

# humanspirit

we can make EVERYTHING POSSIBLE..



SS

THE FOUNDATION

BUILT WITH THE LOVE AND AFFECTION OF MORE THAN

22 THOUSAND

Among thousands, in the year of 2022 we have **TRIBUTED 12** of them by sharing their amazing life stories through new year calender publication.

UNITED NATIONS
GLOBAL COMPACT

COMMUNICATION on PROGRESS REPORT

FEBRUARY 2021 TO FEBRUARY 202

COMMUNICATION ON PROGRESS REPORT

FEBRUARY 06, 2022

# STATEMENT OF CONTINUED SUPPORT from the CHAIRMAN

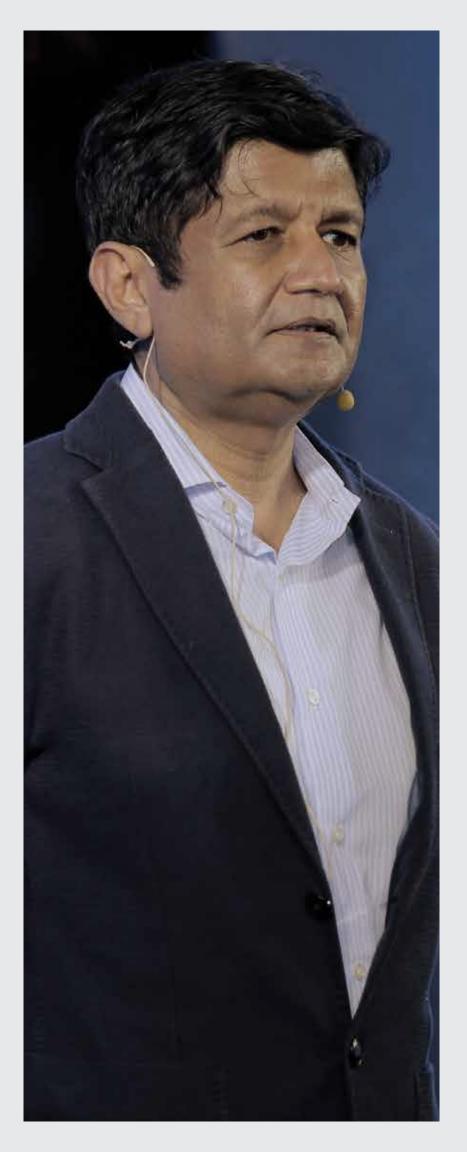
**The** idea of sustainability in practice is complex but we have been trying our best to navigate against all the odds to establish Epyllion as a brand with trust. We have created a culture of ethical business practice considering environmental and social aspects. We believe our profit will turn into ashes if we fail our people to bring positive changes in the socio-economic arena.

As an entrepreneur, the vision we had while starting Epyllion back in 1994 has changed several times. Many times, we have set our bar of excellence higher, meet that goal, and then set another benchmark. Since the beginning, we have been very focused on looking after the new leaders, bringing them up, and giving them responsibility. We believe in our people. We are witnessing historical moments of worlds transformation. The idea of individualism has been feeding away and this pandemic is keep reminding us the importance of rebuilding our socio-economic structure by ingraining the sustainability approach.

Epyllion's sustainable business strategy is driven by its human spirit and technological advancement. Our environmental, social, and governance (ESG) goals are embedded in how we operate as a business—they are part of our very foundation. With our business growth, our responsibility towards business is increasing and we appreciate UNGC's guidance towards being a good neighbor across the boundary.

Reaz Uddin Al-Mamoon Chairman

Managing Trustee
Epyllion Foundation



# EXECUTIVE SUMMARY

2022

W W W . E P Y L L I O N G R O U P . C O M

**Collaboration** with UNGC and adopting its principles guided us to the pathway of ethical business. the year 2021 was the year of fighting back from covid -19 effects of economic downfall. After experiencing negative export growth in 2020, by adopting a new normal strategy we have come back with 29.88% growth. OP 2021- 2022 illustrates our corporate actions related to our business sustainability, actions for protecting human rights, labor rights, environment, and anti-corruption. Human rights impacts go beyond our workers and employees. Our projects KHEA, Shompritir Ushonota, Human spirit against Covid -19, Nayontori reached thousands of people in the community for impacting our neighbors with positive impacts. Labor rights actions become more structured with the guidance of international and national institutions. Our social compliance has continued practice for ensuring better workplace for our workers with the alignment of national and international law and norms. Through projects like GEAR and Marks and Starts we have been working for closing inequalities. In the arena of environment, we have started process for getting certification of LEED for EKWL HW factories. We have secured our sources of organic cotton more than 70%. Reduced energy consumption by integrating new technologies. We have partnered with international platform of circular economy called Reverse Resource which has created opportunities for reducing textile fabric waste. Two new ETP have established as part of our environmental sustainability and the liquor ratio has reduced to 1.5 from 1.8. Our accessories factories have recycled 1044340 KG waste.

2021 we have inaugurated EKWL HW factories which has created work opportunities for more than 3,000 people. In the garments division, our workstation has increased by adding with 50 lines with 2,020 workstations.

Like previous years we are thriving with strategic business module by incorporating the philosophy of triple bottom like. In the coming years we are looking forward to reaching more people through new projects and bringing structural changes with technological advancement.

# CONTENTS

# Core Philosophy & sustainability Chapter 01: Milestone of Excellence Milestone of Journey......09 Business progress over the year ......11 Chapter 02: Human Rights Prothom Surjo......16 Shompritir Ushnota ......17-18 Care for your Mental Health......23 BMI......23 Noyon Tori ......24 Chapter 03: Labor Rights Labor rights .......28 Help Desk, Freedom of association......30 Occupational Health And Safety ......31-32 Project Marks and starts partnering with CRP .......33 Chapter 04: Environment Pant for Planet ......39 ETP ......41 Certification Audit ......42 Chapter 05: Anti-Corruption Chapter 06: Achievements Awards and recognitions ......45

In 1994, Epyllion debuted in RMG sector with two sewing lines and 200 people. In 28 years from a small start-up with a great vision has transformed into one of the biggest conglomerates with the substantial establishment of its backward linkage of all kinds of knit garments, textile, wet processing & garments accessories. Today Epyllion is the workstation of more than 22000 people whose collaborative efforts established Epyllion group as a trusted brand of integrated garments manufacturing facilities that ensure one-stop service to buyers around the world.



# **EPYLLION GROUP**

humanspirit

www.epylliongroup.com

2022 COMMUNICATION ON PROGRESS REPORT

Our vision is to become a window through which all our interacting parties can see and feel their prospect and dream about their success. Epyllion will become a lifestyle towards its employees, suppliers, buyers and above all shall become a role model of a green corporate house which will be regarded as an icon brand in the country.

# VISION



Epyllion will be known as an entity whose main driven force is its human resources. With such a motivated, high skilled and professional workforce, Epyllion has started marching towards its glory of success which is not the profit but to enjoy the joy of life.

MISSION

# CORE PHILOSOPHY

Core Philosophy & Ethical Views of Epyllion Group



# We are focusing with HUMAN SPIRIT

Since our inception human spirit is in our core philosophy of ethical business practice. We always place people first. We value human spirit and their efforts for creating milestones to achieve business sustainability throughout the journey of Epyllion Group. we want to become a benchmark for corporate sustainability by impacting more and more people and spreading goodness.

# CORE PHILOSOPHY

# EPYLLION CORPORATE SUSTAINABILITY

# STRATEGICAL APPROACH IS DERIVED FROM

- 10 principals of UN Global Compact
- 17 Sustainable Development Goal
- Seven Core Principals of ISO 27000
- 33 objectives set by Epyllion Foundation
- Committing to ISO 26000 guiding path.

# UN GLOBAL COMPACT | 2012

Epyllion Group Avail membership in UN Global Compact

# 2019

# **ENLISTED AS A SIGNATORY MEMBER OF UNGC**

Ten Principals of UN Global Compact

Epyllion Group is committed to 10 principles of UNGC which guide us to create the strategy of ethical business practice. 10 principles of UNGC reflect Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. Therefore, UNGC advocate the right way to be aligned with international law and norms of ethical business practice.



# TEN PRINCIPLES of UN GLOBAL COMPACT

### 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

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

# CORE PHILOSOPHY

# The 17 Sustainable Development Goals (SDGs)

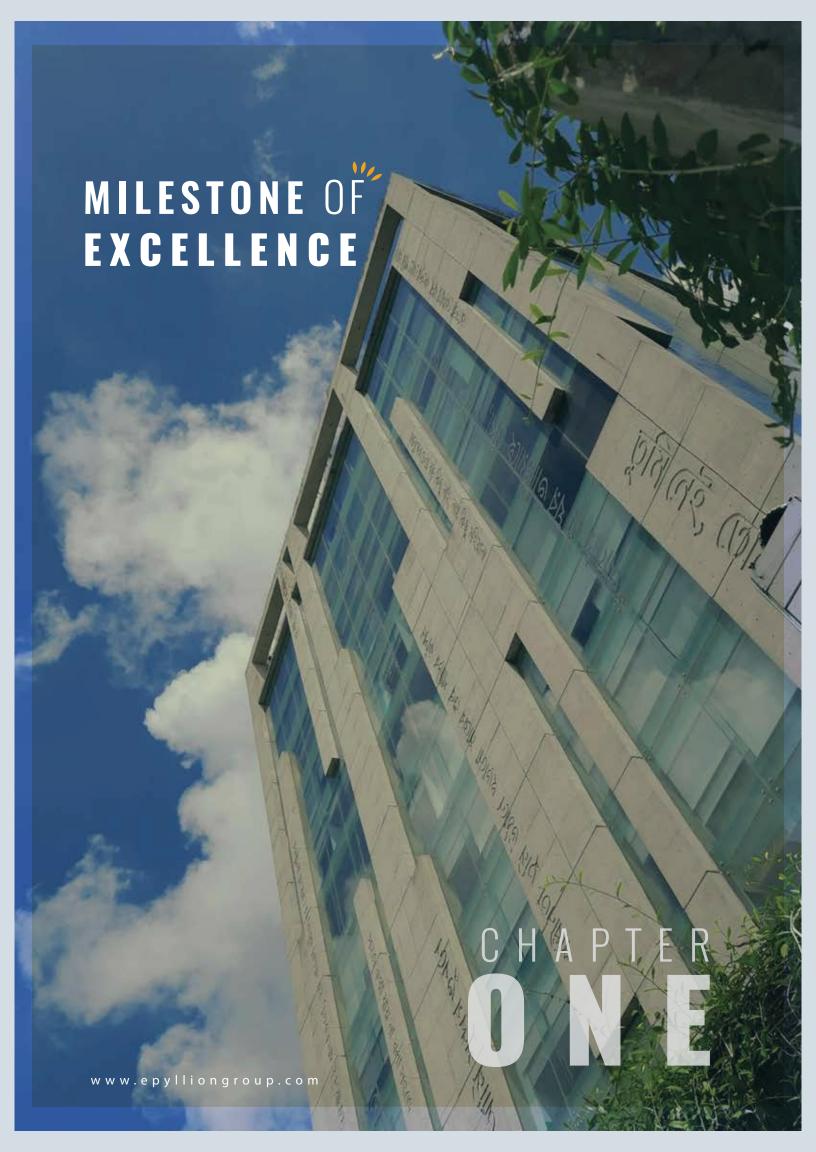


# CORPORATE SOCIAL RESPONSIBILITY (CSR)

Corporate Social Responsibility is ingrained within Epyllion's ethical business practice. Our CSR mission is to go beyond compliance to help people in every community recognize and achieve their potential through the right intervention at the right time, and our ultimate vision is to become good neighbors across boundaries.

Epyllions CSR strategic approach is driven by the principles of UNGC, sustainable development goals, and objectives of Epyllion Foundation. Epyllion corporate governance practices CSR for creating shared value in mutual interest ground with its stakeholders. In line with global goals, our CSR works beyond compliance for creating impacts in the arena of education, good health and wellbeing, environment, and humanitarian support to the community.









The transformation of Epyllion Group is an incredible journey from a house of Readymade Garments (RMG) to a modern corporation following latest technology. Epyllion has turned as a hub of full spirit using advanced technology, which has taken us one-step ahead towards our customers, suppliers and partners setting a new benchmark in global quality and standard. For manufacturing and exporting of Knit Apparels Epyllion has been considered today as one of the biggest conglomerates with substantial establishment of its backward linkage of all kinds of knit garments, textile, wet processing & garments accessories since 1994 initiated with 2 sewing lines and 200 human resources.

Dekko Knitwear's limited, mother factory of Epyllion located at Mirpur Industrial Area, an industrial zone in the capital of Bangladesh. With this factory, Epyllion started growing up. With the dedicated team, innovative ideas and long-term vision, Epyllion is still in growing position that is expanding day by day. Epyllion is all about new initiatives, new ventures and new aims with rooted principles and ethical views. Currently Epyllion is a business house with textile, garments, and garments accessories for exporting RMGs to

worldwide. Epyllion Group is now having its business footprint in Bangladesh's retail fashion industry with Sailor since 2015 casting 18 outlets around the country. A food & beverage unit is also waiting for its nationwide commercial launch. With a set of work force of more than 22,000 skilled officials, Epyllion Group is sustaining and will sustain the optimum business development in terms of profit, people and planet. It has growth in employment generation, annual turnover and sustainable supply chain. Epyllion's focus point in journey is to be an institution where the human development and social contribution will be focused and profit will come as the by-product.

The group believe that it is to not only produce and deliver high quality, reliable safe goods and services to the clients, but also to give them the sense of trust, which builds a strong bondage among us. Epyllion has achieved significant milestones in its sustainable journey with divergent socio-economic challenges in the country as well as in overseas. We commit to build responsible competitiveness in business with good corporate governance and efficient & ethical organizational strategy.



# MILESTONES OF JOURNEY

1994

1 Garments Unit

2000

1 Garments Unit1 Accessories Unit

2005

3 Garments Unit

1 Accessory Unit

2 Textile Unit

2010

5 Garments Unit

1 Accessories Unit

2 Textile Unit

1 Washing Unit

2015

5 Garments Unit

1 Accessory Unit

2 Textile Unit

1 Washing Unit

1 Testing Lab

1 Retail Business Sailor (1 Outlet)

2018

5 Garments Unit

1 Accessory Unit

2 Textile Unit

1 Yarn- Dying Unit

1 washing Unit

1 Testing Lab

1 Retail Business (12 Outlet)

2020

6 Garments Unit

1 Accessory Unit

2 Textile Unit

1 Yearn - Dying Unit

1 Washing Unit

1 Testing Lab

1 Retail Business (Sailor) - 20 Outlets

2021

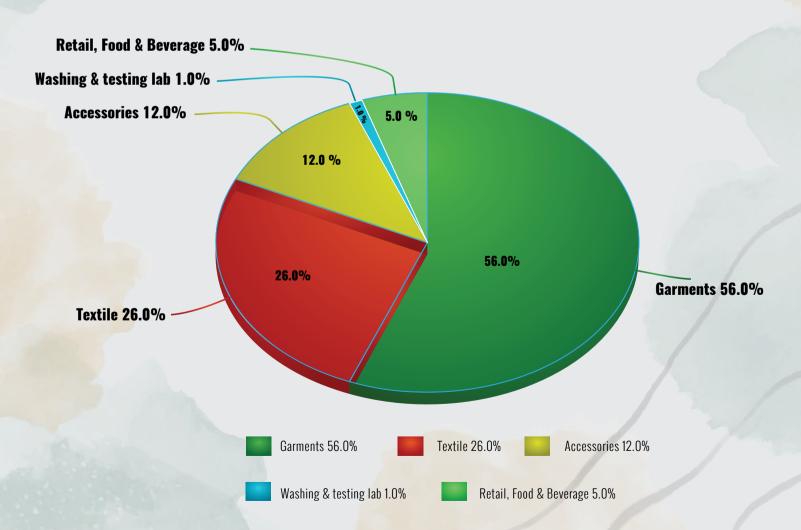
1 EFL Extension in Textile Cluster 2 EKWL HW in Garments Cluster

# B U S I N E S S SECTORIAL EXPOSURE



# BUSINESS CLUSTERS

Unit	Capacity Share
Garments	56.00%
Textiles	26.00%
Accessories	12.00%
Washing & Testing Lab	1.00%
RETAIL, FOOD & BEVERAGE	5.00%



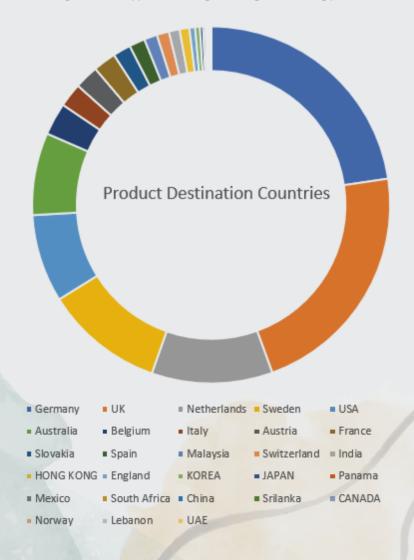


# BUSINESS PROGRESS OVER THE YEARS

# BUSINESS GROWTH (From 2016 to 2021)



Despite covid -19 during the fiscal year of 2020-2021, we have the highest business growth compared to the last four years. 2019 -2020 we attained negative 7 percent growth due to the adverse effect of covid -19. The year 2019 -2020 we have experienced the phenomenon of pandemic which restricted our business but we have learned and implemented strategic business approach to navigate through for attaining positive business growth.





# **EPYLLION FOUNDATION**

# JOURNEY BEYOND COMPLIANCE

**Epyllion** foundation was inaugurated in April 2011 as a sister concern of Epyllion Group for Integrate CSR in Epyllion's business governance. Epyllion Foundation is aiming for implementing corporate social responsibility by creating a shared value perspective inspiring from the triple bottom line philosophy, sustainable development goals, and core principles for UNGC.

Epyllion Foundation believed in the power of the human spirit, resilience, and human potential. Epyllion foundation wants to spread more positivity through social development projects we will be able to create engagement at the community level.

Under Epyllion Foundation our CSR projects are intervening in areas of

EDUCATION

HEALTH CARE

ENVIRONMENT

COMMUNITY DEVELOPMENT

JOY OF GIVING

# **LUNCHING EPYLLION FOUNDATION WEBSITE**

Epyllion Foundation has launched Epyllion Foundation website in 2021 to communicate and engage people around the world with Epyllions action for social-economic and environmental development. through this website, we want to scale up our actions and motivate our stakeholders.

Epyllion foundation's work goes beyond compliance with our commitment to sustainability with responsibility, following and promoting the seven core principles of ISO 26000, 10 principles of UN Global Compact, 17 SDGs by UN, and 33 won objectives.













# HUMAN RIGHTS FOR SUSTAINABILITY



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# **SAVE YOUTH THROUGH SPORTS**

# EPYLLION FOOTBALL DEVELOPMENT PROGRAM

Sports have always been one of the most important components to nurture positivity in childhood. Unfortunately, these days, city life has challenged healthy childhood development. Our children are boxed in a home with gadgets which negatively affect children's mental and physical development.

Once Narayanganj was one of the golden lands of football. History shows a number of famous players are coming from Narayanganj like Monem Munna, Chunnu, Dulu Afendi, Shomrat Emily, and so on. In each community area, there used to be a sports club. However these days our youth have become misguided drug addiction within youth has increased alarmingly.

To address this social problem, we have come with this project called Epyllion Football Development Program to protect our youth from drug addiction and to bring back the golden days of football.

We have a very simple strategy to engage our youth community by reviving old sports clubs and establishing new clubs. Till now we have 17 clubs where 700 registered youth footballers get training from our appointed football coach. Three days a week these 700 adolescents get football coaching from professional footballers. We provide full logistics support to run those clubs. Among these 700 players, we have selected 20 best footballers who get special training for preparing themselves to play at the national level.









# LIST OF CLUB

1. Brothers Union Club

- 2. Kashipur Football Coaching Centre
- 3. Gog Nagor Krira Proshikkhon Kendra
- 4. Dulu Afendi Srity Football Academy
- 5. Madanganj Football Academy
- 6. Munna Srity Sonsod- Was in Partial Suspension due to reasonable cause
- 7. Bondor Sirajudaullah Club- Was in Partial Suspension due to reasonable cause
- 8. Shapla Krira Sonsod
- 9. Bangabir Sangsad
- 10. Narayanganj Promila Football Academy
- 11. Bandhan Football Coaching Centre
- 12. Narayanganj Football Academy
- 13. Rainbow Athletic Club
- 14. Chandu Sporting Club
- 15.GKSP (Godnail Krira Shikkha Protistan)
- 16.D.S.S Club- (Additional in 2019)- Was in Partial Suspension due to reasonable cause
- 17. Islambag Football Academy (Additional in 2020)





# KHEA

READ. LEAD. SUCCEED



KHEA is a metaphoric name of our project in response to quality education. KHEA means a small boat uses for crossing river. Like KHEA we also want to support our students to complete their educational journey. Project KHEA targets children of more than **22,000** thousand employees and workers. 2021 KHEA is in its **10 years** of journey with **4 educational** tires. The number of KHEA scholarship students has increased to **1280 students** by adding **108 students** in 2021. Besides financial support KHEA is a recognition for our meritorious students for encouraging them and creating a common learning platform for a better future.







# **PROTHOM SURJO**









# HOME FOR HOMELESS CHILDREN

Prothom Surjo foundation is a nonprofit organization that works for providing a home for homeless children. It is an inconvenient truth that in urban areas street children are deprived of basic needs. Epyllion Foundation provides quality life to 25 female street children. Epyllion foundation invests in their academic progress, soft skills development for building good citizens. Our children are living a joyful life and growing with full potential.



# RESTORING WATER BODY IN OUR C O M M U N I T Y



During the observation of world environment day, Epyllion Group took initiatives for cleaning water bodies around its community. We removed waste from water canals around Epyllion Knitwear's Limited HW and EKWL Mirpur factory for restoring the environment and raising awareness within the community.

# **SHOMPRITIR USHNOTA**

JOY OF GIVING



Winter is the season of celebration and festival for Bangladesh, inversely winter is also the season of suffering for many of us, especially people living in the marginalized community struggle to keep themselves warm from cold weather. Epyllion's core business is producing cloths, our produced clothes become the reason of happiness to people in different corners of the world.











Like those customers, we want to be the reason for the happiness of our neighbors during winter. Project "Shompritir Ushnota" is the reflection of that wish and like in previous years, 2021 we have reached around **2,000**people with warm clothes. This time we selected one of the most southeast districts of Bangladesh Shatkhira where due to salinity number of people with disability is higher.

In our socio-economic context, people with disability have inadequate access to education and employment opportunities which create them more vulnerable to poverty. Reaching out to the families with people with disability and watching their innocent smiles is the joy and inspiration for doing more for the community.



# GOOD HEALTH & WELLBEING



2022 COMMUNICATION ON PROGRESS REPORT



# **RESPOND TO COVID 19**

### Human Spirit | Against Covid - 19

We all are living the history of the great phenomenon of a pandemic. The idea of individual interest has faded away in this most uncertain time when Covid-19 has struck each socio-economic indicator. It is time to take care of each other, to look after the community, to support people who are the victim of the Covid -19 economic downfall. Being a responsible entity, Epyllion Group extends hands towards its neighbor in any humanitarian crisis.

# SAVING OUR PEOPLE

Since the first day of covid -19 detected in Bangladesh we have taken systematic approach for securing our place for our people.





- HAND WASH BEFORE ENTERING \*\* MEASURE TEMPERATURE \*\* SEND TO ISOLATION IF POSSESS ANY SYMPTOMS \*\* SHOE SANITIZATION

- **\*\*** ENSURE MASK FOR EACH STAFF
- **MASK DISTRIBUTION FOR CHILDREN OF THE WORKERS**
- **CLEANING AND SANITIZING SURFACE**

- ★ HAND GLOVES DISTRIBUTION
- \* HAND SANITIZER FOR EACH ENTRY AND CORNER \* HEXISOL OR ALCOHOL BASED HAND RUB
- \* ENSURED SAFETY MEASURES IN CHILD CARE ROOM. MEDICAL ROOM \* AWARENESS LEAFLETS DISTRIBUTION
- PLAY AND ACT TO AWARE ON SNEEZING AND COUGH ETIQUETTES
- AWARENESS SESSION IN CONFERENCE ROOM. FLOOR
- **LIMITED ACCESS IN LIFT**
- \* ARRANGEMENT FOR ISOLATION BED

### **MEDICAL TEAM FOR 24/7**

All of our factories have a fully equipped medical center where medical team under 11 doctors provide 24/7 medical support. Our medical team closely working with our management and non-management members for taking precautions against covid -19.



# SAVING | Human Spirit COMMUNITY | Against Covid – 19

**Pandemic** taught us the complexity and interdependency of our social and economical entities. Solo existence and wellbeing thoughts are changing as we have realized how fragile our foundation could be if we ignore coexistence. As a private entity action we have taken to defend pandemic might be tinny but we interns of our efforts against effectiveness was massive.

### **TAKING CARE OF NEIGHBORS**

**STANDING** beside underprivileged community during lockdown. Due to covid -19 we have experienced economic downfall which adversely affected underprivileged communities in urban areas. Food crisis increased during a series of lockdowns. Starting from covid -19 our CSR team reached thousands of families with food support whose income puts in threat due to lockdown. Through our stakeholders 10 taker school, Bangladesh while chair cricket association and JAGO foundation, and Narayanganj community volunteer our food support reached to more than three thousand families



# PROTECTING COVID -19 FIGHTERS I

To mitigate the PPE crisis during the beginning phase of Covid - 19 first challenge our nation faces is the shortage of PPE. Epyllion took prompt action and as a private organization invested to import PPE. Epyllion CSR team reached 31 Government and private hospitals, journalists, police, and people who work in the frontline with 75 thousand PPE covering protective clothing, isolation gowns, eye protection glass, surgical mask, N-95 mask, inferred thermometer, hand Gloves, sanitizing solution, disinfecting hand rubs.









# **RESPONSE TO COVID – 19 VACCINATION**

**There** is no other option but to ensure 100% vaccination for defending pandemic. Epyllion took initiatives to assure 100 percent vaccination for assuring a safe and healthy workplace. When we found many of our workers are unaware of vaccination and they were facing difficulties to get registered in online. At factory we provided online registration support therefore they may easily get access to vaccination program. Latter on with government support we arranged number of vaccination camp where mass vaccination was offered.









### TOTAL VACCINATION SUMMARY

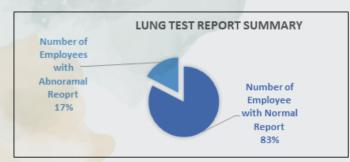






### **CARE FOR YOUR LUNG PROGRAM**

Due to the Pandemic of Covid -19 taking care of our lungs has become more important than ever. To address this very crucial health issue we have introduced Care for your Lung Program which provided lung checkup facilities at Lung Screening Booth at NinaKabbo.







### CARE FOR YOUR LUNG PROGRAM OFFERED

- Primary screening through survey
- Select Interested Persons
- · Lung test through X-Ray
- · Provide test report within one hour
- TB test based on report
- Provide doctors consultancy
   and medicine who has TB Positive







### CARE FOR YOUR MENTAL HEALTH

The importance of taking care of our mental health has become more important than ever in the context of urban life and covid -19. Under our good health and wellbeing initiatives 2021 we have reached four hundred of our employees with mental health camp with a tag line of "dear stress let's break up." The program also included a workshop on stress management conducted by Dr. Lipi Gloria where our employees learned how to address stress with a positive mindset balance it for leaving a balanced life.





# 

# **BMI Health Camp**

BMI health camp partnering with united hospital Bangladesh offered primary health checkups including calculation of BMI and doctors' consultancy. Total 350 employees participated in BMI health camp where they did primary health check-ups including blood sugar tests, BP, ECG tests, BMI calculations. People out of the green zone took doctors' consultations for received diet charts for improving their fitness.





# **NOYONTORI**

# A Mobile Eye clinic for taking eye care to your doorsteps.

Noyon Tori is a fully equipped mobile eye clinic. Noyon Tori Activities During "NEW NORMAL" continued rural areas despite pandemic challenges. Under the "new normal" ECP has redesigned its eye camps and implemented those with the utmost caution on a limited scale serving a lesser number of people. From large public eye camps catering to 500+ patients, ECP is now implementing its eye camps with around 150-200 patients under the "Doorsteps Eye Camp".



### **SERVICES PROVIDED:**

- · Eye screening tests
- Provide eyeglasses for correcting refractive errors
- Provide eye drops to address allergy and other eye conditions as needed
- Provide referral service for complex eye problems
- Identify cataract patients
- · Blood Pressure measurement
- Random Blood Sugar tests
- Cataract surgery for cataract patients
- Raise basic eye care awareness among the patients to prevent avoidable eye diseases.







# **RENU**:

# Fair Price shop for increasing living standards of our workers.

2 more fair price shops at Epyllion Textile Division and Epyllion Knitwears Limited (EKWL) - Madanpur for more than 7,000 of our workers in 2021. Renu fair price shop dedicated to providing daily household products to our workers in 20 to 30 percent less price. Since establishing Renu fair price shop our workers' daily expense has decreased and they have become financially more secure. In terms of product quality, compared to their previous sources of the daily shop right now our worker has access to products from trusted brands that maintain quality. Additionally, our fair price shop has zero physical contacts which decreases the risk of getting exposed covid - 19.









# BUILDING A GOOD CULTURE FOR GOOD HEALTH RUN FOR AWARENESS

**1,050,000** steps for raising awareness against diabetes.

Epyllion Group has been organizing half marathons since 2016 for building awareness in physical activities to prevent diabetes. In the last two by years adopting new normal "Run for Awareness" has been arranged virtually. In 2021 all of our units have participated to run for awareness and a total of 153 people participated in the run who covered a total of 750 km within 4818 Minutes. Run for awareness has become part of our epyllion culture and it has inspired many of our employees to start physical activities and over time people's interest in sports, running, and physical activities has been increasing.



# **MEASURABLE OUTCOMES**

### **HUMAN RIGHTS**

- 1. 578 Training under categories of health & safety, first aid, fire safety, fire training by FSCD, chemical handling, and security have conducted and reached 17,599 our workers and employees
- 2. 92% of workers got covid 19 vaccine under mass vaccination programs
- 3. 24/7 medical support to all employees and workers
- 4. Reached more than 3,000 under privilege community people during lockdown
- 5. Reached 400 employees through care for your lung program
- 6. Care for your mental health campaign served 380 people for stress management
- 7. Under project Nayontori Conducted 47 eye camps screened 8534 people, gave glasses to 8,534 people, gave medicine to 528 and conducted 528 cataract surgery, and total 19113 distance covered.
- 8. 350 employees participated in BMI health camp
- 9. Launched 2 fair price shops at Epyllion Textile Division and Epyllion Knitwears Limited (EKWL) Madanpur for more than 7,000 of our workers in 2021
- 10.153 people participated in Run for Awareness and covered a total of 750 km within 4818 Minutes
- 11. More than 700 adolescents aged children get football coaching under 17 football club established under Epyllion Group Football Development Program.
- 12.Keen Hand for Educational Assistant (KHEA) for reached 1280 students with educational assistance
- 13.More than 2,000 underprivileged people with disability received winter cloths under project "Shompritir Ushnota."
- 14. Provide home and education to 25 homeless children at Prothom Surjo Foundation.
- 15. Cleaned 2 water bodies around EKWL Mirpur and EKWL HW for restoring Environment

# LABOR RIGHTS



2022 COMMUNICATION ON PROGRESS REPORT

C H A P T E R'
THREE



### LABOR RIGHT

**Epyllion Group** integrates labor rights into the foundation and ingrains into the organizational culture. Epyllion is the direct workplace of more than twenty thousand people which requires establishing a system that creates a safeguard for our workers to protect human rights. we believe the real hero of transforming a company from 200 employees to 22000 employees is nothing but human efforts. Therefore, we treasure our people through creating a work environment and culture that uphold human rights before anything.

Epyllion organizational Code of Conduct protects human rights in all aspects. COC Principles, values, standards, respects the rights of all constituents affected by its operations. Epyllion organizational COC comply with all laws and regulations of the county where it operates and ratified international conventions.



- Environment
- Security
- Hours of Work
- Regular employment
- Freedom of association
- Prohibition of Child Labor
- Prohibition of forced Labor
- Prohibition of forced labor
- Health & workplace safety
- Compensation and Benefits
- Respect for stakeholder's interest
- Compliance with all laws and regulations
- Prohibition of sexual harassment & abuse
- Respect towards employee's rights & fairness
- Equal employment opportunities and non-discrimination

# COLLABORATION ACTION FOR ENSURING HEALTHIER WORKPLACE ILO BETTER WORK PROJECT

an integrated initiative of ILO, UN, IFC, governments, global brands, unions of workers, and factory owners. Epyllion believes in expertise intervention for continuous development of its workplace for sustainable business operation. ILO Better Work project continuously conduct audit to our factories and based on their assessment we take initiatives that ultimately protect our workers' right. ILO Better work project appreciates Epyllions actions for protecting its workers and employees from Covid - 19 which ensure safe workplace for workers and to continue production at the same time.

Approximately 12000 worker and employeesare Under ILO Better work Project.

Epyllion Style Itd., Epyllion Style Ext., Epyllion EKWL – HW Epyllion Washing Itd., Epyllion Knitwear Mirpur Dazzling Dresses Limited





### PROHIBITION OF CHILD LABOR

Epyllion Group prohibits all forms of child labor at any level of its action. Our recruitment system implies submission of a National ID, Birth certificate, and educational certificates to ensure all our employees and workers are equal to or above eighteen years old. Also, our dedicated medical team verifies potential workers' age for avoiding any type of document falsification. Our internal audit and external audit ensure free of child labor through regular social audits.



# PROHIBITION OF FORCED LABOR

Epyllion Group business practices prohibit forced labor which implementation is verified by continuous internal and buyers' audits. Epyllion does not hold any document or agreement from their worker which may create any forms of socio-economic pressure or threat to practice their labor rights. At Epyllion all types of overtime are voluntary. Before overtime. our management ensures pre-announcement and maintains consent registration books where our workers give their written consent in advance for performing overtime. Epyllion does not require overtime on a regular basis and compensates all overtime work at the rate of twice the worker's ordinary rate of the basic wage

### PROHIBITION OF SEXUAL HARASSMENT & ABUSE

Sexual harassment and & abuse are global human rights problems. Especially in labor market women are at high risk of gender-based violations including sexual harassment & abuse. Epyllion is very much aware of this scenario as we are working with thousands of female workers. Therefore, epyllion integrated a zero-tolerance strategy for any kind of sexual harassment& abuse into its business governing system to protect its workers from any kind of sexual harassment and abuse. Each factory of Epyllion has a dedicated committee consisting of a member from PC committee for building awareness and resolving sexual harassment and abuse.

# ANTI-HARASSMENT ABUSE AND GRIEVANCE

92 TRAINING REACHED 3583 PEOPLE



#### **HELP DESK**

Each floor of the Epyllion factory has established Help Desk which works as a primary reach for workers with any type of conflict. Our trained welfare officers of these help desk closely work with workers and maintain workplace discipline. If any worker faces any kind of harassment informs of verbal or physical or face any type of bullying or disclination may come to the welfare officer at the help desk and take official action. To ensure hundred percent accessibility with no fear we have grievance boxes where they may express their concerns anonymously.



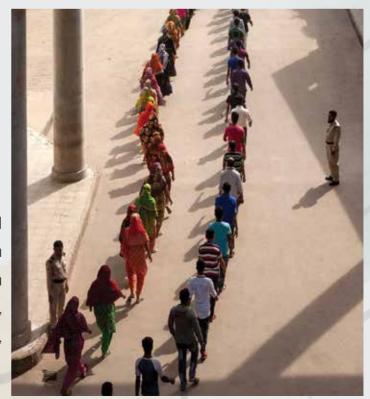


#### FREEDOM OF ASSOCIATION

The right to freedom of association is fundamental to the establishment of labor unionism as an institution. Freedom of Association creates a bridge between workers and management for resolving any kind of potential unrest and it empowers workers for attaining their rights. Epyllion always believes in bottom-up participatory approach for creating a sustainable work environment for our workers. Epyllion protects the right of freedom of association for its workers through the PC Committee. Each factory of Epyllion arranges a fair election for forming PC committee which ultimately creates an open floor for our workers to understand their rights and create a healthy relationship with management for attaining mutual benefit. Worker's representatives of PC committee selected in a democratic way therefore representatives majorities interest.

# EQUAL EMPLOYMENT OPPORTUNITIES & NON-DISCRIMINATION

Epyllion Group reward employee according to their individual performance. Epyllion Group maintains the equal opportunity policy in recruitment, training and development, promotion, transfer, compensation and benefits etc. without any form of discrimination such as race, caste, color, religion, sex (including pregnancy), marital status, family status, sexual orientation, regional origin, age, disability, and veteran status.







#### OCCUPATIONAL HEALTH AND SAFETY

Compare to the beginning of our journey we have come a long way in occupational safety measures. We have brought structural changes by adopting international and national laws codes of conduct, and guidelines. Our occupational health and safety measures monitoring include certification, memberships and international standard social compliance. Bangladesh Labor law -2015 protects workers' health and safety which is strictly followed at each factory of Epyllion. Also, our factories of Epyllion are certified by BSCI which ensure working condition in the global supply chain. BSCI is the European social monitoring system for ethical sourcing initiative by the Brussels - based foreign Trade Association (FTA) which code of conduct that implements ILO convention and recommendation. Also, epyllion has a membership of SEDEX that provide one of the world's leading online platforms for companies to manage and improve the working condition in the supply chain. Additionally, certification on ISO 45001 aims for reducing occupational injures ad disease, including promoting and protecting physical and mental health. Year around each factory conducts monthly fire drills, occupational health, safety, and training programs. Besides that, our compliance monitoring system strictly maintains the use of required personal protecting equipment at the workplace.



578 Training have conducted and reached 17,599 our workers and employees.





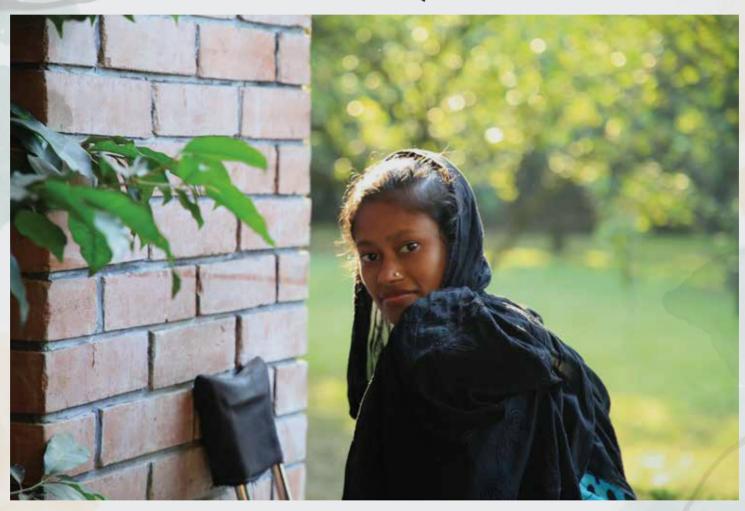
#### **HEALTH & WORKPLACE SAFETY**

Epyllion Group ensure a healthy work environment for all. The company provide a safe and healthy workplace setting to prevent accidents and injury to health arising out of linked with or occurring in course of work or as a result of the operation of employers' facilities. Company adopt responsible measures to mitigate negative impacts that the workplace has on the environment.





# REDUCEINEQUALITY



2022 COMMUNICATION ON PROGRESS REPORT



#### **ENABLING PEOPLE WITH DISABILITY**

Project Marks and starts partnering with CRP

Inequality is an omnipresent fact. It could be defined as a root social evil. inequality is linked to racial inequality, gender inequality, and wealth inequality. Epyllion philosophy always stands against any form of inequality. Our business strategy eliminates any action that may cause or motivate inequality against any person.

Partnering with CRP (Centre for the rehabilitation of the paralyzed) and Marks and Spencer (M&S) Epyllion Style Limited Initiated project for empowering underprivileged persons with disability. Due to inadequate access to education, skill development and social norms people with special needs are vulnerable to unemployment and poverty in our country. Reducing this vulnerability Epyllion has been creating working opportunities for people with disability since 2014. Under this project, CSR provides potential training for skill development of the potential workers targeting people with disability.

At present, 48 employees with special needs are working in our different departments. According to their skills and ability, they have been appointed to jobs so that they may perform with full

potentiality and do not feel left behind compared to their fellow co-workers.



Currently, 48 people with special needs working with successful career progress.

**34** FEMALE

**14**MALE





#### GEAR!

#### **GENDER EQUALITY AND RETURNS**

Bangladesh has made steady progress in reducing poverty during the last 20 years whereby millions of workers and especially women have been provided with formal work in the textile sector. Though RMG sector played as a game-changer in empowering women by creating working opportunities in the formal economy for females. Unfortunately, a massive number of females are at the bottom of the pyramid of the labor market. Lack of skills, awareness, social norms restrict women from career development.





Against this backdrop, we are partnering with GEAR project for promoting skills development of female workers. Results of GEAR project are promising and inspiring. Through GEAR project our 10 female operators have been promoted as asst. supervisor. This year our Epyllion style limited has started the second phase of the GEAR project and we are looking forward receive a positive impact on it. Our testimonial shows project GEAR is not only supporting female workers career development but also creating confidence for flourishing with full potentiality.

#### **Creating employment for 7422 Female**

Women's participation in the formal economy has a butterfly effect on socio-economic parameters. women's economic participation addresses the root causes of gender inequality, it brings dramatic changes in closing the gender gap, and women stats play more important role in decision making in the family. when a woman starts earning it positively affects decreasing poverty, children education, improving health and wellbeing of the family.

At present Epyllion Group is the job provider of 7422 females and our business projection is showing this number will get upward.

### ENABLING WOMEN Access to Formal Economy



We want our women will work in a gender-friendly workplace with dignity and respect. Year around we conduct projects and programs for building awareness against gender discrimination, female health and safety.





#### **NUTRITION ALLOWANCE**

During pregnancy stage we support our female worker with nutrition allowance for ensuring a healthy mother and child. 2955 women received nutrition allowance.



#### CHILD CARE

All of our female workers get facilities of child care at their workplace. A mother worker may continue her work without compromising her children's care and development. Numbers of trained child caregivers run the center where we meet the highest standard in terms of children's nutrition and cognitive development. Also, we build awareness and ensure breastfeeding through breastfeeding zone.



### CELEBRATING

2021 women's day was celebrated by acknowledging women leaders who contributed to fight -19 pandemic. Also, our women leaders participated in a seminar where they discussed on career challenges, **WOMEN POWER** the scope of measures to close gender gap.



#### **MEASURABLE OUTCOMES**

#### **LABOR RIGHTS**

- . 12000 workers under 6 factories under ILO Better Work Project
- . Zero Child Labor
- . Zero tolerance against Sexual Harassment and Abuse
- . 92 Training conducted and reached 3583 People for addressing Anti-harassment, Abuse, and Grievance.
- . Help desk at each factory level
- . PC Committee formation through the fair election at each factory
- . Implementing equal employment opportunities and non-discrimination-policy
- . Create access to formal economy for 7422 females
- . Till 2021 nutrition allowance provide to 2955 female workers
- . Child care at every factory with full support of child development
- . Partnering with GEAR project for braking glass celling

### ENVIRONMENT



2022 COMMUNICATION ON PROGRESS REPORT



#### **ENVIRONMENTAL SUSTAINABILITY**

Epyllion group is committed to be in compliance with all the applicable national laws and international standards and considering environmental sustainability in every business decision. We are committed to restoring and improving eco-efficiency and investing in feasible technical and technological improvisations and promoting sustainable initiates to combat the vulnerability of pollution, biodiversity loss, and climate change.

Environmental sustainability is the responsibility to conserve natural resources and protect global ecosystems to support health and wellbeing. Adopting an environmentally friendly ethical business strategy is not only the demand of the modern economy but also a requirement of business sustainability in the competitive market. Epyllion nurtures ethical business values that include business projection with low decreasing environmental impact. Over time Epyllion's business has grown considering the importance of protecting the environment. Because the end of the day we have the only planet to live in.



### PHYSICAL EXPANSION WITH LOW ENVIRONMENTAL IMPACT

Epyllion has invested in a number of landmarks which have less environmental impact. our physical expansion has been planned sustainable way in terms of considering environmental impact. our factories' architectures are eco-friendly which not only ensures a healthy workplace for us but also reduces energy consumption.

In 2021 Epyllion knitwears limited High Way was inaugurated which has been designed by adopting eco-friendly technology. Epyllion textile limited is a LEED-certified factory and EKWL HW is under the process of LEED certification. Commercial busing of epyllion, Nina Kabbo is an award-winning landmark from the government authority of being provident on energy consumption.



### CARBON LEADERSHIP PROGRAM WITH RESET CARBON

Assessment on carbon footprint and provide action based on science-based target Initiative (SBTI). After conducting a situation analysis Reset carbon sets target by following SBTI principles. Three of our units, epyllion fabrics, epyllion Knitex, and epyllion washing Ltd. Partnering with Carbon Leadership program and working on decreasing carbon footprint.

### TECHNOLOGIES FOR LESS : ENVIRONMENTAL IMPACT

In recent years, Epyllion invested in modern machinery and technologies with low environmental impact. Our low liquor ratio machine has reached to 1: 5 from 1:8. Now for 1 Kg fabric our water consumption is 5 liters of water. We have integrated a VFD variable frequency device and Clutch motor which requires less energy. Also, our production process uses an energy efficiency system of condescended health recovery which recovers steam heat. Our water harvesting and wastewater recycling technologies reduce energy consumption. Integrated renewable energy source at DDL, EKWL HW factories reducing greenhouse gas emission.

#### PROJECT OXYGEN:

The basic of restoring the environment is planting trees. Till today Epyllion has planted more than 13,000 trees in its factory arena. to introduce statable management system project oxygen is working. Already 5,000 trees are tagged under this project and rest of the trees will also incorporate within the database of our trees log and tagged for nurturing them sustainably.





#### PLANT FOR PLANET



Planting Environmental Responsibility within our Child.

Project plant for planet aims to plant awareness and a sense of responsibility towards the environment within our school-going children. Under this project we organize a day-long workshop targeting a school and students create a school garden by planting trees in plastic drums. Students paint on the tree container and write their name, class, roll on the container which creates ownership of that plant and they become responsible for nurturing that plant.





48 SCHOOLS PARTICIPATED

■in creating recycles school gardens

Reach more than 50,000 students

teachers & **Z,U** teachers

**22,000** students and teachers directly participated in the preparation, learning and maintenance of the garden

21 000 kg of plastic recycles in form of containers for tree

Create 44 school gardens by planting 2,090 plants



## PARTNERING WITH REVERSE RESOURCE TAKING PART IN CIRCULAR ECONOMY

Waste has become valuable resource for the emerging age of circular economy. Recycling textiles to fashion products is no more a technical challenge. It's a problem of blocked access to waste, incomplete waste data and inflated prices caused by the current waste handling and trading practices. Reverse Resources globally created network of textile industries for recycling textile waste and transform into fabric instead of waste. 2021 Epyllion Group has become partner of Reverse resource for recycling its textile waste.

## RECYCLE TO REDUCE ENVIRONMENTAL IMPACT

Epyllion Limited is known as an accessory's hub where in 2021 1044340 KG waste plastic was collected from epyllion garments and textile division for recycling purposes. In 2021 total we produced **1 020796 KG** recycle poly.

#### PRODUCT SUSTAINABILITY

To ensure product sustainability right now we have reached to more than 70% of sourcing organic cotton and a significant proportion of recycled polyester, Supima Cotton and BSCI. Through Okeotex certification our project is certified from 100 harmful chemicals.





#### ETP

ETP is the most cost Effective & technically proven system to remove unwanted, hazardous chemicals from the wastewater to meet the statutory pollution control requirements, especially for chemicals, pharmaceuticals, phosphating, and electroplating wastewaters.

FULLY ENVIRONMENTALLY
FRIENDLY

Capacity **6,300 m3/DAY** (RO System)

**GENERATED SLUDGE**CAN BE USED AS FERTILIZER

CAPACITY
6624 m3/DAY



Till 2021 we have total 4 ETP at textile division – 2 biological ETP with MBR. At 1 biochemical ETP at Epyllion knitwears limited HW and 1 Biochemical ETP at Epyllion Limited.





#### **CERTIFICATION AUDIT**

Epyllion is a proud member of most reputed certification / membership. We have below certification / membership for social compliance.

























#### **MEASURABLE OUTCOMES**

#### **ENVIRONMENT**

- 1. Implement environment requirements under certifications of Credle to Credle (C2C), GOTS, OCS, GRS, RCS, Higg Index, SWAN Eco-label, FSC, OEKO -TEX, Supima, BCI Cotton.
- 2. Established 2 more ETP in the year 2021 at 2 factories
- 3. Recycle 1044340 KG waste plastic for producing 1020796 KG recycle poly
- 4. Reduced project oxygen introduced sustainable tree management system for 13,000 trees
- 5. Partnering with Reverse Resource for recycling textile waste
- 6. More than 70% of sourcing organic cotton
- 7. Reduced to low liquor ratio 1: 5 from 1:8 through integration of modern technologies.



# CHAPTER

### **ANTI-CORRUPTION**

For Epyllion, anti-corruption is not only a legal obligation and an ethical standpoint. We understand that bribery and corruption are core threat to our business and the societies in which we operate. We have adopted particular COC and business principles to uphold our commitment towards the anti-corruption ethics and communicate the same to our workforce and associates. We know that it can undermine legitimate business activities, distort competition, damage reputations and expose individuals to risk.

A group of experienced senior professionals is holding incredible role for operation of the entity which segregated into corporate office and factory office included eleven departments. The factory office is broadly divided into four business processions. The specific policy & procedure regarding different operational issues and reporting system followed by the management eventually help to ensure proper coordination among decentralized management system. The Group also has separately formed Internal Audit Department to ensure proper implementation of policies & procedures and to keep the irregularities at minimum.

Apart from structured management policy & procedure, the IT infrastructure along with easy and quick flow of information assists the management to monitor all its activities effectively and efficiently. All the associated companies of the Group are facilitated with both procured and in-house developed software for smooth function of business planning & monitoring, finance & accounts, supply chain, inventory management, human resources, administration, CSR along with all manufacturing activities.

Epyllion Group forms Management committee, which is separate from its Board of Directors. This committee known as MANCOM, which comprises of the Top Executives of the Group. The major function of this committee is to plan, forecast and execute the business plan of the group.





ACHIEVEMENTS

CHAPTER

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- A SAILOR Best Instore Design, Best Retail under Fashion & Apparel categories. Honorable mention as Best Retail Campaign 2021, Bangladesh Brand Forum, 23 October, 2021
- B Received an Honorable mention in Best CSR in Environment Impact category "A Better Tomorrow: CSR Award" by Daily Star and CSR Window, 29 October, 2021
- C Awarded for Superbrands Bangladesh for 2020 to 2021 for creating strong market and great reputation with excellence.
- D Achieved the status of SDG Pioneer in 2020 for contribution in SDGs through business.
- E Special recognition as highest exporter through beanpole port in 2020.
- F Honored BGAPMEA Export Trophy 2019 for special contribution in accessories.
- G Achieved SEDEX Award on 26 March 2019 for Best Health and safety Programme.
- H Achieved Occupational Health & Safety Award for 2018 by the Ministry of Labour and Employment.
- I Managing Director of Epyllion Group has announced as CIP (2008, 2012, 2016, 2018)
- J CSR Contributor Award by Rotary Club Uttara in 2018.
- K 6th Standard Chartered Financial Express CSR
  Award in 2016
- 5th HSBC Export Excellence Award in 2014
- M BDJOBS.COM Best Employer Award 2014
- N 2nd Social and Environmental Excellence Award in 2014
- O Annual CSR Award 2014
- P Honorary Award from BSPA (Bangladesh Sports
  Press Association) 2014 to the Managing Director
  of Epyllion Group
- Q Epyllion Style Limited is announced as the "Eco Factory" by Marks & Spencer in 2015
- R Best Supplier Award from C&A in 2004.



















For more details, please contact S.M. Nazmul Ahsan Sr. Manager - CSR HR, Admin & CSR **Epyllion Group** Contact Number: + 88 01730-051948 Email: nazmulhr@epylliongroup.com www.epylliongroup.com Corporate Office: NINAKABBO, Level: 12-13, 227/A Tejgaon-Gulshan Link Road, Dhaka-1208, Bangladesh.