

The Story of Our Sustainability Journey 2021

STITCHING THE THREADS OF A SUSTAINABLE FASHION INDUSTRY

ntents	

D	Message from the		
	Leader	Ρ.	04
•	Message from the Managing Director		P. 05
	Message from the Director		P. 06
	Message from the Chief Operating Officer		P. 07
	Message from the Chief Coordinator		P. 08

Sustainability and ECHOTEX

	••••
About ECHOTEX Ltd.	P. 12
Values and Norms	P. 13
Mission and Vision	P. 13
Certifications and Awards	P. 15
Our Buyers	P. 19
Our Operations	P. 20
Our Product Destinations	P. 21
Journey of ECHOTEX towards Sustainability	P. 35
Our Four Priorities	P. 36
Our Supply Chain	P. 37
Our Upward Journey	P. 38

P. 11

3 Governance at ECHOTEX P. 39

Governance Structure	P. 40
ECHOTEX Governance Model	P. 41
Grievance Management	P. 42
Process of Handling Complaints	P. 43
Managing Risks	P. 44
Sustainability at ECHOTEX	P. 45

Stakeholder Engagement and Materiality Assessment P. 46

Stakeholder Engagement	P. 47
Identifying Our Stakeholders	P. 47
Approach to Determine Materiality	P. 48
Our Material Topics	P. 52

5 Journey towards Economic Prosperity **P.** 53

Economic Performance	P. 54
Тах	P. 55
Market Presence	P. 55
Indirect Economic Impacts	P. 56
Procurement Practices	P. 57
Anti-Corruption	P. 58
Economic Performance Highlights	P. 59

Contents

6	Sustaining the Planet	P. 60
	Ensuring Environmental Sustainability	P. 61
	Tackling Climate Change	P. 62
	Energy and Emissions	P. 63
	Water and Effluents	P. 64
	Managing Materials	P. 65
	Waste Management	P. 67
	Supplier Environmental Assessment	P. 70
	Chemical Management	P. 71
	Environmental Performance Highlights	P. 77

B About This Report P. 100

Scope and Boundary	P. 101
Framework and Assurance	P. 101
Precautionary Principle	P. 101
Determining Report Content	P. 101

9 Appendix

```
P. 102
```

P. 103

GRI Content Index

7	Care for <mark>People</mark>	P. 79
	Labor Practices	P. 80
	Workers' Wellbeing and Rights	P. 81
	Child and Forced Labor	P. 90
	Occupational Health and Safety	P. 91
	Beating the Covid-19 Pandemic	P. 94
	Participatory Committee Election	P. 95
	Talent and Skills	P. 95
	Security Practices	P. 97
	Diversity and Equal Opportunity	P. 97
	Local Communities	P. 98
	Social Performance Highlights	P. 99



Message from the **Leaders**

"

1

世当世 化加加 化加加



Message from the Quais Shafiq Hassan Managing Director

It is all about team building and I am proud and grateful to our leadership team for their amazing belief, will and endeavours to deliver on all of these innovative fronts.

Dear Clients, Suppliers and Stakeholders,

As we publish our first GRI (Global Reporting Initiative) report, I would like to share a bit of our journey with you and the work that we are contemplating, at Echotex. We started our full journey with the start of our textile mill in the summer of 2009.

We choose Planet to be the first word in our business vocabulary, 18 years ago, when we were thinking about setting up Echotex as a business proposal. All those years ago, we believed that "Planet Comes First", as guided by our Chairperson, Para Hamilton. It came from our hearts, and we believed in it.

We knew nothing was going to be a sprint as we grow, but as Greta Thunberg repeats, following on from global scientist community for the past thirty years, along with the UN that, "time is running out". We are about to cross the threshold point that would make our home, our planet, a very difficult place to live in.

We have/are seeing the floods, the fires, the drought, the climate emergency, the Anthropocene age extinction, at our doorstep. The ongoing pandemic is economy shattering, in a lot of sectors, and now we are seeing the desperate plight of another war. Soon we shall be experiencing climate refugees occurring globally. It is a global crisis and an existential threat for the world we know. We need action and now.

In our own small way, we believe, that we have got to be an agent of positive change that is real and tangible. We cannot be greenwashing. We have to take responsibility, that is transparent and accountable.

We selected four P's as our company mantra: Planet, People, Product and Partners.

We believed we had to protect our planet first, as without this, there is nothing. We placed People – our workforce, next, to whom we have responsibility and we needed to take care of them and their future.

I would like to share some of our initiatives and interventions that we are taking forward.

If we did both, we thought that we shall create the space for the best possible Product, that shall deliver excellent KPI's for our customers. Lastly, it is with our Partners (commercial and non-commercial) with whom we forge strategic partnerships to deliver in our journey and vision to be world class, adhering to UN's SDGs.

Water is a scarce resource, which we often forget in Bangladesh, especially during monsoon. Our ground water is depleting by one billion litres per day, with the use and overuse in our textile industry. Knowing or unknowingly we are creating a hollow space under our soil, that could have a catastrophic impact on our capital, that is serious and alarming. We are spewing out toxic water daily into our water bodies and systems. To resolve this predicament, at Echotex, we are installing a full Zero Liquid Discharge system, whereby, we shall recycle 96% of our effluent and process water, and the balance 4% shall be evaporated during salt extraction. Hence, our daily Im litre requirement shall fall by 96%.

Scarcity of energy is being felt in our daily lives, and we are not even scratching the surface on renewables. Having considered our comprehensive energy use, waste energy recovery from exhausts of boilers, hot water chillers, generators and having implemented the best practise energy efficiency methods, has resulted in us achieving LEED (Leadership in Energy & Environmental Design) Platinum on the U.S. Green Building Council's certification.

Installation of a 1.2 MW solar renewable energy system is well under way, to be in place, within the next six months.

In Bangladesh, we are the first jersey textile company to be a contributor to Road Map to Zero on Zero Discharge of Hazardous Chemicals ZDHC. We have also applied to become a BlueSign Approved System Partner, with the view to enhance and improve our environmental chemistry.

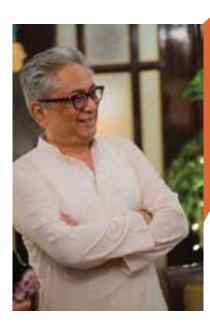
On People, we were the first company in Bangladesh to offer comprehensive Health Insurance to our workers in 2017. In 2022, we are the first to offer this health insurance to both the parents of each worker and his/her two children. We have partnered with GonoShastaya Kendre to facilitate this. We have worked with BRAC and other leading NGOs to deliver on gender equality, female leadership, legal aid, child education and day care centre. We believe in human rights of all of our workers and there is comprehensive non-discriminatory policy with respect to religion, sex and gender.

It is all about team building and I am proud and grateful to our leadership team for their amazing belief, will and endeavours to deliver on all of these innovative fronts. We would like welcome your thoughts on the above matters, for us to become better and it is only through strategic partnerships we can achieve a better future.

Together we can always do much more for our Planet and People. Thank you for your support.

With gratitude,

Signature Quais Shafiq Hassan Managing Director



Mohammad Bin Quasem

Since the inception of Echotex, we had prioritized Planet, People and Product as our triple bottom lines. Having developed more insight over the past decades, Echotex has finetuned its bottom line priorities, which are, Planet, People, Products and Partners.

At Echotex, we believe in results that contribute positively to the global goal of achieving Sustainable Development. Our sustainability belief is entrenched into our activities, processes and systems. They are firmly embedded in our business processes so that, as we go on achieving our business goals, we comply to the criteria for sustainability performances.

We do not only talk of sustainability; we also walk the walk. It is in our DNA. We have made substantial progress in transforming ourselves into a future-proof organization, capable of meeting all existing and emerging compliance requirements. Investment is an essential part of transitioning into a sustainable organization. Echotex has never shied away when investment became a necessity. Our report shows how we continued investing in projects, processes and infrastructures that render higher capabilities to contribute to sustainable developments.

This report will become our legacy, acting as reference for our future endeavors. I thank the team and the parties whose hard work have been behind successful publication of the report.

Thank you.

Mohammad Bin Quasem Director



The world is transforming fast into an automated, technology-dependent, energy intensive, fashion conscious space where generation after generation of human species would live and thrive.

"

This speed of progress is taking a toll on the planet and people. On the one hand, natures threshold for absorbing environmental impacts are being approached and overwhelmed, on the other hand, wealth is being inappropriately distributed. This ultimately is affecting the Profit and the Partners to the businesses.

The responsible business houses are highly conscious to these circumstances and thus they are progressively getting engaged into activities, processes and systems that yield Sustainable Development.

Echotex is proudly marching ahead at the front of the textile industry of Bangladesh and hence, it is highly committed to contributing to the sustainable development. In order to play greater role in the industry and for the country, Echotex is commencing reporting its sustainability performance in accordance with the GRI Standard.

Redwan R Chowdhury

This is an opportune moment and we express our deep happiness on this occasion and reiterate our commitment to Sustainable Development.

Thank You.

Redwan R Chowdhury Chief Operating Officer

Chief Operating Officer



Message from Salim Akhtar Khan Chief Sustainability Officer

Setting global trends is our Priority, not simply following them.

We are pleased to publish the Sustainability Report of Echotex Ltd. which signifies substantial achievement in setting up a system in our organization, aimed at contributing to sustainable development effectively and efficiently.

I would like to thank our management at all the levels, for their seamless participation and tireless efforts to make Echotex reach such an enviable height. I also would like to thank all our stakeholders in this regard, i.e., our employees, workers, contractors, suppliers etc., whose tireless works have brought Echotex to this position today and our partners, without whose hand-holding, Echotex would not be able to achieve this success.

Echotex aligns three pillars of sustainability namely Economic, Environmental and Social with its top four priorities namely Planet, People, Products and Partners.

Global sustainable development agenda has taken a root in the way Echotex operates routinely. Becoming a world-class production facility with unbeatable performance, having profound economic, environmental and social impacts, is what drives us at Echotex.

Consequently, Echotex is now having its operation in a 1.1 Mn sft facility, which is certified to LEED (Platinum) standard. This is the largest textiles campus in the world to achieve LEED v4 EBOM with 90 Points.

Approaching LEED certification is not an isolated affair at all. Our ultimate objective is to become Net Zero for energy and water by 2040, though the global community have set the deadline for achieving the same level of performance by 2050. Echotex believes in leading the trends, rather than following them.

The contribution we must not underestimate is that we can do green sourcing because of the fact that our supply partners deliver sustainable products and enable us to maintain our green performance. We apply highly reliable manufacturing processes, such as, knitting, dyeing, washing, finishing, cutting, sewing etc. This ensures that we have loyal customers whose contribution helps us achieve sustainable business.

We are registered/certified to ZDHC, ISO 9001, ISO 14001, ISO 45001, HIGG FEM, HIGG FSLM, SLCP, OekoTex 100, etc. These certifications keep us on track in maintaining quality, health and safety,

Echotex offers its employees a variety of benefits, including Production Bonus, Gratuity, Free Medical Services, Annual Picnic & Cultural Program, Celebrations of Different National and International Days, Parental Leaves, Provision of Pregnant Mothers, ATM Booth Facilities, Discounts on Medical Services through Gonosastho Kendro, etc. Necessary regular on the job trainings, promotions, festival bonuses etc. are also provided.

Echotex Management is always vigilant to address the health and safety risks of workers through various drills such as fire drills, chemical drills, evacuation drills etc. Employees can raise any grievance with the management anonymously. Echotex's grievance mechanism is very strong. Any kind of grievance is taken very seriously and necessary instructions are given to resolve it expeditiously.

Lastly, I would like to say that we agree with the global opinions on some serious issues that might compromise overall global sustainability, like global warming and keep it at a certain and safe level and we agree on what needs to be done to reduce its intensity. We agree with BGMEA and all other partners in tackling all kinds of challenges in RMG and textile industry.

Our good work will continue and our goodwill will prevail till all the global agendas for sustainable development are achieved. Best Regards

Signature (Salim Akhtar Khan) Chief Sustainability Officer



Abbreviation	Full Form
AOX	Absorbable Organic Halides
BEPI	Business Environmental Performance Initiative
BGMEA	Bangladesh garments manufacture and export
BLR - 2015	Bangladesh Labor Rules - 2015
BRAC	Bangladesh Rehabilitation Assistance Committee
BSCI	Business Social Compliance Initiative
CAD	Computer aided design
CMYK	Cyan Magenta Yellow Black
CNG	Compressed Natural Gas
CO	Compliance officer
CO ₂ e	Carbon Dioxide Equivalent
CoC	Code of Conduct
COD	Chemical Oxygen Demand
CPR	Cardiopulmonary resuscitation
ECG	Electrocardiogram
EHS	Environment, Health and Safety
EMS	Environmental Management System
ETI	Ethical trade initiative
ETP	Effluent Treatment Plant
GDP	Gross Domestic Product
	Greenhouse Gas
GHG	
GOTS	Global Organic Textile Standard
GRI	Global Reporting Initiative
GSM	Grams Per Square Meter
Higg FEM	Higg Facility Environmental Module
HIRA	Hazard Identification and Risk Assessment
HOD	Head of the Department
HR	Human Resources
ILO	International Labor Organization
ISO	International Organization for Standardization
kWh	Kilowatt-hour
LCA	Life Cycle Analysis
LED	Light Emitting Diode
LEED	Leadership in Energy and Environmental Design
MRSL	Manufacturing Restricted Substance List
MWh	Megawatt-hour
NFPA	National Fire Protection Association
NGO	Non-Profit Organization
OS&H	Occupational Safety and Health
P.C.	Participatory Committee
PDCA	Plan Do Check Act
PP	Potassium Permanganate
PVC	Polyvinyl chloride
R&D	Research and Development
RMG	Ready Made Garments
SA8000	Social Accountability 8000
SEDEX	Supplier Ethical Data Exchange
STeP	Sustainable Textile & Leather Production
TSS	Total Suspended Solids
UL	Underworks laboratory
USA	United States of America
USD	Unites States Dollar
WFO	Welfare Officer
WRAP	Worldwide Responsible Accredited Production
WWF	World Wildlife Fund
ZDHC	Zero Discharge of Hazardous Chemicals
ZLD	Zero Liquid Discharge



Sustainability and ECHOTEX

ECHOTEX at a Glance

Name of Factory

ECHOTEX LIMITED

Address

Polli Biddut, Chandura, Kaliakoir, Gazipur, Bangladesh.

BGMEA Registration No

4578

Space Available

44,000 sft. /Floor (10 Storied Garments/Storage Building); 61,000 Sft. /Floor (2 floors for knitting & dyeing and AOP); 10,000 Sft. /Floor (2 Floors for printing) and 70,000 sft/Floor (6 storied Denim/Storage building)

Environment

Well ventilated, neat & clean floor

Factory Building RCC Constructed and Steel buildings

Year of Establishment 2008

Production Capacity

7.5 Million PCs. /month

Products

Knitted jersey apparels for women, men and children and denim apparels for women, men and children.

Name of Managing Director

Shafiq Quais Hassan

Website

www.echotex.com email: info@echotex.com

Name of Bank

BANK ASIA LIMITED, Banani Branch, Dhaka, Bangladesh; SWIFT CODE: BALBBDDH 012 and Standard Chartered Bank

Employment Practices

No Child Labour, Absolutely Free Movement with employment; Equal Opportunity; Non-Discriminatory on all matters including gender, race, religion; Workforce's health & safety is of paramount importance; six workdays per week; 48-60 working hours per week.

Manufactured Fabrics

Fabrics in 100% recycled/organic/BCI cotton, recycled and virgin polyester, stretch fabrics with elastane/recycled elastane with various blended compositions. All are in knitted jersey construction, including single & double jersey, ribs, sweats, pique, ponti, waffle, pointelle, feeder and engineered stripes etc.

Access to sourcing

Capable of importing yarn, fabric, dyes, chemicals & accessories globally. Currently accessing India, China, Thailand, S Korea, Pakistan, Turkey, Italy, Portugal.

Buyer

ASOS, H&M, INDITEX - ZARA & BERSHKA, MANGO, MORRISONS, NEWLOOK, NINETY PERCENT, PRIMARK, SAINSBURYS, VARNER. WE DO EXTENSIVE LICENCE PRINTED PRODUCTS INCLUDING DISNEY, MARVEL, UNIVERSAL, WARNER BROTHERS and many others.

Divisions

Knitting, Dyeing-finishing, Screen Printing, Apparel Production, Garment Washing, Allover Digital Printing, Embroidery, Denim Laundry, Denim Garmenting.

Factory Certified

Accord nominated, GOTS, OCS, GRS, RCS and LEED Platinum Certified, ZDHC Contributor, HIGG, Better work, Fairtrade, SEDEX, WRAP, CTPAT, ISO 9001, ISO 14001, ISO 45001 and others. Echotex Limited started its 1st phase of operation in late 2007 at Shafipur, Kaliakoir, Gazipur. It started with only 6 lines of sewing, cutting, and finishing and within 10 years it increased its production lines to 120 with an average production of over 7.5 million pcs per month. To support the above, Echotex established most modern knitting and dyeing division with mostly European and American latest technology to ensure maximum productivity and quality. It also established a printing factory with most advanced machinery from USA.

Our Values

Echotex gets it that looking after the environment benefits individuals and the economy. Various strides have and are persistently being taken to guarantee that our perseverance protects the planet for future eras.



Our Norms

We serve the individuals who work for us, guaranteeing progressing speculation within the highest classes and offices are collaborative ventures that advantage all our workers. Our item portfolio celebrated differing qualities, quality textures and materials, talented workers and on-time conveyances, and improvement of greatness in economic, environmental, and social sectors

Although this current achievement can be considered as a successful journey of Echotex, this journey from the beginning has been quite challenging but ambitious. The credit for coming this far by successfully crossing this challenging path can undoubtedly go to the prudent management of Echotex. At present Echotex has the capacity to produce 50 tons of fabric every day and can print up to 70,000 to 75,000 Pcs. /day including Pigment, Plastisol, Digital, Sublimation, Transfer etc.

Not only installing all modern machinery, it has also started working to establish itself as an ethical producer of fabrics and garments, keeping its people at the heart.

It is very difficult for any organization to take up the challenge of becoming economically prosperous, keeping in mind the proper environmental balance. Echotex has adapted to this difficult challenge since its inception, and social adversity has largely been overcome. Whenever economic and social development is planned, keeping in mind every supportive element of this environment, it is only possible to imagine the direction of overall development. Echotex is working for renowned buyers like Disney, H&M, Inditex, Mango, Varner, Newlook, Primark, Sainsbury's, and Morrisons\Nutmeg on a regular basis and also with some other buyers, time to time.

We see ourselves as one of the industry pioneers in illustrating how economic development can be accomplished without causing negative impacts on the planet, people, and the economy at large. We believe that, our journey isn't limited. We are on an interminable journey, and our destination is the continual improvement in our economic, environmental, and social performance, focusing on our four priorities (4P i.e., planet, people, product, and partners).

Our Vision

Our Mission

ECHOTEX – A unique and green commercial Community Development Company with people



To develop ECHOTEX as a Community Development Company (CDC) and industry role model through employing passionate people with a desire to produce the best product, in the best way, for the best reason: caring for the workforce and enriching their lives

Our Businesses

Any business is an effort to put together a seriesof milestones and progressively achieve those. The success of the business depends largely on the combination and diversity of these milestones. The main objective anyone who lead a business should be to set these milestones keeping in mind the vision and mission of the business.

Hence, Echotex has set its business goals with certain milestones in mind. There are basically 6 main issues in this regard. They are –

- Great Product
 - Happy Workforce
- Factory Operated on Ethical Principles
- Green Operation
- Commercially Sound Enterprise
- A Great Future





Awards & Recognitions for Health & Safety Best Practices



Recognition Letter On Building Safety and Safety Committee from Accord







Leading Bangladesh To Prosperity, BGMEA Award







Best Clothing Supplier, 2011 & 2012

Awarded by Metropolitan Chamber of Commerce for Best Initiatives Taken for ETP







MCCI Award on Environmental Pollution Control, 2009



Environment Award from DoE, 2010



Environment Friendly Recognition from Bangladesh Environment & Human Right Implementation Society



OH&S GOOD PRACTICES AWARD 2017

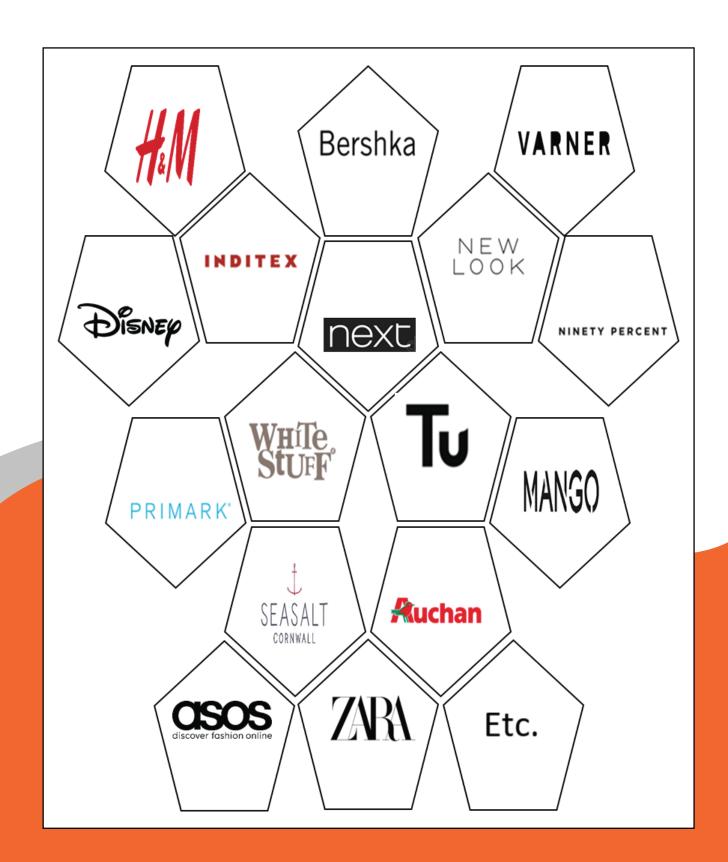


Best clothing supplier from Sainsbury's



Sainsbury's Friendly Cricket Tournament Cup 2018, Champion Trophy





Our Operations

The first challenge for any business is to make sure that it sustains in the future. Only if the foundation of the business is strong in the face of adversity, the sustainability of that business can be assured. Echotex strives to maintain quality in its production. The journey that Echotex has taken from the very beginning, from its cut-to-pack production to the current large integrated production, consisting of knitting, dyeing, washing, and printing processes, is truly exemplary. Office management, workforce, overall manufacturing,

PROCESS FLOW DIAGRAM

proper use of time, etc. are all done in one single LEED (Platinum) Certified premise of Echotex Undoubtedly, the management of any organization in the event of the COVID 19 epidemic was extremely difficult. In that difficult situation of the epidemic, Echotex was extremely diligent in tackling the challenge as a whole. Although Echotex was facing some problems in some cases in the COVID situation, the immediate decisions taken by prudent management played a catalytic role to overcome those problems.

DENIM MANUFACTURING Raw Materials Denim Dyeing Knitting Cutting Importing Denim Sewing Cutting Delivery Finishing to Store Delivery Denim Printing Embroidery Washing Washing Sewing Packing Denim Finishina Denim Packing

Some of Our Products



-



Knitting







Echotex knitting unit have 115 circular knitting machines, 2 collar cuff machines, 2 twill tape machines & 3 draw cord machines. Knitting capacity is 45 Ton/day, collar cuff 2500 pcs/day, twill tape 25000 yds/day & draw cord 12000 yds/day. Circular m/c brand are Pailung, Lisky, Fukuhara, Mayer & Cie & Unitex. We are producing Single Jersey, Design Jersy, Pique, Regular Rib, Verigated Rib, Interlock, Fleece, Feeder Stripe Jersy, Feeder Stripe Rib & Engineering Stripe Rib fabric. About 380 people work at knitting section. There is a humidification plant to collect dust from floor. We have six single jersy m/c & two Engineering stripe Rib m/c. 5S is properly maintained at knitting section. We are doing various new development at knitting. We produce quality fabric maintaining proper SOP.



Fabric Dyeing

Production Capacity 45 – 50 tons/day

Echotex Limited believes in investing in the best quality machines as these provide longevity, as well as, resource savings. We have installed state of the art Sclavos dyeing machines.

The Sclavos Fabric Dyeing Machine are equipped with the latest technologies and innovations by SCLAVOS, such as the DOUBLE SOFT FLOATING[™] system, the continuous AQUACHRON[™] fabric washing system, the BCHR Heat Recovery System, the DSFD Dry Salt Fine Dosing System and many more similar advanced production equipment.

They are capable to process the fabrics in a shorter time and with less water and energy than any other modern dyeing machine.



The Sclavos Fabric Dyeing Machine is equipped with precision hardware, intelligent software, as well as, sophisticated central systems, so that resources, such as Water, Steam, and Electricity are calculated in advance, accurately measured, and continuously monitored.

The Sclavos Fabric Dyeing Machine can maintain the low Liquor Ratio during under loading, up to 60% of the machine's nominal loading capacity. Under the same loading conditions in all "Drain & Fill" machines, the Liquor Ratio is increased by 1 - 2 units.

The Sclavos Fabric Dyeing Machine optimizes and minimizes the resources for the processing of fabrics, thus significantly reducing production costs and preserving the environment.



Chest Printing

Production Capacity 70,000-75,000 pcs/day





Chest Printing is like an ornament for a garments industry. It makes a garment visually unique. It adds value to the garments. Ink of the screen printing is absorbed deeper and gives a good wash fastness. That's why most buyers prefer screen print in their garments. Echotex has a capacity of 70,000-75,000 pieces of cut panel per day. More than 530 employees are working here. We can do Pigment, CMYK, Rubber, Plastisol, High density, Puff, Glitter, Sublimation, Emboss, etc. types of print. We have six tables, seven automatic machines and one manual print machine. We are serving customers like Verner, H&M, Sainsbury's, ZARA, Bershka, ASOS, Primark, White Stuff, Antony Morato, Mango etc.



Digital printing on fabrics is a new and innovative process that involves printing a design, a pattern, or an image directly from the computer onto the desired media by way of a large format digital printing machine. It works like an inkjet printer.

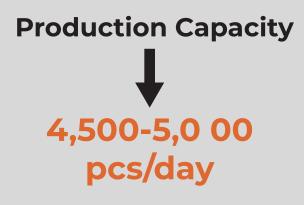
Benefits of digital printing are low-cost startup, less operational space, saving of energy, reduced water consumption, lower need of resources, faster production cycle, wide range of color variety, unlimited colors, excellent color fastness and environment-friendly printing. It also needs short time to design a textile print pattern, easy operation, reduced time to introduce new design or garments, less time needed to get the product ready for market. Echotex has successful digital printing methods, which are:

- 1. Direct digital printing
- 2. Sublimation Digital printing

Direct digital printing is designed for cellulosic fabrics and their blends, but cellulosic ratio must be priorities, like cotton, viscose, modal, silk, etc. We have one machine for direct digital printing having brand: REGGIANI, Capacity: 300 liner meter/ hour. Sublimation digital printing is designed for polyester fabrics and their blends, but the polyester ratio must be priorities, like 100% polyester, PC (65% polyester & 35% cotton/viscose/modal) etc. We have another machine for Sublimation digital printing, having machine brand: REGGIANI, Capacity: 210 liner meter/ hour.



Embroidery







Echotex has monthly embroidery capacity 1,30,000 pcs per month. Facility is using 3 modern machines for producing 15 colors of normal, sequin and toweling types stitching. Embroidery facility is using various colors of Well thread and Innova textiles thread for stitching the garments



Garments Washing







Garment washing is a technology, which is applied to change or modify the outlook, appearance, comfortability, and design of garments.

Echotex Ltd is well equipped including 28 machines with the touch of modern technology. Garment washing is applied on solidly dyed garments or solid printed fabric. After washing the garment create a new look which seems the new touch of fashion. By the washing technique, faded/old look, color or tinted effect is created in the garments which also seems to be the best touch of garments.

The main and important function of washing is to reduce the size of materials as a result the garment becomes size free and becomes soft hand feel. To attract the customers/Buyer by different types of fashionable washing and market developments. Any dirt, spot or germ if added to the garments during manufacturing is also removed due to washing. To remove hairiness of garments to make them comfortable to wear.



Jersey Sewing & finishing

Production Capacity 2,75,000-3,00,000 pcs/day

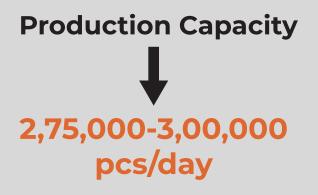




Echotex has a monthly capacity of 7.5 million pieces with a wide variety of products like fashion tops, bottoms, printed T-shirts, polo shirts, joggers, hoodies, boxers, vests, outerwear etc. for men, women and children. It also produces garments with special finishes like dampness control or anti-bacterial effects. Around 3500 sewing machines are in operation which includes some special machines like auto-placket attach, smocking, auto-elastic join machine etc.



Knit Cutting







About 300,000 pcs of clothes are being cut every day. Echotex has incorporated the most modern machines like auto-spreader and auto-cutter in the cutting section.



Denim Cutting

Production Capacity 18,000-20,000 pcs/day





Echotex has a newly established denim production facility. It has a monthly capacity of 500,000 pieces and cutting section uses the modern machines like auto- spreader and soon it is going to install auto-cutter. At present the cutting capacity is 20,000 pcs per day which is going to be increased soon as the area of the production facility is going to be expanded soon.



Production Capacity



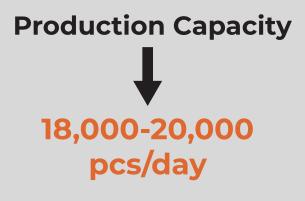


The washing plant is also a Leed Platinum certified green factory with a monthly capacity of 500,000 pcs and is equipped with fully-sustainable, digitalized high-tech machinery and equipment. With a view to save the environment and to become competitive in the market, it installs latest technology like Jeanologia Lasers, Ozone, Tonello up system washing machine (low liquor ratio) & Tonello core machine (90% water saving), dryers.

All chemicals of the washing plant are ZDHC-3 & Blue Sign Certified. A wide range of styling needs can be met from this plant, for example, bleach wash, enzyme wash, stone wash, enzyme bleach wash, silicon wash, overdye, deep dye, rinse wash, pigment wash, acid wash, grinding, whisker, 3D, scrapping, destroy, Ti-dye, tint wash, rubber ball wash, tagging and any other types as per requirement.



Denim Sewing & finishing







Denim facility has a monthly capacity of 500,000 pcs per day and is equipped with almost all the modern machines like auto-pocket rolling, auto-pocket setter, J-stitch, surging, back pocket decoration, APW, loop setter, topper iron in finishing etc.

The premises of occupying 600 sewing machines which is going to be increased soon by 50%. It produces a wide variety of fancy denim pants, chino pants, cargo pants, denim shirts and denim jackets for men, women and children.



Color Lab

Echotex color lab is a very important part of our dyeing production. Color lab called is the heart of the textile industry. Echotex color lab is designed with the latest sophisticated equipment. Strongly maintaining all dye SOP by expert technicians that's why lab to bulk RFT achieved up to 95 %. Echotex color lab run with full automation operating by lab technicians who are trained by instruments foreign expert. A spectrophotometer is a very essential instrument in our color lab. This machine performs multifunctional as a recipe creating, pass-fail measure, metamerism index between standard & batch trial, even Whiteness value measure as well.



Echotex testing services are adequately equipped with the latest sophisticated physical& analytical instruments and a team of competent & experienced laboratory technicians. They provide accurate & meaningful testing services for a wide variety of textile samples in strict accordance with various National & International Testing standards & specifications.

Echotex testing services is a world-class textile testing lab, globally recognized, ISO/IEC 17025 accredited testing facility through Bangladesh



accreditation body (BAB) under the industry ministry of Bangladesh government.

Our Lab is a family of standards for quality management. It is maintained by the International Organization for Standardization and is administered by the accreditation and certification bodies.

Based on, ISO/IEC 17025 accredited testing facility echotex testing services has achieved accreditation for renowned buyers like Sainsbury's, New look, Inditex, H&M, Asos, Lindex and Debenhams.



Sustainable manufacturing requires that all manufacturing units to follow the sustainable activity to be considered three major principles: reduce the resource utilization in the process, use environment-friendly materials, reduce all forms of waste and reuse and recycle as much material as possible.

R&D respect on raw materials selection that Echotex is working with Organic cotton, BCI Cotton, Fair Trade Cotton, Sustainable Viscose (Livaeco, Ecovero and Lenzing Viscose), Tencel Lyocell, Tencel Modal, Sea-Cell, Organic Linen, Micro Modal, Recycled Polyester, Recycled Cotton Blend etc. Regarding recycled cotton, we are working with a joint venture program with Square textile, to use our pre-consumer waste which are our cutting wastage fabric. This wastage we send to the square textile spinning unit to convert again fiber to yarn. This yarn we are again used to fabric. Our total programs are very transparent. We are also using eco-friendly dyes- Earth Dyes, Natural Dyes, low Salt dyes, alternative PP etc. We are always working for Water saving and Energy saving.

"These are important keys for our green manufacturing production."

Journey of **ECHOTEX** towards Sustainability

Sustainable development is not only a necessity but also one of the keys to the survival of human civilization. Sustainability in the apparel sector has become one of the burning questions.

According to sources, "the global clothing and textiles sector generates around \$2.5 trillion in revenue. Unfortunately, the industry's proclivity towards consuming natural resources, producing greenhouse gases and causing pollution, endangers the environment's long-term viability. Human rights violations in the apparel and textiles industry, such as forced and child labor, poor salaries, excessive hours of work with unpaid overtime, health and safety concerns, and a lack of worker representation in management forums, all pose severe social and economic challenges. Fortunately, current industry activity in response to sustainability concerns indicates a rising commitment to sustainable development, taking care of Planet, People and Profit. While the environmental, social, and economic ramifications of the clothes and textiles supply chain are grave, there are encouraging indicators that a major paradigm shift toward sustainability and a triple bottom line focus is gaining traction."

Planet, People, Product, and Partner are at the heart of our state-of-the-art manufacturing facility in Gazipur, Bangladesh, with -all of our facilities under one roof. Our unique focus on efficiency, productivity, and worker welfare has enabled us to become an industry-leading production partner. Pioneering ethical practices help to safeguard and improve the wellbeing of our growing workforce, while sustainable production processes produce excellent quality products, without compromising the environmental due diligence or our uncompromising values.

Echotex is one of the largest, fully vertical, green factories in Bangladesh that achieved LEED platinum certification.

Our Four Priorities Planet, People, Product and Partners

Ensuring minimal environmental damage in the manufacture of any product is now a global challenge. As every industry is committed to tackling this challenge, Echotex has joined hands with it. Moreover, Echotex contributes to the livelihood of those who are directly and indirectly involved with Echotex. It does not compromise on the quality of its products. It ensures the highest quality at every step until it is delivered to the customer. Lastly, let's talk about Echotex partners. Partners are the lifeblood of Echotex. These partners are consulted in a variety of ways when making important decisions. The overall operation of Echotex is conducted keeping these four priorities in mind.





Planet

The development of any industry is not possible without considering the significant amount of impact on the environment. Environmental protection has a significant relationship with the product and the people. When industry protects the environment, it also indirectly focuses on the overall development of product and people.

People

Echotex believes that the lifeblood of any industry is the people associated with it. The main goal of Echotex is to improve the overall living conditions of the people working at Echotex.





Product

We produce all sorts of jersey garments including ladies, men's and children's fashion tops, bottoms, printeees, joggers, hoodies etc. Since Echotex delivers products tailored to the needs of its buyers, it is safe to say that Echotex produces good quality products and always keeps in mind the minimal damage to the environment, while producing these good quality products.

Partners

Echotex considers its buyers as its partners. Echotex always manages its operations with customer values as its primary objective. The partner priority is also fully involved in the overall discussion of the other three priorities (planet, people and product) of Echotex.



Our Supply chain

Echotex Ltd. always emphasizes green sourcing of raw materials in its supply chain. It always considers both environmental and social criteria when it comes to Echotex's external and internal supplier selection. From the life cycle assessment of each product, to the thoughts of the working population and initiatives for compliance, Echotex is quite proficient in every arena. In the textile industry, dyes and auxiliary chemicals are the major sources of water pollution. Some of the compounds utilized within the material are chemicals that are persistent, neurotoxins, and endocrine disruptors. To diminish those impacts, the ZDHC foundation published a list of prohibited chemicals and their limits in textile wastewater. In Echotex, as an environmentally responsible

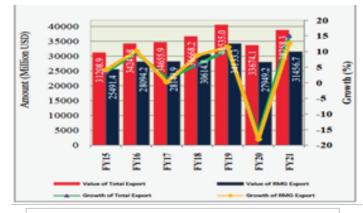
At Echotex, the supply chain is persistently checked for any changes that can be made for us to supply superior items to the clients. Our merchandisers, with the help of the sourcing office, social compliance group, and environmental compliance group, guarantee that all the items we purchase meet the buyer's criteria from all angles, i.e., specialized, social, and natural compliance. In addition, most of our providers are chosen or designated by our buyers through rigorous assessment of their compliance.

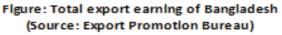
are the major sources of water pollution. Some of the compounds utilized within the material are chemicals that are persistent, neurotoxins, and endocrine disruptors. To diminish those impacts, the ZDHC foundation published a list of prohibited chemicals and their limits in textile wastewater. In Echotex, as an environmentally responsible organization, we utilize most of our colors and chemicals which comply with ZDHC's getaway Level -3 certification, which is the most elevated level of environmental security certificate for textile chemicals. We source our dyes responsibly. We never go for cheap dyes, rather we continuously select dyes that are secure for both the environment, as well as, human wellbeing.



Our Upward Journey

The ready-made garments (RMG) sector has a greater potential than any other sector in terms of employment and foreign exchange earnings to reduce poverty and make a contribution to the national economy. It is the largest exporting industry in Bangladesh that has experienced tremendous growth during the last 25 years. About 4 million workers are directly employed in RMG sector. Therefore, the contribution of RMG in total export is increasing day by day. At present, 83.9% of national export in Bangladesh is contributed by RMG sector, although it was 3.89% in 1983-1984. In fiscal year (FY) 2017-2018, the percentage of ready-made garments (RMG) contribution to the GDP was 12.26%, but it was only 2.74% in FY 1990-1991. So, it indicates that RMG sector is the main contributor to the growth of Bangladesh's economy, especially in the export basket of the country. This sector also faces a lot of challenges, like unskilled workers, insufficient infrastructure, raw materials, energy crisis, safety issue, political crisis, etc. To overcome these challenges, we need to take different steps from owners and major stakeholders. To understand the importance of the RMG sector in the economic growth of Bangladesh, we may refer to the charts below:





Back in 2008, we only had less than 3,000 people working on our premises. Today, we have more than 15,000 people working in our facility. This underscores our constant effort to grow and contribute to the economy of Bangladesh more and more. At the same time, 71% of our total exports are limited to ten countries. This is a skewed export portfolio for Bangladesh, which is inherently challenged by its sustainability.

Echotex, being a leader in this market, has a great role to play for itself, the country, and the planet at large. On the one hand, we distribute our earnings among our employees, suppliers, communities, and shareholders. On the other hand, we continuously invest in our expansion and growth. Back in 2008, we only had less than 3,000 people working on our premises. Today, we have more than 15,000 people working in our facility. This underscores our constant effort to grow and contribute to the economy of Bangladesh, more and more.

Economic sustainability, to us, entails not just producing value for ourselves, but also creating value for our customers and suppliers. We would not exist economically if it weren't for our customers and suppliers.

As a result, we invest judiciously in infrastructure expansion, keeping in mind that the market is not a static interaction, but rather a very dynamic one, and responding to it on time is critical to ensuring long-term sustainability and growth

PLANET PEOPLE PRODUCT PARTNERS



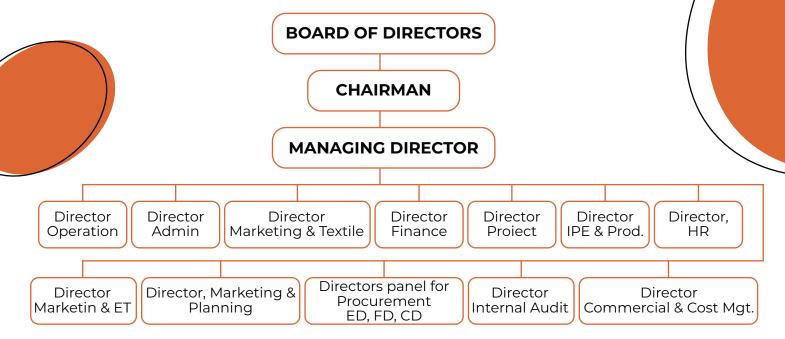
Governance at ECHOTEX

Governance Structure

Governance at Echotex is an organized framework that helps us oversee our affairs in a fair and straightforward way. As a responsible corporation, we utilize this framework to preserve integrity and accountability in all our activities. It helps us to make the best choices conceivable for the planet, people, products and partners. We have formulated our governance policies and best practices to ensure timely and precise disclosure of data that is material to our stakeholders, in terms of our economic, environmental, and social performance. The Top Management team of Echotex is driven by a Board of Directors, which holds the ultimate authority to make decisions in all matters of sustainability.

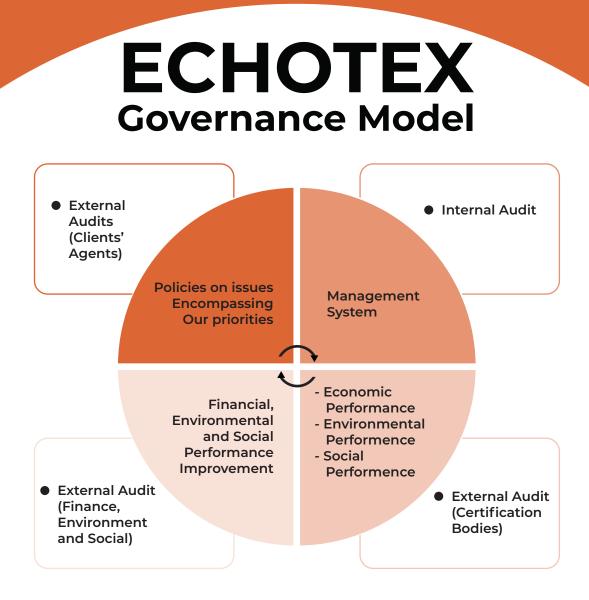
The Chairman is the by and large guardian of the organization, whereas, the Managing Director executes all affairs of Echotex, on a day-to-day basis. Each of these verticals is associated with the lower-level administration staff. who execute the field-level decisions of the management and ensure that Echotex operates in a way that guarantees adherence to the principles of sustainable development. Apart from the group structure and leadership that execute the good governance at Echotex, we also have a number of policies that express our overall intention with regard to planet, people, and products. These policies, though set to direct performance in individual areas, such as gender equality or reasonable compensation, form a holistic good governance modus operandi, when they are coordinated together. Our leadership uses the various Management Systems as tools for maintaining the policies that are concurred upon.

Board of Directors



The Environmental Management System caters to maintaining the policy of environmental protection, avoidance of contamination, and compliance with legal and other requirements. Similarly, our Occupational Health and Safetv (OH&S) Management System caters for maintaining the OH&S Policy of Echotex, which commits to protecting the Occupational Health and Safety of the workers, contractors, and visitors. Our Quality Management System is a tool for meeting the needs and expectations of our clients, the regulatory authorities, and the relevant interested parties in line with the quality policy.

The same applies to our wage policy, grievance policy, anti-harassment and anti-abuse approach. The summation of the intents of all our policies represents the governance intent of our authority and the management systems that we have. In this way, we ensure that those policies are adhered to in running the business day-to-day and year-to-year.



1. Internal Audits:

both announced and unannounced internal audits at least once a year. These audits are done on the system of Echotex. the financial Quality Management System, Environmental Management System, Occupational Health and Safety (OH&S) Management System, and its Social Performance Management Systems. Qualified and competent internal auditors conduct the audits independently and objectively. All audit results are reviewed by top management and appropriate decisions are made on the strengths/weaknesses of the organization and how to make use of those observations for accomplishing continual advancement.

2. External Audits:

There's a set of internal audit teams that conduct The financial audit of Echotex is conducted by a designated audit company and the report is provided to top management, as well as, for statutory submissions. The connection with external auditors is neutral and free of any improper influence that might influence the audit report's objectivity. Echotex goes to great lengths to ensure that all audit findings accurately reflect the health of the systems, allowing its stakeholders to make their own informed decisions regarding Echotex. External parties undertake social, environmental, quality, and OH&S audits once a year, and the results are evaluated and acted upon by top management to guarantee due diligence and promote good governance.

ECHOT

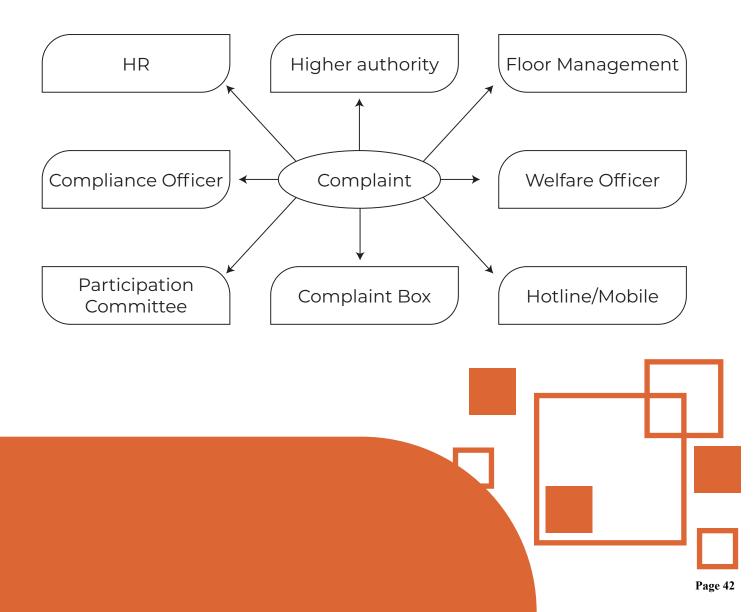
Grievance Management

Echotex makes a concerted effort to promote positive employer-employee relationships. We've designed a grievance management system that allows people to anonymously communicate their dissatisfaction or concerns to top management. Furthermore, if there are any recommendations for enhancing productivity or production, they are addressed. Our strong grievance policy and processes have been established in accordance of the Bangladesh Labor Act of 2006 and Rules of 2015. Our grievance policy and procedures are to detect employee hardship or distress that manifests itself as a complaint.

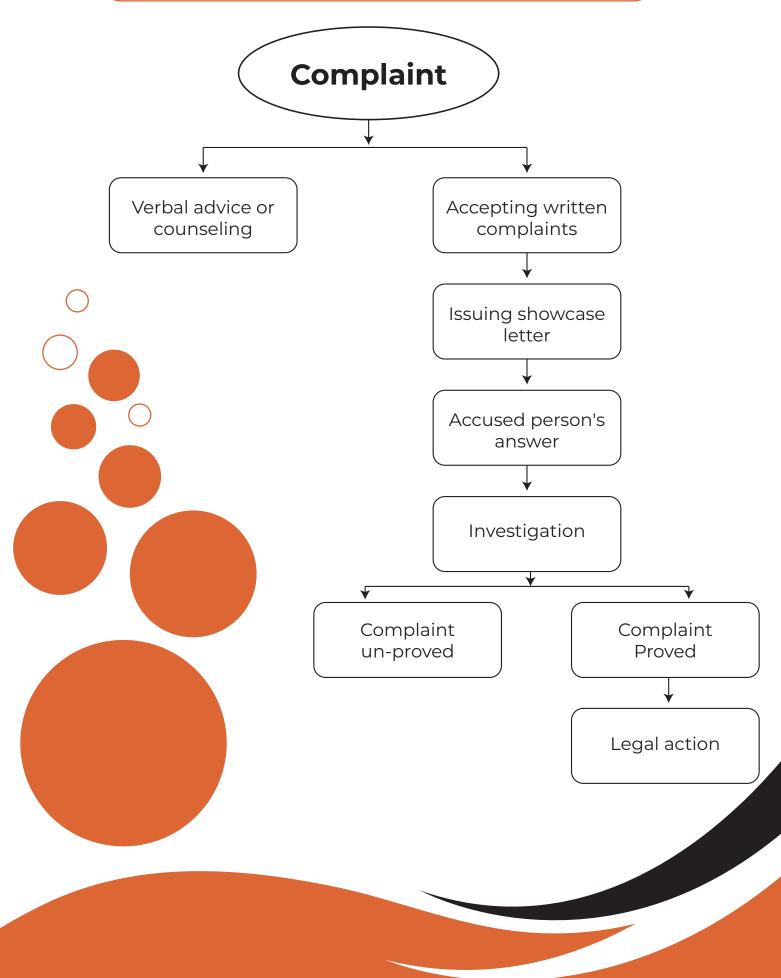
This policy is adopted throughout the business and is relevant to all employees or workers, regardless of age, gender, religion, or status or any discriminations. Complaints are addressed by a powerful board of committee, which includes Top Management in decision-making. The top management is also in charge of overseeing all of the necessary work that the grievance handling committee is doing. Furthermore, a list of responsibilities has been supplied, along with the names of the team members, who are responsible for ensuring that proper grievance management procedures are followed.

GRIEVANCE & DISCIPLINARY PROCESS Complaint flow diagram

Verbal and written complaints can be reported directly or confidentially by following the procedure.



Flow diagram of disciplinary system



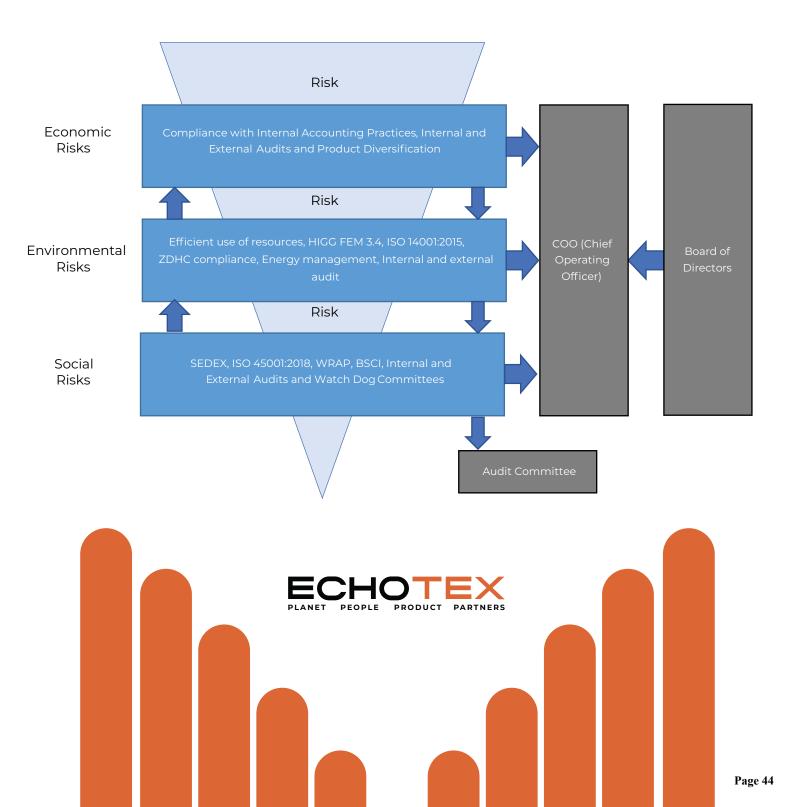
Managing Risks

As a business, we are not immune to the consequences of hazards that emerge and alter our environment. We assess the ever-changing realities of business in terms of environmental, social, and financial risks on a regular basis. We have some risk identification, assessment, and mitigation processes built-in.

We work with our stakeholders on a yearly, bi-annual, and as-needed basis to identify, analyze, and prioritize risks. We take quick action to address any identified non-conformity and reduce the risk as much as possible.

We are highly concerned about monitoring our sustainability performance, and we did so objectively since our social, environmental, and OH&S management systems are being audited by third-party organizations.

We conducted risk assessments, recorded detected risks, prioritized those risks, developed a risk management action plan for each significant risk, and monitored conformity to ISO 14001:2015 and ISO 45001:2018.



SUSTAINABILITY AT

Sustainable development is defined by the World Commission on Environment and Development (WCED) as 'development the meets the needs of the present without compromising the ability of future generations to meet their own needs.' In 1972, a book was published in The Ecologist named A Blueprint for Survival, which introduced the concept of "sustainability." The UN's Stockholm Conference in 1972 and the 'global trusteeship' of later international environmental treaties were both inspired by the attempt to make contemporary civilization "sustainable." The European Union (EU) affirmed the precautionary principle in its Bergen Declaration on Sustainable Development in 1990, which demands ecological protection in circumstances of scientific uncertainty where substantial or permanent damage is anticipated. The journey of sustainability and its development has continued since 1990. Climate change, plastic waste, water shortages, and growing poverty and inequity have all pushed sustainability into the global mainstream. According to Clarke and Clegg, sustainability is becoming a key business imperative, as the eternal search for domination over nature is replaced by the challenge of achieving environmental balance. Echotex has prioritized sustainability from its inception, particularly via investments in employee well-being, environmental protection, education, health, and social benefit. In recent years, we've shifted away from investing in specific sectors and toward incorporating sustainability into our overall goals, strategy, and business operations.

Echotex Limited has embraced modern technology in all its activities and plans, since its inception. The earlier manual machines have now been largely replaced by automatic machines. This has reduced the reliance on operators, as well as, improved overall production. New buildings are also being built at Echotex's Premises, which would be ready when customer demand for products also increase. As a result, it is expected that Echotex will be able to play an additional role in the overall economy of Bangladesh, as well as, increase the employment opportunities, improve the living standards of the people in the vicinity.

Our sustainability team is in charge of the organization's effects and sustainability strategy. To successfully develop and implement sustainable practices across group businesses, the Board formed a sustainability team, comprising of representatives from different operations. The Sustainability team advises the Board on important sustainability issues, as well as, program of governance and monitoring. The Sustainability team oversees Echotex's sustainability practices in all areas, including the environment, human rights, health and safety, and community. This team creates environmental and social projects, advocates their implementation, and compiles performance data on activities.

Stakeholder Engagement and Materiality Assessment



Stakeholder Engagement

ECHOTEX actively connects its sustainability goals with its stakeholders. This is because the genuine viewpoint of sustainability is based on stakeholders' perceptions of our impact on the economy, environment, and society. Stakeholders are our eyes and ears, allowing us to assess our own performance in meeting the triple bottom lines.

As a result, we have established a solid structure for stakeholder involvement and communication. It provides us with crucial information that we use to periodically re-calibrate our programs and change the general direction of our sustainability endeavors. Broadly there are two types of stakeholders: internal and external. There are several subgroups within these larger groups, and we work with each of them depending on necessity and feasibility.

When working with stakeholders, we constantly keep the following principles in mind:

Balance: Stakeholder participation is proportionate to their value, in terms of sustainability and the importance of their choice in enhancing our social, environmental, and economic impact.

Frequency: In terms of sharing information and providing/receiving inputs, we adopt a frequency of interaction/engagement with stakeholders that is acceptable.

Topic: We engage with stakeholders on themes that are important to certain stakeholder groups. We can reduce noise and increase engagement effectiveness this way.

Two-way communication: Stakeholder engagement is focused on two-way communication, and we make sure that we not only listen to the stakeholders but also give them feedback.

Every year, we examine all of the data gathered through stakeholder interaction. Our focus is re-adjusted in response to stakeholder input, including their requirements and expectations, as well as their assessment of our sustainability performance.

The production facility of Echotex is located in Bangladesh. Its activity, however, extends from Asia to Europe and to America. As a result, it is extremely exposed to the rigorous sustainability criteria of the developed world. Our external stakeholders are multi-national and multi-cultural, with a wide range of demands and expectations.

Identifying Our Stakeholders

The first step toward stakeholder involvement is to identify our stakeholders. Our stakeholders are linked to our operating principles: planet, people, product, and partners. We consider stakeholders who are impacted by or have the potential to be impacted by our overall performance. Similarly, in people management, we identify stakeholders who are linked to our performance. We also consider those stakeholders who are involved with our product and our financial success.

We selected stakeholders from a large list and prioritized them based on their importance (intensity and scale) before engaging with them. Every year, we evaluate the efficacy of the stakeholder selection and engagement process. As a result, we maintain this process as fluid and responsive to changing situations.

For internal stakeholders, we concentrate on the interactions that take place within Echotex's internal environment. This combines and hardens their demands and expectations, as well as, their views or ideas.

We recognize that Echotex's internal stakeholders as essential and that they build the groundwork for meeting the sustainability performance criteria.

We aim to synchronize the outcomes of internal and external stakeholder interactions when there is any overlap. For example, if the customer's minimum wage meets the employee's minimum wage, then our established salary structure fits both needs.

We developed a two-dimensional framework for assessing materiality that takes into account the diversity of elements and their impact.



Types of stakeholders	Stakeholder Name & Organizational type	Engagement Mechanism	Frequency Of Engagement	Activities Topics
Internal	Participation Committee (Garments & Textile)	Physical interaction, phone, emails etc.	Hourly, Daily, Monthly, Quarterly, annually	Labor related all legal issues
Internal	Safety Committee (Garments & Textile)	Physical interaction, phone, emails etc.	Hourly, Daily, Monthly, Quarterly, annually	Safety related issues
	BRAC (Non-Govt. Organization)	Interaction with complianceteam, business team, other technical teams, physical interaction, phone, emails etc.	As and when required	Training, Legal aid, daycare & education
	GONOSHASTHAYA KENDRO (Health Service Organization)	Interaction with complianceteam, business team, other technical teams, physical interaction, phone, emails etc.	As and when required	General workplace Injury and Emergency Accidental Case
	GIZ (Non-Govt. Organization)	Interaction with complianceteam, businessteam, other technical teams, physical interaction, phone, emails etc.	As and when required	Strategy Development - Promotion of Social and Environmental Standards in the Industry (PSES)
External	Bangladesh Garment Manufacturers and Exporters Association (BGMEA) (Owners Association)	Interaction with management authorities, business team, other technical teams, physical interaction, phone, emails etc.	As and when required As and when required	All kinds of Industrial Issue, License, Insurance
	Department of Inspection for Factories and Establishments (DIFE) (Govt Organization)	Interaction with management authorities, business team, other technical teams, physical interaction, phone, emails etc.	As and when required	All kinds of Industrial Issue, Factory Layout Plan, License, Grievance
	Bangladesh Fire Service & Civil Defense (BFSCD) (Govt Organization)	Interaction with management authorities, business team, other technical teams, physical interaction, phone, emails etc.	As and when required	All kinds of Fire and emergency issues License, Training
	Ministry of Labour and Employement (MOLE) (Govt Organization)	Interaction with management authorities, business team, other technical teams, physical interaction, phone, emails etc.	As and when required	All Kinds of Labour related Issue, Committee

Deputy commissioner, Gazipur (Govt Organization)	Interaction with management authorities, business team, other technical teams, physical interaction, phone, emails etc.	As and when required	Permit for Acid License, Industrial Relation
Accord / RSC (Non-Govt. Organization)	Interaction with compliance team, business team, other technical teams, physical interaction, phone, emails etc.	As and when required	Workplace Safety Development (Structural, Fire & Electrical)
Shafipur General Hospital (Health Service Organization)	Interaction with compliance team, business team, other technical teams, physical interaction, phone, emails etc.	As and when required	General workplace Injury and Emergency Accidental Case
Intertek Testing Services (ITS) (Third Party Organization (MNC))	Interaction with compliance team, business team, other technical teams, physical interaction, phone, emails etc.	As and when required	Testing & Audit purpose
Accordia Global Compliance Group (Third Party Organization (MNC))	Interaction with compliance team, business team, other technical teams, physical interaction, phone, emails etc.	As and when required	Certification Body
IPA (Non-profit international development organization)	Interaction with compliance team, business team, other technical teams, physical interaction, phone, emails etc.	As and when required	Stress management programme: (Reducing workers stress level improves, job satisfaction and increases company profit)



Picture: Regular OH&S Meeting

<<

Approach to Determine Materiality

In 2021, we conducted the materiality assessment to determine the materiality of the topics on which disclosures should be reported. We selected the first list of topics following the reporting standards of Global Reporting Initiative (GRI). Since it is our first report, we confined ourselves to the topics contained in GRI Standards, with an intention to expand this list beyond, in future reports.

We have used a two-dimensional scale to measure and compare the materiality of each topic, and then selected them for reporting on the disclosures. While applying the two-dimensional evaluation process, we firstly evaluated the topics on two individual criteria (one is considered in significant economic or environmental impact and other is considered in significant social impact) in a five-point scale. Each level has a definite characteristic or criteria as shown in table below:

Signif	icance	of Economic or Envir	onmental Impact
Significance	Rating	Negative Impact on	Positive Impact on
level	no.	Economy/Environment	Economy/Environment
Critical	5	Contravenes local law and violates global norms	Exceeds legal requirement & stakeholder expectations by a large margin
Major	4	Distinct local and global impact	Prevents impacts which has distinct local and global impact
Substantial	3	Impacts go beyond organization	Prevents impacts that go beyond organization
Moderate	2	Effects in organization level	Prevents effects in organization level
Minor	Minor 1 Equivalent to following best practices		Legal Compliance Level

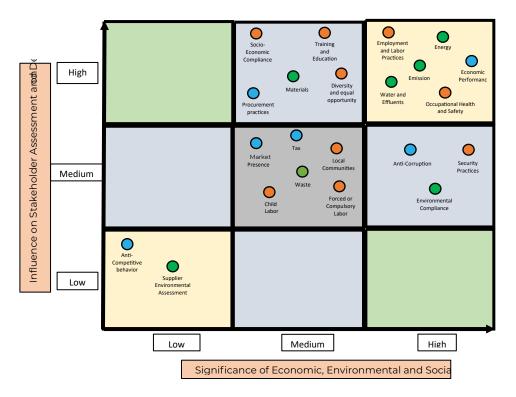
	Significanc	e of Social Impa	oct
Significance level	Rating no.	Negative Impacts	Positive Impacts
Critical	5	Invokes legal actions	Exceeds best practices
Major	4	Stakeholder Complain	Stakeholder Commendations
Substantial	3	Observations raised by Stakeholders	Comprehensive Compliance
Moderate	2	Violation of internal norms	No non-compliance & No Stakeholder complain
Minor	1	Sporadic violation	Meets Legal Requirement

Similarly, in determining the Influence on Stakeholder Assessment and Decisions, we have used five discrete steps, and a topic may fall in any of those. Each discrete step has a distinct characteristic or criteria as per the table. The influence on stakeholder assessment and decision has a spectrum that starts at a minimum level where a topic is related to an organization's own decision only and it does not associate any stakeholder views. On the other hand, if the topic involves applicable legal requirements, then the influence would be maximum. Applying these two sets of criteria, we have assessed the topics which are material for the report and have prepared this report to make disclosures on those material topics. We also have made two important considerations and embedded them in the criteria – one is the CoC of brands, and the other is legal requirements. Both of these are strong criteria as they take sustainability of activities, processes, projects and systems quite seriously.

Criteria for Influence on Stakeholder Decision						
Influence level	Score	Criteria				
Very High	5	Legal requirement applies				
High	4	Part of Buyers' CoC				
Considerable	3	In line with SDG goal				
Moderate	2	Expectation of community				
Minimal	1	Organization's own decision				

As for example, many brands have developed their CoCs in line with the most advanced scientific realities pertaining to energy and emission, chemicals, water and they have integrated these in various compliance standards, such as Higg, BEPI, STeP. Same go with social standards, such as BSCI, WRAP.

Echotex is subscribing to most of these brand instigated compliance standards, and thus a deeper stakeholder engagement is going on through disclosure of the performance data in compliance to these standards, in the conduct of business as usual. Needless to say, these environmental, economic and social standards are exclusively conceived to meet the imperatives of the Triple Bottom Lines of sustainable development. Using this systematic process of materiality assessment, Echotex has identified 22 material topics. These topics are, on the one hand, basic in nature, and on the other hand, they represent the most advanced issues relevant to Environment, Society and Economy.



Our Material Topics

Economic Performance	Market Presence	Indirect Economic Impacts	Procurement practices	Anti- Corruption	Tax
Material	Energy	Water and Effluents	Emission	Waste	Supplier Environmental Assessment
Chemical Management	Employment & labor practices	Occupational Health and safety	Training and education	Diversity and equal opportunity	Child labor
Forced or compulsory labor	Security Practices	Local communities			

• Economic Performance

Economic Performance is our material topic because our operations create economic value across our diverse stakeholders.

• Energy

It is our material topic because managing our energy consumption is vital in driving down the carbon footprint of our operations.

Water and Effluents

Water and Effluent is our material topic because our operations are relatively water intensive, and we are committed to reducing our water footprint.

Procurement practices

Procurement Practices is our material topic because it is vital in ensuring a sustainable and secure supply of raw materials.

Occupational Health and Safety

OH&S is our material topic because it is important to increase focus on safety following the outbreak of the pandemic.

Emission

Emission is our material topic because as implications of climate change intensify, we are committed to minimizing the adverse environmental impacts of our operations.

Employment & Labour practices

Employment and Labour Practices is our material topic because our team is vital in driving the organization's strategic aspirations and propelling growth.

• Training and education

This is our material topic because ongoing opportunities for skill development an important aspect of our employee value proposition and critical in driving our strategy.

Diversity and equal opportunity

This is our material topic because a diversified workforce leads to innovation and productivity, compliance with applicable laws.

Chemical Management

Chemical Management is our material topic because buyers are increasingly conscious of our chemicals use.

Child labour

Child Laour is our material topic because our customers are increasingly conscious of the need to eliminate any form of child labor across value chain.

Forced or compulsory labour

This is our material topic because our customers are increasingly conscious of the need to eliminate forced/compulsory labor across value chain.

Indirect Economic Impacts

Indirect Economic Impact is our material topic because our organization impacts indirectly in our surrounding communities.

• Waste

Waste is our material topic because responsible disposal of waste is important in minimizing our environmental footprint and maintaining good relationships with surrounding communities.

Anti-Corruption

Anti-Corruption is our material topic because anti-corruption policy is strictly maintained in our organization.

• Tax

Tax is our material topic because tax is one of the important financial issues in Echotex.

Material

Material is our material topic because it has an impact on our profitability margins and environmental impact.

Supplier Environmental Assessment

This is our material topic because suppliers are evaluated in various criteria including environmental criteria.

Market Presence

This is our material topic because entry level wage as well as equity are maintained in our organization.

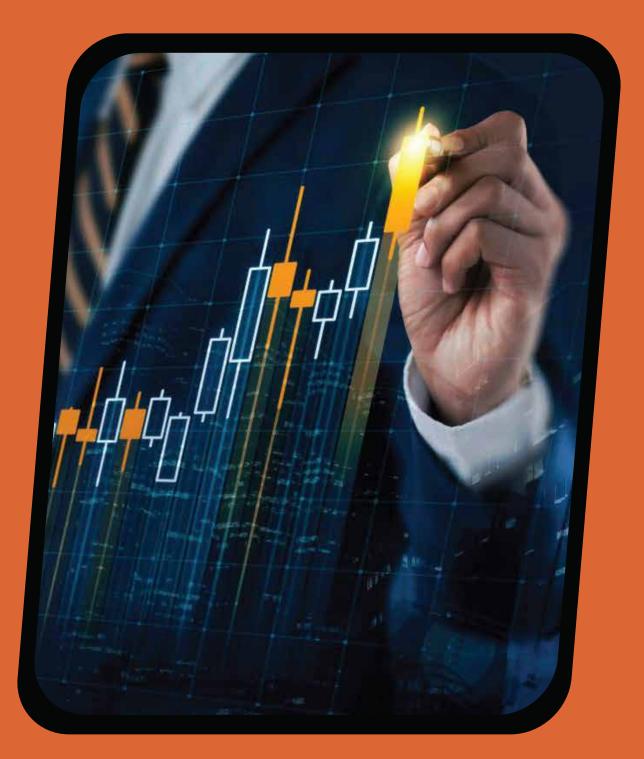
Security Practices

Security Practices is our material topic because security is highly ensured throughout our premises.

Local communities

This is our material topic because economic development of communities is achieved through investment in education, health, and livelihood opportunities.





Journey towards Economic Prosperity

Economic Performance

For any organization, its economic performance is a very important issue. The environmental and social sustainability of an organization depends on the economic viability of that organization. Any organization should strive to maintain economic sustainability for the future.

Echotex has steadily expanded its market share, with a large net outcome. We've also made it a priority to distribute as much earning as possible among our employees and labourers. As part of our attempts to increase the percentage of income

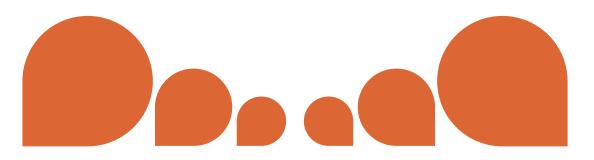


that goes to employees, we've resorted to bonuses, free meals, healthcare, and education. Our economic growth collectively affects our internal and external stakeholders in many ways. We carry out a variety of programs aimed at engaging our stakeholders in our economic advancement.

Direct Economic Value Generated and Distributed

	Unit	2019	2020	2021
Economic Value Generated (A)				
Total revenues earned	USD	121854145.2	103683226.7	142632445.3
Total revenues earned from net sales	USD	121,804,375	103,634,455	142,537,162
Total revenues earned from interest on financial loans	USD	49,771	48,771	95,283
Economic Value Distributed (B)				
Total operating costs	USD	5,895,219	8,800,508	6,005,429
Total cost for license fees	USD	8,198	12,902	15,359
Total training costs	USD	207	6773	2496.952941
Total wage/salaries distributed	USD	23265190.21	26383452.89	31548289.39
Employee Benefits	USD	4970099.683	5001857.667	3656381.706
Total interest payments to loan providers	USD	1,310,565	1,307,953	1,262,175
Total tax paid by the organization	USD	1,158,634	732,145	1,597,476
Other costs	USD	55,276,700	28,095,789	52,381,823
Economic Value Retained (A-B)				
Economic Value Retained	USD	29,969,331	33,341,846	46,163,016

** Dollar Conversion rate is considered 82 BDT, 84 BDT and 85 BDT equivalent to 1 USD for 2019, 2020 and 2021 respectively.





Payment to the government is just another method for wealth to be distributed. Tax and other payments made by Echotex to the government have risen significantly year after year, enhancing contribution to the national economy. Echotex maintains its tax strategy in compliance to the Tax Act and Rules of Bangladesh. Echotex's tax nature is depicted below:

Nature of ECHOTEX's tax strategy	As a green factory 10% tax rate is applicable as a regulatory compliance.
Governance body orexecutive-level position within ECHOTEX responsible for formally reviewing and approving the tax strategy	Executive level within the organization review and approve
ECHOTEX's tax governance and control framework	As per income tax ordinance/rule which are followed strictly.
Tax related risks	Always reviewed/monitored.
ECHOTEX's tax jurisdictions	DCT ,Tax Circle - 288,(Companies) Tax Zone - 14

MARKET PRESENCE

Echotex maintains a balanced scenario for the unbiased wage policy without any discrimination. The participation of the local community at the senior management level is perpetuated at Echotex. Our overall benefits to the workers and employees are more than market benchmark for equivalent roles and positions, irrespective of gender. The authorities ensure a standard entry-level wage compared to the local minimum wage as per Bangladesh Labor Act – 2006. Moreover, we do not discriminate between entry level entities with other workers. We ensure equal pay to all the workers. The below table will give a holistic idea about our approach towards our entry level entities:



	Unit	Year 2019	Year 2020	Year 2021
Entry level Wage given to employees who are in the lowest employment category	BDT	A Grade (Helper) 8000/47310 B Grade 8375/50082	A Grade (Helper) 8000/47310 B Grade 8375/50082	A Grade (Helper) 8000/47310 B Grade 8375/50082
Entry level Wage given to interns, apprentices, suppliers etc.	BDT	N/A	N/A	N/A
Ratio of organizational entry level wage & minimum wage	x:y	A 8000/8000=1:1 B 8375/8375=1:1	A 8000/8000=1:1 B 8375/8375=1:1	A 8000/8000=1:1 B 8375/8375=1:1
Percentage of employees recruited from local community	%	265/11423=2.32%	321/12728=2.52%	415/15867=2.62%

INDIRECT ECONOMIC IMPACTS

The global economy relies heavily on infrastructure. Economic Impact on the local community: Transportation, communication, energy, potable water and sanitation, health infrastructure, and other basic utilities have a huge impact on one's quality of life and well-being. Echotex has a significant investment in infrastructure. These infrastructures are not only intended for its own purpose but also outside the operational premises.

Keeping pace with the overall infrastructural development of the country, Echotex Limited has developed its own infrastructure. It employs more than 15,000 people in its own premises. It is working directly and indirectly to improve the living standards of more than these 15,000 people.

Poverty reduction is one of the world's most pressing issues, and as a result, it has been a primary focus of Echotex's economic development. Since the inception of the organization, we have been focused on poverty alleviation efforts. The outputs of these efforts are expected to generate wealth to create a prosperous society, not wealthy individuals.

PROCUREMENT PRACTICES

At Echotex, supply chain management is a key area for compliance and excellence. There is a Head of Procurement in charge of each operating section for procurement activities, in accordance with procurement policy. We have a well-defined procurement policy that outlines the goals, methods, and responsibilities. The policy is assessed on a yearly basis, and if necessary, adjustments are made.

When an organization is established, it exerts both positive and negative effects on the community around it. Moreover, the people in the vicinity are also indirectly dependent on the organization to substantial extent. With these issues in mind, Echotex started contributing to the development of the surrounding population. Echotex plays a direct role by purchasing materials from local vendors as well, as far as practicable.

At least two components make up the community economic impact:

(a) direct program and purchasing of products from local merchants; and

(b) induced impacts through income multipliers. The actions taken to generate an indirect influence on the economy of the local community are listed below.

- Improvements to the transportations, infrastructures and overall life systems.
- Several interactions have been taken with the local representatives to acknowledge their views and opinions in the light of our overall performance.



Procurement Practices			Disclosures for Yarn		
SI No.		Unit	Year 2019	Year 2020	Year 2021
1	Total procurement budget	USD	34,202,288.79	37852446.07	65906098.69
2	Number of local suppliers dealt with	No.	49	45	60
3	Total money spent on local suppliers	USD	27,888,349.10	27,519,411.73	36,905,828.16
4	Ratio of local suppliers and total suppliers	x:y	49:68	0.38	60:79

** Dollar Conversion rate is considered 82 BDT, 84 BDT and 85 BDT equivalent to 1 USD for 2019, 2020 and 2021 respectively.

Procurement Practices			Disclosures for Accessories		
SI No.		Unit	Year 2019	Year 2020	Year 2021
1	Total procurement budget	USD	14,206,710.20	12,848,481.38	15,134,765.82
2	Number of local suppliers dealt with	No.	139	136	138
3	Total money spent on local suppliers	USD	12,349,921.32	10,827,646.73	13,886,449.00
4	Ratio of local suppliers and total suppliers	x:y	139:26	136:32	138:28

** Dollar Conversion rate is considered 82 BDT, 84 BDT and 85 BDT equivalent to 1 USD for 2019, 2020 and 2021 respectively.

	Procurement Practices	Disclosures for Fabric			
SI No.		Unit	Year 2019	Year 2020	Year 2021
1	Total procurement budget	USD	46,635.31	48,652.24	101,333.66
2	Number of local suppliers dealt with	No.	4	3	7
3	Total money spent on local suppliers	USD	239.10	2,157.38	51,148.27
4	Ratio of local suppliers and total suppliers	x:y	4:15	3:19	7:16

** Dollar Conversion rate is considered 82 BDT, 84 BDT and 85 BDT equivalent to 1 USD for 2019, 2020 and 2021 respectively.

	Procurement Practices		Disclosures for Chemicals		
SI No.		Unit	Year 2019	Year 2020	Year 2021
1	Total procurement budget	USD	4,088,814	3,001,327	7,014,389
2	Number of local suppliers dealt with	No.	14	20	27
3	Total money spent on local suppliers	USD	112,160	153,003	463,610
4	Ratio of local suppliers and total suppliers	x:y	7:18	10:19	27:47

** Dollar Conversion rate is considered 82 BDT, 84 BDT and 85 BDT equivalent to 1 USD for 2019, 2020 and 2021 respectively.



ANTI-CORRUPTION

Corruption in global supply chains remains endemic, with bribery and kickbacks representing one of the most common forms of integrity risks. Despite the fact that the majority of the governance concerns must be addressed in Bangladesh, global retailers can have a significant impact due to their contractual relationships with factory owners. Sustainable supply chain management and the acknowledgment of responsibility throughout the supply chain are becoming increasingly vital to them. Compliance procedures and codes of conduct are effective strategies for avoiding corruption. Despite this, bribery and extortion continue to be commonplace.



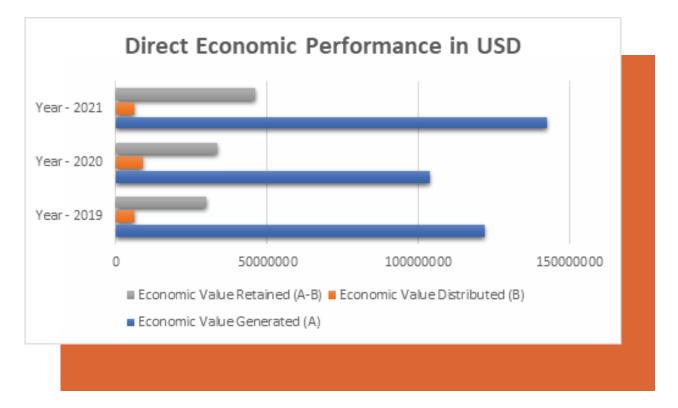
At Echotex, we have a strong anti-corruption policy. Moreover, almost 100% of our employees and workers receive training on anti-corruption policies. Our

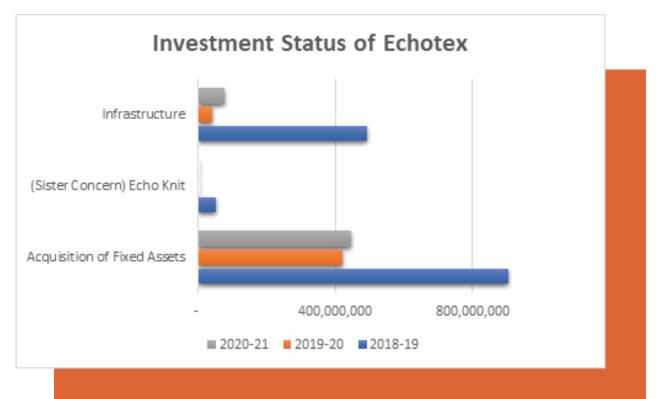
employees and workers are committed not to get involved in any corrupt practices. We aim to maintain a corruption-free supply chain. Employee appraisal and benefits are two main drivers to prevent employees from engaging in any corruption. We are trying to implement a whistle-blowing policy at Echotex to ensure anti-corruption practices more strictly.

Communication strategy of Anti - corruption policy	Training, Notice Board, E-mail
Number of trainings provided to governance body members on anti-corruption (To The Managers)	2 Times in a Year
Percentage of trainings provided to governance body members on anti-corruption (To all the New joiners)	100%
Number of trainings provided to employees/ workers on anti-corruption	2 Times in a Year
Percentage of trainings provided to employees/ workers on anti-corruption	100%



ECONOMIC PERFORMANCE HIGHLIGHTST







SUSTAINING THE PLANET

Ensuring Environmental Sustainability

Environmental sustainability is defined as responsible interaction with the environment to avoid depletion or degradation of natural resources and allow for long-term environmental guality. Environmental sustainability is the responsibility to manage natural resources and protect global biological systems in order to promote current and future well-being and prosperity. Because the effects of many business decisions on the environment take time to manifest, one of the most important aspects of environmental sustainability is its forward-thinking character. Sustainable growth demands a coordinated effort and initiative, not simply a single position. The importance of sustainable development in the corporate sector cannot be overstated.

There are different kinds of people participating in environmentally sustainable development in the garment industry. All of them are dedicated to improving their present in order to build a happier and wealthy world for future generations. It is feasible to convey a message to other industries that the environment is more important than anything else by supporting environmentally friendly use in the garment business.



Seven material topics have been identified by Echotex as being linked to distinct environmental concerns. All of them have something to do with global warming or water scarcity.

Echotex recognizes that technology is the answer to the challenges of GHG emissions, climate change, and water resource degradation. It knows that "What cannot be assessed, cannot be improved". As a result, Echotex has made significant investments in developing a system for monitoring and measuring parameters that are directly related to energy, emissions, and water performance. In 2021, Echotex implemented the best available technologies to improve energy efficiency, reduce energy consumption, and switch fuel use, thereby improving its energy performance.

Echotex has a team that foresees environment related matters. The team or committee's composition and responsibilities are as follows:

Committees	Members	Responsibilities
	Managing Director	Honorable Managing Director of Echotex would advise respective directors to implement Environmental Management Policy properly
	Director (Textile Division)	Director (Textile Division) would advise and suggest proper execution, monitoring tools, follow up with subsequent departments of the factory as well as participate brands meetings, seminars and other program relevant to environmental management policy. Would coordinate respective personnel for executing factory's EMS, updating various licenses etc. Take part in brands meetings, seminars as well as visit local and international trade fairs/Expo to know about updated technologies and best practices available in the market.
	Head of Maintenance	Participate in training, workshops, and seminar to be aware of the latest technologies and implement it at Echotex
Environmental Committee	AssistantManager (EHS)& Assistant Manager (ETP)	Execute EMS of the factory
	Manager (Chemical Store)	He will maintain chemical stock control, prepare CIL monthly and processing orders, collect updated MSDS, TDS, Grantee Certificates from suppliers keep records as for future requirement; He will ensure received store of dyes and chemicals and sourcing best chemicals and dyes available from different suppliers;
	Assistant Manager (HR & Compliance)	Ensure proper use of PPE by workers at dye house, printing house, chemical stores and sub-stores, chemical handling and management, MSDS sheets are located properly, chemicals are being stored properly, ventilation system at chemical store are maintained etc. Will responsible to manage waste generates from clinic/ medical, record keeping and dispose through authorized vendor;

We utilized the globally known Plan Do Check Act (PDCA) framework and established a complete Environmental Management System to improve our management approach to managing our environmental impacts. Our environmental management system (EMS) is certified by an Accredited Certification Body and satisfies the requirements of ISO 14001:2015.

The roles and responsibilities for the continual improvement of the Environmental Management System are outlined in our EMS guidebook. We have a capable team of professionals to handle numerous concerns relating to material topics, such as the operation of the Effluent Treatment Plant and the monitoring of our carbon and water footprints. The goals and targets are described in this report, and we are monitoring their progress to ensure that they are achieved.



We also adopted Higg Facility Environmental Module (FEM) 3.4, which assists us in maintaining our quantified performance measures of the environmental management system.

TACKLING CLIMATE CHANGE



According to WWF –

"Climate change is the greatest environmental challenge that has ever faced, but we can do something about it. We are the last generation that can stop devastating climate change. We have the knowledge and the tools – we just need politicians to lead the way"

With a global value of over 2.5 trillion dollars and over 75 million people employed, the fashion sector is a significant element of our global economy. Clothing production doubled between 2000 and 2014, demonstrating the sector's explosive rise in recent decades. People bought 60% more clothes in 2014 than they did in 2000, but they only kept them for half as long (McKinsey & Company, 2016).

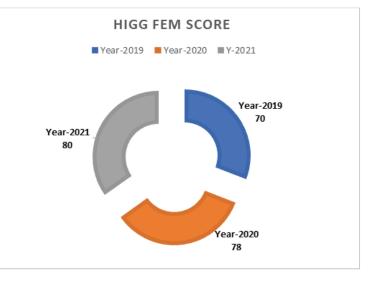
While the fashion business is flourishing, increasing attention has been drawn to the industry's extensive list of negative environmental consequences. Fashion products contribute 10% of global carbon emissions, depletes water supplies, and pollutes rivers and streams. Furthermore, 85 percent of all textiles are discarded each year (UNECE, 2018), and washing of some types of clothes sends significant amount of micro plastics into the ocean.

As a result, Echotex feels obligated to share information about its environmental impacts.

 $> CO_2$, a significant greenhouse gas, is produced when energy is converted from fuel to electricity (GHG). Sulfur and nitrogen oxides are two more by-products that have an influence on the environment, causing acid rain, smog, and other problems.

> A vast variety of negative consequences are associated with energy using fossil fuels, so lowering energy consumption is one of our top priorities.

> Global warming is at the top of the list of modern-day environmental issues. Unless GHG emission reductions are linked with a 1.5-degree increase in global temperature by 2100, emission routes are heading for a point of no return.





Energy and Emissions

The most challenging task confronting the industrialized world is energy management. Fossil fuels are still the most common source of energy, and they produce a multitude of substances that harm environmental sustainability.

In Bangladesh, captive power generation within industry accounts for a considerable portion of generating demand, even though these sources of electricity produce more greenhouse gas (GHG)

emissions than grid power. Echotex is highly focused on improving energy performance and

reducing GHG emissions. Various efforts have been implemented to minimize energy demand, improve energy intensity and cut GHG emissions.



Plans are put into practice effectively here at Echotex through а comprehensive Environment Management System (EMS). An EMS committee is in place that involves members from top management (Director, Textile Division) to mid-level management, such as Assistant Managers. Each of them is assigned an individual responsibility with effective communication within the committee to identify and mitigate issues

or improve performance. Findings are generally discussed in а committee meeting, which is held every two months. To ensure concrete improvethird-party ments. sources are also occasionally involved in conducting energy audits.

		Unit	Year 2019	Year 2020	Year 2021
	Total electricity consumption from grid in kWh	KWH	4549105	2960480	2524035
Total fuel	Total natural gas consumption generators in CBM	m³	3838647	4684347	6642088
consumption (in machineries)	Total natural gas consumption boiler in CBM	m ³	7225010	6358128	8027617
	Total Diesel consumption in diesel generators in liter	Liter	56525	18336	11671
	Total Diesel consumption in vehicle in liter	Liter	16854	26811	34777
Total fuel consumption (in transportations)	Total gas consumption in vehicle in CBM	m ³	64371	78257	97400
	Total octane consumption in vehicle in liter	Liter	28733	30792	31890
Total fuel cc	onsumption	МЈ	431884884.6	424893484.4	558325073
Total fuel consumption within the organization (renewable sources)	Total electricity generation PV in kWh	kWh	6813	4396	3111

Emissions

	Emissions from total natural gas consumption in CBM	kgCO ₂ e/m ³	22381778.11	22338926.93	29676813.22
Emissions from Machineries	Emissions from total electricity consumption from grid in kWh	on from grid kgCO ₂ e/KWH		1983521.6	1691103.45
	Emissions from total Diesel consumption in diesel generators in liter	kgCO ₂ e/liter	142003.8008	46064.24928	29320.23633
	Emissions from total				
	Diesel consumption in vehicle in liter	kgCO ₂ e/liter	1524341.154	2424890.867	3145366.815
Emissions from Transportations	Emissions from total gas consumption in vehicle in CBM	kgCO ₂ e/m ³	4766144.708	5794289.143	7211671.32
	Emissions from total octane consumption in vehicle in liter	kgCO ₂ e/liter	2105554.24	2256437.76	2336899.2

Water and Effluents

Bangladesh is a densely populated country, and access to water is already a major issue, signaling a dismal future. The fashion industry consumes 93 billion cubic meter of water per year, making it the third most water-intensive industry in the world. Stakeholders pay close attention to a company's water footprint, and Echotex understands the importance of this. To improve our water footprint and minimize our total water use, numerous initiatives have been completed, and many more are in the planning stages.

The Dyeing section contains a research and development facility where they test novel chemicals and procedures for dyeing and finishing water reduction. The maintenance department runs and maintains our effluent treatment plant (ETP).

Water has always been a major topic of discussion at our management review meetings, and our top management is dedicated to minimizing any water-related impacts to the greatest extent feasible. Echotex follows all applicable national laws and regulations, including those governing the release of treated wastewater. We follow the ZDHC wastewater guideline V 1.1 for water discharge, which is stricter than national law. To avoid bias, a reputable third-party laboratory visits our facility, collects samples of our water and ETP sludge, and analyzes them according to ZDHC wastewater guideline V1.1 before reporting the results to us and the relevant brand.

We keep a comprehensive list of environmental elements and consequences, as well as an action plan to reduce such impacts, as we are an ISO 14001:2015 certified firm. We've recognized our water-related consequences and the methods we're using to mitigate them in that list and action plan. We are also members of the Higg platform. All of the criteria needed by ZDHC standards are tested, and our results are published on the ZDHC platform. We have never experienced an MRSL failure to date. We maintain foundational parameters of the ZDHC wastewater guidelines for conventional parameters such as COD, BOD5, TSS, TDS and so on.



	Unit	Year - 2019	Year - 2020	Year – 2021
Total water consumption	m³	1349914	1320518	1725543
Total rain water harvesting	m ³	22175	20485	18478
Industrial Wastewater	m ³	736345	836297	1011686

We collect rainwater to reduce the amount of water extracted from the ground reservoir. We utilized 18478 m³ of captured rainwater in our process throughout the reporting period.

We've taken many steps to limit water use for dyeing and finishing to lessen our environmental impact. Furthermore, as a LEED Platinum building, we utilize at least 40% less domestic water than a typical structure. We've taken several steps to reuse treated water.

We treat our wastewater not just to fulfill legal standards, but also to meet strict criteria such as the ZDHC. In our well-equipped in-house lab, we test the water on a regular basis. Our raw water is also sampled and tested by a third party. Water is discharged from the wastewater treatment plant and the ETP twice a year. Furthermore,

the Department of Environment checks our discharge water regularly, and the results have always been good. Water is consumed solely within the factory's confines. Although we have taken steps to lessen our reliance on groundwater, it remains our principal source of water at the moment with a target to move to Zero Liquid Discharge ETP in short frame of time.

We have accurate water flow measurement and monitoring system in place to understand the water balance, undertake a plan to improve water footprint, implement it, and analyze water reduction methods.

During the reporting period, we treated significant amount of waste water with our ETP and released it while precisely adhering to the ZDHC fundamental limit for the conventional parameters. For the year 2021, our certified score in Higg FEM 3.4 for wastewater is 75 out of 100.

Rain Water Harvesting

Rainwater harvesting (RWH) is the practice of collecting and storing rainwater as opposed to letting it flow off. By accumulating rainwater to minimize urban flooding, it lessens soil erosion. Most structures with rainwater harvesting systems have an integrated catchment space on top of the roof that can hold huge amounts of water in the event of rainstorms.

Echotex began harvesting rainwater on the roof of its garments, dyeing & finishing, maintenance and utility buildings (125,000 sqf) to use directly in wet processing. Rain water harvesting project aims to reduce dependency on groundwater reserves.



Effluent Discharge Process

The ETP of the Echotex Limited is having a capacity to treat 4250 cubic meter/day. The ETP operates as bio-chemical plant comprising of Equalization Tank, Ozone tank, SBR (biological), IT Tank, IPS, Activated Carbon and Multi-Graded Sand Filter. In order to meet Bangladesh Environmental Conservation Rule (1997), we are required to treat the effluent before releasing.





MANAGING MATERIALS

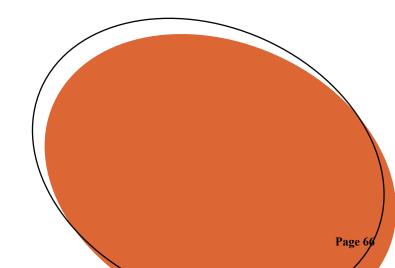
In Echotex, the manufacturing facility relies on the raw materials for its production. We just installed a denim washing plant, where we will do denim item finishing. Our senior management team is dedicated to enhancing resource efficiency. The top management is aware of the solid wastes that we produce and is concerned about their safe processing, disposal, recycling, and reuse.

We are constantly devoted to sourcing materials from suppliers who maintain a high level of environmental compliance as a provider to worldwide appeal brands. In most situations, we purchase raw materials from suppliers that have been suggested by our buyers, who have conducted a comprehensive environmental audit of those sources before recommending to us. Besides the raw materials like yarn, we also buy a lot of process chemicals, including auxiliaries, salts, and dyes. We buy the majority of our chemicals from internationally recognized chemical producers or suppliers, who follow the ZDHC MRSL guidelines. The Global Organic Textile Standard certifies a considerable quantity of our purchased yarn (GOTS). Also our facility is certified with OCS, RCS, Oeko-tex, BSCI cotton and Fair trade.





Production engineers, in collaboration with the R&D team, are in charge of ensuring that material is used efficiently in the knitting and dyeing sections. The industrial engineering team guarantees resource efficiency in the Garments division.



MATERIAL WE USED

Echotex uses various raw, packaging and accessories materials in both Denim and Knit Sections. Also there are some general items used as their materials. Some significant materials used are depicted below:

Knit Divisions:

ltem	Unit	Year- 2019	Year- 2020	Year- 2021
Fabric	YDS	4781	203	1320
Chemical	PCS	13571	71030	423551
Carton	PCS	1552280	920704	1217831
Poly	PCS	24531870	21702359	27926937
Button	PCS	14367890.04	8701682.44	18126671.04
Hanger	PCS	20577783	16320412	20249605
Label	PCS	151960641	142164580	166899603
Sticker	PCS	40092682	34411023	48038062
Zipper	PCS	777094	705550	1577711

>> Denim Divisions:

ltem	Unit	Year- 2019	Year- 2020	Year- 2021
Carton	PCS	1905	9762	25760
Poly	PCS	39930	120914	401190
Таре	YDS	300	300	69481
Zipper	PCS	10273	102636	281635
Hanger	PCS			192500

>> General Items:

ltem	Unit	Year- 2019	Year- 2020	Year- 2021
Paper	PCS	14100	7541	19405
Poly	PCS	2800	3000	17300
Таре	PCS	5658	8134	4691
Sticker	PCS	823100	849400	1193700

Waste Management



Our industrial process is inextricably linked to solid waste. At several stages of the manufacturing process, we create trash, such as unwanted cut textiles, machine components, paper and poly, wasted lubricant oil, and empty drums. Our wastewater treatment plants also generate a significant amount of sludge. The administration department of Echotex is in charge of all solid waste, assisted by the compliance department.

As a company, we understand and value the necessity of reducing waste. By reducing waste, we can increase our profitability. To eliminate waste, we employ cutting-edge technology, machinery, and procedures.

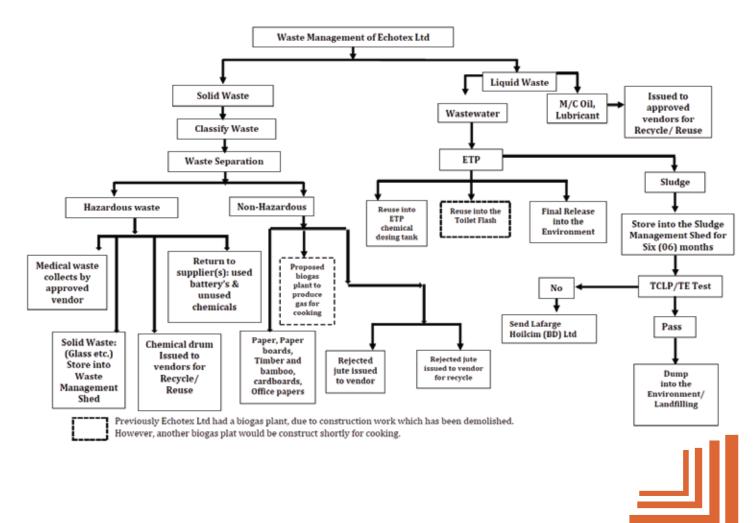
WASTE POLICY

Echotex is committed to ensuring good environmental scenarios in its own boundary. To ensure this commitment, Echotex maintains a strong waste management policy. This policy includes compliance to factory's environmental policy guideline and environmental impacts and aspects with all national and international statutory environment and waste management regulations in alignment with setting up specific waste related goals and continual improvement in the management of waste. This waste management policy also depicts the importance of increasing awareness among all the personnel related to Echotex and also paves the ways to indicate generation, handling, storage and offsite disposal of waste considering health and safety risks associated with it.

Echotex is strongly dedicated to accomplish the requirements of waste management policy. In solidarity with this dedication, Echotex ensures that all wastes, particularly hazardous or contaminated wastes, are tested, transported and disposed of, in an environmentally acceptable manner. Also, the company aligns with DoE guideline in order to prevent pollution, reduce waste and to maximize the efficient use of raw materials and energy resources to achieve 3R's - Reduce, Reuse and Recycle. It is utterly important to increase knowledge and encourage all the personnel including employees, employer, upstream and downstream entities to comply with this waste management policy

Generation and Disposal of Solid Waste >>

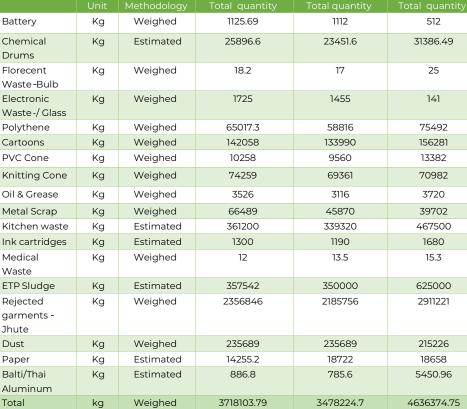
Echotex Limited Keeps the track about generation and disposal of waste from all of our production processes and activities. This allows us to plan for additional waste reduction and recycling as much as possible.



AMOUNT OF OUR WASTE

The factory generates various types of solid, liquid and gaseous wastes from its key processing sections (dyeing, finishing, printing, washing, and garments section) including medical and kitchen. Following table revels main wastes generates from different process sections of the factory.

Location		Haza	ardous Waste		Non-H	azardous wastes
Knitting & Batch		, plastic cone, Po hine oil,	lybags, Battery, Glass	bulb,	Paper, Pap	per boards, Rejected fabrics
Dyeing & Finishing	matt Was	ters, fabric rejecti	stion gases, Particulat ion, Salt, Chemicals, DD, TDS, TSS, etc.), Ma c.			-
Sewing and Finishing	Mac batte		poly bags, glass bulb,		Jute	, paper boards.
Printing	mate BOD	erials, machine o	stic ink jars, glass bull ils, Waste water (TSS, eat, cardboards, polyl	TDS,		-
Washing	soap	Surfactants, foam, polybags, machine oils, acid, soap, detergent, chemicals, glass bulb and wastewater				
Chemical Store (sub-store, printing chemical store)		Empty chemical drums, plastic jars, plastic bags, glass bulb, chemical spillages				boards, metals
Maintenance & Utility	mac bulb cons	hine and mechai , IT accessories, p	ube Oil drums, discar nical parts, battery, gl blastic jars, plastic buc Is, glass windows, 2.	ass	cardboa	nd bamboo, paper, ards, paperboards, metal scrap
ETP		ge, Polybags, Ch ewater (BOD, CC	emicals, machine oils DD, TDS, TSS)	, acids,		ETP
			General Waste			
Office and Toilets	batte	eries, plastic, poly	/		0	ffice papers
Kitchen					Mix	ed food waste
Medical Care Medical waste, needle, syringes, plastics, glasses, metals						
			Y-2019	Y	-2020	Y-2021
	Unit	Methodology	Total quantity	Total	quantity	Total quantity
Battery	Kg	Weighed	1125.69		1112	512
Chomical	Ka	Ectimated	25996.6	27/516 71796 / 9		71706 /0



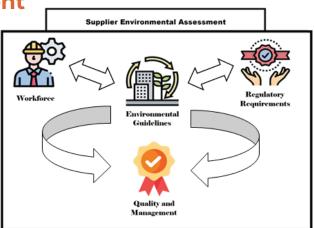






Supplier Environmental Assessment

Echotex Limited expects its outsourced suppliers to contribute to the environment with all acceptable and energy saving solutions which we can offer to our customers and principals and are able to use in our company operations. We expect our suppliers to stimulate entrepreneurship as well as innovation and sustainable solutions. They are expected to know and undertake their responsibility regarding the Outsourcing environment and surroundings. suppliers are expected to be open, accessible and are expected to communicate in a transparent and clear manner. Commercial transactions, considerations and processes within the supply chain are to be clear and comprehensible.



Requirements for Maintaining Business Sustainability

Trans	naro	nov/
IIalis	pare	
		J

Ensure Minimum Wage

Legal Papers/Licenses

No Harassment and Abuse

Functional Grievance Management System

No Child Labor

No Forced Labor

Ensure Compensation and Benefits

Decent Working Hour

No Discrimination

Ensure Health and Safety

Freedom of Association and Collective Bargaining

No Harm to Environment

Ethical Business Practice

Ensure Security

Align with Customer/Buyer's Requirements

CHEMICAL MANAGEMENT

Disclosers	Unit	Year 2019	Year 2020	Year 2021
Hazardous chemical substances used	Kg	1,237,879	1,490,920	1,898,024
Non-hazardous chemical substances used	Kg	3,503,930	4,400,270	5,029,414



Chemical Management related Risk Assessment

Echotex conducts different chemical management risk assessments. The steps which Echotex follow for risk assessment are -

- a) Risk assessment matrix of different buyers.
- b) Chemical's risk by SDS of respective item.
- c) Syntonize the risky CAS no. with MRSL of various buyers.
- d) Test for risky chemicals in third party lab.
- e) Collect guarantee letter from chemical supplier for every chemical.

By these risk assessments, significant risks related to chemical management are identified. They are -

- a) Formaldehyde: Florescent Ink, Soaping agent, Anti back staining, Fixers, Binders, Synthetic thickener, Glue, Flame retardant, Printing paste, Coating.
- b) Chromium: Ink, Reactive dyes stuffs, Acid dyes stuffs.
- c) Arylamines: Dyes stuffs, Binders, Fixers Glue, Printing paste, Glue.
- d) Phenol: Acid/Disperse/Pigment/Pigment Florescent dyes stuffs, Carriers, Anti-bacterial.
- e) APEO: Detergent, wetting agent, deaerator, Levelling agent, Emulsifier, Softener, Water repellent, Printing paste, Coating.
- f) Allergic Dyes: Disperse Dyes.
- g) Organotin Compound: Pigment, Florescent, Binder, Fixers, Glue, Anti-bacterial, Plasticizer, Printing paste, Coating.
- h) Organochlorinated Compound: Disperse/ Pigment/Florescent/Vat dyes, Carriers, Coating.
- i) Brominated & Chlorinated Flame Retardants: Flame retardants.



Tests conducted to identify Chemical related impacts



Safety associated with Chemical Management

Chemical safety must be ensured in order to ensure safety and well-being of people and protection of the environment. Echotex ensures chemical safety in many way. Chemical safety reports consider below issues:

- a) Human health hazard assessment.
- b) Physiochemical health hazard assessment.
- c) Environmental health hazard assessment.
- d) Persistent, Bio-accumulative and Toxicity assessment (e.g. PBT).

There are some common Safety Practices in chemical management. They are -

- a) Eliminating Hazardous Chemicals
- b) Finding alternative.
- c) Engineering control
- d) Administrative control
- e) PPE.



Standards followed for Chemical Management

Echotex follows the below standards for Chemicals Management:

- a) ZDHC Guideline
- b) MRSL & RSL of all buyers
- c) Inditex Guideline and positive list
- d) Bluesign positive list
- e) Oekotex, REACh, Nordic standard etc.

Following items are maintained for chemical management:

- Chemical Purchasing Procedure
- Transportation, Labelling, Storage, Disposal and Emergency Procedure
- Training and Communication
- Chemical risk Assessment etc.

At Echotex, there are different types of tests conducted to identify hazardous chemicals. They are:

j) Extractable Elements

- a) AP (NP/OP)
- b) APEO (NPE/OPE)
- c) Azo
- d) Bisphenol A (BPA)
- e) Cationic Surfactants
- f) Chloroparaffins (SCCP & MCCP)
- g) Chromium VI
- h) Disperse Dyes
- i) DMFa

- k) Formaldehyde ISO 1418-1 I) Formaldehyde JIS L 1041-1983 m Formaldehyde JIS L 1041-1983 n) Nickel
- o) Organotin Compound
- o) Organotin Compound
- p) PAH
- q) PFC ´s
- r) pH

s) Phenols (PCP, TeCP, TRCP, OPP) t) Phthalates u) PVC v) Total Lead w) Total Metal x) Triclosan



Future Targets for Chemical Management

Echotex's targets for a future reduction/ elimination of hazardous substances are -

- a) We will reduce hazardous chemicals by 15% in 2022.
- b) We will ensure 100% ZDHC compliant chemicals by this year.
- c) We will ensure 100% bluesign compliant chemicals in 2022.
- d) We will ensure 100% Inditex positive chemicals by 2023.





Echotex has given consent to ensure safe chemical purchase, storage, use and release in compliance with national standards, rules, buyers compliance need, and customer satisfaction.



Chemical Pollution Prevention Measures

Significant chemicals Pollution prevention measures are -

- a) Eliminate unnecessary chemicals form CIL.
- b) Some equipment are being used to reduce chemical waste and smooth handling.
- c) Wear appropriate PPE.
- d) Set proper engineering control.
- e) Waste chemicals handled as per SDS.
- f) Residues are washed thoroughly & drained to ETP.
- g) All wastewater treated properly on ETP.



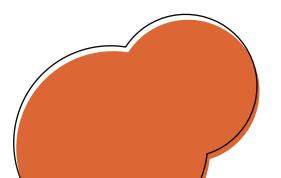
Overall Environmental Sustainability Initiatives

Maintaining environmental sustainability is one of the biggest challenges for any organization. It is more so for the RMG industries of Bangladesh. Efforts to completely eliminate the environmental risks involved in various processes have been going on for a long time. As a result, management here is taking on many environment related projects. Echotex is no exception. Echotex has encouraged a variety of eco-friendly projects since its inception. Due to this, some projects like Economizer Boiler, Heat Recovery in Finishing, Heat Recovery in Dyeing, Exhaust Gas Boiler, Air Condition from waste heat, IHI Turbo Compressor, Condensation Trap, Energy Efficient Sewing Machine, Sewing Led Light etc., are currently installed or about to be installed in Echotex.

These projects are described in brief in the subsequent pages.

Economizer Boiler

Our boiler feed tank is properly insulated to maintain the feed water temperature above 90 degrees Celsius at all times. We are also using a built-in economizer in the boiler that recovers heat from exhaust gases, and transfers this to the incoming boiler feed water, thus increasing the overall boiler thermal efficiency and reducing CO₂ emissions.







Heat Recovery in Finishing

Heat Recover system from stenter machine exhaust and condensate recovery from compactor machine, which reduce heat energy consumption by 20% and lower the CO_2 emissions.

Reduction of gas consumption is equivalent to 2467968 KWh/year as well as reduced emission of 503 CO₂ tons/year.

Heat Recovery in Dyeing

We use low liquor ratio dyeing machines that significantly reduce water consumption. These dyeing machines also have inbuilt heat recovery systems that save considerable energy. Water saving is calculated at 335369.96 m3/year. Gas consumption reduction is equivalent to 2956621 KWh/year as well as reduced emission of 663 CO₂ tons/year.





Exhaust Gas Boiler (EGB)

EGB operates by exhaust gas from two gas generators. 1500 kg/hr. of steam is produced from the EGB boiler which saves 83,8656 m³/year. Gas consumption is equivalent to 7,393,591.3 KWh/year as well as reduced emission of 1509.5 CO₂ tons/year.

Air Condition from waste heat

Installation of Hot Water Absorption Chiller having capacity 250 RT by using Gas Generators jacket water heat. Saving of natural gas consumption of 263148.228 m³/yr which is equivalent of 2328745.381 KWh/yr,as well as, which reduced emission of 520.243 CO₂ tons/year.





IHI Turbo Compressor

Low weight, easy to design and manufacture. Suitable for continuous compressed air supply, such as the cooling unit. The oil-free in nature, they have fewer rubbing parts, and a high flow rate than the conventional compressor. Generating a high-pressure ratio per stage as compared to the conventional compressor. Installation of High-efficiency IHI turbo compressor with soft-starter (25% energy saving; environmentally friendly by oil-free and less maintenance).

Condensation Trap

In washing, finishing, dyeing and garments ironing section Echotex has installed condensation traps and condensate recovery pumps. The condensation is collected and transferred to the boiler feed tank, reducing the amount of energy needed to heat the rest of the tank. Gas consumption eduction is equivalent to 5736142.645 KWh/year as well as reduced emission of 1286.337 CO₂ tons/year.



Energy Efficient Sewing Machine

All sewing machines have Energy efficient servo motor & servo drive to operate. Servo motor and servo drive reduced electric consumption which reduced CO_2 emission. Gas consumption reduction is equivalent to 255340.8 KWh/year as well as reduced emission of 57.043 CO_2 tons/-year.

Sewing Led Light

Highly efficient LED lights are installed in all sewing machines as well as garments finishing floors thus reducing electricity consumption significantly which reduced gas consumption equivalent to 512960 KWh/year as well as reduced emission of 1143.595 CO₂ tons/year.



PLANNED ENVIRONMENTAL INITIATIVES FOR IMPROVEMENT

ZERO LIQUID DISCHARGE (ZLD)

Zero liquid discharge (ZLD) is a strategic wastewater management system that ensures that there will be no discharge of industrial wastewater into the environment. It is achieved by treating waste-

water through recycling and then recovery and reuse for industrial purpose. Hence ZLD is a cycle of closed loop with no discharge. ZLD paves the way for economic benefits by recovering & reusing salts and other chemical compounds.

A systematic ZLD is made up of the following components:

 pretreatment (physicochemical and Biological)

RO (membrane processes)

 \cdot evaporator and crystallizer (thermal processes)

Benefits of ZLD:

- Wastewater discharge is avoided by recycling.
- Recovery of water and salt aids in reducing the cost of operation of ZLD.
 - It promotes the sustainability of the industry and the environment at large.
 - There is less use of water by the textile industry, which means water is available for other purposes such as irrigation (agriculture) and domestic utilities.

- ZLD helps recover the environment.

- The sludge can be effectively used by the cement industry.

Echotex is going to set up ZLD plant for both 4250 m³/day Capacity ETP & 1000 m³/day

Capacity STP by 2023. As a result, 5250 m³ water will be saved from the extraction of ground water per day.

REVERSE OSMOSIS (RO)

The direct meaning of reverse osmosis (RO) is the movement of water through a membrane when pressure is applied on one side of the membrane. Reverse osmosis is one of the most effective, economical technologies available for removing a range of impurities from water. Reverse osmosis is a treatment technology with continuous operation that uses pressure to pass source water through a thin membrane and thereby separate impurities from water.

Echotex is going to set up 4-stage RO Plant by 2023 to purify 94% of ETP & STP outlet water for reusing this water in the production process.



EVAPORATOR FOLLOWED BY ATFD

Echotex is going to setup 280 KLPD (280 m³/day) capacity Evaporation & ATFD plant by 2023 to recover Glauber's salt of 10, 000 Kg per day from RO reject wastewater & reuse this salt in the dyeing process.







SOLAR PLANT



Using renewable energy instead of fossil fuels is key to sustainable development. Solar energy is a renewable energy becoming increasingly popular in Bangladesh which is inexhaustible and obtained from the electromagnetic radiation from the sun. It generates electricity and heat in a manner which is entirely sustainable and free with advantages of no toxic or polluting emissions into the air and reduces the use of fossil fuels as well as carbon emission. Echotex already installed 10 KWH on grid Solar plant as a pilot project & have a plan to install solar plant 1.2 MW by 2023 & 1.8 MW by 2025 to generate electricity, steam & hot water. This means an estimated reduction of approx. 1,100 tons CO₂e-emissions per year.

COLD PAD BATCH DYEING

Ecological sustainability demands are constantly rising, especially about the consumption of water and energy. Cold Pad Batch (CPB) dyeing is one of the most economical and environmentally friendly approaches in the textile industry. Many methods are used for dyeing cotton with reactive dyes, but the CPB method is relatively more environment-friendly due to:

-High dye fixation rate

- No salt dyeing process
- Low energy and low water consumption
- Limited use of thermal energy
- Low bath ratio (M: L = 1:1) required for the process.

It is a widely used technique for the semi-continuous dyeing process.

Cold Pad Batch dyeing technology achieves 13% carbon savings and over 50% water savings in fabric



manufacturing, compared with the conventional exhaust dyeing. Echotex is going to setup 25 Ton/day capacity CPB Environment friendly dyeing Technology by 2025. A total reduction of 1,300 tons CO₂e-emissions per year is estimated by this measure (based on production of 25 tons / day).



BLUESIGN CERTIFICATION

BLUESIGN is a holistic system that provides solutions in sustainable processing and manufacturing to industries and brands. Based on strict criteria, auxiliary material and services are developed to support the company specifically in its sustainable development. As an independent authority, BLUESIGN checks the progress that a company has made in this effort, provides continual further development of solutions, and continuously optimizes its criteria.

bluesign[®] PRODUCT



- Increase the sustainability performance of your products

- Minimize risks for people and the environment and thus organizational risks

- Optimize profitability and save costs

- Work within a network of the best in the sector while expanding business excellence

- Improve competitive advantage

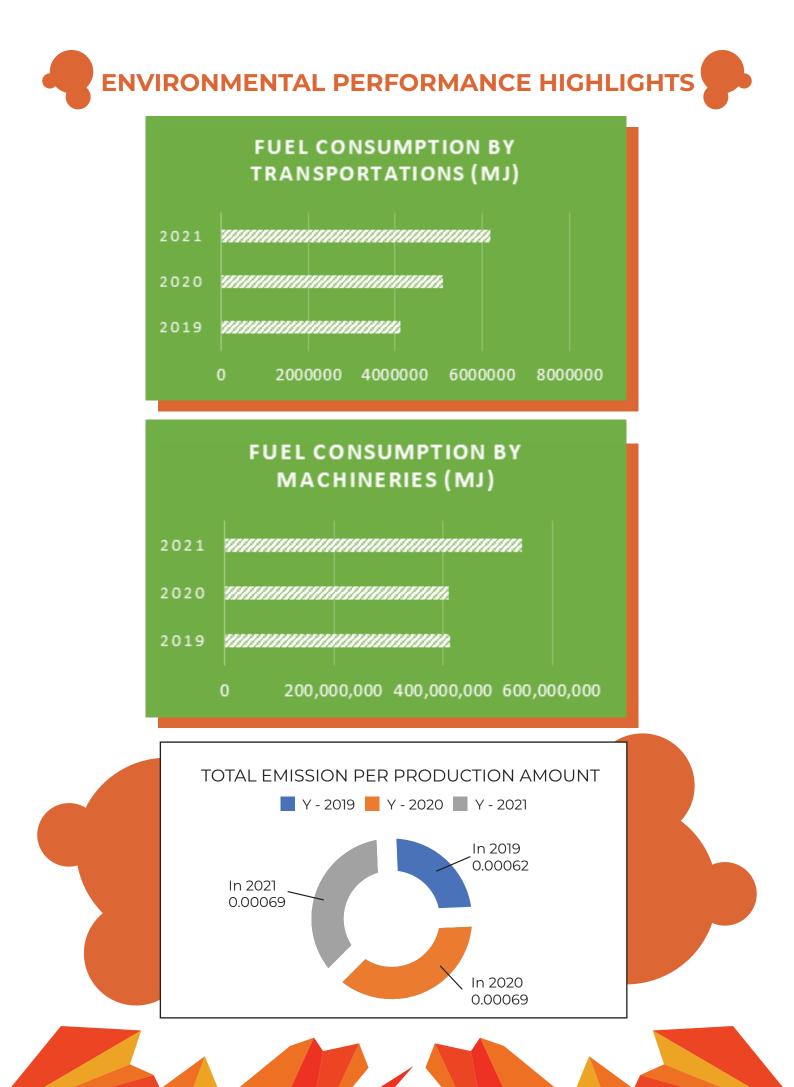
- Build trust and a positive image.

So Echotex is working for Bluesign certification, and it will be complete within December 2023.

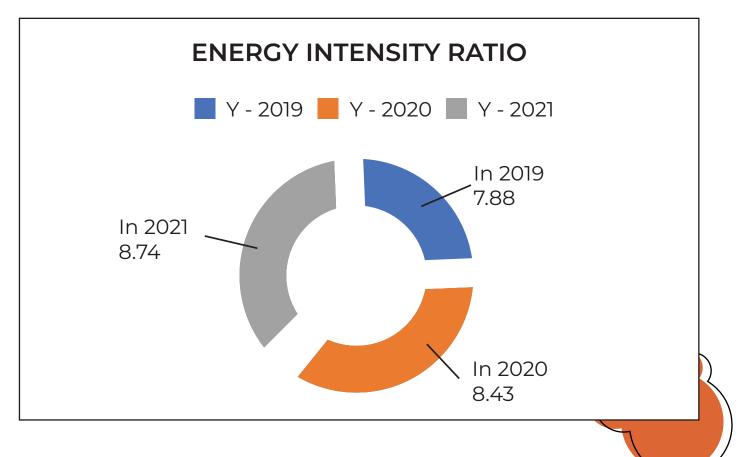
With the full implementation of planned measures, a reduction of CO_2e emissions by at least 2,400 tons per year is estimated. This means a reduction by 8% of CO_2e emissions compared to 2021.











Page 78



Care for People

At Echotex, we have people from all walks of life who have individual and group requirements. Echotex has both a direct and indirect influence on their lives. While they are at Echotex, our vertical industrial structure was created to give them a welcoming and supportive work and social environment. We make certain that their daily subsistence needs are met so that they feel at ease and inspired while working at Echotex.

Many of the widely agreed-upon principles, including gender priority, women empowerment, parental leave, freedom of association, and the right to collective bargaining, are strongly in place at Echotex. We are the forerunners of social performance at its highest level. People are the most valuable asset of Echotex, so we take care of them in the best way possible.

LABOUR PRACTICES

Our most valuable assets are our staffs. We strive to give the most perks to our employees in order to obtain the greatest services from them. Echotex wants its employees to be informed of their rights and responsibilities. We give training on the rights of employees in the workplace to inform them of their rights. We issue proper appointment letters to all employees. We register all of our workers on the BGMEA site at their recruiting as members of the organization, so they may claim insurance for accidents and treatment. At Echotex, we think that we can receive the finest service from our employees if they feel comfortable in their jobs and have their rights and entitlements met.

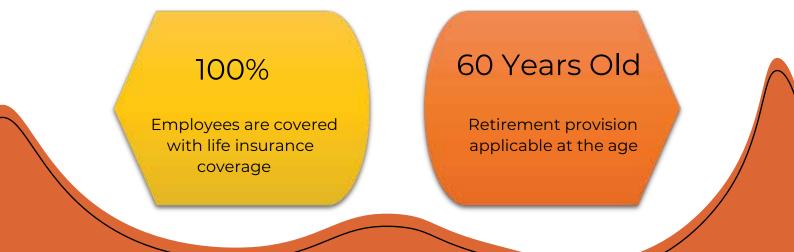
As a result, we have no temporary or outsourced staff. All of our employees have permanent contracts. We give every one of the workers a printed pamphlet with information on their rights, the benefits they may get, and the current codes of conduct. Our top management is dedicated to preserving the rights and well-being of our employees.

	Divisions of Bangladesh	Year - 2019	Year - 2020	Year - 2021
	DHAKA	2372	2621	3184
	CHITTAGONG	160	185	221
Number of employees	RAJSHAHI	2547	2778	3479
(Based on Divisions of	KHULNA	862	913	995
Bangladesh)	BARISHAL	299	337	411
	SYLHET	223	300	440
	RANGPUR	4862	5250	6642
Total		11325	12384	15372

A capable team of HR and social compliance specialists guarantees that our firm is entirely compliant with local laws, buyer needs, and our own processes under the direction of the Director of Hr and Ethi. We carefully follow Bangladesh Labour Law (2006) and Bangladesh Labour Rules (2015), with all their changes, in addition to our own policies and processes.

	Age Group	Year - 2019	Year - 2020	Year - 2021
Number of employees (Deced	18 – 30	5700	6699	9236
Number of employees (Based	31 – 50	5533	5608	6067
on Age Group)	Above 51	9	77	69
Total		11325	12384	15372

The majority of our purchasers have their own codes of conduct, which we always adhere to. We're also a member of the SEDEX platform, which is a social and labor standard, and we have a third-party audit every year to determine whether we're in compliance. All of the purchasers have signed a robust letter of intent on labor practices and ethical trading. Buyers meet with us on a regular basis to educate and train our compliance staff on social and labor problems. We work conventional working hours at Echotex, which are 48 hours per week, with legally acceptable overtime that does not exceed 60 hours per week for a single week and 56 hours per week on a yearly basis.



WORKERS WELLBEING AND RIGHTS

We invest in a variety of social programs at Echotex. There is a daycare center, a workers' grocery facility, and free lunch arrangement. The majority of employee well-being initiatives are voluntary. The HR department of Echotex is in charge of employee well-being, which is overseen by the Director, HR, and Ethical Trade.

They reflect some of the industry's finest practices when taken together. Echotex is ahead of many of its competitors in terms of delivering social services to workers in a variety of sectors.

Scope Project

The readymade garments (RMG) industry has been dubbed as the largest export earning sector in Bangladesh, contributing significantly to the country's exchequer. More than 4500 garment factories are currently operating in the sector, employing over four million people and more than 80 percent of the workforce are women. However, restrictive gender stereotypes still persist at homes, as well as, in the workplaces despite the visible transformation in the gender composition of the national labour force.

With an aim to creating an enabling working environment for women garment workers, BRAC Gender Justice and Diversity (GJD) Program had been implementing the SCOPE (Strengthening and Cultivating Opportunities in Productions for Employment) project in 2017 with the financial support by Echotex.

This project implemented through a joint collabouration of BRAC Human Rights and Legal Aid Services (HRLS), BRAC Education Program (BEP) and Health, Nutrition and Population Program.

Goal:

To create a violence-free and gender-responsive work environment for the garment workers in order to increase their productivity and unleash the full potential that contributes to the national economy to a greater extent.

Objectives:

The overall objective of the project is to build a model in Echotex through enhancing the existing work environment and service delivery process for workers that can be replicated in other garments in the long run. The specific objectives are as follows:

- Enhance service delivery for workers regarding day care center, health, education and legal aid services.
- Promote decent work environment
- Enhance leadership capacity of women worker.
- Create evidence for national-level advocacy.

measures to address those. Legal Education (HRLE) Shebikas through training on human rights and legal aid services.

- Trained 240 workers as the members of Odhikar Bastobayon Committee for promoting peer support to co-workers on legal issues.
- Developed capacity of 2400 workers through conducting Human Rights and Legal Education classes.
- Provided gender training to 50 management staff of Echotex for establishing gender-responsive workplace.
- Developed a gender policy for Echotex to ensure gender-responsive work environment on factory premises.
- Provided leadership training to 50 production supervisors.

Key Interventions

- Established two-day care centers with improved child care and pre-schooling facilities for the children of the workers.
- Established one primary school for the worker's children.
- Established one legal aid clinic on the factory premise to provide legal support to the workers.
- Developed 100 health volunteers through capacity building on sexual and reproductive health and rights, personal hygiene and behavior, maternal health, family planning etc.
- Developed 220 workers as 'Gender Equality Promoters' for demonstrating gender issues within the workplace and household, and taking
- Capacitated 10 Workers as Human Rights and



Gonoshasthaya Kendra and Echoter Ltd

SNV

Date: 15 Nove

Health Insurance PROJECT for Employees

About 100% of Echotex employees enjoy the benefits of health insurance. Under this health insurance, every employee gets medical benefits for illnesses, injuries or for other reasons. Echotex started Health Insurance project in December 2017, which is still continuing. Gonoshasthaya Kendro is providing health and medical services to ensure quality health care and health awareness for employees. SNV is providing technical support. Research, Training & Management international (RTM) is a monitoring partner of this program.

Gonoshasthaya Kendro provided treatment (Such as dental, maternal care, physiotherapy, more than 50,000 times for outdoor patient, more than 200 persons as indoor patients, along with new employees blood grouping & RBS test for more than 15,000 employees. Completed more than 150 different surgeries such as general surgeries, Gynae & Obs surgery, Orthopedic surgery by now.) of employees from the Health Insurance Pilot Project. Employees are very happy to get this health services from the beginning till now.

FREE LUNCH

The ultimate aim of Echotex is to provide a proper balanced diet for all employees. Each day we cook hot lunch onsite for all (16,000 employees) free of cost. These meals not only improve the health of our employees, but they also ensure high productivity in return.

ECHO MART - A FAIR PRICE

An initiative like Echo Mart seems to bring a breath of fresh air when people across the country have lost their temper over rising commodity prices.

Providing groceries at a fair price to the workers & factory officials through which employees can have a saving compared to purchasing

from local market, as well as, saving their time.

Echotex is purchasing directly from manufacturer and providing to the workers at 10-12% cheaper price through Echo Mart compared to MRP without making any profit.

As the purchases are done directly with manufacturer, employees are getting original and pure grocery product form Echo Mart, which includes cooking oil, flour, lentils, sugar, milk, salt, tea, rice, shampoo, skin care products, hair oil etc.

Through Echo Mart, all the employees at Echotex factory can save a good amount through manufacturer's price, get original products, get a credit and everything is maintained by a software built in house.



FINANCIAL INCLUSIONS FOR ECHOTEX EMPLOYEES



Bank Asia Limited launched the first RMG Digital Banking Booth at Echotex Limited, as financial inclusions for Echotex employees only, which was inaugurated on 10 November 2018 in Gazipur, Bangladesh.

Employees avail an individual bank account where they are getting easy and effortless banking facility. Bank Asia opened 100% workers accounts for all employees when she/he recruited.

This financial inclusion service is providing core banking facilities such as cash withdrawal and deposit, transfer of funds and mobile phone top-up to the workers, account opening, and application forms for savings (Deposit Premium Scheme and Fixed Deposit Receipt) of Echotex within the factory premises.



This is a complete banking booth and a branch. It consists of a customer services desk staffed by full-time bank officers who provide support and information to the workers regarding banking products and services. As a result, workers no longer need to take a leave for banking, or carry cash, ultimately saving time and expenses.

Inside the company, the following banking operations are now carried out:

- 1. Account opening
- 2. Money transfer
- 3. General Banking queries
- 4. Information related questions
- 5. ATM machine for cash withdrawal
- 6. Cash deposit
- 7. Bill Payment.



Echotex is providing sanitary napkin for all female workers free of cost and increasing awareness on menstrual hygiene and reproductive health. The process of getting the sanitary napkins is also quite simple. Generally, if a female worker wants sanitary napkins, she informs the female members of the PC Committee or the female officers in charge of welfare, and the article is issued. Now, our female workforce is more aware in sanitary hygiene than before.



DECENT WORKING CONDITION



Echotex Limited maintains a pleasant working environment at all of its locations to ensure that employees are happy and productive. Our employees' productivity is dependent on their working environment. Our top priority is to provide a quality and comfortable working environment. Our buildings are all LEED Platinum-certified, making for a highly pleasant working environment. Our maintenance crew works tirelessly to maintain all of the buildings' electrical and mechanical systems operational. Our administrative department, on the other hand, ensures that our floors and restrooms are kept clean. Both the male and female restrooms are sufficient and well-maintained. We supply drinking water at designated locations on each level, and we test our drinking water on a regular basis as required by law. To limit the consumption of power for lighting, all of our floors are properly ventilated and make use of as much natural light as possible. There are plenty of drinking water dispensers on our floors.

RECRUITMENT OF DISABLED PEOPLE

Bangladesh's garment industry aims to meet a 50-billion-dollar export target by 2023. This ready-made garment (RMG) business has a competitive edge due to the amount of available labor. According to the World Health Organization (2011), people with disabilities account for 15% of the population. The exclusion of people with disabilities from the labor market costs developing countries up to 7% of their GDP. When people with disabilities have access to acquire their skills, they can help fulfill the growing need for skilled labor, resulting in major economic benefits. Many RMG firms are increasingly appreciating the benefits of disabled workers in their workforce. They claim that people with disabilities can contribute equally to the production process of specific jobs, and that their employment retention rates are higher.

Echotex has recruited 48 Disable Persons in its different production process and supply chain till now.

Mst. Nazma Khatun, Assistant Operator of Sewing Section has been recruited on 6 Oct, 21. She is a disabled person. According to her statement, she doesn't face any problem at work and her colleagues and coworkers are very helpful towards her. She gets regular trainings and job facilities like other workers. She thinks that this non-discriminatory environment that exists in Echotex is what makes Echotex unique.



MATERNITY LEAVE



Now-a-days, majority of parents work and there is no one to look after a new-born infant. This leads to moms abandoning their employment, which has an impact on their career and seniority in the business. For a total of 16 weeks, Echotex provides statutory paid leave for expectant mothers and new moms. In addition, a new mother is entitled to one month of unpaid leave.

Besides this, we also provide pre and post-natal medical services. Such includes free ultrasound and necessary tests.



To take care of a child and also mother, employee father needs paternity leave while in employment. At Echotex, male employees are provided 7 days of paternity leave.

Total No of	Year -2019		Year	-2020	Year -2021	
Employees getting parental	Male	Female	Male	Female	Male	Female
leaves	303	296	309	284	346	208
Total	599		593		654	

After getting parental leaves, 76, 70 and 63 female workers did not return to work in 2019, 2020 and 2021 respectively but all the male workers got back to work.

CARE FOR MOTHER

Being a happy mother while working in the industry is never easy. This is even more difficult when both parents work, and no one is available to care for the expecting woman or the new-born. We have a long-term strategy for this, which is related to the women's well-being agenda. Providing medical assistance, counselling, and advice to expectant moms, as well as maintaining a creche or a school for children, are all examples of services that allow our female workers to overcome obstacles on their way to joyful parenthood. At Echotex, we think that every new-born is a valuable asset to the country, and we are committed to ensuring their well-being.

We offer pre-natal and post-natal care to our female employees, as well as extended maternity leave in specific situations. During their pregnancy, our employees can use lifts, take early leave, eat early, and receive adequate medical care from our medical centre. If they desire, they may take an extended leave consisting of three months of paid maternity leave and one month of unpaid leave following the birth of their kid. They also have the option of taking early leave, having more time to breastfeed, and using the day care facilities. As a spouse, a father has responsibilities to his new-born and his wife. A new parent receives one week of paid leave at Echotex.



Pre-Natal Care:

a. Consultation with on-staff physicians.

- b. Free ultra-sonograms and follow-up testing; BRAC maternity training for women.
- c. Permission to use the elevator when pregnant.

d. We schedule sits for quality and assistance personnel who typically work standing in the fifth month of pregnancy.

- e. Leave without warning.
- f. Designated lunch area.

- g. Five minutes' additional time during lunch.
- h. Free childbirth at the Gonoshasthaya Kendra hospital.

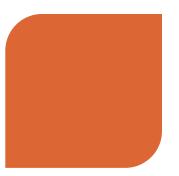
Post-Natal Care:

- a. New moms have a two-hour lunch break.
- b. A private breast-feeding room is available, as well as an additional one month of unpaid leave.
- c. Work at the plant is being shut down early.

WOMEN WELLBEING

Most of the workers in the readymade garment industry of Bangladesh are women. Due to the contribution of such a large number of women, the garment industry of Bangladesh has reached a very enviable level today. Now is the time for these huge numbers of women to look at their physical and mental well-being in recognition of their contributions. In addition to maintaining gender equality, providing health care and medical care to these female workers at any time - in all cases Echotex has always been an expert.

It is one of our social performance goals is to protect the safety and well-being of our female employees. They are vulnerable in certain ways since they are susceptible to medical and mental illnesses, as well as societal injustices. Echotex has prioritized the well-being of women.





We take several initiatives to improve the well-being of our female citizens, particularly throughout the pre-natal and post-natal periods of pregnancy. Our female workforce requires a great deal of attention and consultation. As a result, our social program includes care for expectant women.



Many of the female workers are mothers of children. These women workers have to keep their children at home when they come to work. in fact they have to work with constant worries. This is a loss of productivity above all. Echotex sets up day care with this idea in mind and not only does the female staff keep the children with them, but they also provide them with other facilities (such as caring for children by skilled personnel and providing them free supply of food and milk.).

Echotex provides a well-equipped day-care centre for children who are too young to attend schools. Our day-care is in a secure atmosphere with a sufficient number of attendants. Day-care is a huge help to those mothers who do not have anybody to look after their small children at home.



The importance of education cannot be overstated. An educated nation means that the path of progress is easy for that nation. Like any other good venture, Echotex does a great job of contributing to education.

In 2017, Echotex began working with BRAC, a well-known NGO, to construct a school for Echotex employees' children. This initiative entails taking charge of the pre-primary and elementary education of children.



We realize that education is the only path to a

generation's highest potential and that an educated populace can genuinely contribute to the planet's long-term sustenance and growth. As a result, investing in promotion of education is a worthy cause in which Echotex wants to participate. The school's capacity is currently limited, but we want to expand it in the near future.

There was a certificates distribution ceremony among children who achieved PEC Certificates on 6 February, 2022. This project was funded and managed by Echotex.



At Echotex, we completely comply with the Bangladesh government's minimum wage regulations and go above what is necessary by law. The Director of Human Resources and Ethical Trade is in charge of ensuring that salaries are paid correctly and on schedule. We established our goals based on our abilities and the company model's financial plan. We strive to stay ahead of the curve on this critical subject in order to ensure long-term development. The following legislative aspects are included in our pay package:

- Basic Salary
- House rent
- Medical
- Paid Leave
- Festival Leave
- · Group Health and Life Insurance

On top of these statutory payments, we make additional payment to workers as incentives/bonuses. This includes:

A. Festive Bonus: Comes twice in a fiscal year for two large festivals of our country.

B. Provident Fund: Echotex provides equal contribution for 8% of workers' contribution to the provident fund.

C. Attendance bonus: Regularity in the office brings rewards to the employees

D. Conduct bonus: Echotex reward employees for their good conduct inside the factory premises **E. Gratuity:** A separate fund is allocated for this program which is applicable for employees serving over five years. Benefit equivalent to one basic as gratuity for every year after completion of 5 years in job and 1.5 basic for every year after completion of 10 years in job.

F. Production bonus: Echotex Limited is maintaining a target based production bonus system to increase the take home pay as well as maintaining the legal working hours. For all sections of apparel manufacturing production bonus is declared. Industrial engineering department sets the normal target analyzing the resources and style.



ANNUAL PICNIC AND CULTURAL PROGRAM

Echotex organizes annual picnic in every year at the end of January for all employees. This annual program is comprised of cultural program, songs, lottery coupons, lunch, and prize distribution among coupon winners and awarded to the best performer of individual department. Echotex employees perform in drama, comedy show, dance, and external performers also perform in the cultural program.

In the year, 2019, 1st prize was travel tickets Dhaka-Cox Bazar-Dhaka by air with two-night hotel and food allowance and one family member out of 27 lottery prizes (such as Air Tickets with Food & Hotel Allowance for Cox Bazar tour, Freeze, LED TV, AC Bus Ticket with Food & Hotel Allowance for Cox Bazar tour, Bi-Cycle, Dinner set, water filter, Fan, induction burner etc.). A female worker won the first prize during last year annual picnic, whose name is Sabina Yasmin, Sewing Helper, she went to Cox Bazar with her mother and daughter by air and she enjoyed a lot at the world's longest natural sea beach. Due to Covid-19 situation in 2021, the picnic program was no longer held in grand style. Only rich food as well as, lottery and price distribution was held, but cultural programs were not organized.







With the arrival of industrialization in Europe in the 18th century, the world saw the exploitation of child labor in these new industries. Child labor was common in sweatshops in places like London and New York, throughout the early 18th and 19th centuries. Following WWII, the first-world countries changed their policies and were successful in prohibiting child labor. Child labor was also a major societal concern in various Asian nations at the time since they were only beginning to industrialize. When the RMG sector began to take shape decades after Bangladesh's freedom in 1971, children were unfortunately used as slave labor. NGOs, philanthropists, clothing businesses, and the government began working together in the mid-1990s to solve the problem.



Since the mid-1990s, NGOs, investors, garment businesses, and the government have been working together to abolish child labor in the country. In reality, social compliance methods began with the goal of eliminating child labor in the RMG industry. We can now confidently state that child labor has been abolished in Bangladesh's RMG industry. We have severe legal provisions in Bangladesh to avoid recruiting children for labor. A child remediation strategy is needed in the brands' codes of conduct, which describe the way of resolving child labor if it is discovered in a factory. This is aimed at providing the best possible care for a youngster found in a workplace.

However, our RMG sector is watchful in its efforts to prevent child labor from resurfacing, and if any child labor is discovered in the plant, it is dealt with in a humane manner.



We have a distinct policy against child labor, as well as a mechanism for detecting child labor during recruiting and a comprehensive remedial strategy at Echotex. During the recruiting process, we thoroughly examine all documents for verification of age and conduct a medical screening with our doctor. Since our establishment, we have not had any documented cases of child labor recruitment. We have policies and processes in place to

prevent forced labor. In our manufacturing, we've taken the following steps:

Before modifying duties, employment responsibilities, or overtime, we get permission. We never accept any kind of security deposit. When a worker makes a series of mistakes at work, we try to inspire him first and then focus on improving his skills.

At Echotex, no one is ever forced to leave

their job. For situations involving forced labor, we strictly adhere to the BLR-2015, BSCI & WRAP.

As previously said, all of our raw material and accessory suppliers are nominated by our buyers, who then undertake thorough due diligence on those suppliers' social compliance. Thus, we can safely declare that the possibility of child and forced labor in our supply chain is actually zero. However, in order to improve our social compliance, we will begin monitoring all of our suppliers in the near future.



Occupational Health and Safety

International According to the Labour Organization (ILO), 2.3 million women and men die each year as a result of work-related accidents or diseases, which equates to over 6000 deaths per day and more than 4 deaths per minute. Every year, around 340 million people are injured at work and 160 million people are sickened at work throughout the world. The International Labour Organization (ILO) updates these numbers on a regular basis, and the most recent revisions show a rise in accidents and illness.

Bangladesh's circumstances aren't very favorable. Occupational accidents/exposures killed 12,260 employees in the previous 9 years, while another 17,138 were wounded. More than 1,200 employees were killed in a single accident in 2013.

All activities related to hazard identification, risk assessment, installing controls, maintaining emergency readiness, managing legal compliance, and so on, are created and executed as an ISO 45001:2018 certified organization. Some legal requirements regarding OH&S management system are followed by Echotex. They are:

- Building Approval plan & factory Layout plan approval,
- Environment Certificate,
- Environment Certificate for CPP,
- Fire Licence,
- Boiler License,
- Canteen Hygiene certificate,
- Medical Waste Management,
- Generator License,
- Acid License,
- Diesel License etc.

Managing OH&S management system is a challenging task. Some standards, guidelines, methodologies help to face this challenge regarding OH&S.



Responsibilities regarding OH&S Management System

While compliance and technical experts are responsible for Occupational Safety, compliance professionals, as well as doctors and nurses, are responsible for Occupational Health. We also place a premium on our employees' mental health, and we employ therapists as part of the "Moner Bondhu" program to look after their emotional well-being. More than 100 individuals perished in a single accident in 2012, which was closer to that date. A lot of initiatives were taken at private and public levels and thus the OH&S scenario in the RMG industry changes dramatically, rendering the industry the recognition of being one of the best in OH&S in the world.

Echotex management continues to prioritize Occupational Health and Safety. Occupational Health and Safety Management is a complicated collection of processes that must be handled with care and attention if they are to be successful. Echotex offers a unique organizational strategy to provide strong Occupational Health and Safety management.



They are:

- Labor law,
- Labor rules,
- ISO,
- Buyer COC &
- Other international standards etc.

Fire and building collapse are the two most common causes of occupational injury and death in the RMG business. Echotex has earned the Accord on Building and Fire Safety's recognition certificate, which is a very trustworthy acknowledgment of Echotex as a factory that has effectively controlled those two dangers.

Under the direction of the Director, Human Resources and Ethical Trade, a responsibility matrix is designed that identifies roles and duties for managing the workers' Occupational Health and Safety. A defined set of policies and procedures is available in the form of documents, which are distributed to internal and external stakeholders.

A safety committee is in place, with an equal number of managerial and non-managerial personnel, and it is at the heart of all Occupational Health and Safety activities. The processes for workers to report about as well as take decisions to remove themselves from work-related hazards and hazardous situations are well maintained in Echotex. If a worker become ill, he will first notify his supervisor and collect patient serial number from concerned time section. Then he can go to the medical to visit the doctor.

Our Occupational Health and Safety Management System is audited yearly by an approved third party, and the results of both the external and internal audits are discussed by Top Management during Management Review meetings.

As a result, a cross-board management system is actively addressing concerns related to Occupational Health and Safety. The formation of a safety committee is required by law. This committee is in charge of overseeing all health and safety problems.

The anti-harassment committee is in charge of overseeing any harassment and abuse-related situations and is taking appropriate measures to address them.

The Participatory Group (P.C.) is another significant commitment that is required by law. The Bangladesh Labour Rules - 2015 spell out the roles and responsibilities of the P.C. committee, and the workers' representatives on the committee are chosen.



The Occupational Health and Safety Management System at Echotex follows a process-based approach. The system is designed in accordance with an Occupational Health and Safety Policy that has been officially created and signed by Top Management. The policy outlines Echotex's commitments to avoid injury and illness and to

continuously improve company OH&S performance. The policy also states that we will follow all legal and other criteria that we have agreed to. Bangladesh Labour Act 2006 and Bangladesh Labour Rule 2015 (with revisions), Acid Control Act and Rules, Boiler Act and Rule, Electricity Act and Rule, and other legal requirements apply.

The following are the members and responsibilities of Safety, Anti-harassment and participation (P.C.) committees:

OH&S Policy

Committees	Members	Responsibilities
	HR Director - President	
	Worker's representative Vice President	To ensure that labor law is being implemented
Participation	Welfare Officer - Secretary	and executed in the organization properly
Committee	Other 6 personals from Owner Association	with adequate workplace safety, training budget and training program.
	Other 24 personals from Workers Association	
	Sr. Manager, HR - President	
	Sr. Officer, HR - Member Secretary	
Anti-Harassment Committee	Lead Organizational Development, Gender Justice & Diversity Program, Brac - Member	Collect and keep trach of the any such complaints and investigate the case to verify the accusation and make decision over panel and finally execute the mitigation.
	Member, Naripokkho - Member	

	Sr. Manager, HR - President	The safety committee body govern all the necessary reporting of any unpredictable
	Worker's representative - Vice President	machinery and workplace hazards that may arise from time to time, as well as workers'
Health and	Welfare Officer - Secretary	health at their workplace. When risks of equipment's arise, quick actions are taken
Safety Committee	Other 5 personals from Owner Association	with effective communications throughout the safety committee structure. On the other hand, the production department oversees
	Other 4 personals from Workers Association	any working hazard that may arise to workers during work and are responsible for actions to mitigate them.



Approaches to prevent or mitigate impacts

Echotex has numerous approaches to preventing or mitigating significant negative OH&S impacts. They are - Fire drill through FSCD, Evacuation drill (Day & Night), Chemical drill etc. The frequency of emergency drills is –











Chemical drill - Twice in a year







OH&S Strategy

At Echotex, developing and implementing an OH&S Management System that is both practical and successful, as well as ,obtaining external certification. As required by ACCORD, fire safety, electrical safety, and structural safety aspects must be inspected, tested, and maintained on a regular basis, increasing the effectiveness of the safety committee and making it the focal point of OH&S performance. Improving OH&S performance by making the Participation Committee more effective and collaborating with the Safety Committee.

Echotex has established a specialized medical clinic within its manufacturing premise as part of its commitment to the safety and health of its employees. This facility provides free medical care to all employees and workers on a regular and emergency basis. We have a six-person medical staff that oversees all of our employees' medical needs. Regular check-ups, emergency assistance, and on-the-spot treatment of minor complaints are all examples of these services. This group includes most of our personal doctors as doctors from as well the Gonoshasthaya Kendra hospital, with which Echotex has a formal medical services contract.

We take full responsibly of our worker's medical and health conditions and we strive to help them through our devised measures.

In addition, Echotex facilitates employees' / workers' access to non-occupational medical and healthcare services. Echotex provides worker's health insurance, Group insurance, Insurance for family members, Contact with nearest hospital.



Our Medical Services

- a. Around 15 bed ward facility
- b. Medical Testing facility
- c. Treat minor injuries such as a cut stitch and burn injuries treatment
- Advanced tool to conduct additional test such as x-ray, therapy, ultrasonography, ECG, etc.
- e. Adequate dispensary facility
- f. Outdoor treatment facility
- g. Regular Check up
- h. A 24 hours' standby ambulance





Beating the Covid-19 Pandemic

The contribution of Echotex Ltd. in preventing the epidemic during the terrible and helpless time of Covid-19 was undeniable. As a holistic measure to prevent this epidemic, Echotex Ltd. went to the Gazipur District Administration Office and distributed 1000 sacks of relief materials, each containing 10 kg of rice, 3 kg of potatoes, 1 kg of pulses and 1 liter of soybean oil which they handed over to the Hon'ble Deputy Commissioner of Gazipur.



Participatory Committee Election



Talent and Skills

Without a thorough training program for all of its Human Resources, including staff, no business can function at its best. Economic performance, environmental damage, and social performance are all influenced by training. Without building a need-based, substantial, and comprehensive training approach, it would be impossible to meet the goals of sustainable development.

Echotex, as a large factory, requires a consistent output to meet its obligations to customers and other interested parties. A good variety of training, as well as the successful implementation of a training plan, must be regularly achieved.

In general, training is delivered by professionals who have worked in this industry for a long time and have a thorough understanding of national and international laws, regulations, and policies, as well as field-specific expertise.

The training officer is in charge of determining training needs, developing a training program to suit those requirements, and overseeing the overall training program in accordance with those needs.





TRAINING PARTNERS: Third-party organizations associated to conduct training at Echotex.

TRAINING NEEDS: Training officers decide what trainings to conduct based on training needs.

TRAINING PLAN & DELIVERY: Training plan is made and training is conducted.

TRAINING EVALUATION: Effectiveness of training is evaluated and improved.





	TRAINING TOPIC
--	----------------

Orientation	Chemical			
Refreshment	Welfare Officer/ Compliance Officer (WFO/CO)			
Fire	Pregnancy			
Electrical	Assistant Officer to Officer			
First Aid	Officer to above			
Security	Human Rights and Legal Education			
About Harassment	Gender Awareness			
Safety Committee	Health Nutrition Population Program			



STRESS MANAGEMENT PROGRAM

This one-of-a-kind training was offered to chosen people in order to improve their job. The program was an 11-week initiative carried out at Echotex by Innovations for Poverty Action. Supervisors and line chiefs were given training in addition to being monitored for their behaviour in this experiment. Supervisors and line chiefs were often contacted informally in one-on-one meetings. These sessions lasted around an hour each.

- A. Unconsciousness;
- B. Electric Shock;
- C. Burn injury;
- D. Fire related injury;
- E. Cut & bleeding case;

F. Head/face injury; G. Muscle cramp; H. Cardiopulmonary resuscitation (CPR) and I. Foreign object in eye

	2020			2021						
		Participants			Participants			nts		
Employee Category	Total Trainin g Hours	Total Empl oyee	Male	Fem ale	Avera ge Traini ng Hours	Total Trainin g Hours	Total Empl oyee	Male	Fem ale	Average Training Hours
Senior Management	12 hrs	6	6	0	2 hrs/per	50 hrs	25	25	0	2 hrs/per
Mid Management (Executive to Sr. Manager)	741 hrs	114	113	1	6.5 hrs/per	2008.5 hrs	309	308	1	6.5 hrs/per
Supervisor, Junior Officer, Officer, Sr. officer	5590 hrs	860	753	107	6.5 hrs/per	9139 hrs	1406	1148	258	6.5 hrs/per
Workers	58026.5 hrs	16579	10190	6389	3.5 hrs/per	75484.5 hrs	21567	13274	6389	3.5 hrs/per
Total	64369.5 hrs	17559	11058	6497		86682 hrs	23307	14755	6648	

SECURITY PRACTICES

Unsupervised security methods may jeopardize workers' human rights. As a result, Echotex is extremely careful when it comes to security standards. It is significant for a large firm that houses more than 15,000 employees in a single location. Human management is difficult, and many security methods might irritate employees if used carelessly.

To prevent this from happening, Echotex teaches and educates security professionals on numerous issues that are important to our employees,





such as privacy, decency, confidentiality, and so on. We also make certain that our security employees are well-versed in human rights and regulations so that they understand the "dos and don'ts" while on duty.

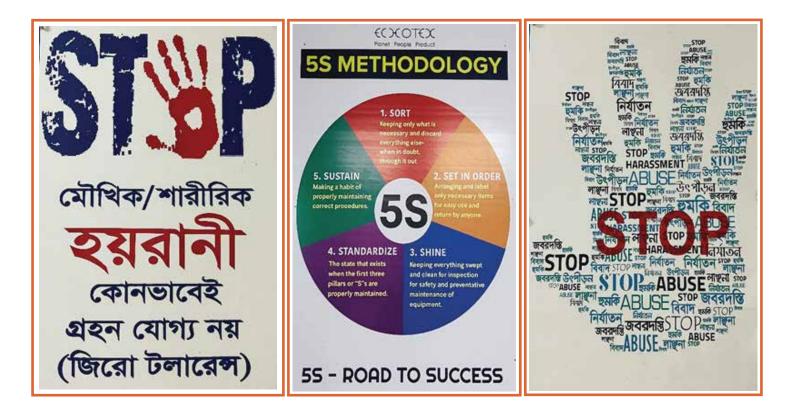
100 % of our security guards get trainings on topics of Duty & responsibilities, Threat awareness, Usage of security instruments, 7-point cargo inspection system, Good tempering awareness, Security incident reporting system, Fire Safety, First Aid etc.

DIVERSITY AND EQUAL OPPORTUNITY

Ensuring gender equality in the workplace is a big challenge for any organization. Men and women do not face equal obstacles in any workplace. While the barriers that men face include low wages, low privileges, unhealthy competition, non-cooperation at work, etc., women are more likely to face other barriers. These barriers are mostly abusive, direct and indirect sexual harassment, lack of cooperation and support from family and close people, having to maintain work, as well as, family and other work pressures etc.

About 60% of the workforce in Bangladesh's textile industry is women. Such a large number of women come mostly from the lower middle classes. One of the biggest challenges for the

management of any organization is to solve the obstacles and problems they face. Echotex management has expertise in this field. Although the number of male employees in Echotex is more than the number of female employees, Echotex does not discriminate in providing opportunities. Echotex employs a few third sex workers. It believes that a third sex worker is just as skilled at work as a man or a woman even though a third gender is not looked upon favorably in Bangladesh, as they are discriminated against in various fields and places. Echotex always ensures that a person of the third sex is never discriminated in terms of salary, benefits, work environment, etc. for his gender. Currently 18 third sex workers work at Echotex.



LOCAL COMMUNITIES

In setting up any infrastructure, the authority must take into account the impact of the infrastructure on their local community. It is often seen that the development of a local community revolves around an infrastructure. When setting up a textile industry, it is important to keep in mind that the damage to the environment caused by solid and liquid wastes from the industry directly impacts the local community. People living in its vicinity of infrastructures that cause excessive damage to the environment face a variety of problems, among which are toxicity in the environment, various pests, land infertility, loss of human immunity, etc.

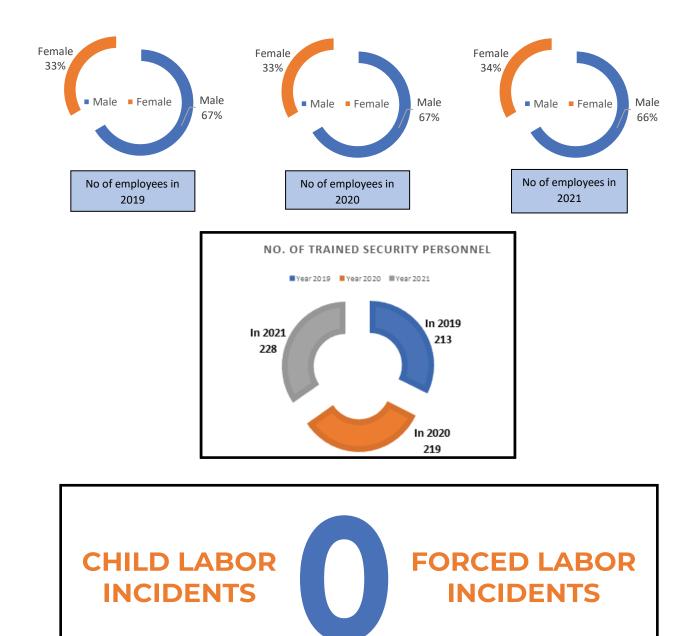
Echotex is aware of these issues. It manages its environmental performance very seriously.

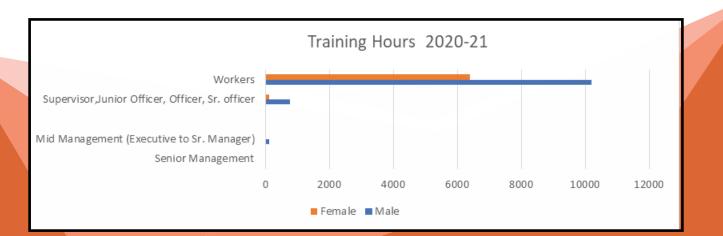
Its employees also are aware to maintain minimum damage to the environment by maintaining all processes. Echotex has conducted Environmental Impact Assessment (EIA) and it has the report on it. Environmental Impact Management Plan, in the form of objectives, targets and controls, is laid down and being implemented effectively.

In addition, Echotex Management meets with representatives of the local community on various occasions and obtain their opinions and feedbacks. These valuable views are taken very seriously by Echotex Management.



SOCIAL PERFORMANCE HIGHLIGHTS







A B O U T | THIS | REPORT

About this Report

Sustainability reporting is a co-ordinated effort to inform the stakeholders that we are moving towards the right direction in our overall performance, contributing to sustainable development.

We depict our management of economic, environmental and social impacts in a balanced and transparent manner, enabling the stakeholders to make informed decision about Echotex.

Echotex Limited is pleased to announce the publishing of its first sustainability report in accordance with the Global Reporting Initiative (GRI) standards – core option. This report communicates our performance and impacts on a wide range of sustainability topics, spanning through economic, environmental, social, and governance issues. It enables Echotex to be more transparent about the risks and opportunities it faces, giving stakeholders greater insight into our performance beyond the the four bottom lines, namely Planet, People, Product and Partners.

Scope and Boundary

This report provides the overall information on the economic, social, environmental, as well as, governance structure, performances thereof, and commitment of Echotex Limited for the period from January 1st to December 31st, 2021. This is the first sustainability report for us and we have introduced an annual reporting cycle. We adopted GRI standards established by the Global Reporting Initiative in the preparation of this report, and the report was written in accordance with the GRI Standards: Core Option.

Frameworks and Assurance

Echotex Limited understands, communicates, and better manages its contributions to the United Nations' Sustainable Development Goals (SDGs) with the goal of improved sustainability reporting, and this report is ideally connected to these SDGs. Despite the fact that we have not sought external verification for our report, we have implemented a variety of internal controls to ensure the correctness of the quantitative and qualitative information in this report.

Precautionary Principle

Different approaches to use new knowledge and innovations are continually being created in today's environment of rapid progress of scientific study and technology. Echotex is determined to exercise caution in adopting these emerging options because we are conscious of our obligations as stewards of the world in which we live, particularly on behalf of future generations. We exercise the precautionary principles to ensure that its investments and activities do not harm the environment in any way. We refrain from using processes, equipment, substances and other means in our delivery of product and services, which have a probability of having adverse impacts even though such impacts are not scientifically proven hitherto. This makes Echotex a truly responsible, cautious, sustainability focused entity that can contribute to the positive development of economy, environment and society.

Determining Report Content

We utilized a systematic materiality assessment process to discover and choose material topics for this Report. These decisions are influenced by the demands of our stakeholders, our long-term social and environmental goals, and the expanding global sustainability agendas.

Feedback

We are committed to continually improve the quality and readability of our report, and we welcome your suggestions and responses. Kindly direct your feedback to, Mr. Salim Akhtar Khan Director, Textile Division E-mail: salim@echotex.com





APPENDIX



-GRI CONTENT INDEX

GRI Standard	Disclosure	Section Name	Page Number	Justification for Exclusions of Subsidiary Information				
Universal Standard								
Organizational Profile								
	102-1 - Name of the Organization	Cover page, Sustainability and ECHOTEX, Echotex at a glance	1, 11, 12					
	102-2 - Activities, Brands, Products, and Services	Echotex at a glance, our businesses, our operations, some of our products	12, 13, 19, 20					
	102-3 - Location of Headquarters	Echotex at a glance	12					
	102-4 - Location of Operations	Echotex at a glance	12					
	102-5 - Ownership and Legal Form	Echotex at a glance	12					
	102-6 - Markets Served	Our Buyers	18					
	102-7 - Scale of the Organization	Echotex at a glance	12					
	102-8 - Information on Employees and Other Workers	Labour practices, workers wellbeing and rights	79, 80					
	102-9 - Supply Chain	Our Supply Chain	36					
	102-10 - Significant Changes to the Organization and It's Supply Chain	Our Supply Chain	36					
	102-11 - Precautionary Principle or Approach	Precautionary Principle	100					
	102-12 - External Initiatives	Local Communities	97					
	102-13 - Membership of Associations	Echotex at a glance	12					
	Strates							
	102-14 - Statement from Senior Decision-maker	Meesages from the managing	5, 6, 7, 8					

Strategy					
	102-14 - Statement from Senior Decision-maker	Meesages from the managing director, chief coordinator, chief operating officer, director	5, 6, 7, 8		
	Ethics and St	rategy			
	102-16 - Values, Principles, Standards, and Norms of Behavior	Our value, norms, vision, mission	13		
	Governan	ice			
	102-18 - Governance Structure	Governance Structure	39		
	102-21 - Consulting Stakeholders on Economic, Environmental and Social Topics	Stakeholder engagement, identifying our stakeholders	46		
	102-22 - Composition of the Highest Governance Body and It's Committees	Governance Structure	39		
	102-23 - Chair of the Highest Governance Body	Governance Structure	39		
	102-24 - Nominating and Selecting the Highest Governance Body	Governance Structure	39		
	102-26 - Role of Highest Governance Body in Setting Purpose, Values and Strategy	Governance Structure	39		
	102-27 - Collective Knowledge of Highest Governance Body	Governance Structure	39		
	102-28 - Evaluating the Highest Governance Body's Performance	Governance Structure	39		
	102-29 - Identifying and Managing Economic, Environmental and Social Impacts	Approach to determine Materiality	49, 50		
	102-30 - Effectiveness of Risk Management Processes	Managing Risks	43		
	102-31 - Review of Economic, Environmental and Social Topics	Approach to determine Materiality	49, 50		

102-32 - Highest Governance Body's Role in Sustainability Reporting	Governance Structure Labour	39	
102-35 - Remuneration Policies	practices, workers wellbeing and rights	79, 80	
102-36 - Process for Determining Remuneration	Labour practices, workers wellbeing and rights	79, 80	
Stakeholder Eng	agement		
102-40 - List of Stakeholder Groups	Identifying our stakeholders	46, 47, 48	
102-41 - Collective Bargaining Agreements	Care for People	78	
102-42 - Identifying and Selecting Stakeholders	Identifying our stakeholders	46,47, 48	
102-43 - Approach to Stakeholder Engagement	Identifying our stakeholders	$46, 47, \\48$	
102-44 - Key Topics and Concerns Raised	Identifying our stakeholders	46,47, 48	
Reporting Pr	actice		
102-45 - Entities Included in the Consolidated Financial Statements	Direct Economic Value Generated and Distributed	53	
102-46 - Defining Report Content and Topic Boundaries	About this report	99, 100	
102-47 - List of Material Topics	Our material topics	51	
102-48 - Restatements of Information			This is the first sustainability report of ECHOTEX
102-49 - Changes in Reporting			This is the first sustainability report of ECHOTEX

	102-50 - Reporting Period	About this report	99, 100	
	102~51 ~ Date of Most Recent Report	About this report	99, 100	
	102-52 - Reporting Cycle	About this report	99, 100	
	102-53 - Contact Point for Questions Regarding the Report	About this report	99, 100	
	102-54 - Claims of Reporting in Accordance with the GRI Standards	About this report	99, 100	
	102-55 - GRI Content Index	GRI Content Index	102	
	102-56 - External Assurance	Framework and assurance	100	
	Topic-Specific S			
		nomic Standard	\$	
	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
GRI 201 Economic	103-2 The management approach and its components	Economic Performance	53	
Performance	103-3 Evaluation of the management approach	Economic Performance	53	
	201-1 Direct economic value generated and distributed	Economic Performance	53	
	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
GRI 202	103-2 The management approach and its components	Market Presence	54	
Market Presence	103-3 Evaluation of the management approach	Market Presence	54	
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Market Presence	54	
GRI 203 Indirect	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
Economic Impacts	103-2 The management approach and its components	Indirect Economic Impacts	55	

	203-2 Significant indirect economic impacts	Indirect Economic Impacts	55		
GRI 204 Procurement	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51		
	103~2 The management approach and its components	Procurement Practices	55, 56		
Practices	103-3 Evaluation of the management approach	Procurement Practices	55, 56		
	204~1 Proportion of spending on local suppliers	Procurement Practices	55, 56		
	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51		
GRI 205	103-2 The management approach and its components	Anti~ corruption	57		
Anti-Corruption	103-3 Evaluation of the management approach	Anti- corruption	57		
	205-1 Operations assessed for risks related to corruption	Anti~ corruption	57		
	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51		
	103-2 The management approach and its components	Tax	54		
	103-3 Evaluation of the management approach	Tax	54		
GRI 207	207~1 Approach to tax	Tax	54		
Tax	207-2 Tax governance, control, and risk management	Tax	54		
	207-3 Stakeholder engagement and management of concerns related to tax	Tax	54		
	207-4 Country-by-country reporting	Тах	54		
	Environmental Standards				
GRI 301 Materials	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51		
	103-2 The management approach and its components	Managing materials	65		

	103~3 Evaluation of the management approach	Managing materials	65	
	301~1 Materials used by weight or volume	materials we used	66	
GRI 302	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
	103-2 The management approach and its components	Energy and emissions	62	
Energy	103-3 Evaluation of the management approach	Energy and emissions	62	
	302~1 Energy consumption within the organization	Energy and emissions	62	
	302-4 Reductions of energy consumption	Energy and emissions	62	
	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
	103~2 The management approach and its components	Water & Effluents	63	
	103-3 Evaluation of the management approach	Water & Effluents	63	
GRI 303 Water and Effluents	303-1 Interactions with water as a shared resource Disclosure	Water & Effluents, effluents we discharge	63, 64, 65	
	303-2 Management of water discharge-related impacts	Water & Effluents, effluents we discharge	63, 64, 65	
	303-3 Water withdrawal	Water & Effluents, effluents we discharge	63, 64, 65	
	303-4 Water discharge	Water & Effluents, effluents we discharge	63, 64, 65	
	303-5 Water Consumption	Water & Effluents, effluents we discharge	63, 64, 65	
GRI 305	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
Emissions	103-2 The management approach and its components	Energy and emissions	62	

	103-3 Evaluation of the	Energy and	62	
	management approach	emissions	64	
	305-1 Direct (Scope 1) GHG emissions	Energy and emissions	62,63	
	305-2 Energy indirect (Scope 2) GHG emissions	Energy and emissions	62,63	
	305-4 GHG emissions intensity	Energy and emissions	62,63	
	305-5 Reduction of GHG emissions	Energy and emissions	62,63	
	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
	103-2 The management approach and its components	Waste Management	$ 66, 67, \\ 68 $	
	103-3 Evaluation of the management approach	Waste Management	$\begin{array}{c} 66,67,\\ 68 \end{array}$	
GRI 306 Waste	306-1 Waste generation and significant waste- related impacts	Waste Management	$ 66, 67, \\ 68 $	
	306-2 Management of significant waste-related impacts	Waste Management	$\begin{array}{c} 66,67,\\ 68 \end{array}$	
	306-3 Waste generated	Waste Management	$\begin{array}{c} 66,67,\\ 68 \end{array}$	
	306-4 Waste diverted to	Waste	66,67,	
	disposal	Management	68	
	306-5 Waste directed to disposal	Waste Management	66, 67, 68	
	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
GRI 308 Supplier Environmental Assessment	103-2 The management approach and its components	Supplier Environmental Assessment	69	
	103-3 Evaluation of the management approach	Supplier Environmental Assessment	69	
	308-1 New suppliers that were screened using environmental criteria	Supplier Environmental Assessment	69	
Chemical Management	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
	103-2 The management approach and its components	Chemical Management	70, 71	
	103-3 Evaluation of the management approach	Chemical Management	70, 71	

	Chemical Management	Chemical Management	70, 71		
	Social Standards				
	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51		
	103-2 The management approach and its components	Labour Management	79		
	103-3 Evaluation of the management approach	Labour Management	79		
GRI 401 Employment	401-1 New employee hires and employee turnover	Labour management, workers wellbeing and rights	79 ~ 88		
	401-3 Parental Leaves	Labour management, workers wellbeing and rights	79 ~ 88		
	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51		
	103~2 The management approach and its components	Occupational Health and Safety	90		
	103-3 Evaluation of the management approach	Occupational Health and Safety	90		
GRI 403	403~1 Occupational health and safety management system	Occupational Health and Safety	90 ~ 93		
Occupational Health and Safety	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety	90 - 93		
	403-3 Occupational health services	Occupational Health and Safety	90 ~ 93		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety	90 ~ 93		
	403-5 Worker training on occupational health and safety	Occupational Health and Safety	90 ~ 93		

	403-6 Promotion of worker health	Occupational Health and Safety	90 ~ 93	
	403~7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships.	Occupational Health and Safety	90 ~ 93	
	403~8 Workers covered by an occupational health and safety management system	Occupational Health and Safety	90 ~ 93	
	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
GRI 404 Training and	103-2 The management approach and its components	Talent and skills	94	
Education	103-3 Evaluation of the management approach	Talent and skills	94	
	404-1 Average hours of training per year per employee	Talent and skills	94,95	
	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
GRI 405 Diversity and	103-2 The management approach and its components	Diversity and equal oppotrunity	96	
Equal Opportunity	103-3 Evaluation of the management approach	Diversity and equal oppotrunity	96	
	405-1 Diversity of governance bodies and employees	Diversity and equal oppotrunity	96, 97	
GRI 408 Child Labour	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
	103-2 The management approach and its components	Child and forced labour	89	
	103-3 Evaluation of the management approach	Child and forced labour	89	
	408-1 Operations and suppliers at significant risk for incidents of child labour	Child and forced labour	89	
GRI 409 Forced or Compulsory Labour	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	

GRI 409 Forced or Compulsory Labour	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
	103-2 The management approach and its components	Child and forced labour	89	
	103~3 Evaluation of the management approach	Child and forced labour	89	
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Child and forced labour	89	
GRI 410 Security	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
	103-2 The management approach and its components	Security Practices	96	
Practices	103-3 Evaluation of the management approach	Security Practices	96	
	410-1 Security personnel trained in human rights policies or procedures	Security Practices	96	
GRI 413 Local communities	103-1 Explanation of the material topic and its Boundaries	Our Material Topics	51	
	103-2 The management approach and its components	Local Communities	97	
	103-3 Evaluation of the management approach	Local Communities	97	
	413-1 Operations with local community engagement, impact assessments, and development programs	Local Communities	97	

PLACING ENVIRONMENT AND PEOPLE AT THE HEART OF OUR BUSINESS MODEL



ECHOTEX LTD.

Polli Biddut, Chandura, Kaliakoir, Gazipur, Bangladesh www.echotex.com email: info@echotex.com