



EPYLLION  
G R O U P







# EPYLLION GROUP

UN Global Compact Communication on Progress Report 2013

Reporting Period: February, 2012 to February, 2013

## Statement of the Managing Director



Epyllion Group is going to publish its first report of Communication on Progress to the United Nations Global Compact. We became the signatories of the United Nations Global Compact (UNGC) in a year back on 2012. As a signatory participant of the UNGC we are committed to implement the ten principles.

What Epyllion Group has achieved over the past years after the inception is remarkable to the other business entrepreneurs of Bangladesh. We strongly believe on fair and transparent business and have well-defined and implemented Code of Conduct and business ethics. The continuous efforts in view of the 10 principles beyond a strong Code of Conduct and comprehensive corporate citizenship guidelines are reflected in the Company's Communication on Progress report. During the first phase of becoming the signatory of the UNGC, we continued to strengthen our efforts on basic issues of sustainability; human resources, working environment, and transparent financial management. This report expresses our progress and continuity of the commitment in aligning our business operations with the 10 principles of the UNGC.

Epyllion Group a global corporation stands to be a good neighbor. Our company believes that enterprises with global or national operations must have the sense of corporate social responsibility across the borders.

At the end I would like to take the privilege to say that the Epyllion Groups sales relationships result in a supplier partnership, because we are prepared to share business plans and to collaborate on research and development. This also earns the trustworthiness of us from our partners and I hereby am showing my full commitment and gratitude towards the United Nations Global Compact and to the principles of UNGC. All the concerned personnel of Epyllion Group are determined in continuing its efforts and creative strength to remain committed to the UNGC principles through the coming years and beyond.

A handwritten signature in black ink, which appears to be 'Reaz Uddin Al-Mamoon', written over a horizontal line.

Reaz Uddin Al-Mamoon  
Managing Director  
Epyllion Group



# Content

|                               |   |
|-------------------------------|---|
| Epyllion Group – Human Spirit | 1 |
| The Ten Principles            | 2 |
| Human Rights                  | 3 |
| Labor Rights                  | 6 |
| Environment                   | 8 |
| Anti-corruption               | 9 |



# Epyllion Group – Human Spirit

The Human component of Epyllion Group gets the inspiration to give the very best from its well integrated and managed corporate governance. Within the framework of the group, the human resources play a core role for the success of all the Epyllion concerns. By the team works of highly inspired and skilled human resources, Epyllion Group is sustaining and will sustain the vision to remain for all those who are connected to it; as the source through which dreams come true.

Epyllion Group started its business in 1994 with only 200 work forces and now it is continuing its operation with more than 10,000 work forces which actually are not just the employees and workers, they are the core strength of us. Epyllion Group maintain fair labor management. Maintaining labor force we follow the national Labor Law 2006 and the ILO Conventions as our standard. We are committed to follow and comply with all the labor standards to assure the best working environment for our human resources. By the team works of highly inspired and skilled personnel this group is sustaining and will sustain the vision to remain for aspects of the UNGC principles – Human Rights, Labor Rights, Environment and Anti-corruption.

To remain competitive in increasingly rising markets Epyllion Group always tries to adopt pioneering strategic actions not only based on the economic ground, we always give emphasis on our Social Responsibilities. This tactical plan of actions makes us to be one step ahead of our competitors. When taking plan of operation we strictly follow maintaining our commitment towards the work force and the environment. We are working with a simplified point of view to the environment and that is aim to “ZERO DISCHARGE”. Our management shows complete optimistic commitment to the environment. We literally consider environment as our one of the highest priorities.

As it stands today, Epyllion Group became the name of lifestyle of its personnel, suppliers and buyers. Above all the group earned an iconic image among the green corporate houses. These achievements of ours prevailing due to the personnel of the Epyllion Group are placed at their caliber and motivation.





# The Ten Principles

## Human Rights

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights.
- Principle 2 Make sure that they are not complicit in human rights abuses.

## Labor Rights

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Principle 4 The elimination of all forms of forced and compulsory labor.
- Principle 5 The effective abolition of child labor.
- Principle 6 The elimination of discrimination in respect of employment and occupation.

## Environment

- Principle 7 Business should support a precautionary approach to environmental challenges
- Principle 8 Undertake initiatives to promote greater environmental responsibilities.
- Principle 9 Encourage the development and diffusion of environmentally friendly technologies.

## Anti – Corruption

- Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.





# Human Rights

## *Principle 1 & 2*

Epyllion Group is known as an entity whose main driven force is its human resources. Our core ethic is to maintain and esteem the protection of internationally proclaimed human rights in every sector of our business and confirm the presence of safe and sound working environment for the employees from recruitment to retirement. Occupational Health and Safety (OH&S) remains integral part to workplace safety and a nurturing environment for employees. In recognition of minimizing risks and occupational hazards in the workplace, Epyllion Group practice the OHSAS 18001:2007 standard as foundation for our occupational health and safety management system. We are glad to state that any types of deviation from internationally recognized human rights issues are consider ZERO TOLERANCE here. Epyllion Group is committed to uphold human right in every sphere of society and country as a whole.

### **Occupational health and safety assurance**

We have well-written and established occupational health and safety policy. In every sector of our business process, activities and services, we strictly follow that policy. Occupational health & safety committee is formed in our each business unit with the participation of management and workers. This committee is formed to plan, monitor and evaluate the risk and hazard. Regular internal social compliance audit is conducted to ensure the presence of all types of health and safety systems in the business units.

Epyllion Group regularly organize awareness program on Ergonomics problems partnered with Centre for the Rehabilitation of the Paralyzed (CRP). This initiative is taken to provide a preventive health care service to avert presence of ergonomics troubles.

### **Safe drinking water**

Believing the universal saying "Water is Life", Epyllion Group committed to ensure safe drinking water at work place. "UV" (Ultra Violate) Purification System (For hot and cold water) is installed to supply pure drinking water. Drinking water sample is tested on regular interval from the laboratory of icddr'b (International Centre for Diarrhoeal Disease Research, Bangladesh).

### **Higenic work place for all**

Employee's health is the top priority of the CSR strategies of Epyllion Group. Professional housekeepers equipped with all modern equipment under the supervision of skilled housekeeping supervisors are leading the house keeping team to keep the premise hygienic and risk-free. Moreover, we ensure well-ventilated production floor with wide space for operation with green factories.





By adopting mechanical ventilation system, we ensure reasonable and suitable indoor temperature requirement and air quality. Sound and lighting during the process and activities are measured to keep records on routine basis.

### **Free healthcare facilities**

Medical facilities are available for all the employees to provide treatment in case of any illness and occupational injuries. Registered MBBS doctor with assistance of proficient medical assistant and nurse equipped with health care center and high tech ambulance are always in alert condition to provide medical support to the employees.

Epyllion Group is organizing regular health check – up program with the slogan – **“Be More Fit, Be More Inspired, Be More Careful, Be More Competent, Be More Aware”** as a part of the CSR activities collaborated with the Medical Information Center, Kyushu University and the Global Communication Center, Grameen Communications. It is a preventive health care initiatives including health check – up, necessary prescriptions, health record card, medical advices and an opportunity to get special medical advices, if required. Health check – up parameters covered by this program are BMI (Body Mass Index), waist-hip ratio, body temperature, BP (Blood Pressure), blood glucose, urinary glucose, urinary protein, pulse rate etc.

Epyllion Group partnered with the Action Aid and PSTC organized regular health camp with specialized doctors for our own employees and the community people. This health camp provides free prescription and medicine to the diseased people of Epyllion Group and community.

With the slogan “Save your eye, Lights your life”, Epyllion Group organized eye check up camp for its employees and facilitated the employees with free check-up and medicine are provided with support organization.

### **Safety from any kind of emergencies**

Our each business units are equipped to protect the occurrence of any emergencies due to fire, electrical, machinery or chemical spillages. There is a specific safety team to ensure full phase safety. Regular training is provided by both internal trainers and resource persons from external source. Regular mock drills are carried out to ensure any kinds of accidents or emergencies can be controlled easily.

### **Education Assistance Program – KHEA**

Epyllion Group actively providing education assistance at every levels of education (PSC, JSC, SSC and HSC) named “KHEA”, a scholarship and stipend program. The motto of KHEA is “Keen Hand for Education Assistance”. Objectives of this program are to encourage staff and children’s of employees for better and quality education and to achieve Millenium Development Goal (MDG) for achieving competitive advantage and so on. Every year 220 students receive stipend and scholarship by this program to continue study to next level, which has a per annual budget of 2.16 million BDT.





### **Observing International Days**

Epyllion Group observes various International Days on humanitarian ground like International Disability Day, International Human Rights Day, World Health Day, World Sight Day; etc in collaboration with various government and national and international non-government organizations.

### **Quarterly published magazine “Amader Kotha” – Each voice counts**

Epyllion Group is publishing a quarterly magazine (4 issues a year) as its regular practice since 2008 which mainly converse thoughts and voice of the human resources of this group. We consider this magazine as a reflection of feelings and thoughts of our vast human resources. This magazine encloses poems, write-up, joke, cartoons by the workers and the employees of Epyllion Group and also contains informative features to enhance and encourage knowledge stimulation of our human resources.

### **Epyllion Foundation – A trust for social services**

Epyllion Group formed a Trust namely Epyllion Foundation to provide financial assistance on various social service initiation and innovation . This Trust involves with numerous social and community services for sustainable project like donation to unprivileged group, winter cloth distribution to the distressed people, relief to the flood affected areas, kids dress distribution with a slogan “Joy of Giving” and so on.

- An amount of 1.5 million BDT has been donated for the construction of a mosque at Shoilat, Gazipur as a supportive affiliation to the community.
- We have extended our concern for the flood affected areas with 2.5 million BDT as we consider it is our responsibility to stand by the people who are incompetent to stand by themselves.
- Epyllion Foundation financed 01 million BDT to the Grameen Communications for the total preventive health care facilities provided for the employees of Epyllion Group.
- We have provided 1.2 million BDT for the purpose of winter cloth and blanket to the ultra poor people of distressed areas as Epyllion Foundation always tries to improve the society in a sustainable way where everyone will get the opportunity to live well.
- Epyllion Foundation got the honor of being the title sponsor of Narayanganj District Football League by providing 7.5 million BDT to Narayanganj District Football Association for the next three years in order to support and digitalize the football environment of Narayanganj District as this district is considered as the womb of national level footballers of Bangladesh.

### **Measurements of Outcomes**

1. Certification and membership: WRAP (Worldwide Responsible Accredited Production), BSCI (Business Social Compliance Initiatives) and SEDEX (Supplier Ethical Data Exchange) certified.
2. Low or ignorable amount of turnover and absenteeism.
3. Absent of any fatal or moderate occupational health hazard.
4. Health check-up report of health camp represents most of the employees of Epyllion Group have sound health status.



# Labor Rights

## *Principle 3, 4, 5 & 6*

Our Code of Conduct states our responsibilities to our employees. It covers areas such as providing good working conditions, creating a suitable work environment and giving staffs proper channels to work with an appropriate organogram. We follow the applicable national and international laws and regulations as the fundamental principles and labor rights.

### **Freedom of association** (Principle 3)

Epyllion Group states in its Code of Conduct (CoC) that all workers are free to join any kinds of legally approved, registered trade unions and any kinds of association. In our all business units we form and maintain the Participation Committee (PC) and regularly organize monthly meetings to engage in fair negotiations.

PC (Participation Committee) is a unique team which helps to achieve objective by creating bridge between the top management and workers on common issues.

### **Measurements of Outcomes**

1. No labor strikes or any kind of labor unrest regarding this matter or other indications of unresolved issues.
2. Employee grievance records demonstrate high satisfaction of labors.

### **Elimination of forced labor** (Principle 4)

Epyllion Group does not allow employment and involvement by force at any time anywhere. Comprehensive policies are in place, and implemented across all supervisory levels to ensure that there is no incident of forced labor. Overtime is totally voluntary here and proper consent of the worker is needed.

### **Measurements of Outcomes**

1. No grievance on forced labor or regarding overtime.
2. No labor strike or any kind of unrest ever.







### **Elimination of child labor** (Principle 5)

We aim not to exploit children, through direct employment in any of our business units or indirectly through employment in our supplier factories. When it comes to employment, we have one strict policy - we will not recruit child labor. As we practice this code across all of our business units, we feel that it is high time to go beyond our walls and encourage the society to abolish child labor and we are planning to step forward with this issue. During recruitment, we verify the age of applicant by our doctor through formal medical check – up processes. In addition we also verify national ID card and birth certificate and other necessary papers to proof age.

Our Compliance team conducts both internal and external audits regularly to ensure that the system is followed across our supply chain. We wish to join our hand together to have a child labor free Bangladesh. Epyllion Group observes the International Days regarding fair labor as its regular practice.

### **Measurements of Outcomes**

1. Child labor free work place.

### **Elimination of Discrimination** (Principle 6)

The elimination of discrimination at work is one of the central concerns of our HR policies. It underpins the concept of decent work for all women and men, which is founded on the notion of equal opportunities for all those who work at Epyllion Group, whether as workers or staffs. The elimination of discrimination is an indispensable part of our HR strategy for sustainable development. Epyllion Group's Code of Conduct also states our aim to create an inclusive work environment with equal opportunities. We ensure that there is no discrimination in our organization based on gender, race, religion, national origin, political views and physical outlooks and so on. Nothing other than relevant academic background and professional experiences is our concern. Job analysis is carefully conducted to ensure that people with the right skills are being given the right tasks with appropriate salary and benefits packages, thereby motivating employees to give their best output.

### **Measurements of Outcomes**

1. No grievance on any kind of discrimination.
2. Diversified work force is found in every sector from administration to planning and production.
3. There is a percentage of disable workers working in our group.
4. Fair Performance Management System (PMS) exists to ensure fair performance evaluation



# Environment

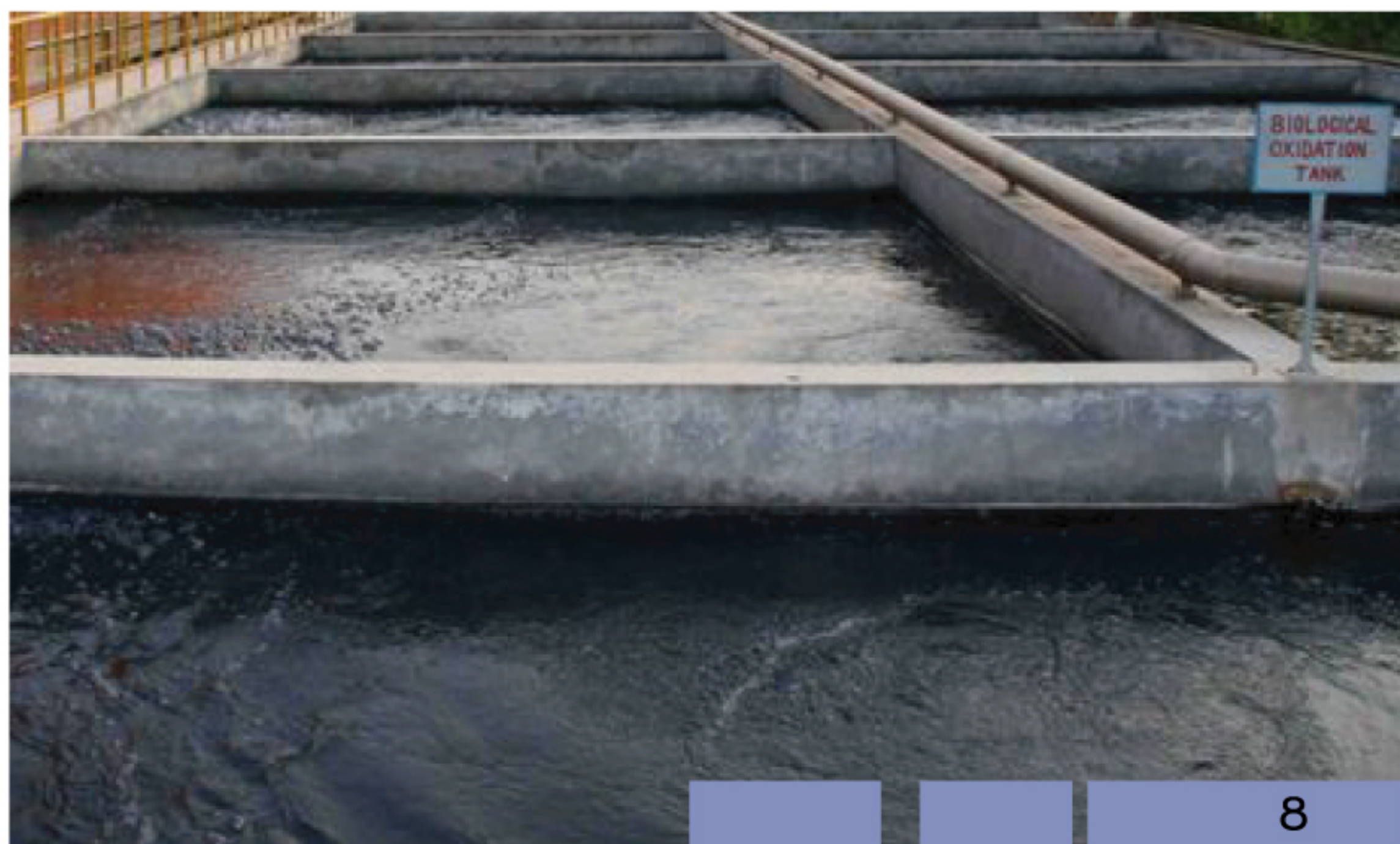
## *Principle 7, 8 & 9*

This year one of our business units (Textiles division) is primarily nominated for the SOCIAL AND ENVIRONMENTAL EXCELLENCE AWARD 2012 organized by GIZ. We specifically care our commitment to the environment which clearly aims at "Clean Discharge". We always try to use natural resources efficiently. For that reason we have adopted and modified some of our processes and equipments. We are well concerned with our wastes including liquid effluent. We possess one of the most modern tech and efficient ETP in Bangladesh which are kept in operation twenty four hours a day and treats our effluents biologically so that the loads of chemicals are minimized. We record our performance against a range of environmental indicators to assess how we are doing over time and identify areas for improvement.

Hot water generation system is utilized from exhaust gas of generator to produce 45m<sup>3</sup>/hour @ 700C hot water. and around 900k BDT/month is saved from the sustainable use of natural resources. Rain water collection system, cooling water return and reuse system and condensate return system and reuse in Boiler feed water are efficiently maintaining in our textile division to ensure a sustainable economic and environmental development.

We have set to achieve the ISO 14001:2004 certification. We are working on the procedure and necessary implementation and improvement in required sectors. Epyllion Group recently started 13 storied commercial building named "nina KABBO" at Tejgaon-Gulshan Link Road, which is an energy efficient commercial building. Our construction work is on progress for building LEED Gold ranked production unit at Gazipur. The 83000sqft factory would come in operation by 16th December 2013. Epyllion Group is in process of transformation to have its largest production unit with LEED certification.

As a part of our CSR activities, we take "Green Initiatives" with a slogan "Think Green, Go Green, Save Green". We have planted 8000 trees at our business units. By doing so, it is estimated that total CO<sub>2</sub> offsetting in a year is approximately 70.69 ton. We also observe "Tree Plantation Month" and plant about 2000 trees at various schools in Gazipur and Dhaka.





World Environment Day, 2012 was observed in our corporate office and other business units with a vow to start planning and steps to build a green world with a sustainable development where our economy will be developed with least environmental deterioration.

Epyllion Group always encourages initiatives taken on environmental ground. We sponsored country's very first Environment Olympiad which held on June 30, 2012 with a slogan "Protection of the environment is the protection for all".

### **Measurements of Outcome**

1. Primarily selected for the SOCIAL AND ENVIRONMENTAL EXCELLENCE AWARD 2012 organized by GIZ.
2. Certification: Organic Exchange 100 Standard and Organic Exchange Blended Standard certified.
3. Environmental Clearance Certificate from government authority.
4. Efficient energy usage technology which ultimately increase net profit.
5. Energy conservation in every aspect of operation.
6. Rain water collection system to mitigate use of natural resources.

## **Anti-corruption**


### ***Principle 10***

Code of Conduct of Epyllion Group states our persistence on honesty, integrity and fairness in all aspects of our business. The direct or indirect offer, payment, soliciting or acceptance of bribes or any kinds of exchanges either monetary or materials in businesses is strictly unacceptable. In our Code of Conduct, we strictly mentioned that any form of monetary corruption is beyond any tolerance.

In Epyllion Group, we make it very clear that it is the ultimate accountability of every employees to do the right thing and avoid any conduct that could harm or have any possibilities to harm EPYLLION's reputation. Employees are strictly encouraged not to engage them in offering or receiving any financial or in other forms of exchanges to influence the professional dealings and decision making.







Supply Chain Management, one of our core departments of action, which vulnerably stands on a position that has huge possibilities of corruption. But in Epyllion Group we have specific supply chain policy and procedure and uphold a regular supply chain conference to ensure absence of any single probabilities of corruption.

We have developed our entire business process ethically from basic HR management to Accounts and Finance and Commercial to Marketing and Merchandising. In every single sector from tiny monetary negotiation to huge business transaction we follow honesty and transparency. Our organization follows a strict code of conduct and business ethics.

All forms of licenses and clearance certificates are properly monitored and regularly maintained to combat any form of delay fines or chances of any corruption issues. Our anti-corruption policy strictly lays out how discrepancies are to be dealt with and how we can prevent potential incidents. Training and Development department of Epyllion Group ensures providence of necessary training on anti-corruption issues.

Additionally, we have an Internal Audit department which is free from any internal or external influences and do their job independently. This Internal Audit team always assessed our stance towards anti-corruption by conducting financial review to inventory management of all units and departments regularly, in line with data records. The audit team also administers all forms of bill checking and financial compliance related issues to ensure that all data match with initial agreements and that no form of divergence is occurring.

Under capital adequacy regulatory framework (BASEL II implementation framework) of Bangladesh Bank, all the leading ventures of Epyllion Group have been awarded credit rating bearing A2 by Credit Rating Agency of Bangladesh Ltd (CRAB) for the financial year 2011-12. The latest award has been enhanced from the previously attained A3. The award expresses that Epyllion Group posses strong capacity to meet the financial commitments and judged to be very high quality subject to low credit risk.

All suppliers and stakeholders with whom we trade are always under strict monitoring and observation and it is reported publicly if any kind of monetary corruption is found.

#### **Measurements of Outcome:**

1. Successfully completed C-TPAT (Customs Trade Partnership Against Terrorism).
2. Absence of any corruption issues on any sector of transaction.
3. Never received any accuision by government or stakeholders.
4. Under Capital adequacy reguatory framework (BASEL II implementation framework) of Bangladesh Bank, all the leading ventures of Epyllion Group have been awarded credit rating bearing A2 by Credit Rating Agency of Bangladesh Ltd (CRAB) for the fiscal year 2011-12.





For more details please contact

**Md. Rezaul Kabir**

Assistant General Manager – Admin and CSR  
Epyllion Group

Contact Number: +88-01730-051841  
Email: reza@epylliongroup.com

**Contact Address:**

Corporate Office:  
NINA KABBO

227/A, Tejgaon-Gulshan Link Road  
Postal Code : 1208  
Dhaka, Bangladesh.  
Level : 12-13

Back Office:

Plot # I/1, Road # 06, Section # 07, Mirpurl/A, Dhaka – 1216  
Web Address: [www.epylliongroup.com](http://www.epylliongroup.com)

© Epyllion Group / 2013 All Rights Reserved

