

PDS Limited

Factsheet for FY 2024-25

This factsheet presents key highlights for FY 2024-25, while our FY 2024–25 Annual Report and Sustainability Report offer deeper insights into our value creation and sustainability performance.

Table of Contents

1. Financials	3
1.1. Operational Segments.....	3
2. Governance & Economic dimension	3
2.1. Transparency & Reporting	3
2.2. Corporate Governance	4
2.3. Materiality Assessment.....	6
2.4. Risk & Crises Management.....	9
2.5. Sustainable Supply Chain.....	10
3. Environmental dimension	12
3.1. Transparency & Reporting	122
3.2. Energy.....	12
3.3. Waste & Pollutants.....	13
3.4. Water	13
3.5. Climate Strategy	14
3.6. Circular Fashion Commitment.....	15.
4. Social dimension	17
4.1. Human Resource.....	17
4.2. Employee Support Programs.....	19

1. Financials

1.1. Operational Segments

The Company operates through the following segment

S.No	Product/Service	NIC Code	% of total Turnover contributed
1.	Wholesale of textiles, fabrics, yarn, household linen, articles of clothing, floor coverings and tapestry, sports clothes	46411	97%

2. Governance & Economic dimension

2.1. Transparency & Reporting

2.1.1. Sustainability Reporting Boundaries

The Report covers all entities operated by **PDS Ltd** on a consolidated basis, including its subsidiaries, joint ventures, and associates across India and international locations. Unless otherwise specified, the disclosures pertain to the Group's global operations. The scope of the Report encompasses the Company's **economic, social, and environmental performance** across its value chain.

The reporting boundary includes factors that influence the Group's ability to create long-term value and reflects sustainability impacts arising from its operations, supply chain, and business activities. The Report covers the reporting period from **April 1, 2024, to March 31, 2025**.

[\(Data reference: Annual Report FY 2024-25. Pg. No. 132, Pdf. Pg. No. 101\)](#)

2.1.2. Sustainability Reporting Assurance

The BRSR (Business Responsibility and Sustainability Report) disclosures of PDS Ltd for FY 2024–25 have been subjected to independent third-party assurance conducted by Grant Thornton LLP, in accordance with applicable assurance standards.

The assurance engagement covered reasonable assurance on the BRSR Core disclosures and limited assurance on other selected indicators of the BRSR (excluding BRSR Core) across key Environmental, Social, and Governance (ESG) parameters. The assurance process included a review and verification of management systems, processes, and disclosures, as well as an assessment of the accuracy, completeness, and reliability of reported ESG data and statements.

As part of the engagement, Grant Thornton LLP evaluated selected ESG indicators including, but not limited to, greenhouse gas emissions, energy consumption, water usage, waste management, and social performance metrics, in line with the requirements of the BRSR framework. The assurance activities comprised a combination of document reviews, management interviews, and sample-based testing, conducted through both onsite and remote verification procedures across selected PDS Group operations.

This independent assurance enhances the credibility and transparency of PDS Ltd's BRSR disclosures and reinforces the Company's commitment to robust ESG reporting and governance.

[\(Data reference: Annual Report FY 2024-25. Pg. No. 132, Pdf. Pg. No. 101\)](#)

2.2. Corporate Governance

PDS Ltd's Board comprises a balanced and experienced group of professionals who bring together strong industry expertise, a global perspective, and strategic leadership. The Board includes one Executive Director, along with Non-Executive and Independent Directors, in compliance with the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations. The composition aligns with recognized best practices of corporate governance.

As at March 31, 2025, the Board consists of a judicious mix of members, with a significant representation of Independent Directors, ensuring effective oversight, objective decision-making, and robust governance. The presence of independent directors strengthens the Board's ability to provide constructive challenge, safeguard stakeholder interests, and uphold high standards of transparency, accountability, and ethical conduct.

Through its diverse composition and collective experience, the Board of PDS Ltd plays a critical role in guiding the Company's strategic direction, overseeing risk management, and supporting sustainable long-term value creation.

2.2.1. Board Accountability

PDS Ltd demonstrates a strong commitment to Board accountability through a robust corporate governance framework, structured oversight mechanisms, and transparent engagement with shareholders. The governance practices are aligned with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, and applicable Secretarial Standards, reinforcing ethical conduct, independence, and responsible decision-making at the Board level. The Board meets regularly to provide effective oversight of the Company's strategy, performance, and risk management. In FY 2024–25, the Board recorded an average attendance exceeding 75%, reflecting active participation and accountability of directors in Board proceedings. To further strengthen governance quality, PDS Ltd limits the number of external directorships held by Board members, ensuring sufficient time commitment and focused oversight.

Accountability is reinforced through annual election of directors, regular Board and committee performance evaluations, and a structured CEO succession planning process, enabling continuity of leadership and long-term value creation. Additionally, key changes to governance provisions and bylaws are subject to shareholder approval, ensuring alignment between Board actions and shareholder interests.

[\(Data reference: Annual Report Pg. No. 79. Pdf. Pg. No. 48\)](#)

2.2.2. Leadership Compensation

The variable compensation of the Chief Executive Officer and senior leadership at PDS Ltd is determined through a structured and performance-linked evaluation framework aligned with the Company's strategic priorities and business objectives. The assessment framework incorporates a combination of financial and operational performance indicators, designed to measure value creation, execution effectiveness, and long-term sustainability of the business.

Key financial parameters considered for variable pay determination include profitability and growth-oriented metrics, efficiency of capital deployment, and overall financial performance of the Group. These metrics are complemented by strategic and operational goals, ensuring that executive remuneration is closely linked to both short-term performance outcomes and long-term value creation for stakeholders.

On the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors has adopted a comprehensive **Nomination and Remuneration Policy** governing the appointment, performance evaluation, and remuneration of Directors, Key Managerial Personnel, and Senior Management. The policy ensures alignment of remuneration with the Company's performance, risk profile, and market benchmarks, while promoting transparency, accountability, and ethical governance practices.

The salient features of the Remuneration Policy, including principles for fixed and variable pay, performance linkage, and governance oversight, are detailed in the Corporate Governance section of the Annual Report. The **Nomination and Remuneration Policy** is publicly available on the Company's website.

Policy.

Reference Policy: [Nomination and Remuneration Committee Charter](#)

2.2.3. Management Ownership

Position	Name(s)	Multiple of base salary
Chief Executive Officer (Executive Vice Chairman)	Pallak Seth	5.83
Average across other executive committee members owning shares	1) Sanjay Jain 2) Rahul Ahuja 3) Abhishekh Kanoi	0.41*

Note

- 1) Executive Vice Chairman is the de facto Chief Executive Officer
- 2) Average of individual multiples of base salary

2.2.4. CEO-to-Employee Pay Ratio

CEO Compensation	Total CEO Compensation (in INR)	
Total annual compensation of the CEO (or any equivalent position): Total compensation includes fixed and variable compensation as well as all other parts of compensation which are required to be included in total remuneration reporting according to national accounting standards	10,42,30,000	
Employee Compensation	*Median Employee Compensation (in INR)	*Mean Employee Compensation (in INR)
Median & mean annual compensation of all employees, except the Chief Executive Officer (or any equivalent position)	4,24,589	7,81,284

** Median and mean is calculated basis compensation of all employees and does not include the factory associates.*

2.3. Materiality Assessment

2.3.1. Materiality Analysis

PDS Ltd undertakes a structured materiality assessment at periodic intervals to identify, prioritize, and review environmental, social, and governance (ESG) topics that are most relevant to its business strategy, stakeholder expectations, and long-term value creation. The materiality assessment is reviewed by senior management and forms an integral part of the Company's sustainability governance framework.

The materiality assessment process is closely aligned with the Company's Enterprise Risk Management (ERM) framework, ensuring that material ESG issues are evaluated alongside business risks and opportunities. This integrated approach enables PDS to proactively identify emerging risks, assess their potential impact on operations and the value chain, and embed sustainability considerations into strategic decision-making.

Stakeholder engagement is a key pillar of the materiality assessment process. PDS actively engages with a broad range of internal and external stakeholders, including employees, customers, suppliers, investors, and industry partners, to gather insights on priority ESG topics. Inputs from stakeholder consultations, industry benchmarks, regulatory developments, and internal risk assessments are consolidated and analyzed to determine material issues.

The outcomes of the materiality assessment guide the Company’s sustainability strategy, target-setting, and disclosure priorities, ensuring alignment with global sustainability frameworks and evolving stakeholder expectations.

2.3.2. Materiality Issues for External Stakeholders

	<i>Material Issue 1</i>	<i>Material Issue 2</i>
Material Issue for External Stakeholders	Energy Management	Circular Economy
Cause of the Impact	Category – Energy <ul style="list-style-type: none"> • Operations 	Category – Waste & Pollutants <ul style="list-style-type: none"> • Products/services • Supply chain
External Stakeholder(s)/Impact Area(s) Evaluated	<ul style="list-style-type: none"> • Environment • Society • Economy 	<ul style="list-style-type: none"> • Environment • Society • Consumers/end-users
Topic Relevance on External Stakeholders	<p>PDS Ltd’s energy management initiatives have a direct and positive impact on environmental sustainability and the communities and markets in which the Company operates. As a global apparel sourcing, manufacturing, and brand management platform, PDS recognises that energy consumption across manufacturing facilities, supply chain operations, and logistics represents a significant environmental footprint and an important area of stakeholder interest. The Company has implemented targeted energy efficiency and renewable energy initiatives across its operations to reduce greenhouse gas emissions, enhance energy security, and mitigate climate-related risks. Key initiatives include the installation of solar power systems at manufacturing facilities such as Norlanka,</p>	<p>PDS Ltd’s approach to waste and pollutants management through circular economy principles has a direct and positive influence on environmental protection, resource efficiency, and stakeholder trust across its global value chain. As an apparel sourcing and manufacturing group, PDS recognises that textile waste generation, chemical use, and end-of-life disposal are material issues with significant environmental and social implications. The Company has embedded circular economy practices into its operations by prioritising waste reduction, recycling, and innovative material recovery solutions. Initiatives such as the ReNuwaste Project enable the conversion of textile waste into reusable materials, supporting zero-waste objectives and reducing the volume of waste sent to</p>

	<p>increased use of on-site renewable energy at Good Earth Apparels to meet a significant share of power requirements, and optimisation of energy-intensive processes through digitisation and efficiency improvements. These initiatives reduce dependence on fossil fuels and support local grid resilience. PDS's energy management efforts also extend across its value chain through collaboration with suppliers and technology partners. Initiatives such as the deployment of Digital Product Passports (DPPs) via Fabacus enhance transparency on energy and emissions performance, supporting compliance with emerging global regulations and enabling customers to make more informed sustainability decisions. These actions contribute to reduced environmental impacts, improved operational efficiency, and long-term cost resilience, while supporting broader climate goals and stakeholder expectations related to responsible energy use and emissions reduction.</p> <p>Impact: Positive</p>	<p>landfill. Manufacturing units such as Good Earth Apparels have implemented waste transformation practices that repurpose cutting waste into 100% recycled, carbon-negative fabrics, turning waste streams into value-added products. PDS also promotes responsible recycling and traceability through partnerships with certified recyclers, ensuring transparent tracking and environmentally sound handling of waste materials. Facilities such as Norlanka have achieved zero-waste-to-landfill certification, reinforcing the Company's commitment to minimizing pollution and preventing environmental harm. Additional initiatives, including the elimination of single-use plastics across sourcing operations, further reduce plastic pollution and associated ecosystem risks. By advancing circular business models, collaborating with suppliers and innovation partners, and integrating waste reduction into operational decision-making, PDS supports improved environmental outcomes, regulatory compliance, and long-term resilience of the apparel value chain.</p> <p>Impact: Positive</p>
--	---	--

[\(Data reference: Annual Report for FY 2024-25. Pg. 139. Pdf. Pg. No. 108\)](#)

2.4. Risk & Crisis Management

2.4.1. Risk Governance

PDS Ltd has established a robust and structured risk governance framework designed to identify, assess, monitor, and mitigate risks across its global operations and extended value chain. The Company's Enterprise Risk Management (ERM) framework is embedded within its governance architecture and supports strategic decision-making, operational resilience, and long-term value creation.

Risk governance at PDS Ltd is overseen by the Board of Directors, with delegated oversight through the Audit Committee, which is responsible for reviewing key enterprise risks, mitigation measures, and the overall effectiveness of internal controls. The Audit Committee comprises Non-Executive Directors and Independent Directors, ensuring balanced oversight, independence, and accountability in risk management processes.

The Company follows a three-lines-of-defence model to manage risks effectively:

- First line of defence: Business units, operational teams, and functional heads who are responsible for identifying, owning, and managing risks within their respective areas, including operational, financial, ESG, supply chain, and compliance risks.
- Second line of defence: Senior management and risk oversight functions that monitor risk exposures, review mitigation actions, and ensure alignment with the Company's risk appetite and governance policies.
- Third line of defence: Internal Audit, which provides independent assurance on the adequacy and effectiveness of risk controls, governance mechanisms, and compliance with internal policies and regulatory requirements.

Risk assessments are conducted periodically at both corporate and operational levels, covering strategic, financial, operational, regulatory, cyber, ESG, and supply chain risks. Emerging risks, including climate change, sustainability compliance, geopolitical uncertainties, and supply chain disruptions, are actively monitored and integrated into the enterprise risk register.

The Board and senior management receive regular updates on the risk profile, mitigation progress, and key risk indicators, enabling timely decision-making and corrective actions. This disciplined and integrated risk management approach reinforces PDS Ltd's commitment to strong governance, transparency, and sustainable business growth.

2.4.2. Risk Management Processes

PDS Ltd follows a structured risk management process to identify, assess, and mitigate key operational, environmental, and compliance-related risks across its global operations. As part of the Enterprise Risk Management (ERM) framework, risks are evaluated based on their **potential impact** and **likelihood of occurrence**, enabling prioritisation and focused mitigation actions. The risk assessment process is periodically reviewed by senior management and integrated into operational controls at facility and business-unit levels.

As part of this process, the following key environmental risks have been identified and actively managed:

Risk Description	Mitigation Measures / Responsible Functions
Air emissions during manufacturing operations and potential leakage of hazardous substances (e.g., chemicals, dyes, solvents)	<ul style="list-style-type: none"> • Regular inspection and preventive maintenance of safety-critical equipment and ventilation systems • Periodic calibration of monitoring sensors and emission control systems • Implementation of closed-loop chemical handling systems to minimise exposure and leakage • Compliance with applicable environmental regulations and internal SOPs
Improper handling or non-disposal of hazardous waste in line with regulatory requirements	<ul style="list-style-type: none"> • Disposal of hazardous waste only through authorised and licensed vendors • GPS tracking of hazardous waste transportation vehicles • Use of online manifest systems for waste tracking and regulatory reporting • Periodic audits and performance reviews of authorised Treatment, Storage and Disposal Facility (TSDF) vendors • Strengthening internal monitoring and compliance controls

These risks are monitored through internal audits, compliance reviews, and environmental performance tracking at facility and corporate levels. Corrective and preventive actions are implemented where gaps are identified, reinforcing regulatory compliance and reducing potential environmental and operational impacts.

Through this risk-based approach, PDS aims to proactively manage environmental and compliance risks, safeguard stakeholder interests, and support sustainable and responsible operations across its value chain.

2.4.3. Risk Culture

PDS Ltd has fostered a strong risk-aware culture by embedding risk considerations into performance management and strategic decision-making processes across the organization. The Company emphasizes the importance of prudent risk-taking and long-term value creation through leadership accountability and aligned incentives, ensuring that risk awareness is ingrained at all levels of the organization.

Key initiatives supporting PDS's risk culture include:

- a. **Cybersecurity and Data Protection:** PDS conducts regular cyber audits and continuously strengthens its IT security infrastructure to mitigate risks related to data security, system resilience, and information confidentiality across its global operations and digital platforms.
- b. **Supply Chain Risk Mitigation:** PDS strengthens its supplier partnerships and collaborates closely with key vendors to mitigate supply chain disruptions, ensure continuity of operations, and effectively manage risks related to raw material availability, quality, and compliance.

- c. **Health, Safety, and Material Handling Controls Safety**-related KPIs are integrated into operational performance metrics to address risks associated with material handling, workplace safety, and hazardous substances.

These KPIs reinforce accountability at plant and operational levels and promote adherence to safety standards and preventive controls. Through these mechanisms, PDS ensures that risk awareness is embedded across all levels of the organisation, encouraging proactive identification, mitigation, and management of risks while supporting sustainable growth and operational excellence.

2.5. Sustainable Supply Chain

2.5.1. Supplier Code of Conduct

In addition to its **Sustainable Supply Chain and Responsible Procurement Policy**, PDS Ltd is committed to promoting ethical, responsible, and sustainable practices across its global supply chain. The Company expects all suppliers, vendors, and business partners to adhere to high standards of integrity, fairness, and compliance with applicable laws and international norms.

PDS requires its suppliers to uphold fundamental human rights and fair labour practices, including the strict prohibition of forced, bonded, or compulsory labour. All workers must be employed voluntarily and retain the freedom to terminate their employment in accordance with applicable laws. The Company maintains a zero-tolerance approach towards child labour, discrimination, harassment, or any form of abuse, and expects suppliers to provide a safe, respectful, and inclusive working environment for all employees.

The Supplier Code of Conduct supports workers' rights to freedom of association and collective bargaining, in line with local regulations and internationally recognised labour standards. PDS further expects suppliers to comply with all applicable health and safety regulations, ensuring safe working conditions, appropriate training, and preventive measures to reduce occupational risks.

From an environmental perspective, suppliers are required to manage resources responsibly and minimise environmental impacts across operations. This includes responsible waste management, prevention of pollution, reduction of emissions, efficient use of energy and water, and compliance with environmental laws. PDS also expects suppliers to support biodiversity conservation, avoid deforestation, and promote responsible land use practices within their operations and sourcing activities.

In addition, suppliers are expected to conduct business ethically, refrain from anti-competitive practices, and comply with all applicable laws related to anti-bribery, corruption, and fair competition. Through its Supplier Code of Conduct and ongoing engagement, PDS aims to strengthen supply chain transparency, resilience, and long-term shared value creation.

2.5.2. KPI for Supplier Screening

PDS Ltd places strong emphasis on responsible and sustainable supply chain management. Suppliers are regularly evaluated through structured review schedules and Key Performance Indicators (KPIs) that focus on ethical practices, responsible sourcing, environmental impact, and operational transparency. These evaluations serve not only to ensure compliance with the

Company's Supplier Code of Conduct and Sustainable Procurement Policy, but also to drive continuous improvement through feedback, training, and collaborative support. This systematic supplier assessment process ensures that environmental, social, and governance (ESG) considerations are embedded across the value chain, reinforcing transparency, accountability, and sustainable business performance.

3. Environmental dimension

3.1. Transparency & Reporting

3.1.1. Environmental Violations

There have been no instances of environmental violation penalties for the FY 2024.

3.2. Energy & Emission Management at PDS

Energy management is a critical material issue for PDS Ltd, given the company's reliance on stable and efficient energy supply across its manufacturing and operational footprint. Recognising the environmental and business risks associated with finite natural resources and fossil fuel dependence, PDS is actively transitioning towards renewable energy solutions to strengthen long-term sustainability and cost efficiency.

Key initiatives include the installation of solar panels at Norlanka to increase the share of renewable energy in operations, and significant on-site renewable energy adoption at Good Earth, enabling the business to meet a major portion of its power requirements while reducing greenhouse gas emissions. In parallel, PDS Ventures, through Fabacus Digital Solution, is advancing Digital Product Passports (DPPs) that provide end-to-end sustainability information for garments via unique QR codes, supporting transparency and readiness for upcoming EU sustainability regulations.

Together, these initiatives reflect PDS Ltd's integrated approach to energy efficiency, emissions reduction, and digital enablement—supporting environmental responsibility while strengthening operational resilience and future-proofing the business.

A total of **1.68 million kWh** clean energy generated from renewable sources

3.2.1. Energy Consumption

- Total energy consumption from renewable source: **3,064.62 GJ**
- Total energy consumption from non-renewable sources: **85,800.27**

3.2.2. Packaging commitment

PDS Ltd demonstrates its commitment to responsible packaging and material use through integrated sustainability initiatives aimed at reducing waste and promoting circular material

solutions. As disclosed in the Sustainability Report, the company has launched the **ReNuwaste Project**, which focuses on converting textile waste into reusable materials in support of its zero-waste objectives.

By advancing circular approaches to material recovery and reuse, the initiative supports reduced reliance on virgin materials and contributes to minimising waste generated across operations, including packaging-related material streams. This reflects the company's broader commitment to sustainable material management and circular economy principles.

3.3. Waste & Pollutants

PDS Ltd is committed to transitioning from a linear to a circular economy by embedding waste reduction, material recovery, and circular design principles across its operations. The company prioritizes durable design, high-quality materials, and innovative end-of-life solutions to minimize waste generation and extend product lifecycles.

Key initiatives include **GoodEarth Apparels' waste transformation program**, which repurposes cutting waste into **100% recycled, carbon-negative fabric**, converting textile waste into value-added sustainable products. At Norlanka, the **Centralised Cutting Plant (CCP)** enhances operational efficiency by digitizing cutting processes, significantly reducing fabric waste and optimizing resource utilization while maintaining quality and scale.

PDS further integrates recycled materials through initiatives such as **Krayons' use of Repreve® polyester**, derived from recycled ocean-bound plastic bottles, diverting millions of bottles from landfills and marine environments. In parallel, Norlanka's partnership with **Neptune Recyclers** ensures full traceability of recycled materials through a transparent tracking system and **Control Union certification**, reinforcing responsible waste handling and recycling practices. Norlanka is also certified as a **zero-waste-to-landfill facility**.

3.4. Water

PDS Ltd integrates water efficiency and stewardship into its operational planning through a combination of conservation measures, water recycling, and responsible wastewater management practices. At Good Earth Apparels, water efficiency is supported by an advanced **Sewage Treatment Plant (STP)** with a treatment capacity of **10 m³ per hour**, enabling effective treatment of all domestic wastewater for safe discharge or reuse.

The company has implemented **water recycling and reuse initiatives** to reduce dependence on freshwater resources, with treated wastewater reused within operations. This closed-loop approach minimizes freshwater withdrawal and strengthens long-term water security across facilities.

In addition, PDS employs industry-standard monitoring tools to ensure wastewater quality and regulatory compliance, preventing environmental pollution and protecting surrounding ecosystems and communities. The company has also set a **water intensity reduction target of 20% by 2030**, supported by initiatives to improve wastewater management and reduce dye-related pollution footprints within its manufacturing operations.

Collectively, these programs demonstrate PDS Ltd's structured approach to water efficiency, combining infrastructure investment, recycling, monitoring, and target-setting to drive responsible water use and continuous improvement across its operations.

The net fresh water consumed in FY 2024 stood at 1,58,378.75 kl.

3.5. Climate Strategy

3.5.1. Scope 1 emissions (in tCO₂e)

Emissions	FY 2024
Total direct GHG emissions (Scope 1)	8,735.14

3.5.2. Scope 2 emissions (in tCO₂e)

Scope 2 Emissions	FY 2024
Location-based	5,640.97

3.5.3. Scope 3 Emissions

Total scope 3 emissions: **738,699 tonnes CO₂e** - 85% revenue covered - 93% of headcount covered.

Category No	Specific Category	Emissions in the reporting year (metric tonnes CO ₂ e)
1	Purchased goods and services	589,805
2	Capital goods	323
3	Fuel-and-energy-related-activities (not included in Scope 1 or 2)	463
4	Upstream transportation and distribution	106,591
5	Waste generated in operations	791
6	Business travel	2,128
7	Employee commuting	5,962
9	Downstream transportation and distribution	3,940
11	Use of sold products	26,773
12	End-of-life treatment of sold products	1,922
	Total	738,699

3.6. Circular Fashion Commitment

PDS Ltd demonstrates a clear commitment to circular fashion through its focus on material innovation, textile recycling, and collaborative initiatives aimed at extending product lifecycles and reducing waste across the value chain. As outlined in the Sustainability Report, the company supports circularity through textile recycling pilots, upcycling initiatives, and material sorting programs that enable the recovery and reuse of textile materials and help divert waste from landfill.

The company also collaborates with industry innovators, including partnerships with **Evrnu**, to advance **textile-to-textile recycling** using regenerated fibres. These initiatives support the increased use of recycled post-consumer materials and reflect PDS Ltd's commitment to embedding circular fashion principles across its operations and supply chain.

3.6.1. Circular fashion programs:

PDS Ltd has implemented circular fashion programs that are embedded within its sustainability strategy, manufacturing practices, and product development processes. As disclosed in the Sustainability Report, the company invests in **material innovation, increased use of recycled fibres, and R&D-driven circular solutions**, working closely with customers and suppliers to develop textiles and products designed for longer lifecycles and reduced environmental impact.

Through **design and material choices that prioritise durability, quality, and recyclability**, PDS supports the reduction of the temporality of fashion collections by enabling brand partners to offer longer-lasting products. Circularity is further advanced through collaboration with customers to incorporate **care guidance, durability considerations, and responsible use principles** into product specifications, indirectly supporting consumer education on extending product life.

While PDS Ltd does not operate direct consumer-facing programs such as repair, resale, or take-back schemes due to its business-to-business operating model, its circular fashion programs influence downstream outcomes by enabling brand partners to implement repair, reuse, and longevity-focused initiatives. These programs are supported by **allocation of R&D resources**, supplier engagement, and cross-industry collaboration, positioning circularity at the core of product development and supply chain innovation.

4. Social dimension

4.1.1. - Workforce Breakdown: Race/ Ethnicity & Nationality

The Company has less than 20% of the company's workforce is based in the US and it monitors the breakdown of its workforce according to under-represented and structurally disadvantaged ethnic and racial minorities. Please find the details below:

Sr. N.	Breakdown based on Nationality	Share in total workforce (as % of total workforce)
1	India	6%
2	Bangladesh	81%
3	Sri Lanka	4%
4	United Kingdom	4%
5	China	1%
6	Turkey	1%
7	Others	1%

4.2. Human Capital Return on Investment (INR)

Sr. N.	Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1	Total Revenue	8,914,241,200	10,628,534,700	10,407,324,100	12,627,530,000
2	Total Operating Expenses	8,603,584,600	10,272,100,424	10,181,106,500	12,358,120,700
3	Total employee-related expenses	620,866,100	761,266,900	979,497,000	1,210,774,300
4	Total Employees	9,252	10,133	10,223	10,649

4.2.1. - Long-Term Incentives for Employees

The Company has a compensation framework that blends statutory long-term benefits with strategic incentive mechanisms to reward sustained performance, retain talent, and align employee interests with long-term shareholder value. These long-term incentives are applicable to all the employees and factory associates depending on the laws of the respective countries in which they operate.

1. Retirement and Statutory Long-Term Benefits

- **Gratuity and Post-Employment Benefits:** The Company provides traditional retirement benefits such as gratuity and contributions to statutory funds (like provident fund), which reward long tenure and ensure financial security after employment. These are recognized as part of employee benefit expenses. [Scribd](#)
- **Long-Term Compensated Absences:** Earned but unused leave balances are accounted for actuarially as a long-term obligation, reflecting a commitment to employee welfare over the service period. [Scribd](#)

2. Employee Share-Based Incentive Plans (ESOPs)

- Employee Stock Option Plans (ESOP 2021 – Plan A & Plan B): PDS Ltd has established ESOP schemes that grant eligible employees and key managerial personnel options to acquire equity shares. These are designed to reward performance and retention over multiple years. Vesting is contingent on continuous service, nurturing long-term ownership mindset.
- Phantom Stock Units: In addition to equity options, the Company has introduced cash-settled Phantom Stock Units for selected senior employees with multi-year vesting periods, further linking compensation to long-term company performance.

3. Performance & Value Creation Incentives

- Long-Term Incentive Philosophy: Beyond statutory benefits and ESOPs, PDS Ltd structures performance-linked rewards that encourage employees to contribute to strategic and financial milestones, thereby driving sustainable growth. While the standard annual bonus remains part of total compensation, the share-based plans inherently tie rewards to long-term performance.
- Implied Long-Term Value Creation: Although not always labelled as “profit share,” the vesting structure of ESOPs and Phantom Stock Units inherently shares future value appreciation with employees, especially those in business leadership roles, effectively aligning their rewards with profitability and market performance over years.

4. Annual Performance Bonus

- Bonus Component: Alongside long-term benefits, the Company pays annual performance bonuses as part of employee benefit expenses, linking short-term delivery to compensation. These bonuses complement the long-term incentive framework by motivating high performance in current periods.

5. Profit Sharing

Vertical business heads participate in the profitability of their respective legal entities, giving them direct skin in the game. This structure creates long-term value alignment and drives a focused commitment toward sustained profitability.

4.2.2. - Employee Support Programs

The company has the following employee support programs in place:

Sr. N.	Type	Available
1	Employee Benefits	
	Workplace stress management	Available
	Sport & health initiatives	Available
2	Work Conditions	
	Flexible working hours	Available
	Working-from-home arrangements	Available
3	Family Benefits	
	Childcare facilities or contributions	Available
	Breast-feeding/lactation facilities or benefits	Available
	Paid parental leave for the primary caregiver	Available as per the respective laws of the land
	Paid parental leave for the non-primary caregiverweeks	Available as per the respective laws of the land

4.2.3. - Type of Performance Appraisal

PDS performance management process begins with goal setting at the start of each year, establishing clear expectations. This is followed by continuous monitoring, feedback, and development planning to enhance employee performance and promote growth. Appraisals are conducted annually, supplemented by a mid-year review to assess progress towards goals. These evaluations provide a structured opportunity to recognize achievements, identify areas for improvement, and set future objectives. The Company carries out the appraisal process on an annual basis.