

RAYMOND LIFESTYLE LIMITED

IFRS-S1&S2 ALIGNED REPORT FY 2025-26

Raymond 100
CELEBRATING THE COMPLETE MAN SINCE 1925

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SUSTAINABILITY AT RAYMOND LIFESTYLE

About

This is Raymond Lifestyle Limited's second year of sustainability-related reporting and has been prepared as an IFRS S1 and IFRS S2-aligned report. The report presents the Company's approach to sustainability and climate-related governance, strategy, risk management, metrics and targets for FY 2025–26, unless stated otherwise.

At Raymond Lifestyle, environmental and social responsibility are integral to the way the business operates and creates long-term value. As a company in the Apparel, Accessories and Footwear industry, we recognise that sustainability and climate-related considerations are closely linked to our operations, supply chain, resource use, product strategy, stakeholder expectations and business resilience.

Our sustainability approach focuses on embedding responsible practices across manufacturing, garmenting, sourcing, product development and decision-making. Guided by defined long-term commitments, including reduction of Scope 1 and Scope 2 greenhouse gas emissions, increased renewable energy adoption, improved resource efficiency, responsible water management and reduced waste to landfill, the Company seeks to support the transition towards a lower-carbon and more resource-efficient business model. Transparency and accountability remain central to this journey. Through this IFRS S1 and IFRS S2-aligned disclosure, Raymond Lifestyle seeks to provide clear and decision-useful information on how sustainability and climate-related risks and opportunities are identified, assessed, managed and monitored across the organisation.

As the Company progresses on its sustainability roadmap, the focus remains on improving environmental performance, strengthening climate resilience and integrating sustainability considerations into governance, strategy, operational planning and long-term value creation.

Note to Readers

Throughout this report, "Raymond Lifestyle Limited," "Raymond Lifestyle Ltd.," and "Raymond Lifestyle" refer to the same entity. These terms are used interchangeably and should be considered equivalent when reading and interpreting this report. For consistency and clarity, any reference to these variations should be understood to mean the same legal entity.

Introduction

Climate change and broader sustainability-related matters are reshaping the apparel and textile sector, influencing supply chains, resource availability and stakeholder expectations. At Raymond Lifestyle, we see this not only as a challenge but as a responsibility to act decisively. Our approach integrates sustainability and climate considerations into core business decisions by proactively managing risks, identifying opportunities and building long-term resilience.

Driven by our commitment to robust governance and transparent disclosure, we review sustainability and climate-related risks, opportunities and our risk management framework periodically. This report has been prepared in alignment with the IFRS S1 and IFRS S2 disclosure frameworks, which build on established sustainability and climate disclosure practices, including the recommendations of the TCFD and the industry-specific guidance of SASB. It outlines our governance, strategy, risk management processes, and key metrics and targets, reflecting our commitment to decision-useful disclosures that meet the evolving needs of stakeholders..

Governance

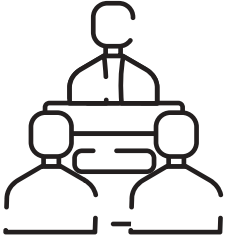
Raymond Lifestyle recognizes the significant financial and operational risks that climate change poses to the global economy and our industry. With increasing stakeholder expectations for transparent and forward-looking climate-related disclosures, we continue to evolve our reporting to align with international best practices.

In line with global best practices and recent international standards, our FY 2025–26 disclosures are aligned with the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures standards, developed by the International Sustainability Standards Board (ISSB). These standards build on established disclosure practices, including the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and industry-specific guidance such as SASB, providing a comprehensive framework for transparent reporting on governance, strategy, risk management, and metrics and targets.

This report provides an overview of Raymond Lifestyle’s sustainability and climate-related governance, strategy, risk management processes, and key metrics and targets, aligned with the principles set out in IFRS S1 and IFRS S2. Our commitment to transparency and accountability remains unwavering, as we strive to address sustainability and climate-related risks and opportunities in a manner that supports the long-term resilience and sustainability of our business and meets the evolving needs of our stakeholders.



Governance



Effective governance is central to Raymond Lifestyle Limited's approach to managing sustainability and climate-related risks and opportunities. Oversight is led by the ESG Committee, which provides direction, monitoring and oversight on the Company's sustainability and climate-related priorities, including emissions reduction, renewable energy adoption, resource efficiency, water stewardship, waste management, responsible sourcing and progress against long-term commitments.

The governance framework is supported by the integration of sustainability and climate responsibilities across relevant business and operational functions. Manufacturing, utilities, environment, health and safety, procurement, finance, human resources, compliance and site-level teams contribute to the implementation, monitoring and reporting of relevant initiatives within their respective areas of responsibility.

This governance flow enables sustainability and climate-related matters to be identified and managed at the plant and functional level, with relevant updates consolidated and presented to the ESG Committee for review, oversight and strategic guidance. Periodic updates to the Committee cover key topics such as energy consumption, greenhouse gas emissions, renewable energy transition, water and waste performance, regulatory developments, responsible sourcing and progress against sustainability commitments.

Through this structure, Raymond Lifestyle Limited seeks to ensure that sustainability and climate-related risks and opportunities are addressed through a combination of committee-level oversight, functional accountability and plant-level execution. The framework supports transparency, accountability and the integration of sustainability considerations into operational planning and long-term business decision-making.

Physical Risk

Transition Risk

Opportunities

Acute risk

Event driven risks, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods.

Chronic risk

Risks due to longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or chronic heat waves.

Policy and legal risks

Policy actions to constrain actions or to promote adaptation to climate change. Increase in climate related litigation claims.

Market risk

Shifts in supply and demand for certain commodities, products, and services.

Technology risk

Technological improvements or innovations requiring transition to a low carbon, etc

Reputation risk

Changing customer or community perceptions

Resource efficiency

Use of more efficient processes, reduced energy, water consumption.

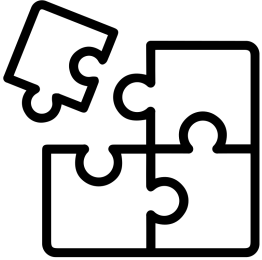
Energy source & Resilience

Use of lower emission sources of energy

Products and services

Development and/or expansion of low emission goods and services

Strategy



Understanding and integrating sustainability and climate-related risks and opportunities is a critical aspect of Raymond Lifestyle's business strategy. In line with IFRS S1 and IFRS S2, this section discusses our approach to identifying and responding to sustainability-related considerations across our business and value chain, as well as climate-related physical risks – such as operational disruption, supply chain impacts and property damage – and transition risks arising from evolving regulations, policy shifts and changes in market dynamics. We also consider potential opportunities such as access to new markets, innovative technologies, responsible materials and resource efficiency improvements.

As a textile and apparel business with manufacturing, garmenting and sourcing linkages, sustainability and climate-related considerations have the potential to influence operational continuity, input availability, energy costs, raw material sourcing, customer expectations and long-term competitiveness. Accordingly, our strategy seeks to integrate these considerations into business planning, operational decision-making, product development and resource efficiency initiatives. This enables the Company to assess not only potential downside risks, but also opportunities arising from the transition to a lower-carbon, more responsible and resource-efficient business model.

To support our strategic planning, we analyse climate-related risks and opportunities across two time horizons: a short-term horizon of 0–5 years and a long-term horizon of more than 5 years. Our assessment draws on a combination of qualitative and quantitative methods, referencing global scenario frameworks relevant to the textile and apparel sector. These time horizons help the Company distinguish between near-term operational and compliance priorities and longer-term strategic considerations, including shifts in technology, regulation, market demand and physical climate exposure.

Our approach includes qualitative and quantitative analyses, with consideration given to frameworks such as:

- IEA Sustainable Development Scenario (SDS), which explores energy transitions and sustainable development goals relevant to manufacturing and industrial operations, offering guidance on regulatory and technological shifts in energy use.
- IEA Announced Pledges Scenario (APS), allowing us to evaluate the implications of current policy commitments and their impact on supply chain emissions, renewable energy sourcing, and carbon reduction strategies.
- IEA Stated Policies Scenario (STEPS): This scenario helps us assess the effects of currently stated policy measures, focusing on implications for energy demand, emissions levels, and the impact on our operations within the existing regulatory landscape

Additionally, Raymond Lifestyle has conducted climate scenario analysis using Representative Concentration Pathway (RCP) 2.6 / SSP1-2.6 and RCP 8.5 / SSP5-8.5, enabling us to explore a range of physical climate impacts from optimistic low-emission pathways to more extreme warming scenarios. These scenarios help us evaluate both acute and chronic physical impacts on our supply chain, operations and production processes, including potential implications from water scarcity, heat stress and extreme weather events.

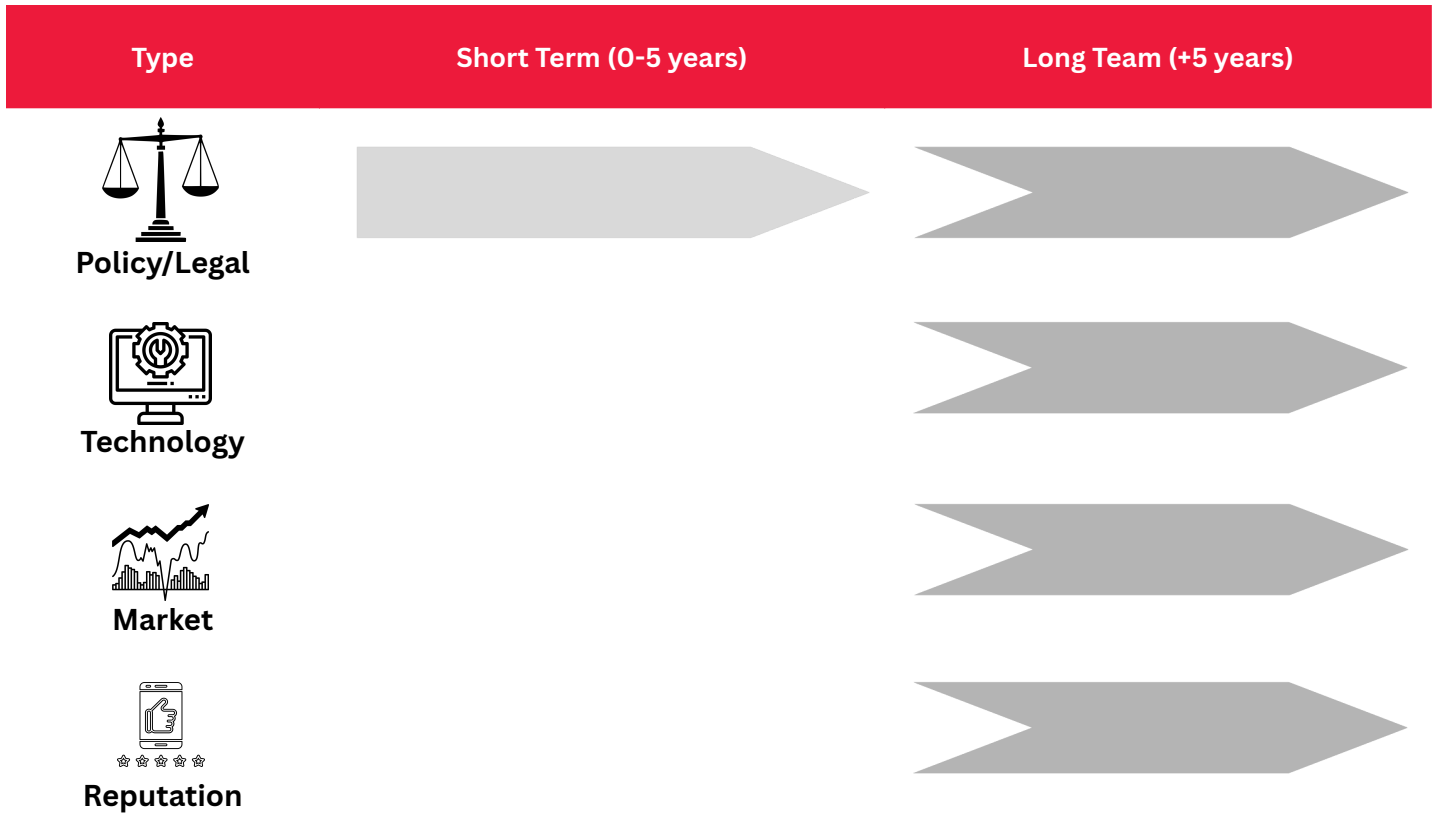
This scenario-based approach supports a more structured understanding of how climate-related risks and opportunities could evolve over time and affect different parts of the business. It also provides a basis for prioritising mitigation, adaptation and resilience-building measures across operations. Through this framework-aligned analysis, Raymond Lifestyle seeks to strengthen its preparedness for sustainability and climate-related risks, including regulatory compliance, market shifts, acute climate events and chronic physical impacts, while identifying opportunities linked to resource efficiency, renewable energy adoption, responsible sourcing and more sustainable business practices.


Strategy

Transition Risk




Potential Sustainability and Climate Related Risks and Time Horizons

Time Horizon of Transition risks identified:



Type	Risk Description	Potential Financial Impacts & Mitigation
 Policy/Legal	<ul style="list-style-type: none"> • Additional compliance relating to Water, Air pollution, Waste disposal or EPR. • Increased transparency requirements from current and emerging regulations. • Regulatory and customer expectations for safer chemicals and responsible product standards. 	<p>Crystallisation of such risk may result in increased Compliance costs, legal liabilities, regulatory expenses and insurance costs.</p> <p>Mitigation Strategies:</p> <ul style="list-style-type: none"> • Monitoring evolving requirements. • Understanding stakeholder needs. • Implementing enterprise-wide compliance management system.

Strategy

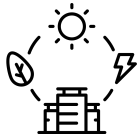


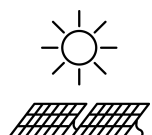





Type	Risk Description	Potential Financial Impacts & Mitigation
 <p>Technology</p>	<ul style="list-style-type: none"> Replacing existing technologies with newer ones to move towards lower carbon emission and cleaner production. Obsolescence of existing technologies to uphold sustainability demands 	<p>Crystallisation of such risk may lead to increased Capital expenditures.</p> <p>Mitigation Strategies:</p> <ul style="list-style-type: none"> Dedicated R&D team. Focusing on operational innovations. Aiming for increased efficiency and reduced environmental impact.
 <p>Market</p>	<ul style="list-style-type: none"> Adapting to changing consumer trends favouring sustainable products, responsible sourcing and lower-impact materials. Making efforts to incorporate more low carbon raw materials and making our products more environment friendly 	<p>Crystallisation of such risk may result into investments in R&D, procurement costs, potential sales decline for not adapting to changing demands.</p> <p>Mitigation Strategies:</p> <ul style="list-style-type: none"> Regular market monitoring for evolving consumer preferences. Sustainable R&D initiatives to reduce emissions and promote supply chain sustainability.
 <p>Reputation</p>	<ul style="list-style-type: none"> Negative publicity and unfavourable stakeholder perception on our activities on sustainability, climate change and greenhouse gas emissions. Negative investor perception on low ESG ratings or lack of public disclosures. 	<p>Crystallisation of such risk may lead to Decreased sales and market share, impact on stock prices as well as subpar ratings may result in higher borrowing costs or restricted access to capital.</p> <p>Mitigation Strategies:</p> <ul style="list-style-type: none"> Proactive, transparent communication on sustainability efforts. Regular monitoring and improvement of ESG ratings.


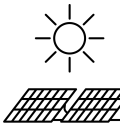
These opportunities are closely linked to our efforts to improve operational efficiency, reduce resource intensity and strengthen long-term business resilience. By investing in cleaner technologies, renewable energy, circular practices and responsible sourcing, Raymond Lifestyle can enhance competitiveness while responding to evolving stakeholder and customer expectations. These opportunities also support the Company's transition towards a lower-carbon and more resource-efficient growth model. As we continue our journey toward becoming a more sustainable organization, some of the potential opportunities we foresee include:

Strategy

Potential Climate Related Opportunities and Time Horizons

Time Horizon of Transition opportunities identified:

Type	Short Term (0-5 years)	Long Term (+5 years)
 <p>Resource Efficiency</p>		
 <p>Energy source & resilience</p>		
 <p>Products & services</p>		

Type	Risk Description	Potential Financial Impacts & Mitigation
 <p>Resource efficiency</p>	<p>Implementing water-efficient technologies and practices through initiatives such as:</p> <ul style="list-style-type: none"> • Zero Liquid Discharge (ZLD) at Chhindwara plant • Effluent Treatment plant (ETP) at Vapi plant • Rainwater harvesting at all plants 	<ul style="list-style-type: none"> • Cost savings on water procurement and treatment • Lower operational costs.
 <p>Energy source & Resilience</p>	<p>Adopting renewable energy helping in minimizing costs and aligning with our long-term goals. Initiatives include:</p> <ul style="list-style-type: none"> • Vapi plant: 3.15 MW capacity from wind solar hybrid power generator via bilateral agreement. 	<ul style="list-style-type: none"> • Initial Capital Investment cost • Long term financial benefits by decreasing our reliance on non-renewable sources. • Revenue generation due to improved reputation and brand image

Strategy

Type	Risk Description	Potential Financial Impacts & Mitigation
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- Chhindwara plant: HVLS fans in Combo section, Auto fuel, and draught controlling system in Thermopacs, Installation of energy efficient IE3/IE4 Motor on Boiler & SAF motor on AWT.
- VFD in Air washer pump motor in Weaving and Spinning humidification plant.



Products and Services

Embracing low-emission products aligns with our environmental goals and positions us in a sustainability-focused market. Initiatives include:

- Use of dope-dyed fibre in products that use Poly Wool
- Products comprising of organic yarn and spun yarn.
- Using Econyl as raw material which is derived from regenerating discarded raw materials and semi-finished products
- Solar Hot Water & Solar PVC at all residential buildings
- Offering eco-friendly solutions and greener products may result in increased sales and market share

Impact of climate related risks and opportunities:

Impact On	Description
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Products and services

Sustainability and climate-related risks and opportunities are considered in shaping Raymond Lifestyle’s product strategy, including through the adoption of more responsible raw material choices, lower-impact manufacturing practices and product innovation. The Company integrates sustainable design considerations from raw material sourcing to product end-of-life, including the use of recycled and sustainable materials and circular economy principles in product development.

The Company has introduced materials such as Econyl, derived from regenerated discarded raw materials and semi-finished products that would otherwise be diverted from waste streams, reinforcing its focus on responsible sourcing and circularity. Raymond Lifestyle also continues to explore material and process innovations, including dope-dyed alternatives, organic and sustainable yarns, and other lower-impact product choices that help reduce dyeing requirements, water use and energy consumption in manufacturing.

Strategy

Impact On	Description
<p>Supply chain and/or value chain</p>	<p>Product safety and chemical stewardship also remain important considerations in product development, supported by chemical management practices aligned with recognised standards such as ZDHC and OEKO-TEX®. Such initiatives support the Company's broader sustainability and climate strategy by contributing to lower resource intensity, responsible product design and reduced environmental impact across product development and production processes.</p> <p>Raymond Lifestyle's supply chain and value chain strategy is shaped by sustainability and climate-related risks and opportunities, given the Company's reliance on raw material sourcing, supplier networks, logistics and warehousing across diverse regions. Physical climate risks such as extreme weather events, water stress, flooding and cyclones may affect the availability of key inputs, transportation routes, storage infrastructure and continuity of operations across the value chain.</p> <p>In addition to climate-related disruptions, the Company recognises broader sustainability-related considerations across its value chain, including supplier environmental practices, labour conditions, occupational health and safety, chemical handling and compliance with applicable laws and supplier expectations. Raymond Lifestyle expects its suppliers to comply with applicable legal requirements and the Company's Supplier Code of Conduct.</p> <p>To strengthen resilience, Raymond Lifestyle considers sustainability and climate-related factors as part of procurement planning, supplier engagement and operational decision-making. The Company continues to focus on diversifying sourcing channels, improving coordination with suppliers, monitoring potential disruptions and adopting more responsible raw material and packaging choices where feasible. These measures support continuity of supply, reduce exposure to value chain disruptions and enable the Company to respond to evolving customer expectations on responsible sourcing and supply chain sustainability.</p>
<p>Investment in R&D</p>	<p>Raymond Lifestyle's approach to research and product development is increasingly shaped by sustainability and climate-related opportunities, including the demand for lower-impact materials, improved resource efficiency, responsible sourcing and more sustainable product choices. The Company continues to explore sustainable fibres, recycled materials, certified inputs and process innovations that can help reduce environmental impact across product development and manufacturing.</p> <p>As part of this approach, Raymond Lifestyle has integrated recycled polyester in certain product developments within its Suiting portfolio and continues to evaluate material alternatives that support circularity, durability and reduced resource intensity. The Company's product development efforts also consider the use of sustainable material blends and responsible raw material choices, supporting evolving customer expectations and the broader transition towards lower-impact products.</p>

Strategy

Impact On	Description
	<p>These initiatives support Raymond Lifestyle’s efforts to improve material circularity, strengthen product resilience and reduce the environmental footprint associated with raw material selection and product design. They also reinforce the Company’s ability to respond to emerging market expectations around sustainable fibres, responsible sourcing and product-level sustainability.</p>
<p>Operations</p>	<p>Raymond Lifestyle’s operational strategy is shaped by sustainability and climate-related risks and opportunities, particularly in relation to energy use, water dependence, emissions, waste management, chemical stewardship and operational resilience. The Company continues to undertake initiatives focused on renewable energy adoption, energy efficiency, treated water reuse, wastewater management and improved waste recovery across its manufacturing and garmenting footprint.</p> <p>Operational sustainability is also supported through facility-level systems for chemical management, product safety and environmental monitoring. These include processes for chemical sourcing, usage, storage, documentation, internal audits, corrective actions and wastewater treatment monitoring, supported by recognised practices such as ZDHC-aligned chemical management and OEKO-TEX®-linked product compliance requirements.</p> <p>These initiatives support both environmental performance and operational efficiency. While certain measures may require capital expenditure or process-level investments in the short term, they are expected to contribute to long-term benefits through reduced resource intensity, improved energy performance, better regulatory preparedness and enhanced resilience of operations. This approach aligns with the Company’s objective of integrating sustainability considerations into day-to-day operations and long-term business planning.</p>
<p>Access to capital</p>	<p>Sustainability and climate-related risks and opportunities can influence access to capital by shaping investor expectations, stakeholder confidence and perceptions of long-term business resilience. Increasingly, investors and financial institutions consider ESG performance, climate strategy, emissions management, responsible sourcing, governance practices and quality of disclosures while assessing companies.</p> <p>Raymond Lifestyle recognises that transparent sustainability and climate-related disclosures, including industry-relevant information on material ESG topics, are important for maintaining stakeholder trust and supporting access to capital. By strengthening its governance, reporting practices and progress against defined environmental and social priorities, the Company aims to enhance investor confidence and demonstrate preparedness for a lower-carbon, responsible and more resource-efficient business environment.</p>

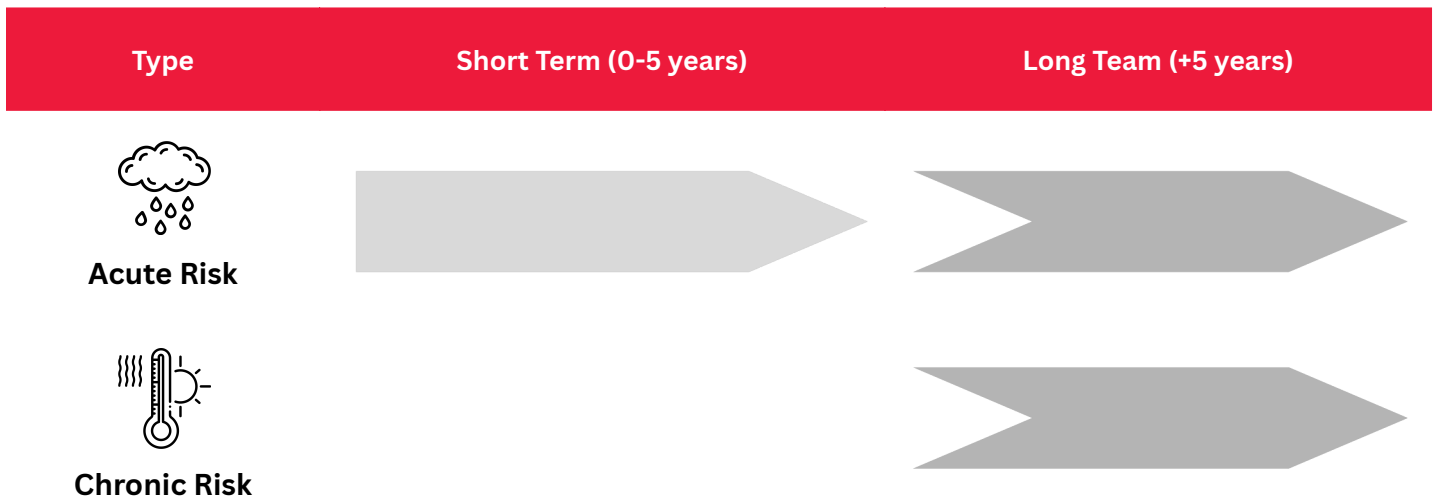
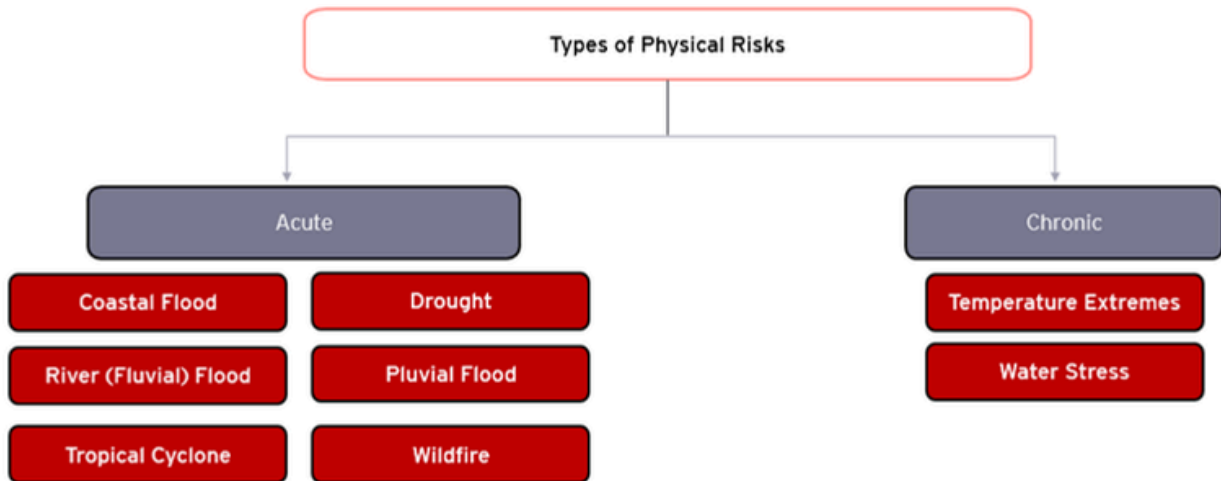
Strategy

Impact On	Description
<p>Raw Material Sourcing and Product Resilience</p>	<p>Raw material sourcing is a key sustainability-related consideration for Raymond Lifestyle Limited, given the Company's dependence on natural, synthetic and blended fibres across its shirting, suiting and garmenting operations. Under an IFRS S1-aligned approach, these sourcing-related factors are relevant as they may influence input availability, cost structures, product development, customer expectations and long-term business resilience. Priority materials and inputs such as cotton yarn, flax fibre, greasy wool, polyester-based materials, shell fabric and garmenting accessories are exposed to environmental and social considerations including traceability, certification requirements, resource intensity, responsible sourcing expectations and supply volatility.</p> <p>During FY 2025–26, Raymond Lifestyle continued to integrate certified and sustainably sourced materials across key business categories. In Shirting, 100% of flax fibre purchased was European Flax certified, supporting traceability, GMO-free cultivation and no artificial irrigation. In Suiting, 100% of greasy wool procured was certified under the International Wool Textile Organisation (IWTO) standard, while GRS-certified sourcing was undertaken across polyester staple fibre, grey and exotic tops, PV yarn and other polyester-based inputs. Sustainable sourcing was also extended across garmenting categories such as shell fabric, lining, pocketing, fusing, canvas and felt.</p> <p>These initiatives support the Company's broader product resilience strategy by strengthening responsible sourcing, improving material traceability and enabling increased use of certified, recycled and lower-impact materials. Raymond Lifestyle also continues to explore sustainable fibres, recycled inputs and material innovations that can reduce resource intensity and respond to evolving customer and market expectations.</p> <p>Overall, the Company's raw material sourcing approach supports the integration of sustainability-related risks and opportunities into business strategy, product development and sourcing decisions. By focusing on certified procurement, recycled material integration, supplier engagement and material diversification, Raymond Lifestyle seeks to strengthen long-term resilience while supporting responsible and lower-impact product offerings.</p>

Strategy

Physical Risk

Potential Climate Related Risks and Time Horizons



Strategy

Type	Risk Description	Potential Financial Impacts & Mitigation
Acute	<p>Changing weather events may lead to:</p> <ul style="list-style-type: none"> • Disruption in production • Supply chain disruptions • Increased raw material costs. • Loss of inventory • Impact on sourcing of raw cotton to produce yarn and garments 	<p>Crystallisation of such risk may result in operational expenses and revenue loss.</p> <p>Mitigation Strategies:</p> <ul style="list-style-type: none"> • Strengthening facility resilience with climate-resistant infrastructure and disaster preparedness. • Diversifying sources and creating contingency plans to reduce supply chain disruptions
Chronic	<ul style="list-style-type: none"> • Production and supply chain affected by climate-related freshwater availability. • Operations and supply chain disrupted by water scarcity, drought, and precipitation variations. • Heatwaves at plants impacting worker health and disrupting production. 	<p>Crystallisation of such risk may increase production, compliance, capital and operational cost.</p> <p>Mitigation Strategies:</p> <ul style="list-style-type: none"> • Investing in water-efficient technologies and practices • Diversifying suppliers • Frequent breaks to workers • Availability of potable water stations, rest rooms etc • Plantation drive for development of green belts

Consolidated Physical Risks for Raymond Lifestyle:

Risks	Risk Description	Mitigation/Adaptation Measures
Pluvial Flooding	Occurs when heavy rainfall overwhelms drainage systems, leading to localized flooding. This can damage infrastructure, disrupt operations, and pose risks to safety.	<ul style="list-style-type: none"> • Improved Drainage Systems • Flood Barriers • Retention Ponds • Permeable Pavements • Urban Green Spaces • Regular Maintenance • Emergency Preparedness Plans • Regular Audits
Tropical Cyclone	Intense storms characterized by strong winds and heavy rainfall, leading to flooding, wind damage, and business interruptions, especially in coastal regions.	<ul style="list-style-type: none"> • Structural Reinforcements • Flood Barriers and Drainage Systems • Elevating Critical Infrastructure • Backup Power Systems • Microgrids • Emergency Preparedness Plans • Regular Audits

Strategy

Risks	Risk Description	Mitigation/Adaptation Measures
Water Stress	Results from the scarcity of water resources due to overuse or droughts, affecting water availability for industrial operations and communities.	<ul style="list-style-type: none"> • Water Recycling and Reuse • Greywater Recycling • Efficient Water Management • Alternative Water Sourcing • Drought-Resistant Operations • Community Collaboration • Regular Audits
Extreme Temperatures	Unusually high or low temperatures can strain energy systems, damage infrastructure, and impact worker health and productivity.	<ul style="list-style-type: none"> • Climate-Controlled Environments • Regular Maintenance • Insulation and Weatherproofing • Increased Green Space • Emergency Preparedness Plans • Regular Audits

Location Level Analysis:

In response to the evolving impacts of climate change, we conducted a comprehensive physical risk assessment across our various operational sites. This analysis evaluated the critical physical risks—both chronic and acute—that each location is likely to face under two distinct climate scenarios: a Low-Risk Scenario (SSP1-RCP 2.6) and a High-Risk Scenario (SSP5-RCP 8.6). The assessment covers a time horizon from 2023 to 2080 to provide a thorough understanding of potential risk exposures across short-, medium-, and long-term periods.

Our risk assessment focuses on identifying potential vulnerabilities at each site and devising an adaptation plan tailored to these identified risks. The adaptation plan outlines the current measures in place to mitigate climate-related disruptions, as well as the timeline for implementing additional, site-specific adaptation measures. For existing operations, we have set a target to implement relevant adaptations within a timeline of less than 5 years. The assessment and adaptation plans encompass a 100% of our existing operations, underscoring our commitment to building climate resilience across our organizational footprint.

Location	Vapi
Brief Location Geography	Vapi, located in southern Gujarat, experiences a tropical savanna climate, with hot summers, mild winters, and heavy monsoon rainfall (over 2000 mm annually). Pluvial flooding is a key risk during the monsoon season due to intense, concentrated rainfall and inadequate drainage systems. Temperature extremes in summer, with temperatures rising above 40°C, can lead to heat stress, impacting both human health and industrial operations. Additionally, water stress can emerge due to high water demand from local industries combined with seasonal fluctuations in rainfall. Vapi is also vulnerable to the impacts of tropical cyclones that may bring heavy rains and strong winds, exacerbating the risk of flooding and infrastructure damage.
Asset Value	Approx ₹ 1138 crores
Number of employees/workers employed at the location	208

Strategy

Hazard	Low Risk Scenario SSP1- RCP 2.6 Projected Annual Loss (in Rs)			High Risk Scenario SSP5 - RCP 8.6 Projected Annual Loss (in Rs)		
	2020-2029	2030-39	2070-2079	2020-2029	2030-39	2070-2079
	Pluvial Flooding	25,597,858	31,804,558	42,443,268	25,036,545	34,485,297
Tropical Cyclone	4,371,461	5,245,753	5,828,614	4,662,891	5,828,614	6,994,337
Temperature Extremes	60,181,580	75,569,349	110,865,478	53,833,855	78,049,925	246,098,434

Hazard	Baseline	2023	Low Risk Scenario SSP1- RCP 2.6		High Risk Scenario SSP5 - RCP 8.6	
			2030	2080	2030	2080
Water Stress (Ratio of water demand to water supply)	<i>(Absolute quantity of water demand is xx times the available groundwater supply)</i>	0.61	0.62	0.58	0.6	0.58

Adaptation and mitigation measures:

Risks	Mitigation/Adaptation Measures in Place/ Under development	Description
Pluvial Flooding	Improved Drainage Systems	A robust drainage system is in place to manage excess water during heavy rainfall and prevent waterlogging.
	Urban Green Spaces	The plant maintains green areas that help absorb excess rainwater, contributing to flood mitigation. As part of our green initiative, we planted 70 trees during 2023-24 on World Environment Day, enhancing the plant's natural water absorption capacity.
	Regular Maintenance	Drainage systems undergo annual maintenance before the rainy season (May-June) to ensure readiness for heavy rains.
	Emergency Preparedness Plans	Contingency plans are established for emergency situations during extreme rainfall.
	Regular Audits	Annual audits are conducted to review the condition and functionality of flood mitigation measures.

Strategy

Temperature Extremes	Climate-Controlled Environments	The plant uses climate control systems to maintain a stable indoor environment during extreme temperature conditions.
	Regular Maintenance	Maintenance of temperature control systems is done yearly, before the rainy season, to ensure efficient operation during high heat.
	Insulation and Weatherproofing	Insulation techniques are employed to protect indoor areas from external temperature extremes.
	Urban Green Spaces	Green spaces are managed to help moderate temperatures around the plant. As part of our green initiative, we planted 70 trees during 2023-24 on World Environment Day, enhancing the plant's natural water absorption capacity.
	Regular Audits	Annual reviews of temperature mitigation strategies ensure they are functioning effectively and identify opportunities for improvement.
Tropical Cyclone	Structural Reinforcements	Buildings have been reinforced to withstand the impact of tropical cyclones and minimize damage.
	Flood Barriers and Drainage Systems	Protective flood barriers and an efficient drainage system prevent cyclone-induced flooding.
	Backup Power Systems	Backup power generators are in place to ensure uninterrupted operations during and after cyclones.
Water Stress	Greywater Recycling	The plant recycles greywater, reusing it for non-potable purposes such as irrigation and cooling. During 2023-24, we recycled 279,291 KL of water by collecting return water and treating it in our softener plant for further use in the process.
	Efficient Water Management	Best practices for water conservation and reducing wastage are implemented to minimize freshwater consumption.
	Alternative Water Sourcing	Rainwater harvesting and other alternative sources are explored to reduce dependency on traditional water supplies.
	Regular Audits	Annual audits assess water usage, ensuring conservation efforts and identifying areas for potential improvement.

Strategy

Location	Jalgaon
Brief Location Geography	Jalgaon, located in the northern part of Maharashtra, has a semi-arid climate with hot summers reaching up to 45°C and mild winters. Its annual rainfall, around 700 mm, occurs mainly during the monsoon, increasing the risk of pluvial flooding in areas with poor drainage. The region also faces water stress due to erratic rainfall and occasional droughts, impacting agriculture and local industries. Though less frequent, the area is not entirely immune to the effects of tropical cyclones, which can bring heavy rains and wind, exacerbating flooding risks and disrupting infrastructure. Effective water management and climate-resilient systems are crucial to mitigating these risks.
Asset Value	Approx ₹ 321 crores
Number of employees/workers employed at the location	119

Hazard	<u>Low Risk Scenario</u> SSP1- RCP 2.6 <i>Projected Annual Loss (in Rs)</i>			<u>High Risk Scenario</u> SSP5 - RCP 8.6 <i>Projected Annual Loss (in Rs)</i>		
	2020-2029	2030-39	2070-2079	2020-2029	2030-39	2070-2079
	Pluvial Flooding	7,876,800	9,821,239	13,178,530	7,701,517	10,664,433
Tropical Cyclone	82,240	82,240	82,240	82,240	82,240	82,240
Temperature Extremes	12,198,145	16,798,431	30,177,488	8,907,271	17,274,201	70,722,001

Hazard	Baseline	2023	Low Risk Scenario SSP1- RCP 2.6		High Risk Scenario SSP5 - RCP 8.5	
			2030	2080	2030	2080
Water Stress (Ratio of water demand to water supply)	(Absolute quantity of water demand is xx times the available groundwater supply)	1.49	1.79	1.44	1.5	1.63

Strategy

Adaptation and mitigation measures:

Risks	Mitigation/Adaptation Measures in Place/ Under development	Description
Pluvial Flooding	Improved Drainage Systems	The site has developed drainage systems to manage excess water from heavy rainfall effectively.
	Flood Barriers	Protective barriers are installed to prevent flooding during extreme weather events.
	Urban Green Spaces	The site has expanded green spaces, contributing to flood mitigation, with 367 trees planted in 2023, 325 trees in 2022, and 123 trees in 2021. Maintenance of the drainage system is conducted annually before the rainy season (May-June) to ensure its functionality.
	Regular Maintenance	The site has emergency plans in place to handle potential flood situations.
	Regular Audits	Annual audits are conducted to review flood mitigation measures and ensure their effectiveness.
Temperature Extremes	Climate-Controlled Environments	The plant employs climate control measures to maintain optimal indoor temperatures, mitigating the effects of extreme heat.
	Regular Maintenance	Annual maintenance, scheduled before the rainy season, ensures that cooling systems function effectively during high-temperature periods.
	Insulation and Weatherproofing	Insulation and weatherproofing techniques are applied to buildings to reduce temperature fluctuations indoors.
	Urban Green Spaces	Expanding green spaces helps moderate temperature extremes with 367 trees planted in 2023, 325 trees in 2022, and 123 trees in 2021.
	Regular Audits	Annual audits assess the effectiveness of temperature mitigation strategies and identify areas for improvement.
Water Stress	Water Recycling and Reuse	The plant recycles and reuses water in its processes, ensuring efficient use of water resources.
	Greywater Recycling	Treated wastewater is reused for non-potable purposes, such as irrigation and cooling.
	Efficient Water Management	Best practices, including monitoring consumption and reducing wastage, are in place to manage water resources efficiently.
	Regular Audits	The site conducts annual audits to track water usage, ensuring the implementation of conservation measures and identifying areas for improvement.

Strategy

Location	Chhindwara
Brief Location Geography	Chhindwara experiences a tropical wet and dry climate, which presents several physical climate risks. The hot summers, with temperatures reaching up to 40°C, pose risks related to temperature extremes, including potential heatwaves that could strain local infrastructure and impact labour productivity. The region's monsoon season, bringing heavy rainfall with an average of 1,200 mm annually, increases the risk of pluvial flooding, particularly in areas with inadequate drainage systems. The high humidity during this period may also contribute to waterlogging and flood-related challenges. While winters are mild, the significant seasonal shifts could exacerbate the impact of these risks on agriculture, infrastructure, and water management, particularly in scenarios of water stress due to uneven rainfall distribution or drought in the summer months.
Asset Value	Approx ₹ 1191 crores
Number of employees/workers employed at the location	334

Hazard	Low Risk Scenario SSP1- RCP 2.6			High Risk Scenario SSP5 - RCP 8.5		
	2020-2029	2030-39	2070-2079	2020-2029	2030-39	2070-2079
Pluvial Flooding	32,952,413	41,159,083	55,352,013	32,213,364	44,721,616	137,699,906
Temperature Extremes	38,445,075	57,677,142	107,091,381	27,550,954	62,414,286	265,998,328

Hazard	Baseline	2023	Low Risk Scenario SSP1- RCP 2.6		High Risk Scenario SSP5 - RCP 8.5	
			2030	2080	2030	2080
Water Stress (Ratio of water demand to water supply)	(Absolute quantity of water demand is xx times the available groundwater supply)	0.85	0.76	0.78	0.88	0.83

Strategy

Adaptation and mitigation measures:

Risks	Mitigation/Adaptation Measures in Place/ Under development	Description
Pluvial Flooding	Improved Drainage Systems	Enhanced infrastructure to ensure effective water runoff during heavy rains.
	Urban Green Spaces	Maintained green spaces, planted 1,300 trees between April 2023 and March 2024 to help absorb rainwater and reduce flooding.
	Regular Maintenance	Yearly inspections and repairs are conducted before the rainy season.
	Emergency Preparedness Plans	Protocols in place for immediate action during flooding events.
	Regular Audits	Annual reviews to assess drainage efficiency and flood preparedness.
Temperature Extremes	Climate-Controlled Environments	The site uses chillers and air washer towers to regulate indoor temperatures.
	Regular Maintenance	Systems are inspected annually before the monsoon season.
	Urban Green Spaces	Maintained green spaces, planted 1,300 trees between April 2023 and March 2024 to help mitigate heat and provide cooling effects.
	Regular Audits	Yearly audits ensure that temperature control measures remain effective.
Water Stress	Water Recycling and Reuse	The Chhindwara site has implemented systems to treat and reuse water, with an RO plant recycling 380,731 KL of water between April 2025 and March 2026. Expansion projects, including an increased RO plant capacity and a new MEE plant, are underway to enhance recycling efforts further.
	Greywater Recycling	All wastewater (domestic and industrial) is treated through the same ETP and reused in the production process and for landscaping, ensuring efficient water use. This includes using treated water for non-potable purposes like irrigation and cooling.
	Efficient Water Management	Best practices for water conservation include daily water consumption monitoring through water meters, recycling cooling water, reusing wastewater for firefighting, and setting water reduction targets in production processes. Additionally, a water line leakage checklist is followed, and push-type taps are used in restrooms to minimize wastage.
	Alternative Water Sourcing	Rainwater harvesting is actively practiced at the site, and efforts are underway to expand the collection from additional buildings.
	Community Collaboration	As a member of the Boregaon Industries Association, the site shares knowledge and best practices for water management with other local industries, fostering collaborative approaches to water conservation.
	Regular Audits	Water consumption targets are set for major processes, with regular monthly reviews to track usage and identify areas for improvement. These audits help ensure the long-term sustainability of water resources.

Strategy

Hazard	Low Risk Scenario SSP1- RCP 2.6 Projected Annual Loss (in Rs)			High Risk Scenario SSP5 - RCP 8.5 Projected Annual Loss (in Rs)		
	2020-2029	2030-39	2070-2079	2020-2029	2030-39	2070-2079
	Pluvial Flooding	5,900,922	7,336,410	9,799,216	5,771,161	7,956,750
Tropical Cyclone	1,017,862	1,323,155	1,628,667	916,098	1,170,509	1,272,273
Temperature Extremes	18,865,499	24,349,201	35,298,044	17,995,261	25,992,500	74,743,532

Hazard	Baseline	2023	Low Risk Scenario SSP1- RCP 2.6		High Risk Scenario SSP5 - RCP 8.5	
			2030	2080	2030	2080
Water Stress (Ratio of water demand to water supply)	<i>(Absolute quantity of water demand is xx times the available groundwater supply)</i>	0.09	0.14	0.16	0.15	0.16

Adaptation and mitigation measures:

Risks	Mitigation/Adaptation Measures in Place/ Under development	Description
Pluvial Flooding	Improved Drainage Systems	Drainage channels, silt traps, and stormwater lines are maintained before monsoon to prevent site-level flooding
	Flood Barriers	Temporary bunds and barriers are deployed around vulnerable construction zones to minimise water ingress
	Urban Green Spaces	Green belts, soft landscaping, and permeable areas help improve natural absorption and reduce runoff.
	Regular Maintenance	Pre-monsoon checks and repairs of drainage, pumps, and retaining structures are carried out every year
	Emergency Preparedness Plans	On-site safety teams are trained for flood response, with pumps, lighting, and emergency pathways kept ready
	Regular Audits	Facilities, Safety & Security teams document a safety audit checklist monthly.

Strategy

Temperature Extremes	Climate-Controlled Environments	Critical indoor areas and worker rest zones are equipped with fans, coolers, or HVAC support
	Regular Maintenance	Covered by AMCs with regular checks through AMC based servicing
	Insulations and Weatherproofing	Necessary weatherproof insulation and maintenance are in place.
	Urban Green Spaces	Tree cover and shaded rest pockets are maintained to reduce heat exposure on-site
	Emergency Preparedness Plans	Assembly points and communication systems are established for emergency alerts, including potential traffic or weather disruptions.
	Regular Audits	Daily monitoring by the Safety Team.
Water Stress	Efficient Water Management	Low-flow fixtures, STP-treated water, and controlled water usage plans are implemented across sites
	Community Collaboration	Awareness sessions are conducted with residents, workers, and contractors on water-saving practices
	Regular Audits	Conducted as part of ongoing sustainability efforts.
Tropical Cyclone	Structural Reinforcements	Addressed in pre- and post-monsoon maintenance activities and recorded in the monthly safety audit checklist.
	Flood Barriers and Drainage Systems	Managed as part of routine maintenance and pre-monsoon repairs.
	Backup Power Systems	Backup power systems (DG sets and UPS) are in place with AMC support for maintenance.
	Microgrids	Currently, we rely on UPS and DG sets with 24/7 MST and electricians on standby.
	Emergency Preparedness Plans	Campus is staffed with a 24/7 safety officer to manage emergency incidents.
	Regular Audits	Facilities, Safety & Security teams complete a monthly audit checklist to monitor readiness.

Risk Management



Raymond Lifestyle Limited identifies, assesses and prioritises sustainability and climate-related risks and opportunities that may have a substantive financial or strategic impact through its governance and review mechanisms. Climate-related risks, including those associated with greenhouse gas emissions, energy transition, water stewardship, waste management, regulatory requirements and operational resilience, are reviewed as part of the Company's ESG and business planning processes.

The Company's risk assessment process also considers broader sustainability-related risks relevant to the apparel and textile sector, including product safety, chemical stewardship, responsible sourcing, supplier practices, labour conditions in the value chain, resource use and environmental compliance. These risks are assessed in the context of their potential impact on operations, resources, financial performance, compliance obligations, customer expectations, reputation and long-term resilience.

The Head of ESG, along with relevant business and functional heads, supports the identification, assessment and monitoring of sustainability and climate-related risks and opportunities across the organisation. Inputs are gathered from relevant functions and operating locations, including manufacturing, utilities, EHS, procurement, finance, compliance and other business teams, as applicable. These inputs help assess potential impacts on operational continuity, input availability, regulatory preparedness, stakeholder expectations and business resilience.

For determining whether a sustainability or climate-related risk may have a substantive financial or strategic impact, the Company considers applicable materiality thresholds. Risks may be considered material where the value involved or impact exceeds 5% of gross turnover / revenue / total income, or exceeds 20% of net worth, based on the audited consolidated financial statements of the last audited financial year, with the lower threshold considered as the trigger.



Once such risks are identified, they are discussed with the relevant business or functional owners, who evaluate the nature of the risk, potential impact and appropriate mitigation measures. The mitigation actions and progress updates are then reviewed by the Head of ESG and relevant business / functional heads, and subsequently placed before the ESG Committee for review and guidance. Key matters and action points from ESG Committee discussions are escalated to the Audit Committee and, where required, to the Board of Directors for oversight.

In relation to product safety and chemical stewardship, the Company manages risks through relevant facility-level processes covering chemical sourcing, usage, documentation, testing, audits and corrective action mechanisms. These practices are guided by recognised standards and customer requirements, including restricted substance controls and ZDHC / OEKO-TEX® aligned practices, supporting responsible manufacturing and product compliance.

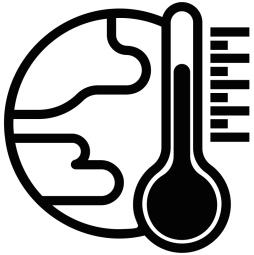
Risk Management

Value chain and raw material sourcing risks are managed through procurement practices, supplier engagement and expectations relating to legal compliance and responsible business conduct. The Company expects suppliers to comply with applicable laws and relevant supplier requirements, including those relating to environmental practices, labour conditions, occupational health and safety and chemical handling. Raw material-related considerations, including traceability, certification requirements, climate variability, water availability, emissions intensity and supply volatility, are considered as part of sourcing and business planning decisions.

This approach enables sustainability-related risks to be assessed alongside climate-related risks and integrated into relevant business and operational decision-making. It also supports the Company's broader objective of strengthening resilience, improving preparedness and embedding responsible practices across its operations and value chain.

This governance flow enables sustainability and climate-related risks and opportunities to be identified at the operational and functional level, reviewed through the ESG governance structure and overseen at the Board level. It also supports alignment across the organisation on risk priorities, mitigation measures, performance monitoring and long-term resilience planning.

Metrics and Targets



Raymond Lifestyle Limited monitors sustainability and climate-related metrics that are relevant to its business performance, operational resilience and long-term sustainability strategy. The Company tracks and discloses greenhouse gas emissions across Scope 1, Scope 2 and relevant Scope 3 categories, along with energy consumption, renewable energy use, responsible sourcing indicators and other environmental metrics linked to resource efficiency and climate performance.

The Company follows the operational control approach for calculating greenhouse gas emissions, in line with the GHG Protocol. Scope 1 emissions primarily arise from the consumption of fuels such as coal, diesel and compressed natural gas, while Scope 2 emissions are associated with purchased electricity. Scope 3 emissions are assessed across applicable categories, with coverage and methodology continuing to evolve as data availability and internal reporting processes improve.

During FY 2025–26, Raymond Lifestyle recorded a reduction in combined Scope 1 and Scope 2 emissions compared with FY 2024–25. Total Scope 1 and Scope 2 emissions declined from 2,20,084.31 tCO₂e in FY 2024–25 to 2,11,945.17 tCO₂e in FY 2025–26, representing a reduction of 3.70%. This was primarily supported by a reduction in Scope 2 emissions, which declined by 14.63% during the year.

Parameter	FY 2025–26	FY 2024–25	
Total Scope 1 emissions (tCO ₂ e)	114,090.26	105,461.20	The Company has established a target to reduce Scope 1 and Scope 2 greenhouse gas emissions by 15% by 2030, using FY 2024–25 as the baseline. In addition, Raymond Lifestyle’s broader sustainability commitments include Zero Waste to Landfill, Zero Liquid Discharge at Chhindwara, single-digit employee turnover, zero workplace fatalities, 40% overall female representation and 100% independent director composition on all Board committees.
Total Scope 2 emissions (tCO ₂ e)	97,854.91	114,623.11	
Total Scope 1 and Scope 2 emissions (tCO ₂ e)	211,945.17	220,084.31	

Scope 3 Category	Category Name	FY 2025–26	FY 2024–25	Notes / Remarks
Category 1	Purchased goods and services	371,306.64	347,724.17	Variation is mainly attributable to changes in procurement and
Category 2	Capital goods	7,345.65	2,125.00	Increase is primarily due to capital-related activities and expanded data
Category 3	Fuel- and energy-related activities	47,202.36	53,312.26	Reduction is mainly attributable to changes in applicable emission
Category 5	Waste generated in operations	141.35	1,689.43	Variation is due to methodology refinements and changes in applicable
Category 6	Business travel	1,473.31	1,751.06	Reduction is primarily due to changes in applicable emission factors.
Category 7	Employee commuting	3,104.28	-	Category assessed for the first time in FY 2025–26.
Category 11	Use of sold products	345,717.79	-	Category assessed for the first time in FY 2025–26.
Total Scope 3 emissions		776,291.38	406,601.93	

Metrics and Targets

Scope 3 emissions increased during FY 2025–26, primarily due to expanded assessment coverage, inclusion of additional applicable categories and methodology refinements. Category 7 and Category 11 were assessed for the first time during the year, strengthening the completeness of Scope 3 reporting and establishing a baseline for future improvements.

Certified and Sustainably Sourced Materials

In addition to climate-related metrics, Raymond Lifestyle tracks selected sustainability-related indicators linked to responsible sourcing and material choices. During FY 2025–26, the Company continued to integrate certified and sustainably sourced materials across shirting, suiting and garmenting operations, including certified cotton, European Flax certified flax fibre, IWTO-certified wool, GRS-certified polyester inputs and sustainably sourced garmenting materials.

Business / Category	Certified / sustainably sourced material	FY 2025–26 coverage
Shirting Fabrics	Cotton yarn sourced under organic, BCI or TENCEL certifications	3.40% of total cotton yarn procured
Shirting Fabrics	European Flax certified flax fibre	100% of flax fibre purchased
Suiting Fabrics	IWTO-certified greasy wool	100% of greasy wool procured
Suiting Fabrics	GRS-certified polyester staple fibre	8.22% of polyester staple fibre procured
Suiting Fabrics	GRS-certified grey and exotic tops	8.16%
Suiting Fabrics	GRS-certified PV yarn and other yarns	0.66%
Suiting Fabrics	GRS-certified polyester tow	0.55%
Garmenting	Sustainably sourced shell fabric	8.32% of total procurement value
Garmenting	Sustainably sourced lining	4.66% of total procurement value
Garmenting	Sustainably sourced pocketing	8.21% of total procurement value
Garmenting	Sustainably sourced fusing	3.50% of total procurement value
Garmenting	Sustainably sourced canvas	6.12% of total procurement value
Garmenting	Sustainably sourced felt	13.91% of total procurement value

Metrics and Targets

Progress Against Key Sustainability and Climate Commitments

Focus area	Commitment / Target	FY 2025-26 progress
GHG emissions	15% reduction in Scope 1 and Scope 2 GHG emissions by 2030 from FY 2024-25 baseline	Scope 1 and Scope 2 emissions reduced by 3.70% over FY 2024-25
Renewable energy	25% renewable energy adoption by 2030	Renewable energy consumption increased by 11.26% over FY 2024-25
Waste	Zero Waste to Landfill	Waste directed to landfill reduced by 24.26% over FY 2024-25
Water stewardship	Zero Liquid Discharge at Chhindwara	Treated water reuse continued during the year; ZLD and water recycling systems are operational at select sites
Safety	Zero workplace fatalities	Zero workplace fatalities recorded during FY 2025-26
Employee retention	Single-digit employee turnover	Permanent employee turnover stood at 7% in FY 2025-26
Diversity	40% overall female representation by 2030	Female representation across the workforce stood at 37.22% as at end of FY 2025-26
Governance	100% independent directors on all Board committees	All Board committees maintained 100% independent director composition during FY 2025-26

While sustainability and climate-related factors are not currently linked to executive remuneration or internal carbon pricing mechanisms, the Company continues to review its metrics, targets and disclosures in line with evolving regulatory expectations, stakeholder requirements and business priorities. Investments in renewable energy, energy efficiency, process improvements, responsible sourcing and resource optimisation remain key enablers for progress against its sustainability and climate commitments.

Looking ahead, sustainability and climate-related risks and opportunities will remain important considerations for business resilience, operational performance and stakeholder confidence. Through this IFRS S1 and IFRS S2-aligned disclosure, the Company has sought to provide transparent and decision-useful information on its governance, strategy, risk management approach, metrics and targets. The focus will remain on strengthening climate resilience, improving data quality and coverage, advancing emissions reduction and renewable energy initiatives, and embedding sustainability considerations into long-term business planning and responsible value creation.