm systems, Hot work permit systems, Annual thermography tests, Trained firefighting team on-site, Fire drills, Portable fire extinguishers available, Factory power shut downs for long holidays, Fire clearance certificate obtained from fire brigade









SAFETY GOVERNANCE STRUCTURE



BOARD OF DIRECTORS/ SENIOR MANAGEMENT

- Set the safety vision, strategy and objectives aligned with the Future First Sustainability Roadmap
- Ensure adequate resources for Occupational Health & Safety (OH&S)
- Review safety performance and key risk areas
- Approve safety policies, standards and key actions
- Promote a strong safety culture and accountability



COMPLIANCE OFFICER/ HEALTH & SAFETY OFFICER (ON-SITE)

- Overall responsibility for safety at facility level
- Ensure implementation of all safety protocols and legal compliance requirements
- Coordinate monthly Health & Safety Committee meetings
- Investigate all reported incidents and ensure corrective actions are implemented
- Report emerging risks and key outcomes to management



ON-SITE SAFETY TEAM (CROSS-FUNCTIONAL TEAM)

- Conduct daily safety monitoring and risk controls
- Perform inspections, safety walk-throughs and spot audits
- Identify hazards and implement preventive measures
- Support incident investigations and corrective actions
- Promote awareness and safe working practices
- Monitor OH&S KPIs and drive continuous improvement

EMERGENCY PREPAREDNESS AND CRISIS RESPONSE

A well defined Crisis Response Framework including detailed Emergency Response Plans are in place to guide coordinated action during incidents. Within this framework, trained and designated first responders are in place across facilities to manage evacuation procedures, administer immediate first aid and support effective incident control until emergency services arrive. To reinforce preparedness, regular fire and evacuation drills are conducted to familiarise employees with emergency protocols and build confidence in responding quickly and effectively during crises. In addition, periodic engagement with external safety experts supports independent assessments and continuous enhancement of emergency readiness across all facilities.

The on-site facility Nurse plays a key role in safeguarding employee well-being by monitoring workplace health, hygiene and sanitation standards, ensuring a consistently safe and healthy working environment.

WORK-RELATED INJURY DATA 2025

NO. OF INJURIES **167**

NO. OF FATALITIES **0**



SAFETY AWARENESS

A strong safety awareness culture is deeply embedded across all operations and further reinforced through regular training, toolbox talks and communication campaigns that ensure employees are equipped with the knowledge to identify hazards, prevent risks and respond appropriately to potential incidents. Moreover, the Group's leadership drives safety as a shared commitment by fostering a culture with employees encouraged to maintain constant vigilance and proactively report hazards, near-misses and unsafe conditions.







10

SOCIAL COMPLIANCE

As a supplier to leading global fashion brands, Hirdaramani Apparel strives to demonstrate its commitment to social compliance across its operations through independent assurance provided by globally recognised third-party audit frameworks.

In this regard, the Group's operations are subject to assessment through WRAP (Worldwide Responsible Accredited Production) audits, which evaluate adherence to lawful, humane and ethical manufacturing principles.

In addition, Sedex Members Ethical Trade Audit (SMETA) reviews provide comprehensive evaluation across labour standards, health and safety, environmental performance and business ethics. The Group also leverages the Higg Facility Social & Labour Module (FSLM) as a standardised tool to measure, benchmark and continuously improve social compliance performance. Furthermore, BSCI (Business Social Compliance Initiative) audits reinforce alignment with internationally accepted labour rights and fair working conditions across its facilities and supply chain.







SUPPORT OUR COMMUNITIES





CREATING LASTING VALUE BY STRENGTHENING COMMUNITIES THROUGH MEANINGFUL PARTNERSHIPS AND RESPONSIBLE INVESTMENT.



MANAGEMENT APPROACH

At Hirdaramani Apparel, supporting our communities reflects our commitment to creating lasting positive impact beyond our own operations. We recognise that the long-term success of our business is closely connected to the well-being and resilience of the communities in which we operate and we are committed to creating shared value through meaningful partnerships and responsible community engagement.

Our community investment approach is guided by the Future First Sustainability Roadmap and focuses on supporting initiatives that advance education, healthcare & well-being and livelihood development. By working closely with local organisations, government institutions and community stakeholders, we seek to deliver programmes that address local priorities while creating sustainable, long-term impact.

Through collaboration and responsible investment, we continue to strengthen the communities around us while contributing to broader social and sustainable development outcomes.

BUSINESS UNIT LEVEL PROJECTS

CSR initiatives originate at the business unit level, where facilities identify local community needs through ongoing stakeholder engagement. Projects are developed in line with the Group's three CSR pillars and implemented locally following management approval, enabling each operating market and location to address the unique needs of its surrounding communities.

Throughout the project lifecycle, the Central CSR Team at each operating market provides strategic oversight, guidance, monitoring and impact evaluation to ensure consistency, accountability and alignment with the Group's CSR framework.

PROJECTS FUNDED BY HIRDARAMANI MEMORIAL TRUST FUND (HMT)

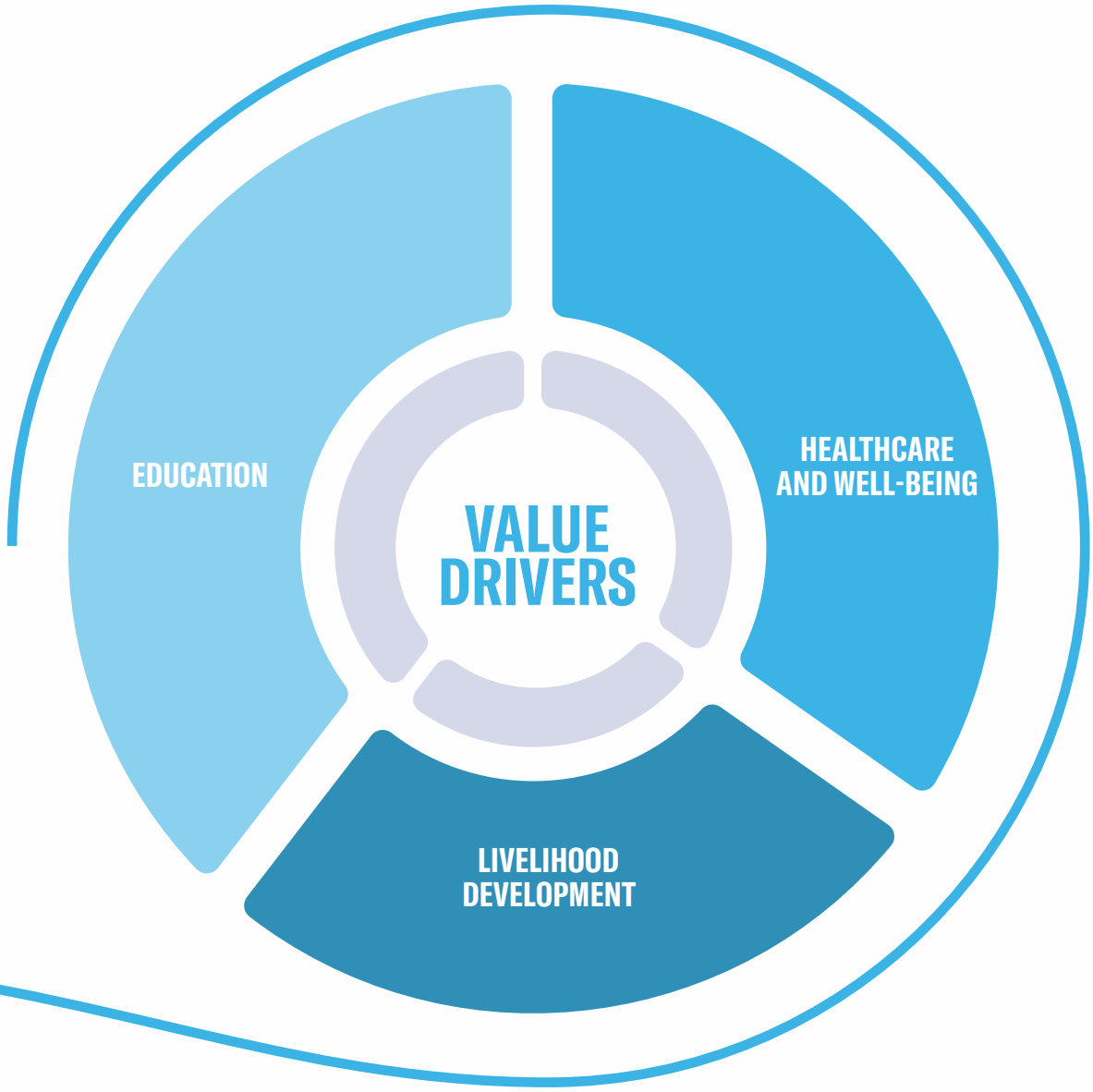
The Hirdaramani Memorial Trust (HMT), established in 2004, serves as the Group's dedicated philanthropic arm, supporting sustainable community development initiatives in Sri Lanka and internationally.

Its programmes focus on education, healthcare and well-being, livelihood development and community upliftment, creating lasting social value through long-term investments that address underlying community needs.

PARTNERSHIP-BASED AND SPECIAL GRANT PROJECTS

Hirdaramani Apparel also delivers CSR initiatives through strategic partnerships with government institutions, development agencies, NGOs, academic institutions and customers.

These collaborations provide technical expertise, resources and innovative solutions that strengthen the scale, effectiveness and sustainability of our programs, enabling greater collective impact across the communities we serve.



KEY HIGHLIGHTS FOR 2025

10,000+
students empowered through education initiatives

6,000+
beneficiaries reached through healthcare and well-being programmes

100
women-headed households empowered through sustainable livelihood development programmes

2,000+
patients and caregivers benefited daily from improved hospital nutrition services

95%
women beneficiaries in livelihood development programmes

0.25%
of annual revenue invested in community initiatives



01 CSR GOVERNANCE

Hirdaramani Apparel recognises the importance of adopting a structured and strategic approach to social investment that aligns community initiatives with both local development priorities and Hirdaramani's broader purpose of creating positive societal value. Given its operational footprint across multiple geographies, a strong institutional CSR governance framework is essential to maintaining consistency in strategic direction, resource allocation, programme implementation and impact measurement across all operating locations. It also promotes accountability by ensuring that community investments are aligned with clearly defined objectives and contribute meaningfully to long-term social outcomes.

Guiding this approach Hirdaramani Apparel follows a clearly defined CSR framework that establishes the overarching direction for all community engagement and social investment initiatives undertaken by the Group. The framework is centred on three strategic focus areas: Education, Healthcare & Well-being & and Livelihood Development, which have been carefully selected based on their relevance to the socio-economic needs of the communities in which the Group operates and their potential to create sustainable, long-term impact. This targeted approach also enables the Group to leverage its expertise, partnerships and resources more effectively to maximise the effectiveness of its community investments while delivering measurable value to individuals, families and communities.

CSR PROJECT PLANNING, EXECUTION AND CONTINUITY PROCESS

To maximise reach, ensure consistency in delivery and create meaningful, long-term impact across its three strategic focus areas, Hirdaramani Apparel has institutionalised a multi-tiered approach for planning, execution and continuity of CSR projects.

GRI: 203-1, 203-2, 413-1

Positive Impact	Employment & Economic Growth	Local hiring drives economic growth, by providing livelihoods and promoting the development of ancillary businesses in the area.
	Training & Well-being Programmes	Training for both employees and the broader community enhances skills, boosts employability and fosters long-term sustainability.
	Community Well-being	CSR initiatives in education, healthcare & well-being and livelihood development help solve pressing social issues and improve quality of life.
Negative Impact	Resource Consumption & Pollution	Industrial operations consume resources (water, energy) and emit harmful byproducts, potentially disrupting natural ecosystems.
	Social Disruption	Business activities may unintentionally impact community dynamics.

CSR PROJECTS PLANNING, EXECUTION AND CONTINUITY

1

Identification

Potential CSR projects are identified through internal assessments of community needs, alignment with SDGs and input from key stakeholders, with a primary focus on education, health and socioeconomic development.

2

Proposal

Detailed proposals are created for each project, outlining objectives, beneficiaries, activities, budget, expected outcomes and Key Performance Indicators (KPIs).

Approval

Proposals undergo an approval process by relevant stakeholders and management to secure the necessary resources for implementation.

3

4

Implementation

Projects are executed as per the approved plan, with dedicated teams ensuring effective resource use and adherence to timelines.

Tracking and Monitoring

Ongoing tracking and monitoring ensure transparency, allow for timely adjustments and confirm progress toward KPIs.

5

6

Completion and Review

At project completion, a comprehensive review assesses the achievement of objectives and KPIs, identifies lessons learned and evaluates the feasibility of scaling the project to other regions, offering insights for future CSR initiatives.

01 EDUCATION

Hirdaramani Apparel's Education pillar focuses on addressing systemic barriers to learning by improving equitable access to quality education. Acknowledging education as the foundation for long-term social and economic progress, the Company supports initiatives that strengthen educational infrastructure, enhance learning environments and expand opportunities for underserved communities, particularly in rural and vulnerable regions.

Through these efforts, Hirdaramani Apparel seeks to break the cycle of inequality and enable children and youth to access safe, inclusive and supportive learning spaces, including special emphasis on early childhood development, school rehabilitation and targeted support for disadvantaged groups to ensure no child is left behind.

GRI: 203-1

BUSINESS UNIT LEVEL PROJECTS CARRIED OUT IN 2025



SRI LANKA

Sponsorships for Ananda Shastrala College, Mathugama and CWW Kannangara Central College, Mathugama

Impact: Enhance the educational accessibility

Financial Aid to BEPZA School

Beneficiaries: 1,200

Impact: Improved access to education for students from diverse backgrounds, enhanced academic performance, reduced financial barriers for families in need and strengthened opportunities for long-term socioeconomic development.

BANGLADESH

Inclusion Beyond Boundaries supporting "Spectra School of Autism"

Beneficiaries: 75

Impact: Enhanced education inclusivity among children with disabilities

Nishantha Kariyawasam Scholarship

Beneficiaries: 10

Impact: Improved access education among children from underserved communities.

Pathways For Promise

Beneficiaries: 14

Impact: empowering underserved women to pursue higher education

Projects funded by Hirdaramani Memorial Trust Fund

Empowering Futures at Pamunugama Child Development Centre reflects the commitment to supporting the welfare

Beneficiaries: 46 children

Education,and holistic development of vulnerable children. In 2025, the programme provided comprehensive support to children, combining access to essential educational materials with ongoing maintenance of the facility to create a conducive learning environment. The initiative also funded significant infrastructure enhancements, including the construction of a new kitchen and extensive building renovations,

Key Partners: National Council for Child & Youth Welfare

Impact:
- Improved access to education among children from underserved communities.
- Enhances living conditions and safety while fostering a secure, nurturing environment for children.
- Supports their academic, social and emotional growth, creating a foundation for brighter and more sustainable futures.

VIETNAM

Donated 80 computers across four primary schools (Phú Hiệp, Hòa Bình, Phú Thanh A2, Phú Thanh B)

Beneficiaries: Over 3000

Impact: Improved learning conditions and digital access, strengthening education quality, human capital development and long-term community resilience and enhanced economic sustenance.

Supported the people affected by typhoon Yagi by providing 14 computers at Ngải Thầu Primary & Secondary School

Beneficiaries: Over 1000

Impact: Restored access to digital education in disaster-affected areas, ensuring continuity of learning and improved educational quality.

Donated garments for students and teachers at Sàng Ma Sáo Kindergarten & Ngải Thầu Schools

Beneficiaries: Over 3000

Impact: Improved comfort and well-being of students and teachers in affected communities through essential clothing support.

Computer Lab Project at Da Nang (donated 100 computers across 5 schools)

Beneficiaries: 2844

Impact: Enhanced digital learning capacity by improving access to technology and strengthening students' digital skills for future opportunities.

20 scholarships (500,000 VND each)

Beneficiaries: 20

Impact: Improved access to education for underprivileged students by reducing financial barriers and supporting continued school attendance

Distribution of stationary to school children

Beneficiaries: 200

Impact: Enhanced learning conditions by providing essential school supplies and supporting consistent participation in education.

Provided 12 scholarships and 60 essential gift packs with stationery to support students' education and well-being at Tan P hu

Beneficiaries: 72

Impact: Strengthened student motivation and engagement through combined financial support and seasonal welfare assistance, supporting retention and well-being.

Community event with workshop (TMD team) including garments, meals and activities

Beneficiaries: 150

Impact: Promoted social inclusion and well-being by creating a supportive and engaging environment for beneficiaries.

Provided 10 Scholarships at Sonadezi College

Beneficiaries: 10

Impact: Supported community education outcomes by reducing financial barriers and improving access to learning opportunities

Monetary support (900,000 VND) for Sàng Ma Sáo Kindergarten

Impact: Supported school reopening and strengthened community morale, encouraging student return and participation in education.

02

HEALTHCARE AND WELL-BEING

Acknowledging health as a cornerstone of sustainable development, Hirdaramani Apparel's Healthcare & Well-being pillar, focused on enhancing the physical, mental and emotional well-being of both its employees and surrounding communities.

The Group's approach prioritises improving access to essential healthcare services, strengthening preventative care, supporting maternal and child health and fostering a culture of wellness, care and happiness across its operations, in alignment with the Sustainable Development Goals.

To that end, the Group actively supports healthcare initiatives that bring medical services closer to those who need them most. All programmes are implemented through a structured, multi-phase approach, incorporating targeted awareness sessions for school students and preschool children, thereby extending the Group's impact beyond the workplace and contributing to long-term community well-being.

GRI: 203-1

BUSINESS UNIT LEVEL PROJECTS CARRIED OUT IN 2025



SRI LANKA

Renevation of Maternity Ward at Mundel Hospital

Beneficiaries: Over 500

Key Partners: Hospital Staff
Impact: Improved maternal and newborn healthcare services by ensuring a safer, more comfortable environment for patients and healthcare staff.

Greening Hospitals initiative in Seethawaka

Beneficiaries: Over 500

Key Partners: Avissawella Base Hospital Staff

Impact: Enhances the quality of life, safety and skill levels for the Community. Minimises the ecological footprint by reducing waste, energy consumption and carbon emissions. o Enhanced hospital hygiene and environmental conditions through infrastructure improvements, contributing to better waste management and a cleaner, healthier healthcare setting.

Supported the annual A&F Challenge, a long-standing charitable initiative running for over 20 years, through continued partnership and contribution alongside industry stakeholders associated with Abercrombie & Fitch, helping advance its fundraising and community impact objectives. The programme has raised over USD 50 million to-date since its launch in 2001

Beneficiaries: Thousands of youth, teens and young adults

Key Partners: Asmara

Impact: Strengthened global mental health support for youth . Enhanced awareness, reduced stigma and expanded access to critical well-being resources.

Donation of essential items to Vavuniya Hospital

Key Partners: Vavuniya Hospital Staff

Beneficiaries: Over 500

Impact: Supported healthcare service delivery to improve the hospital's capacity to meet patient needs and maintain quality care.

Ongoing support to Lady Ridgeway Hospital, including essential supplies to Wards 5 and 6 and employee volunteer engagement activities

Beneficiaries: 177

Impact: Enhanced the hospital experience and emotional well-being of pediatric patients contributing to a more child-friendly care environment.

Threads of Hope initiative supporting the Women's Development Centre in Kandy

Beneficiaries: 60

Impact: Supported the creation of a safe haven for abused women and children, strengthening protection and care services while fostering community partnerships and advancing social impact through a compassionate, engagement-driven fundraising platform. Projects funded by Hirdaramani Memorial Trust Fund.

Funded the Kitchen equipment installation and infrastructure upgrade at Apeksha Hospital, Maharagama

Beneficiaries: 2,000 people daily

Key Partners: Apeksha Hospital Staff

Impact: Improved nutrition quality, hygiene and efficiency of meal services, supporting better patient recovery and well-being. Enhanced hospital care environment through reliable, safe and modern food preparation systems.

Funded the operations of an ambulance at Karapitiya Hospital in Galle, in partnership with the Cyril Dharmawardana Foundation. The initiative covers all operational costs, including staffing, maintenance, repairs and fuel

Beneficiaries: Over 2,500 families annually

Key Partners: Cyril Dharmawardana Foundation, Hospital staff

Impact: Enabling terminally ill cancer patients to access specialised treatment at facilities such as Apeksha Hospital. Strengthened hospital service capacity while improving patient dignity, continuity of care and survival outcomes. Special Grant Projects leveraged through partnerships.

Funded community- well-being initiatives (Health and Wellness) for marginalised women in Sri Lanka implemented by Cyril Dharmawardhana Foundation.

Beneficiaries: 543 women through direct interventions (90.5% of the target), with coverage across Northern (80%) and Eastern (20%) Provinces in Sri Lanka. Half of the beneficiaries were Persons with Disabilities (PwDs)

Key Partners: VS & CO

Impact: Improved access to essential healthcare and enhanced self-reported well-being among marginalised and underserved women. Strengthened inclusive healthcare delivery through culturally sensitive and accessible service models.

VIETNAM

Reconstruction and rehabilitation of Ngải Thầu-Primary & Secondary Schools and Sàng Ma Sáo Kindergarden as part of Post-Typhoon Yagi recovery support in Lao Cai Province

Beneficiaries: 663

Impact: Restored and improved access to safe, functional education infrastructure in underserved communities.

Flood relief support in Da Nang (Dak Pring, Nam Giang Commune)

Beneficiaries: 1,910

Impact: improved living conditions for flood-affected households and vulnerable groups.

Provision of essential safety gear and basic school supplies (helmets, duffel bags, water bottles, raincoats, etc.) to underprivileged children at Cun Pheo School, Mai Châu District, Hòa Bình Province

Beneficiaries: 326

Key Partners: Good Neighbors International (GNI)

Impact: Improved safety and daily well-being of school children.

Garment donations for children with autism in Hai Phong

Beneficiaries: 275

Key Partners: Vietnam Autism Network (VAN)

Impact: Enhanced comfort, dignity and inclusion of children with autism by providing appropriate clothing through a community-supported initiative.

Donation of garments to orphans at Dong Nai Provincial Social Protection and Children's Center

Beneficiaries: 150

Impact: Improved daily living conditions and overall well-being of underserved children.

The Heartbeat Vietnam programme supports children with congenital heart defects by sponsoring life-saving heart surgeries, providing post-operative care and offering financial assistance through family grants and scholarships. The Heartbeat Vietnam programme is a long term project for which funding was received in 2025

Beneficiaries: 13

Key Partners: Vina Capital Foundation

Impact: Helps ease the economic burden on families while improving access to critical healthcare and enhancing long-term outcomes for affected children.









03 LIVELIHOOD DEVELOPMENT

Hirdaramani Apparel's Livelihood Development pillar focuses on strengthening economic resilience and creating sustainable income-generating opportunities for individuals and communities, with special emphasis on initiatives that enhance employability, develop vocational and entrepreneurial skills and empower vulnerable groups to achieve greater economic independence and self-sufficiency.

Through targeted interventions, capacity-building programmes and community partnerships that aim to provide individuals with the skills, resources and opportunities needed to improve their earning potential, the Group contributes to building stronger, more resilient communities and creating pathways to sustainable development.

GRI: 203-1

BUSINESS UNIT LEVEL PROJECTS CARRIED OUT IN 2025



Inclusive Employment Pathways offering suitable employment opportunities for persons with disabilities

Beneficiaries: 12

Key Partners: Marks & Start

Impact: Provided inclusive employment opportunities for persons with disabilities, enabling greater economic independence and social inclusion by matching individuals with roles that align with their skills and capabilities, ensuring they can perform effectively and thrive in the workplace. Special Grant Projects leveraged through partnerships.

Smallholder Farmer Resilience through Innovative Financing Project - Targeting two underserved villages in Vavuniya, developed 100 backyard poultry units and integrated home gardens, alongside operating a weekly farmers' market within the factory premises, enabling farmers to sell their produce directly to consumers and improve their income stability

Beneficiaries: 100 women headed households

Key Partners: Lacoste Foundation, UNDP Sri Lanka and the PALM Foundation

Impact: Delivered a 45% increase in household income, strengthening financial stability while improving food security and self-sufficiency. Empowered women and supported vulnerable groups, including families with Persons with Disabilities (PwDs), to take on stronger economic and social roles. Enhanced market access through a weekly farmers' market, driving sustainable livelihoods and contributing to inclusive community development aligned with SDGs.

04 MONITORING IMPACT MEASUREMENT

Measuring impact is critical to understanding the real and lasting changes generated for individuals, communities and society through Hirdaramani Apparel's CSR investments. Effective Monitoring and Evaluation (M&E) provides the evidence needed to assess effectiveness, strengthen accountability, optimise resource allocation and continuously improve programme design and delivery.
Most importantly, a robust M&E approach ensures that every initiative remains aligned with community needs and delivers tangible progress against the Group's social impact objectives and the Sustainable Development Goals.

A comprehensive Monitoring and Evaluation Framework is in place to support Hirdaramani Apparel's CSR and community development programmes. The process begins with the collection of baseline data to establish a clear understanding of community needs and pre-intervention conditions, creating a benchmark against which progress can be measured. Performance is then tracked through a defined set of Key Performance Indicators (KPIs), supported by regular and systematic data collection throughout the project lifecycle.

Data management and reporting are integrated into Hirdaramani Apparel's Future First Portal to enable consistent monitoring across all operating countries. Data entry and verification responsibilities are assigned to designated personnel within each country, ensuring accountability, ownership and timely reporting. To maintain data integrity, the Group applies rigorous quality assurance processes, including validation checks, verification procedures and clearly defined methodologies for data collection and reporting.

Progress is reviewed through quarterly and annual assessments, allowing project teams to evaluate performance against targets, identify emerging challenges and implement corrective actions where required.

Equally important is the integration of stakeholder feedback. Continuous engagement with beneficiaries, community representatives, employees and implementation partners provides valuable insights that inform programme refinement and ensure initiatives remain responsive to local needs and expectations.

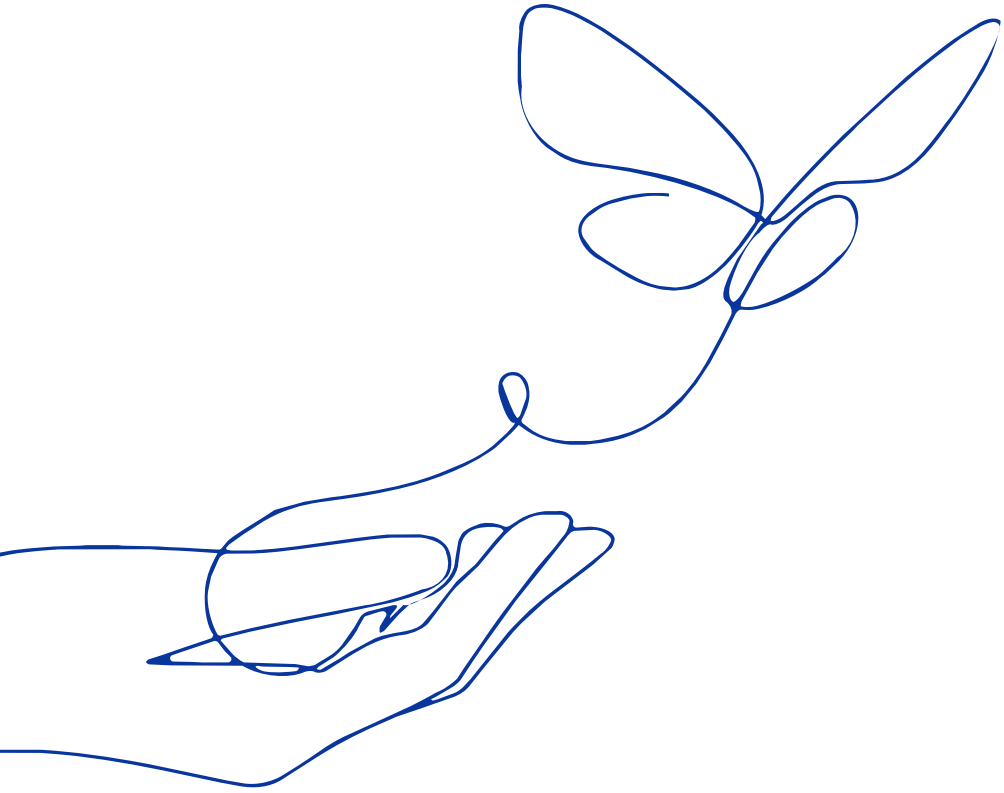
Beyond routine monitoring, periodic impact assessments are conducted to evaluate the longer-term outcomes and sustainability of CSR interventions. These assessments help determine whether programmes are delivering the intended social, economic and environmental benefits and provide critical insights for future programme design. The Group further reinforces transparency and accountability by publicly reporting its progress, achievements and challenges through its annual sustainability and CSR disclosures.



KEY INDICATOR MONITORED

IMPACT MEASUREMENT FRAMEWORK

- Education Pillar
  - Number of Students Impacted Annually
- Healthcare and Well-being Pillar
  - Number of Individuals Impacted Annually
- Livelihood Development Pillar
  - Number of Individuals Reached
  - Percentage Increase in Monthly Income



TRUST IN GOOD CHOICES





BUILDING TRUST THROUGH RESPONSIBLE GOVERNANCE, ETHICAL BUSINESS PRACTICES AND TRANSPARENT DECISION-MAKING.



MANAGEMENT APPROACH

Trust is the foundation of how we conduct business at Hirdaramani Apparel. Through the Trust in Good Choices pillar, we are committed to upholding the highest standards of integrity, transparency and accountability. We believe responsible governance and ethical decision-making are fundamental to creating long-term value and maintaining the confidence of our customers, associates, suppliers, investors and the communities we serve.

Our approach is underpinned by comprehensive policies, governance frameworks and management systems that guide responsible business conduct across our operations and value chain. These encompass business ethics, anti-corruption, human rights, responsible sourcing, product stewardship, data privacy, labour standards and regulatory compliance, ensuring these principles are embedded into the way we operate.

Through ongoing engagement, training and awareness programmes, we continue to strengthen a culture of accountability, reinforce ethical decision-making and build lasting trust across our business and stakeholder relationships.

DRIVING PRODUCT INNOVATION

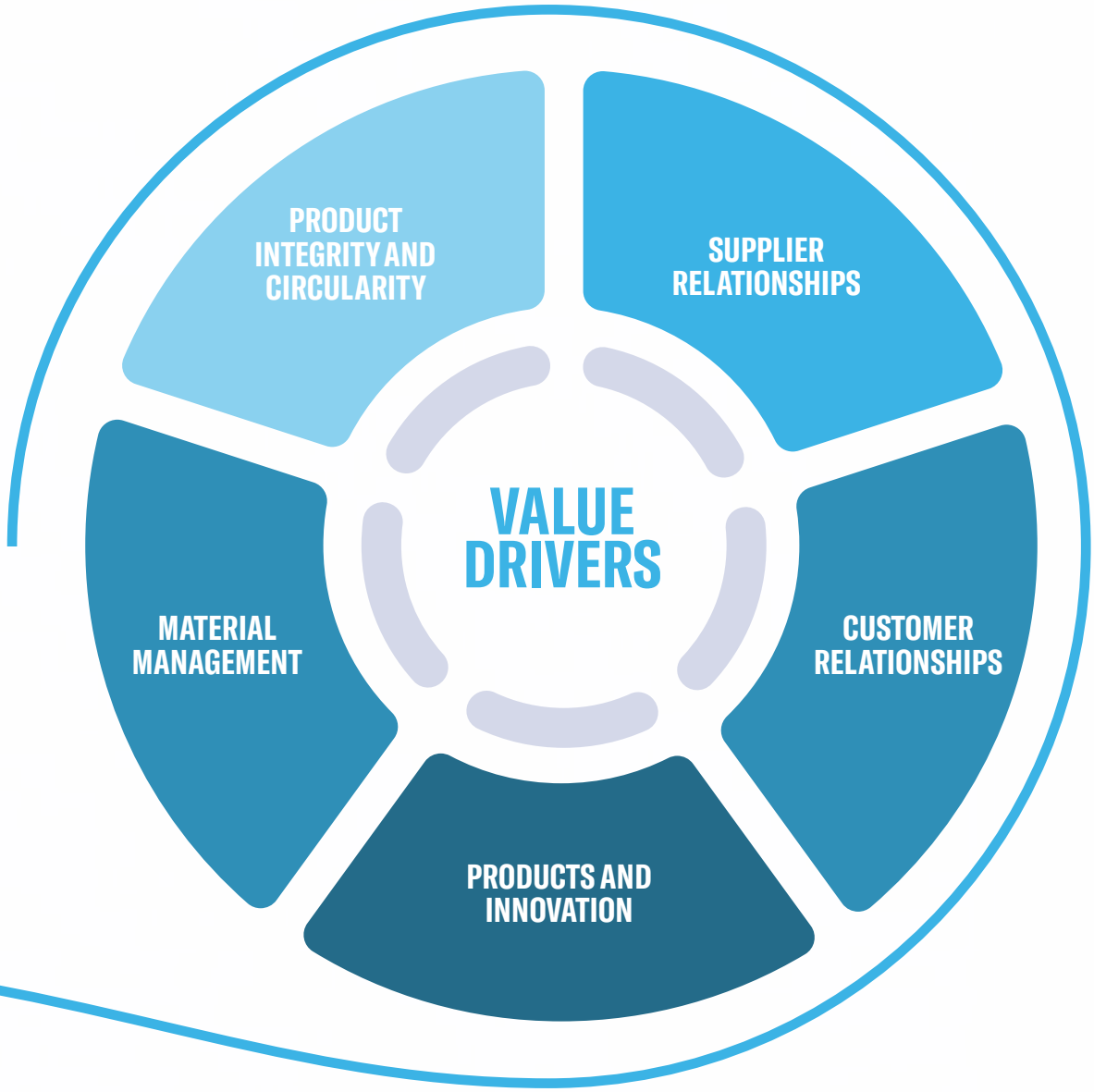
A diverse portfolio of sustainable products and advanced manufacturing capabilities drives innovation across the value chain, enabling responsible, high-quality solutions that respond to evolving customer and market expectations.

STRENGTHENING PRODUCT TRACEABILITY

Robust product and material traceability enhances transparency across the value chain, enabling responsible sourcing, building stakeholder confidence and reinforcing Hirdaramani Apparel's position as a trusted business partner.

BUILDING TRUSTED PARTNERSHIPS

Collaborative engagement with customers and suppliers strengthens long-term partnerships, advances shared sustainability goals and creates lasting value through responsible business practices and continuous improvement



KEY HIGHLIGHTS FOR 2025

68%
of total fabric spend derived from sustainable materials

5,000+
colour-wise 3D samples offered during pre-production

End-to-End
product traceability across the value chain

Responsible
customer and supplier partnerships

Innovative
sustainable and circular product solutions

Globally Recognised
product and sustainability certifications



01

SUPPLIER RELATIONSHIPS

As a leading manufacturer of garments for some of the world's most recognised clothing brands in the world, Hirdaramani Apparel acknowledges that building strong, transparent and long-term supplier relationships is critical to maintaining operational continuity, product quality and sustainability performance across the value chain. As such, significant emphasis is placed on cultivating partnerships with suppliers and service providers who share Hirdaramani Apparel's commitment to compliance, innovation, environmental stewardship and social responsibility.

SUPPLY CHAIN DYNAMICS

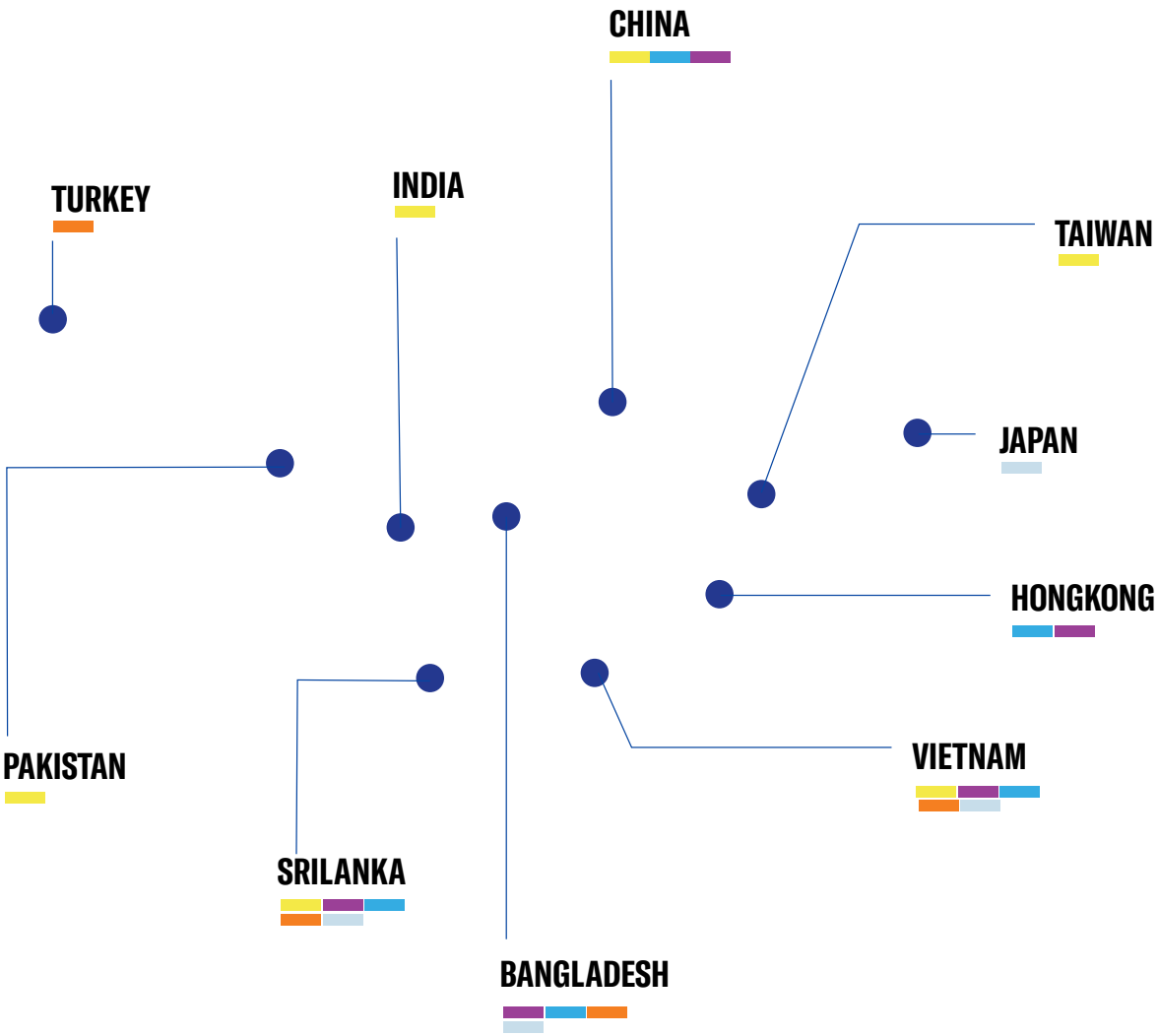
Hirdaramani Apparel's supply chain comprises an extensive network of suppliers and service providers who support day-to-day operations across all locations. Given the Company's core business as an apparel manufacturer, suppliers providing fabric, accessories, trims, thread and packaging materials account for a major proportion of Hiradaramani Apparel's annual procurement spend, in turn positioning them as strategically important contributors within the Hirdaramani Apparel value chain.

Of these, a substantial proportion of Hirdaramani Apparel's major suppliers are pre-approved and nominated by leading global apparel and international fashion brands that the Company supplies to. Suppliers are nominated, subject to a comprehensive qualification and due diligence process designed to verify adherence to applicable international regulations and globally recognised industry standards, including compliance with internationally accepted certifications and frameworks.

In addition to customer-nominated suppliers, the Company also maintains a diverse mix of local and overseas supply partners who are carefully selected through stringent evaluation and approval procedures in line with global best practices.

Hirdaramani Apparel's approach to supply chain governance and management is guided by the Group's Future First Sustainability Roadmap, which outlines a governance framework aimed at building a resilient, responsible and future-ready supplier ecosystem aligned with the Group's long-term strategic direction. As per the established governance structure, fabric sourcing and quality control are managed centrally by the Fabric Technology & Sourcing Department, which is responsible for establishing standardised quality benchmarks for material integrity and ensuring that all inputs conform to stringent technical specifications and internationally recognised compliance standards.

At the operational level, order placement is managed by the respective Sourcing teams at each manufacturing facility. These location-wise teams engage directly with customers and approved suppliers to facilitate order planning, agility and alignment with brand-specific expectations.



FABRIC SUPPLIERS TRIM SUPPLIERS PACKAGING SUPLIERS CHEMICAL SUPPLIERS DYE SUPPLIERS

SUPPLY CHAIN MANAGEMENT POLICIES AND FRAMEWORKS

COMPANY-LEVEL POLICY FRAMEWORK

- Anti Bribery and Corruption Policy
- Compliance Letter for Business Partners
- Responsible Sourcing Programme
- Responsible Sourcing Procedure
- Supplier Evaluation
- Supplier Performance Monitoring
- Supplier Selection & Evaluation Procedure
- Supplier Code of Conduct

LOCATION-WISE POLICIES AND PROCEDURES

- Local Supplier Evaluation and Onboarding
- Contract Management
- Performance Monitoring
- Risk Assessment
- Compliance Check
- Collaboration and Best Practices Sharing
- Crisis Management Protocols

GRI: 2-23

PROCUREMENT BEST PRACTICES

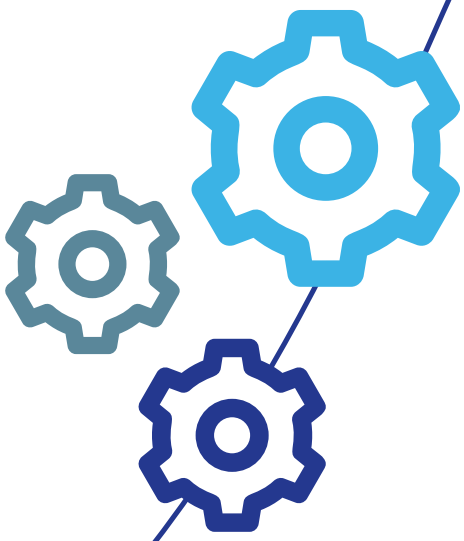
Acknowledging that responsible sourcing practices are essential for fostering long-term supply chain partnerships
Hirdaramani Apparel has institutionalised a comprehensive supplier assessment and onboarding framework. The framework includes Standard Operating Procedures (SOPs) to evaluate prospective suppliers against a broad set of criteria to ensure supplier selection is not solely commercially driven, but also aligned with the Group's broader governance and sustainability commitments. In this regard, it is mandatory for all new suppliers to furnish a self-declaration disclosing their social and environmental credentials.

Apart from these preliminary assessments, suppliers are often subject to independent audits to validate supplier performance claims and sustainability disclosures.
Where necessary, on-site visits are also conducted during the initial selection stage to directly assess working conditions, environmental practices and overall operational standards.

Following selection, all new suppliers undergo a six-month trial period during which their performance is continuously evaluated against key criteria such as product quality, delivery adherence, ethical sourcing compliance and responsiveness to corrective actions. Suppliers are also expected to demonstrate ongoing commitment to sustainability and compliance with relevant labour, health and safety regulations. Only those who meet the required performance thresholds are formally integrated into the approved supplier base, while those falling short may be placed under corrective action, subjected to further review, or excluded from future engagements.

Following successful post-trial evaluation, suppliers are formally onboarded into Hirdaramani Apparel's supply chain network. As a mandatory condition of onboarding, suppliers are required to commit to the Hirdaramani Apparel Supplier Code of Conduct, which outlines the ethical, labour, human rights and environmental standards expected across our supplier ecosystem. Compliance with these standards is continuously monitored through periodic assessments and audits, ensuring suppliers maintain alignment with Hirdaramani Apparel's responsible sourcing requirements throughout the business relationship.

GRI: 308-1, 308-2, 407-1, 408-1, 409-1, 414-1, 414-2



SUPPLIER ASSESSMENT AND ONBOARDING



06 STEP

SUPPLIER CODE OF CONDUCT

Suppliers are required to formally commit to the Hirdaramani Apparel Supplier Code of Conduct which outlines the ethical, labour and environmental standards expected of all partners.

05 STEP

PERFORMANCE-BASED OUTCOMES

Based on established performance thresholds, suppliers are either formally integrated into the approved supplier base, placed under corrective action and further review, or excluded from future engagements where requirements are not met.

04 STEP

PROBATION AND MONITORING

Newly selected suppliers undergo a six-month trial period during which their performance is continuously monitored against defined operational, ethical and compliance criteria as well as their adherence to labour, health and safety regulations, as well as their ongoing commitment to sustainability standards.

03 STEP

INDEPENDENT ASSURANCE

Audits to validate supplier disclosures and performance claims and on-site visits (as needed) to assess working conditions, environmental practices and overall operational standards.

02 STEP

SELF-DECLARATION

Labour practices, environmental sustainability initiatives and corporate social responsibility commitments. This ensures that responsible sourcing expectations are clearly communicated and embedded from the outset of the relationship.

01 STEP

COMMERCIAL ASSESSMENT

Historical performance, reliability, pricing integrity, responsiveness and compliance with applicable quality, safety and legal requirements.

SUPPLIER CODE OF CONDUCT

By adhering to the Hirdaramani Apparel's Supplier Code of Conduct, suppliers acknowledge their alignment with the following core principles:



Prevention of Forced Labour
Ensuring that all employment is freely chosen, with no use of coercion, bonded, or involuntary labour.



Prohibition of Child Labour and Employment of Young Persons
Complying with minimum age requirements and protecting young workers from hazardous conditions.



ZERO Tolerance of Harassment, Discrimination and Abuse
Promoting a safe, inclusive and respectful workplace free from all forms of discrimination and mistreatment.



Supporting Freedom of Association and the Right to Collective Bargaining
Respecting workers' rights to form and join trade unions and engage in collective negotiations.



Preserving and Promoting Health, Safety and Security
Implementing robust workplace safety measures and ensuring employee well-being.



Compliance with Legal Limits of Hours of Work
Adhering to national labour laws and international standards on working hours and overtime.



Fair Compensation, Wages & Benefits
Providing wages and benefits that meet or exceed legal requirements and industry benchmarks.



Environmental Best Practices
Minimising environmental impact through responsible resource use, pollution prevention and sustainability initiatives.



Regulatory Compliance
Ensuring full compliance with all applicable local, national and international laws and regulations.

SUPPLIER ENGAGEMENT AND DEVELOPMENT

Communication and engagement is a foundational element of Hirdaramani Apparel's efforts to build a resilient and responsible supply chain. The Group has established a series of channels to promote two-way communication. Emails, team calls and weekly check-ins help to share operational requirements, clarifying quality and compliance expectations and ensuring timely coordination across production and delivery processes, while scheduled in-person meetings and site visits aim to address ongoing concerns, discuss progress and ensure alignment on key objectives.

CAPACITY BUILDING

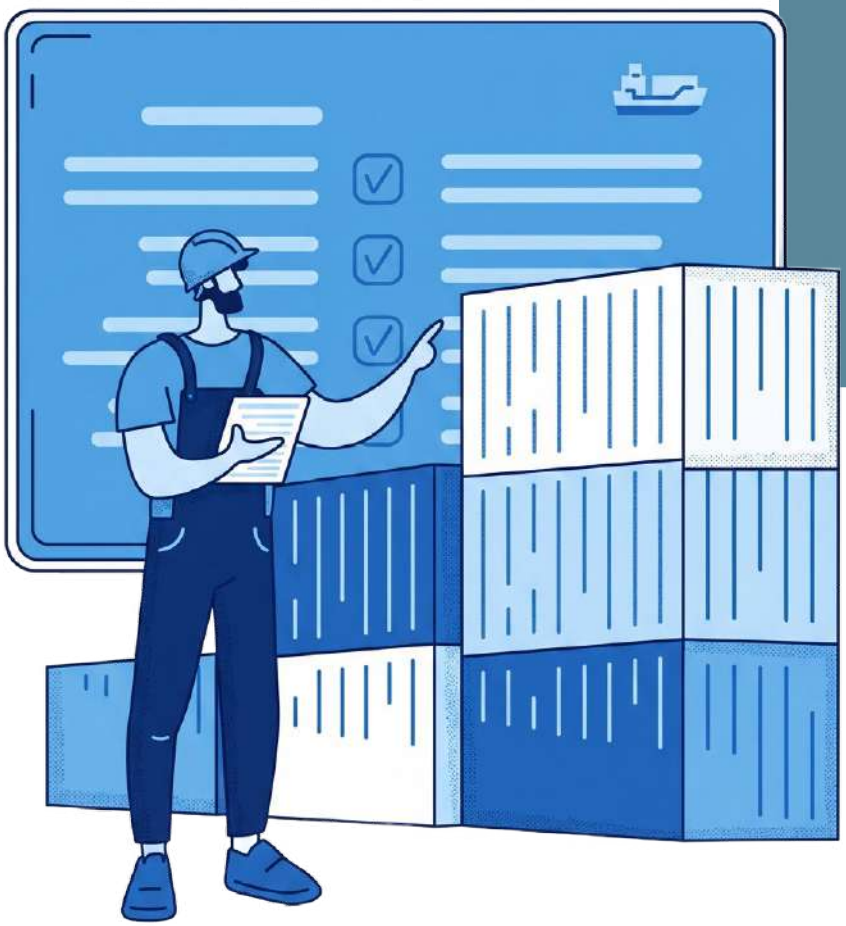
Capacity building and training are viewed as an extension of Hirdaramani Apparel's broader supplier engagement and communication strategy. Initiatives typically involve the sharing of data and insights to better align production schedules with supplier capabilities, particularly during peak demand periods, thereby supporting improved planning, resource allocation and operational efficiency across the supply chain.

Beyond operational alignment, the Company invests significant effort in strengthening supplier capability in relation to industry standards, regulatory compliance and sustainability performance.
Annual compliance audits and routine due diligence processes are used not only as monitoring mechanisms, but also as structured platforms for feedback, knowledge sharing to help suppliers better understand evolving requirements and strengthen their ability to meet global best practices.

SUPPLY CHAIN TRACEABILITY

Amidst increasing expectations from customers and growing scrutiny from regulators for end-to-end transparency, ethical sourcing assurance and verified sustainability claims, supply chain traceability has emerged as a critical priority across the global apparel industry in recent years. Hirdaramani Apparel has responded proactively to this shift by embedding traceability as a core component of its responsible sourcing and supply chain governance framework. Guided by customer requirements, the Group collects critical traceability data to support end-to-end visibility across its supply network. These efforts are reinforced through ongoing due diligence mechanisms, including digital tracking systems, Enterprise Resource Planning (ERP) platforms and product quality assurance processes such as Acceptable Quality Level (AQL) inspections, which collectively help verify the integrity and origin of sourced materials.

A significant milestone in strengthening this capability was achieved in 2024 with the introduction of the Traceability Ladder, a structured framework that requires Hirdaramani Apparel's fabric suppliers to complete a self-evaluation in relation to each consignment, enabling systematic upstream mapping of the supply chain. The initiative allows Hirdaramani Apparel to trace materials from fabric mills to yarn suppliers, fibre producers and ultimately back to cotton farms, thereby establishing comprehensive end-to-end visibility across the entire value chain.



RESPONSIBLE LABELLING – INDUSTRY EFFORTS TOWARDS TRACEABILITY

As value chains become more complex and globally dispersed, the ability to accurately trace materials back to their origin has become essential for demonstrating compliance, managing risk and strengthening accountability across every tier of production. Recognising these evolving expectations, Hirdaramani Apparel, together with other Sri Lankan apparel manufacturers, are actively collaborating through industry-wide initiatives aimed at advancing traceability standards.

A key example of this collective effort is the GS1–ADB project on responsible labelling, developed in collaboration with the Asian Development Bank (ADB), International Financial Reporting Standards (IFRS) and GS1. Representing a transformative step towards enhancing supply chain transparency, the initiative introduces of a single, standardised QR code affixed to each garment.

The QR code functions as a digital portal enabling stakeholders to access comprehensive product and supply chain information, including brand details, logistics data, material composition, care instructions, compliance information, recycling guidance and end-to-end traceability records. By consolidating this information into a unified format, the initiative promotes standardised disclosure practices, improves data accessibility and enhances the accuracy and consistency of reporting across the value chain.

02

CUSTOMER RELATIONSHIPS

Leveraging its position as a trusted manufacturing partner within the global apparel value chain, Hirdaramani Apparel has built a robust and diversified customer portfolio comprising leading global apparel brands across key markets in North America, Europe and Asia.

KEY BRANDS

CUSTOMER SEGMENTATION

The Group's strategic customer segmentation approach is designed to strengthen relationship management, optimise resource allocation and support long-term business growth. Under this framework, customers are categorised based on the nature, scale and strategic importance of the relationship.
Clear segmentation enables the Group to effectively align its manufacturing capabilities, technical expertise and supply chain processes to the distinct needs of each customer segment, thereby delivering specialised product solutions while maintaining consistent standards of quality, compliance and sustainability across its global customer base.

CUSTOMER VALUE PROPOSITION

At the heart of Hirdaramani Apparel's relationships with its global customer base lies a strong customer value proposition that serves as the primary anchor for building trust, strengthening long-term partnerships and delivering sustained value. Central to this value proposition is the 360-degree approach to quality through an integrated framework designed to ensure that every stage of the manufacturing process, from raw material sourcing to final shipment,
meets the highest standards of quality, safety, compliance and customer satisfaction.

The quality assurance process begins at the point of receiving raw materials, where fabrics and accessories undergo rigorous inspection and testing procedures
to verify compliance with predefined quality parameters. To exercise greater oversight and control over material quality, consistency and reliability across key sourcing categories, the Group also pursues vertical integration through strategic joint venture partnerships with local and international entities specialising in the supply of apparel manufacturing inputs.

Across all manufacturing facilities, operations are conducted in line with the ISO 9001 Quality Management Standard, ensuring standardised quality governance throughout the production lifecycle.
Prior to shipment, all finished goods undergo an additional three-stage auditing process designed to provide multiple layers of quality verification. As part of its commitment to continuous improvement and customer-centric value delivery, Hirdaramani Apparel also encourages customers to conduct independent audits and due diligence assessments to evaluate the effectiveness of its quality management architecture.
These evaluations often extend to areas such as good manufacturing practices, micro-packing processes and compliance with European Union and other international regulatory standards.

Both positive and developmental feedback arising from these customer assessments are formally communicated across operational teams and integrated into internal systems, enhancing process efficiencies and continuously elevating product quality and safety standards across its operations.

PRODUCT QUALITY AND SAFETY ASSURANCE PROCESS

STEP 01

RAW MATERIAL RECEIVING INSPECTION

Fabrics and accessories are inspected and tested upon receipt from supplier to verify compliance with predefined quality and safety requirements.



STEP 02



ISO 9001 ALIGNED MANUFACTURING QUALITY MANAGEMENT

Manufacturing operations across all facilities are managed in line with ISO 9001 standards to ensure standardised quality governance.

STEP 03

IN-LINE PRODUCTION QUALITY INSPECTIONS

Hourly inspections are conducted during production to verify workmanship, stitch quality, seam strength, garment safety and overall product integrity.



STEP 04



POST-PRODUCTION QUALITY INSPECTION

Completed garments undergo 100% post-production inspections under the supervision of dedicated Quality Assurance teams.

STEP 05

IN-HOUSE AQL PACKING AUDIT

An internal AQL audit is carried out during the packing process to verify finished product quality prior to shipment preparation.



STEP 06



PRE-FINAL QUALITY AUDIT

The Quality Assurance team conducts a pre-final audit based on customer-specific protocols and quality requirements.

STEP 07

FINAL CUSTOMER QUALITY VERIFICATION AUDIT

Customer representatives conduct a final audit to confirm compliance with required quality assurance standards and shipment specifications.



STEP 1.1 **FABRIC INSPECTION AND COLOUR ASSESSMENT**
Fabric batches undergo inspection, colour assessment and segregation procedures to ensure consistency and minimise production defects.

STEP 1.2 **FABRIC PHYSICAL PARAMETER TESTING**
Physical parameters of fabrics are tested based on material type and processing requirements to ensure adherence to customer specifications.

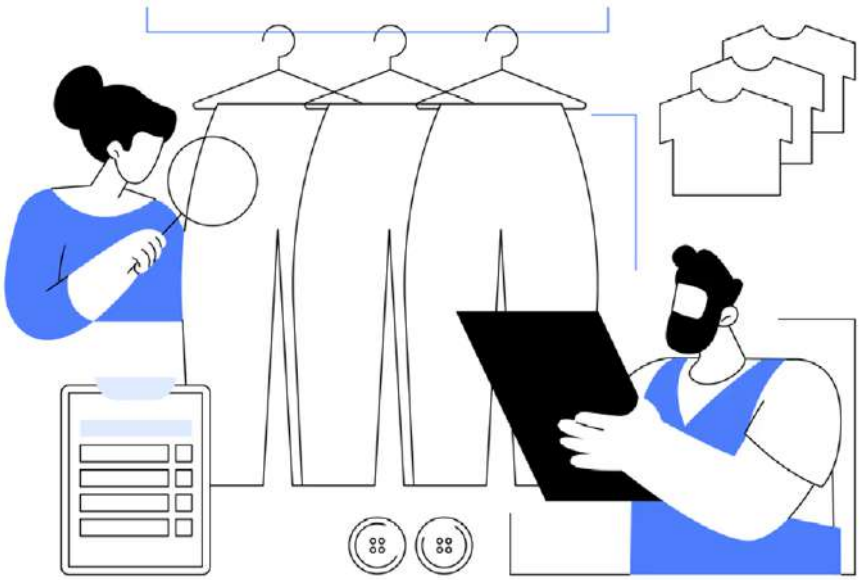
STEP 1.3 **ACCESSORIES INSPECTION UNDER AQL 0.65 STANDARDS**
Accessories are evaluated in accordance with AQL 0.65 standards for defects, appearance, colour consistency, layout accuracy and measurements.

STEP 1.4 **TEST REPORTING AND TRACEABILITY DOCUMENTATION**
Detailed test reports are generated and recorded by supplier or consignment to strengthen traceability and supply chain transparency.

PRODUCT COMPLIANCE STATUS

Nature of Incident	2024	2025
Total number of incidents of non-compliance with regulations and/ or voluntary codes concerning the health and safety impacts of products	Nil	Nil
Incidents of non-compliance with regulations resulting in a fine or penalty	Nil	Nil
Incidents of non-compliance with regulations resulting in a warning	Nil	Nil
Incidents of non-compliance with voluntary codes	Nil	Nil

GRI: 416-2



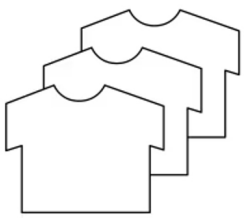
RESPONSIBLE LABELLING

All garments manufactured by Hirdaramani Apparel are labelled in accordance with brand-specific requirements and applicable regulatory standards in end user markets.

In addition, labels containing care instructions are designed to encourage more sustainable consumer behaviour, including recommendations such as washing at lower temperatures, reducing unnecessary wash cycles and air drying garments to minimise energy consumption and reduce environmental impact over the product lifecycle.

No incidents concerning non-compliance of product labeling information was reported in the current financial year.

GRI: 417-1, 417-2



CUSTOMER PARTNERSHIPS AND PROJECTS

Extending well beyond conventional buyer-supplier engagements, Hirdaramani Apparel often collaborates with customers on initiatives aimed at driving innovation, advancing sustainability priorities, strengthening supply chain resilience and enhancing social impact across the apparel value chain.

Innovation-focused collaborations typically involve joint product development initiatives, material innovation projects and the adoption of advanced manufacturing technologies designed to improve product functionality, efficiency and speed-to-market capabilities. These engagements enable the Group to access technical expertise and research capabilities to enhance institutional knowledge.

Environmental sustainability also remains a major area of partnership with customers. Many of these global brands maintain ambitious climate and sustainability targets, prompting close collaboration with Hirdaramani Apparel in areas such as responsible sourcing, renewable energy adoption, resource efficiency, waste reduction, circularity initiatives and supply chain traceability. The Group also collaborates with customers on selected social sustainability initiatives, particularly community upliftment initiatives.

CUSTOMER COMMUNICATION AND FEEDBACK

Given the dynamic and fast-evolving nature of the global fashion industry, maintaining close engagement with customers enables the Group to better understand evolving market expectations, respond proactively to changing requirements and ensure alignment across all stages of design, development, production and delivery.

Customer engagement begins at the onboarding stage, where the Group reaches out to prospective customers through official promotional and capability presentations. These promotional packs are designed to provide a comprehensive overview of manufacturing capacity, technical capabilities, operational track record and sustainability commitments. All promotional and communication materials are developed internally by the Group Corporate Communications team in accordance with Board-approved communication guidelines that are aligned with applicable legal frameworks and industry standards. These guidelines are periodically reviewed and updated to reflect evolving regulatory and industry developments. Prior to customer circulation, all materials undergo a rigorous vetting process by the Group Corporate Communications team to verify data integrity, disclosure accuracy and compliance with approved communication protocols. Notably, no incidents relating to non-compliance with marketing and communication guidelines were reported during the financial year.

Following onboarding, customers are supported through dedicated account management teams that work closely with customer representatives to understand and address their requirements at every stage of the value chain. These teams facilitate continuous coordination from design and product development through to production planning, quality management and final delivery, thereby ensuring responsiveness, operational alignment and timely decision-making.

In addition to routine engagement channels, Hirdaramani Apparel also participates in Seasonal Roadshows and Vendor Meets, which serve as important platforms for direct customer interaction. These roadshows are typically customised for individual customers and conducted at the start of each season to showcase new collections, emerging product concepts and evolving manufacturing capabilities.

Such engagements provide customers with the opportunity to explore new product ideas for upcoming seasons while also enabling the Group to demonstrate its technical strengths, innovation capabilities and responsiveness to changing market trends.

Direct customer engagements serve as a valuable mechanism for measuring customer satisfaction, receiving feedback and identifying areas for improvement. Multiple digital communication channels are also in place for customers to escalate concerns, submit complaints and participate in customer satisfaction assessments in a timely and structured manner.

All customer complaints received are formally documented and subjected to comprehensive investigation procedures and where necessary, formal Corrective Action Plans (CAPs) are initiated to identify root causes and implement remediation measures. In certain cases, third-party assurance providers may also be engaged to validate findings and provide additional verification. The resulting CAP reports, together with any third-party assessments, are then communicated transparently to customers and used as the basis for resolving claims, negotiating waivers and implementing continuous improvement initiatives aimed at preventing recurrence.

GRI: 417-3

CUSTOMER BRAND PROTECTION AND PRIVACY

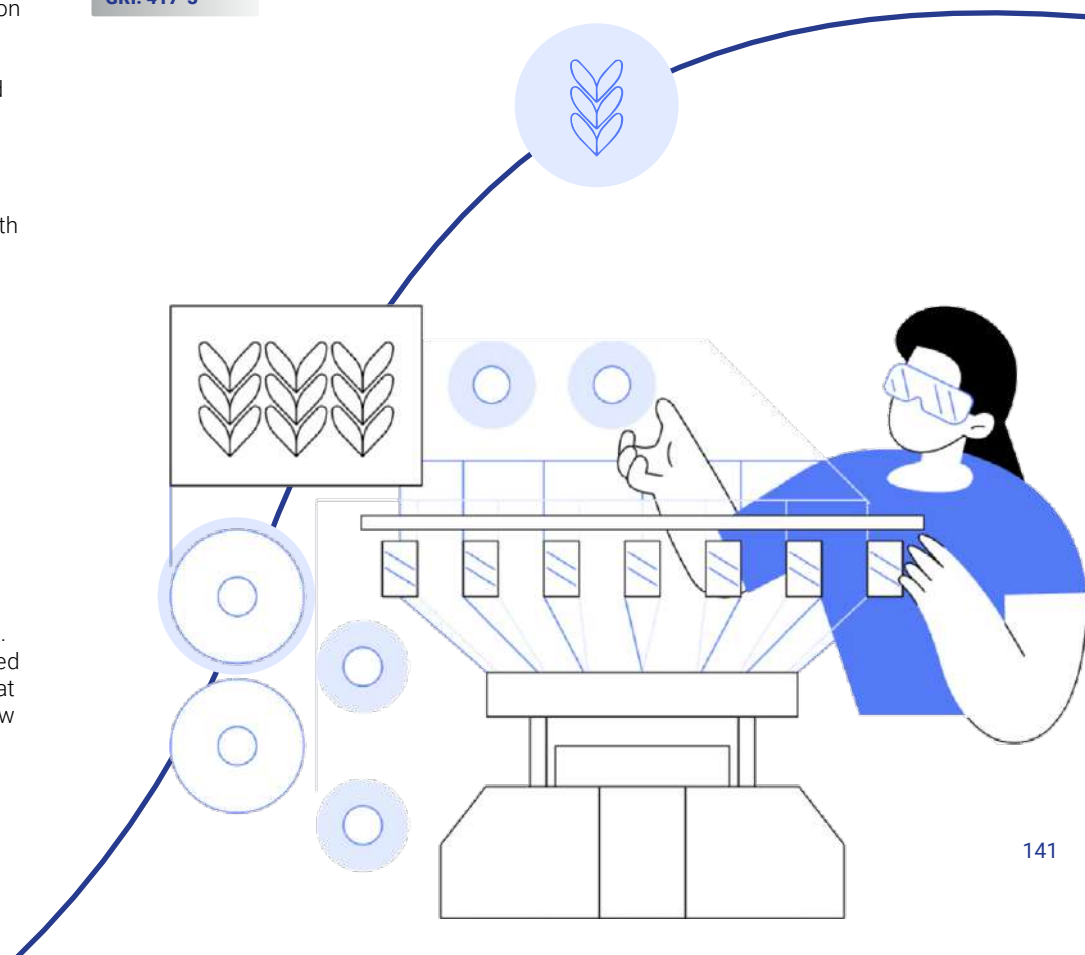
The Hirdaramani Apparel's Brand Protection Policy establishes the procedures and practices for safeguarding customers' intellectual property rights and the integrity of products and brand identity.

The Group has further invested in a comprehensive information security framework including secure cloud storage, strict user access controls, endpoint protection, firewalls and intrusion detection and prevention systems. Anti-malware and anti-virus solutions further strengthen system security by continuously monitoring and mitigating potential threats.

In addition, regular third-party penetration testing and vulnerability assessments are conducted to identify risks, strengthen system resilience and ensure timely application of security patches and updates.

No complaints regarding the breach of customer privacy were reported in the current financial year.

GRI: 418-1





03

PRODUCTS AND INNOVATION

PRODUCT PORTFOLIO

With strong capabilities spanning the entire scope of apparel manufacturing, Hirdaramani Apparel offers a diverse and highly specialised product portfolio designed to meet the evolving needs of global fashion brands across multiple market segments.

Accordingly, the product portfolio is categorised based on core areas of specialisation, enabling the Group to align its technical expertise, production capabilities and innovation focus to deliver tailored solutions across a wide spectrum of customer requirements.



PRODUCT DESIGN AND DEVELOPMENT PROCESS

The Product Design and Development process at Hirdaramani Apparel is governed through a strictly controlled framework to ensure consistency, compliance and alignment with customer requirements from concept to final production.

1. CUSTOMER BRIEF

RECEIVE TRENDPACK OR CUSTOMER REQUEST

** Align on category, price point, target market, sustainability & timelines

2. MARKET & TREND RESEARCH

BRAINSTORMING NEWNESS & INNOVATION IN SILHOUETTES /GRAPHICS / WASHES/ FABRIC ETC

MI REPORTS TO BE SHARED WITH CUSTOMERS

1. Visiting trade fairs i.e. ISPO, ITMA etc
2. Competitor Shopping (US, UK, EU)
3. WGSN – World's leading trend forecaster
4. Marketing Consultants in UK & US
5. Input from Marketing teams

3. CONCEPT & RANGE BUILDING

FABRIC/ TRIM SELECTIONS

TRIAL OUT CONSTRUCTIONS & INNOVATION

4. DEVELOPMENT & SOURCING

CREATING SKETCHES + TECHPACKS & ARTWORKS

RANGE PLANS TO SHARE WITH CUSTOMER

FABRIC/ TRIM ORDERING

TECHPACK HANDOVERS & RISK ANALYSIS

PATTERN CREATION AND TRIALS

STRIKE OFFS & WASH TRIALS

5. SAMPLING & VALUE ENGINEERING

SAMPLING

WASHING | PRINTING

COSTING

6. PRESENTATION & RE-VIEW

REVIEWING OF SAMPLES

CREATING DECK OF SAMPLES TO SHARE WITH CUSTOMER

DISPATCH SAMPLES TO THE CUSTOMER

** Competitor Shopping (US, UK, EU)

7. CUSTOMER REVIEW

REVIEWING OF SAMPLES

CUSTOMER SELECTIONS

8. REVISIONS/ RESAMPLING

** Same process as #4 / #5 / #6



PRODUCT DESIGN AND DEVELOPMENT PROCESS – SPECIAL PROJECTS

The Product Design and Development Process for Special Projects differs from the standard development cycle, in its higher degree of cross-functional integration, enhanced governance oversight and accelerated, solution-oriented execution approach.

Unlike routine product development, which follows established seasonal workflows and predefined specifications, Special Projects are typically initiated for strategic, high-value, or innovation-led requirements and may often involve complex design concepts, new material applications, sustainability-focused innovations, or technically challenging garments that require deeper collaboration between customers and internal technical teams from the outset.

Given their strategic nature, Special Projects operate under a more intensive governance framework, involving earlier and more frequent involvement of senior technical, merchandising and quality assurance functions. Decision-making is more tightly coordinated, with enhanced approval checkpoints to ensure technical feasibility, compliance with sustainability and regulatory standards and alignment with manufacturing capability across facilities.

RESEARCH & DEVELOPMENT CAPABILITIES

Product development at Hirdaramani Apparel is underpinned by strong internal R&D capabilities developed through hands-on experience and further supported by cross-functional collaboration between Design, Sample Room, Fabric Sourcing and Washing R&D teams.

TEAM EXPERTISE

Fashion Designers driving concept, silhouette and customer-aligned design development.

Fabric Engineers specialising in fabric sourcing, development and material innovation.

Denim Wash & Garment Dye Experts focused on wash engineering, dye techniques and process innovation.



DESIGN OUTPUT

The team delivers approximately

1,500 NEW STYLES ANNUALLY,

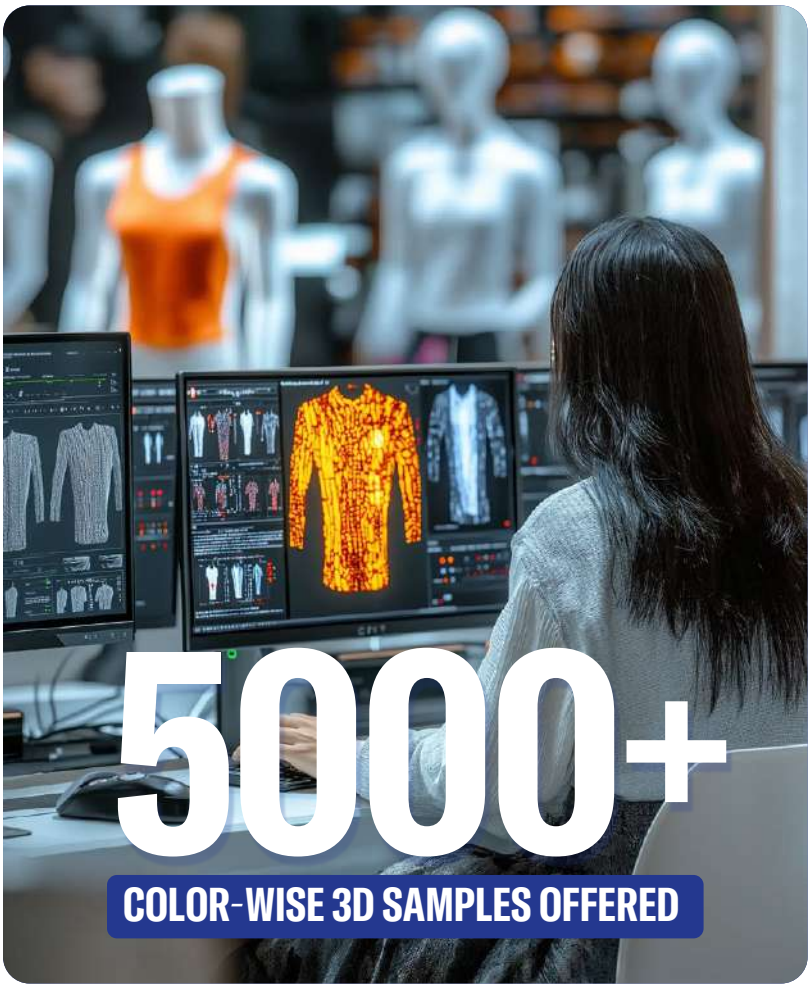
spanning core programmes, seasonal collections and innovation-driven developments.

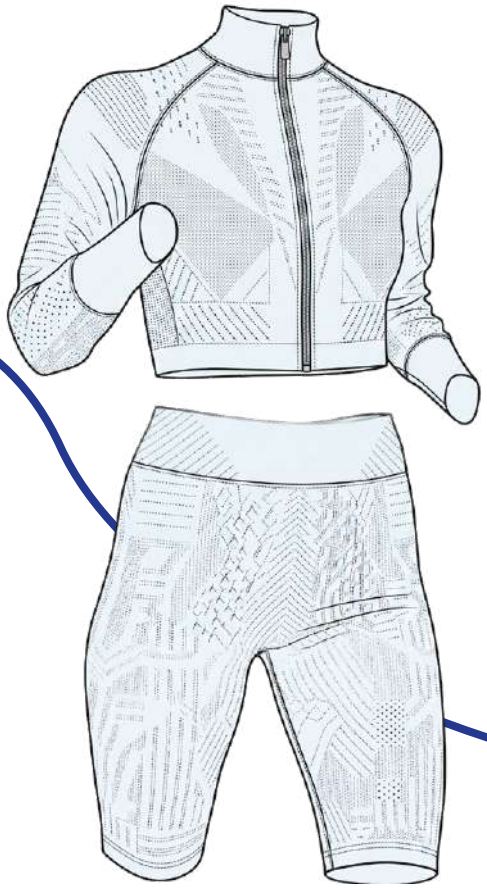
DIGITALISATION

In line with Hirdaramani Apparel's Future First Sustainability Roadmap strategy, digitisation has come to the forefront as a key enabler of sustainable transformation with particular emphasis on the adoption of 3D technology to reshape how products are designed, developed and approved.

The main aim has been to integrate advanced 3D design and simulation tools to create decision-ready digital prototypes from concept through to pre-production. This allows design concepts to be visualised, refined and validated virtually, thereby significantly reducing dependence on iterative physical sampling while allowing buyers to evaluate designs within a digital showroom environment before any cut sample is produced. This transition from physical to digital prototyping accelerates the product development cycle while improving accuracy and alignment between stakeholders.

Moreover, replacing traditional multi-cycle sampling with high-fidelity digital twins also delivers measurable sustainability benefits, in terms of reducing fabric waste, lowering water and energy consumption, minimising production-related emissions and eliminating unnecessary material usage.





INNOVATION

The commitment to sustainability has remained a strong motivator underpinning Hirdaramani Apparel's innovation-led mindset aimed at developing practical, scalable solutions that reduce environmental impact while maintaining performance, quality and commercial viability across global apparel categories.

The Group adopts a systematic approach with each initiative defined by a clear purpose, expected environmental and operational outcomes and quantified carbon footprint impact using Life Cycle Assessment (LCA) data.

LASER TECHNOLOGY

Laser technology is an advanced and sustainable garment finishing process that uses high-precision laser beams to create fading, whiskers, distressed effects, patterns and decorative designs on garments, particularly denim, without the need for traditional manual or chemical-intensive processes.

Compared to conventional finishing methods such as sandblasting, hand scraping, or potassium permanganate (PP) spraying, laser technology significantly reduces environmental impacts by eliminating hazardous chemicals, minimising water consumption and lowering energy use. It also improves worker health and safety by reducing exposure to dust and harmful chemicals while delivering consistent product quality through automated digital processing.

HIRDARAMANI APPAREL SUSTAINABILITY REPORT 2026

04

MATERIAL MANAGEMENT

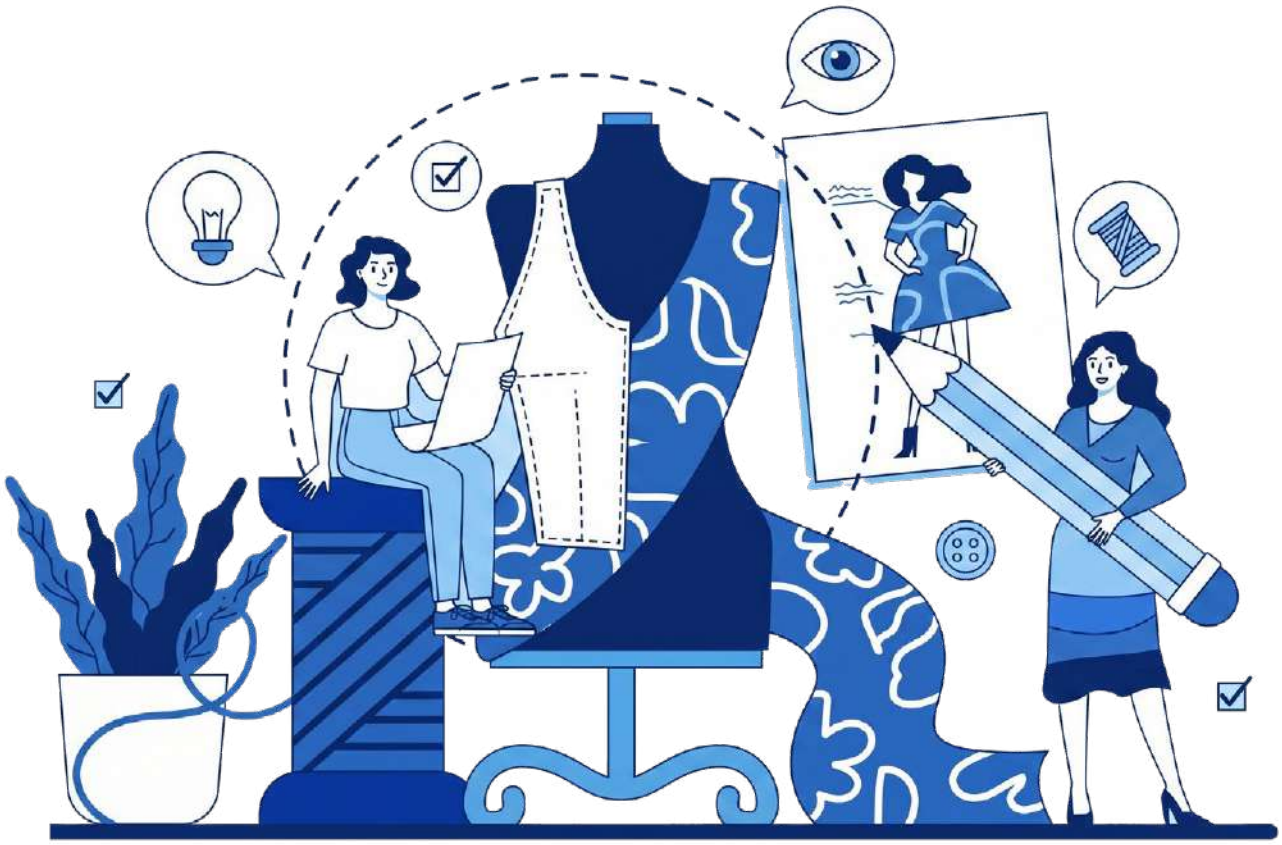
In seeking to demonstrate its commitment to sustainability, Hirdaramani Apparel has established a Material Management Policy that prioritises the selection and use of raw materials which reduce environmental impact, support circularity and contribute to improved social and environmental outcomes across the full product life cycle.
The policy framework is cascaded across key material categories to ensure consistent application throughout the value chain.

Accordingly, for fabrics, priority is given to recycled materials such as recycled polyester, recycled nylon and recycled cotton, alongside organic inputs such as GOTS-certified organic cotton.
The policy further promotes certified sustainable materials including GOTS, GRS, RCS, FSC, PEFC and Better Cotton, as well as low-impact and innovative alternatives such as bio-based fibres and regenerated fibres from closed-loop systems like TENCEL™ Lyocell.

It also encourages the use of upcycled and circular materials derived from post-consumer and production waste streams.

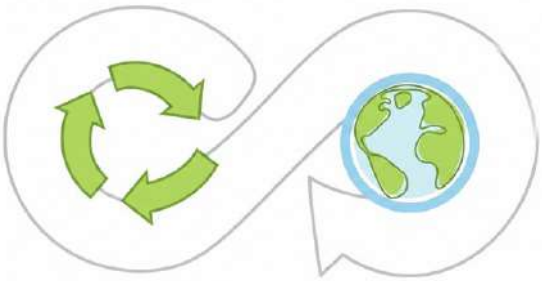
For dyes and chemicals, the policy advocates for environmentally responsible inputs that are ZDHC MRSL compliant, Bluesign® approved, non-toxic, biodegradable, or low-impact. It also supports the use of natural dyes derived from plant, mineral, or biomass sources, while eliminating harmful substances such as PFAS and APEOs. In parallel, preference is given to resource-efficient processes that reduce water, energy and chemical intensity.

For packaging materials, the focus is on circular and resource-efficient solutions, including recyclable, reusable, or compostable materials, as well as packaging made from recycled content such as recycled paper and plastic.
The policy also promotes Forest Stewardship Council (FSC) certified paper and board, plastic-free or reduced-plastic alternatives and design optimisation to reduce material usage through lightweighting and improved efficiency.



05

PRODUCT INTEGRITY AND CIRCULARITY

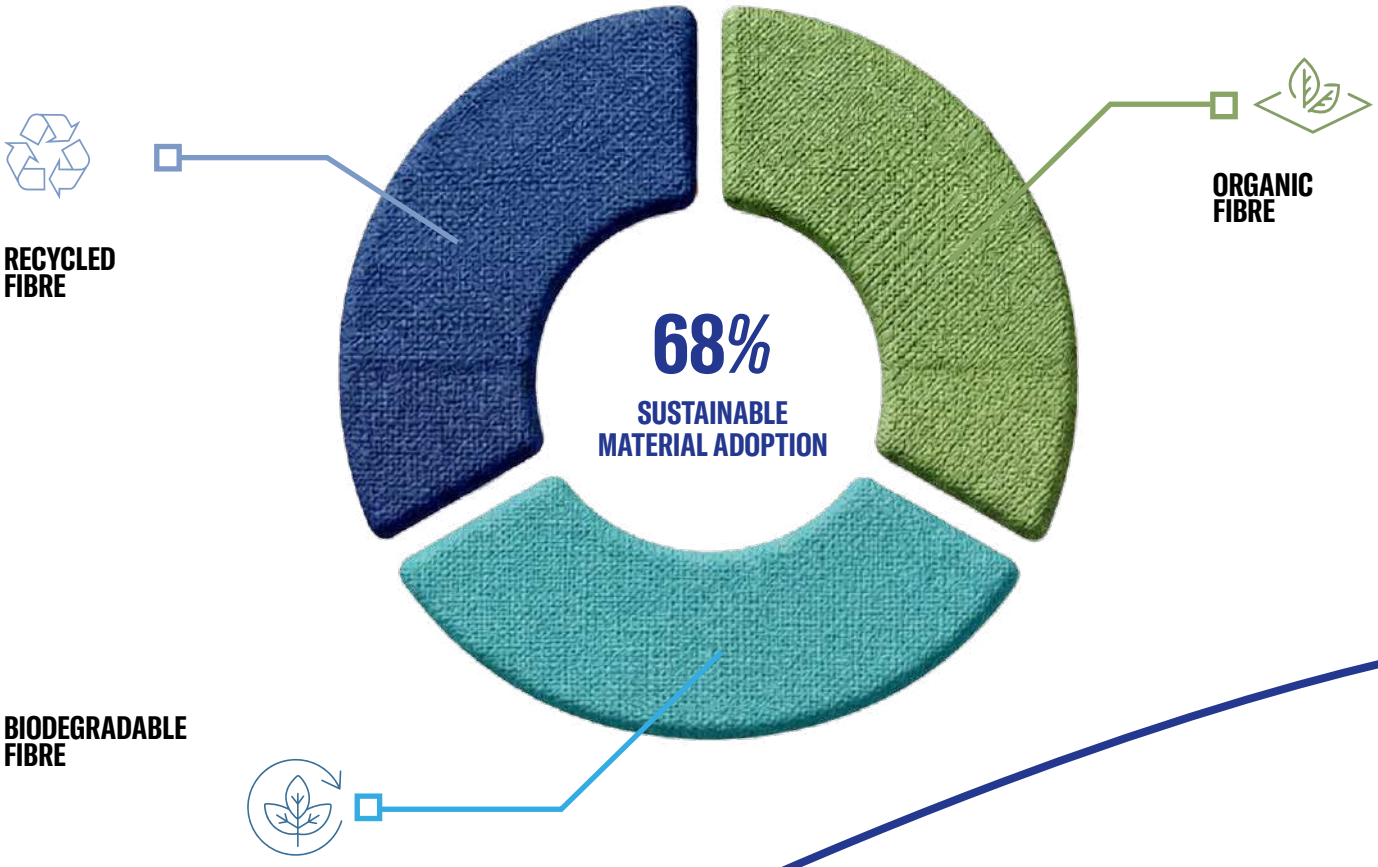


Demonstrating its commitment to product integrity and circularity, Hirdaramani Apparel applies a structured Life Cycle Assessment (LCA) framework to assess environmental impacts from raw material sourcing through to production and end-of-life stages, thereby supporting more informed decision-making and continuous improvement in sustainability outcomes.

A key indicator of progress is the Group's sustainable material adoption rate, with 68% of total fabric spend sourced from recycled, organic and biodegradable materials, reflecting a deliberate shift towards lower-impact inputs that support circularity and reduce reliance on virgin materials.

In addition to material selection, Hirdaramani Apparel advances circularity through product take-back and reuse initiatives designed to extend product life cycles and reduce textile waste.
These initiatives are complemented by end-of-life management partnerships that enable responsible recovery, recycling and reintegration of materials into the value chain.

SUSTAINABLE MATERIAL ADOPTION



2.



BUILDING ON PROGRESS

AS WE COMPLETE FUTURE FIRST 2025, WE LOOK AHEAD WITH RENEWED AMBITION. FUTURE FIRST 2.0 WILL BUILD ON OUR PROGRESS AND GUIDE THE NEXT CHAPTER OF SUSTAINABLE GROWTH AND IMPACT.

WAY FORWARD

The progress achieved through our Future First Sustainability Roadmap has laid a strong foundation for the next chapter of our sustainability journey. As we conclude the first roadmap, we recognise both the progress made and the areas where our ambitions remain a work in progress. While several commitments were achieved or exceeded, others require continued focus and action. As we look ahead, Future First 2.0 (2026–2030) builds directly on the lessons, systems and capabilities developed over the past five years, carrying forward these priorities with greater clarity, stronger metrics and renewed ambition. This approach reflects Hirdaramani Apparel's commitment to building on what we have learned, strengthening what works and advancing the areas that remain important to our business and stakeholders, while responding to a rapidly evolving global landscape.

As climate change-induced resource scarcity, evolving regulatory expectations and increasing demands from global brands and consumers continue to demand that apparel manufacturers transition towards lower-carbon operations, responsible resource management, enhanced traceability and more circular production systems. The Future First 2.0 Sustainability Roadmap seeks to embed even more ambitious targets across environmental, social and governance dimensions, to enable Hirdaramani Apparel to anticipate and respond to these growing complexities that are expected to reshape the apparel manufacturing ecosystem in the years ahead.

Against this backdrop, Future First 2.0 focuses on improving energy efficiency and reducing greenhouse gas emissions through the adoption of renewable energy, energy-efficient technologies and low-carbon manufacturing practices. Complementing these efforts are measurable targets to strengthen water stewardship through improved water-use efficiency, wastewater management, water recycling initiatives and responsible water conservation practices across manufacturing facilities.

The strategy also places significant emphasis on advancing waste management by reducing waste generation at source, increasing resource recovery, maximising recycling and reuse opportunities and ultimately achieving zero waste to landfill. Recognising the importance of responsible chemical stewardship within apparel manufacturing, Future First 2.0 further seeks to strengthen chemical management practices by prioritising the adoption of safer alternatives that minimise environmental and human health impacts alongside efforts to reduce the use of harmful chemicals based on procurement best practices and enhanced chemical traceability, in compliance with global restricted substance requirements.

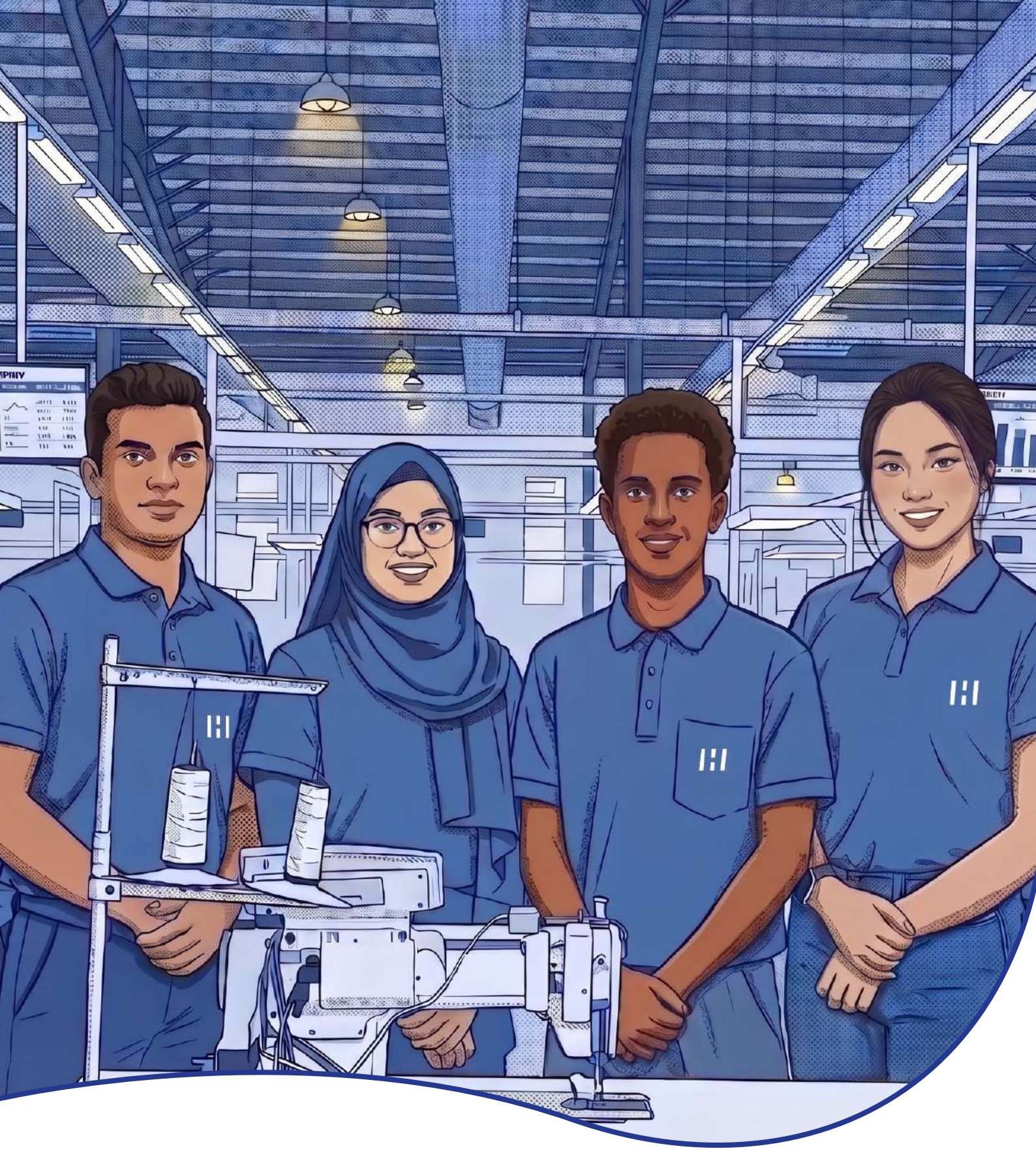
In addition to mitigating environmental impacts, the strategy is designed to unlock opportunities to advance circular economy principles by increasing the use of sustainable and recycled materials, improving product and material traceability, reducing material losses and collaborating with customers and supply chain partners to develop more circular production models. At the same time, continued investment in digitalisation, automation and advanced manufacturing technologies will improve operational efficiency, optimise resource utilisation, strengthen data-driven decision-making and enhance environmental performance across the value chain.

Acknowledging that environmental sustainability is a broader corporate responsibility, the Future First 2.0 also places significant emphasis on ecosystem enhancement initiatives through biodiversity conservation, habitat restoration, tree planting and broader environmental stewardship programmes that contribute to healthier ecosystems across all locations where operations are present.

Equally importantly, Future First 2.0 is designed to create meaningful social impact. As rapid technological advancement, changing workforce demographics, shifting employee expectations and the growing focus on human rights, diversity, equity, well-being and responsible employment practices continue to transform the social landscape, the Future First 2.0 Sustainability Roadmap establishes a comprehensive set of measurable social sustainability targets under the W. E. A. V. E. framework.

The W. E. A. V. E. framework focuses on enhancing employee well-being through holistic physical, mental, financial and social well-being programmes; advancing diversity, equity, inclusion and equal opportunity; strengthening ethical business conduct, human rights and responsible labour practices across the value chain. Also included within the W. E. A. V. E. framework is Hirdaramani Apparel's commitment to community engagement and social investment aimed at creating lasting positive social outcomes for its people and communities, across the broader value chain.

As we embark on the next phase of our sustainability journey, Future First 2.0 provides a clear framework for creating long-term environmental, social and business value. Success will be driven by the collective efforts of our people, the strength of our partnerships and our commitment to continuous improvement across every part of our organisation. Together, as One Hirdaramani, we remain committed to progressing with purpose and building a better tomorrow for our people, our partners and the communities we serve.



BUILDING CONFIDENCE THROUGH TRANSPARENCY

INDEPENDENT ASSURANCE AND GLOBALLY RECOGNISED REPORTING FRAMEWORKS STRENGTHEN THE CREDIBILITY OF OUR SUSTAINABILITY JOURNEY. TOGETHER, THEY REINFORCE OUR COMMITMENT TO TRANSPARENT AND ACCOUNTABLE REPORTING.

GRI CONTENT INDEX

Statement of Use
Hirdaramani Apparel has reported in accordance with the GRI Standards for the period 1st January 2025 to 31st December 2025.

GRI 1 Used
GRI 1: Foundation 2021

GRI Indicator		Topic	Location/ Reference	Page No.
GRI 2: General Disclosures 2021	2-1	Organizational details	A Legacy of Continuous Progression	10-16
	2-2	Entities included in the organization's sustainability reporting	About this Report	44-46
	2-3	Reporting period, frequency and contact point	About this Report	44-46
	2-4	Restatements of information	About this Report	44-46
	2-5	External assurance	About this Report, Assurance Report	44-46, 159-160
	2-6	Activities, value chain and other business relationships	Global Market Presence	18-19
	2-7	Employees	Empower Our People – Workforce Statistics	86
	2-8	Workers who are not employees	Not applicable	
	2-9	Governance structure and composition	Governance Philosophy, Sustainability Priorities	39-42, 54-55
	2-10	Nomination and selection of the highest governance body	Not disclosed	
	2-11	Chair of the highest governance body	Governance Philosophy	39-42
	2-12	Role of the highest governance body in overseeing the management of impacts	Governance Philosophy, Sustainability Priorities	39-42, 54-55
	2-13	Delegation of responsibility for managing impacts	Governance Philosophy, Sustainability Priorities	39-42, 54-55
	2-14	Role of the highest governance body in sustainability reporting	Governance Philosophy, Sustainability Priorities	39-42, 54-55
	2-15	Conflicts of interest	Not disclosed	
	2-16	Communication of critical concerns	Not disclosed	
	2-17	Collective knowledge of the highest governance body	Not disclosed	
	2-18	Evaluation of the performance of the highest governance body	Not disclosed	
	2-19	Remuneration policies	Not disclosed	
	2-20	Process to determine remuneration	Not disclosed	
	2-21	Annual total compensation ratio	Not disclosed	
	2-22	Statement on sustainable development strategy	Chairman's Message	38
	2-23	Policy Commitments	Governance Philosophy, Conserve our Environment – Environment Management System, Empower our People – HR Governance and Policies, Trust in Good Choices – Supplier Relationships	39-42, 60, 87, 134
	2-24	Embedding policy commitments	Governance Philosophy, Conserve our Environment – Environment Management System,Empower our People – HR Governance and Policies	39-42, 60, 87
	2-25	Processes to remediate negative impacts	Empower our People – Diversity, Equality and Inclusion (DEI), Empower our People – Human Rights	88-89, 90
	2-26	Mechanisms for seeking advice and raising concerns	Governance Philosophy, Empower our People – Human Rights	39-42, 90
	2-27	Compliance with laws and regulations	Governance Philosophy, Empower our People – HR Governance and Policies	39-42, 87
	2-28	Membership associations	Sustainability Excellence	31
	2-29	Approach to stakeholder engagement	Stakeholder Engagement	50-52
	2-30	Collective bargaining agreements	Empower our People – Human Rights	90

GRI 3: Material Topics 2021	3-1	Process to determine material topics	Material Topics	47-49
	3-2	List of material topics	Material Topics	47-49
	3-3	Management of material topics	Material Topics	47-49
GRI 101: Biodiversity 2024	101-1	Policies to halt and reverse biodiversity loss	Conserve our Environment – Biodiversity Conservation	74-76
	101-2	Management of biodiversity impacts	Conserve our Environment – Biodiversity Conservation	74-76
	101-3	Access and benefit-sharing	Conserve our Environment – Biodiversity Conservation	74-76
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	Conserve our Environment – Climate Risk Metrics	80-81
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Empower our People – Diversity, Equality and Inclusion (DEI), Empower our People – Remuneration and Benefits	88-89, 93
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	Support our Communities	118-125
	203-2	Significant indirect economic impacts	Support our Communities – CSR Governance	118-119
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Conserve our Environment – Energy and Emission Management	61-62
	302-4	Reduction of energy consumption	Conserve our Environment – Energy and Emission Management	61-62
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Conserve our Environment – Water and Effluent Management	67-69
	303-2	Management of water discharge-related impacts	Conserve our Environment – Water and Effluent Management	67-69
	303-3	Water withdrawal	Conserve our Environment – Water and Effluent Management	67-69
	303-4	Water discharge	Conserve our Environment – Water and Effluent Management	67-69
	303-5	Water consumption	Conserve our Environment – Water and Effluent Management	67-69
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Conserve our Environment – Energy and Emission Management	61-62
	305-2	Energy indirect (Scope 2) GHG emissions	Conserve our Environment – Energy and Emission Management	61-62
	305-5	Reduction of GHG emissions	Conserve our Environment – Energy and Emission Management	61-62
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Conserve our Environment – Waste Management	72
	306-2	Management of significant waste-related impacts	Conserve our Environment – Waste Management	72
	306-3	Waste generated	Conserve our Environment – Waste Management	72
	306-4	Waste diverted from disposal	Conserve our Environment – Waste Management	72
	306-5	Waste directed to disposal	Conserve our Environment – Waste Management	72
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Trust in Good Choices – Supplier Relationships	132-137
	308-2	Negative environmental impacts in the supply chain and actions taken	Trust in Good Choices – Supplier Relationships	132-137
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Empower our People – Recruitment and Selection	91-92
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Empower our People – Remuneration and Benefits	93
	401-3	Parental leave	Empower our People – Remuneration and Benefits	94
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes	Empower our People – Human Rights	90

GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Empower Our People – Health and Safety	109-112
	403-2	Hazard identification, risk assessment, and incident investigation	Empower Our People – Health and Safety	109-112
	403-3	Occupational health services	Empower Our People – Health and Safety	109-112
	403-4	Worker participation, consultation, and communication on occupational health and safety	Empower Our People – Health and Safety	109-112
	403-5	Worker training on occupational health and safety	Empower Our People – Health and Safety	109-112
	403-6	Promotion of worker health	Empower Our People – Health and Safety	109-112
	403-8	Workers covered by an occupational health and safety management system	Empower Our People – Health and Safety	109-112
	403-9	Work-related injuries	Empower Our People – Health and Safety	109-112
	403-10	Work-related ill health	Empower Our People – Health and Safety	109-112
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Empower our People – Training and Development	96-98
	404-2	Programs for upgrading employee skills and transition assistance programs	Empower our People – Training and Development	96-98
	404-3	Percentage of employees receiving regular performance and career development reviews	Empower Our People – Performance Management	94-95
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Empower our People – Diversity, Equality and Inclusion (DEI)	88-89
	405-2	Ratio of basic salary and remuneration of women to men	Empower our People – Diversity, Equality and Inclusion (DEI), Empower our People – Remuneration and Benefits	88-89, 93
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Empower our People – Human Rights	90
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	Empower our People – Human Rights, Trust in Good Choices – Supplier Relationships	90, 132-137
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	Empower our People – Human Rights, Trust in Good Choices – Supplier Relationships	90, 132-137
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Empower our People – Human Rights, Trust in Good Choices – Supplier Relationships	90, 132-137
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Support our Communities – CSR Governance	118-119
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Trust in Good Choices – Supplier Relationships	132-137
	414-2	Negative social impacts in the supply chain and actions taken	Trust in Good Choices – Supplier Relationships	132-137
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Trust in Good Choices – Customer Relationships	138-141
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	Trust in Good Choices – Customer Relationships	138-141
	417-2	Incidents of non-compliance concerning product and service information and labeling	Trust in Good Choices – Customer Relationships	138-141
	417-3	Incidents of non-compliance concerning marketing communications	Trust in Good Choices – Customer Relationships	138-141
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Trust in Good Choices – Customer Relationships	138-141

SUSTAINABILITY ACCOUNTING STANDARD (SASB)

Sustainability Accounting Standard (SASB) – Apparel, Accessories & Footwear Standard (Version 2023-12)

Topic	Accounting Metric	Category	Unit	Code	Disclosure/ Reference
Management of Chemicals in Products	Discussion of processes to maintain compliance with restricted substances regulations	Discussion and Analysis	N/A	CG-AA-250a.1	Chemical Management – Pages 70-71. Hirdaramani's Chemical Management Policy covers supplier screening and chemical procurement, ZDHC MRSL and customer-specific requirements, SDS documentation, CleanChain InCheck/BVE3 screening, RSL product compliance, OEKO-TEX® Standard 100 and third-party effluent testing aligned with ZDHC wastewater requirements.
Management of Chemicals in Products	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Discussion and Analysis	N/A	CG-AA-250a.2	Chemical Management – Pages 70-71. Chemical risks are managed through controlled procurement, safe handling and storage, trained personnel, chemical waste management, restricted-substance controls, bi-annual internal environmental assessments, worker-safety protocols, emergency preparedness and wastewater compliance. Supply-chain partners are also assessed annually on chemical-related requirements.
Environmental Impacts in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater-discharge permits or contractual agreements	Quantitative	Percentage (%)	CG-AA-430a.1	Partially disclosed – Chemical Management – Pages 70-71; Supplier Relationships – Pages 132-137. Supply-chain partners undergo annual assessments that include wastewater management where applicable, while supplier onboarding and monitoring include environmental and compliance criteria. However, the report does not disclose separate percentages for Tier 1 and beyond-Tier-1 supplier facilities.
Environmental Impacts in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that completed the Higg Facility Environmental Module (Higg FEM) or an equivalent environmental-data assessment	Quantitative	Percentage (%)	CG-AA-430a.2	Partially disclosed – Conserve our Environment – Pages 58-81; Chemical Management – Pages 70-71; Supplier Relationships – Pages 132-137. Higg FEM is applied within Hirdaramani's environmental management framework and the Group reports a Higg FEM average score of 91 for its facilities. Supplier environmental assessments and audits are also described. However, Tier 1 and beyond-Tier-1 supplier Higg FEM completion percentages are not disclosed.

Labour Conditions in the Supply Chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 audited against a labour code of conduct, and (3) percentage of total audits conducted by third-party auditors	Quantitative	Percentage (%)	CG-AA-430b.1	Partially disclosed – Supplier Relationships – Pages 132-137. New suppliers provide social and environmental self-declarations; suppliers may undergo independent audits and site visits; compliance with the Supplier Code of Conduct is monitored through periodic assessments and audits. Annual compliance audits and due-diligence processes are also described. However, the three SASB-required percentages are not disclosed.
Labour Conditions in the Supply Chain	(1) Priority non-conformance rate and (2) associated corrective-action rate for suppliers' labour-code-of-conduct audits	Quantitative	Rate	CG-AA-430b.2	Partially disclosed – Supplier Relationships – Pages 132-137. Suppliers not meeting required thresholds may be placed under corrective action and further review or excluded from future engagements; performance is subsequently monitored through assessments and audits. However, the priority non-conformance rate and corrective-action rate are not quantitatively disclosed.
Labour Conditions in the Supply Chain	Description of the greatest (1) labour and (2) environmental, health and safety risks in the supply chain	Discussion and Analysis	N/A	CG-AA-430b.3	Supplier Code of Conduct/ Supplier Relationships – Pages 132-137. The Supplier Code addresses forced labour, harassment and discrimination, health and safety, wages and benefits, child labour, freedom of association, working hours, regulatory compliance and environmental best practices. Supplier assessment, monitoring, due diligence and capacity-building processes are also described. The report covers the relevant risk areas, although it does not explicitly rank them as the "greatest" supply-chain risks.
Raw Materials Sourcing	(1) List of priority raw materials; and, for each priority raw material: (2) environmental or social factor(s) most likely to threaten sourcing, (3) discussion of related business risks or opportunities and (4) management strategy for addressing those risks and opportunities	Discussion and Analysis	N/A	CG-AA-440a.3	Climate Risk Metrics – Pages 80-81; Material Management – Page 147; Product Integrity and Circularity – Page 148. The report identifies risks to cotton, natural fibres, petrochemical-based fibres, dyes and trims from drought, flooding, water scarcity, shortages, price increases and quality impacts, with mitigation through sourcing diversification, long-term arrangements, supplier climate adaptation and strategic inventory. Material Management prioritises recycled polyester, recycled nylon, recycled cotton, organic cotton and certified/ low-impact alternatives such as GOTS, GRS, RCS, FSC, PEFC, Better Cotton and TENCEL™ Lyocell.
Raw Materials Sourcing	(1) Amount of priority raw materials purchased, by material, and (2) amount of each priority raw material certified to a third-party environmental or social standard, by standard	Quantitative	Metric tonnes (t)	CG-AA-440a.4	Partially disclosed – Material Management – Page 147; Product Integrity and Circularity – Page 148. The report identifies applicable certifications including GOTS, GRS, RCS, FSC, PEFC and Better Cotton, and reports that 68% of total fabric spend was derived from recycled, organic and biodegradable materials. However, it does not disclose total tonnes purchased by priority raw material or certified tonnes by material and certification standard, as required by this SASB metric.
Activity Metric	Number of (1) Tier 1 suppliers and (2) suppliers beyond Tier 1	Quantitative	Number	CG-AA-000.A	Supplier Relationships – Pages 132-137. The report describes the supplier network covering fabrics, accessories, trims, thread, packaging, chemicals and dyes, including local, overseas and customer-nominated suppliers. However, the number of Tier 1 suppliers and suppliers beyond Tier 1 is not disclosed separately.

UNITED NATIONS GLOBAL COMPACT - TEN PRINCIPLES

The Ten Principles of the UN Global Compact	Hirdaramani Disclosure References
Human Rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Hirdaramani is committed to respecting internationally recognised human rights throughout its operations and value chain. This commitment is supported by policies and practices addressing fair working conditions, occupational health and safety, non-discrimination, freedom from harassment, fair remuneration and employee well-being. Human rights expectations are also extended to suppliers and business partners through supplier standards, screening and due diligence processes. **Refer**: Governance Philosophy – Pages 39-42; Human Rights – Page 90; Health and Safety – Pages 109-112; Supplier Relationships – Pages 132-137.
Principle 2: Businesses should ensure that they are not complicit in human rights abuses.	Human rights risks are identified and monitored through risk assessments, internal compliance reviews, social compliance audits, supplier assessments and grievance mechanisms. Where concerns are identified, corrective actions are developed, monitored and followed through to closure. **Refer**: Social Compliance – Page 113; Supplier Relationships – Pages 132-137; Governance Philosophy – Pages 39-42; Human Rights – Page 90.
Labour	
Principle 3: Businesses should uphold freedom of association and the effective recognition of the right to collective bargaining.	Hirdaramani respects employees' rights to freedom of association, employee representation and collective bargaining in accordance with applicable legal requirements. Regular employee engagement, consultative mechanisms and grievance channels support open communication between employees and management. **Refer**: Human Rights – Page 90.
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.	Hirdaramani prohibits forced, bonded, involuntary and compulsory labour across its operations and supply chain. Compliance is monitored through recruitment controls, facility assessments, social compliance audits and supplier due-diligence processes. **Refer**: Human Rights – Page 90.
Principle 5: Businesses should uphold the effective abolition of child labour.	Child labour is strictly prohibited across Hirdaramani's operations and supply chain. Employee age-verification procedures, recruitment controls, supplier requirements and compliance assessments are maintained to prevent the employment of underage workers. **Refer**: Human Rights – Page 90.
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Hirdaramani promotes equal opportunity, diversity, equity and inclusion and does not tolerate discrimination or harassment in employment. Recruitment, remuneration, training, career development and advancement decisions are based on merit, competence and business requirements. **Refer**: Human Rights – Page 90; Diversity, Equality and Inclusion (DEI) – Pages 88-89.

Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges.	Environmental and climate-related risks are considered through the Group's risk-management and operational decision-making processes. Environmental impact assessments, legal compliance monitoring and management systems support the early identification and mitigation of risks relating to climate change, water, waste, chemicals, pollution and biodiversity. **Refer**: Conserve our Environment – Pages 58-81.
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	Through the Conserve Our Environment pillar, Hirdaramani implements programmes addressing decarbonisation, renewable energy, energy efficiency, water stewardship, responsible chemical management, waste reduction, circularity and biodiversity conservation. The Group's approved Science Based Targets and decarbonisation plan guide its transition towards net zero. **Refer**: Conserve our Environment – Pages 58-81.
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	Hirdaramani invests in and collaborates on technologies and innovations that reduce environmental impacts across products and manufacturing processes. These include renewable-energy solutions, energy- and water-efficient equipment, digital product development, recycled and alternative materials, natural-dye research, textile-waste valorisation and other circular-design initiatives. **Refer**: Conserve our Environment – Pages 58-81.
Anti-Corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Hirdaramani maintains zero tolerance for bribery, corruption, fraud and unethical business conduct. Its governance framework is supported by the Code of Conduct, anti-bribery and anti-corruption requirements, employee awareness and training, risk assessments, confidential whistleblowing channels and investigation procedures. **Refer**: Governance Philosophy – Pages 39-42; Trust in Good Choices – Pages 130-148.

ASSURANCE REPORT

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Independent practitioner's assurance report to the Board of Directors of Hirdaramani International Exports (Private) Limited on the Sustainability reporting criteria presented in the Integrated Annual Report 2025

Scope

We have been engaged by Hirdaramani International Exports (Private) Limited to perform a 'limited assurance engagement,' as defined by Sri Lanka Standard on Assurance Engagements, here after referred to as the engagement, to report on Hirdaramani International Exports (Private) Limited's Economic, Environment, Social and Governance (EESG) indicators (the "Subject Matter") contained in Hirdaramani International Exports (Private) Limited's (the "Entity's") Integrated Annual Report for the year ended 31 December 2025 (the "Report").

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Hirdaramani International Exports (Private) Limited

In preparing the Subject Matter, Hirdaramani International Exports (Private) Limited applied the following criteria ("Criteria"):

- The Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines, publicly available at https://www.globalreporting.org
- Sustainability Accounting Standards Board's (SASB) Apparel, Accessories & Footwear Standard, available publicly at Apparel, Accessories & Footwear | SASB Navigator
- United Nations Global Compact (UNGC) Principles issued by the United Nations Global Compact, publicly available at https://unglobalcompact.org/

Such Criteria were specifically designed for the purpose of assisting you in determining whether Entity's Economic, Environment, Social and Governance (EESG) indicators contained in the Entity's Report is presented in accordance with the relevant criteria; As a result, the subject matter information may not be suitable for another purpose.

Hirdaramani International Exports (Private) Limited's responsibilities

Hirdaramani International Exports (Private) Limited management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

Ernst & Young's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *Sri Lanka Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (SLSAE 3000 (Revised)*, and the terms of reference for this engagement as agreed with the Hirdaramani International Exports (Private) Limited on 17 June 2026. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and have the required competencies and experience to conduct this assurance engagement.

EY also applies quality management standards, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Partners: D K Hulangamuwa FCA FCMA LLB (London), A P A Gunasekera FCA FCMA, Ms. Y A De Silva FCA, Ms. G G S Manatunga FCA, W K B S P Fernando FCA FCMA FCCA, B E Wijesuriya FCA FCMA, R N de Saram ACA FCMA, Ms. N A De Silva FCA, N M Sulaiman FCA FCMA, Ms. L K H L Fonseka FCA, Ms. P V K N Sajeewani FCA, A A J R Perera FCA ACMA, N Y R L Fernando ACA, D N Gamage ACA ACMA, C A Yalagala ACA ACMA, Ms. P S Paranavitane ACA ACMA LLB (Colombo), B Vasanthan ACA ACMA, W D P L Perera ACA

Principals: T P M Ruberu FCMA FCCA MBA (USJ-SL), G B Goudian ACMA, D L B Karunathilaka ACMA, W S J De Silva Bsc (Hons) - MIS Msc - IT, V Shakthivel B.Com (Sp)

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Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the subject matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Validated the information presented and checked the calculations performed by the organization through recalculation.
- Performed a comparison of the content given in the Report against the criteria given in the selected sustainability standards/frameworks.
- Conducted interviews with relevant organization's personnel to understand the process for collection, analysis, aggregation and presentation of data. Interviews included selected key management personnel and relevant staff.
- Read the content presented in the Report for consistency with our overall knowledge obtained during the course of our assurance engagement and requested changes wherever required.
- Provided guidance, recommendations and feedback on the improvement of the sustainability reporting indicators to improve the presentation standard.
- We also performed such other procedures as we considered necessary in the circumstances.

Emphasis

Economic, Environment, Social management data/information are subject to inherent limitations given their nature and the methods used for determining, calculating and estimating such data. Such inherent limitations are common in Sri Lanka.

We also do not provide any assurance on the assumptions and achievability of prospective information presented in the Entity's Report.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the information on the Economic, Environment, Social and Governance (EESG) contained in the Integrated Annual Report of Hirdaramani International Exports (Private) Limited for the year ended 31 December 2025, in order for it to be in accordance with the Criteria.

Ernst + Young

21st August 2026
Colombo

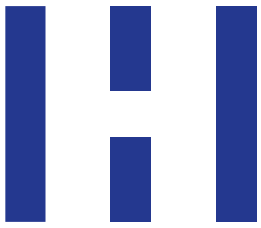
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