



Dips
Apparel Ltd.



ENVIRONMENTAL POLICY



79/349 HAZERA MANSION, JAMGORA, ASHULIA, SAVAR, DHAKA-
1349, BANGLADESH 1349 ASHULIA, SAVAR, DHAKA BANGLADESH

REVISION NUMBER: 03

LAST REVIEW DATE: 10/04/2025

EFFECTIVE DATE: 10/04/2023

NEXT REVIEW DATE: 10/04/2026



Table of Contents

INTRODUCTION TO ENVIRONMENTAL POLICIES :	3
SCOPE:	3
POLICY STATEMENT :	3
DUE DILIGENCE	4
CORE ENVIRONMENTAL PRINCIPLES :	5
GOALS AND COMMITMENTS (Baseline Year: 2022):	6
ROLES AND RESPONSIBILITY:	11
REPORTING MECHANISM:	13
SDG ALIGNMENT:	15
REVIEW MACHENISM:	17
POLICY REVISION HISTORY	17
EMPLOYEE ACKNOWLEDGEMENT OF EVIRONMENTAL POLICY:	18



INTRODUCTION TO ENVIRONMENTAL POLICIES:

DIPS Apparel Ltd. is committed to environmental sustainability by adopting comprehensive policies to minimize our ecological footprint. These policies cover all areas of operations, including the reduction of greenhouse gases, energy efficiency, water conservation, waste management, biodiversity protection, and sustainable packaging. We aim to enhance our commitment to sustainability and contribute to the well-being of future generations.

SCOPE:

This policy applies to all manufacturing and operational activities of DIPS Apparel Ltd., including employees, contractors, and stakeholders involved in our value chain.



Dips Apparel

79/349 Hazera Mansion, Jamgora, Ashulia, Savar, Dhaka-1349,
Bangladesh 1349 Ashulia, Savar, Dhaka Bangladesh

POLICY STATEMENT:

At DIPS Apparel Ltd., we recognize that environmental responsibility is essential to long-term business success. We are committed to minimizing the environmental impact of our operations by adopting forward-thinking strategies and sustainable practices across all areas of production. This includes transitioning to cleaner energy sources, reducing greenhouse gas emissions, and implementing measures to conserve water and manage waste efficiently. We strive to enhance biodiversity protection, reduce air pollution, improve packaging sustainability, and mitigate the release of microfibers from our products. By optimizing our logistics and building operations, we ensure that sustainability is embedded in every stage of our value chain. Our goal is to create positive, lasting environmental impacts that benefit both our organization and the communities we serve, ensuring a sustainable future for all.



DUE DILIGENCE

At DIPS Apparel Ltd., we have embedded a comprehensive due diligence process into our operations to ensure full compliance with environmental standards and the proactive management of our environmental impact. Our due diligence framework ensures that we continuously monitor and improve our sustainability efforts across all areas of the business.

- **Environmental Risk Assessment:** We regularly conduct environmental risk assessments across all operational processes, from raw material sourcing to product delivery. Our assessments have enabled us to identify potential risks associated with energy consumption, emissions, and water use. As part of this, we have already implemented risk mitigation strategies and continuously update them based on evolving environmental conditions.
- **Environmental Audits:** We perform regular internal and third-party audits to ensure full compliance with environmental regulations and our own stringent standards. These audits cover areas such as emissions control, waste management, and resource efficiency. Following each audit, we promptly address any areas requiring improvement, ensuring our practices align with best industry standards.
- **Monitoring and Reporting:** Our advanced monitoring systems track key environmental metrics, including energy consumption, water usage, and waste generation. We compile monthly performance reports, reviewed by senior management, ensuring our targets are met. Through this transparent reporting mechanism, we maintain accountability and make informed decisions to enhance our sustainability initiatives.
- **Supply Chain Due Diligence:** We work closely with our suppliers to ensure they adhere to our environmental standards. All suppliers undergo rigorous assessments, and we prioritize partnerships with those who demonstrate a commitment to sustainability. By conducting on-site inspections and regularly engaging with our supply chain partners, we have successfully built a network of environmentally responsible suppliers.



- **Stakeholder Engagement:** DIPS Apparel Ltd. actively engages with stakeholders, including local communities, regulators, and customers, to foster collaboration on sustainability goals. We hold regular meetings and consultations to gather input and ensure that our environmental strategies reflect the needs and expectations of all stakeholders. This engagement has strengthened our relationships and enhanced our overall environmental impact.
- **Employee Training and Capacity Building:** We have established a robust employee training program focused on environmental awareness and sustainable practices. Our teams receive ongoing training in areas such as energy efficiency, waste management, and pollution prevention, ensuring that every employee understands their role in maintaining our environmental standards.
- **Implementation of Best Practices:** We have successfully integrated industry-leading best practices into our operations. From adopting energy-efficient machinery to implementing advanced water recycling systems, our commitment to sustainability drives continuous improvement. Our facilities utilize cutting-edge technologies, ensuring that we minimize our environmental footprint while maximizing operational efficiency.
- **Corrective Actions and Continuous Improvement:** Whenever we identify areas for improvement through our audits and assessments, we implement immediate corrective actions. This includes upgrading equipment, refining processes, and retraining staff to ensure adherence to environmental standards. Our continuous improvement programs focus on exploring new ways to further reduce our environmental impact, ensuring we stay at the forefront of sustainability innovation.
- **Legal and Regulatory Compliance:** We rigorously comply with all environmental regulations, both locally and globally. Our compliance calendar keeps us on track with regulatory filings, permits, and certifications. By staying ahead of regulatory changes, we proactively update our policies and procedures, ensuring ongoing compliance and avoiding any legal risks.

CORE ENVIRONMENTAL PRINCIPLES:

- **Emission Reduction & Energy Efficiency:** Sustainable energy and GHG management.
- **Pollution Control:** Air and water conservation.
- **Waste Minimization:** Recycling and sustainable packaging.



- **Biodiversity Protection:** Safeguarding natural resources.
- **Logistics & Transportation Optimization:** Emission reduction through efficient logistics.
- **Product Lifecycle Responsibility:** Minimizing environmental impacts across product design, consumer use, and end-of-life phases through circular solutions.
- **End-of-Life Circularity:** Promoting reuse, recycling, and take-back initiatives to ensure responsible disposal and material recovery.
- **Stakeholder Engagement & Environmental Advocacy:** Empowering customers and stakeholders with transparent information and services that support sustainable consumption.
- **Customer Health and Safety:** Ensuring product safety by eliminating hazardous substances, complying with safety standards, and providing clear usage guidelines to minimize health risks.

GOALS AND COMMITMENTS (Baseline Year: 2022):

GHG & Energy:

- Implement energy-efficient technologies across all facilities to significantly reduce energy consumption.
- Improve fuel efficiency in company-owned vehicles and machinery by 20% by 2030 compared to 2022.
- Transition 30% of energy use to renewable sources by 2030.
- Achieve a 25% reduction in Scope 1, 2 and 3 greenhouse gas emissions from 2022 levels by 2030, with a focus on fuel substitution, electrification of transport, and operational efficiency.
- Invest in research and development of alternative low-carbon energy solutions for manufacturing processes.
- Achieve a significant reduction in greenhouse gas emissions by adopting advanced technologies and sustainable practices in dyeing, printing, and processing units.
- Install energy monitoring systems in all key facilities by 2026 to track energy usage and emissions.
- Reduce direct and indirect emissions by transitioning 30% of energy use to renewable sources by 2030.
- Reduce overall carbon footprint by optimizing energy usage in production units by 25% by 2030.
- Invest in research and development of alternative low-carbon energy solutions for manufacturing processes to achieve a significant reduction in greenhouse gas



emissions by adopting advanced technologies and sustainable practices in dyeing, printing, and processing units.

Air Pollution:

- Reduce SO_x and NO_x emissions from production by 25% by 2028, using 2022 as the baseline year.
- Decrease VOC emissions by 30% by 2027 through improved solvent management, compared to 2022 levels.
- Lower particulate matter (PM) emissions from factory operations by 35% by 2029, with 2022 as the baseline.
- Focus on reducing noise pollution in and around manufacturing sites by adopting soundproofing techniques and ensuring compliance with local noise regulations.
- Enhance light pollution management by installing energy-efficient, directional lighting in production and operational areas to minimize impacts on the local community and environment.
- Address odor emissions from manufacturing processes by improving filtration systems and adopting odor-neutralizing technologies to ensure a cleaner, safer environment for surrounding communities.
- Implement dust control measures in all production sites, achieving a 40% reduction in dust emissions by 2026 compared to 2022.
- Reduce road congestion and traffic emissions near factory locations by 20% by optimizing delivery schedules and vehicle routes by 2027, compared to 2022 traffic data.

Water Conservation:

- Reduce total water consumption per unit of apparel produced by 30% by 2030.
- Implement water recycling systems across all production units to significantly reduce freshwater usage.
- Achieve a 40% improvement in wastewater treatment efficiency by 2030.
- Encourage sustainable water use by training employees in water conservation practices.
- Invest in advanced water filtration systems to improve the quality of discharged water.



- Ensure 100% compliance with local and international wastewater discharge standards by 2030.
- Continuously monitor and optimize water usage by installing water meters in key facilities.
- Achieve 100% compliance with all water quality regulations and discharge standards across all facilities by Year 2030, compared to Year 2022.

Waste & Material Management:

- Achieve a 50% reduction in hazardous waste generation by 2030 compared to 2022.
- Implement sustainable waste segregation and disposal practices across all sites.
- Increase non-hazardous waste recycling rates by 35% by 2030.
- Encourage employees and suppliers to adopt waste-reduction initiatives and recycling programs.
- Implement tracking systems for waste generation and disposal to improve waste management efficiency.
- Achieve a 45% diversion of non-hazardous waste from landfills by 2030.
- Invest in technologies that allow for the reuse of waste materials in production processes.
- Source only certified sustainable materials (e.g., GOTS, recycled content).
- Ensure that 80% of raw materials come from certified sustainable sources (e.g., GOTS, recycled content) by 2030.

Biodiversity Management:

- Support biodiversity conservation initiatives by integrating eco-friendly practices in raw material sourcing.
- Source 50% of raw materials from suppliers adhering to biodiversity-friendly standards by 2030.
- Restore 500 hectares of degraded land in sourcing areas by 2035.
- Collaborate with local communities to promote biodiversity protection in areas impacted by production activities.
- Ensure that all sourcing practices contribute to the preservation of local ecosystems and species diversity.
- Develop guidelines for sustainable raw material sourcing that protect biodiversity.



- Participate in biodiversity conservation programs in regions where raw materials are sourced.

Packaging Management:

- Eliminate 100% of single-use plastic packaging by 2030.
- Increase the use of recycled materials in packaging to 30% by 2030.
- Transition to eco-friendly, biodegradable packaging solutions across all product lines.
- Engage suppliers in efforts to reduce packaging waste and adopt more sustainable materials.
- Develop lightweight packaging options to reduce environmental impact from transportation.
- Promote a circular economy by encouraging the reuse of packaging materials.
- Implement systems to track and optimize packaging waste reduction efforts across the supply chain.

Product Safety and Consumer Well-Being:

- Mitigate negative health and safety impacts of products and services on customers by implementing comprehensive product safety assessments and developing guidelines for safe use.
- Achieve a 30% reduction in customer-reported incidents related to product safety by 2030 compared to 2022.
- Implement a product environmental rating system for 100% of our product lines by 2026, helping customers make informed choices.
- Develop comprehensive educational resources to help customers understand and reduce the environmental impact of their fashion choices.
- Provide clear communication regarding the use of chemicals in products, ensuring that 100% of products have clear labelling by 2026.
- Implement a customer feedback system to identify and address health and safety concerns related to our products, aiming for a response rate of 90% within 48 hours of feedback received.



Sustainability Solutions and Community Engagement:

- Offer services and alternative solutions to enable customers to diagnose and mitigate their environmental impacts resulting from their consumption of our products.
- Achieve a 25% increase in customer participation in sustainability workshops and programs by 2030 compared to 2022.
- Develop educational materials and workshops that promote sustainability and environmental responsibility among customers and stakeholders, aiming to reach 10,000 customers annually by 2030.
- Partner with organizations and communities to raise awareness of environmental issues and advocate for responsible consumption practices, ensuring 80% of our customers are aware of available environmental services by 2030.

Logistics Optimization:

- Optimize delivery routes to reduce fuel consumption by 20% by 2030.
- Increase the use of electric or hybrid vehicles in logistics operations to 40% by 2030.
- Implement reverse logistics programs to reduce environmental impact through product returns and recycling.
- Improve supply chain efficiency by adopting digital tracking systems to monitor emissions and energy use.
- Promote sustainable transportation by working with logistics partners to reduce carbon emissions.
- Implement measures to reduce transportation-related air pollutants, such as particulate matter.
- Achieve significant reductions in fuel use across the supply chain by optimizing storage and transportation practices.

Microfiber Management:

- Invest in research to reduce microfiber shedding in textile products by 50% by 2030.
- Increase the use of low-shedding synthetic fibers to 60% of total production by 2030.
- Develop innovative fabric designs that minimize microfiber release during washing and wearing.



- Collaborate with industry experts to adopt best practices for microfiber pollution management.
- Promote the use of biodegradable synthetic fibers to reduce environmental impact.
- Implement monitoring systems to track microfiber pollution levels in production facilities.
- Reduce the environmental impact of synthetic textiles through improved waste management practices.

Product Use Impact Reduction:

- Conduct Life Cycle Assessments (LCA) for 100% of product lines by 2030 to assess environmental impacts during consumer use.
- Develop a product environmental rating system by 2030 to promote eco-conscious purchasing decisions.
- Innovate product designs aimed at reducing water and energy usage during washing and care phases by 2030.
- Distribute garment care guidelines to customers by 2030, promoting sustainable usage practices to minimize post-sale environmental impacts.

Product End-of-Life Circularity:

- We aim to increase the collection of end-of-life garments through our take-back program by 35% by 2030, promoting circularity and responsible product disposal.
- Increase the use of recycled content in apparel production to 25% by 2030.
- Ensure 100% of product packaging is recyclable, reusable, or compostable by 2030.
- Collaborate with partners to set up local recycling channels for post-consumer textile waste by 2027.

ROLES AND RESPONSIBILITY:

The governance structure at Dips Apparel for the Environmental Policy ensures that clear roles and responsibilities are assigned to promote accountability and continuous improvement in sustainability practices. Key governance roles include:

Board of Directors:



- **Strategic Oversight:** Guides the overall environmental strategy and approves long-term goals related to sustainability, resource conservation, and environmental compliance.
- **Alignment and Monitoring:** Ensures alignment of environmental practices with business objectives, legal requirements, and stakeholder expectations, regularly reviewing progress toward achieving environmental goals.

Sustainability Manager:

- **Policy Implementation:** Oversees the execution of the Environmental Policy, ensuring compliance with local and international environmental standards.
- **Performance Reporting:** Reports on environmental performance and progress toward sustainability objectives, including assessments of resource usage and waste management.
- **Department Coordination:** Collaborates with department heads to integrate environmental initiatives into everyday operations.

Sustainability Department:

- **Resource Management:** Manages initiatives related to energy efficiency, waste reduction, and water conservation, monitoring compliance with environmental standards.
- **Diversity and Inclusion:** Promotes equitable practices in environmental stewardship and oversees employee training programs related to sustainability and environmental awareness.
- **Employee Support:** Addresses environmental grievances and ensures employees are informed about their rights and responsibilities regarding environmental practices.

Environmental Compliance Committee (ECC):

- **Operational Oversight:** Monitors day-to-day operations concerning environmental practices, ensuring compliance with sustainability policies and environmental standards.
- **Collaboration and Engagement:** Works with various departments to implement initiatives that promote environmental sustainability and enhance employee engagement regarding environmental issues.



- **Audits and Assessments:** Conducts regular audits and assessments to ensure full compliance with the Environmental Policy.

All Employees:

- **Policy Adherence:** Follow the Environmental Policy and participate in all relevant training programs, including environmental rights and sustainability education.
- **Reporting Violations:** Report any environmental concerns or violations, such as pollution events or non-compliance with environmental standards, to the Environmental Manager or Sustainability Department.
- **Promote a Sustainable Workplace:** Actively engage in maintaining an environmentally friendly workplace by supporting the company's sustainability initiatives and advocating for responsible environmental practices.

REPORTING MECHANISM:

At Dips Apparel, we are committed to environmental sustainability and recognize the importance of transparent and effective reporting to communicate our environmental practices to all stakeholders, including employees, customers, investors, and regulatory bodies. Our reporting mechanism is designed to provide accurate, timely, and relevant information. The key components include:

Environmental Performance Metrics:

- **Annual Evaluations:** Conduct annual assessments of key environmental indicators, such as energy consumption, waste management, water usage, and greenhouse gas emissions.
- **Technology Utilization:** Leverage advanced environmental management systems to monitor sustainability practices, track performance trends, and ensure accurate data collection across all operations.
- **Quarterly Reporting:** Prepare and review quarterly reports comparing environmental performance against established benchmarks and goals outlined in our Environmental Policy.

Annual Environmental Report:



- **Comprehensive Overview:** Publish an annual environmental report that provides a detailed overview of our environmental practices, achievements, challenges, and future objectives.
- **Highlight Initiatives:** Showcase successful initiatives aimed at reducing our environmental footprint, such as energy efficiency projects, waste reduction programs, and biodiversity conservation efforts.
- **Independent Verification:** Engage an independent third-party auditor to verify the accuracy and credibility of the report, ensuring transparency in our environmental practices.

Incident Reporting System:

- **Robust Reporting Framework:** Implement a secure system for reporting and managing any environmental incidents, including pollution events, compliance violations, or grievances related to environmental practices.
- **Monthly Summaries:** Provide monthly summaries of incidents, including detailed root cause analyses and corrective actions taken to prevent future occurrences.

Employee and Stakeholder Engagement Reports:

- **Engagement Documentation:** Document employee engagement programs and initiatives related to environmental sustainability, highlighting participation rates and the impact on workplace culture and environmental awareness.
- **Stakeholder Feedback:** Gather and compile feedback from stakeholders regarding our environmental practices and utilize this feedback to drive continuous improvement in our sustainability efforts and environmental standards.



SDG ALIGNMENT:

At DIPS Apparel Ltd., we are committed to aligning our environmental policies with the United Nations Sustainable Development Goals (SDGs). These goals provide a vital framework for addressing global environmental challenges and promoting sustainable development across all areas of our operations. By integrating the SDGs into our environmental strategies, we aim to enhance our stewardship of natural resources, reduce our ecological footprint, and contribute to a healthier planet.

Our environmental policies align with the following specific SDGs:

- **SDG 6: Clean Water and Sanitation:** We implement effective water management practices to reduce consumption and pollution, ensuring the sustainable use of water resources in our operations.
- **SDG 7: Affordable and Clean Energy:** We are dedicated to increasing our use of renewable energy sources and improving energy efficiency, contributing to a transition toward sustainable energy.
- **SDG 12: Responsible Consumption and Production:** Our focus on sustainable packaging, waste reduction, and resource efficiency promotes responsible production practices and minimizes waste generation.
- **SDG 13: Climate Action:** We actively work to reduce greenhouse gas emissions and enhance climate resilience through innovative practices and technologies in our production processes.
- **SDG 14: Life Below Water:** We strive to minimize our impact on aquatic ecosystems by implementing practices that reduce water pollution and promote the sustainable use of marine resources.
- **SDG 15: Life on Land:** Our biodiversity conservation efforts support the protection of ecosystems, species, and genetic resources, promoting sustainable land management and restoration.

This alignment underscores our commitment to responsible environmental management, innovative solutions, and long-term sustainability, as we strive to create positive impacts for our stakeholders and the communities in which we operate.



6 CLEAN WATER
AND SANITATION



7 AFFORDABLE AND
CLEAN ENERGY



11 SUSTAINABLE CITIES
AND COMMUNITIES



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



14 LIFE
BELOW WATER



15 LIFE
ON LAND



**REVIEW MACHENISM:**

DIPS Apparel Ltd. conducts an annual review of its environmental policies, led by the Environmental Sustainability Officer. This involves analysing data on various environmental metrics, assessing performance against targets, and identifying areas for improvement. Corrective actions are implemented based on the review findings and aligned with the company's sustainability goals and the UN SDGs. Progress is tracked throughout the year to ensure continuous improvement and adherence to environmental stewardship.

POLICY REVISION HISTORY

Revision No.	Date	Description of Change	Reviewed By	Approved By
01	10-04-2024	Initial release	HR & Compliance	Head of HR
02	10-04-2023	Policy reviewed and revised for clarity and format	HR & Compliance	Head of HR
03	10-04-2025	Policy reviewed and revised	HR & Compliance	Head of HR

Approved by: HR & Compliance Executive	Review Date: 10/04/2025	Next Review Date: 10/04/2026
 Signature  MANAGING DIRECTOR MD. JASHIM UDDIN		



EMPLOYEE ACKNOWLEDGEMENT OF ENVIRONMENTAL POLICY:

I hereby acknowledge that I have received, read, and understood the DIPS Apparel Ltd. Environmental Policy.

I understand it is my responsibility to follow the environmental principles and practices outlined in the policy, including but not limited to:

- Complying with all applicable environmental laws and regulations.
- Reducing waste, emissions, and environmental impact in daily operations.
- Using resources such as energy and water efficiently.
- Supporting the company's sustainability goals and environmental programs.
- Promptly reporting any environmental incidents, hazards, or non-compliance.
- Participating in environmental training and awareness initiatives provided by the company.

I understand that failure to comply with the Environmental Policy may result in disciplinary action and could have legal consequences in accordance with applicable laws and company procedures.

I also acknowledge that I have a duty to report any violations or environmental concerns in good faith to the appropriate authority within the company without fear of retaliation.

By signing below, I confirm that I have read and understood the Environmental Policy and agree to comply with its requirements in the performance of my duties.

Employee Name: Mst. Mehrin Akter

Department: Quality Assurance

Designation: Jr. Quality Inspector

Signature:

Date: 12/04/2025