

WINNING WELL ALTOGETHER



Ciel Textile
Sustainability Report 2024

ABOUT THIS REPORT

WE'RE PLEASED TO BE
PUBLISHING CIEL TEXTILE'S
THIRD SUSTAINABILITY
REPORT:

WINNING WELL ALTOGETHER

WHAT IS "WINNING WELL, ALTOGETHER"?

"Winning Well, Altogether" is at the heart of CIEL Textile's identity.

It means we aim to win, but not alone. For us, success is about being inclusive and holistic, sustainable and ethical. "Winning Well" means achieving our goals, while staying true to our values and our purpose.

It is the "altogether" part which sets this philosophy apart. We believe in shared success, where profitability and prosperity benefit our stakeholders, employees, customers, as well as the communities we are rooted in. We focus on the present while keeping an eye on the future, placing sustainability at the core of everything we do. We're building a tomorrow where we win well, altogether.

REPORTING PRACTICES

Welcome to the third edition of our Sustainability report, covering July 2022 to June 2024. We aim to publish this report every two years to share our journey and progress with you.

Even though we're not obligated to report on our Sustainability performance, we choose to do so because it's a great way for us to share our achievements, improve our efforts, and openly discuss the economic, social, and environmental impacts of our actions and governance.

THIS REPORT

This third edition highlights how we've improved our data collection and made significant progress since 2020. We've embarked on this path with good intentions and plan to keep moving forward, using the various tools and processes we've refined over the past two years. This report was created and developed in-house, in accordance with the core Global Reporting Initiative (GRI) standards, without external assurance or audit.

**CIEL TEXTILE ISN'T JUST A TEXTILE SUPPLIER –
WE'RE YOUR FULL-FLEDGED FASHION PARTNER,
WITH EXPERTISE IN NOT ONLY MATERIALS AND
MAKE, BUT VERY MUCH IN STYLE TOO.**

We operate in Mauritius, Madagascar, India and Bangladesh, with 19 units, and over 22,000 people. Together, we produce more than 31 million pieces each year. In the ever-changing world of fashion, our ability to adapt and innovate keeps us ahead of the trends for our customers worldwide.

Guided by our mission to “Improve Fashion, Every Day”, we offer a wide range of products, services, and solutions to meet the diverse needs of our clients around the world.

**IMPROVE
FASHION,
EVERY DAY**



31M+
PIECES/YEAR



22,000+
PEOPLE

19
UNITS

OUR CLUSTERS



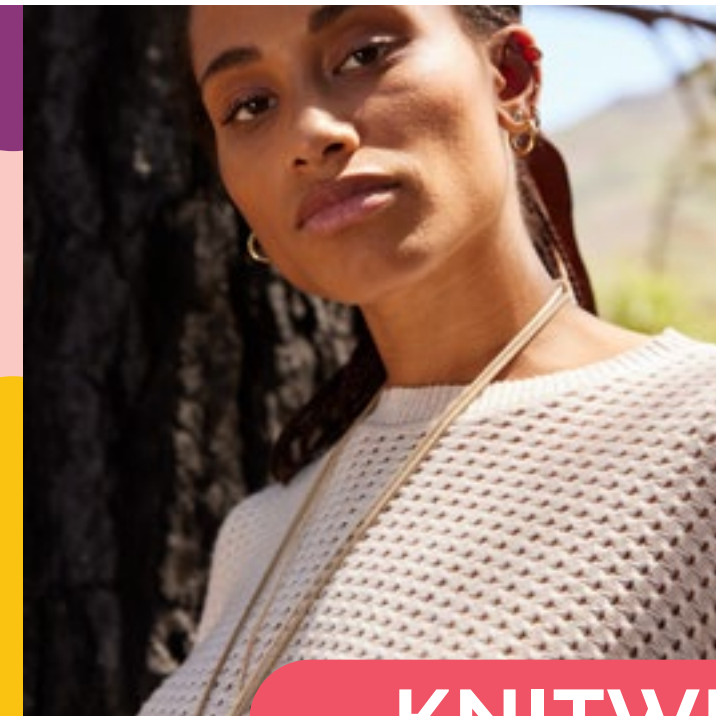
WOVEN

☒ AQUARELLE
☒ LAGUNA
COTONA (JV)



FINE KNITS

☒ TROPIC
☒ CDL



KNITWEAR

☒ FLOREAL
☒ FSM

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WORD FROM **THE CHIEF EXECUTIVE OFFICER,** CIEL Textile

Hello everyone,

Welcome to our third Sustainability Report!

Since our last report, we have been in full action mode and I'm very happy to share our progress. This year's theme, "Winning Well, Altogether," is all about achieving success, but not at any cost! And guess what? **WE CAN ACHIEVE SUCCESS RESPONSIBLY!** Winning isn't about short-term gains; it's about creating value while protecting our planet and supporting each other.

I'd like to share a memorable moment from last year. During a visit to one of our renowned clients, I had the opportunity to meet their teams. They expressed how proud they were to collaborate with us, highlighting our proactive approach to sustainability – an approach that sets us apart in the garment manufacturing industry. Their enthusiasm reminded me that meaningful change happens through collaboration and partnerships.

Today, the textile and apparel industry is at a turning point. We need more transparency across the entire value chain. This is non-negotiable. New laws and regulations are pushing us to transform – a challenge that

we embrace wholeheartedly. However, this transition also puts pressure on the lower tiers of the supply chain, where support is often needed. At CIEL Textile, we are committed to helping our partners adapt, ensuring no one is left behind in meeting these new standards.

For us at CIEL Textile, "Winning Well, Altogether" is more than a theme. It means embedding sustainability into every facet of our operations, ensuring we create value not just for our shareholders, but for everyone involved – our employees, customers, the communities we serve, and the planet. Our purpose, **"For a world we can all feel proud of"**, drives us to find inclusive and sustainable solutions. One example of this commitment is our goal to have 5% of our workforce consist of persons with disabilities by 2030. This initiative showcases our dedication to inclusivity and engagement. But we know we can't stop there.

Looking ahead, we need to accelerate our efforts. Improving traceability and extending accountability for our carbon footprint are just the beginning. We're determined to stay ahead of the curve, proactively driving change and supporting innovation.

Sustainability is not a solo journey. Together, we have the power to transform our industry. If we double down on our efforts and work collaboratively, we can create a future we're all proud of!

Now, let's make it happen – together!

ERIC DORCHIES



WORD FROM
**THE GROUP
HEAD OF
SUSTAINABILITY,**
CIEL Textile

The last two years have been a big step forward for sustainability at CIEL Textile as we continue our mission to Improve Fashion, Every Day. Our sustainability strategy is built on three pillars that guide our journey: Champion Inclusive Growth, Activate Climate Response, and Foster a Vibrant Workforce. These three pillars drive us to create a more ethical, sustainable and forward-thinking textile industry: we empower local communities, reduce our environmental impact, and support a diverse and inclusive workforce.

Transparency and accountability are at the core of what we do. We use global benchmarks like the Higg Index and platforms such as UL 360 ESG to share our wins and the challenges we face. We also know we cannot do this alone. Collaboration and innovation drive our progress. By working with our suppliers, communities, and partners, we can innovate and make a bigger impact. Together, we develop new solutions and ideas that push the boundaries of what's possible in sustainability.

Each step taken is about Winning Well, Altogether. As we move forward, sustainability remains at the heart of our journey. Together, we're turning challenges into opportunities, building resilience, and creating a legacy of sustainable excellence that we can all be proud of.

Now, I know most of you won't read the whole report (and that's okay). For those skimming through, **here are the top five things to remember:**

- 80% of our supply chain is now covered by verified sustainability assessments.
- 60% of our materials are certified sustainable, up from 38% in 2020.
- We are helping communities, like through

the Lacoste Foundation in Madagascar, to create new opportunities.

- We have stopped using coal and now use 57% renewable energy, aiming for 80% by 2030.
- We are making our team more inclusive, with 1.7% of employees having disabilities, working toward 5% by 2030.

So, whether you're here for the full story or just the highlights, thank you for being part of this journey. Let's continue shaping a future that makes us all proud – one step at a time!

**A BIG THANK YOU TO OUR
SUSTAINABILITY CHAMPIONS.**

Our achievements are all about teamwork. From boosting renewable energy use to changing how we produce, our sustainability champions are leading the way.

QUENTIN THOREL

OUR JOURNEY

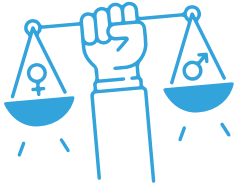
2014 - 2016

- Launch of the first CIEL Group Sustainability policy
- Kick-off of our Act for our Community program
- Set-up of Governance at CIEL Group level
- Development and implementation of Sustainability Governance at CIEL Textile



2017-2019

- Cascale Membership - Adoption of HIGG Index tools in 100% of our manufacturing sites
- Roll-out of Sustainability training for employees
- Contributor of ZDHC
- Launch of the Go Beyond Gender initiative & Act for our Environment program
- Signatory of SLCP



2020-2023

- Implementation of UL, a Sustainability Reporting software
- Assessment of our supply chain on ESG criteria
- Compliance with ZDHC standards
- Development of an internal Eco-Index tool
- Monitoring of our Carbon footprint - Scope 1 & 2

Publication of First and Second CIEL Textile Sustainability Report

2024 - 2025

- Enhancement of our Sustainable finance journey
- Increase in renewable energy usage
- Definition and formalization of our Circularity strategy
- Promotion of collaboration and partnerships with stakeholders
- Implementation of product traceability
- Commitment to SBTi



STAKEHOLDER DIALOGUE & MATERIAL TOPICS



When we talk about “stakeholders”, we mean all the people, groups, and entities, both inside and outside our organization, whose actions influence our group and whose lives we, in turn, can influence. We believe in keeping the conversation open, honest, and transparent with our stakeholders. This ongoing dialogue helps us understand key business aspects from their perspective – which ultimately shape our material topics.

MATERIALS TOPICS

- SOCIAL**
 - 1. Employment
 - 2. Occupational Health and safety
 - 3. Learning and Development
 - 4. Human Rights
 - 5. Local Communities
 - 6. Diversity and Equal Opportunities
- ECONOMIC**
 - 1. Market Presence
 - 2. Procurement Practices
- ENVIRONMENTAL**
 - 1. Materials
 - 2. Energy
 - 3. Emissions
 - 4. Water & Effluent
 - 5. Waste





FOSTER A VIBRANT WORKFORCE

Over the past two years, our efforts to cultivate a dynamic and inclusive workforce have really taken off across all our sites. We've made big strides in key areas like digitalization, Diversity, Equity and Inclusion ('DEI'), Learning and Development ('L&D'), and cultural development. We're more dedicated than ever to the growth and development of our people.

From Left to right
Laxmee CIEL Textile
Aina Aquarelle Madagascar
Javed Ahmed Floreal Bangladesh
Sudeepta Aquarelle/Tropic India



ABOUT THIS PILLAR

Learning Management Systems ('LMS') and Learning & Development ('L&D')

We've boosted employee upskilling through ongoing investment in L&D initiatives and by improving our LMS infrastructure. These efforts show our commitment to continuous learning and growth at all organizational levels.

Diversity, Equity, and Inclusion (DEI)

As we work to build a more inclusive and fairer workplace, advancements in DEI continue to make up the core of our approach. Our initiatives to foster a culture of belonging and improve representation are proof of this commitment.

Cultural Development Great Place to Work

Employee feedback as well as external standards like the Great Place to Work (GPTW) certification show that creating a solid, values-based culture is a priority for us. These initiatives also reflect our dedication to maintaining a supportive and collaborative work environment.

Digitalization

Over the past two years, we've embraced digital transformation to boost employee engagement and operational efficiency. Innovation across CIEL Textile has been greatly supported by digital initiatives, which have improved everything from workflow processes to communications tools.

These targeted projects are the backbone of our long-term strategy, which aims to foster sustainable growth and reaffirm our dedication to an empowered workforce.



With the “Winning Well, Altogether” theme, CIEL Textile’s Diversity, Equity, and Inclusion (DEI) framework is all about

creating a vibrant and supportive work environment for everyone.

We’re aiming high with two key goals:

Hitting an **80% employee engagement benchmark** in line with Great Place to Work (GPTW) results

And ensuring that **at least 5% of our workforce is made up of people with disabilities** – all by 2030.

By fostering leadership commitment and improving HR capabilities, this framework sets the stage for a diverse, fair, and thriving workplace.



OUR PROGRESS & AMBITIONS

ETHICS

OUR STRATEGIC GOALS

We aim to create an environment where everyone is respected and encouraged to act responsibly and with integrity. We will keep raising our ethical standards by nurturing open and honest connections with our partners and stakeholders, making sure that respect and dignity are not just gestures, but rather essential parts of who we are.

STATUS IN 2022

- Grievance Handling mechanism (more than 90% of grievances handled within timelines)
- Set-up of Grievance Committees (Workers', Health and Safety...)
- Whistleblowing Mechanism

CURRENT STATUS (2024)

As of now, with our decentralized approach, we foster a culture where everyone is respected and treated with courtesy, and we expect the same from all our partners.



DIVERSITY

OUR STRATEGIC GOALS

CIEL Textile will implement an internally devised Inclusive Leadership Program to **reach the target of having at least 35% of women in management positions by 2030.**

STATUS IN 2022

Women held 15% of management positions at CIEL Textile in 2022, with a clear ambition to increase this to at least 35% by 2030.

CURRENT STATUS (2024)

As of now, women hold 18% of management positions, reflecting steady progress from 15% in 2024. This progress is supported by initiatives such as the "CIEL Women in Leadership Development Program," which welcomed five participants from CIEL Textile, and the "CIEL Active Allies" allyship series, which engaged fifteen women.



DIVERSITY, EQUITY, AND INCLUSION

PEOPLE WITH **DISABILITIES**



OUR STRATEGIC GOALS

By 2030, we aim to have at least 5% of our workforce made up of people with disabilities.

STATUS IN 2022

Individuals **with disabilities made up 0.7% of Ciel Textile's workforce**. While inclusion was already a focus, this showed the need to create more opportunities and strengthen our efforts for a more accessible workplace.

CURRENT STATUS (2024)

The data for individual with disabilities grew to **0.9% in 2023 and 1.7% in 2024**, showing steady progress in creating a more inclusive and accessible workplace.

FAIR AND SAFE **WORK ENVIRONMENT**



OUR STRATEGIC GOALS

Our goal is to **provide a safe and healthy workplace** with standards that meet and even exceed minimum compliance requirements.

STATUS IN 2022

All our sites now have the Higg FSLM fully integrated, with each factory conducting annual assessments on factors impacting worker well-being. These are independently verified by a third party. In 2021, our verified Higg FSLM score stood at 85.3.

CURRENT STATUS (2024)

Moreover, we continue to strengthen our commitment to responsible manufacturing, **with our Higg FSLM verified score improving from 88.5% in 2022 to 92.6% in 2023** — a testament to our ongoing progress in social and labor practices.



ETHICS & DIVERSITY

OUR WORKFORCE

	FY 23/24		
COUNTRY	MALE	FEMALE	TOTAL/ COUNTRY
Mauritius	1,655	1,098	2,753
Madagascar	3,880	4,185	8,065
India	3,006	7,224	10,230
Bangladesh	680	275	955
TOTAL	9,221	12,782	22,003

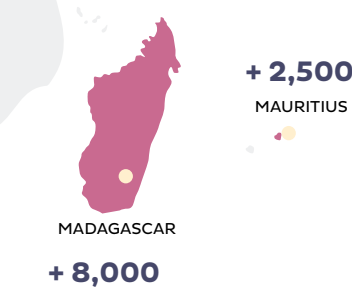
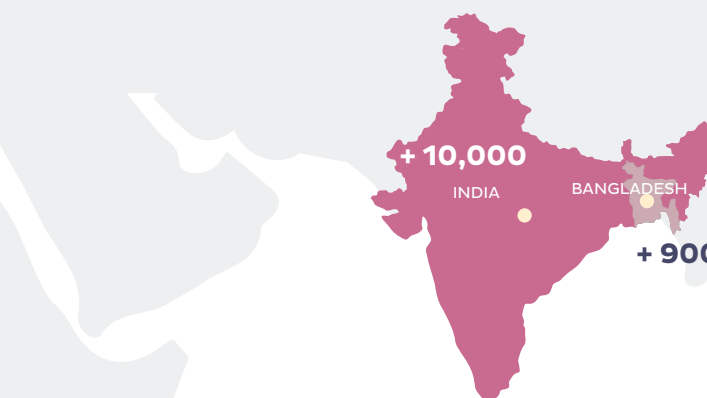
Table 1: Representation of male and female employees per country

Figures represent permanent employees only

Takeaways

Our workforce is distributed as follows: **46% across the Asia region, in India, and Bangladesh, and 54% across the Africa region, in Mauritius and Madagascar.**

CIEL Textile has **22,003 permanent employees**, with **58% representing women in the workforce.**





EMPLOYMENT & DIVERSITY

COUNTRY	FY 2022/2023		FY 2023/2024	
	Male	Female	Male	Female
Mauritius	58%	42%	60%	40%
Madagascar	48%	52%	48%	52%
India	32%	68%	29%	71%
Bangladesh	71%	29%	71%	29%
TOTAL	43%	57%	42%	58%

Table 2: Gender balance per country



Takeaways

A steady representation of women, reflecting the commitment to gender diversity and inclusion at every level.

THEME : WINNING WELL, ALTOGETHER

CIEL Textile
Diversity, Equiry and Inclusion (DEI)
Framework

INITIATIVES

GO BEYOND GENDER

WELL-BEING

PEOPLE WITH
DISABILITIES (PWD)

OBJECTIVES

Foster a Vibrant
Women Workforce

Employee Well-Being

Employability of People
with Disabilities (PWD)

Achieve at least 35% of
women at management level
by 2030

Achieve the Great Place to
Work benchmark, with at least
80% engagement score

Achieve at least 5% of the
workplace by 2030

ENABLERS

LEADERSHIP COMMITMENT

HR CAPABILITIES

BUDGET

Table 3: DEI Framework

Our employees are our most valuable resource. We strive to create an environment that empowers staff, supports their growth, and promotes teamwork. At CIEL Textile, our strategy to nurture a dynamic workforce includes ongoing investments in staff development, promoting diversity, and creating a welcoming and inclusive workplace — all essential aspects to our vision to **“Improve Fashion, Every Day!”**

We focus on several key principles to nurture a dynamic workforce:

LEARNING AND DEVELOPMENT

We believe in continuous learning and career growth at all organizational levels. This ensures that every employee has the knowledge and skills they need to thrive in our fast-evolving industry.

WORK ENVIRONMENT

Creating a secure, adaptable, and supportive work environment is vital. We prioritize health and safety, employee engagement, and comprehensive benefits to make sure our employees feel valued and motivated.

TOGETHER WE ACT

This highlights the power of group efforts and staff projects. Promoting long-term commitment, teamwork, and active engagement helps foster innovation and sustained progress.

DIVERSITY AND ETHICS

We are committed to building a respectful and fair workplace for all. We prioritize ethics training, encourage gender diversity in leadership roles, and ensure a secure and open grievance process.

Altogether, these pillars support CIEL Textile’s thriving and dynamic workforce, which in turn supports our continued success and resilience.

EMPLOYMENT & DIVERSITY

*CONT'D

GO BEYOND GENDER INITIATIVE

Our Go Beyond Gender program was launched to improve female representation in upper management. Our goal is to have **35% of leadership roles filled by women by 2030**.

Program initiatives focus on:

- Pay parity by 2025
- Investment in development specific to women (training, coaching, awareness sessions)
- Female-friendly policies

COUNTRY	TOTAL NUMBER	%
Mauritius	25	17%
Madagascar	38	25%
India	81	54%
Bangladesh	7	5%

Table 4 : Women in leadership positions, by country

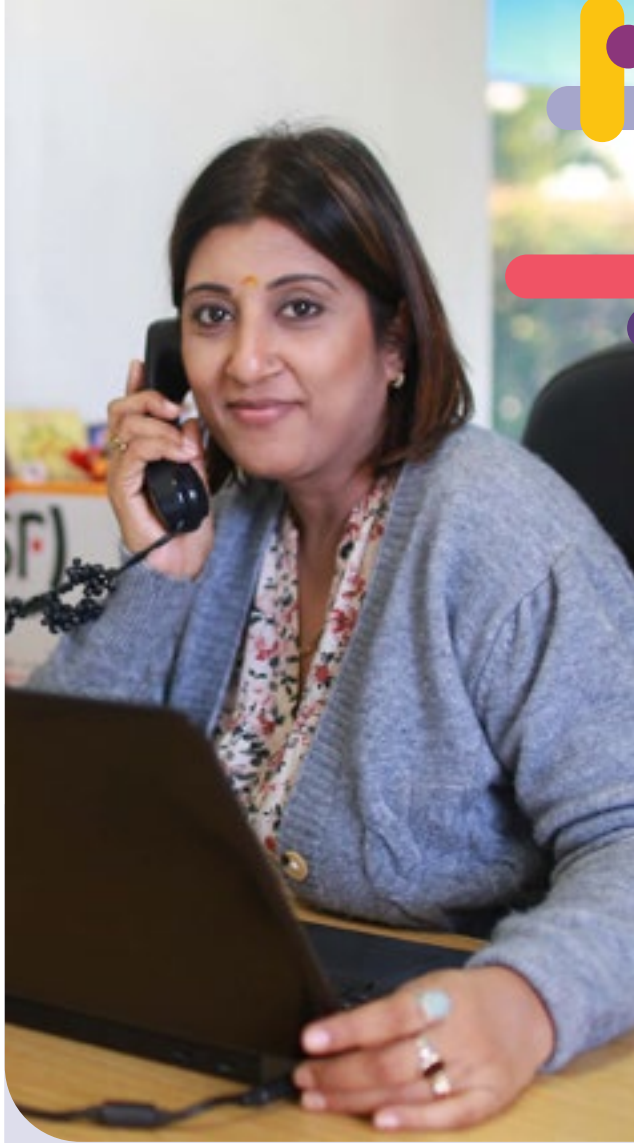


Takeaways

A comprehensive qualitative and quantitative diagnostic has identified areas of concern and points for improvement. Training and awareness sessions on unconscious biases have been arranged for senior leaders.

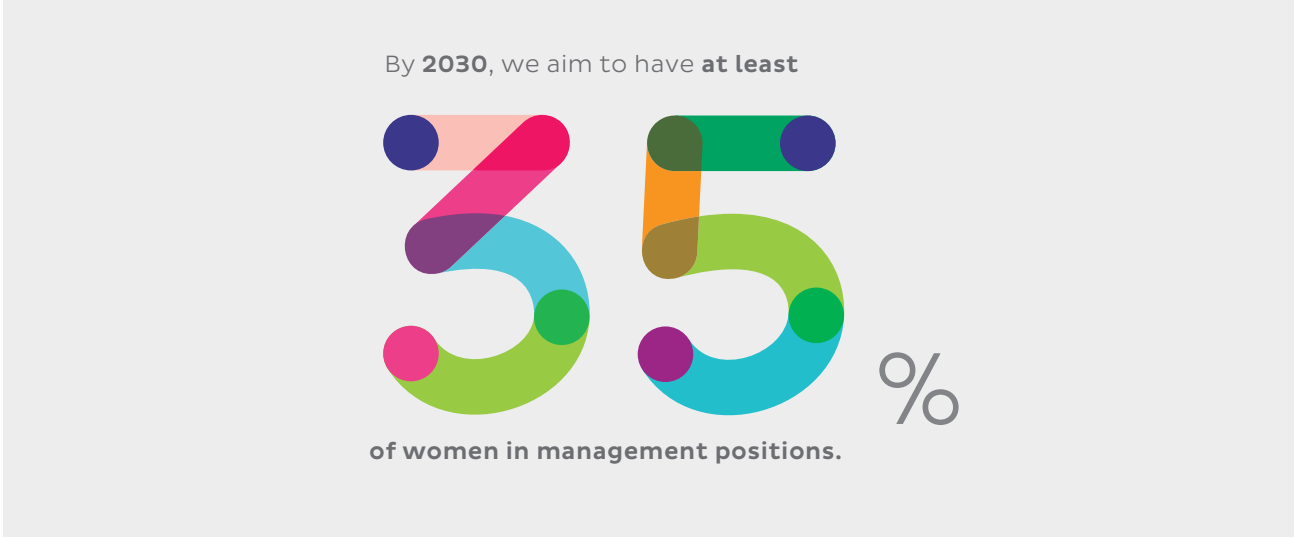
- Commitments to action :
- Pay parity by 2025.
 - Investment in development for female employees (training, coaching, awareness sessions).
 - Female-friendly policies.

The decrease in women in leadership positions at CIEL Textile is due to a redefinition of leadership positions, ensuring a more precise and meaningful representation of leadership roles within our organization.



EMPLOYMENT & DIVERSITY

*CONT'D



Pay Parity

We've made great strides in closing the gender pay gap, thanks to our commitment to equality. This achievement shows our dedication to ensuring that every employee, regardless of gender, is valued and fairly compensated for their skills and work. We continue to promote an inclusive workplace by adhering to our values of equity and openness.

Flexible work policy

In today's ever-changing workplace, CIEL Textile understands the importance of flexibility. That's why we've developed a 'Flexible work policy'.

Well-being policy

We are committed to promoting a workplace culture that prioritizes the physical, mental, and emotional well-being of all employees.





Diversity, Equity, and Inclusion ('DEI') are at the heart of CIEL Textile's identity. We believe that a diverse workplace which encourages innovation, creativity, and progress has the power to make everyone feel valued and included.

We work together with **over**

22,000

talented people from various backgrounds, ethnicities, and nationalities.

In 2023, we created our DEI framework, under the “Winning Well, Altogether” theme. Our goal is to infuse this philosophy into our corporate culture, shaping how we work, communicate, and make decisions every day. Over six months, five female leaders from CIEL Textile Mauritius took part in the **“CIEL Strategic Women in Leadership Program”**, growing both personally and professionally.

Well-Being Policy



Physical Well-being

Encourage healthy lifestyles with ergonomic design, healthcare access, and workout programs.



Inclusivity and Diversity

Create a respectful and inclusive work atmosphere that values equality and diversity.



Confidentiality

Keep employee health and personal information strictly private.



Mental & Emotional Well-being

Promote emotional resilience, offer counselling, and support mental health.



Work Environment

Ensure a secure, welcoming, and collaborative work environment that boosts performance.



Compliance

Ensure that all well-being practices meet ethical and legal standards.



Professional Development

Provide opportunities for ongoing education and career progress.



Continuous Improvement

Regularly evaluate and improve well-being programs based on employee feedback.



Implementation and Monitoring

Set guidelines and monitor results to ensure the success of well-being programs.



EMPLOYEE ENGAGEMENT SURVEY

CIEL Textile is dedicated to creating a workplace where everyone’s opinions are respected and heard. To achieve this, we partnered with Great Place to Work® (‘GPTW’) to regularly organize employee engagement surveys across all our business units. GPTW is a world-renowned expert in organizational trust, employee engagement, and workplace culture. With decades of experience, GPTW is a trusted partner for businesses looking to build high-trust, high-performance work environments. The survey provides a platform for staff members to share their opinions, experiences, and suggestions concerning the company’s procedures, culture,

and general working conditions. The responses are carefully analyzed, and action plans are created to address issues and highlight positives.

By implementing these action plans, CIEL Textile aims to consistently improve employee engagement, satisfaction, and workplace quality – ultimately demonstrating our commitment to fostering a welcoming and inclusive workplace where every employee feels empowered to contribute to the company’s success.

Companies

- Best Workplace Mauritius – **Aquarelle Clothing Limited**

GPTW

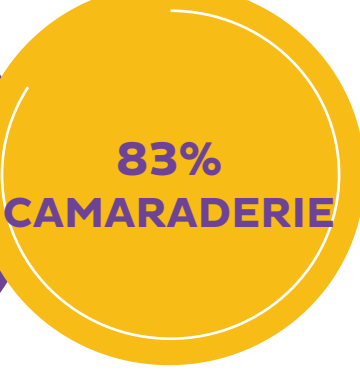
- Aquarelle Clothing Limited
- Ferney Spinning Mills
- Floreal Antananarivo
- Floreal Bangladesh

Survey from September 15, 2022 to June 1, 2024

16,038 respondents on 17,045 guests

94% participation rate

Survey mode Email | URL



Average Trust Index

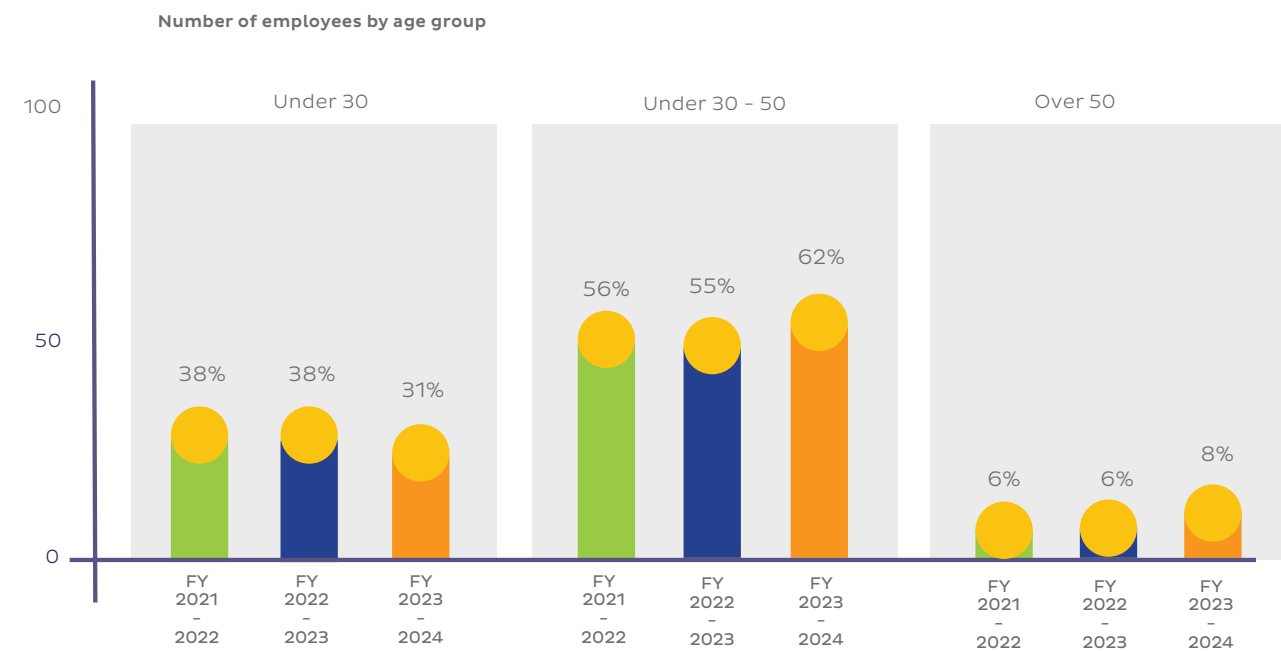
82 %

Percentage corresponding to the rate of positive responses (<<Often true>> and <<Almost always true>>)



WORKFORCE & RECRUITMENT

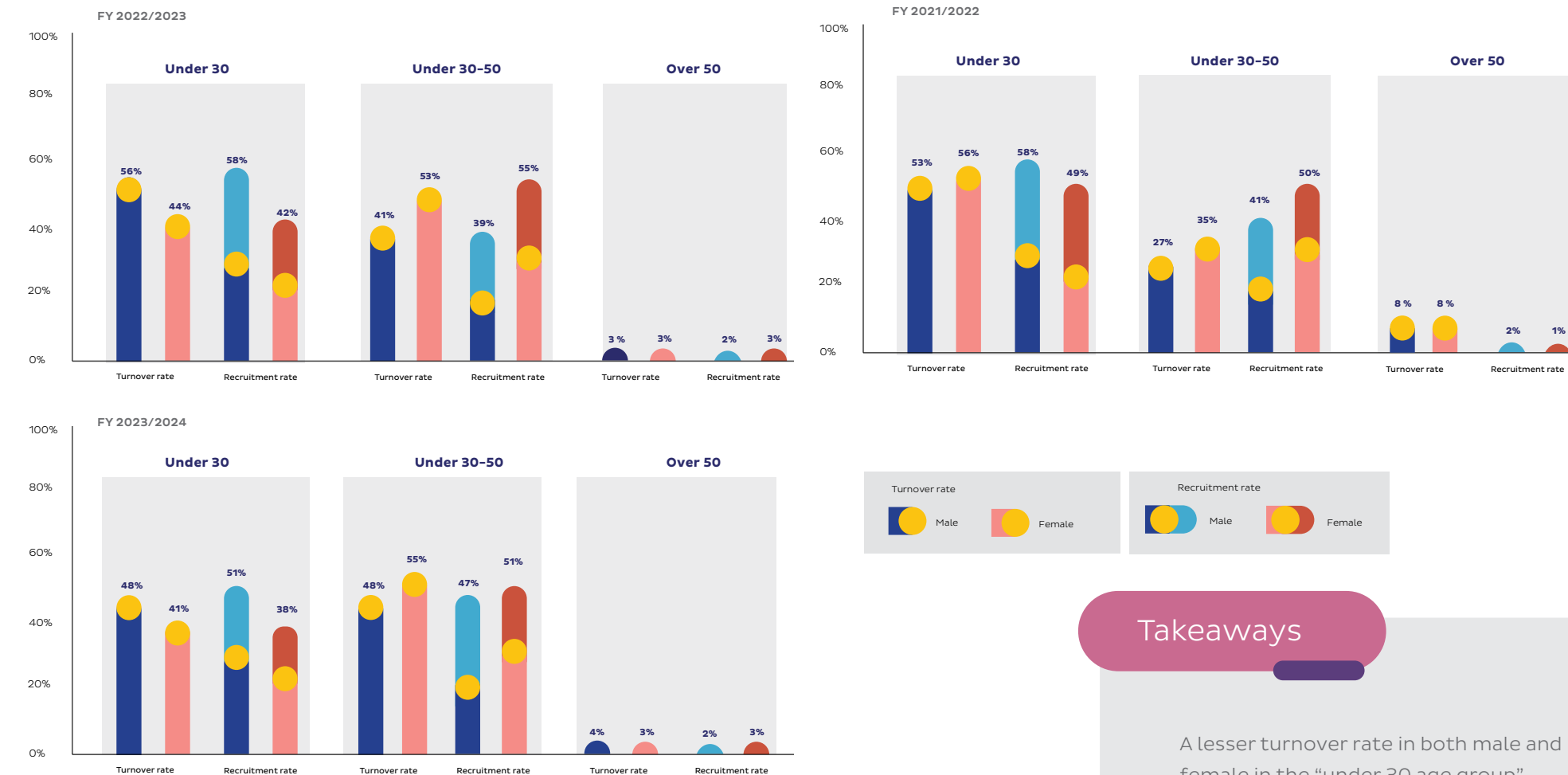
The snapshot shows the total number of employees by age group as from FY 21/22 to FY 23/24. We now have more experienced talent in the 30–50 age range, rising from 56% to 62%. As from FY 23/24, 31% of our employees are under thirty.



Conclusions

The growth in the 30–50 age range indicates we're retaining mid-career individuals with significant experience.

Maintaining a healthy mix of age groups ensures a diverse workforce which consists of both young people and seasoned professionals.



Takeaways

A lesser turnover rate in both male and female in the “under 30 age group”, indicates a better retention of young talents.

HUMAN RIGHTS

We are committed to upholding human rights and strive to create an environment where everyone is treated fairly, equally, and with respect.

Respect for human dignity is an important part of our DNA as an organization. We ensure safe and ethical working conditions, encourage diversity and inclusion, and maintain the highest levels of integrity and accountability. Our policies are designed to protect the rights of our partners, employees, and communities. We are also dedicated to continuous growth, frequently assessing and improving our procedures to meet international human rights standards.



INCLUSION

EMPLOYMENT & INCLUSION

CIEL Textile has introduced a framework for Diversity, Equity, and Inclusion ('DEI'). The approach aims to create and maintain an inclusive, fair, and diverse environment. It includes policies, procedures, and activities that support the representation and involvement of various groups, ensuring equal treatment, access, and opportunities for all employees.

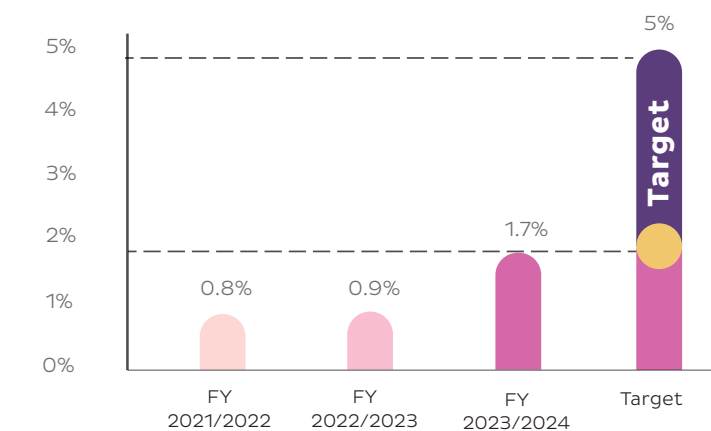


Table 5: Representation of PWD per country

COUNTRY	NO. OF PWD	%
Bangladesh	14	0.1%
India	168	0.8%
Madagascar	165	0.7%
Mauritius	19	0.1%
GRAND TOTAL	366	1.7%

We have **raised our goal from**

3% TO 5%

by 2030 as part of our commitment to hiring people with disabilities. So far, we have reached 1.7% of talented individuals with disabilities at CIEL Textile.

PEOPLE WITH DISABILITIES

LAGUNA MADAGASCAR

FANJA DANIELLE
Sewing operator (machinist)

Motor Disability



I'm Fanja Danielle, a sewing operator (machinist) at Laguna Madagascar. I have been working here for 8 months now, and the work environment here is healthy and inclusive. I work to give the best of myself to my work, and my disability isn't an issue for any of my colleagues; the workplace is supportive. For example, my colleagues with hearing disabilities don't have to worry because many employees here know and learn sign language.



HERY
Supervisor

Motor Disability



I'm Hery, a supervisor at Laguna Madagascar for 8 months. The work environment here is enjoyable: everyone helps and respects each other. I do not feel like there is any difference between employees with disabilities and other people here. This means that I can perform at my best, and my subordinates respect me regardless of my disability.



FAIR & SAFE WORK ENVIRONMENT



HEALTH & SAFETY

Better safety measures

We've significantly reduced serious injuries per employee, indicating that our safety procedures and culture are stronger than ever.

Improved training and awareness

The big drop in injury rates highlights the success of our training initiatives and awareness campaigns, ensuring workers are better prepared to prevent accidents.

Dedication to employee welfare

The lower injury rate proves our dedication to prioritizing employee well-being and creating a safer and healthier work environment for everyone.

Goal

Create a safe and healthy workplace that goes beyond legal requirements.



FAIR REMUNERATION PROCESS

Fairness, equity, and transparency make up the backbone of our remuneration policy. We regularly review our compensation policies to match market norms and industry standards, ensuring we attract and retain top talent.



GOING BEYOND COMPLIANCE

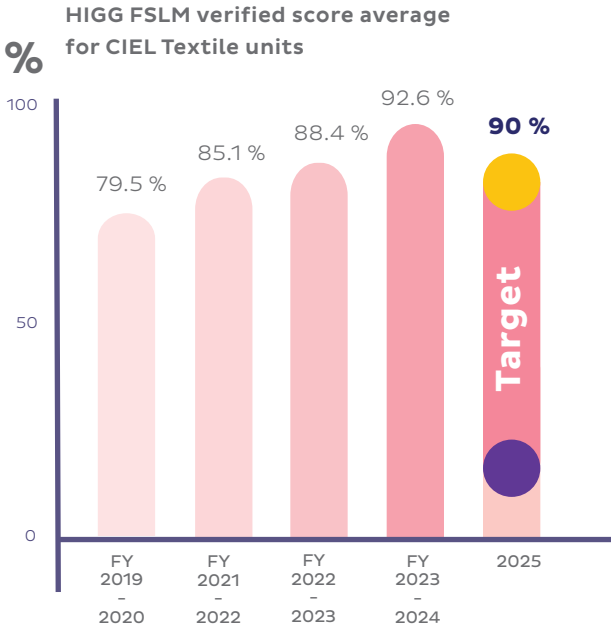
HIGG FACILITY SOCIAL & LABOR MODULE ("FSLM")



The Facility Social & Labor Module ("FSLM") measures the social impact of manufacturing across the following areas :

- Recruitment & Hiring
- Working Hours
- Wages & Benefits
- Employee Treatment
- Employee Involvement
- Health & Safety
- Termination & Retrenchment
- Management Systems
- Above & Beyond (social management practices)

Every CIEL Textile factory uses these tools to carry out an annual self-assessment. To ensure validity, all site results are verified by an external body in line with the SAC verification protocol.



Higg vFSLM
6,745 factories were verified in 2024 with an average global score of 70.2% (Source: worldly)



LEARNING & DEVELOPMENT

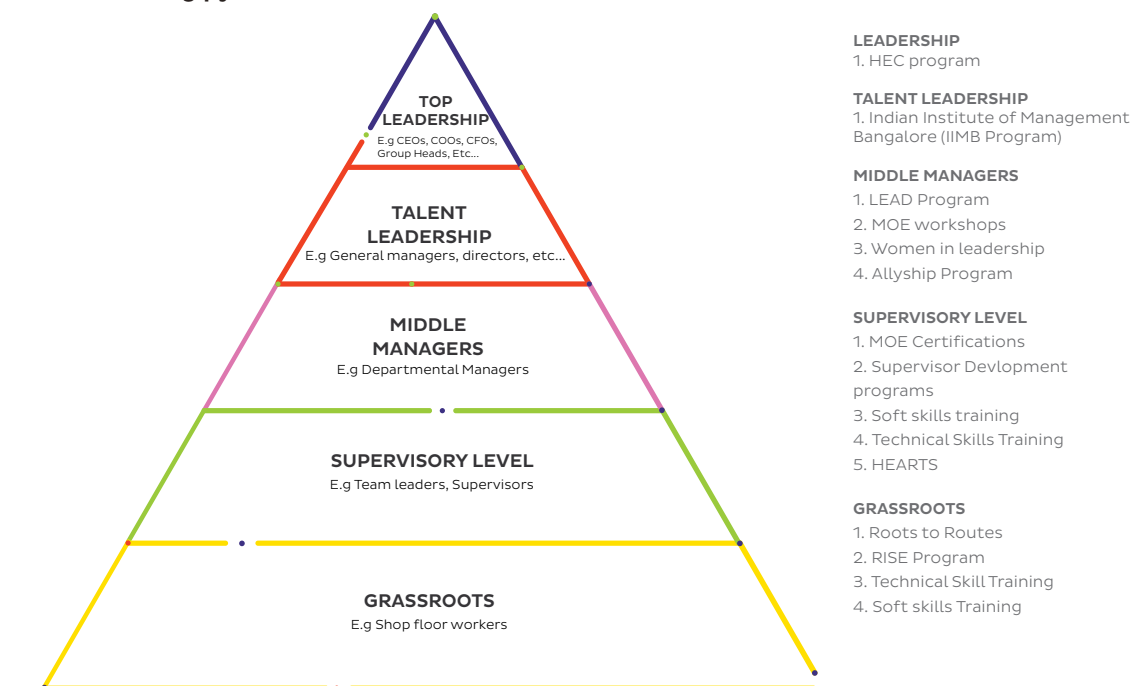
LEARNING & DEVELOPMENT

At CIEL Textile, our Learning and Development ('L&D') programs use a comprehensive strategy based on the Learning Pyramid concept to empower our workforce at all levels, from entry-level employees to top leadership.

Our approach is built on the idea that the best learning outcomes result from active engagement and practical application. We start with basic training programs that focus on essential skills and knowledge to ensure each worker is ready to perform their job effectively. As they progress within the company, workers are exposed to more complex and hands-on learning opportunities, including group discussions, practical workshops, and peer-to-peer mentorship, all of which deepen their knowledge.

We ensure that all organizational levels, from entry-level positions to top leadership, have the resources and expertise needed for long-term success and growth by incorporating the Learning Pyramid into our Learning and Development plan.

The learning pyramid



LEARNING & DEVELOPMENT

*CONT'D

The Indian Institute of Management Bangalore's ('IIMB') Strategic Leadership Program

Over seven months, **39 talented team members from Bangladesh, Madagascar, Mauritius, and India underwent over 280 hours of training.**

Six creative projects were conceptualized as a result of the program, and they are all ready to be implemented globally in the coming months. These projects show how the program's leadership and strategic thinking skills are applied in real-world situations.



LEARNING & DEVELOPMENT

*CONT'D

ADVANCING GENDER PARITY

Our goal is to advance gender parity throughout the CIEL Group and its affiliates. By uniting allies from across all CIEL clusters, the CIEL Active Allies program created a dynamic environment that facilitated the advancement of gender equity and the breakdown of barriers within our organization.

KEY HIGHLIGHTS

Cultural Allyship

The program introduced the idea of Cultural Allyship, highlighting the value of helping one another regardless of gender to promote positive change.

Call to Action

Participants were encouraged to become change agents, focusing on making tangible progress toward gender parity.

Collaborative Vision Setting

Textile Cluster representatives – including CEO Eric Dorchie – worked together to develop a gender equity vision, values, and engagement plan.

Winning Well, Altogether

The Textile Cluster created the compelling, concise and interconnected “Winning Well, Altogether” vision.

OUTCOMES AND FUTURE OUTLOOK

This project has laid the groundwork to achieve gender parity in our company in the future. It provided participants with the knowledge and drive to address issues like gender-based interruptions (maninterrupting), all-male panels (manels), and mansplaining. The Active Gender Allies program is expected to play a key role in bringing about significant change in the pursuit of gender equity throughout the CIEL Group.

CONCLUSION

The CIEL Active Allies initiative is an important step in the pursuit of gender parity. It has inspired participants and given them the vision and resources they need to build a more equal and inclusive workplace.



LEADERSHIP DEVELOPMENT PROGRAM AT GROUPE SOCOTA MADAGASCAR.

The staff of Groupe Socota Madagascar participated in a four-day Leadership Development Program in Antsirabe, Madagascar. This program brought together the leadership team and a few high-potential members of the organization, creating a vibrant learning atmosphere that encouraged the exchange of ideas and experiences.

KEY HIGHLIGHTS

Participants showed extraordinary interest and eagerness to learn, making the training sessions engaging and dynamic. The workshops promoted real learning and development by encouraging the sharing of ideas, challenges, and experiences. The senior leadership of Groupe Socota Madagascar demonstrated remarkable dedication.

CONCLUSION

This program has been a fruitful move in cultivating a robust leadership culture at Groupe Socota Madagascar. It reflects the company's commitment to empowering its employees and creating an atmosphere where, as their tagline says,

"AS ONE, SKY HAS NO LIMIT."

The experience reinforced the transformational potential of leadership development in enabling people and the organization to reach their greatest potential.

LEARNING & DEVELOPMENT

*CONT'D



LEARNING & DEVELOPMENT

*CONT'D



A significant milestone in our commitment to gender diversity has been our Women in Leadership Program. This initiative, conducted in partnership with Stellenbosch University, and supported by **Ylead's coaching session**, gathered **33 exceptional women from diverse roles across CIEL's clusters** - including 5 from CIEL Textile - who successfully completed the program.

These graduates have not only achieved a personal milestone but they are now also better equipped to empower and lead within our organization. **Their accomplishment embodies the essence of our Go Beyond Gender mission and brings us closer to our 2025 goal of having 35% women at the management level.**

This program's success demonstrates our ongoing dedication to nurturing talent and fostering an inclusive leadership environment. As these newly empowered leaders apply their enhanced skills across various areas of our organization, we anticipate accelerated progress in our gender diversity initiatives, creating a positive ripple effect that will inspire and support other women within CIEL.

LEARNING & DEVELOPMENT

*CONT'D

At CIEL Textile, we are committed to developing talent and investing in the future of our industry. Our recent project in collaboration with the Academy of Design and Innovation ('ADI') is a prime example of this dedication.

This program welcomes 19 gifted graduates from Antananarivo and Antsirabe, as part of the Madagascar Graduate Program II.

The 12-month curriculum provides a thorough and rigorous training experience, combining online courses, face-to-face interactive sessions, and independent studies. The goal is to quickly upskill fresh graduates

from our business units in Madagascar, equipping them with the skills and knowledge needed to significantly impact our industry and promote innovation.

We believe this program will profoundly change our graduates' lives and boost Madagascar's regional textile and apparel industry.

Through initiatives like these, CIEL Textile continues to prove its commitment to developing talent and advancing the industry.



LEARNING & DEVELOPMENT

*CONT'D

CELEBRATING ACHIEVEMENTS IN THE L.E.A.D PROGRAM

We are celebrating the outstanding achievements of our alumni from the L.E.A.D (Leadership Excellence Accelerated) Program.

17 rising and middle managers embarked on an enriching journey over 9 transformational months, developing their soft skills, and focusing on leadership and management concepts.

Talents from Tropic Head Office, Tropic Reunion Factory, and CDL participated with great zeal, showing persistent dedication during this demanding learning process.

The eight outstanding women in this cohort deserve special recognition for their passion, knowledge, and engaging freshness, which have been the program's guiding force.



Success in this program marks the end of a rigorous learning journey, and the start of an exciting new chapter in their careers.

LEARNING & DEVELOPMENT
*CONT'D

AQUARELLE MADAGASCAR AND MAURITIUS SUPERVISORY DEVELOPMENT PROGRAM

“A committed and dedicated Supervisor is hard to find, difficult to part with and impossible to forget.” This quote perfectly captures the spirit of the Aquarelle Madagascar & Mauritius Supervisory Development Program Graduation.

The journey began before COVID-19, featuring a group of gifted people who initially questioned the need for this training. As they progressed, they gained newfound resilience, allowing them to complete the course in spite of any hurdles they may have encountered. The committed facilitators made sure that every supervisor could effectively use the course material on the shop floor.

One participant’s comment struck a poignant chord: “As a supervisor without formal education, I never imagined I’d wear a graduation gown. Now I have something to show my children. I have kids studying at university, and I can stand alongside them as a graduate too.”



This declaration illustrates the program’s capacity to empower people and reduce educational disparities, showing how funding employee development can significantly impact families and communities.



LEARNING & DEVELOPMENT
*CONT'D

S.N	TRAINING TOPICS	TRAINING DATE	TRAINING DAYS	NO OF ATTENDEES & CERTIFIED
1	CII Certified Training on Carbon Footprint	11 th to 14 th April 2023	4 days 2 hours/day	20
2	CII Certified Training on Waste Management	21 st , 22 nd , 23 rd , 28 th & 30 th Nov 2023	5 days 2 hours/day	25
3	CII Certified Training on Life Cycle Assessment	21 st to 24 th May 2024	4 days 2 hours/day	29

Table 6 : Environmental management training through CII for 2023/2024

CONFEDERATION OF INDIAN INDUSTRY (CII) TRAINING FOR ENVIRONMENTAL MANAGEMENT AND SUSTAINABILITY

The goal of the CII Training was to boost our staff members’ proficiency in environmental management and sustainability. These courses covered crucial subjects like waste management, life cycle assessment, and carbon footprint. The first meeting, held from April 11 to April 14, 2023, focused on carbon footprints. Participants studied the complexities of carbon emissions and their effects on the environment over four days in intense two-hour sessions. Twenty employees participated in the training, and all

of them earned their CII certification after successful course completion. The Waste Management training took place on November 21, 22, 23, 28, and 30 of 2023, lasting five days, with two-hour sessions each day. Our organization’s dedication to sustainable waste management was strengthened by the 25 participants who successfully completed the course and obtained their certifications.

Looking ahead, the Life Cycle Assessment course is planned for May 21–24, 2024, with 29 staff expected to enroll. These training initiatives demonstrate our commitment to developing an environment-conscious and lifelong learning culture.

LEARNING & DEVELOPMENT
*CONT'D

CIEL-HEC PARIS EXECUTIVE
EDUCATION LEADERSHIP
PROGRAM

Another major accomplishment for participants in the CIEL-HEC Paris Executive Education Leadership Program was the awarding of their HEC Paris Certificates. This pivotal event represented the conclusion of a journey characterized by development and change. Participants developed strong ties and shared experiences that will be treasured for years to come.

This accomplishment not only represents individual development but also solidifies our organizational capacity. The knowledge and skills acquired will support CIEL's ongoing innovation and success.



LEARNING & DEVELOPMENT

*CONT'D

ADVANCED CLOTHING PRODUCTION METHODS AT THE UNIVERSITY OF MAURITIUS

Team members from Aquarelle and Floreal Mauritius completed a rigorous 30-hour curriculum at the University of Mauritius. They explored advanced clothing production methods and high-end fashion concepts under the expert leadership of Sheila Devi Murugan Koothan.

The program's main components were sustainable fashion practices, high-end fashion design concepts, and technical garment-making skills. This initiative supports our dedication to constant progress, and to

sustainable standards in the fashion industry. We expect these newly acquired information and skills to boost our capacity for innovation as well as the quality of our production.

By incorporating these advanced methods and eco-friendly strategies into our manufacturing processes, we will improve the quality of our garments, adopt more ecologically responsible processes, and maintain our position as leaders in the fashion industry.



We believe that investing in our staff's skills will significantly impact our business's growth potential and our ability to meet evolving client needs while putting sustainability first. This project shows our commitment to creating a future where fashion skillfully blends environmental responsibility with

ENGAGEMENT & CULTURE

Jul 23 : hrs – 1, 176,244 | Jul 24 : hrs – 181, 746 Note: No of employees trained/ total workforce

TOTAL NUMBER OF TRAINING HOURS BY GENDER	AGE GROUP	FY 22/23	FY 23/24
FEMALE	under 30	1753	1970
	30 - 50	1358	5344
	over 50	429	303
Weighted average - Female		1180	2539
MALE	over 30	737	2208
	30 - 50	1197	4558
	over 50	356	576
Weighted average - Male		763	2447
Average number of training hours per employee		11,5	14,4
Number of employees wwho received regular training		641	620
%		2%	2%

Table 7: Total number of training hours





From Left to right
Durga Aquarelle India
Vimal Floreal Madagascar
Javeed Pasha Aquarelle India
Rafiqul Floreal Bangladesh

CHAMPION INCLUSIVE GROWTH

PROSPERITY

Sustainability is at the heart of our operations

Businesses must put sustainability at the core of their operations, ensuring data transparency, a sustainable value chain, and a strategic approach to business practices. This includes observing their impact on local communities and encouraging prosperity and inclusive progress for all.

ABOUT THIS PILLAR

At CIEL Textile, transparency is key. We support businesses close to our factories and invest in training and education. Our sustainability initiatives prioritize economic equality and minimizing environmental impact.

By promoting local economic development and focusing on environmental preservation, we improve the lives of locals and employees, leaving a healthier planet for future generations.

We make long-lasting improvements in the areas we serve by using strategic methods and open reporting.

Accurate product offers

CIEL Textile has created a **unique Eco Index tool**. This special program gives our creative teams the ability to make informed choices at every stage of the design process, creating products that are ethical and eco-friendly from start to finish.

A sustainable value chain

CIEL Textile is committed to forming partnerships with our best partners to ensure our value chain maintains our dedication to fair labor practices, regulatory compliance, and sustainable development.

We have carried out a comprehensive mapping exercise to assess each supplier's compatibility with our sustainability objectives, ensuring transparency.

'Act for' initiatives

To create a world we can all feel proud of, we must take proactive steps to positively influence the world, both locally and globally. CIEL Textile has introduced two CSR programs:

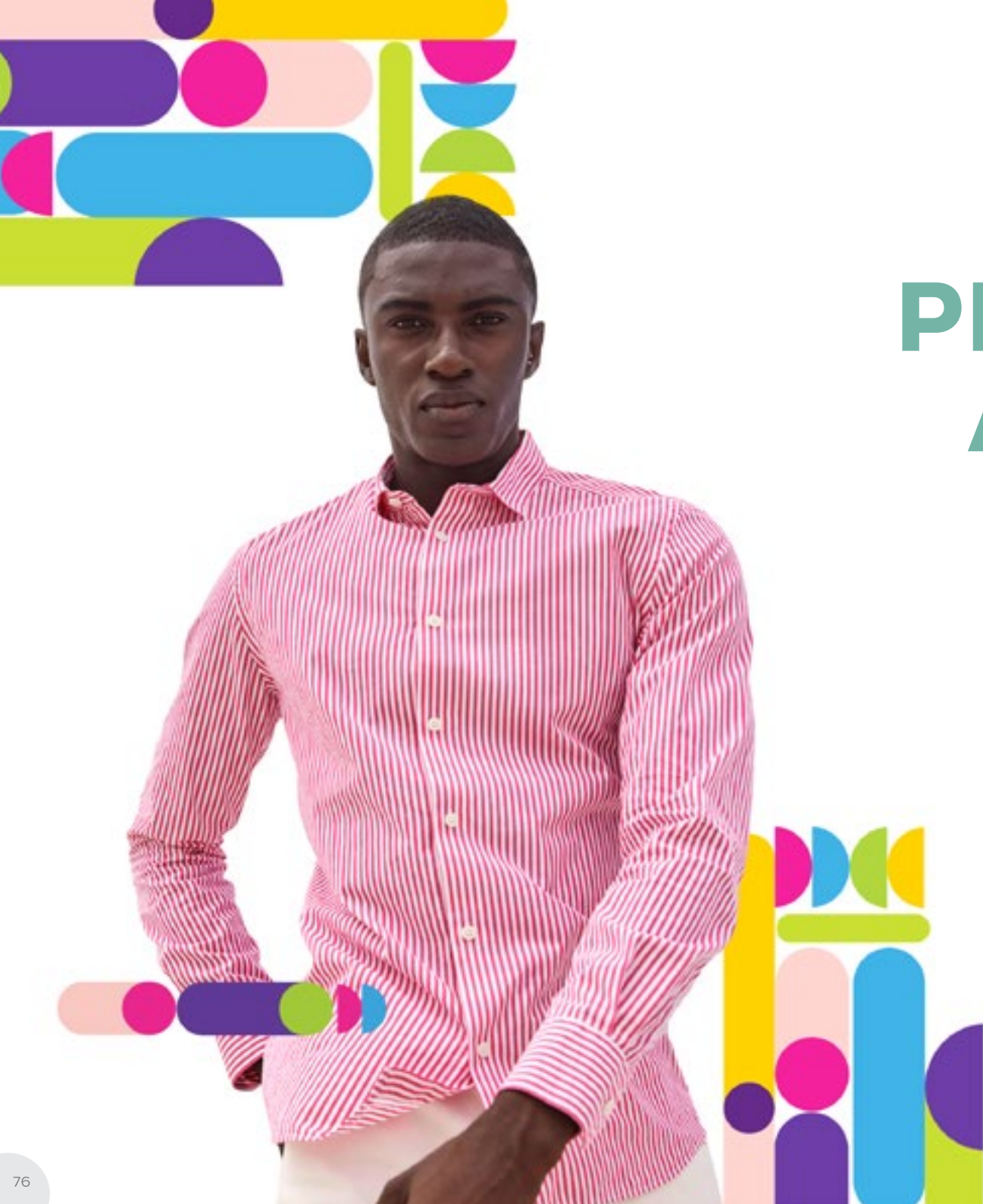
"Act for our Community" and
"Act for our Environment."

All our locations actively participate in these programs, which benefit employees, stakeholders, and productivity while producing positive outcomes for the local communities where we operate.

Establishment of the CIEL Textile Foundation

Corporate Social Responsibility has been a priority for CIEL Textile since 1972. **In 2015, we launched ACT FOR INITIATIVES to improve our environmental and community impact. Now, with more than 1,000 projects impacting 100,000 people**, we are progressing toward our goal of building a sustainable and prosperous future for all by establishing the CIEL Textile Foundation.





OUR PROGRESS & AMBITIONS

OUR PROGRESS AND AMBITIONS

ACT FOR INITIATIVES

OUR STRATEGIC GOALS

1. Engage minimum of 50% of the employees in our CSR initiatives
2. To create high impact initiatives focusing on long term projects

STATUS IN 2022

1. Ongoing CSR activities driving maximum impact:
1. Act For Our Environment
2. Act For Our Community
2. Total of 69 initiatives ongoing: 11 long-term CSR projects as of June 2022

CURRENT STATUS

	FY 21/ 22	FY 22/ 23	FY 23/24
Employee engagement	11%	17%	49%
Long term project	11	5	4



OUR PROGRESS
& AMBITIONS

*CONT'D

SUSTAINABLE VALUE CHAIN

OUR STRATEGIC GOALS

1.

FEM –Achieve 80% turnover coverage with verified assessments by 2030

2.

FSLM – Achieve 80% turnover coverage with verified assessments by 2030

3.

No value chain partner should be in zero tolerance category by end 2023

STATUS IN 2022

1.

VALUE CHAIN MONITORING

• Already an advocate for adoption of the HIGG Index tools across our subcontractors and suppliers

• Created a comprehensive list of our value chain partners, to be published in due course.

• Several initiatives with regards to local sourcing – as far as the availability of materials and resources allows it – have already been put into place.

• Other initiatives promoting a circular economy are also currently running, for example the recycling or repurposing of materials at the end of their life cycle to keep resources in use as long as possible. This helps to reduce waste, our carbon footprint, and our environmental impact, as well as creating new economic opportunities.

2.

TRANSPARENCY

• Completed a mapping exercise of our suppliers and subcontractors across all CIEL Textile business unit

CURRENT STATUS

	FY 21/ 22	FY 22/ 23	FY 23/24
1.	5%	17%	18.3%

Zero Tolerance Category

2.	33%	7%	35.9%
----	-----	----	-------

**It is due to the re-assessment of suppliers on a yearly basis

OUR PROGRESS
& AMBITIONS

*CONT'D

RESPONSIBLE PRODUCT OFFERING

OUR STRATEGIC GOALS

1.

Certified Raw Materials: 50% by 2025
80% by 2030

2.

Target to reach 10% recycled raw materials by 2025

STATUS IN 2022

1.

SUSTAINABLE SOURCING

• Implementation and deployment of a measurement methodology

• Raw materials certified as recycled: 1% (end of FY 2021/2022)

2.

ECO INDEX

• Our Eco Index tool has already been implemented.

• This tool was designed to educate and assist our Creative teams to design products that reflect our responsibilities from A to Z

CURRENT STATUS

	FY 21/ 22	FY 22/ 23	FY 23/24
1.	45%	60.1%	59.8%

Certified Raw Materials


2.	1%	1.3%	0.3%
----	----	------	------

Recycled Raw Materials



OUR PROGRESS
& AMBITIONS
*CONT'D

STRATEGIC PARTNERSHIP





OUR STRATEGIC GOALS

Partner with stakeholders across the value chain to define the future of the textile and apparel industry

STATUS IN 2022


- Member of Cascalé, previously known as SAC
- Contributor to ZDHC (Zero Discharge of Hazardous Chemicals)
- Signatory of SLCP (Social & Labor Convergence Program)

CURRENT STATUS



Ø ZDHC

REFORESTATION



OUR STRATEGIC GOALS

Continue our efforts in conservation and regeneration of natural ecosystems

STATUS IN 2022

- Pursue reverse urbanization by continuing to create jobs in rural areas
- Advocate maximum employee engagement in our CSR Initiatives:
 - Act for our Community
 - Act for our Environment
- Quantify and increase impact on long-term CSR projects

CURRENT STATUS

FY 21/ 22	FY 22/ 23	FY 23/24
Conservation and Regeneration		
79,440	93,819	116,991



LACOSTE FOUNDATION, CARITAS & AQUARELLE: BUILDING A BRIGHTER FUTURE FOR MADAGASCAR'S YOUTH

Youth unemployment is a big problem in Madagascar, with 64% of the population being under 25 and many unable to afford an education beyond primary school. Caritas Antsirabe, with help from the Lacoste Foundation and Aquarelle, is tackling this issue through comprehensive vocational training.

The Akany Risika center offers free training in eight different areas of study, such as mechanics, agro-food processing, tailoring, hospitality, and hairstyling. In addition to receiving meals and compensation for their work, students also acquire valuable knowledge and expertise. **80% of graduates in the 2019–2021 class found jobs, and 6% started their own businesses.**

The center has expanded its student body from 140 to 250, hired 20 new teachers, and upgraded its facilities with nine new classrooms and refurbished workshops thanks to support from

Aquarelle and the Lacoste Foundation.

This partnership ensures that training meets the needs of local employers, enabling youth to end the cycle of unemployment and poverty, transforming their communities and their lives.

Aquarelle and the Lacoste Foundation are creating an inclusive atmosphere through these initiatives, giving young Malagasy people the tools to create a more promising and brighter future.

And that's only the beginning!



Ciel Textile FOUNDATION

Back in 1972, CIEL Textile took its first steps into Corporate Social Responsibility (CSR), with a vision of benefiting both the community and the environment. **Fast forward to 2015, we launched a series of ACT FOR INITIATIVES, including Act for Our Environment, and Act For our Community,** designed to make a real difference.

Over the past 52 years, we've championed over 1,000 initiatives, and launched more than 100 projects, touching the lives of over 100,000 beneficiaries. The launch of the CIEL Textile Foundation consolidates our spirit for betterment, driven by the desire to amplify our impact, and reach even more lives.

Under the motto
For a world we can all feel proud of,
we open doors to compassion, sustainability and transformative change. We invite you to join us. Together, let's take our future into our hands and build a world we are all proud of and happy to live in tomorrow.



CREATING A BETTER WORLD: CLEAN WATER INITIATIVES BY AQUARELLE AND LAGUNA INDIA

At CIEL Textile, we are committed to making a positive impact through CSR. In nearby communities, Aquarelle and Laguna India have installed RO plants, providing clean water where it is needed most.

The Problem: Access to clean water

Clean drinking water is a fundamental human right that many families in the vicinity of our facilities were lacking. Guided by UN Sustainable Development Goal 6, our teams took decisive action.

Highlights of impact

More than 1,150 students benefited from Aquarelle India's installation of RO plants in government schools and a hospital, which further provided patients with vital medical attention. Laguna India, meanwhile, breathed new life into villages, **giving 1,500 people access to clean water.**

A Ripple of Hope!

Seeing the smiles of children and families receiving clean water reminds us why our work matters. CIEL Textile is dedicated to creating healthier communities, and this story is just one of many.



ACT FOR INITIATIVES

ACT FOR INITIATIVES

ACT FOR OUR COMMUNITY

Since 2015, CIEL Textile has made community service a key part of our operations. **We've teamed up with over 60 partners**, including schools and NGOs, to drive positive change in four key areas: education, health, poverty and social aid, and disability and inclusion.

We believe actions speak louder than words. **Over the past two years, we've invested over \$400,000 to make a real difference**, turning resources into effective solutions. **More than 30,000 dedicated individuals and 60 partners have generously donated their time, energy, and experience to support this initiative with unwavering dedication.**

These aren't just numbers; they are real stories of hope for real people.

Education

We've equipped young people with the skills they need to build better futures.

Health

To enhance well-being, we've provided essential assistance and resources.

Poverty and Social Aid

To ensure that no one is left behind, we have extended timely assistance to those in need.

Disability and Inclusion

We are supporting the creation of a fairer society where everyone can thrive.

At CIEL Textile, we believe in taking action, not just talking about changing the world. Our journey is ongoing, driven by compassion, teamwork, and sustainable results. By working together, we are creating a better tomorrow for everyone.

[READ MORE HERE](#)



Since **2014**, over **30,000 Indian citizens** have benefited from **free health camps** funded by the **Act for our Community** program. We've also supported Mauritius with masks, hydro-alcoholic gel, and school supplies for children.

CIEL TEXTILE'S ACT FOR OUR COMMUNITY 2023 VIDEO

ACT FOR INITIATIVES

*CONT'D

ACT FOR OUR ENVIRONMENT

CIEL TEXTILE'S COLLECTIVE COMMITMENT TO A SUSTAINABLE FUTURE

CIEL Textile's "Act for our Environment" campaign has united over 3,000 employees from four countries to make a real difference.

KEY ACHIEVEMENTS

Reforestation and Restoration

Our teams worked to revitalize local ecosystems, restore coastal areas, and plant trees.

Waste Management

Programs like fabric upcycling and cleanups improved recycling and waste reduction efforts.

Community Involvement

Educational initiatives and awareness campaigns engaged nearby communities and encouraged environmentally friendly behavior.



Our combined efforts, **supported by 31 partners, resulted in an investment of over USD 8,000, with an extra USD 3,500 raised for future efforts.** These initiatives show how effective collaboration can promote positive environmental change.

With ongoing efforts to preserve biodiversity and natural resources, CIEL Textile's commitment to sustainability reflects our dedication to a greener future.

ACT FOR
INITIATIVES

*CONT'D

ACT FOR OUR ENVIRONMENT

Reforestation initiatives

Through its reforestation efforts, CIEL Textile has made significant progress in environmental sustainability, showing remarkable growth over the past four years.

2020-2021	2021-2022	2022-2023	2023-2024
56,846	79,440	93,819	116,991

Table 8 : Reforestation Initiatives



These initiatives reflect our dedication to promoting biodiversity and improving the welfare of the community and environment. This unwavering commitment sets a positive example for others, encouraging them to champion environmental responsibility and help create a sustainable future.



VALUE CHAIN COMPLIANCE



Snigdha
Laguna India

SUSTAINABLE VALUE CHAIN

ENHANCING TRANSPARENCY AND RESPONSIBILITY IN THE GARMENT INDUSTRY

In the textile and apparel industry, global collaboration is key. To ensure ethical and responsible manufacturing, we focus on:

- **Fair labor practices,**
- **Reducing environmental impact, and**
- **Compliance with regulations.**

We make sure our values and standards are met throughout the entire process*, from raw materials to finished garments. We're also assessing digital systems for full traceability of CIEL Textile products.

Transparency

We map and assess suppliers to ensure they meet our standards.

Expertise/Skills

We share knowledge to help them comply with regulations and improve processes.

Traceability

We are evaluating digital tools for full traceability of CIEL Textile products, from raw materials to final garments.

Our Ambitions

These targets reflect our commitment to elevating sustainability and social responsibility standards across our supply chain.

Since 2022, we've reviewed our goals and set higher targets for greater impact. Our specific 2030 targets include enhancing the adoption of HIGG Index tools among our subcontractors and direct suppliers:

- **Facility Environmental Module (FEM):** Achieve 80% turnover coverage with verified assessments.
- **Facility Social & Labor Module (FSLM):** Achieve 80% turnover coverage with verified assessments.

These initiatives reflect our dedication to our larger mission in the garment industry, ensuring our products are crafted sustainably and ethically.

* All suppliers and subcontractors have been assessed based on internal environmental and social criteria. Please address any questions to our team at sustainability@cieltextile.com.

CATEGORY	DETAILS	CIEL TEXTILE SUPPLIERS 22/23	CIEL TEXTILE SUPPLIERS 23/24
Aspirational	Higg vFEM + vFSLM	177 (20.8%)	130 (18.3%)
Progressive	Min 1 Social + 1 Environmental Certification	188 (22.1%)	92 (12.9%)
Foundational	Only one certification (Social or Environmental)	350 (41.1%)	214 (30.1%)
Ground Zero	No certification of any type	64 (7.5%)	20 (2.8%)
	Not yet assessed or under yearly re-assessment	72 (8.5%)	255 (35.9%)

Table 9: Supplier Compliance Dashboard

THE ROADMAP

December 2024
No Ground Zero

December 2025
No Foundational

Takeaways

- 100% of CIEL Textile suppliers are assessed.
- 100% of existing suppliers are re-assessed on a yearly basis

TRACEABILITY



Traceability and transparency challenges in the textile industry are growing from rising consumer demand for sustainable textiles, to stricter regulations. TrusTrace, a trusted enterprise platform, has emerged to improve traceability and transparency in the textile supply chains of global brands like CIEL Textile. The platform ensures that CIEL Textile can meet and exceed legal requirements for marketing, labeling, sustainability reporting, and due diligence. By highlighting the ethical manufacturing and origin of textiles, TrusTrace helps increase customer loyalty and trust,

improving the brand's reputation. It uses AI-powered data to promote sustainability initiatives, facilitate smarter decision-making and streamline procedures.

TrusTrace's features emphasize sustainability and transparency, attracting eco-conscious customers. For successful implementation and continued success, TrusTrace guarantees fast integration with multilingual support, streamlined data reporting, and committed support.



RESPONSIBLE PRODUCT OFFERING



Mirabelle
Floreal Mauritius

RESPONSIBLE PRODUCT OFFERING

SUSTAINABLE SOURCING

In textile manufacturing, sustainable sourcing ensures that raw materials and products are obtained in a way that minimizes harm to the environment and people – while also supporting the industry’s long-term existence. Sustainable sourcing includes using eco-friendly materials, working with suppliers with ethical labor practices, reducing waste and emissions, and promoting circular economy principles.

	21/23	22/23	23/24
% of raw material certified*	45%	60.1%	59.8%
% of raw material certified as organic**	2%	3.9%	7.7%
% or raw material certified as recycled***	1%	1.3%	0.3%

Table 10: Current Status of Responsible Product Development

*OCS, GOTS, RWS, GRS, OekoTex

End of FY 2024

** OCS, GOTS

***GRS

Takeaways

- Increase in the usage of **certified organic materials: from 3.9% to 7.7%**.
- This has been achieved through efforts from CIEL Textile teams, including the use of tools like Eco Index, which helps our design teams create sustainable collections for our customers.
- Front-End teams (Sales & Marketing) have attended training and awareness sessions on Sustainability and product certification. There is a proactive, ongoing dialogue between customers and our Sustainability champions.
- Market demand

CERTIFICATIONS

STANDARDS				WRAP	BSCI	SMETA	ICS	Higg FSLM	BCI	OCS	GOTS	RWS	GRS	RCS	Regena Grl	OekoTex	EU Ecolabel	Higg FEM	ZdHC	ISO9000	LEED
S/N	CLUSTER	BU	COUNTRY	SOCIAL				MATERIAL										ENVIRONMENT			
1	Woven	AQUARELLE	Mauritius	●		●		●	●	●						●		●	●		
2			Madagascar	●		●	●	●	●	●	●				●	●		●	●		
3			Madagascar	●		●	●	●	●	●	●				●	●		●	●		
4		LAGUNA	Madagascar	●				●		●						●		●	●		●
5		AQUARELLE	India					●		●	●		●	●	●	●		●		●	
6			India					●		●	●		●	●		●		●			
7			India	●		●		●		●	●		●	●	●	●		●	●	●	●
8			India					●		●	●		●	●		●		●			
9		COTONA	Madagascar					●	●	●	●					●		●	●		
10		LAGUNA	India			●	●	●	●	●	●					●		●			●
11			India		●	●		●	●	●	●					●		●			
12	Knits	TROPIC	Mauritius	●		●	●	●	●	●	●					●		●	●		
13			Madagascar	●	●		●	●	●	●	●							●	●		
14			India			●		●		●	●		●	●		●		●	●		●
15		CDL	Mauritius				●	●	●	●	●		●			●		●	●		
16	Knitwear	FLOREAL	Madagascar	●	●	●	●	●			●	●	●			●		●	●		
17			Madagascar	●	●	●	●	●			●	●	●			●		●	●		
18			Bangladesh		●	●		●			●	●	●					●	●		
19		FSM	Mauritius					●				●	●			●	●	●	●		

●

ABBREVIATION

●

MEANING

●

Certificate

●

Certificate in Progress

●

Certification on hold

READ MORE HERE

CIEL Textile's Sustainability Certification Grid



STRATEGIC PARTNERSHIPS



Honey John
Tropic India

STRATEGIC PARTNERSHIPS

OUR INTERNATIONAL PARTNERS



Cascale, formerly known as the Sustainable Apparel Coalition (SAC), is a global, multi-stakeholder, non-profit organization for the consumer products sector. It aims to guide the sector toward a common understanding of sustainability through a collaborative, multi-stakeholder approach to performance evaluation, improvement, and sharing.

Cascale brings together over 300 international brands, retailers, manufacturers, NGOs, researchers, and industry groups across the supply chain – representing about 50% of the clothing and footwear sector. Through collective action initiatives, Cascale is dedicated to establishing a more sustainable, just, and equitable society for all. Additionally, it is the owner and developer of the Higg Index, a unified strategy for industry transformation.

Ø ZDHC

Zero Discharge of Hazardous Chemicals (ZDHC) is a multi-stakeholder organization that gathers 150 actors – including brands, manufacturers, and chemical suppliers – from the apparel and footwear industries.

The ZDHC's Roadmap to Zero Program offers a plan to build the groundwork for more sustainable manufacturing – and to eliminate harmful chemicals from the global supply chain. This plan aims to protect workers, consumers and our global ecosystems.

As a contributor to the project, CIEL Textile uses the standard developed by the ZDHC in all our wet process units.

STRATEGIC PARTNERSHIP

*CONT'D



slconvergence.org

The Social & Labor Convergence Program ('SLCP') provides tools to accurately record data about working conditions in global supply chains. By making data sharing easier, this multi-stakeholder project eliminates the need for recurring social audits.

This initiative aims to end audit fatigue in international supply chains. All stakeholders can use the system and resources for high-quality comparative data collection on working conditions. This makes supply chains more transparent, reduces the need for social audits, and enables users to reallocate funds to better working conditions.

As an adherent to the SLCP since 2018, CIEL Textile is fully dedicated to the SLCP's goals and vision.

PROGRAM GOAL AND OVERALL OBJECTIVE

How the Converged Assessment Framework can make a difference and improve working conditions in global supply chains :

IMPROVED WORKING CONDITIONS

Mutual Trust and Respect, accelerated & collaborative improvement actions

Redeploy resources towards improvement actions

Measured and understand working conditions

Unlocked resources

Comparability of results across industry

Reduced duplications and improved quality

CONVERGED ASSESSMENT FRAMEWORK

Sustainable Development Goals:



SUSTAINABLE FINANCE

Sustainable finance plays a critical role in aligning our financial strategies with our sustainability objectives. Over the past two years, we've made significant progress in defining and implementing sustainable finance mechanisms to support our operations and contribute to global sustainability.

SUSTAINABLE FINANCE

DEFINING GREEN CAPEX

To ensure clarity in our reporting, we have established a framework for categorizing capital expenditures (capex) as "green." A capital expenditure is labeled as green when its primary goal is to reduce CO2 emissions, lower energy intensity, decrease water consumption, minimize waste or enhance social aspects within our operations or supply chains. This helps us distinguish between traditional capex and green investments, ensuring that our financial resources are directed toward impactful sustainability projects.

SUSTAINABLE FINANCING MECHANISMS

We have developed and optimized two main sustainable financing mechanisms to support our green initiatives:

1. Dedicated Sustainable Supply Chain Financing lines

In collaboration with various financing institutions, we have established dedicated sustainable financing lines to support our supply chains, provided they meet the predefined sustainability conditions.

2. Vendor financing mechanisms

We leverage vendor financing mechanisms available with our end customers. By achieving the highest sustainable audit ratings from our selected customers, we benefit from the best financing rates offered by their institutions. This approach incentivizes continuous improvement in our sustainability practices while optimizing our financing costs.

SUSTAINABLE FINANCE

*CONT'D

KEY INVESTMENTS AND PARTNERSHIPS

Over the past two years, we have collaborated with several prominent institutions to advance our sustainability goals:

1. Investments in Green Infrastructure

We've made significant investments in modernizing our plant and machinery and installing of photovoltaic solar panels across multiple production sites to reduce reliance on non-renewable energy sources.

2. Strategic Partnerships

Collaborations with the Alliance Française de Développement and other financial institutions have helped us secure funding for green projects. These partnerships have been instrumental in scaling up our efforts to enhance energy efficiency and environmental performance.

RAW LABELS	SUM OF AMOUNT USD '000	SUM OF AMOUNT USED USD '000	%UTILISE
Knits	49,881	26,447	
Grant	230	230	100%
Green facility	5000	-	0%
Green loan	1,370	1,370	100%
Normal Termloan	550	550	100%
Special Supply Chain Line	7,500	1,500	20%
Total W.C Facility	35,231	22,777	65%
Knitwear	61,141	4,596	
Green facility	10,000	2,339	23%
Green loan	824	824	100%
Normal Termloan	1,433	1,433	100%
Total W.C Facility	48,883		0%
Woven	21,689		0%
Total W.C Facility	21,689		0%
GRAND TOTAL	132,708	31,023	23%

Table 11: Breakdown of Investments & Partnerships by cluster

SUSTAINABLE FINANCE

*CONT'D

LOOKING AHEAD: GOALS FOR 2025

Building on our progress, we are committed to further enhancing our sustainable finance initiatives. Our key goals for 2025 include:

1. Establishing a new Sustainable

Financing mechanism

Develop a simpler and more accessible sustainable financing mechanism to streamline the funding process for green projects.

CLUSTER CAPEX	TOTAL		WOVEN		KNITWEAR		KNITS	
	2023-24 (Equl USD '000)	2024-25 Budgeted (Equl USD '000)	2023-24 (Equl USD '000)	2024-25 Budgeted (Equl USD '000)	2023-24 (Equl USD '000)	2024-25 Budgeted (Equl USD '000)	2023-24 (Equl USD '000)	2024-25 Budgeted (Equl USD '000)
Green capex	2,264	2,742	1,429	1,556	835	1,186		
Normal capex	8,275	9,154	4,904	5,499	2,189	2,511	1,182	1,143
Total capex	10,539	11,896	6,333	7,055	3,024	3,698	1,182	1,143
% Green capex	21%	23%	23%	22%	28%	32%	0%	0%

Table 12: Breakdown of Normal Capex and Green Capex by cluster

2. Expanding Investments in Green Technologies

Increase investments in renewable energy, energy-efficient machinery, and waste reduction technologies. Further optimize water management systems across production sites.

3. Enhancing Audit Ratings

Continue to improve sustainability audit ratings through rigorous compliance and reporting. Leverage higher ratings to access better financing rates and strengthen our competitive position.



From Left to right
Shakir Floreal Bangladesh
Paramesh Aquarelle Group / Tropic India
Coreen Aquarelle Madagascar

ACTIVE CLIMATE RESPONSE

This pillar is all about taking action to fight and adapt to climate change. We're focusing on minimizing greenhouse gas emissions, pushing for renewable energy, developing sustainable transport systems, and protecting vulnerable communities from the impacts of climate change. Our goal is to achieve a verified score of 95% on the Higg FEM by 2025 in all CIEL Textile factories.

ABOUT THIS PILLAR

Here's what we're doing:

- Launching our digital Sustainability management software
- Protecting and regenerating natural ecosystems
- Installing rainwater harvesting systems in all factories by 2025

Renewable energy

Generated from renewable resources, the use of renewable energies, such as solar, wind, geothermal, and hydropower can reduce greenhouse gas emissions and help mitigate climate change.

Our 2030 target of eliminating coal as a fuel has already been achieved, with the move of CIEL Textile's CFL mill in Mauritius and the joint venture with COTONA in Madagascar.

[READ MORE HERE](#)

Carbon footprint

A carbon footprint measures the amount of carbon dioxide and other greenhouse gases released as a result of human activities. It helps us understand our impact on the environment. An external service provider was appointed to audit our Scope 1, 2, and 3 emissions as of Financial Year 2022. Our target is to cut our Scope 1 and 2 carbon intensity by 50% by 2030.

Water and Effluents

Managing water resources and wastewater is crucial for protecting the environment and ensuring sustainable water use. We have achieved zero non-conformity with ZDHC standards across our sites and aim to recycle and reuse 20% of our water by 2025.

Waste management & circularity

Responsible waste management and promoting a circular economy help reduce the environmental impact of waste. We've set up a Waste Policy to classify waste across all business units, aiming to save 90% of waste from landfills by 2025.



FACTORIES OF THE FUTURE

GREEN AND SUSTAINABLE FACTORIES

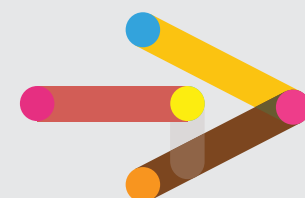
We're on a journey toward LEED ('Leadership in Energy and Environmental Design') certification, for all new projects and retrofitting of existing sites.

LEED-certified buildings help mitigate climate change and meet ESG goals. Our aim is to:

- Reduce our impact on global climate change
- Protect and restore water resources
- Promote sustainable and regenerative material cycles
- Enhance human health and biodiversity
- Improve the quality of life in our communities.

In the last two years, we've achieved LEED Platinum Certified status for three factories and one corporate office.

The Way Forward



We will be initiating across CIEL Textile the Green Building & Sustainable Factories project for any new operations new operations and exisiting buildings on the LEED certification.



Aquarelle India, Samudra

OUR PROGRESS & AMBITIONS



OUR PROGRESS AND AMBITIONS

ENERGY

OUR STRATEGIC GOALS

RENEWABLE ENERGY
Achieve 60% renewable energy by 2025
Achieve 80% renewable energy by 2030

ENERGY EFFICIENCY
5% reduction in energy intensity by 2025

STATUS IN 2022

RENEWABLE ENERGY • Our 2030 target of eliminating coal as fuel has been achieved, with CIEL Textile's (CFL mill in Mauritius) move and our joint venture with COTONA in Madagascar.
• 36% of energy from renewables

ENERGY EFFICIENCY
• Digital management software implemented and delivering accurate and live data

CURRENT STATUS (2024)

RENEWABLE ENERGY
57% of energy from renewables

ENERGY EFFICIENCY
50% Replacement of inefficient equipment, lighting, and balance 50% completion before 2026

CARBON FOOTPRINT

OUR STRATEGIC GOALS

- 50% decrease in Scope 1 and 2 carbon intensity by 2030
- Adopt Carbon Disclosure Project ("CDP") methodology and Science-Based Target initiative ("SBTi") by 2024
- Continue efforts in conservation and regeneration of natural ecosystems

STATUS IN 2022

- External service provider appointed for audit of Scope 1, 2, and 3
- Digital management software implemented and delivering accurate and live data per product/segment/factory
- Number of trees planted in FY 2021/2022 - 79,440

CURRENT STATUS (2024)

- Initiated SBTi targets for the Group
- Number of trees planted in FY 2023/2024 - 116,000
- Initiated the Solar farm projects to cover the 100% renewable energy

OUR PROGRESS AND AMBITIONS

*CONT'D

WATER AND EFFLUENTS

OUR STRATEGIC GOALS

WATER

- 20% of water consumed to be recycled and reused by 2025
- Equip all factories with rainwater harvesting system by 2025

EFFLUENTS

- Sustain zero non-conformity with ZDHC

STATUS IN 2022

WATER

- Digital management software implemented and delivering accurate and live data
- Water intensity reduction of 10% achieved
- Ongoing project to implement monitoring systems in our recycling network
- Ongoing installation of rainwater harvesting systems (50% of factories covered)

EFFLUENTS

- Zero non-conformity achieved according to ZDHC standards on conventional & MRSL parameters

CURRENT STATUS (2024)

WATER

- 20% of water reused from recycled water

EFFLUENTS

- Zero non-conformity achieved according to ZDHC standards on conventional & MRSL parameters

WASTE MANAGEMENT AND CIRCULARITY

OUR STRATEGIC GOALS

- Target: 90% of waste diverted from landfill by 2025
- Target: 100% of waste diverted from landfill by 2030

STATUS IN 2022

WASTE

- Digital management software implemented and delivering accurate and live data
- Implementation of a waste policy, helping to establish a process for the classification of waste across all business units

CIRCULARITY

- 80% diversion rate has been achieved in FY 2021-2022

CURRENT STATUS (2024)

WASTE

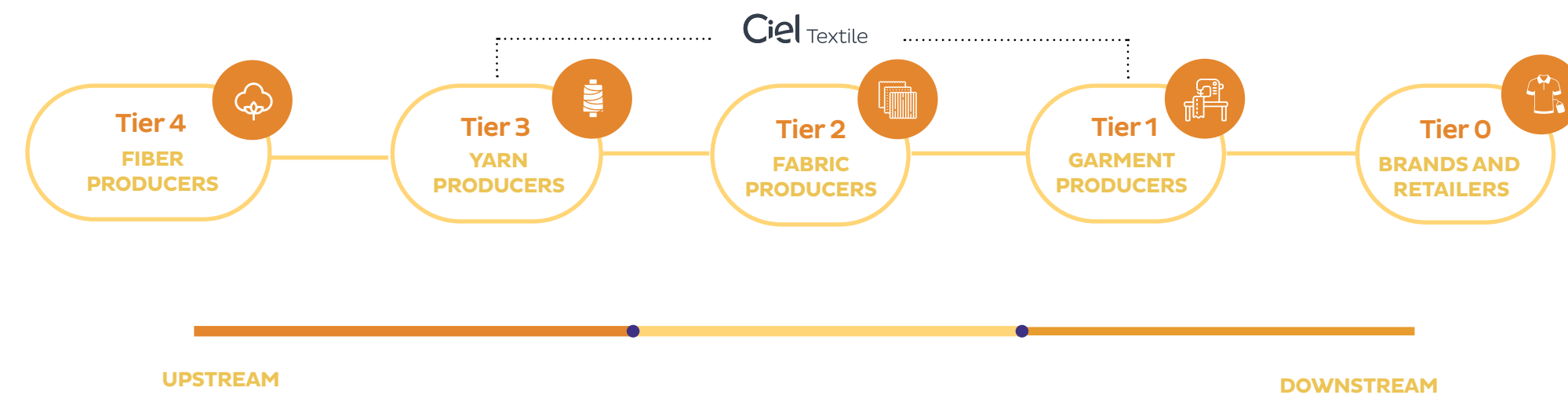
- Zero landfill achieved at Indian factories
- 30% of fabric waste upcycled in Indian factories
- 100% waste quantification and segregation at the source



ENERGY

Textile manufacturing uses a lot of energy, especially in processes like spinning, weaving, and dyeing. Garment production, on the other hand, includes cutting, stitching, and finishing textiles – processes that typically need less energy.

When these circumstances are within our control, it is our duty to make informed decisions and take appropriate action. We're re-engineering our energy model by retrofitting equipment and shifting to more efficient technology.



ENERGY
*CONT'D

ENERGY INTENSITY BY PRODUCT TYPE

- We introduced wet process units across all sectors in garmenting, which heightened the energy intensity.
- We enhanced the energy intensity by one mill in FY 2023–2024.

ENERGY INTENSITY	FY 2021/20211	FY 2022/2023	FY 2023/2024
GARMENT	kwh/units		
CIEL TEXTILE	2.6	3.2	3.7
FINE KNITS	0.7	1.6	2.5
KNITSWEAR	13.0	13.2	14.6
WOVEN	1.3	1.7	1.8
MILLS	kwh/units		
CIEL TEXTILE	13	16	34
FINE KNITS	13	17	17
KNITSWEAR	14	13	12
COTONA	0	0	58

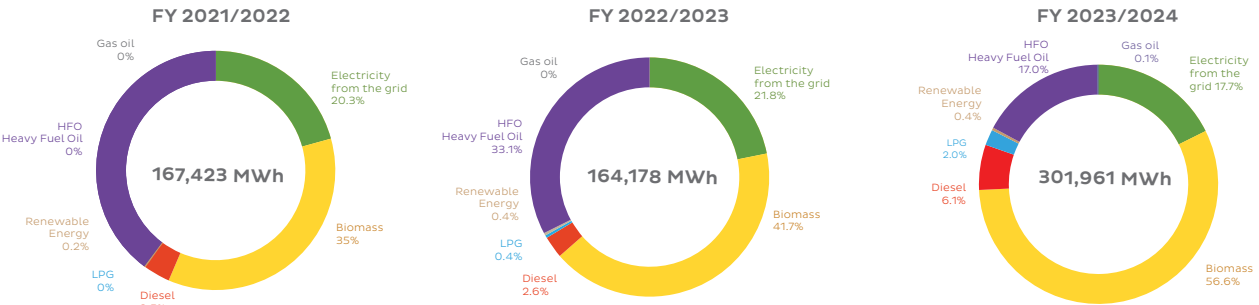
Table 13: Energy Intensity by Garment and Mills

Takeaways

We, at CIEL textile, are undertaking an energy model re-engineering by using two approaches: firstly, retrofitting existing equipment and improving monitoring for greater efficiency, and secondly, shifting toward more efficient technology and machinery. **No CIEL Textile operations are using coal as fuel.**

ENERGY
*CONT'D

ENERGY BREAKDOWN



** The increase is due to an additional mill (Cotona) in the Woven Cluster for FY 23/24

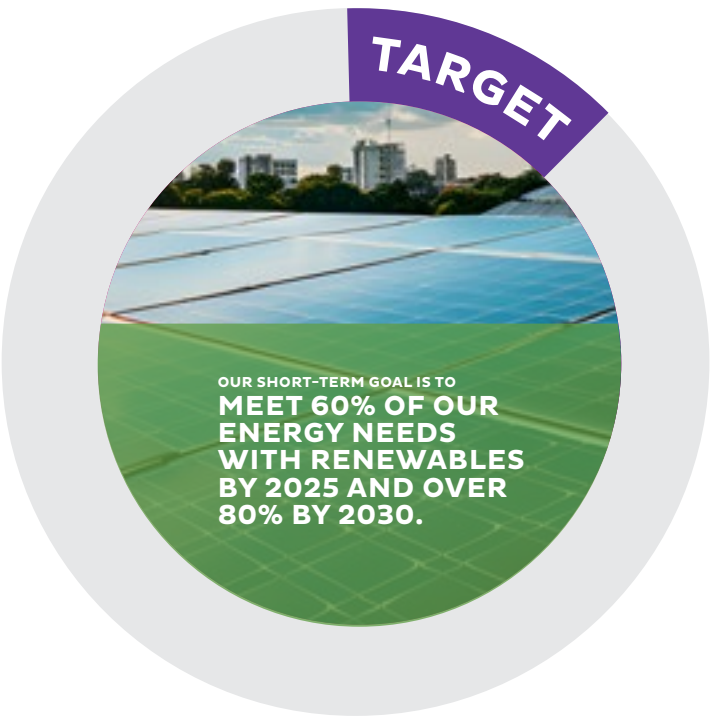
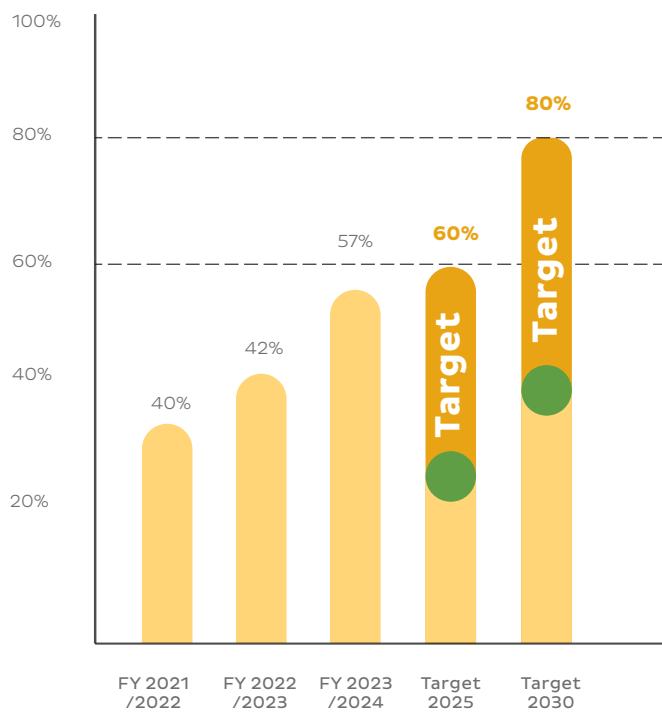


ENERGY
*CONT'D

RENEWABLE ENERGY SOURCES

Renewable energy is produced from natural resources which are continuously being recharged (sunlight, wind, water, geothermal heat...). Compared to conventional fossil fuels, these energy sources are sustainable and have a significantly smaller environmental impact. We're investing in renewable energy like biomass and solar panels.

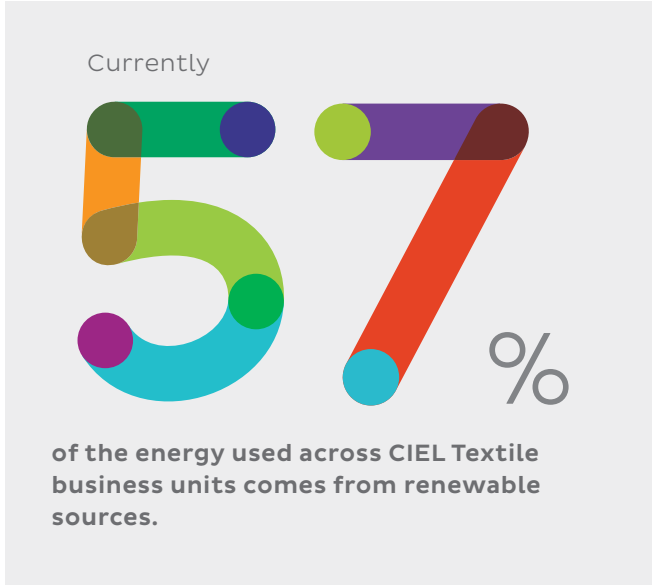
RENEWABLE ENERGY



ENERGY
*CONT'D

Our Sources of Green Energy:

- Biomass and photovoltaic solar panels (2630 kWp as of end June 2024)
- Photovoltaic solar panels – generating electricity production for factories
- Biomass – running the boiler for thermal needs in factories (to generate steam and to heat thermal oil)



CARBON FOOTPRINT

CARBON FOOTPRINT

THE TEXTILE INDUSTRY AND CLIMATE CHANGE

The textile industry is a major contributor to greenhouse gas emissions. It produces over 1.2 billion tons of CO2 equivalent, or almost 10% of global GHG emissions, as a result of its intricate supply chain, which involves the transportation of fabrics and clothing from production locations – typically in developing nations – and energy-intensive production. (Source: European Environment Agency 2023).

Decarbonization is possible: it can be achieved by phasing out coal and instead using renewable energy sources, bio-based feedstocks, low-emission heat sources, sustainable production and transportation methods – all coupled with an increase in the material recycling rate and the regeneration of natural systems.

We are already acting on scopes 1 and 2 at CIEL Textile. We are certain that we can improve the industry if all of the value chain's stakeholders work together at their respective levels.

Takeaways

We have **installed about 2,630 KWp of rooftop solar panels across our factories.**

CARBON FOOTPRINT
*CONT'D

EMISSION PER PRODUCT

	2024 REPORTING		
EMISSION INTENSITY	FY 2021/20211	FY 2022/2023	FY 2023/2024
GARMENT	KgsCO2e/units		
CIEL TEXTILE	0.4	0.4	0.5
FINE KNITS	0.2	0.4	0.6
KNITWEAR	0.8	0.7	0.8
WOVEN	0.4	0.4	0.4
MILLS	KgsCO2e/kg		
CIEL TEXTILE	4.6	6.6	6.3
FINE KNITS	4.2	6.1	6.2
KNITWEAR	6.3	7.7	7.6
COTONA	0	0	6.0

Table 14: Emission Intensity by Garment and Mills

We can now monitor the intensity of our Scope 1 and 2 emissions at every site. To increase data transparency, the emissions intensity in Scopes 1 and 2 is grouped by cluster in the table on the left.



Takeaways

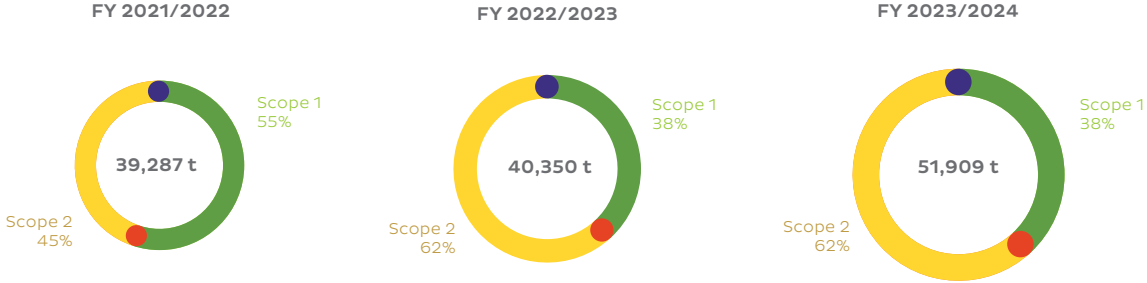
- The mills have made considerable efforts to lessen the intensity of their carbon footprint
- By using more biomass and renewable energy, we have decreased our carbon emissions per garment even though the amount of energy used in each garment has increased.
- The biggest obstacle for our mills on tiers two and three is leaving HFO, which affects our carbon footprint. In order to eventually have access to this low carbon emission energy in the upcoming years, a private and public consortium in Mauritius is working on developing a biomass framework.

CARBON FOOTPRINT
*CONT'D

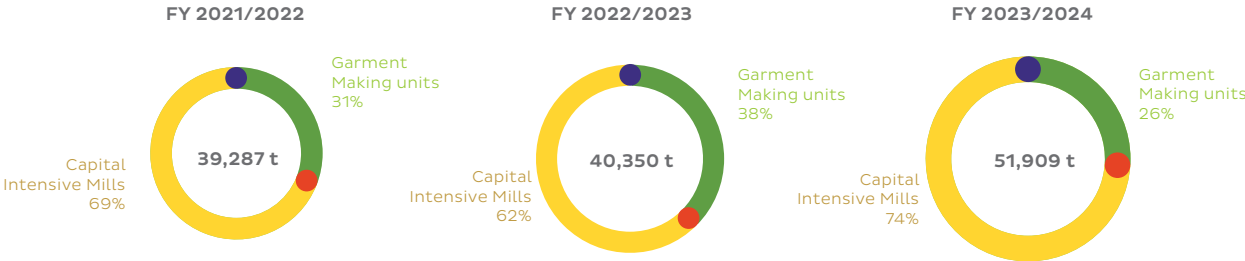
EMISSION BREAKDOWN

Emissions are classified into three categories:
• All direct Greenhouse Gas (GHG) emissions from sources under our ownership or control are included in scope 1.
• Indirect GHG emissions from the use of purchased energy are covered by scope 2, and
• All indirect emissions that take place in a company's value chain but are not covered by scopes 1 and 2 are referred to as scope 3.

GHG EMISSION SCOPE 1 & 2



GHG EMISSION BY MANUFACTURE TYPE



Takeaways

- Our three mills covered by Tiers 2 and 3, account for over 60% of the group's total emissions. **This increase reflects our integration of Cotona's environmental data, ensuring a more comprehensive and transparent reporting of our emissions footprint.**
- In 2023, UTOPIE conducted a full carbon assessment to cross-verify our scope 1, 2 and 3 emission data and to chart a new course of action.

WATER & EFFLUENT

WATER & EFFLUENT

WATER STRESS & CONSUMPTION

COUNTRY	WATER STRESS	TOTAL WATER CONSUMPTION (M3)		
		FY 2021/20211	FY 2022/2023	FY 2023/2024
MAURITIUS	LOW	848,403	541,945	433,956
MADAGASCAR	High	338,446	386,308	1,102,195
INDIA	Extremely High	76,363	131,169	129608
BANGLADESH	High	48,123	48,920	48,706
TOTAL		1,311,335	1,108,342	1,714,465

Table 15: Water consumption by country

Currently, 40% of recycled water in our India-based factories is reused, and ZLD plants for wet units are working to reach over 90% recycled water.

A roadmap to achieve parity on ZLD is also being developed for the African region.

Water conservation and management are vital for all as the world's water supplies are increasingly being exploited.

Our overall water usage has increased as a result of switching from dry to wet units and adding one mill in FY 2023–2024.



WATER & EFFLUENT

*CONT'D

WATER INTENSITY BY PRODUCT TYPE

WATER INTENSITY	FY 2021/20211	FY 2022/2023	FY 2023/2024
GARMENT	kgsCO2e/Units		
CIEL TEXTILE	14.7	16.7	17.3
FINE KNITS	6.8	10.6	9.8
KNITWEAR	63	69	75
WOVEN	8	9.6	10.4
MILLS	kgsCO2e/kg		
CIEL TEXTILE	136	124	168
FINE KNITS	141	140	92
KNITWEAR	107	77	141
COTONA	0	0	310

Table 16: Water Intensity by Garment and Mills

Takeaways

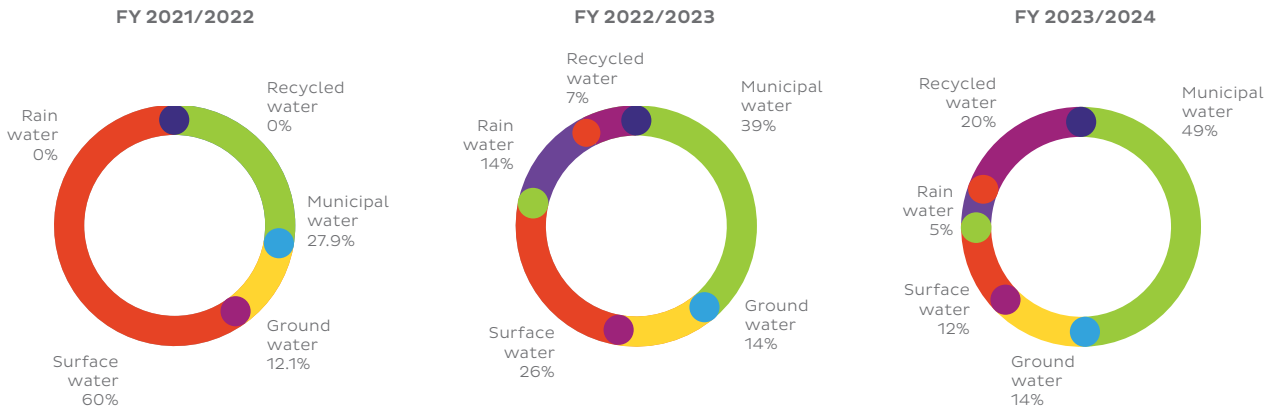
- There was an overall rise as a result of our product type switching from dry to wet.
- There was a significant decrease in our Fine Knits cluster (notably at CDL) as a result of the purchase of new fabric dyeing equipment (35% less).
- During FY 25/26, our Knitwear cluster (FSM) will receive new yarn dyeing machines to increase water efficiency.
- For improved water efficiency in India, we have implemented the newest laundry technology.



WATER & EFFLUENT

*CONT'D

WATER SOURCE BREAKDOWN



Our main water source meets all the requirements as stated by local regulations.



Takeaways

- Across CIEL Textile, 12 Wet Units have a NON-ZERO NON-CONFORMANCES result in the ZDHC-Parameters
- The design of our wastewater treatment plant complies fully with ZDHC regulations and exceeds local standards and laws.

WASTE MANAGEMENT & CIRCULARITY



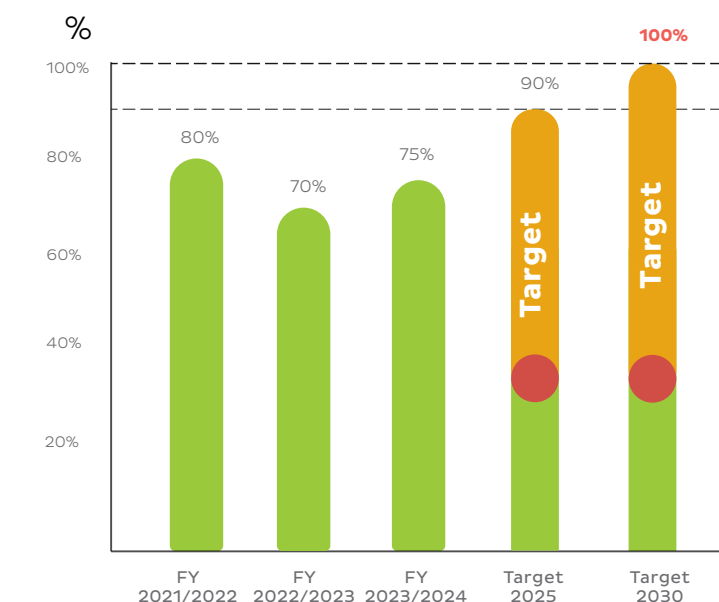
Manesh K R
Laguna India

WASTE MANAGEMENT & CIRCULARITY

The full potential of all textile waste types can be achieved by reducing waste production at both the consumer and manufacturer levels, and by identifying use cases to recover the waste back into textile value chains. Ultimately, this prevents a lot of waste from ending up in landfills or from being burned.

Additionally, we have supported a creative start-up in India that turns fabric waste into paper trim for shirt collars and back support. The procedure has a low environmental impact because it uses no chemicals and the items are sun-dried.

Moreover, the Wealth Out of Waste (WOW) program at Aquarelle Samudra turns textile waste into handcrafted rugs and notebooks, keeping 6 tons of textile waste out of landfills in 2023. Our goal is to achieve 100% zero waste to landfill by 2030.



Takeaways

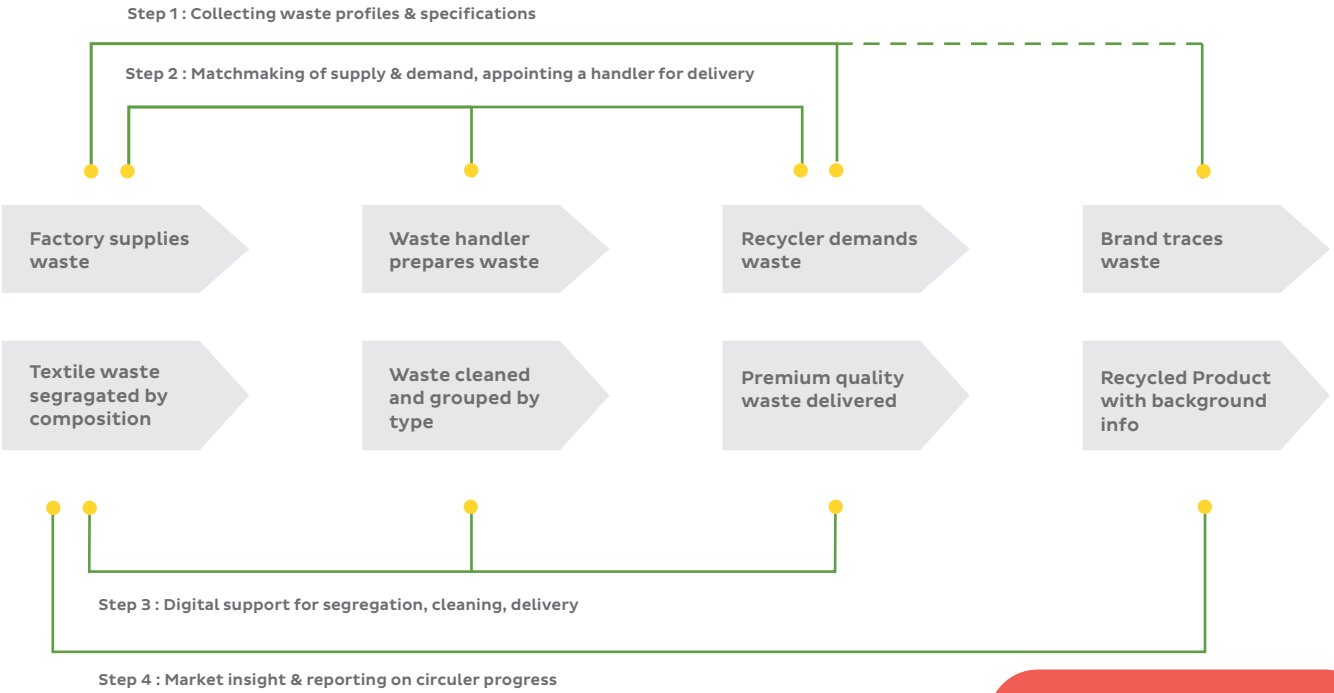
- 7 sites out of 19 sites have already achieved zero waste to landfill.
- We have set a target to achieve 100% zero waste to landfill by 2030.

REVERSE RESOURCES FOR WASTE TRACEABILITY & CIRCULARITY

To improve circularity for textile waste, we've partnered with Reverse Resources, an organization which provides a platform that gathers important players in the textile sector, including producers, fashion brands, waste handlers, and recyclers. By mapping out the textile waste value chain, the platform allows us to improve circularity for textile waste through current suppliers.



REVERSE RESOURCES FOR WASTE TRACEABILITY



Takeaways

By 2025-2026, all CIEL Textile business units will be fully onboarded to Reverse Resources' digital platform.

GOING BEYOND COMPLIANCE

HIGG FACILITY ENVIRONMENTAL MODULE ("FEM")



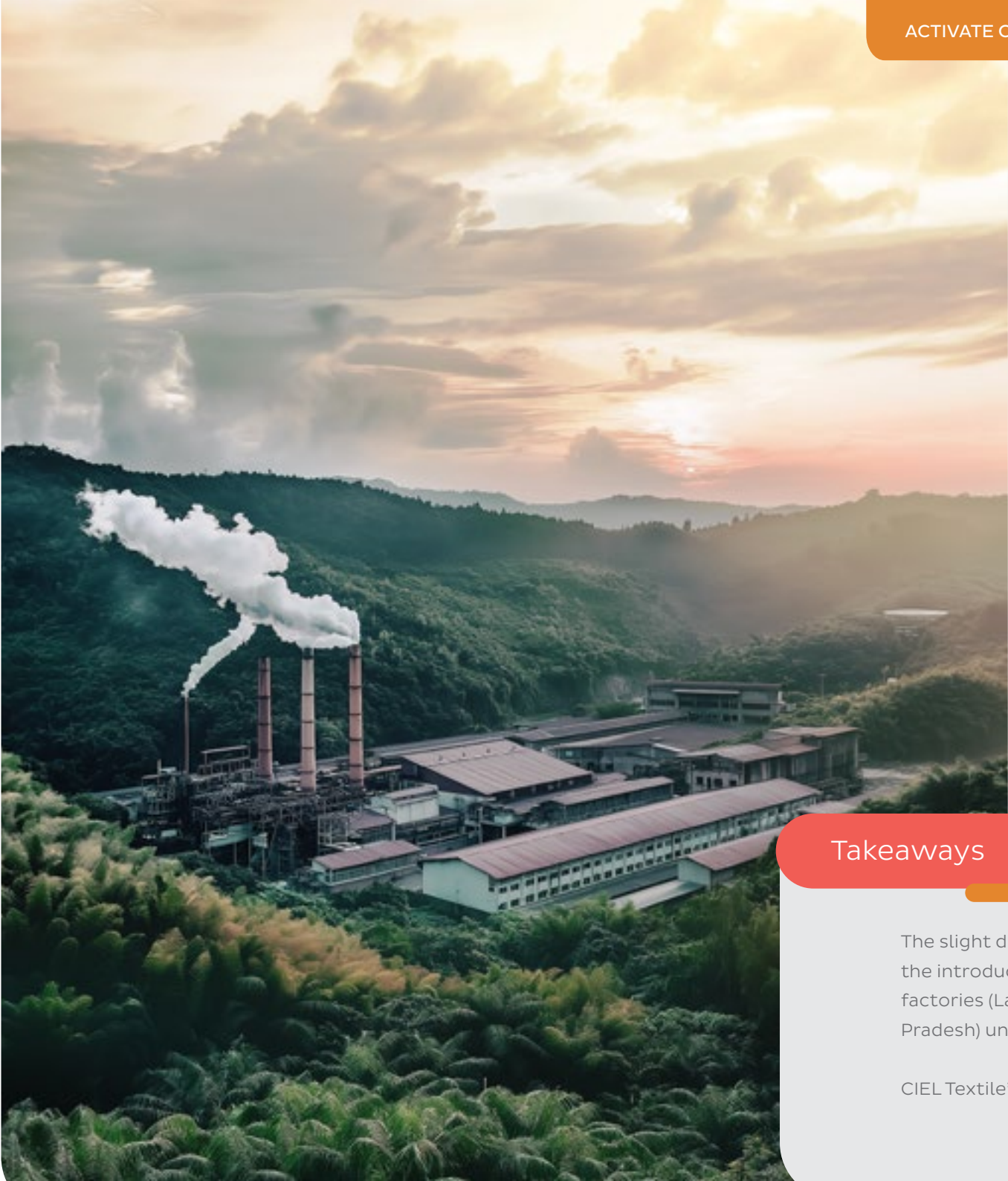
The Facility Social & Labor Module (FSLM) measures the Environmental impact of manufacturing across the following areas:

Environmental management system	Waste
Energy	Wastewater
Water	Air Emission
	Chemicals Management

All CIEL Textile factories use these tools and have carried out annual self-assessments since 2018. To ensure the validity of the results, all outcomes are verified by an external body according to the Cascale verification protocol.



Higg vFEM
5,034 factories were verified in 2024 with an average global score of 59.8% (Source: worldly)



Takeaways

The slight drop in our Higg FEM scores over the last three years is due to the introduction of the Higg FEM 4.0 standards and the addition of new factories (Laguna India - Doddaballapura and Aquarelle India- Andhra Pradesh) undergoing their first assessments.

CIEL Textile's 19 factories were verified from 2020 until 2024



DEVELOPING ORGANIZATIONAL CAPACITY

From Left to right

Sandeep Tropic India

Ayaz Aquarelle | Floreal | Tropic Madagascar

Ashwini Floreal Group

Vivien CIEL Textile

GOVERNANCE

DIGITAL SUSTAINABILITY MANAGEMENT TOOLS



As an organization, we’ve come to understand how difficult it is to manage sustainability across these three areas: prosperity, the planet, and people, especially with CIEL Textile’s 19 plants in four countries. Collecting and handling sustainability data has been a challenge due to issues with data accuracy and reliability.

In 2021, we introduced the UL 360 platform, an ESG management tool, to tackle these problems. This platform helps us set goals, track progress, and accurately assess our sustainability

performance. Proper management of our ESG data is crucial for improving operations and achieving our sustainability goals. Thanks to the UL 360 platform, we now have better control over our ESG data and are more aligned with our business objectives. This brings us closer to a more sustainable future and enhances our ability to manage our sustainability performance effectively.



GOVERNANCE *CONT'D

OPERATIONAL COMMITTEES

We take proactive steps to reduce or prevent negative impacts on our company, operations, stakeholders, and the environment. This strategy is built on our strong governance framework.

The CIEL Textile Board oversees the company’s operations, supported by two specialized subcommittees. Each committee follows set guidelines and reports its recommendations to the board. Board meeting agendas regularly include updates from these committees.

AUDIT & RISK COMMITTEE

FOCUS AREAS DURING THE YEAR
This committee, chaired by a non-executive independent Director, ensures strong financial and risk oversight. The board appointed Ernst & Young (EY) to conduct an independent survey to create a CIEL Textile risk register for better risk management.

The yearly audit plan is reviewed and approved by the Audit Committee members. A bi-yearly review covers audit reports for two quarters, ensuring regular financial and operational checks.

On the risk side, a CTL risk log event is reported every quarter, while the Risk Matrix and Key Performance Indicators (KPIs) are reviewed annually to stay aligned with business objectives.

A Risk Champion conducts internal monitoring every quarter, and we follow Higg Index standards to maintain Environmental and Social Risk Registers.

CORPORATE GOVERNANCE, ETHICS, REMUNERATION AND NOMINATION COMMITTEE

FOCUS AREAS DURING THE YEAR
This committee focuses on establishing a fair compensation structure for CEOs, ensuring internal equity, and enhancing governance and transparency in top management compensation decisions.

CIEL Textile Limited commits that it:

1. Shall be accountable for its impacts on society and the environment.
2. Shall be transparent in all decisions and activities that impact society and the environment.
3. Will behave ethically.
4. Will have respect for all stakeholders’ interests.
5. Will have respect for the rule of law.
6. Will respect international norms of behavior.
7. Will respect human rights, enhancing awareness among employees and suppliers

Human rights policies, CSR policies, whistleblower policies, and codes of ethics are used to provide clear goals that all corporate operations and procedures can be aligned with, including raising awareness among suppliers and employees.

CIEL TEXTILE OPERATIONAL COMMITTEE

HR Committee

The Group Head of HR leads the HR Committee chaired by the Executive Director of CT Asia. They become the organization’s trusted advisor and strategic partner and create HR excellence by combining best practices that are made possible by a shared digital platform. They also utilize top-notch learning and development solutions to promote value generation and personal development. Furthermore, HR has a subcommittee named “Go Beyond Gender” that works to advance inclusivity and gender equality.

IT Committee

The Group Head of Digital Transformation & IT leads the IT Committee, chaired by the Executive Director of CT Asia. Over the next five years, they provide stakeholders and customers with the best digital experience possible, create a streamlined online workspace that is available

from any location, and accelerate digital transformation by establishing cross-functional digital teams.

Communication Committee

The Group Head of Communication leads the Communication Committee, chaired by the Chief Executive Officer. They ensure Corporate Identity is thoroughly instilled (Website, Rebranding, Sales toolkit).

Sustainability Committee

The Group Head of Sustainability leads the Sustainability Committee, which is chaired by the CEO of CIEL Textile.

They establish strategic goals and objectives, ensure the organization has the necessary management infrastructure and organizational capacity to spearhead projects and take the lead in the textile sector, they encourage staff involvement, initiate climate action, and

create programs for inclusive growth, and work on collaborative sustainability projects with stakeholders.

Operational Excellence Committee

The Group Head of Operational Excellence leads the Operational Excellence Committee, chaired by the CEO of CIEL Textile.

This committee follows the motto: “Excellence is a Journey, not a destination.” They establish a shared framework through the Excellence Committees and the Excellence Review process, they encourage and maintain excellence in teams, all while consistently improving our Manufacturing and Front-end Performances. They also manage the Chairman’s Manufacturing Excellence Award (CMEA) and Chairman’s Front-End Excellence Award (CFEA), two CIEL textile-based events.

CIEL TEXTILE SUSTAINABILITY GOVERNANCE

The Group Head of Sustainability has outlined CIEL Textile’s sustainability governance in a way which guarantees that our organizational capability corresponds with our sustainability plan. Supported by our governance structures, we can monitor and follow the sustainability strategy and roadmap laid out for us.

CIEL Textile, clusters, business units, and individual sites make up the four tiers of governance that have been established. Our existing governance frameworks serve as forums for discussing shared strategic problems and difficulties. They also make it easier to share expertise and keep all responsible parties in the group in agreement. As new procedures are introduced at various locations, best practices can be shared with ease, and corporate and site-side communication on sustainability is guaranteed.



GOVERNANCE
*CONT'D

SUSTAINABILITY MANAGEMENT INFRASTRUCTURE





APPENDICES

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APPENDIX 2

STAKEHOLDER ENGAGEMENT PROCESS

Stakeholder dialogue & Material Topics

We define our stakeholders as the internal and external individuals, groups and entities who affect our organization and who may potentially be affected

by our actions. We engage in regular, honest and transparent dialogue with them to identify key aspects that are relevant to our business from their perspective. These constitute our material topics.



APPENDIX 3







SYNOPSIS OF MATERIAL TOPICS

Sustainability Context and Completeness: A list of topics were selected, in terms of significant economic, environmental, and social impacts, by a group of executives. Stakeholder Inclusiveness: key stakeholders were presented with these material topics, and they were asked to score on importance to them.


MATERIAL TOPIC	EXPLANATION AND ITS BOUNDARIES	STRATEGIC GOALS	MANAGEMENT APPROACH AND COMPONENTS	RELATED SDGS
Economic	<ul style="list-style-type: none">• Market Presence• Procurement Practices <p>We employ a substantial number of workers, in some countries, whose compensation is closely linked to laws and regulations on minimum wage. While this directly impacts workers, other stakeholders, such as customers and local communities, are also impacted.</p>	<p>Pursue reverse urbanization by continuing to create jobs in rural areas: This target from our 2020 report has been written off as our goal is to ensure that we have a positive impact on the communities in which we operate, whether they happen to be in rural or urban areas.</p> <p>Eco Index tool has been already been implemented and is currently being used.</p> <p>Target of 30% certified recycled raw materials has already been achieved.</p> <p>New targets for certified raw materials: To reach 50% by 2025 and 80% by 2030</p> <p>Target for raw materials certified as recycled: To reach 10% by 2025.</p> <p>Partner with all stakeholders across the value chain to define the future of the textile and apparel industry.</p> <p>FEM target: Achieve 80% turnover coverage with verified assessments.</p>	<p>Our approach is to pay entry-level workers above the minimum wage required by the law of the land. Changes in minimum wage are monitored by the company at each location and a pro-rata increase in wages is made when applicable. Local minimum wages exist in all locations where the company operates.</p>	<div></div>

APPENDIX 3


*CONT'D

MATERIAL TOPIC	EXPLANATION AND ITS BOUNDARIES	STRATEGIC GOALS	MANAGEMENT APPROACH AND COMPONENTS	RELATED SDGS
Economic	<ul style="list-style-type: none">• Market Presence• Procurement Practices <p>The purchase of goods and services constitutes over 70% of our expenses. By virtue of our buying power and purchasing practices, we can have a significant positive impact on the supply chain.</p>	<p>FSLM target: 80% coverage by 2030, with 50% verified.</p> <p>Ensure that no value chain partner should be in the zero-tolerance category, i.e., without any certifications, social/environmental audits, or ESG governance.</p> <p>Promote local sourcing. Our goal is to continue to encourage local sourcing, as far as the availability of materials and resources makes this possible.</p> <p>Continue to promote a circular economy</p>	<p>We view our suppliers as long-term strategic partners and an extension of our business. Our procurement practices reflect this philosophy. The selection of suppliers is based on capability and competitiveness, with local suppliers preferred in keeping with our lean manufacturing practices. Relationships with suppliers run deep and are not easily broken. Communication is regular. A detailed supply chain mapping has been carried out to better understand the sustainability practices of our suppliers.</p>	<div></div>

APPENDIX 3
*CONT'D

MATERIAL TOPIC		EXPLANATION AND ITS BOUNDARIES	STRATEGIC GOALS	MANAGEMENT APPROACH AND COMPONENTS	RELATED SDGS
Environmental	<ul style="list-style-type: none">• Materials• Energy• Emissions• Water & Effluents• Waste	The global risks relating to environmental issues such as climate change and water security are well documented. We are committed to mitigating any adverse impact of our operations and our supply chain on the environment.	Zero Coal as fuel by 2030: this target from the 2020 Report has already been achieved.	We aim to: Set goals and governance structures within the organization.	
			Target 5% reduction in energy intensity by 2025 Achieve 35% renewable energy by 2030: this target from the 2020 Report has been reviewed. New targets are as follows: 60% of energy from renewables by 2025 and 80% of energy from renewables by 2030 Target 50% decrease in Scope 1 and 2 carbon intensity by 2030 Adopt Carbon Disclosure Project ("CDP") methodology and Science-Based Target initiative ("SBTi") by 2024 Pursue efforts in conservation and regeneration of natural ecosystems Target 20% of water consumed to be recycled and reused by 2025 Equip all factories with rainwater harvesting systems by 2025 Sustain zero non-conformity with ZDHC Target 90% of waste diverted from landfill by 2025 Target 100% of waste diverted from landfill by 2030	Drive awareness, training, and projects within every business unit and facility. Use the Higg Facility Environmental Module (FEM) to measure and drive improvements. Conduct several campaigns and awareness programs, including the Act for our Environment initiative, to coincide with World Environment Day on June 5 th each year.	

APPENDIX 3
*CONT'D

MATERIAL TOPIC		EXPLANATION AND ITS BOUNDARIES	STRATEGIC GOALS	MANAGEMENT APPROACH AND COMPONENTS	RELATED SDGS
Social	<ul style="list-style-type: none">• Employment• Occupational Health & Safety• Learning and Development• Human Rights• Local Communities• Diversity & Equal Opportunities	We strive to be responsible for our impact on society. We believe that generating sustainable livelihoods, developing human resources, and having a positive impact on society at large are key to our business and outcomes worth striving for.	Apply zero-tolerance approach towards the employment of underage employees. We promote an environment in which everyone is treated with dignity and respect and expect the same from all our partners. Achieve pay parity for men and women by 2025. Target: 35% of management level roles to be held by women by 2030. Target onboarding of 3% physically-challenged employees by 2025. Advocate maximum employee engagement in our CSR Initiatives: – Act for our Community – Act for our Environment Create high-impact initiatives focusing on long-term projects. The KPI of zero-lost time injury that featured in our 2020 report has been removed. It is not an achievable target, but remains part of our overall vision. We ensure that our employees operate in a safe and healthy work environment with a strong focus on compliance, continuous training, and management systems. Target verified score of 90% on HIGG FSLM in all CIEL Textile factories by 2025. Ensure that 100% of employees are trained on Ethics & Sustainability by 2025, using a structured training mechanism.	We strive to continue to have a positive impact on society at large, by generating sustainable livelihoods in our communities, and developing and upskilling our human resources. We also intend to continue our annual employee-driven Act for our Community initiatives.	

APPENDIX 4

HIGG INDEX TABLE

CLUSTER	BUSINESS UNITS	ID
WOVEN	Aquarelle Mauritius - Grand-Bois	123510
	Aquarelle Madagascar - Antananarivo	123508
	Aquarelle Madagascar - Antsirabe	123506
	Laguna Mauritius - Quatre-Bornes	123509
	Laguna Madagascar - Antsirabe	123507
	Laguna India - Kanakapura	126077
	Laguna India Doddaballapura	156881
	Aquarelle India Bannerghatta - AIPL 2	128183
	Aquarelle India RCC - AIPL 6	128448
	Aquarelle India Samudra - AIPL 7	128449
	Aquarelle India Palamner - AIPL 9	46781
	Cotona	124087
KNITWEAR	FSM	122599
	Floreal Madagascar - Antsirabe	122598
	Floreal Madagascar - Antananarivo	122596
	Floreal Bangladesh - Ajax	43947
KNITS	Tropic Madagascar - Antananarivo	123593
	Tropic Mauritius - Reunion	43730
	Tropic India - Coimbatore	122594
	CDL	122595

APPENDIX 5

HIGG INDEX RESULTS TABLE PER SITE

FACILITIES	HIGG vFEM 2021	HIGG vFEM 2022	HIGG vFEM 2023
Tropic Mauritius	92.6	91	87
Tropic Madagascar	91.3	88.5	90
Tropic India - Coimbatore	79.3	83	93.25
Tropic India - Printing Unit	70.1	81	92.8
CDL	87.6	88	78
Floreal Antsirabe	95	91	95
Floreal Antananarivo	91.5	89	93
Floreal Bangladesh	91	91.5	89
FSM	91.2	93	84
Aquarelle India- Bannerghatta	94	95	98
Aquarelle India- Hennur			71
Aquarelle India- Palamner			91
Laguna India - Kanakapura	93.4	97.6	94
Aquarelle India - Samudra	94.7	97	91
Laguna India - Doddaballapura		78	90
Aquarelle Antananarivo	90	90.1	80
Aquarelle Antsirabe	89	83.6	92
Laguna Madagascar	84.5	83	81
Aquarelle Grand-Bois	90	91	89
Cotona	74	81	72
Average	88.2	88.5	87.6

Higg FEM follow-up

FACILITIES	HIGG vFSLM 2021	HIGG vFSLM 2022	HIGG vFEM 2023
Tropic Mauritius	86.7	89.6	89
Tropic Madagascar		89.6	89
Tropic India - Coimbatore	78.5	90.5	88
Tropic India - Printing Unit	80	89.9	86
CDL	88.5	89.3	89.5
Floreal Antsirabe	87.1	91	93.9
Floreal Antananarivo	89.8	92.3	94.5
FLOREAL BANGLADESH	90.2	92.5	92.6
FSM	91.7	88.6	90.1
Aquarelle India- Bannerghatta	99	85.8	99
Aquarelle India - Hennur	98	73.1	94
Aquarelle India - Samudra	98	99	96
Aquarelle India - Palamner			97
Laguna India - Kanakapura	90.5	93.3	94.3
Laguna India - Doddaballapura	43.5	75.7	88.3
Aquarelle Antananarivo	84.9	88.8	95.8
Aquarelle Antsirabe	82.9	86.2	96.5
Laguna Antsirabe	84.4	85	93.4
Aquarelle Grand-Bois	86.4	89.2	91.9
Cotona	71.3	90.3	94
AVERAGE	85.1	88.4	92.6

Higg FSLM follow-up

APPENDIX 6

OWNERSHIP



APPENDIX 7

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Ciel Textile

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