



SOCIAL POLICY



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

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INTRODUCTION TO SOCIAL POLICIES:

Dips Apparel Ltd. is dedicated to fostering a fair, inclusive, and safe workplace by implementing comprehensive Social policies. These policies focus on promoting employee well-being, ensuring fair Social practices, supporting diversity and inclusion, upholding health and safety standards, and providing opportunities for training and development. Our goal is to create a supportive and respectful working environment that empowers our employees and contributes to their personal and professional growth.

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

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POLICY STATEMENT:

At **Dips Apparel Ltd.**, we are committed to maintaining fair labor practices, safe working conditions, and respect for employee rights. We prioritize diversity, inclusion, and equal opportunities for all, while promoting continuous employee development and well-being. By adhering to international labor standards, we ensure a positive work environment that benefits our employees and the communities we serve, fostering a sustainable and equitable future.

DUE DILIGENCE

At **Dips Apparel Ltd.**, we have integrated a comprehensive due diligence process into our operations to ensure full compliance with labor standards and to proactively manage employee welfare. Our due diligence framework ensures that we continuously monitor and improve labor practices across all areas of the business.



Labor Risk Assessment

We regularly conduct labor risk assessments across all stages of our operations, from recruitment to employee retention. These assessments allow us to identify potential risks related to working conditions, fair wages, health and safety, and diversity. We have implemented risk mitigation strategies and continuously update them to reflect evolving labor regulations and best practices.

Labor Audits

We perform regular internal and third-party audits to ensure full compliance with local and international labor regulations, as well as our own high standards. These audits cover areas such as fair wages, working hours, and employee health and safety. After each audit, we address any identified areas for improvement, ensuring that our practices align with industry-leading labor standards.

Monitoring and Reporting

Our comprehensive monitoring systems track key labor metrics, including employee turnover, health and safety incidents, and diversity metrics. We compile quarterly performance reports that are reviewed by senior management, ensuring that our labor goals are met. This transparent reporting mechanism helps us maintain accountability and make informed decisions to enhance our labor practices.

Supply Chain Due Diligence

We collaborate closely with our suppliers to ensure they adhere to our labor standards. All suppliers undergo rigorous assessments, and we prioritize partnerships with those committed to ethical labor practices. Through on-site inspections and regular engagement, we have successfully built a network of socially responsible suppliers.

Stakeholder Engagement

Dips Apparel Ltd. actively engages with stakeholders, including employees, labor unions, local communities, and regulators, to promote collaboration on labor goals. We hold regular consultations to gather input and ensure that our labor strategies reflect the expectations of all stakeholders. This engagement has strengthened our relationships and improved overall labor practices.



Employee Training and Capacity Building

We have implemented a robust employee training program focused on labor rights, workplace safety, and fair treatment. Our employees receive ongoing training in areas such as health and safety, diversity, and anti-discrimination, ensuring that everyone understands their role in upholding our labor standards.

Implementation of Best Practices

We have successfully integrated industry-leading labor best practices into our operations. This includes providing safe working conditions, offering fair wages, and promoting work-life balance. Our commitment to labor excellence drives continuous improvement in employee welfare and operational efficiency.

Corrective Actions and Continuous Improvement

Whenever areas for improvement are identified through audits or assessments, we take immediate corrective actions. This includes revising policies, enhancing training programs, and updating workplace procedures. Our continuous improvement efforts focus on finding innovative ways to further improve employee welfare and labor standards.

Legal and Regulatory Compliance

We rigorously comply with all labor laws and regulations, both locally and internationally. Our compliance calendar ensures that we stay on track with labor filings, certifications, and permits. By staying ahead of regulatory changes, we proactively update our policies and procedures, ensuring ongoing compliance and mitigating legal risks.

CORE SOCIAL PRINCIPLES:

- Fair Wages & Compensation: Commitment to providing fair wages that meet or exceed industry standards.
- Safe Working Conditions: Ensuring a safe and healthy work environment for all employees.
- **Diversity & Inclusion:** Promoting an inclusive workplace that values diversity and equal opportunities for all.



- Employee Development: Offering continuous training and career growth opportunities.
- Work-Life Balance: Supporting employees in achieving a healthy balance between work and personal life.

GOALS AND COMMITMENTS (Baseline Year: 2022):

1. Employee Health and Safety

- ⇒ Reduce workplace accidents by 80% by 2028, with 2022 as the baseline year.
- ⇒ Achieve a 50% reduction in employee absenteeism due to work-related stress by 2029, compared to 2022.
- ⇒ Maintain 100% of employees with mental health support programs by 2030.
- ⇒ Commit to fostering a culture of safety by implementing regular health and safety audits, ensuring a safe working environment.
- ⇒ Promote mental well-being by introducing stress prevention programs and psychological support services across all locations.
- ⇒ Ensure continuous improvement in workplace safety through proactive risk assessments and employee feedback.
- ⇒ Enhance safety awareness by incorporating health and safety as a key part of the employee on boarding process.
- ⇒ Foster a supportive work environment with a strong focus on reducing psychological stress through flexible working hours and wellness initiatives.
- ⇒ Increase health and safety training participation to 95% of employees annually by 2027, from a baseline of 60% in 2022.
- ⇒ Reduce ergonomic-related injuries by 40% by 2030, compared to 2022 levels.

2. Working Conditions

- ⇒ Increase employee satisfaction score by 25% by 2027 through annual surveys, using 2022 results as the baseline.
- ⇒ Ensure 100% compliance with minimum wage and benefits regulations across all locations by 2030.
- ⇒ Commit to promoting work-life balance by offering flexible working schedules and the right to disconnect.



- ⇒ Ensure competitive remuneration by regularly reviewing wages and social benefits in line with market standards.
- ⇒ Foster two-way communication on working conditions through regular employeemanager dialogue sessions.
- ⇒ Promote employee well-being by continuously improving workplace conditions and ensuring access to health and social benefits.
- ⇒ Enhance workplace transparency by keeping employees informed about decisions impacting their working conditions.
- ⇒ Increase the number of employees benefiting from flexible work arrangements by 40% by 2026, compared to 2022.
- \Rightarrow Achieve a 20% reduction in working hours overtime by 2030, with 2022 as the baseline year.
- ⇒ Increase participation in employee feedback mechanisms to 90% by 2030, up from 60% in 2022.

3. Labor Relations

- ⇒ Maintain 100% participation in collective bargaining agreements by all eligible employees by 2030.
- ⇒ Increase the number of structured meetings with employee representatives by 50% by 2026 compared to 2022.
- ⇒ Foster open and respectful dialogue between management and employee representatives.
- ⇒ Ensure equal representation in decision-making through recognized trade unions and employee bodies.
- ⇒ Commit to supporting collective bargaining by fostering a transparent negotiation process for all employment terms.
- ⇒ Promote mutual respect in labor relations, ensuring all employee voices are heard and considered.
- ⇒ Support employee engagement by maintaining open communication channels with labor unions and representatives.
- ⇒ Ensure 90% of employees have access to representation by trade unions or employee committees by 2027, compared to 70% in 2022.
- ⇒ Resolve 80% of employee grievances within 30 days by 2030, improving from 50% in 2022.



⇒ Ensure & Maintain 100% compliance with labor laws related to unionization and employee representation by 2030.

4. Career Management

- ⇒ Commit to continuous learning by offering skills development opportunities at all career stages.
- ⇒ Support career growth by providing clear paths for advancement and mobility within the company.
- ⇒ Increase employee training participation by 50% by 2026, with 2022 as the baseline year.
- ⇒ Achieve a 40% increase in internal promotions by 2028, compared to 2022 levels.
- ⇒ Reduce employee turnover by 25% by 2027 through targeted career development programs, using 2022 as the baseline.
- ⇒ Ensure & Maintain100% of new employees undergo skills development training within the first year by 2030.
- ⇒ Increase female representation in leadership positions by 30% by 2030, compared to 2022.
- ⇒ Foster a culture of feedback by implementing regular performance evaluations and career counselling sessions.
- ⇒ Prioritize diversity in recruitment by ensuring equal opportunities for all applicants.
- ⇒ Promote talent retention through tailored professional development programs and mentorship opportunities.

5. Child and Forced Labor

- ⇒ Ensure & Maintain100% compliance with child labor laws across all operations by 2030.
- \Rightarrow Train 100% of employees in human rights and labor standards by 2026.
- ⇒ Achieve zero cases of child labor or forced labor by 2030 and maintain this through 2035.
- ⇒ Commit to eradicating child and forced labor across the supply chain through rigorous monitoring and compliance.
- ⇒ Ensure all suppliers adhere to Dips Apparel' strict labor policies and human rights standards.



- ⇒ Promote awareness of child labor issues through ongoing employee and supplier training.
- ⇒ Foster an ethical workplace by maintaining zero tolerance for forced labor or child exploitation.
- ⇒ Work closely with industry partners to advocate for higher labor standards globally.
- ⇒ Conduct regular labor audits across 100% of operations annually starting in 2023.
- ⇒ Ensure 100% supplier compliance with labor standards by 2027, with 2022 as the baseline.

6. Diversity, Equity, and Inclusion

- ⇒ Increase representation of underrepresented groups by 30% in management positions by 2030.
- ⇒ Achieve 50% gender diversity across all teams by 2027, compared to 2022 levels.
- ⇒ Ensure & Maintain100% of employees undergo diversity and inclusion training annually by 2030.
- ⇒ Foster an inclusive workplace culture by promoting equal opportunities for all employees.
- ⇒ Commit to preventing discrimination in all employment practices, including recruitment, promotion, and pay.
- ⇒ Ensure workplace safety from harassment by developing clear policies and providing strong protection for employees.
- ⇒ Support equity in the workplace by addressing pay gaps and ensuring fair treatment for all.
- ⇒ Promote a culture of respect by encouraging open dialogue on diversity and inclusion.
- ⇒ Increase hiring from marginalized communities by 20% by 2026, with 2022 as the baseline year.
- ⇒ Achieve a 100% reduction in workplace harassment incidents by 2028, compared to 2022 data.

7. Employee Engagement and Satisfaction

- ⇒ Increase employee engagement score by 25% in annual engagement surveys by 2026, using 2022 as the baseline year.
- \Rightarrow Achieve 90% participation in employee engagement initiatives and activities by 2027, from 65% in 2022.



- ⇒ Commit to fostering a culture of engagement by actively involving employees in decision-making processes.
- ⇒ Encourage a sense of belonging through team-building activities and cross-departmental collaboration.
- ⇒ Ensure continuous feedback loops by allowing employees to voice concerns and ideas through various feedback platforms.
- ⇒ Maintain quarterly employee town hall meetings and achieve 100% participation from all departments by 2030.

8. Work-Life Balance and Well-being

- ⇒ Maintain100% access to flexible working arrangements (remote work, flexible hours) for all employees by 2030.
- ⇒ Commit to promoting work-life balance through flexible working hours and remote work options.
- ⇒ Enhance employee well-being by introducing holistic wellness programs focused on physical, mental, and emotional health.
- ⇒ Foster a supportive work culture that prioritizes employees' mental health and reduces stress.
- \Rightarrow Maintain at least 10 days of mental health leave for all employees by 2030.
- ⇒ Increase employee participation in well-being surveys to 85% by 2025, up from 60% in 2022.

9. Community Engagement and Social Contribution

- ⇒ Increase employee volunteer participation in community service projects to 80% by 2026, up from 50% in 2022.
- ⇒ Commit to enhancing community well-being through sustainable development and education programs.
- ⇒ Foster strong relationships with local communities by supporting causes aligned with the company's values.
- ⇒ Maintain Contribute 2% of annual profits to community development initiatives by 2030, with an annual increase of 0.5%.
- ⇒ Sponsor 5 local community projects each year by 2027, addressing education, health, and sustainable development.

10. External Stakeholder Human Rights

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- ⇒ Maintain 100% of supplier audits annually by 2030 to ensure compliance with human rights policies.
- ⇒ Ensure 100% of major suppliers are trained on human rights issues by 2026.
- ⇒ Reduce human rights violations in the supply chain by 50% by 2027, using 2022 as the baseline.
- ⇒ Ensure & Maintain 100% compliance with human rights due diligence for all new suppliers by 2030.
- ⇒ Commit to protecting human rights in all company operations and throughout the supply chain.
- ⇒ Engage with external stakeholders regularly to address potential human rights risks.
- ⇒ Ensure accountability for human rights impacts through transparent reporting and dialogue.
- ⇒ Collaborate with suppliers to improve human rights practices across the supply chain.
- ⇒ Promote ethical business conduct by ensuring respect for human rights in all interactions with external stakeholders.
- ⇒ Increase stakeholder engagement on human rights issues by 30% by 2026, compared to 2022 levels.

11. Employee Benefits and Compensation

- ⇒ Ensure & Maintain 100% of employees receive above-minimum wage compensation by 2030.
- ⇒ Provide additional health benefits (including dental and mental health services) to 100% of employees by 2026.
- ⇒ Promote holistic benefits that include health, wellness, and financial security for employees and their families.
- ⇒ Achieve a 30% increase in employee satisfaction with compensation packages by 2028, using 2022 as the baseline.

12. Human Trafficking and Modern Slavery

⇒ Prohibit any form of human trafficking, bonded labor, or modern slavery within our operations or supply chain.

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- ⇒ Require recruitment agencies and suppliers to comply with labor rights standards, including verification of identity, age, and employment terms.
- ⇒ Train relevant departments to identify warning signs of trafficking or exploitation.
- ⇒ Audit 100% of recruitment agencies and labor contractors for compliance by 2030.
- ⇒ Include anti-trafficking and modern slavery clauses in 100% of supplier contracts by 2030.

13. Discrimination and Harassment

- ⇒ Conduct annual workplace climate surveys covering the entire workforce.
- ⇒ Maintain a workplace free from all forms of discrimination, harassment, and abuse, whether based on race, gender, religion, disability, age, sexual orientation, or other status.
- ⇒ Implement a zero-tolerance policy for sexual harassment, bullying, and verbal or physical abuse.
- ⇒ Provide regular training for all employees and managers on respectful workplace behaviour and reporting procedures.
- ⇒ Deliver annual anti-discrimination and anti-harassment training to 100% of employees.
- ⇒ Train 100% of managers and supervisors annually on identifying and responding to harassment complaints.



ROLES AND RESPONSIBELITY:

The governance structure at **Dips Apparel** for the **Labor Policy** ensures that clear roles and responsibilities are assigned to promote accountability and foster continuous improvement in labor practices and employee welfare. Key governance roles include:

Board of Directors:

- Oversees the overall labor strategy and approves long-term goals related to labor rights, employee welfare, and fair treatment.
- Ensures alignment of labor practices with business objectives, legal requirements, and stakeholder expectations.
- Reviews and monitors the company's progress in achieving labor compliance and employee welfare goals.

Labor Compliance Manager:

- Implements and manages the Labor Policy, ensuring compliance with local and international labor laws and standards.
- Reports on labor performance and progress towards the company's labor objectives, including fair labor practices, employee health and safety, and working conditions.
- Coordinates with department heads to ensure labor initiatives are integrated into day-to-day business operations.

Human Resources Department:

- Manages employee welfare programs and ensures compliance with fair labor practices, working hours, and occupational health and safety regulations.
- Promotes diversity and inclusion efforts and oversees employee training programs related to labor rights and fair treatment.
- Handles grievances and ensures that employees work in a safe and respectful environment.

Labor Compliance Committee (LCC):

 Oversees day-to-day labor operations and ensures compliance with labor laws, working conditions, and employee well-being.



- Collaborates with various departments to implement initiatives that improve working conditions, promote fair treatment, and strengthen employee engagement.
- Conducts regular audits and assessments to ensure full compliance with the Labor Policy.

All Employees:

- Adhere to the Labor Policy and participate in all relevant training programs, including labor rights, health and safety, and anti-discrimination training.
- Report any labor concerns or violations, such as unsafe working conditions or unfair treatment, to the Labor Compliance Manager or Human Resources.
- Engage actively in maintaining a fair, safe, and inclusive workplace by supporting the company's labor initiatives and promoting respectful behavior.

REPORTING MECHANISM:

At **Dips Apparel**, we prioritize transparent and effective reporting to ensure our labor practices are communicated clearly 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:

Labor Performance Metrics:

- Conduct annual evaluations of key labor indicators, such as employee turnover, working hours compliance, health and safety incidents, and diversity and inclusion metrics.
- **Utilize advanced HR technologies** to monitor labor practices, track employee welfare, and ensure accurate data collection across all operations.
- Prepare and review quarterly reports comparing labor performance against established benchmarks and goals outlined in our Labor Policy.

Annual Labor Report:

- Publish an annual labor report that provides a detailed overview of our labor practices, achievements, challenges, and future goals.
- **Highlight successful initiatives** such as our health and safety training programs, employee development efforts, and diversity and inclusion improvements.



• Engage an independent third-party auditor to verify the accuracy and credibility of the report, ensuring transparency in our labor practices.

Incident Reporting System:

- Implement a robust system for reporting and managing any labor-related incidents, including health and safety issues, discrimination claims, or grievances.
- **Provide monthly summaries of incidents**, including detailed root cause analysis and corrective actions taken to prevent future occurrences.

Employee and Stakeholder Engagement Reports:

- **Document employee engagement programs** and initiatives related to labor rights, highlighting participation rates and the impact on workplace culture.
- Gather and compile feedback from stakeholders on our labor practices and use this
 feedback to drive continuous improvement in employee welfare and labor
 standards.

SDG ALIGNMENT:

At Dips Apparel Ltd., we align our Social Policy with the United Nations Sustainable Development Goals (SDGs) to promote fair labor practices and employee well-being. Key SDG alignments include:

- SDG 3: Good Health and Well-being: We ensure workplace safety and provide health resources for our employees' physical and mental well-being.
- SDG 4: Quality Education: We offer training and development opportunities to support continuous learning and career growth.
- **SDG 5: Gender Equality**: We promote equal opportunities and prevent discrimination, ensuring gender equality across the organization.
- SDG 8: Decent Work and Economic Growth: We maintain fair labor standards, safe working conditions, and provide equitable compensation.
- SDG 10: Reduced Inequalities: We foster diversity and inclusion, ensuring fair treatment for all employees regardless of background.
- SDG 16: Peace, Justice, and Strong Institutions: We uphold ethical practices, transparency, and provide grievance mechanisms to protect labor rights.

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REVIEW MACHENISM:

Dips Apparel Ltd. conducts an annual review of its Social Policy, led by the Labor Compliance Manager. This review involves analysing data on key labor metrics, including employee welfare, working conditions, diversity, health and safety, and compliance with labor laws. Performance is assessed against established benchmarks and targets, and areas requiring improvement are identified.

Corrective actions are implemented based on the findings from the review, ensuring alignment with the company's labor goals and international standards, such as the UN Sustainable Development Goals (SDGs) and labor regulations. Progress is tracked throughout the year to ensure continuous improvement and commitment to promoting fair labor practices, employee well-being, and workplace inclusivity.

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



Social Policy

03	10-04-2025	Policy reviewed and revised	HR & Compliance	Head of HR
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Approved by: HR Manager

Review Date:
10/04/2025

Next Review Date:
10/04/2026

DIPS APPAREL LTD.

MANAGING DIRECTOR
MD. JASHIM UDDIN

Signature



EMPLOYEE ACKNOWLEDGEMENT OF SOCIAL POLICY:

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

I confirm that I am aware of my responsibility to follow the standards and principles outlined in the policy, including:

- Respecting human rights and treating all individuals fairly and with dignity.
- Not engaging in or supporting child labor, forced labor, or any form of exploitation.
- Promoting equal opportunity, inclusion, and a workplace free from discrimination.
- Maintaining a safe, healthy, and respectful working environment.
- Supporting workers' rights to freedom of association and collective bargaining.
- Contributing to a positive and socially responsible workplace culture.

I understand that any violation of the Social Policy may result in disciplinary action, up to and including termination of employment, and possible legal consequences.

I also understand that I can report any violations or concerns confidentially to the Social Compliance Committee without fear of retaliation.

By signing below, I confirm my commitment to comply with the Social Policy.

Employee Name: Mst. Mehrin Akter

Department: Quality Assurance

Designation: Jr. Quality Inspector

Signature: (N(2) Ray

Date: 12/04/2025