

TEXPREGO

UNITED NATIONS GLOBAL COMPACT
COP REPORT 2020



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Supporting our communities: Schoolchildren attending classes at a Texprego-funded primary school

CEO'S STATEMENT

BRITT LUDVIGSEN
Founder and Chief Executive Officer



For over 20 years, we have worked to be a catalyst for change in the Bangladeshi garments industry. Our close-knit relationship with supply chain partners has been an engine to enhance sustainability through knowledge transfer between Bangladesh and Peru, from where we owe our industry know-how.

We led an exceptional South-South collaboration to develop industry standards, contributing to the development of the country's garments industry. Throughout this period, Bangladesh grew its nascent industry becoming the world's 2nd largest exporter of ready-made garments (RMG). We are proud to be a part of this story.

Since the beginning of our journey, we fostered strong and meaningful relationships with key stakeholders. During the past year, we have built on these relationships and worked together to minimize the past and ongoing disruption caused by the COVID-19 pandemic. Indeed, the challenges brought about by the pandemic have served to reaffirm our commitment to upholding the Global Compact principles and the Sustainable Development Goals in order to strengthen the resilience of our people and our communities. These efforts have been driven by our outstanding team and I thank each and every one of our staff members for their unconditional support in this period.

We look forward to continue supporting the Global Compact's goal of shaping a sustainable future.

Texprego Corporate Governance

UN Global Compact Pillars

*Human
Rights*

Labour

Environment

*Anti-
corruption*

Robust governance: Our policies and procedures provide a solid foundation for *TEXPREGO* to drive the implementation of the pillars behind the Global Compact’s 10 Principles.

GOVERNANCE

INTRODUCTION

TEXPREGO's corporate governance structure ensures sound and transparent oversight of company activities through clearly defined roles and responsibilities attributed to the CEO, the Board of Directors and its members. The Company's policies and procedures are designed to comply with laws and regulations as well as international best practices.

Through the Company's governance structure and corresponding management practices, TEXPREGO continued to uphold the Global Compact's 10 Principles and has achieved demanding international certifications.

HUMAN RIGHTS

Human Resources Policy: TEXPREGO's people are its primary asset and the Company's human resources policy reflects its culture of continual dialogue, celebration of diversity, workplace health and safety as well as the promotion of equal opportunities and continuous development.

Whistleblower Policy: TEXPREGO encourages an open and transparent environment and always expects employees to act with honesty and integrity as well as in compliance with all applicable rules and regulations. The Company's whistleblower policies encourages employees and others with whom it has business relationship to report any non-compliance issues.

Supply Chain: With regard to human rights, we expect the highest levels of compliance from all those involved in our supply chain. We conduct applicable social and compliance audits with manufactures, suppliers and subcontractors to confirm their compliance to legal and regulatory requirements.



TEXPREGO Bangladesh office: Our Dhaka office is located in the state-of-the-art Mika Cornerstone building.

LABOUR

No Forced Labour: TEXPREGO's external manufacturers, suppliers and permitted contractors are barred from forced labour and compulsory practices, including withholding employee identity documents or requesting deposits from employees.

No Child Labour: TEXPREGO has a zero-tolerance approach towards child labour across its supply chain.

Industry Advocacy: TEXPREGO's related company, The Export Research Garments Operations (BD) Ltd. is a proud member of The Bangladesh Garments Manufacturers and Exporters Association (BGMEA), one of the most significant trade associations in the country. The Association works to improve industrial policy, workplace safety, labour rights and social compliance.

ENVIRONMENT

Supply Chain: TEXPREGO has made leaps in the improvement of the sustainability of its supply chain. Since 2010, the Company has worked to minimize the usage of water, energy and chemicals by its suppliers. Indeed, this has led to the usage of 'A'-grade chemicals, water reduction strategies and eco-friendly water treatment plans, resulting in green certification.

ANTI-CORRUPTION

Company Practices: TEXPREGO has a zero-tolerance approach towards corruption. In order to prevent corruption, the Company has developed internal policies and procedures, conducts regular risk assessments, maintains a transparent management information system and conducts periodic audits to identify malpractice.

TEXPREGO's governance

100% supply chain traceability

Traceability lies at the heart of our ability to guarantee the origins of our garments and therefore their compliance to social, environmental and workplace safety standards.

24% reduction in water utilization

As a result of green initiatives, TEXPREGO's supply chain has saved 600,000 cubic meters of water, or approx. 240 Olympic-size swimming pools.

has facilitated...

*procurement with **world-class compliance***

Our suppliers count with the highest standards of certifications, including:

- *Business Social Compliance Initiative (BSCI)*
- *Supplier Ethical Data Exchange (Sedex)*
- *Accord on Fire and Building Safety (ACCORD)*
- *Worldwide Responsible Accredited Production (WRAP)*
- *Customs Trade Partnership Against Terrorism (CTPAT)*
- *Global Organic Textile Standard (GOTS)*
- *Organic Content Standard (OCS)*
- *Global Recycled Standard (GCS)*
- *Recycle Claim Standards (RCS)*
- *Global Security Verification (GSV)*
- *OEKO-TEX*



TEXPREGO Projects: At the heart of TEXPREGO's purpose is its commitment to its community.

PROJECTS

In order to fulfil its social responsibility, TEXPREGO has launched multiple initiatives in the areas of Health, Education, Community Projects and Water and Sanitation. These initiatives have been selected for their fulfilment of TEXPREGO's values as well as the priorities enshrined by the Global Compact's 10 Principles and the UN's Sustainable Development Goals.

Prioritization Criteria



TEXPREGO Projects

5 Healthcare Initiatives

4 Water & Sanitation Initiatives

4 Education Initiatives

2 Community Initiatives

TEXPREGO projects in detail:

EDUCATION

Our educational initiatives have supported 2,400+ students at the following establishments:

- O AA KA KHA School
- Ar Rahmah Women's Madrasa
- Orphanage Centers in Nolvogh, Turag and Comilla
- Arabic Education Centers in Korail Basti, Mohakhali Baganbari Railgate, Sutail, Gopalganj and Gafra, Mollarhat, Bagerhat
- Scholarship programs in Digilia, Khulna; Mirpur, Dhaka, Brammanbaria and Dubai

HEALTH

Our healthcare initiatives have provided support to:

- Duchenne muscular dystrophy (DMD) patients in Dhaka
- Heath Care Centers in Kagmari Char, Sirajganj

CLEAN WATER & SANITATION

Our initiatives have provided public toilets and pure drinking water facilities to more than 400 people from the following areas:

- Ar Rahmah Female Madrasha, Nolvogh, Turag, Dhaka
- Chanua, Banshkhali, Chittagong
- Gayabari, Dimla, Nilphamari
- Rohingya camps

COMMUNITY WORK

We provided public toilets and pure drinking water facilities to more than 400 people from the following areas:

- Chanua, Banshkhali, Chittagong.

Additionally, we have provided needs-based grants to alleviate COVID-19 hardships in the community.

FUTURE COMMITMENTS

To continue with driving forward and improving upon TEXPREGO's social responsibility as well as its support of the the Global Compact agenda, the Company has resolved to implement the following key priorities over the coming year.

- 1** Leverage existing and new networks to strengthen the ecosystem and amplify the influence the Global Compact
- 2** Strengthen our advocacy of Global Compact participation to SMEs in our network as they are now eligible to take part
- 3** Conduct a refresh of TEXPREGO's social responsibility strategy to identify new projects and further the Company's social impact
- 4** Strengthen the monitoring and evaluation capabilities of TEXPREGO's social responsibility projects to optimize allocation of resources and offer added support when required.

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