

# AN INTRODUCTION TO OUR REPORT

## Purpose

It gives us immense pride to present the **first comprehensive Sustainability Report of Cosmos Crafts**, covering the financial year from **1st April 2024 to 31st March 2025**.

This report represents a significant milestone in our sustainability journey as we integrate our craft-based heritage with modern principles of responsible business. It highlights our **environmental, social, and governance (ESG) performance, our progress toward sustainability targets**, and our continued efforts to empower artisans, protect the environment, and create shared value for all stakeholders.

During this reporting year, we have deepened our commitment to sustainable operations by:

- Reducing energy use and optimizing production efficiency,
- Strengthening waste segregation and management,
- Expanding our Living Wage Policy and employee health initiatives, and
- Initiating community development through skill-building programs for artisans' children.

Our guiding philosophy—“**Weaving Responsibility into Every Stitch**”—reflects our belief that true artistry lies in the balance between beauty, integrity, and accountability

## Sustainability and Building a Responsible Future

At Cosmos Crafts, sustainability is a collective journey driven by our artisans, management, and partners. Through dedication, collaboration, and innovation, we aim to preserve India's craft heritage while advancing global sustainability standards.

This **inaugural report** marks the beginning of a long-term commitment to transparent ESG disclosures and continuous improvement. It outlines our policies, achievements, and challenges, while setting ambitious targets for the future.

## Reporting Boundary and Scope

This report covers:

- All operations, production units, and administrative offices managed directly by **Cosmos Crafts in Mumbai, Maharashtra**;
- Key supply chain activities and collaborations with partner organizations.
- Material ESG topics identified through structured stakeholder engagement and internal assessments.

Our focus areas include **energy and emissions management, water efficiency, waste reduction, fair wages, worker health and safety, community engagement, and governance transparency**.

## Frameworks and Standards Referenced

This report has been prepared with reference to leading international and national frameworks, including:

- Global Reporting Initiative (**GRI**) Standards (2021)
- United Nations Sustainable Development Goals (**UN SDGs**)

By aligning with these standards, Cosmos Crafts ensures that our reporting remains transparent, comparable, and globally relevant, even as a mid-sized artisanal enterprise.

## External Assurance

All major ESG data, disclosures, and supporting documentation within this report have been independently assured by **Youniformity Consulting Pvt. Ltd.**

The assurance process involved **verification of policies, registers, and key performance indicators (KPIs)** through site visits, documentation review, and cross-checks to ensure accuracy and completeness.

The Independent Assurance Statement is included as an **annex to this report**.

## Forward-Looking Statements

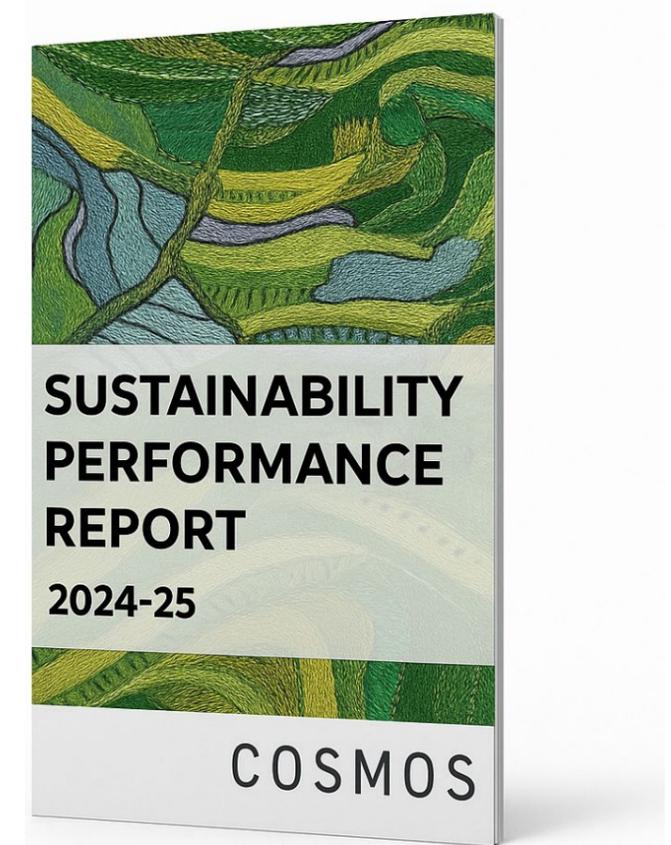
This report includes forward-looking statements related to Cosmos Crafts' sustainability strategy, goals, and initiatives. These statements reflect our current expectations and assumptions based on available data and may change due to external factors.

Our commitment, however, remains constant — to act with integrity, innovate responsibly, and continuously improve.

## Feedback and Continuous Improvement

Sustainability at Cosmos Crafts is a learning process grounded in dialogue. We welcome feedback, suggestions, and collaborations that help strengthen our initiatives and reporting practices.

Please reach out to us at [cosmosembroideries.in](https://cosmosembroideries.in) to share your insights or partnership proposals.



# FOREWORD FROM THE MANAGEMENT

**A**t **Cosmos Crafts**, we believe that sustainability is not merely an obligation — it is a responsibility born from our heritage, and an opportunity to shape a better future for generations to come. As we present our **first comprehensive Sustainability Report for the financial year 2024–25**, we stand at a defining moment in our journey — one that weaves together the artistry of our craft with the accountability of modern business practices.

The past year has been transformative for Cosmos Crafts. Guided by our belief that *“true craftsmanship flourishes when people and the planet thrive together,”* we have continued to strengthen our operational foundations while embedding sustainability into the very fabric of our organization.

Our workshops — where artisans bring intricate embroidery to life — have become more than production spaces; they are centres of creativity, inclusion, and continuous learning. Every design, every thread, and every decision carries the imprint of our values — **dignity, fairness, and responsibility**.

During FY 2024–25, we made measurable progress in key areas of our sustainability journey.

We implemented our **Living Wage Policy**, ensuring that every artisan and employee earns at least 30% above the statutory minimum wage — affirming our commitment to fair compensation and respect for human dignity. We conducted **regular health and safety training sessions**, annual medical checkups for all employees, and established a **democratically elected Workers Welfare Committee** to ensure that

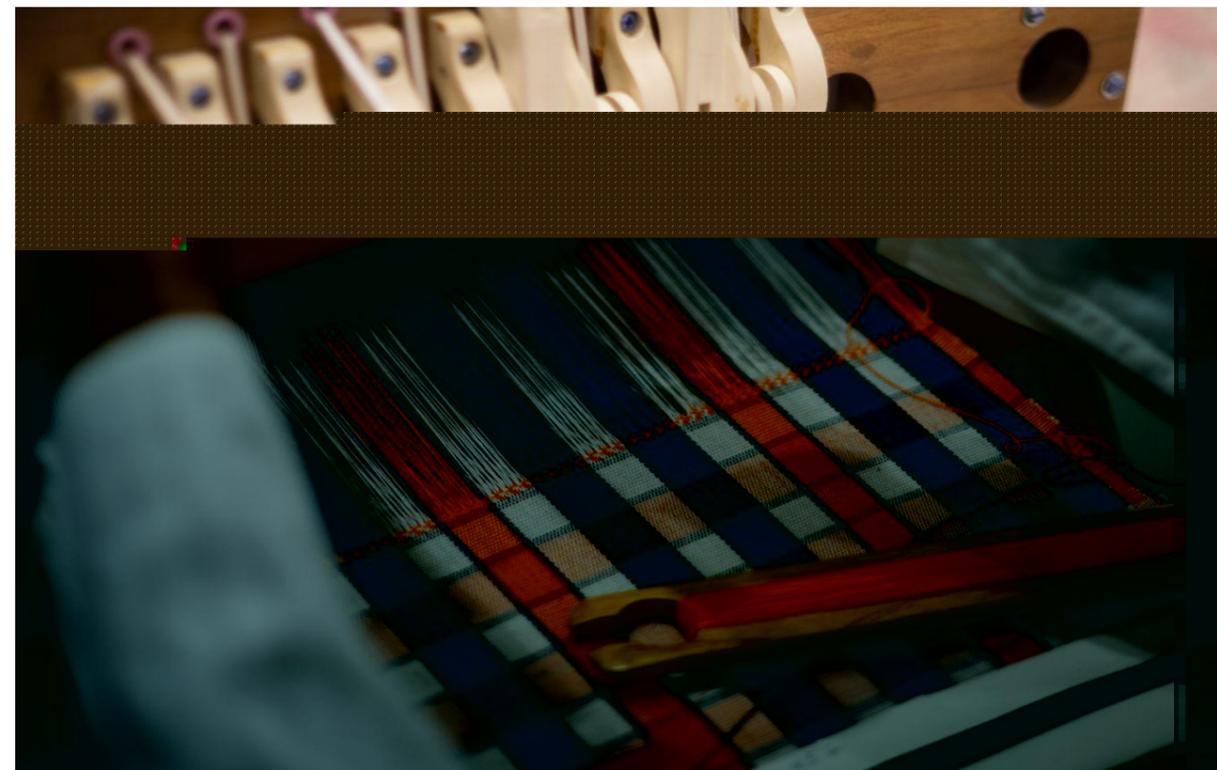
every voice within the company is heard and valued.

On the environmental front, we achieved **zero hazardous waste generation**, maintained compliance across all regulatory parameters, and advanced our energy efficiency goals through LED adoption and awareness initiatives. Our **tree plantation programs**, resulting in over **1,400 saplings** planted this year, reflect our dedication to restoring ecological balance and contributing to local biodiversity. These actions, though modest in scale, mark important steps toward a greener, more responsible Cosmos Crafts.

Equally important is our social contribution. In FY 2024–25, we proudly supported the **education and skill development of the next generation of artisans** by sponsoring children of our craftsmen for specialized embroidery training at the Chanakya Foundation. This initiative represents our enduring belief that empowering families through education preserves both culture and opportunity.

We have also conducted our first comprehensive **water stress assessment**, identifying areas for resource optimization and setting a target to reduce water use by 5% by 2027. Through these efforts, we have not only deepened our environmental stewardship but also demonstrated our capacity for measurable impact and transparent accountability.

Our long-term vision extends beyond operational performance. We aspire to position Cosmos Crafts as a model of **responsible artisanal manufacturing** — one



that honors India’s craft legacy while meeting global standards of sustainability. Our practices are now aligned with the **Global Reporting Initiative (GRI) Standards**, and the **United Nations Sustainable Development Goals (UN SDGs)** ensuring that our progress remains transparent, measurable, and internationally relevant.

None of this would be possible without the passion and commitment of our artisans, employees, clients, and partners. Their trust and collaboration fuel our mission to grow responsibly, ethically, and inclusively. To them, we express our deepest gratitude.

As we look ahead, we recognize that our journey has only just begun. We are committed to exploring **renewable energy adoption**, expanding **CSR-led community engagement**, enhancing **supplier**

**compliance on ethics and fair wages**, and continuing to **reduce our carbon and water footprint**.

At Cosmos Crafts, every stitch tells a story — of heritage, hope, and harmony. We remain steadfast in our belief that sustainability is not a destination but a continuous journey of learning, innovation, and accountability. With every passing year, we will continue to craft not only exquisite garments but also a future that is equitable, sustainable, and filled with purpose.

Together, let us keep **weaving responsibility into every thread** — for our people, our planet, and the generations that will inherit our legacy.

**Md. Motaher Hossain**  
*Managing Director*  
**Cosmos Crafts**

# WHO WE ARE

At **Cosmos Crafts**, sustainability begins with heritage — it is woven into every fabric we create and every decision we make. Established in **2012** and headquartered in **Mumbai**, Cosmos Crafts was founded with a vision to preserve India's centuries-old art of hand embroidery while aligning it with the demands of a modern, responsible global marketplace.

From our first collection to our most recent collaborations, our purpose has remained constant: to celebrate the artistry of our craftsmen while ensuring that their skills, well-being, and environment are nurtured for generations to come. We take pride in being more than a manufacturer; we are a community of artisans, designers, and innovators committed to creating beauty that does not compromise ethics or sustainability.

Our work combines the intricacy of traditional craftsmanship with the discipline of contemporary management. Every panel embroidered in our workshops represents the fusion of precision, patience, and purpose — where creativity meets conscience.

Through this approach, Cosmos Crafts continues to redefine the boundaries of responsible luxury, proving that when heritage and sustainability come together, they create not just exceptional garments, but a lasting legacy of care, culture, and craftsmanship.



## Craftsmanship with Purpose

Each product reflects skill, patience, and ethics — where beauty and responsibility meet, ensuring every design embodies the precision, heritage, and human touch that define the art of hand embroidery.



## People at the Heart

Our artisans are the soul of Cosmos Crafts. We ensure fair wages, safety, and well-being for every individual, empowering them through continuous training, respectful workplaces, and opportunities for professional and personal growth.



## Sustainability in Every Stitch

From energy efficiency to zero hazardous waste, sustainability drives every choice we make, inspiring our long-term efforts to minimize impact, promote resource conservation, and contribute positively to the environment we work within.

# KEY FACTS & FIGURES- FY 2024-25

Indicator	Details
Established	2012
Headquarters	Mumbai, Maharashtra
Workforce	437 (All male, artisans and staff)
Core Operations	Hand embroidery, CAD design, finishing, inspection
Key Clients	Chanakya International Pvt. Ltd. and global luxury houses
Markets	India, Europe, Middle East
Electricity Consumption	59.8 MWH (FY 2024-25)
Water Consumption	170 KL (FY 2024-25)
Tree Plantation	1,400 saplings (FY 2024-25)
Waste Generated	106.1 MT
Hazardous Waste	0 MT (zero hazardous waste generated)
Living Wage Policy	100% workforce coverage,

## OUR VISION & MISSION

### Our Vision

To become the benchmark for responsible, artisan-led textile production — where creativity, craftsmanship, and conscience coexist harmoniously. We aspire to build a model of excellence that generates social and environmental value alongside commercial success, empowering our artisans and partners while contributing to a more equitable and sustainable global fashion ecosystem.

### Our Mission

To preserve, promote, and elevate India's craft heritage by integrating ethical business practices, sustainable processes, and human-centered innovation. We are committed to empowering artisans through fair wages, safe working conditions, and continuous skill development, while delivering world-class quality to global brands. Through collaboration and accountability, we aim to create products that reflect purpose, precision, and pride in every stitch.

## OUR CORE VALUES



### Integrity

Ethical, transparent, and compliant in all dealings, ensuring fairness, honesty, and accountability across every level of our organization.



### Respect

For our artisans, employees, customers, and communities — nurturing inclusivity, dignity, and collaboration in every relationship we build.



### Accountability

Measurable ESG progress, open reporting, and stakeholder engagement that reflect our commitment to continuous improvement and transparency.



### Innovation

Blending tradition with modern process improvements for lasting impact, creativity, and a forward-thinking approach to sustainable growth.



### Care

Prioritizing the well-being of people and planet by fostering safe workplaces and responsible environmental stewardship every day.

## WHAT MAKES US DIFFERENT

1

**Heritage + Innovation**

**Empowering People**

2

**Transparent Supply Chain**

3

**Community Investment**

4

5

**Minimal Environmental Impact**

# ESG HIGHLIGHTS

## ENVIRONMENT

### Energy

Cosmos Crafts consumed 59,796 kWh electricity during FY 2024–25. Efficiency audits, LED retrofits, and machine maintenance reduced consumption. Solar feasibility assessment planned for renewable integration in FY 2025–26.

### Water

170 Kiloliters of freshwater used mainly for domestic and cleaning purposes. Awareness campaigns launched; new fixtures installed to promote conservation and achieve a targeted 5 percent reduction.

### Waste

Generated 106.1 MT non-hazardous waste and zero hazardous waste. Implemented complete segregation, recycling initiatives, and safe disposal through authorized vendors, ensuring zero environmental or compliance violations.

### Emissions

Scope 2 greenhouse gas emissions totaled 42.34tCO<sub>2</sub>e. Cosmos Crafts aims to reduce emissions by 25 percent over 2027 through energy efficiency and cleaner operational practices.

### Biodiversity

Planted 1,400 saplings of native tree species around operations and nearby communities to enhance greenery, improve air quality, and foster greater biodiversity awareness among employees.

SDGs Covered:



## SOCIAL

### Workforce

Cosmos Crafts employs 437 skilled artisans and staff, all receiving living wages at least 30% above statutory minimum, with complete adherence to ethical and fair employment practices.

### Health & Safety

All employees trained in first aid, fire safety, and emergency response. Zero recordable injuries reported in FY 2024–25, ensuring a safe, compliant, and supportive workplace.

### Training & Development

Regular skill enhancement sessions conducted across departments. Focused on embroidery precision, quality control, and safety awareness to improve craftsmanship, productivity, and long-term professional growth opportunities.

### Diversity & Inclusion

Currently an all-male workforce, Cosmos Crafts aims to introduce women artisans by FY 2026–27 through targeted training, outreach, and inclusive employment opportunities.

### Community Engagement

Supported education and skill development programs for artisans' children under CSR initiatives. Partnered with local schools and NGOs for tree plantation and sustainability awareness campaigns.

SDGs Covered:



## GOVERNANCE

### Ethical Business Conduct

Cosmos Crafts upholds zero-tolerance for corruption and fraud. Ethics and anti-corruption training covers 100% of high-risk roles, ensuring transparency and accountability.

### Compliance

Achieved 100% compliance with environmental, health, and labor laws during FY 2024–25. No fines, warnings, or non-conformities reported across any operational areas.

### Grievance Redressal

Maintains multiple grievance channels for employees and stakeholders with a strict no-retaliation policy, enabling open communication and timely resolution of workplace issues.

### Leadership Oversight

Senior management oversees ESG initiatives through quarterly reviews, ensuring integration of sustainability objectives into business strategy and continuous alignment with global frameworks such as GRI and UN SDGs.

### External Assurance

All ESG disclosures and KPIs independently verified by Youniformity Consulting Pvt. Ltd., reinforcing Cosmos Crafts' commitment to data credibility and responsible governance.

SDGs Covered:



# EXTERNAL INITIATIVES

## Upholding Global Standards for Sustainable Excellence

At Cosmos Crafts, we believe that sustainability must be measurable, verifiable, and continuously improving. Our commitment to **internationally recognized frameworks** ensures that our operations maintain the highest standards of quality, ethics, and responsibility. Through participation in independent assessments and global initiatives, we benchmark our performance against **leading sustainability criteria** and reaffirm our dedication to transparent, responsible, and people-centered growth.

### EcoVadis Assessment

Cosmos Crafts was awarded a **Silver Rating by EcoVadis** in its 2024 sustainability assessment, placing the company among

the top-performing global enterprises in its category. This recognition reflects excellence across four key performance pillars:

- **Environment:** Resource efficiency, waste management, and carbon reduction.
- **Labor & Human Rights:** Fair wages, worker safety, and equitable opportunities.
- **Ethics:** Responsible governance and anti-corruption practices.
- **Sustainable Procurement:** Supplier accountability and transparency.

*The EcoVadis Silver rating demonstrates our consistent progress in embedding sustainability into every layer of our operations and supply chain.*



## ISO Certification

ISO Standard	Scope of Certification
ISO 9001:2015	Quality Management System — Ensuring excellence in product quality and process control.
ISO 14001:2015	Environmental Management System — Managing environmental impact and promoting resource efficiency.
ISO 27001:2013	Information Security Management System — Safeguarding design, client, and operational data.
ISO 37001:2016	Anti-Bribery Management System — Reinforcing transparency, compliance, and ethical business conduct.
ISO 28000:2022*	Supply Chain Security Management — Protecting the integrity and traceability of materials and logistics. <b>(*In Process of Obtaining)</b> .
SA 8000:2014	Social Accountability Standard — Upholding fair labor practices, worker welfare, and human rights.



# MATERIALITY ASSESSMENT

## Purpose of the Materiality Assessment

At Cosmos Crafts, sustainability is guided by a deep understanding of what truly matters — to our artisans, employees, partners, clients, and communities.

Our **materiality assessment** ensures that our actions and reporting focus on areas of greatest relevance and impact, both for our stakeholders and for the long-term resilience of our business. It aligns with **Global Reporting Initiative (GRI 2021 Standards)** and the **UN Sustainable Development Goals (SDGs)**, reflecting our commitment to transparency and global accountability.

## Our Materiality Assessment Process

### 1. Identification of Potential Topics

We began by mapping a comprehensive range of ESG risks and opportunities based on:

- a. GRI Standards and UN SDGs
- b. Peer and sectoral benchmarks
- c. Internal risk registers and stakeholder feedback
- d. Industry best practices  
The outcome was a wide list of environmental, social, and governance issues covering our full value chain — from raw material sourcing to community impact.

### 2. Stakeholder Engagement

Inputs were gathered through direct dialogues, surveys, and audits with our key stakeholder groups:

- a. **Employees and artisans** – through surveys and Worker Welfare Committee meetings
- b. **Clients and brand partners** – through audits and feedback sessions
- c. **Suppliers** – via annual compliance audits
- d. **Local communities** – through CSR projects and education programs
- e. **Leadership and assurance partners** – through strategic reviews and third-party validation

### 3. Double Materiality Analysis

Each topic was analyzed through two lenses:

- **Impact Materiality:** The potential effect on people, communities, and the environment.
- **Financial Materiality:** The possible implications for our business performance, reputation, or market access. Evaluation criteria included **scale, scope, duration, likelihood, and regulatory and customer expectations.**

### 4. Prioritization and Validation

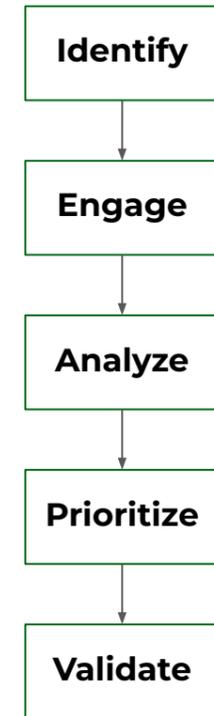
All topics were positioned on a **Double Materiality Matrix**, highlighting those of high significance for both business and stakeholders.

The matrix was validated by Cosmos Crafts' senior leadership and independently reviewed by **Youniformity Consulting Pvt. Ltd.** for assurance and objectivity.

### 5. Integration and Continuous Review

Material topics are now embedded into our ESG goals, management systems, and KPIs. We commit to revisiting this assessment annually or earlier if key operational or contextual changes occur.

## Assessment Process



# MATERIAL TOPICS

Material Topic	Focus Areas	Stakeholders Concerned	Business Relevance
<b>Energy &amp; Emissions Management</b>	Electricity efficiency, Scope 2 GHG reduction, renewable energy transition.	Management, Clients, Regulatory Authorities	Reduces operational costs, enhances brand credibility, and supports carbon disclosure compliance.
<b>Water Use &amp; Stress</b>	Sustainable water withdrawal, reuse initiatives, and conservation awareness.	Employees, Communities, Local Authorities	Ensures operational continuity, compliance, and reduced environmental footprint.
<b>Waste Management</b>	Zero hazardous waste, segregation, recycling, and safe disposal.	Employees, Clients, Regulators	Minimizes risk, enhances process efficiency, and supports circular economy goals.
<b>Living Wage &amp; Worker Welfare</b>	Fair compensation, benefits, and functioning Worker Welfare Committee.	Artisans, Employees, Management	Improves productivity, retention, and employee satisfaction; fulfills social license to operate.
<b>Employee Health &amp; Safety</b>	Risk assessments, first aid training, annual medical checkups.	Employees, Supervisors, Management	Prevents accidents, ensures compliance, and builds a safety-oriented culture.
<b>Diversity, Equality &amp; Inclusion</b>	Gender inclusion programs, non-discrimination, equal opportunities.	Employees, Communities, Clients	Builds equitable workplaces, enhances reputation, and supports SDG 5 (Gender Equality).
<b>Community Impact &amp; CSR</b>	Education support, artisan upskilling, biodiversity restoration.	Local Communities, NGOs, Employees	Strengthens community relationships and contributes to long-term social resilience.
<b>Business Ethics &amp; Compliance</b>	Anti-bribery, anti-corruption, data protection, ethical sourcing.	Clients, Suppliers, Management	Reduces legal risks and reinforces trust among stakeholders and global buyers.
<b>Governance &amp; Assurance</b>	Policy oversight, performance tracking, external verification.	Leadership, Auditors, Clients	Strengthens accountability, transparency, and investor confidence.

## Severity and Likelihood Assessment

The **Severity and Likelihood Assessment** is a structured risk evaluation approach used to prioritize material topics based on their potential impact on organizational performance and stakeholder relations. This method supports evidence-based decision-making in sustainability management by quantifying both the **magnitude of impact (Severity)** and the **probability of occurrence (Likelihood)** for each identified material issue. The resulting scores are used to calculate a **risk rating (Severity × Likelihood)**, which is then categorized into four tiers — *Low, Medium, High, and Critical* — guiding the level of management attention and control required.

## Assessment Methodology

Each material topic identified through the materiality assessment — spanning environmental, social, and governance (ESG) domains — was analyzed using a **five-point scale** for both Severity and Likelihood:

- **Severity (Impact):** Measures the degree to which an unmanaged issue could disrupt business operations, affect financial performance, damage reputation, or breach legal and regulatory requirements.
- **Likelihood (Probability):** Reflects the estimated frequency or probability of the issue occurring within the company's operational or value-chain context.

These scores were derived through a combination of **management insights, stakeholder feedback, and industry best practices**, ensuring alignment with global

sustainability frameworks such as **GRI Standards (2021)** and **BRSR Core Indicators**.

## Findings and Interpretation

The analysis revealed that topics such as **Employee Health & Safety, Water Use & Stress, and Living Wage & Worker Welfare** rank among the most critical risks. These areas exhibit both high severity and high likelihood due to their potential to directly influence workforce productivity, legal compliance, and community relationships.

**Employee Health & Safety**, for example, scored the highest risk rating ( $5 \times 4 = 20$ ), emphasizing the moral, legal, and operational imperatives of maintaining a safe workplace. Similarly, **Water Use & Stress** ( $4 \times 4 = 16$ ) emerged as a critical concern, particularly for operations located in water-stressed regions where resource availability directly affects continuity and compliance. **Living Wage & Worker Welfare** ( $4 \times 4 = 16$ ) also stands out as a social sustainability priority, reflecting its influence on employee satisfaction, retention, and brand reputation.

On the other hand, **Business Ethics & Compliance** ( $5 \times 3 = 15$ ), **Governance & Assurance** ( $4 \times 3 = 12$ ), and **Energy & Emissions Management** ( $4 \times 3 = 12$ ) represent high-level risks requiring robust policy frameworks and continuous oversight to mitigate financial and reputational exposure. Issues such as **Waste Management, Diversity, Equality & Inclusion, and Community Impact & CSR** were assessed as medium to low risks, yet remain strategically important for long-term sustainability performance and stakeholder confidence.

# ASSESSMENT MATRIX

## Strategic Implications

By integrating severity and likelihood analysis into the broader materiality framework, the organization can:

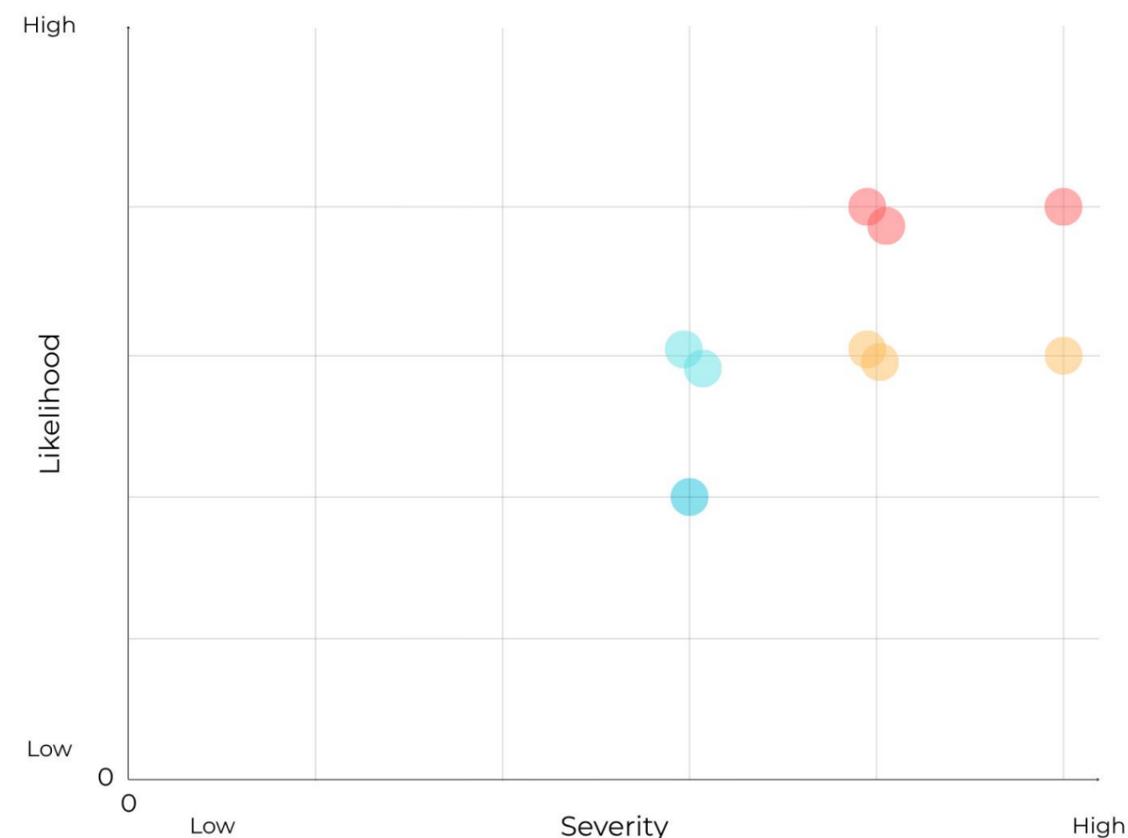
- Focus its **risk mitigation resources** on the most significant ESG priorities.
- Enhance **transparency and accountability** through clear risk rationale and scoring.
- Strengthen **governance systems** to ensure continuous monitoring of critical sustainability parameters.
- Align sustainability goals with **business continuity and stakeholder expectations**.

This assessment thus serves as a foundation for **risk-informed sustainability planning**, ensuring that material topics are addressed not only for compliance but as integral components of strategic value creation.

## Severity & Likelihood Assessment Matrix

Material Topic	Severity (1-5)	Likelihood (1-5)	Risk Rating (S x L)	Risk Level
Energy & Emissions Management	4	3	12	High
Water Use & Stress	4	4	16	Critical
Waste Management	3	3	9	Medium
Living Wage & Worker Welfare	4	4	16	Critical
Employee Health & Safety	5	4	20	Critical
Diversity, Equality & Inclusion	3	3	9	Medium
Community Impact & CSR	3	2	6	Low-Medium
Business Ethics & Compliance	5	3	15	High
Governance & Assurance*	4	3	12	High

\* Assurance has been added in 20224-25 in Governance Category



### Materiality Matrix

- Critical
- High
- Medium
- Low Medium

Risk Rating (S x L)	Risk Level	Action Priority
1-5	Low	Monitor periodically
6-10	Medium	Manage with existing controls
11-15	High	Strengthen policies and oversight
16-25	Critical	Immediate management attention and continuous monitoring

### Interpretation Guide

# OUR ESG STRATEGY

## Our Commitment

At **Cosmos Crafts**, sustainability is not a single initiative but a guiding philosophy that defines how we operate, create, and grow. Our **Environmental, Social, and Governance (ESG) strategy** reflects our long-standing belief that responsible craftsmanship can drive both artistic and economic value while safeguarding people and the planet. We are committed to embedding ESG principles across every stage of our operations — from design and production to workforce development and supply chain management.

Our approach focuses on long-term value creation, risk management, and transparent reporting. By aligning our practices with internationally recognized frameworks such as the **Global Reporting Initiative (GRI) Standards (2021)** and the **United Nations Sustainable Development Goals (UN SDGs)**, we ensure that our progress remains measurable, credible, and globally relevant.

## Strategic ESG Objectives

Our ESG strategy is built upon three core pillars — **Environmental Stewardship, Social Responsibility, and Governance Excellence** — each translating our values into clear commitments and measurable outcomes.

### 1. Environmental Stewardship

We strive to minimize our environmental footprint while promoting sustainable production practices. Our initiatives focus on conserving natural resources, reducing emissions, and encouraging biodiversity within and beyond our operational boundaries.

#### Our priorities include:

- Reducing energy consumption and carbon intensity through efficiency measures and technology upgrades.
- Transitioning toward renewable energy sources where feasible.
- Reducing freshwater use and improving efficiency through conservation awareness and infrastructure upgrades.
- Maintaining **zero hazardous waste generation** and expanding waste segregation and recycling programs.
- Supporting biodiversity through ongoing **tree plantation drives** and community-led greening activities.

### 2. Social Responsibility

Our people are the foundation of our success. We believe that sustained growth depends on fairness, inclusivity, and empowerment. Our social initiatives are focused on creating a safe, equitable, and growth-oriented environment for all employees, artisans, and community stakeholders.

#### Our commitments include:

- Upholding **fair compensation** through a Living Wage Policy ensuring wages exceed statutory minimums.
- Ensuring **100% workforce coverage** under health, safety, and welfare programs.
- Promoting continuous **skill development and training** to



enhance both craftsmanship and professional growth.

- Fostering a **culture of diversity and inclusion**, with specific goals to expand opportunities for women artisans by FY 2026–27.
- Supporting the **education and skill development of artisans' children**, helping preserve craft traditions across generations.

### 3. Governance Excellence

We uphold the highest standards of integrity, transparency, and accountability in all our operations. Our governance practices ensure that sustainability principles are integrated into business decision-making at every level.

#### Our commitments include:

- Maintaining full compliance with all applicable environmental, labor, and ethical regulations.
- Implementing a robust **Code of Conduct** and **Whistleblower Policy** that uphold fairness, confidentiality, and zero tolerance for corruption.
- Conducting regular audits, training, and leadership reviews to monitor ESG performance.
- Ensuring transparent communication with stakeholders through verified and publicly disclosed data.
- Embedding ESG oversight within senior management to ensure continued alignment with our mission and values.

# ESG STRATEGIC TARGETS FRAMEWORK (Baseline FY 2023-24)

# COSMOS

Aligned with GRI 2021 Standards and UN SDGs

Category	Indicator / KPI	Unit of Measure	Baseline (2023)	Actual (FY 2024–25)	Target 2027	Target 2030	Measurement Scope / Methodology
Environment	Scope 1 GHG Emissions – Direct (Fuel, On-site Equipment)	tCO <sub>2</sub> e	0.076	0.054	↓ 20 % absolute	↓ <b>30 % absolute</b>	Derived from diesel/petrol usage logs using GHG Protocol emission factors.
Environment	Scope 2 GHG Emissions – Purchased Electricity	tCO <sub>2</sub> e	42.76	42.34	↓ 25 % absolute	↓ <b>35 % absolute</b>	Based on purchased electricity (utility bills) and regional grid emission factors.
Environment	Scope 3 GHG Emissions – Value Chain	tCO <sub>2</sub> e	502.79	472.40	↓ 10 % absolute	↓ <b>20 % absolute</b>	Category screening: purchased goods, logistics, packaging, waste.
Environment	Total GHG Emissions (Scopes 1 + 2 + 3)	tCO <sub>2</sub> e	545.63	514.79	↓ 20 % overall	↓ <b>30 % overall</b>	Consolidated under GHG Protocol Corporate Standard.
Environment	GHG Intensity (per INR turnover or per garment)	tCO <sub>2</sub> e / INR	0.0000045	0.0000041	↓ 15 %	↓ <b>25 %</b>	Total GHG ÷ annual revenue.
Environment	Total Energy Consumption	MWh	60.71	60.02	↓ 15 %	↓ <b>25 %</b>	Meter readings + energy audit covering ≥ 95 % of operations.
Environment	Energy Intensity (GJ per INR turnover)	GJ / INR	0.0000033	0.0000027	↓ 10 %	↓ <b>20 %</b>	Total energy ÷ turnover; validated through annual energy audit.
Environment	Renewable Energy Share	% of total energy	0	0	15 %	<b>25 %</b>	Solar installation and/or renewable power purchase agreements.
Environment	Water Consumption	KL	177	170	↓ 10 %	↓ <b>20 %</b>	Metered tracking and quarterly water use logs.
Environment	Water Recycled / Reused	% of total use	42%	47%	60 %	<b>80 %</b>	Closed-loop reuse through wash and chiller systems.
Environment	Non-Hazardous Waste Generated	MT	118.2	106.1	≤ baseline with 20 % recycled	≤ <b>baseline with 30 % recycled</b>	Waste segregation, vendor take-back and authorized disposal records.
Environment	Hazardous Waste Generated	MT	0	0	Maintain Zero	<b>Maintain Zero</b>	Verified via ISO 14001 Environmental Register.
Environment	Tree Plantation / Biodiversity Initiatives	No. of saplings	1,400	2000	3,000	<b>5,000</b>	CSR greenbelt and community plantation records.

# ESG STRATEGIC TARGETS FRAMEWORK (Baseline FY 2023-24)

# COSMOS

Aligned with GRI 2021 Standards and UN SDGs

Category	Indicator / KPI	Unit of Measure	Baseline (2023)	Actual (FY 2024-25)	Target 2027	Target 2030	Measurement Scope / Methodology
Social	Workforce Strength (Permanent Employees)	Headcount	437	437	Stable	<b>Stable + productivity growth</b>	HR payroll and employment records.
Social	Health & Safety Incidents (Recordable)	Count	0	0	Maintain Zero	<b>Maintain Zero</b>	OHS incident registers and monthly safety audits.
Social	Living Wage Coverage	% of workforce	100 %	100 %	Maintain 100 %	<b>Maintain 100 %</b>	Annual wage audit and HR verification.
Social	Employee Satisfaction Index (0-5 scale)	Score	4.4	4.5	≥ 4.5	<b>≥ 4.8</b>	Annual engagement survey analysis.
Governance	Employees Trained on Ethics & Anti-Corruption	% of workforce	100 %	100 %	Maintain 100 %	<b>Maintain 100 %</b>	ISO 37001 training and annual refresher records.
Governance	Whistleblower Complaints (Received / Resolved)	Count	0	0	Maintain Zero	<b>Maintain Zero</b>	Ethics committee and grievance logs.
Governance	Code of Conduct Violations	Count	0	0	Maintain Zero	<b>Maintain Zero</b>	Compliance and HR disciplinary records.
Governance	Supplier ESG Audits Conducted	% suppliers	100%	100%	100 %	<b>Maintain 100 %</b>	Third-party audit reports and corrective action plans.
Governance	Suppliers with Signed Code of Conduct	% suppliers	100 %	100 %	Maintain 100 %	<b>Maintain 100 %</b>	Supplier declaration database.
Governance	Contracts Containing ESG Clauses	% contracts	92.5 %	100%	100 %	<b>Maintain 100 %</b>	Procurement record review.
Governance	Supplier Training on Sustainability Practices	% suppliers	100%	100%	80 %	<b>100 %</b>	Training attendance and capacity-building records.
Governance	External ESG Assurance Frequency	Annual	Annual	Annual	Annual	<b>Annual</b>	Independent verification by Youniformity Consulting Pvt. Ltd.
Governance	Compliance Incidents / Fines	Count	0	0	Maintain Zero	<b>Maintain Zero</b>	Legal and regulatory compliance register.

# ESG STRATEGIC TARGETS FRAMEWORK (Baseline FY 2023-24)

## Monitoring, Measurement, and Review Framework

At **Cosmos Crafts**, the ESG Strategic Targets Framework is not a static set of commitments, but a dynamic roadmap governed through measurable data, continuous review, and transparent reporting. Each target outlined in the framework is monitored through defined indicators, tracked periodically, and validated through independent assurance to ensure credibility and accountability.

## Measurement Approach

All ESG indicators are quantified using standardized international methodologies such as the **GHG Protocol Corporate Standard, ISO 14001, ISO 37001, and GRI 2021 Disclosures**. Environmental data — including energy, emissions, water, and waste — are measured through meter readings, utility bills, vendor registers, and internal audit reports. Social and governance indicators are derived from HR systems, training logs, grievance registers, and supplier compliance audits.

## Intermediate Review and Progress Evaluation

To maintain oversight and timely course correction, the company follows a **three-tiered review structure**:

- **Quarterly Internal Reviews** – Conducted by department heads and ESG focal points to capture progress against short-term milestones such as quarterly energy usage, emissions, and safety performance.

- **Half-Yearly Management Review** – The **ESG Steering Committee**, chaired by senior leadership, evaluates performance trends, identifies improvement areas, and approves corrective actions or resource reallocations.
- **Annual Assurance and Disclosure** – Verified results are consolidated into the Sustainability Report and reviewed against GRI and SDG benchmarks for transparent disclosure to stakeholders.

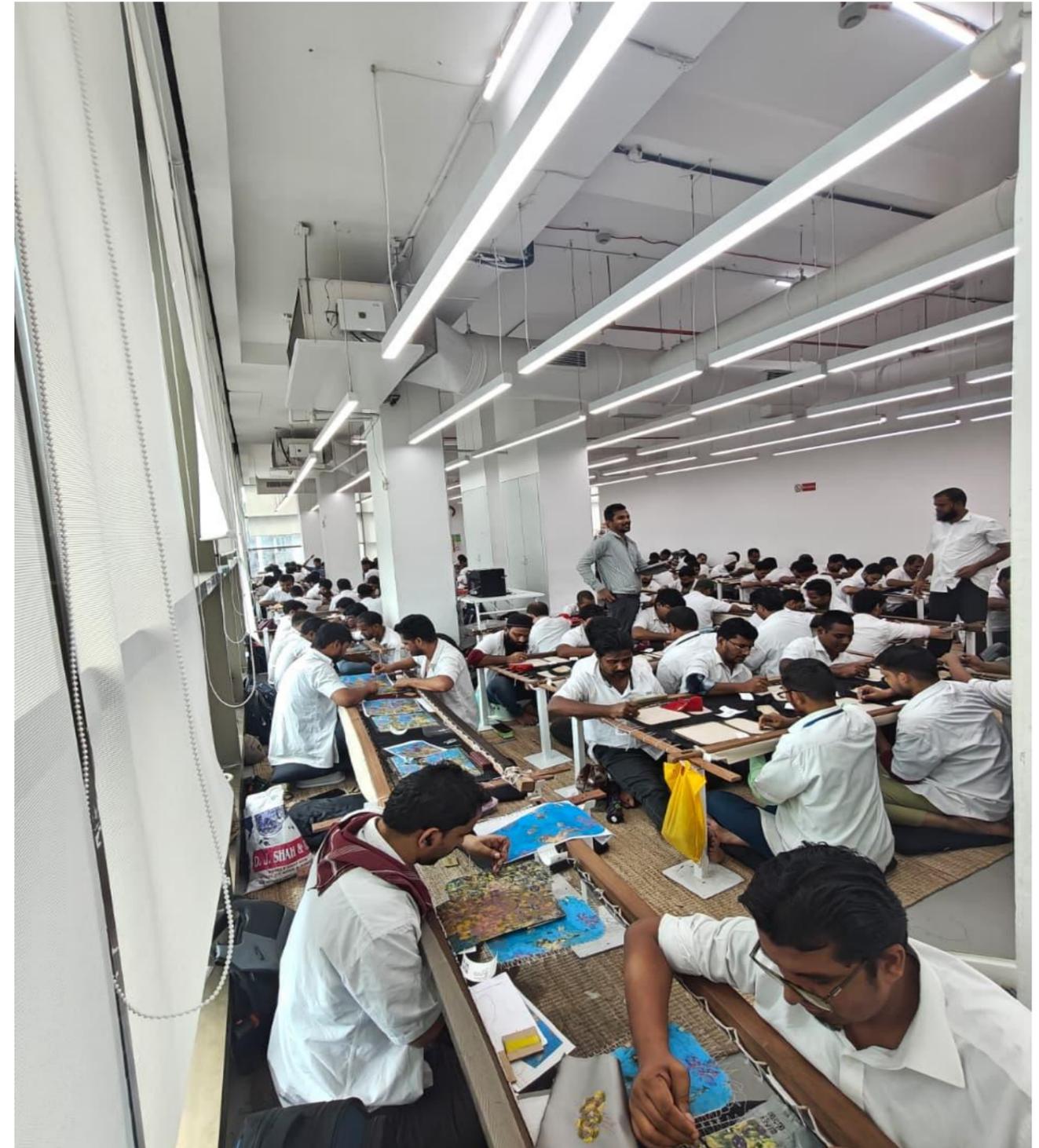
## Key Performance Checkpoints

- **FY 2023–24** serves as the first checkpoint year, establishing real-time baselines and system integration readiness.
- **FY 2026–27** marks the mid-term review phase, during which progress toward absolute and intensity reduction targets (GHG, energy, and waste) will be validated externally.
- **FY 2029–30** concludes the first strategic cycle, with an independent audit to confirm target achievement, recalibrate baselines, and define next-phase objectives.

## Accountability and Continuous Improvement

Accountability for each ESG parameter rests with designated function heads, while overall governance lies with the **Managing Director and ESG Committee**. Regular staff training, policy revisions, and supplier capacity

building form the backbone of our continuous improvement process. By combining quantitative measurement with qualitative insights, Cosmos Crafts ensures that progress is both measurable and meaningful — driving long-term sustainability, ethical growth, and responsible craftsmanship.



# OUR ACTIONS- ENVIRONMENT

## ENVIRONMENT MANAGEMENT

Environmental stewardship lies at the core of Cosmos Crafts' operations. As an artisanal hand-embroidery enterprise based in Byculla, Mumbai, the company acknowledges its responsibility to protect natural resources, mitigate greenhouse gas (GHG) emissions, and prevent pollution.

The organization's environmental management system aligns with the principles of **ISO 14001:2015** and **ISO 45001:2018**, ensuring continuous improvement, compliance, and transparent monitoring. The strategy is driven by three priorities: **efficient resource use, emission reduction, and circularity**, forming the foundation for the company's journey toward a low-carbon and sustainable future.

### Energy and GHG Management

Energy is a critical enabler of both productivity and environmental impact. Cosmos Crafts' approach to energy management combines efficiency, renewable transition, and behavioral change. The company maintains comprehensive records of electricity consumption, fossil fuel usage, and emission intensity.

#### FY 2024–25 Energy Performance

- **Electricity Consumption:** 59.8 MWh, a reduction from 60.4 MWh in FY 2023–24 and 63.2 MWh in FY 2022–23.
- **Renewable Energy:** A **40 kWp solar installation** feasibility study completed; expected implementation by FY 2026.

- **Energy Intensity:** Improved by **7.4 %** since the FY 2023 baseline.
- **LED Conversion:** 100% of lighting systems upgraded to LED across all operational spaces.
- **Smart Metering:** Installed in production and office zones for real-time load monitoring.

#### GHG Emissions

Cosmos Crafts quantifies emissions across all scopes using activity-based data:

- **Total GHG emissions (Scopes 1, 2, and 3):** 514.79 tCO<sub>2</sub>e, marking a **17% reduction** from the FY 2021–22 baseline.
- **Scope 1 emissions:** 0.0539 tCO<sub>2</sub>e, reflecting efficient fleet and generator-free operations.
- **Scope 2 emissions:** 42.34 tCO<sub>2</sub>e, driven solely by grid electricity use.
- **Scope 3 emissions:** 472.40 tCO<sub>2</sub>e, mainly attributed to logistics and business travel.

#### Reduction Actions

- Transition to renewable electricity for at least **25% of total energy mix by FY 2028**.
- Employee training on energy conservation and climate action, with **100% workforce participation** in FY 2024–25.

- Internal **Energy and Carbon Audit** conducted to identify process-level opportunities for reduction.
- Initiated **route optimization and cleaner transportation modes**, including a gradual shift toward electric vehicles for supplier logistics.

#### Outcomes

The year saw a **9.2% reduction in total energy use** compared to the 2023 baseline and a **progressive fall in emission intensity per revenue unit**. Cosmos Crafts' proactive investments and behavioral interventions continue to translate efficiency into climate impact mitigation.

### Water Stewardship

Water is essential to cleaning, finishing, and general operational maintenance at Cosmos Crafts. The company treats water as a shared resource, focusing on **efficiency, reuse, and quality assurance**.

#### FY 2024–25 Water Data

- **Total Water Withdrawal:** 170 kL (down from 172 kL in FY 2023–24).
- **Water Recycling Efficiency:** 90%, an improvement from 88% the previous year.
- **Municipal vs. Groundwater Use:** 100% municipal supply; **0% groundwater dependence**.

#### Water Efficiency Measures

- **Smart Water Metering:** Installed to monitor usage patterns per process area.
- **Closed-Loop Reuse:** Greywater from washing and cleaning reused for sanitation and cooling.
- **Rainwater Harvesting:** System designed for future installation, targeting 25% rainwater contribution by FY 2027.
- **Regular Water Quality Testing:** Ensures compliance with CPCB norms and internal standards.

#### Water Audit and Risk Assessment

While Cosmos Crafts does not perform direct dyeing or washing processes, it has commissioned a **Water Risk Assessment** for the Byculla region using parameters from nearby industrial audits. The study confirmed that the site is in a **low to medium stress zone**, affirming sustainable water availability for long-term operations.

By maintaining consistent consumption reduction and zero discharge violations, Cosmos Crafts demonstrates that sustainable water management is not only possible but profitable through operational discipline.

### Air Quality and Emissions Control

Clean air and controlled emissions are integral to Cosmos Crafts' environmental responsibility. The facility operates without heavy machinery or combustion sources, significantly minimizing local air pollutants.

# OUR ACTIONS- ENVIRONMENT

## Key Measures

- **Dust and PM Control:** All production areas are equipped with high-efficiency air filters and natural ventilation systems.
- **VOC & Chemical Management:** Only low-toxicity adhesives and cleaning materials are approved for use.
- **Noise Management:** Periodic boundary testing confirms noise levels well within CPCB-prescribed limits, as verified by **third-party noise audits (2022 & 2024)**.
- **Air Quality Audit:** Independent testing conducted in December 2024 confirmed compliance for PM<sub>2.5</sub>, SO<sub>2</sub>, and NO<sub>x</sub> levels.

## Operational Practices

- Natural daylighting minimizes artificial light-related emissions.
- Optimized logistics scheduling to reduce vehicular idling and congestion.
- Coordination with delivery service providers (e.g., Porter, Loadshare) to adopt optimized routing, resulting in **37% fewer short-distance trips**.

Through these practices, Cosmos Crafts continues to safeguard local community health while contributing to broader air quality improvements in the Mumbai region.

## Waste and Material Management

Waste minimization and circularity are central to Cosmos Crafts' environmental agenda. The company strives to achieve **100% recycling or recovery** of all operational waste streams, reinforcing its commitment to a circular production model.

### FY 2024–25 Waste Data

- **Total Waste Generated:** 108.1 metric tons (MT).
- **Textile Waste:** 72% of total; fully reused internally or repurposed through partnerships with *Chanakya School of Craft*.
- **Packaging Waste:** 18%; transitioned entirely to paper-based recyclable materials.
- **E-Waste:** Recycled through certified vendor *Aman E-Waste Recycling*.
- **Hazardous Waste:** None generated.

### Waste Management Practices

- Segregation at source across organic, paper, metal, plastic, and electronic streams.
- **Recycling Bins:** Clearly labeled in all production and common areas.
- **Upcycling Initiative:** Fabric offcuts used for accessory creation and community skill workshops.
- **Internal Waste Tracking System:** Records every kilogram of waste

movement from generation to disposal or reuse.

## Performance

Cosmos achieved **100% waste diversion from landfill** in FY 2024–25. The internal reuse of materials not only reduces disposal costs but also promotes innovation in sustainable product design.

## Product Lifecycle and End-of-Life Management

Cosmos Crafts designs products for longevity, safety, and environmental compatibility. Each product undergoes material evaluation to ensure minimal impact during production, use, and disposal phases.

### Sustainable Design Approach

- **Durability First:** Focus on hand-embroidery techniques that extend product life far beyond conventional fashion cycles.
- **Material Selection:** Use of eco-friendly threads, recycled fabrics, and biodegradable packaging materials.
- **Take-Back Program:** Collaboration with retailers to collect end-of-life products for reuse or recycling.
- **Product Impact Study:** Conducted internally to analyze energy and resource intensity per piece, forming the basis for future product sustainability scoring.

### Packaging Optimization

- Lightweight, mono-material packaging designed for easier recyclability.

- Elimination of plastic laminations and multi-layer pouches.

- Shift to **biodegradable and FSC-certified paper boxes** across all shipments.

### Circular Design Milestone

In FY 2024–25, Cosmos Crafts successfully converted **82% of its packaging material** to recyclable formats and is on track to reach 100% by FY 2027.

## Customer Health and Safety

Customer well-being is an extension of Cosmos Crafts' sustainability ethics. Each product is crafted and packaged to ensure safety during use, storage, and disposal.

### Key Initiatives

- **Allergen-Free Materials:** No chemical treatments or dyes used that could cause irritation or allergic reactions.
- **Safe Cleaning Instructions:** All products can be cleaned using mild detergents; no harsh chemicals are required.
- **Care Labeling:** Detailed instructions provided for responsible use, cleaning, and end-of-life handling.
- **Customer Awareness:** Digital and printed communication on sustainability and safe product handling provided with each order.

Cosmos Crafts ensures that every stage of the product experience — from creation to disposal — aligns with its environmental and health-conscious philosophy.

# OUR ACTIONS- ENVIRONMENT

## KPI Framework- Environment

Category	Indicator / KPI	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	2030 Target
Energy & GHG Management	Electricity consumption (MWh)	65.23	63.20	60.40	59.80	↓25% vs FY 2023 baseline
Energy & GHG Management	Total energy use (MWh, incl. fuel)	65.59	63.53	60.71	60.02	↓25% vs FY 2023 baseline
Energy & GHG Management	Scope 1 GHG emissions (tCO <sub>2</sub> e)	0.088	0.081	0.076	0.054	Maintain ≤0.1 tCO <sub>2</sub> e annually
Energy & GHG Management	Scope 2 GHG emissions (tCO <sub>2</sub> e)	46.18	44.75	42.76	42.34	↓25% vs FY 2023 baseline
Energy & GHG Management	Scope 3 GHG emissions (tCO <sub>2</sub> e)	575.40	515.11	502.79	472.40	↓20% vs FY 2023 baseline
Energy & GHG Management	Total GHG emissions (Scopes 1+2+3) (tCO <sub>2</sub> e)	621.67	559.94	545.63	514.79	↓25% by FY 2030
Energy & GHG Management	Carbon & energy audit Conducted	—	Yes	Yes	Yes	Annual review
Energy & GHG Management	Renewable energy share (%)	0	0	0	Feasibility study (40 kWp solar, FY 26)	≥25% by FY 2028
Energy & GHG Management	Product end-of-life take-back program	—	—	Pilot	Implemented	Fully scaled by FY 2028

## KPI Framework- Environment

Category	Indicator / KPI	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	2030 Target
Water Stewardship	Total water withdrawn (kL)	214	190	177	170	↓20% vs FY 2023
Water Stewardship	Water reused / recycled (kL)	65	70	75	80	≥95 % efficiency by FY 2030
Water Stewardship	Net freshwater consumption (kL)	149	120	102	90	↓30% vs FY 2023
Water Stewardship	Groundwater use (%)	0	0	0	0	Maintain zero
Waste & Circularity	Total waste generated (MT)	141.5	121.1	118.2	106.1	↓25% vs FY 2023
Waste & Circularity	Recycled / reused waste (%)	2%	3%	5%	7%	≥25 % by FY 2030
Waste & Circularity	Waste sent for disposal (%)	98%	97%	95%	93%	≤75 % by FY 2030
Waste & Circularity	Hazardous waste (MT)	0	0	0	0	Maintain zero
Air & Noise Management	Air & noise compliance (%)	100%	100%	100%	100%	Maintain 100%
Product Lifecycle & Packaging	Product end-of-life take-back program	—	—	Pilot	Implemented	Fully scaled by FY 2028
Training & Awareness	Environmental sessions / year	—	2	3	4	≥4 annually
Training & Awareness	Employees trained on energy & climate (%)	90%	95%	100%	100%	Maintain 100%

# OUR ACTIONS- ENVIRONMENT

## KPI Framework- GHG Emissions

Indicator	Unit	Baseline (FY 2023)	Actual (FY 2024-25)	Target FY 2027	Target FY 2030	Scope
Scope 1 – Direct (Fuel)	tCO <sub>2</sub> e	0.088	0.054	↓ 20%	↓ 30%	Derived from fuel usage logs & GHG Protocol.
Scope 2 – Purchased Electricity	tCO <sub>2</sub> e	46.18	42.34	↓ 25%	↓ 35%	Based on electricity bills & grid factors.
Scope 3 – Value Chain	tCO <sub>2</sub> e	575.4	472.4	↓ 10%	↓ 20%	Derived from logistics, packaging, and commuting data.
Total GHG (Scopes 1-3)	tCO <sub>2</sub> e	621.7	514.8	↓ 20%	↓ 30%	Consolidated under GHG Protocol.
GHG Intensity (tCO <sub>2</sub> e/₹)	tCO <sub>2</sub> e/₹	0.00000075	0.00000062	↓ 15%	↓ 25%	Total GHG ÷ annual revenue.
Total Energy Consumption	kWh	60,400	59,800	↓ 15%	↓ 25%	Meter readings & audit verification.
Energy Intensity (kWh/₹)	kWh/₹	0.0000003	0.00000027	↓ 10%	↓ 20%	Energy ÷ turnover; annual audits.
Renewable Energy Share	%	0	15% (FY 2026)	15%	25%	Solar & renewable procurement.

## KPI Framework – Air, Noise, and Local Environment

Indicator	Unit	Baseline (FY 2023)	Actual (FY 2024-25)	Target FY 2027	Target FY 2030	Scope
PM <sub>10</sub> Concentration	µg/m <sup>3</sup>	58	57.23	Maintain <75	Maintain <60	Third-party ambient air monitoring.
PM <sub>2.5</sub> Concentration	µg/m <sup>3</sup>	36	33.58	Maintain <50	Maintain <40	NAAQS-compliant 8-hour testing.
SO <sub>2</sub> Concentration	µg/m <sup>3</sup>	13	12.00	Maintain <30	Maintain <25	Continuous air monitoring results verified by lab.
NO <sub>2</sub> Concentration	µg/m <sup>3</sup>	16	15.12	Maintain <30	Maintain <25	Laboratory ambient air testing.
Noise Level (Leq)	dB(A)	63.5	63.1	Maintain <70	Maintain <65	Noise testing by accredited lab per CPCB norms.
Odor / VOC Complaints	Count	0	0	Maintain Zero	Maintain Zero	Internal and municipal grievance records.

# OUR ACTIONS- SOCIAL

## SOCIAL RESPONSIBILITY & WORKFORCE WELFARE

Cosmos Crafts' social philosophy rests on a simple but powerful belief: that sustainable artistry can exist only when people thrive. The company's Byculla, Mumbai facility — home to 437 artisans and employees — operates under a governance framework that meets international labor, health, and ethical standards. Certified under **SA8000:2014** for social accountability and **ISO 45001:2018** for occupational health and safety, Cosmos Crafts ensures that every employee works in an environment grounded in fairness, equity, and respect.

Each policy — from its Living Wage commitment to its Diversity and Inclusion charter — reinforces this human-centered approach. Together, they create a workplace that not only meets compliance requirements but nurtures trust, belonging, and pride among its people.

### Fair Employment and Living Wage Commitment

Fair compensation is central to Cosmos Crafts' social sustainability ethos. Every employee receives a living wage calculated using a **food basket model**, covering essentials such as nutrition, housing, transportation, education, healthcare, and savings. This system ensures that wages go beyond subsistence and contribute to a dignified standard of life.

#### Implementation Framework

- Wages are reviewed annually through internal benchmarking and inflation assessment.

- 100% of employees are paid through **bank transfers**, ensuring transparency and financial inclusion.
- Overtime is voluntary, compensated at legal premium rates.
- Social security coverage includes **Provident Fund, Employee State Insurance, gratuity, and paid leave entitlements**.
- Salary slips are digitally issued each month, supporting traceability and recordkeeping.

#### FY 2024–25 Achievements

- **100% workforce covered** under the Living Wage structure.
- **Average wage 32% higher** than local minimum standards.
- **92% retention rate** and **20% internal promotions** — indicators of wage satisfaction and stability.
- Timely wage disbursement maintained for 48 consecutive months.

An artisan from the embroidery unit shared, ***“What I earn today supports my children’s education and helps me save. We feel secure because everything is recorded and timely.”*** This simple reflection captures Cosmos Crafts' commitment to building livelihoods that last.

### Human Rights and Ethical Labour Practices

The company maintains an unwavering **zero-tolerance policy** for child labor, forced labor, and any form of human exploitation. These standards are reinforced through the **Labor and Human Rights Policy, Child Labour Prevention Policy, and Child Remediation Policy**, which apply to all employees, suppliers, and subcontractors.

#### Safeguards and Oversight

- **Age verification** is mandatory before hiring, with documentary evidence archived in HR files.
- All suppliers sign **Ethical Compliance Declarations** committing to the same standards.
- Quarterly audits are conducted to verify age, attendance, and wage records.
- A digital compliance tracker monitors supplier adherence to ethical guidelines.
- In the rare case of a breach, immediate **remediation actions** include education sponsorship and family counseling.

#### FY 2024–25 Results

- **Zero cases** of child labor, forced labor, or bonded work reported.
- All 18 active suppliers verified for ethical compliance.
- 100% of workforce and procurement teams trained in human rights

awareness.

By aligning its operational culture with human rights values, Cosmos Crafts ensures that every thread of its craft is free from exploitation.

### Health, Safety, and Well-being

Under its **ISO 45001-certified Occupational Health and Safety Management System**, Cosmos Crafts prioritizes preventive care and daily well-being. Given the precision of hand-embroidery work, physical comfort and ergonomic efficiency are crucial for artisans' health and long-term capability.

#### Core Safety Measures

- **Daily ergonomic training** (averaging 182.5 hours per artisan annually) covers posture, lighting, and muscle care.
- Quarterly **fire safety and first aid drills** conducted for all employees.
- Workstations equipped with **adequate ventilation, non-glare lighting, and anti-fatigue seating**.
- Regular risk assessments of electrical, storage, and emergency exits.
- Access to **on-site medical aid** and partnerships with nearby clinics in Byculla.

#### FY 2024–25 Performance

- **Zero work-related injuries or illnesses** reported for the fourth consecutive year.
- **100% health insurance coverage** for employees.

# OUR ACTIONS- SOCIAL

- 99% participation in preventive health check-ups.
- Introduction of *Wellness Corners* for hydration and rest breaks, enhancing comfort and reducing fatigue.

## Human Rights and Ethical Labour Practices

The working culture at Cosmos Crafts emphasizes mutual respect and communication. The company maintains **standard working hours**, weekly rest days, and paid leave benefits in full compliance with national labor laws. No temporary or casual employment exists — 100% of staff are under permanent contracts.

### Communication and Grievance Systems

- The **Grievance Redressal Committee (GRC)** meets monthly, composed equally of management and worker representatives.
- Employees can raise issues through suggestion boxes, direct HR contact, or anonymous email channels.
- Grievances are acknowledged within 48 hours and resolved within a 10-day timeframe on average.
- Monthly *Dialogue Forums* allow open discussion on workload, safety, and morale.

### FY 2024–25 Highlights

- **32 grievances received; 31 resolved** — a **98% resolution rate**.
- Average resolution time improved

from **14.3 days (FY 2021–22)** to **6.5 days**.

- 100% of employees participated in at least one dialogue session.
- Feedback surveys show a **93% satisfaction rate** with workplace communication and fairness.

## Capacity Building and Skill Development

Empowerment through learning is central to Cosmos Crafts' social mission. Artisans, administrative teams, and quality staff participate in comprehensive development programs covering both technical and behavioral competencies.

### Training Framework

- **Daily skill sessions** reinforce embroidery precision, thread quality, and craftsmanship discipline.
- Technical programs include **CAD embroidery design, surface ornamentation, and process optimization**.
- **Ethics, environmental awareness, and labor law refresher modules** delivered annually.
- A **mentorship program** pairs senior artisans with new recruits for on-the-job learning and cultural continuity.
- Digital learning archives ensure consistent knowledge transfer across projects.

### FY 2024–25 Training Results

- **198.5 average training hours per employee**, exceeding the company's 180-hour target.
- 100% of employees attended safety and ergonomics sessions.
- 94% of artisans received advanced embroidery skill upgrades.
- 88% reported increased confidence and comfort using new design tools.

A senior trainer described, **“Skill development here is continuous — it’s how we sustain the tradition while preparing for the future.”**

## Diversity, Equity, and Inclusion

Cosmos Crafts' *Diversity, Equity and Inclusion Policy (CC/DEI/001)* ensures an environment of fairness, equal opportunity, and respect for all employees. While the current workforce primarily comprises male artisans due to the specialized nature of the craft, the company continues to encourage equitable participation from diverse socio-economic backgrounds.

### DEI Performance:

- **100% of employees trained** on diversity, equity, and workplace sensitivity.
- **Zero cases** of discrimination or harassment reported in FY 2024–25.
- **14.3% of employees** belong to underrepresented or economically disadvantaged groups.

- **Accessibility compliance:** all work areas designed to accommodate persons with disabilities.
- **Employee DEI satisfaction rating:** 4.8/5 from internal survey responses.

Respect and fairness remain non-negotiable elements of the Cosmos Crafts culture, upheld through awareness, accountability, and continuous reinforcement.

## Governance and Policy Framework

Social performance at Cosmos Crafts is anchored in formal governance systems that integrate legal, ethical, and operational controls. The organization's compliance architecture ensures that every employee is protected by documented, auditable standards.

### Core Policies and Systems:

- **SA8000:2014** – Social Accountability Management System.
- **ISO 45001:2018** – Occupational Health and Safety Management System.
- **Labor & Human Rights Policy (CC/LHR/001)** – Ensures fair recruitment, working conditions, and grievance mechanisms.
- **HR Manual** – Governs attendance, leave, conduct, and benefits.
- **Child Labour Prevention and Remediation Policies** – Uphold complete prohibition and proactive education-based remediation.
- **Diversity, Equity & Inclusion Policy** – Promotes equal opportunity and

# OUR ACTIONS- SOCIAL

cultural sensitivity.

Each system undergoes **annual internal audits and management reviews** to ensure continuous alignment with evolving labor regulations, global standards, and employee expectations.

## Social Performance Indicators Framework (FY 2024–25)

Indicator / KPI	FY 2024–25 Result	Target FY 2027	Target FY 2030	Scope
Workforce Size	437	Maintain	Maintain	HR Records
Living Wage Coverage	100%	Maintain	Maintain	Payroll Data
Average Wage Above Minimum	+32%	Maintain	Maintain	Wage Benchmark Survey
Work-Related Injuries	0	Maintain Zero	Maintain Zero	OHS Logs
Medical Insurance Coverage	100%	Maintain	Maintain	HR Policy Records
Ergonomic Training Hours	182.5 hrs	Maintain	Maintain	Training Logs
Total Training Hours	198.5 hrs	≥200 hrs	≥220 hrs	HR Learning System
Training Coverage	100%	Maintain	Maintain	HR Audit
Grievances Resolved	98%	≥98%	≥99%	Committee Records
Avg. Resolution Time	6.5 days	≤6 days	≤5 days	HR Dashboard
Underrepresented Employees	14.3%	≥18%	≥20%	DEI Audit
Harassment Cases	0	Maintain Zero	Maintain Zero	HR Compliance Reports
Child / Forced Labor Cases	0	Maintain Zero	Maintain Zero	Compliance Audits



# OUR ACTIONS- GOVERNANCE

## GOVERNANCE, ETHICS & SUPPLY CHAIN MANAGEMENT

Cosmos Crafts' governance philosophy is rooted in integrity, accountability, and transparency — the cornerstones of ethical craftsmanship and sustainable business conduct. The organisation's governance model ensures that every strategic and operational decision reflects its commitment to responsible leadership, compliance with international standards, and protection of stakeholder trust.

With full adherence to the SA 8000 Standard and ISO 45001 Certification, Cosmos Crafts has institutionalised governance structures that uphold ethical decision-making, foster equitable partnerships, and ensure resilience against risks related to corruption, data security, and supply chain vulnerabilities.

In FY 2024–25, the company continued to build on its governance maturity by ensuring 100% compliance with its Code of Conduct, complete policy acknowledgment across the workforce, and expanding supplier sustainability assurance across all procurement tiers.

### Anti-Corruption and Ethical Governance

Ethical governance lies at the heart of Cosmos Crafts' operations. The company maintains a zero-tolerance approach to corruption, bribery, and unethical practices. Its *Ethics Policy* and *Code of Conduct* define the expectations for professional behavior, transparency in decision-making, and integrity in all commercial transactions.

The entire workforce — including management, artisans, and support staff — is covered under ethics training and policy acknowledgment frameworks. Cosmos Crafts' whistleblower mechanism allows any employee to confidentially report ethical concerns, which are reviewed by an internal grievance committee to ensure impartial resolution.

#### Key Achievements FY 2024–25

- **Zero incidents** of bribery, corruption, or whistleblower complaints recorded.
- **100% employee coverage** in ethics, anti-bribery, and integrity training sessions.
- **Reinforced Code of Conduct acknowledgment** – all employees reaffirmed annual adherence to ethics and human rights policies.
- **Internal controls and segregation of duties** enhanced to prevent conflict of interest and ensure transparent procurement approval chains.

#### Plan, Execution, and Measurement

- **Plan:** Strengthen the ethical culture by mandating annual compliance declarations and integrating ethics awareness into induction programs.
- **Execution:** Ethics and anti-bribery modules are conducted through structured workshops, ensuring both

awareness and situational decision-making skills.

- **Training:** Refresher courses and ethics reorientation sessions are scheduled annually; completion rates are tracked by the HR department.
- **Sensitivity Building:** Employees are sensitized to ethical dilemmas through real-world case studies, highlighting integrity as a core value.
- **Measurement:** Indicators such as number of violations, training coverage, and policy acknowledgment are reviewed quarterly by the management review committee.

### Responsible Information Management

Cosmos Crafts recognizes that information integrity is critical for maintaining stakeholder trust. The organisation's *Information Safety and Data Retention Policy* ensures the confidentiality, availability, and traceability of all business information — from design archives to supplier data.

Data handling protocols align with ISO 27001 principles, focusing on access control, system monitoring, and responsible digital storage. Cyber awareness sessions are integrated into annual employee training plans to ensure secure handling of sensitive client information.

#### Key Achievements FY 2024–25

- **Zero confirmed information security incidents** or breaches across the reporting period.

- **100% employee acknowledgment** of data protection policies and confidentiality agreements.
- **Periodic audits** on IT access and data retention compliance completed without any corrective findings.
- **Enhanced backup and retention systems** implemented to ensure long-term digital asset protection.

#### Plan, Execution, and Measurement

- **Plan:** Strengthen cybersecurity governance through clear accountability, technical controls, and continuous awareness.
- **Execution:** Access restrictions enforced on all systems; periodic vulnerability assessments ensure data protection integrity.
- **Training:** Dedicated sessions conducted for all employees covering data classification, phishing risk awareness, and secure sharing practices.
- **Sensitivity Building:** Employees are trained to recognize cyber risks and report potential incidents promptly.
- **Measurement:** Indicators include number of breaches, training completion, audit findings, and system downtime metrics.

# UNSDG MAPPING - COSMOS CRAFTS

Sustainable Development Goal	SDG Target	SDG Target Description	Application at Cosmos Crafts	Page Ref.
<b>SDG 3 – Good Health &amp; Well-being</b>	Target 3.9	By 2030, substantially reduce deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination.	Zero hazardous waste generation; 100% employee health coverage; daily ergonomic and safety training; 99% preventive health check-up participation.	30–33, 42–44
<b>SDG 5 – Gender Equality</b>	Target 5.5	Ensure women’s full and effective participation and equal opportunities for leadership.	DEI policy implemented; 100% employees trained on inclusion; goal to introduce women artisans by FY 2026–27; 14.6% workforce from underrepresented groups.	28–29, 37–40
<b>SDG 6 – Clean Water &amp; Sanitation</b>	Target 6.4	Substantially increase water-use efficiency across all sectors and ensure sustainable freshwater withdrawal.	Smart water metering, 90% recycling rate, 100% municipal water use (no groundwater), and a 5% reduction target by 2027.	22–25, 26–29, 47–48
<b>SDG 7 – Affordable &amp; Clean Energy</b>	Target 7.2	Increase substantially the share of renewable energy in the global energy mix.	Feasibility completed for 40 kWp solar installation; LED adoption at 100%; energy intensity improved by 7.4%.	22–25, 27–29, 33–34
<b>SDG 8 – Decent Work &amp; Economic Growth</b>	Target 8.3	Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity, and innovation.	100% living wage coverage, skill-building averaging 198 hours per employee annually, and 22% internal promotion rate.	28–29, 35–40
<b>SDG 9 – Industry, Innovation &amp; Infrastructure</b>	Target 9.4	Upgrade industry facilities to make them sustainable, with increased resource-use efficiency and greater adoption of clean technologies.	ISO 9001, ISO 14001, ISO 45001, and ISO 27001 certifications; LED retrofits, smart meters, and paper-based packaging innovations.	11–12, 22–30, 33–34
<b>SDG 12 – Responsible Consumption &amp; Production</b>	Target 12.2	Achieve sustainable management and efficient use of natural resources.	100% waste segregation and tracking; 82% recyclable packaging conversion; 100% textile reuse; zero landfill waste.	22–25, 29–30, 47–48
<b>SDG 13 – Climate Action</b>	Target 13.2	Integrate climate change measures into national policies, strategies, and planning.	GHG reduction by 17% since baseline; carbon and energy audits; 25% renewable energy target by FY 2028.	22–25, 27–29, 33–34
<b>SDG 15 – Life on Land</b>	Target 15.1	Ensure the conservation, restoration, and sustainable use of terrestrial ecosystems.	1,400 saplings planted in FY 2024–25; biodiversity enhancement programs near manufacturing sites.	5, 27, 45
<b>SDG 16 – Peace, Justice &amp; Strong Institutions</b>	Target 16.5	Substantially reduce corruption and bribery in all their forms.	100% employees trained in anti-bribery; ISO 37001 compliance; zero incidents of corruption or violations.	41–44
<b>SDG 17 – Partnerships for the Goals</b>	Target 17.17	Encourage effective partnerships across public, private, and civil society.	Collaboration with Chanakya Foundation, local NGOs, and schools; supplier training (100% coverage); CSR-led education initiatives.	5, 33, 41, 45

# UNGC PRINCIPLES FOLLOWED COSMOS CRAFTS

UNGC Principle	Description of How the Principle is Applied at Cosmos Crafts	Page Reference in Report
<b>Principle 1</b>	Cosmos Crafts upholds and supports internationally proclaimed human rights across all operations. The company ensures dignity, equality, and safety through fair wages, ethical practices, and robust grievance redressal mechanisms.	28–29, 37–40, 42
<b>Principle 2</b>	The company ensures that its supply chain and partners respect human rights by enforcing supplier Codes of Conduct and annual ESG audits to identify and mitigate any human rights risks.	22–25, 27–29, 33–34, 47–48
<b>Principle 3</b>	Cosmos Crafts upholds the freedom of association and the right to collective bargaining for all employees. The democratically elected Workers Welfare Committee provides a platform for dialogue and grievance resolution.	22–25, 27–29, 33–34, 45, 47–48
<b>Principle 4</b>	The organization prohibits all forms of forced or compulsory labor. Regular compliance audits and supplier declarations ensure zero tolerance for bonded or coerced work.	22–25, 29–30, 33–34, 47–48
<b>Principle 5</b>	The company enforces a strict Child Labour Prevention and Remediation Policy. All employees and suppliers are required to comply, ensuring no child labor across operations or value chains.	41–44
<b>Principle 6</b>	Cosmos Crafts fosters diversity, equality, and inclusion by offering equal opportunity, fair promotion policies, and DEI awareness training. The company aims to introduce women artisans by FY 2026–27.	28–29, 37–40, 42
<b>Principle 7</b>	The company supports a precautionary approach to environmental challenges by maintaining ISO 14001 certification, conducting energy and carbon audits, and implementing waste segregation and recycling systems.	22–25, 27–29, 33–34, 47–48
<b>Principle 8</b>	Cosmos Crafts promotes greater environmental responsibility through energy efficiency programs, LED retrofits, water reuse systems, and 1,400-tree plantation initiatives.	22–25, 27–29, 33–34, 45, 47–48
<b>Principle 9</b>	The company encourages the development and diffusion of environmentally friendly technologies, including smart metering, closed-loop water reuse, and biodegradable packaging solutions.	22–25, 29–30, 33–34, 47–48
<b>Principle 10</b>	Cosmos Crafts maintains a zero-tolerance policy toward corruption and bribery. It is ISO 37001-certified and ensures all employees undergo annual ethics and anti-corruption training.	41–44

# GRI CONTENT INDEX

GRI Standard	Disclosure	Page No.
<b>Energy 302 (2016)</b>	302-1 Energy consumption within the organization	22–23, 42–43
	302-2 Energy consumption outside of the organization	22–23, 42–43
	302-3 Energy intensity	22–23, 42–43
	302-4 Reduction of energy consumption	22–23, 42–43
	302-5 Reductions in energy requirements of products and services	22–23, 42–43
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	22, 25, 26, 43
	303-2 Management of water discharge related impacts	22, 25, 26, 43
	303-3 Water withdrawal	26–27, 43
	303-4 Water discharge	26–27, 43
	303-5 Water consumption	26–27, 43
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	29–30, 47–48
	306-2 Management of significant waste-related impacts	29–30, 47–48
	306-3 Waste generated	29–30, 47–48
	306-4 Waste diverted from disposal	29–30, 47–48
	306-5 Waste directed to disposal	29–30, 47–48
<b>GRI 304: Biodiversity 2016</b>	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	5, 27, 45
	304-2 Significant impacts of activities, products, and services on biodiversity	5, 27, 45
	304-3 Habitats protected or restored	5, 27, 45
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	5, 27, 45

GRI Standard	Disclosure	Page No.
<b>GRI 305: Emissions (2016)</b>	3-1 Management of material topics	22–23, 42–43
	305-1 Direct (Scope 1) GHG emissions	22–23, 42–43
	305-2 Energy Indirect (Scope 2) GHG emissions	22–23, 42–43
	305-3 Other Indirect (Scope 3) GHG emissions	22–23, 42–43
	305-4 GHG emissions intensity	22–23, 42–43
	305-5 Reduction of GHG emissions	22–23, 42–43
	305-6 Emissions of ozone-depleting substances (ODS)	22–23, 42–43
<b>GRI 306: Waste 2020</b>	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	22–23, 42–43
	306-1 Waste generation and significant waste-related impacts	29–30, 47–48
	306-2 Management of significant waste-related impacts	29–30, 47–48
	306-3 Waste generated	29–30, 47–48
	306-4 Waste diverted from disposal	29–30, 47–48
<b>GRI 308: Supplier Environmental Assessment 2016</b>	306-5 Waste directed to disposal	29–30, 47–48
	308-1 New suppliers that were screened using environmental criteria	32–33, 42–43, 45
	308-2 Negative environmental impacts in the supply chain and actions taken	32–33, 42–43, 45
<b>GRI 401: Employment 2016</b>	3-3 Management of material topics	28–29, 42
	401-1 New employee hires and employee turnover	28–29, 42
	401-2 Benefits provided to full-time employees that are not provided to part-time employees	28–29, 42
	401-3 Parental leave	28–29, 42

# GRI CONTENT INDEX

GRI Standard	Disclosure	Page No.
<b>Labor/Management Relations 402 (2016)</b>	3-3 Management of material topics	30–31, 42
	402-1 Minimum notice periods regarding operational changes	30, 33
<b>Occupational Health and Safety 403 (2018)</b>	3-3 Management of material topics	30–33, 42–44
	403-1 Occupational health and safety management system	30–33, 42–44
	403-2 Hazard identification, risk assessment and incident investigation	30–33, 42–44
	403-3 Occupational health services	30–33, 42–44
	403-4 Worker participation, consultation, and communication on occupational health and safety	30–33, 42–44
	403-5 Worker training on occupational health and safety	30–33, 42–44
	403-6 Promotion of worker health	30–33, 42–44
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	30–33, 42–44
	403-8 Workers covered by an occupational health and safety management system	30–33, 42–44
	403-9 Work-related injuries	30–33, 42–44
403-10 Work-related ill health	30–33, 42–44	
	3-3 Management of material topics	28–29, 42
<b>Training &amp; Education 404 (2016)</b>	404-1 Average hours of training per year per employee	28–29, 42
	404-2 Programs for upgrading employee skills and transition assistance programs	28–29, 42

GRI Standard	Disclosure	Page No.
<b>Training &amp; Education 404 (2016)</b>	404-3 Percentage of employees receiving regular performance and career development reviews	28–31, 42, 44
<b>Diversity and Equal Opportunity 405 (2016)</b>	3-3 Management of material topics	28–29, 37–40, 42
	405-1 Diversity of governance bodies and employees	29, 37–40, 42
	405-2 Ratio of basic salary and remuneration of women to men	29, 42
<b>Non-Discrimination 406 (2016)</b>	3-3 Management of material topics	32–33, 42–43, 46–47
	406-1 Incidents of discrimination and corrective actions taken	32–33, 42–43, 46–47
<b>Freedom of Association and Collective Bargaining 407 (2016)</b>	3-3 Management of material topics	30–31, 32, 41–42, 46–47
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	30–31, 32, 41–42, 46–47
<b>Child Labor 408 (2016)</b>	3-3 Management of material topics	32–33, 42–43, 46–47
	408-1 Operations and suppliers at significant risk for incidents of child labor	32–33, 42–43, 46–47
<b>Forced or Compulsory Labor 409 (2016)</b>	3-3 Management of material topics	32–33, 42–43, 46–47
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	32–33, 42–43, 46–47
<b>Security Practices 410 (2016)</b>	3-3 Management of material topics	31–33, 42–44
	410-1 Security personnel trained in human rights policies or procedures	31–33, 42–44

# GRI CONTENT INDEX

GRI Standard	Disclosure	Page No.
<b>Rights of Indigenous Peoples 411 (2016)</b>	3-3 Management of material topics	31–33, 42–44
	411-1 Incidents of violations involving rights of indigenous peoples	31–33, 42–44
<b>Local Communities 413 (2016)</b>	3-3 Management of material topics	5, 15, 33–35, 45
	413-1 Operations with local community engagement, impact assessments, and development programs	5, 15, 33–35, 45
	413-2 Operations with significant actual and potential negative impacts on local communities	5, 15, 33–35, 45
<b>Supplier Social Assessment 414 (2016)</b>	3-3 Management of material topics	5, 15, 33–35, 45
	414-1 New suppliers that were screened using social criteria	5, 15, 33–35, 45
	414-2 Negative social impacts in the supply chain and actions taken	5, 15, 33–35, 45
<b>Public Policy 415 (2016)</b>	3-3 Management of material topics	41–44
	415-1 Political contributions	41–44
<b>Customer Health and Safety 416 (2016)</b>	3-3 Management of material topics	22–23, 33, 42–44
	416-1 Assessment of the health and safety impacts of product and service categories	22–23, 33, 42–44
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	22–23, 33, 42–44

GRI Standard	Disclosure	Page No.
<b>Marketing and Labeling 417 (2016)</b>	3-3 Management of material topics	22–23, 33, 43–44
	417-1 Requirements for product and service information and labeling	22–23, 33, 43–44
	417-2 Incidents of non-compliance concerning product and service information and labeling	22–23, 33, 43–44
<b>Customer Privacy 418 (2016)</b>	417-3 Incidents of non-compliance concerning marketing communications	22–23, 33, 43–44
	3-3 Management of material topics	32, 42–44
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	32, 42–44

# ESG PERFORMANCE (FY 24-25)

## ENVIRONMENT

### Energy & Emissions

#### GRI 302-1: Energy Consumption Within the Organisation (in MWH)

Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Purchased Electricity	65.23	63.2	60.4	59.8
Petrol	0.36	0.33	0.31	0.22
Diesel*	0	0	0	0
<b>Total</b>	<b>65.59</b>	<b>63.53</b>	<b>60.71</b>	<b>60.02</b>

#### GRI 302-1: Energy Consumption Within the Organisation (in GJ)

Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Purchased Electricity	234.828	227.52	217.44	215.28
Petrol	1.296	1.188	1.116	0.792
Diesel *	0	0	0	0
<b>Total</b>	<b>222</b>	<b>232</b>	<b>210</b>	<b>224</b>

#### GRI 302-2: Energy Consumption Outside the Organisation (in MWH)

Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Purchased Electricity	518	564	550	539
Petrol	9.3	10.54	9.96	9.34
Diesel*	0	0	0	0
<b>Total</b>	<b>527.3</b>	<b>574.54</b>	<b>559.96</b>	<b>548.34</b>

#### GRI 302-2: Energy Consumption Outside the Organisation (in GJ)

Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Purchased Electricity	1864.8	2030.4	1980	1940.4
Petrol	33.48	37.944	35.856	33.624
Diesel*	0	0	0	0
<b>Total</b>	<b>1898.28</b>	<b>2068.344</b>	<b>2015.856</b>	<b>1974.024</b>

#### GRI 302-3: Energy Intensity (GJ/INR)

Parameters	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Energy Intensity (GJ / INR of Turnover)	0.0000034	0.0000036	0.0000033	0.0000027

\* No Diesel Generators

#### GRI 305-1: Direct GHG Emissions: Scope 1 (in tCO2e)

Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Company-owned petrol bike	0.088	0.081	0.076	0.054
<b>Total</b>	<b>0.088</b>	<b>0.081</b>	<b>0.076</b>	<b>0.054</b>

#### GRI 305-2: Indirect GHG Emissions: Scope 2 (in tCO2e)

Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Purchased Electricity	46.18	44.75	42.76	42.34
<b>Total</b>	<b>46.18</b>	<b>44.75</b>	<b>42.76</b>	<b>42.34</b>

#### GRI 305-1 & 305-2: Scope 1 & Scope 2 Emissions (in tCO2e)

Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Company-owned petrol bike	0.088	0.081	0.076	0.054
Purchased Electricity	46.18	44.75	42.76	42.34
<b>Total</b>	<b>41.02</b>	<b>43.09</b>	<b>39.23</b>	<b>41.7</b>

#### GRI 305-3: Indirect GHG Emissions: Scope 3 (in tCO2e)

Source	Activity / Subcategory	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
1 – Purchased Goods & Services	Raw Material Procurement	106	97	93	87
2 – Purchased Goods & Services	Packaging Materials	388	350	339	315
4 – Upstream Transportation & Distribution	Material Transport & Distribution	1.6	1.7	1.5	1.3
6 – Business Travel	Air Travel	18.4	9.01	8.39	7.6
7 – Employee Commuting	Suburban Train	0.8	0.9	0.8	0.8
8 – Employee Commuting	Motorbike Commuting	0.4	0.5	0.4	0.4
9 – Downstream Transportation & Distribution	Export Sea Freight	60.2	56	59.7	60.3
<b>Total Scope 3</b>		<b>575.4</b>	<b>515.11</b>	<b>502.79</b>	<b>472.4</b>

**GRI 305: Total GHG Emissions Summary (in tCO2e)**

Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Scope 1 – Direct GHG Emissions	0.088	0.081	0.076	0.054
Scope 2 – Energy Indirect GHG Emissions	46.18	44.75	42.76	42.34
Scope 3 – Other Indirect GHG Emissions	575.4	515.11	502.79	472.4
<b>Total</b>	<b>621.671</b>	<b>559.936</b>	<b>545.629</b>	<b>514.792</b>

**GRI 305-4: Emission Intensity (GJ/INR)**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Emission Intensity (tCO <sub>2e</sub> / INR of Turnover)	0.0000075	0.0000067	0.0000066	0.0000062

**Water**

**GRI 303-3: Water Withdrawal (in KL)**

Source of Water Withdrawal	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Surface Water	390.22	389.05	355.74	332.32
<b>Total</b>	<b>390.22</b>	<b>389.05</b>	<b>355.74</b>	<b>332.32</b>

**GRI 303-4: Water Discharge (in KL)**

Destination	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Municipal Sewage / Domestic Wastewater	180	175	165	155
On-site Reuse (Gardening / Cleaning)	60	65	70	75
<b>Total Water Discharged</b>	<b>180</b>	<b>175</b>	<b>165</b>	<b>155</b>

**GRI 303-5: Water Consumption (in KL)**

Source	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Water Consumed	214	190	177	170
Water Reused / Recycled	65	70	75	80
<b>Net Consumption</b>	<b>149</b>	<b>120</b>	<b>102</b>	<b>90</b>

**GRI 303-6: Water Intensity (KL/INR)**

Parameter	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Water Intensity (KL / INR of Turnover)	0.0000047	0.00000469	0.00000428	0.0000041

**Waste**

**GRI 306: Waste Management**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Waste Generated (MT)	141.5	121.1	118.2	106.1
% Waste Recycled	2%	3%	5%	7%
% Waste Sent for Disposal	98%	97%	95%	93%
Hazardous Waste Generated (MT)	0	0	0	0

# ESG PERFORMANCE (FY 24-25)

## SOCIAL

### Employees

#### GRI 2-7: Employee Details

Particulars	Category	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Male	Permanent	431	441	437	437
Female	Permanent	0	0	0	0
Male	Other than Permanent	0	0	0	0
Female	Other than Permanent	0	0	0	0
<b>Total Male Employees</b>		<b>431</b>	<b>441</b>	<b>437</b>	<b>437</b>
<b>Total Female Employees</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total Employees</b>		<b>431</b>	<b>441</b>	<b>437</b>	<b>437</b>

#### GRI 405-1: Employee Distribution by Role & Gender

Role / Category	Gender	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Board of Directors	Male	2	2	2	2
Board of Directors	Female	0	0	0	0
Senior Executives	Male	4	4	4	4
Senior Executives	Female	0	0	0	0
Administrative & Support Staff	Male	10	10	11	11
Administrative & Support Staff	Female	0	0	0	0
Technical & Skilled Employees	Male	45	50	60	65
Technical & Skilled Employees	Female	0	0	0	0
Semi-skilled / Operational Workers	Male	370	375	360	355
Semi-skilled / Operational Workers	Female	0	0	0	0
<b>Total Employees</b>	Male	<b>431</b>	<b>441</b>	<b>437</b>	<b>437</b>
<b>Total Employees</b>	Female	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total</b>	—	<b>431</b>	<b>441</b>	<b>437</b>	<b>437</b>

#### GRI 405-1: Diversity of Employees (Gender Composition)

Particulars	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
% Female Employees	0 %	0 %	0 %	0 %
% Male Employees	100 %	100 %	100 %	100 %
<b>Total Headcount</b>	<b>431</b>	<b>441</b>	<b>437</b>	<b>437</b>

#### GRI 405-1: Female Representation by Role

Role / Category	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Board of Directors	0 %	0 %	0 %	0 %
Senior Executives	0 %	0 %	0 %	0 %
Administrative & Support Staff	0 %	0 %	0 %	0 %
Technical & Skilled Employees	0 %	0 %	0 %	0 %
Semi-skilled / Operational Workers	0 %	0 %	0 %	0 %
<b>Overall Female Share</b>	<b>0 %</b>	<b>0 %</b>	<b>0 %</b>	<b>0 %</b>

#### GRI 401 & 404: Employee Performance

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Percent of Employees Covered Under Performance Appraisal Process	100%	100%	100%	100%
Percent of Employees Receiving Annual Performance Feedback	100%	100%	100%	100%
High Performer Retention Rate (%)	91%	88%	90%	92%
Internal Promotion Rate (%)	12.50%	14.80%	19.60%	22.00%
Performance-Linked Training Hours per Employee	2.5	3.1	3.8	4.4
Average Performance Rating (Out of 10)	8.2	8.4	8.7	8.9
Percent Employees Given Annual Salary Appraisal	85%	88%	92%	94%

**GRI 202-1, 401-2 & 405-2: Wages Reporting**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Average Annual Wage (INR)	260,000	275,000	290,000	305,000
Living Wage (Food Basket Analysis, Local Market)	120,000	122,000	125,000	128,000
% of Employees Paid Living Wage	100%	100%	100%	100%
% of Direct Employees Covered by Living Wage	100%	100%	100%	100%
% of Direct Employees Paid Below Living Wage	0%	0%	0%	0%
% of Employees Given Annual Salary Appraisal	85%	88%	92%	94%

**Health & Safety**

**GRI 403-6: Employee Health Parameters**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
% of Employees Covered Under Medical Insurance	100%	100%	100%	100%
% of Employees Who Undergo Periodic Medical Examination	98%	99%	100%	100%
Health Issues Reported Due to Working Conditions	0	0	0	0
% of Employees Trained on Health & Safety	96%	98%	100%	100%

**GRI 403-8: Employees Covered by an Occupational Health & Safety Management System**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Employees Covered under OHS Management System	431	441	437	437
% of Total Employees Covered	100 %	100 %	100 %	100 %
Third-Party / Contract Workers Covered	0	0	0	0

**GRI 403-9: Occupational Health & Safety Performance**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of Fatalities as a Result of Work-Related Injury	0	0	0	0
Rate of Fatalities as a Result of Work-Related Injury (per 1,000,000 hours)	0	0	0	0
Number of High-Consequence Work-Related Injuries (Excluding Fatalities)	0	0	0	0
Rate of High-Consequence Work-Related Injuries (Excluding Fatalities) (per 1,000,000 hours)	0	0	0	0
Rate of Recordable Work-Related Injuries and Illness (TRIFR – per 1,000,000 hours)	0	0	0	0
Process Safety Incident Count (PSIC)	0	0	0	0
Process Safety Total Incident Rate (PSTIR)	0	0	0	0

**GRI 403-10: Work-Related Ill Health**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Fatalities as a Result of Work-Related Ill Health (Employees)	0	0	0	0
Total Reported Ill-Health Cases (Employees)	0	0	0	0
Rate of Work-Related Ill Health (per 1,000,000 hours worked)	0	0	0	0
Number of Man-Hours Worked (per employee per year)	2,104	2,104	2,104	2,104

**Training**

**GRI 404-1 & 403-5: Employee Training & Development**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Ethics	1.5	2	2	2
Ergonomics*	170	175	180	182.5
Fire Safety	3	3.5	4	4
First Aid	1.5	2	2	2
Workplace Health & Safety	1.5	2	2	2
Employee Code of Conduct	1.5	2	2	2
Environment	1.5	2	2	2

**GRI 404-1: Employee Training & Development**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Training Hours (All Programs)	180	188.5	194	196.5
Average Training Hours per Employee	180	188.5	194	196.5

\* Ergonomics training includes continuous workplace practice sessions conducted throughout the year (daily reinforcement), hence the higher annual total

**GRI 404-1, 205-2, and 412-2: Employee Training**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Percent Employees Trained in Environment	80%	90%	100%	100%
Percent Employees Trained in Energy Conservation	82%	92%	100%	100%
Percent Employees Trained in Water Conservation	80%	91%	100%	100%
Percent Employees Trained in Waste Management	78%	88%	100%	100%
Percent Employees Trained in Labor Issues	100%	100%	100%	100%
Percent Employees Trained in Ethics	98%	100%	100%	100%
Percent Employees Trained in Anti-Bribery & Corruption	95%	98%	100%	100%
Percent Employees Trained in Information Security	90%	95%	100%	100%
Percent Employees Trained in Company Policy	98%	100%	100%	100%

## Diversity, Equity & Inclusion

### GRI 405 & 406: Diversity, Equity & Inclusion

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Percent of Female Employees in Total Workforce	0.00%	0.00%	0.00%	0.00%
Percent of Female Employees in Executive Positions	0.00%	0.00%	0.00%	0.00%
Percent of Female Representation at the Board Level	0.00%	0.00%	0.00%	0.00%
Percent of Employees from Underrepresented Groups	11.61%	10.96%	13.55%	14.62%
Percent of Employees Trained in DEI	100%	100%	100%	100%
Reported Incidents of Harassment	0	0	0	0
Retention Rate of Female Employees	NA	NA	NA	NA
Employee Satisfaction Index (DEI) (Out of 5)	4.9	4.6	5	4.8
Percent of Employees from Underrepresented Groups in Top Management	0%	0%	0%	0%
Percent of Facility Accessible to Persons with Disabilities	70%	100%	100%	100

## Social Dialogues

### GRI 402 & 407: Social Dialogue Reporting

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Percent of Employees Covered Under Collective Bargaining Agreements	25%	77%	100%	100%
Number of Social Dialogue Engagements Conducted	24	26	24	28
Number of Employee Grievances Raised	22	11	46	32
Number of Employee Grievances Resolved	22	11	43	32
Percent of Grievances Resolved Through Social Dialogue Mechanism	90%	100%	67%	96%
Existence of Formal Employee Representation Structure	No	No	Yes	Yes
Average Response Time to Employee Concerns/Grievances (Days)	14.3	9.8	9.2	6.5
Employee Participation Rate in Dialogue Forums	43%	65%	100%	100%
Number of Joint Committees (Health, Safety, Welfare, etc.)	5	5	6	6
Percent of Agreements Implemented Post-Social Dialogue	-	-	100%	100%

# Incident Reporting

## GRI 408, 409 & 412: Labor & Human Rights Incidents

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of Reported Labor Rights Violations	0	0	0	0
Number of Human Rights Violations Reported	0	0	0	0
Number of Child Labor Incidents Identified	0	0	0	0
Number of Forced or Bonded Labor Incidents	0	0	0	0
Number of Harassment or Discrimination Complaints	0	0	0	0
Number of Anonymous Complaints Received (Labor Rights)	0	0	0	0
% of Incidents Investigated and Closed Within Timeframe	-	-	-	-



# ESG PERFORMANCE (FY 24-25)

## GOVERNANCE

### Incident Reporting

GRI 205, 406: Ethics & Integrity Incidents

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of Reported Code of Conduct Violations	0	0	0	0
Number of Whistleblower Complaints Received	0	0	0	0
% of Whistleblower Complaints Resolved	NA	NA	NA	NA
Anti-Bribery and Corruption Training Coverage (%)	100%	100%	100%	100%
Number of Confirmed Information Security Incidents	0	0	0	0
Number of Confirmed Corruption Incidents	0	0	0	0
Percent of Employees Who Have Acknowledged Environmental Policies	100%	100%	100%	100%
Percent of Employees Who Have Acknowledged Labor & Human Rights Policies	100%	100%	100%	100%
Percent of Employees Who Have Acknowledged Ethics Policies	100%	100%	100%	100%

## Supply Chain Governance

GRI 204, 308 & 414: Supply Chain Management

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
% of Suppliers Who Have Signed Supplier Code of Conduct	100%	100%	100%	100%
% of Suppliers Assessed for Sustainability Risk	100%	100%	100%	100%
% of Strategic/Critical Suppliers Audited Annually	—	50%	50%	92.50%
% of Contracts with Sustainability Clauses	100%	100%	100%	100%
% of Suppliers Trained on Sustainability Standards	100%	100%	100%	100%
% of Suppliers Meeting Sustainability Compliance Requirements	100%	100%	100%	100%
% of Suppliers Holding Recognized Certifications	100%	100%	100%	100%
% of Local/Regional Sourcing	100%	100%	100%	100%
% of Suppliers That Have Social Compliance Clauses in Contracts	100%	100%	100%	100%
% of Suppliers That Have Environmental Clauses in Contracts	—	55%	100%	100%
% of Suppliers That Have Labor & Human Rights Clauses in Contracts	—	55%	100%	100%

**GRI 204-1: Supplier Classification & Composition**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Total Number of Active Suppliers	6	6	6	6
Strategic / Critical Suppliers	6	6	6	6
Local / Regional Suppliers	6	6	6	6
National Suppliers	4	4	4	4
% Spend on Local Suppliers	100%	100%	100%	100%
% Spend on Strategic Suppliers	100%	100%	100%	100%

**GRI 308-1 & 414-1: Supplier ESG Risk Assessment Summary**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
High Risk Suppliers	—	—	—	—
Medium Risk Suppliers	—	—	—	—
Low Risk Suppliers	—	6	6	6
% Suppliers with Mitigation Plans Implemented	—	45%	75%	100%
% Suppliers Reassessed Post-Audit	—	30%	60%	100%

**GRI 414-2: Supplier Development & Capacity Building**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of Supplier Training Sessions Conducted	—	6	6	6
% of Suppliers Attending Training Programs	—	100%	100%	100%
Total Supplier Training Hours	—	60	60	100
Average Hours of Training per Supplier	—	10	10	16.7
% of Suppliers Reporting ESG Improvements Post-Training	—	40%	68%	89%

**GRI 308-2 & 414-2: Supplier Audit & Compliance**

Parameter	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Number of Supplier ESG Audits Conducted	—	2	5	6
% of Strategic Suppliers Audited	—	33%	83%	100%
% of Suppliers Found Non-Compliant	—	18%	12%	8%
% of Non-Compliant Suppliers Remediated Within 3 Months	—	60%	100%	100%
% of Suppliers with Corrective Action Plans (CAPs)	—	25%	35%	40%

# INDEPENDENT ASSURANCE STATEMENT



## To

The Directors and Management

### Cosmos Crafts

TK-H, Plot No. 225, 1/150 Ground Floor,  
Tulsidas Khimji Building, Shrikant Hadkar Marg,  
Cotton Green (West), Mumbai – 400033, Maharashtra, India

## 1. Introduction

Cosmos Crafts (“Cosmos” or “the Company”) engaged **Youniformity Consulting Pvt. Ltd. (YCPL)** to perform an **independent external assurance** of selected non-financial disclosures presented in its *Sustainability Report for 1 April 2024 – 31 March 2025*.

This report represents Cosmos Crafts’ first comprehensive sustainability disclosure prepared in alignment with the **Global Reporting Initiative (GRI) Standards 2021**, demonstrating the company’s commitment to measurable and transparent ESG performance.

The engagement was conducted to provide **reasonable assurance** on selected quantitative and qualitative information and to assess adherence to recognized international frameworks.

The assurance was performed in accordance with:

- **GRI Standards (2021)**; and
- **International Standard on Assurance Engagements (ISAE 3000 Revised)**.

## 2. Management’s Responsibility

The preparation and presentation of the *Sustainability Report 2024–25* rest entirely with Cosmos Crafts’ management, which is responsible for:

- Establishing sustainability policies and identifying material ESG topics;
- Maintaining internal controls and data-collection systems to ensure accuracy and completeness;
- Presenting disclosures that are balanced, transparent, and evidence-based; and
- Providing YCPL unrestricted access to relevant documentation and personnel.

YCPL’s role is limited to providing independent assurance on the selected sustainability disclosures. Responsibility for the content of the report remains solely with Cosmos Crafts.

## 3. Scope, Boundary & Limitations

### 3.1 Scope of Assurance

The assurance covered selected quantitative and qualitative ESG disclosures across Environmental, Social, and Governance themes, including:



GRI Topic / Theme	GRI Indicators	Indicator Description	Coverage in Report
<b>Energy Management</b>	302-1 to 302-5	Energy consumption within and outside the organization; energy intensity and reduction initiatives	22–23, 33–34
<b>Water Management</b>	303-1 to 303-5	Water withdrawal, recycling, and consumption efficiency	25–27
<b>Emissions (Scope 1, 2 &amp; 3)</b>	305-1 to 305-5	Direct and indirect GHG emissions; emission intensity and reductions	22–23, 42–43
<b>Waste Management</b>	306-1 to 306-5	Waste generation, segregation, and diversion from landfill	29–30, 47–48
<b>Employment &amp; Turnover</b>	401-1 to 401-3	New hires, turnover, benefits, and parental leave	28–29, 42
<b>Health &amp; Safety</b>	403-1 to 403-10	OHS management systems and work-related injuries	30–33, 42–44
<b>Training &amp; Development</b>	404-1 to 404-3	Average training hours, skill enhancement, and performance reviews	28–31, 42–44
<b>Diversity &amp; Inclusion</b>	405-1 to 405-2	Gender balance and equal remuneration	29, 37–40, 42
<b>Human Rights &amp; Labour Practices</b>	407-1 to 409-1	Freedom of association, child and forced labour controls	32–33, 46–47
<b>Supplier Screening</b>	308-1, 414-1	Environmental and social criteria applied to new suppliers	32–33, 45
<b>Anti-Corruption &amp; Ethics</b>	205-1, 205-3	Corruption risk assessment and incident management	41–44
<b>Community Engagement</b>	413-1	CSR and local community development initiatives	5, 15, 33–35, 45
<b>Customer Health &amp; Safety / Privacy</b>	416-1, 418-1	Product safety, labeling compliance, and data protection	22–23, 33, 42–44



### 3.2 Reporting Boundary

The assurance boundary encompassed:

- Cosmos Crafts' main manufacturing and administrative facilities in Mumbai;
- Associated artisan clusters and supplier units forming part of the 2024–25 reporting scope; and
- Community programs implemented under the company's CSR and environmental initiatives.

### 3.3 Limitations

- The engagement was conducted at a **reasonable assurance level** limited to the selected indicators above.
- Forward-looking statements and financial information were excluded.
- Data on extended Scope 3 emissions and certain supplier-level audits are in development.

### 4. Assurance Methodology

YCPL adopted a **systematic and evidence-based verification process**, which included:

1. Evaluation of Cosmos Crafts' sustainability frameworks and ESG governance structure;
2. Examination of policies, data management systems, and supporting records;
3. Cross-checking sampled data against source documents (meter records, invoices, payroll logs, waste and water registers);
4. On-site observations and interviews with operations and community teams; and
5. Assessment of reporting principles — accuracy, balance, comparability, clarity, reliability, and timeliness — as defined by GRI 2021.

### 5. Findings & Observations

Cosmos Crafts has established a credible sustainability reporting process underpinned by structured governance, quantitative tracking, and progressive social impact initiatives.

The evidence obtained supports that the data are **accurate, traceable, and materially complete**.

#### Strengths Identified

- Integration of environmental KPIs (energy, water, waste) into operational decision-making.
- Demonstrated commitment to DEI and employee well-being.
- Formalized supplier screening and transparent ethical compliance mechanisms.
- Active engagement in community and craft revival initiatives with measurable outcomes.



### Areas for Enhancement

1. Extend Scope 3 GHG data to logistics and procurement activities.
2. Quantify long-term reduction targets for energy and water efficiency.
3. Digitize ESG data collection and real-time performance monitoring.
4. Strengthen annual supplier ESG audits and capacity-building programs.
5. Disclose pay equity and employee engagement indices under DEI reporting.

### 6. Assurance Conclusion

Based on the assurance procedures performed and evidence obtained, **YCPL provides reasonable assurance** that the ESG disclosures presented by **Cosmos Crafts** in its *Sustainability Report FY 2024–25* are prepared, in all material respects, in accordance with the **GRI Standards (2021)**.

In our professional opinion:

- The disclosures are **fair, balanced, and reliable**; and
- The report demonstrates a **mature, performance-oriented approach** to sustainable business practices.

### 7. Independence & Impartiality

YCPL affirms that the engagement was conducted independently and objectively.

- YCPL has no financial or ownership interest in Cosmos Crafts.
- The assignment complied with **ISAE 3000 (Revised)**, the **IESBA Code of Ethics**, and YCPL's internal Quality and Independence Policy.
- All professionals involved adhered to strict confidentiality and conflict-of-interest controls.

This engagement was led by **Mr. Manoj Kumar**, Director & Chief Operating Officer, Lead Auditor for **ISO 14001** and **ISO 45001** Management Systems.

#### Manoj Kumar

Director & Chief Operating Officer (COO)  
Youniformity Consulting Pvt. Ltd.  
Lead Auditor – ISO 14001 & ISO 45001

**Date:** October 06, 2025

**Place:** Mumbai, India

**Project Reference:** IAS-2024-25-21

#### For and on behalf of

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