



ANNUAL REPORT

2024

**AYESHA CLOTHING
COMPANY LTD.**



**PEOPLE.
PLANET.
PROGRESS.**



TABLE OF CONTENTS

04 ABOUT THE REPORT

09 MATERIALITY ASSESSMENT

15 COMPANY PROFILE

21 GOVERNANACE

29 ENVIRONMENT

47 SOCIAL





ABOUT THE REPORT

This first Sustainability Report reflects Ayesha Clothing Company Ltd. (ACCL)’s unwavering commitment to transparency, accountability, and responsible business practices. It provides a comprehensive overview of our environmental, social, and economic performance over the three-year period from 2022 to 2024, with 2023 as the baseline year for performance comparison and progress tracking.

Through this report, ACCL aims to communicate how we identify, manage, and respond to the most significant economic, environmental, and social impacts across our value chain - covering our garments, printing, and embroidery operations, as well as our utility, effluent treatment, and supply chain activities.

The report outlines our sustainability management approach, governance structure, and performance indicators, while highlighting how sustainability principles are integrated into our day-to-day operations. It also reflects our ongoing commitment to continuous improvement, innovation, and the creation of shared value for our employees, business partners, customers, and the communities where we operate.

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards 2021 - Core option. It also aligns with the United Nations Global Compact Principles and contributes to the United Nations Sustainable Development Goals (SDGs) relevant to the ready-made garment (RMG) sector.

MESSAGE FROM THE DIRECTOR, CENTRAL MANAGEMENT

CARING FOR PEOPLE, PLANET AND PROGRESS – OUR SHARED COMMITMENT

At Ayesha Clothing Company Ltd., we believe that sustainable business growth requires a clear sense of responsibility toward our people, our customers, our communities, and the environment. Sustainability is therefore becoming an increasingly important consideration in the way we manage our business and plan for the future.

From a Central Management perspective, our focus is to ensure that responsible business practices are integrated into our management priorities and decision-making processes. We recognize the importance of strong governance, effective coordination, operational discipline, and continuous improvement in achieving meaningful sustainability outcomes.



We are committed to supporting initiatives that improve resource efficiency, strengthen environmental performance, promote responsible production, and enhance workplace practices. At the same time, we understand that sustainability must remain aligned with business resilience, productivity, quality, and the changing expectations of our customers and stakeholders.

Achieving these objectives requires collective ownership across the organization. We encourage every function to understand its role in supporting our sustainability priorities and to contribute through practical improvements within its area of responsibility.

Looking ahead, Ayesha Clothing Company Ltd. will continue to strengthen its management approach to sustainability, with greater emphasis on measurable performance, accountability, collaboration, and long-term value creation. We believe that responsible management today will help build a stronger and more resilient organization for tomorrow.

— Mr. Adnan Imtiaz Majid
Director (Central Management)
Palmal Group of Industries

MESSAGE FROM THE DIRECTOR, ADMIN & SURVEILLANCE

RESPONSIBLE LEADERSHIP, STRONGER PEOPLE, SUSTAINABLE PROGRESS

At Ayesha Clothing Company Ltd., we recognize that a responsible manufacturing environment depends on effective administration, disciplined management, and a strong culture of safety and security. These areas provide an important foundation for maintaining business continuity and protecting our people, facilities, and operations.

Our administrative responsibilities extend beyond the smooth functioning of daily activities. We are committed to maintaining an organized, secure, and well-managed workplace where employees can perform their responsibilities with confidence and where appropriate systems are in place to identify and manage operational risks.

Surveillance and security are also important components of organizational resilience. Through appropriate monitoring, preventive measures, awareness, and coordination, we work to strengthen the security of our people, assets, and operations while supporting a safe and stable working environment.

We believe that responsible administration requires continuous attention to discipline, preparedness, communication, and accountability. Every department has a role in maintaining a workplace where safety, security, respect, and responsible behavior are valued.

As we move forward, we will continue to strengthen administrative and surveillance practices in line with the organization's broader sustainability and operational objectives. Our aim is to support a workplace that is safe, secure, disciplined, resilient, and prepared for the future.

— Lt. Col. Abdun Nayeem (Retd.)
Director (Admin & Surveillance)
Palmal Group of Industries



MESSAGE FROM THE RESIDENT DIRECTOR ADMIN, HR, COMPLIANCE & OPERATIONS

PEOPLE, INTEGRITY AND EXCELLENCE — THE FOUNDATION OF SUSTAINABLE GROWTH

At Ayesha Clothing Company Ltd., sustainable performance is closely linked with the way we manage our people, processes, compliance responsibilities, and daily operations. These functions must work together to create an organization that is responsible, efficient, and capable of meeting the expectations of our stakeholders.

As Resident Director overseeing Administration, Human Resources, Compliance, and Operations, my focus is on ensuring that our systems support responsible business practices while maintaining operational effectiveness. Compliance provides an essential foundation, but our objective is to develop a culture where responsible practices are reflected in everyday decisions and activities.



Our people remain central to this approach. We are committed to supporting a workplace based on dignity, respect, safety, communication, and continuous development. At the same time, effective operational coordination and clear accountability are necessary to translate policies and commitments into consistent practices on the factory floor and across support functions.

We also recognize the importance of maintaining strong compliance systems and responding proactively to emerging requirements from customers, regulators, and other stakeholders. Regular monitoring, corrective actions, employee awareness, and cross-functional coordination help us identify areas for improvement and strengthen our overall performance.

Going forward, we will continue to bring Administration, HR, Compliance, and Operations together around a common objective: building an organization that is well-managed, compliant, people-focused, operationally effective, and sustainable. Through continuous improvement and collective responsibility, we aim to create lasting value for our employees and stakeholders.

— Mr. Abdul Mannan
Resident Director – Admin, HR, Compliance & Operations
Ayesha Clothing Company Limited

MESSAGE FROM THE HEAD OF ENVIRONMENTAL SUSTAINABILITY

SUSTAINABLE COMPETITIVENESS: EMBEDDING INNOVATION AND RESPONSIBILITY IN EVERY STITCH

At Ayesha Clothing Company Ltd., we view environmental sustainability as an ongoing responsibility to understand, manage, and continuously reduce the environmental impacts associated with our operations. Our approach is based on the principle that responsible resource management and sound business performance can reinforce one another.

Our environmental priorities include improving resource efficiency, responsible water and chemical management, energy performance, waste reduction, pollution prevention, and strengthening environmental compliance. We are working to make these areas increasingly measurable so that our decisions are supported by reliable information and our progress can be tracked over time.

We also believe that environmental improvement is not limited to individual projects. Everyday operational decisions—from how resources are consumed and processes are managed to how waste is handled—can collectively make a significant difference. Building awareness and ownership across departments is therefore an important part of our sustainability approach.

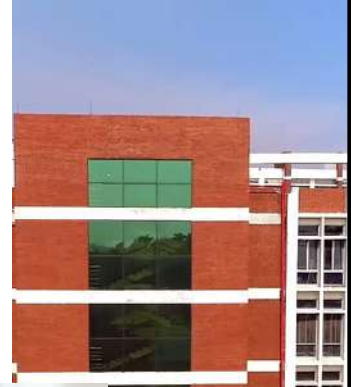
As expectations around climate action, resource efficiency, circularity, and responsible manufacturing continue to evolve, we recognize the need to continuously improve our systems and explore practical solutions. We aim to combine data, technology, innovation, and collaboration to identify opportunities for reducing environmental impacts while creating operational value.

This report reflects our commitment to greater transparency regarding our environmental journey. We will continue to strengthen our performance, measure our progress, address areas requiring further improvement, and work toward making Ayesha Clothing Company Ltd. a **more resource-efficient, environmentally responsible, and resilient manufacturing organization.**

— Engr. Md. Saiful Islam
Head of Environmental Sustainability
Palmal Group of Industries



Materiality Assessment



Stakeholder Engagement & Materiality Assessment



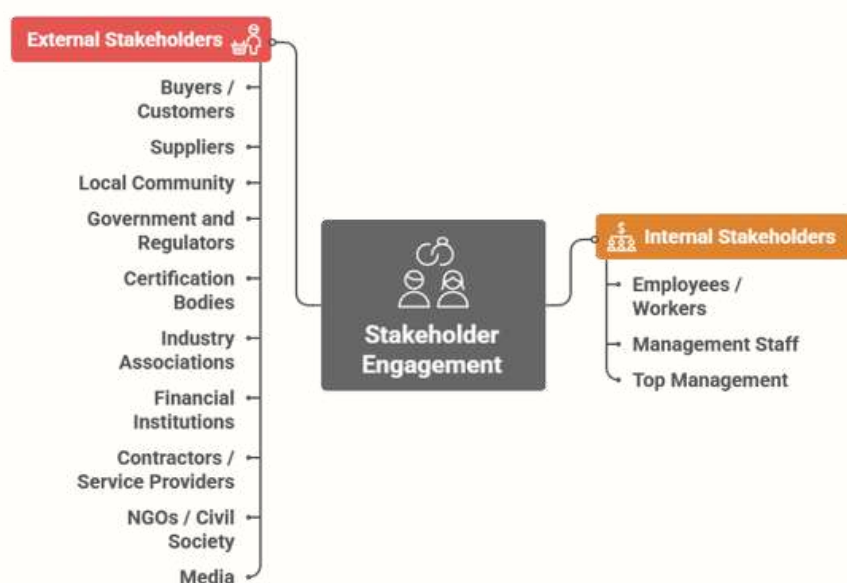
At ACCL, we believe that our stakeholders are key partners in achieving sustainable growth and responsible business performance. We maintain open, transparent, and ongoing dialogue with all groups who are directly or indirectly connected to our operations.

Stakeholder Identification and Engagement Mechanism with Frequency

We identify our stakeholders based on their influence on our business and the degree to which they are affected by our activities. This includes both internal and external groups who play a role in shaping our sustainability performance.

Through consistent engagement, we seek to understand their expectations, share information on our performance, and gather feedback that helps us improve our environmental, social, and governance (ESG) practices. This collaborative approach strengthens our accountability and supports continuous improvement across our value chain.

Stakeholder Engagement in Our Operations



Communication Channels

Our engagement mechanisms are designed to ensure inclusiveness, transparency, and regular communication. Each stakeholder group is engaged through appropriate channels and at a frequency that reflects the nature of our relationship with them.



MATERIALITY ASSESMENT



At Ayesha Clothing Company Ltd. (ACCL), understanding what matters most to our stakeholders is fundamental to building a responsible and resilient business. Guided by the Global Reporting Initiative (GRI) Standards 2021, our materiality assessment process identifies, prioritizes, and validates the sustainability topics that have the greatest impact on our business and on the communities connected to our operations.

This report conveys our optimism through identification of the imperative material topics as per the GRI standard. We have considered the 17 United Nations Sustainable Development Goals (SDGs) according to their influence and relevance to our activities in relation to the actual or potential impact of our business on the SDGs. The effects of our production processes and the final product on the society and the environment also influence our likelihood of attaining sustainable practices in the long term.

We followed a structured, multi-step approach to identify and prioritize our most significant topics, ensuring inclusivity, transparency, and alignment with international best practices.

The following steps had been adapted in order to obtain inputs for the materiality assessment:

Stakeholder Identification & Mapping

01

Key stakeholder groups were identified across the value chain based on their influence on business operations and level of impact experienced.

Engagement Planning

02

Engagement methods were selected based on stakeholder relevance, risk exposure, and communication effectiveness.

Stakeholder Communication

03

Engagement activities were conducted throughout the reporting period via consultations, audits, surveys, and feedback mechanisms.

Issue Consolidation & Validation

04

Stakeholder feedback was consolidated, reviewed by management, and cross-checked against regulatory requirements, buyer expectations, and internal risk registers.

Integration into Strategy & Disclosure

05

Validated stakeholder inputs informed the materiality assessment, policy updates, performance indicators, and ESG disclosures.

MATERIALITY MATRIX



Material topics for our first Report

Environment

- Emission
- Energy
- Water and Effluents
- Material

Social

- Employment
- Occupational Health & Safety
- Diversity and Equal Opportunity
- Training & Education
- Child labor
- Non-Discrimination
- Forced or Compulsory Labor

Governance

- Anti Corruption
- Indirect Economic impacts

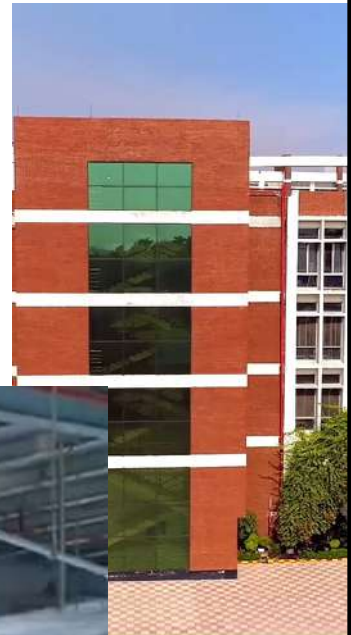
Alignment with the United Nations Sustainable Development Goals (SDGs)



Our sustainability framework and materiality assessment are closely aligned with the SDGs most relevant to our operations and stakeholders. Through collaborative action, responsible production, employee wellbeing, and environmental stewardship, ACCL strives to make measurable contributions to the following priority SDGs:

Pillar	Goal	Key Achievements	
Environmental (Planet)	Clean Water & Sanitation	100% wastewater treated through ETP & WTP; promotes water reuse and rainwater harvesting.	
	Affordable & Clean Energy	Energy-efficient machinery and power systems ensure operational reliability.	
	Responsible Consumption & Production	Waste segregation, recycling, and use of eco-friendly chemicals.	
	Climate Action	Monitoring resource use and conducting awareness on energy conservation.	
Social (People)	Good Health & Well-being	On-site medical care, fire safety, and emergency preparedness.	
	Quality Education	Continuous worker training and skill development.	
	Gender Equality	Daycare, maternity benefits, and equal opportunity for women.	
	Decent Work & Economic Growth	Fair wages, no child and forced labor, and safe working conditions.	
Governance (Profit)	Industry, Innovation & Infrastructure	Investment in modern technology and efficient production systems.	
	Peace, Justice & Strong Institutions	Ethical business conduct, anti-corruption policy, grievance mechanisms.	
	Partnerships for the Goals	Signatory to UNGC; strong collaboration with buyers and suppliers.	

Company profile



Company profile



CONTACT PERSON: Mr. Abdul Mannan
PHONE NUMBERS: +880 1730796533,
Mail- mannan@palmalgarments.com

Legal Name	Ayesha Clothing Company Ltd. (ACCL)
Parent Group	Palmal Group of Industries
FACTORY ADDRESS	Bangabandhu Road, Ashulia, Dhaka-1341, Bangladesh HEAD OFFICE: 9/Kha, Confidence Centre, Shahazadpur, Gulshan, Dhaka-1212
Website	www.palmalgarments.com
Total Land Area	4,42,308 sq. ft (Production, office, stores, dining, toilets)
Floor Space	Ground + 3–4 storied buildings, Mezzanine floors, sheds
Safety System	Fire exits, IPS, emergency lights, firefighting drills
Security System	24/7 monitoring, IT and product security protocols
Total Employee	1797
Utility & Power	REB 2000 KVA; Generators: Mitsubishi 1735 KVA, Tempest 275 KVA, Perkins 665 KVA, MTU 1880 KVA; Boilers, Compressors, IPS/UPS
Printing	2 Units, 35 tables, 30 auto printing machines; capacity: 2,470,000–3,770,000 pcs/month
Embroidery	30 machines & 478 heads; capacity: 988,000 pcs/month
Garments	15 sewing lines, 453 sewing machines; capacity: 550,000 pcs/month
WTP/STP	Effluent Treatment Plant (ETP) for wastewater

Ayesha Clothing Company Ltd. (ACCL) envisions becoming a trusted and sustainable apparel manufacturer in Bangladesh that inspires positive change through ethical practices, innovation, and care for both people and the planet. We aspire to create a future where every step we take contributes to a cleaner environment, empowered communities, and long-term business resilience.

Our mission is to maintain a responsible balance between environmental stewardship, social wellbeing, and economic prosperity - the three pillars of sustainability. We aim to strengthen our sustainability journey by reducing our environmental footprint, fostering a safe and inclusive workplace, and ensuring business growth through operational excellence and innovation. Through continuous improvement and compliance with global standards, ACCL strives to protect the Planet, empower People, and generate responsible Profit that supports sustainable development across our value chain.



Our employees are our greatest strength. ACCL ensures their wellbeing through fair wages, safe workplaces, medical and day care facilities, and continuous training. We foster inclusion, respect, and professional growth so that every individual can thrive and contribute to shared success.

We are dedicated to minimizing our environmental footprint through efficient resource use, renewable energy adoption, waste segregation, and an operational Effluent Treatment Plant (ETP). ACCL's focus on cleaner production safeguards natural resources and supports a pollution-free ecosystem.

ACCL believes that true profit comes from ethical business and long-term value creation. We continuously enhance efficiency, innovation, and compliance to achieve sustainable financial performance - ensuring that our growth contributes positively to our stakeholders and the nation.

PRODUCTS & SERVICES

Products

Ayesha Clothing Company Ltd. (ACCL) specializes in the manufacturing of high-quality woven garments for men, women, and children, catering to leading international apparel brands and retailers. The company’s product range is designed to meet diverse market needs across global fashion segments.

Category	Product Range
Ladies	Blouses, shirts, dresses, skirts, tops, casual bottoms
Mens	Formal shirts, casual shirts, trousers, shorts, outerwear
Kids	Shirts, dresses, shorts, schoolwear, coordinated sets

Services

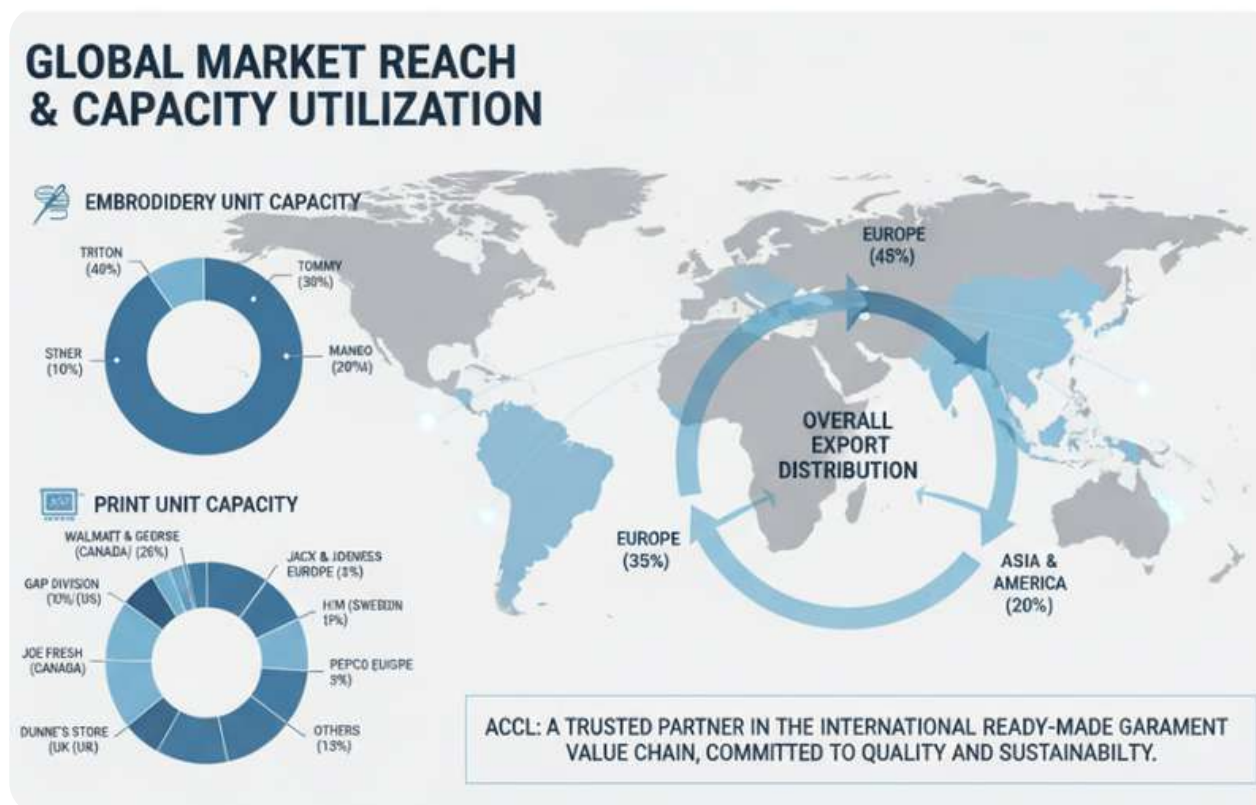
To support its production excellence and sustainability commitments, ACCL provides a range of technical and value-added services, including:

- **In-house Laboratory Testing:** Quality control and product safety testing to ensure compliance with buyer specifications and international standards.
- **Product Safety & Quality Assurance:** Continuous inspection and final auditing through a trained QA team to meet global apparel safety standards.
- **Technical Services:** Process optimization, pattern and sample development, and coordination with buyers’ technical teams to maintain consistent product performance.
- **Compliance & Sustainability Support:** Dedicated teams oversee social, environmental, and chemical management compliance in line with buyer codes and national regulations.
- **Customer Support Services:** Strong communication and documentation systems ensure transparent order tracking and client satisfaction.



MARKET PRESENCE

In 2024, we shipped out about 33,846,735 pieces of different types of garments for different countries all over the world. Its operations cover the full production chain — from printing, embroidery, cutting, sewing, and finishing to packaging and shipment.



Across all units, ACCL's exports are distributed approximately 45% to Europe, 35% to North America, and 20% to Asia and other regions. The company's consistent engagement with leading global brands demonstrates its competitiveness in quality, ethical sourcing, and sustainability performance — positioning ACCL as a trusted partner in the international ready-made garment (RMG) value chain.

GLOBAL RETAIL PARTNERS



STRATEGIC AND COLLABORATION PARTNERS

We collaborate with leading national and international organizations to strengthen its sustainability journey, enhance industry competitiveness, and promote responsible business practices. Strategic partnerships with BRAC, Swisscontact, GIZ, Blue Win, BGMEA, and BKMEA support capacity building, sustainability initiatives, workforce development, and compliance with evolving global environmental and social standards. These collaborations enable the Company to drive continuous improvement and create long-term value for its stakeholders.



We remain committed to integrating sustainability into its business strategy through responsible governance, ethical business practices, employee well-being, and strong stakeholder partnerships. By continuously strengthening its policies, management systems, and collaborative initiatives, the Company aims to create long-term value while contributing to sustainable and inclusive growth.

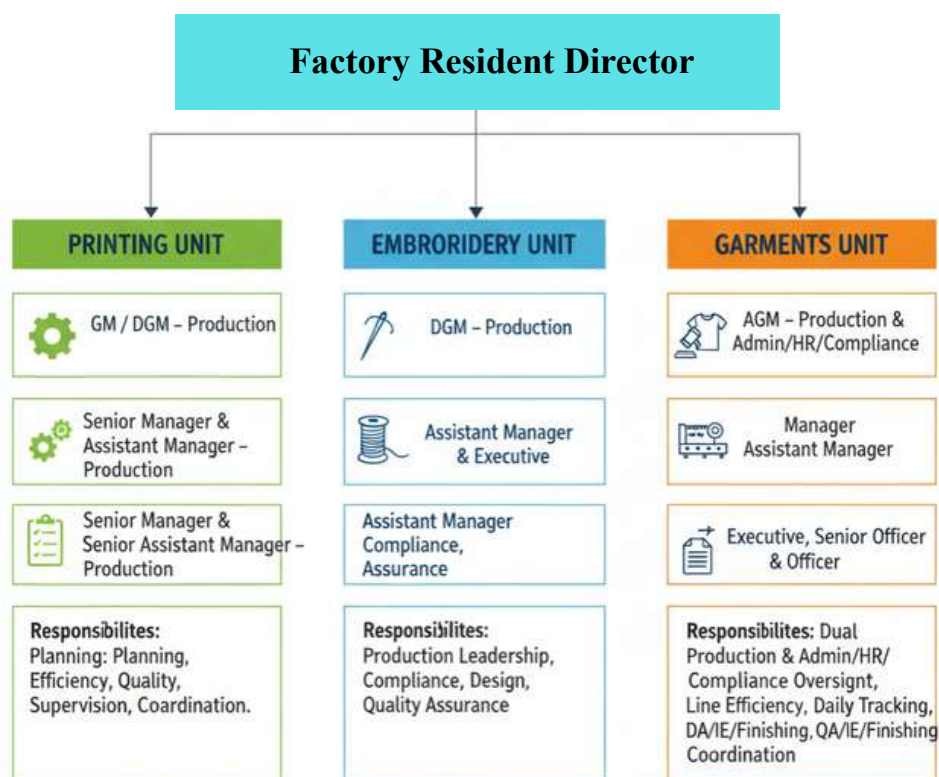
Governance





Corporate Governance & Compliance

Ayesha Clothing Company Ltd. (ACCL) upholds a strong corporate governance framework designed to ensure transparency, accountability, and ethical conduct at every level of the organization. Governance at ACCL is guided by the principles of integrity, fairness, and compliance with national laws, buyer codes of conduct, and international sustainability standards. The Managing Director (MD) serves as the highest governance body, responsible for overseeing the management of environmental, social, and governance (ESG) impacts across all operations. Under the MD's leadership, ACCL sets annual targets, provides strategic guidance, and ensures regular evaluation and monitoring of performance in areas such as ethical business behavior, compliance, quality management, and worker well-being.



COMMITTEES AT ACCL



SAFETY COMMITTEE

The Safety Committee oversees all aspects of occupational safety, including fire safety, machine safety, and emergency preparedness. The team conducts regular inspections, drills, and awareness sessions to maintain a zero-accident workplace.



PARTICIPATION COMMITTEE (PC)

The Participation Committee fosters open dialogue between workers and management. It helps identify workplace issues and collaborates on practical solutions, promoting mutual trust and participatory decision-making.



ANTI-HARASSMENT & GENDER EQUALITY COMMITTEE

This committee ensures a respectful and inclusive work environment, free from harassment or discrimination. It provides confidential channels for reporting concerns and raises awareness on gender equality and respectful behavior.

ANTI-CORRUPTION COMMITTEE

This committee upholds the company's integrity by enforcing the Anti-Corruption Policy. It monitors compliance, promotes ethical conduct, and ensures zero tolerance for bribery or unethical practices in all operations.



ENVIRONMENTAL MANAGEMENT COMMITTEE

Responsible for promoting environmental stewardship, this committee monitors resource efficiency, waste segregation, and the performance of the Effluent Treatment Plant (ETP). It also leads awareness programs to encourage sustainable practices across the factory.



GRIEVANCE MANAGEMENT COMMITTEE

The Grievance Management Committee provides an impartial and confidential platform for employees to raise complaints or concerns. It ensures that all grievances are reviewed promptly and resolved fairly in line with company policy.

POLICIES of ACCL

We operate under a robust set of company-wide policies designed to uphold compliance with national labor legislation, international standards, and buyer requirements. These policies reflect the company's commitment to ethical business practices, human rights, worker welfare, and continuous improvement within the ready-made garments (RMG) industry of Bangladesh



1. MATERNITY BENEFIT POLICY

Aligned with the Bangladesh Labour Act 2006 (as amended), Labour Rules 2015/2022, and the Maternity Benefit Act 1939, the policy ensures paid maternity leave, job protection, and support for employees returning to work after childbirth.

2. NON-DISCRIMINATION POLICY

In line with the Bangladesh Labour Act 2006 and Labour Rules 2015/2022, the policy promotes equal employment opportunities and prohibits discrimination based on gender, religion, race, age, or other personal characteristics.

3. GRIEVANCE POLICY

The policy provides a confidential and structured mechanism for employees to raise concerns. In accordance with the Bangladesh Labour Act 2006, complaints are addressed fairly through a defined escalation process.

4. HUMAN RIGHTS & BUSINESS PRACTICE POLICY

Guided by the Bangladesh Labour Act 2006, ILO Conventions, and buyers' Codes of Conduct, the policy upholds human rights, ethical business practices, and fair treatment of all workers.



5. HEALTH & SAFETY POLICY

Aligned with the Bangladesh Labour Act 2006 and Labour Rules 2015/2022, the policy promotes a safe workplace through fire safety, machine safety, chemical handling, emergency preparedness, and occupational health measures.

6. ENVIRONMENTAL POLICY

We are committed to minimizing our environmental impact through efficient use of energy, water, and resources, and by reducing waste and emissions across our operations.

7. CHILD LABOR POLICY

The policy adopts a zero-tolerance approach to child labor in accordance with the Bangladesh Labour Act 2006 and ILO Conventions, supported by age verification and compliance monitoring.

8. RECRUITMENT, HIRING & WAGES POLICY

Ensures fair, transparent, and lawful hiring practices; prohibits recruitment fees.

Guarantees timely payment, legal minimum wage, and accurate record keeping.

9. ANTI-CORRUPTION POLICY

The policy prohibits bribery and unethical practices while promoting integrity, employee awareness, and confidential reporting mechanisms in line with company standards.

MANUFACTURING PROCESS

ACCL practices traceable manufacturing process in its total supply chain management. As we do not have our own spinning and dyeing factory, we conduct a series of quality control (QC) check to ensure that the fabrics are in compliance with EU REACH directive, Oeko-tex, GOTS, OCS, RWS, GRS etc. we operate as a vertically integrated apparel manufacturing facility, comprising three major production units - Garments, Printing, and Embroidery.

1. Garments Unit

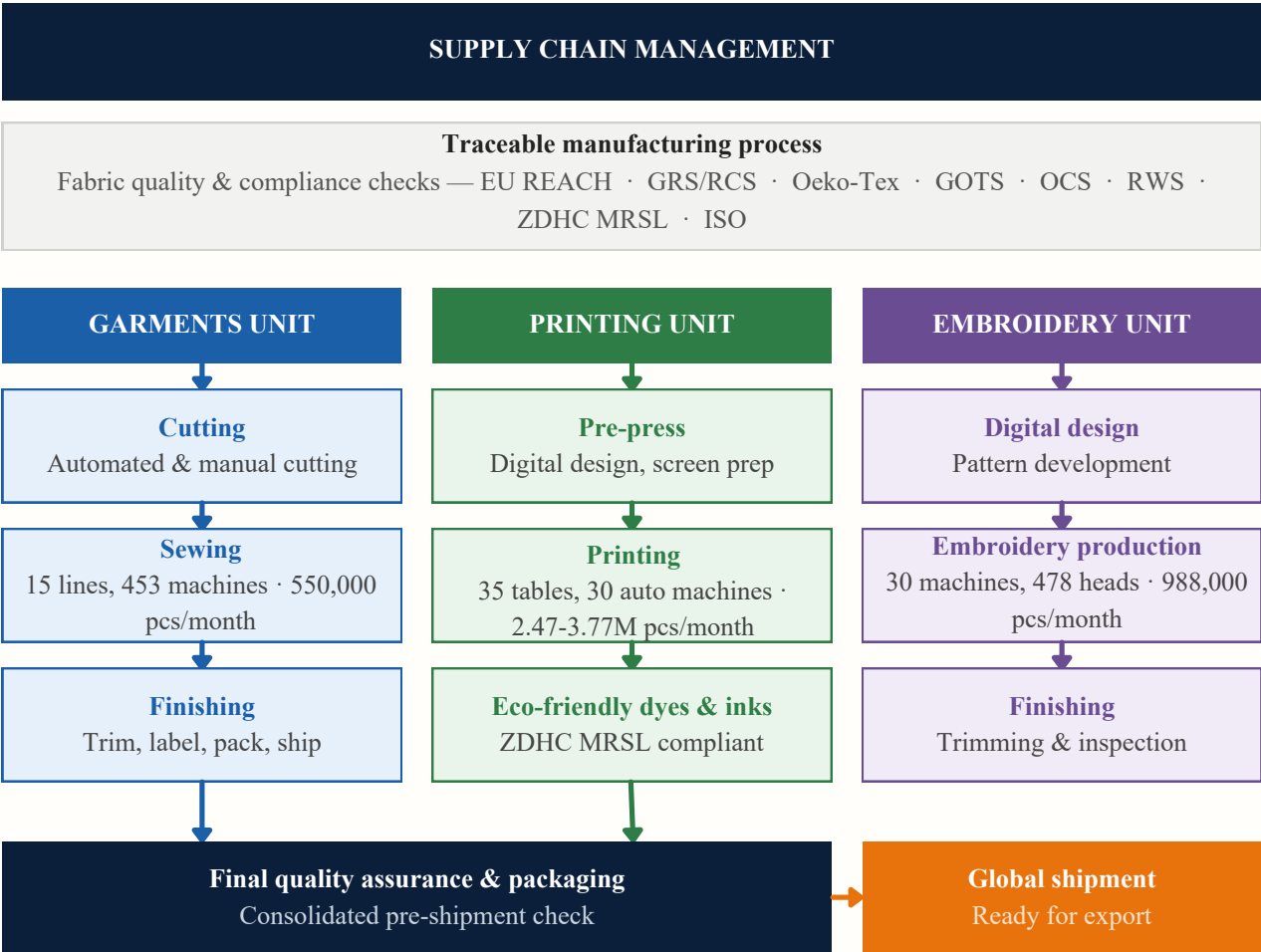
The Garments Unit is the core of ACCL’s production system, housing 15 sewing lines and 453 sewing machines with a monthly capacity of approximately 550,000 pieces. The operations are organized into three main stages: Cutting, Sewing, Finishing

2. Printing Unit

The Printing Department of ACCL is equipped with 35 tables and 30 automatic printing machines, offering a monthly production capacity of 2.47 to 3.77 million pieces. The unit specializes in screen printing, pigment printing, discharge, rubber, flock, and glitter printing, depending on buyer requirements. All printing activities are performed using eco-friendly dyes and inks that comply with ZDHC MRSL and buyers’ Restricted Substances Lists (RSL).

3. Embroidery Unit

The Embroidery Unit consists of 30 machines with 478 heads, providing a monthly capacity of 988,000 pieces. The process begins with digital design development, followed by precision embroidery on garments, panels, and trims.



Anti-Corruption

At Ayesha Clothing Company Ltd. (ACCL), we believe that integrity and transparency are fundamental to sustainable business growth. We are committed to conducting all our operations with honesty and accountability, ensuring that no unethical practices undermine our relationships with our employees, customers, suppliers, or the broader community.

During the reporting period of 2022–2024, no incidents of corruption or bribery were identified or reported within any part of our operations. This reflects our strong ethical foundation and continuous awareness among our employees and partners regarding zero tolerance for corruption.



Our Anti-Corruption Policy is guided by the Bangladesh Labour Act 2006 (amended in 2013 and 2018), Labour Rules 2015 and 2022, and relevant Buyer Codes of Conduct. The policy aims to ensure a bribe-free, corruption-free, and harassment-free working environment while promoting fairness, accountability, and lawful business practices throughout the company and its supply chain.

The Managing Director holds the overall responsibility for policy implementation and annual reporting to the Board of Directors. Senior officials from the Administration, Human Resources, and Compliance departments are responsible for day-to-day enforcement, staff awareness, monitoring, and corrective action in case of any suspected misconduct.

Indirect Economic Impact

As a responsible and community-oriented organization, we at Ayesha Clothing Company Ltd. (ACCL) recognize that our contribution to society extends beyond direct employment and business activities. ACCL contributes to local socio-economic development through in-kind and pro bono initiatives, including road repair, drainage improvement, tree plantation, and community welfare programs. While these initiatives have strengthened community relations, we recognize the need to further expand our outreach to a broader section of local residents and to track the long-term effectiveness of our social and infrastructure contributions.



Our factory operates in the Ashulia region, where we actively contribute to local development and community well-being. During the rainy season, our team supports road repair and maintenance near our factory premises to ensure better accessibility for workers and local residents. Additionally, we have donated to the rainwater drainage system connecting our factory area to the Ashulia River, which has helped reduce waterlogging and improved environmental hygiene in the neighborhood.

We also undertake tree plantation programs and tree distribution to the local community, supporting environmental restoration and awareness in the surrounding area. These initiatives help enhance local biodiversity, reduce soil erosion, and promote greener surroundings.



To promote preventive healthcare, we organize annual health check-ups in collaboration with Popular Hospital, and regular eye vision screening camps are conducted free of cost for all workers. We also operate a Friday Clinic within our premises, providing accessible healthcare services to workers and their family members.

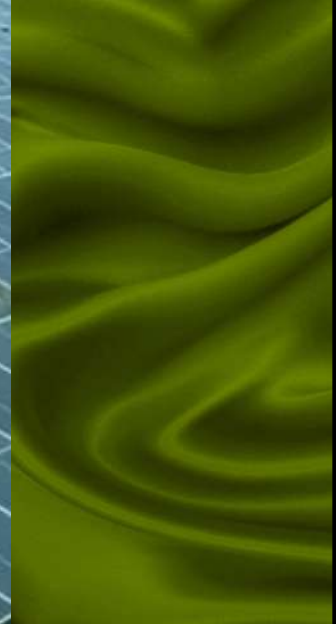


We prioritize the health and well-being of our employees through multiple social impact initiatives that go beyond statutory requirements. All workers and staff are covered by life insurance benefits, certified and approved by BGMEA, ensuring financial protection for their families.



On special occasions such as Eid-ul-Adha, ACCL arranges for the sacrifice of oxen to distribute meat among our Muslim workers, strengthening social harmony and supporting their cultural traditions.

Environment



SUSTAINABLE FASHION:

Bridging Quality and Responsibility

“Some may perceive the fashion world and sustainability as being on opposite sides of a great divide. However, we believe there is no divide — excellent-quality fashion can be created and produced in an environmentally conscious way. In fact, eco-friendliness is an integral part of the fashion we create”

Ayesha Clothing Company Ltd. (ACCL) is committed to protecting the environment of the Earth. To minimize environmental impacts concerning our activities and products, we must comply with applicable legal requirements and other requirements to which the Company subscribes that relate to its environmental aspects. We are dedicated to continual improvement of our environmental performance.

ACCL's core business comprises several garment manufacturing facilities operating at a high rate of productivity. Energy, water and waste management are clear operational priorities for us. Our top management is ready to support & implement environmental strategy in this facility. The company continuously monitors and supports the environmental team in embedding sound environmental practices throughout the organization.

ACCL's core business comprises several garment manufacturing facilities operating at a high rate of productivity. Energy, water and waste management are clear operational priorities for us. Our top management is ready to support & implement environmental strategy in this facility. The company continuously monitors and supports the environmental team in embedding sound environmental practices throughout the organization.

Building on this commitment, since 2024 we have implemented a five-year global environmental strategy designed to ensure efficient resource use and minimize adverse environmental impacts. These targets serve as a blueprint for our environmental stewardship and symbolize our ambition to take sustainable fashion to the next level.

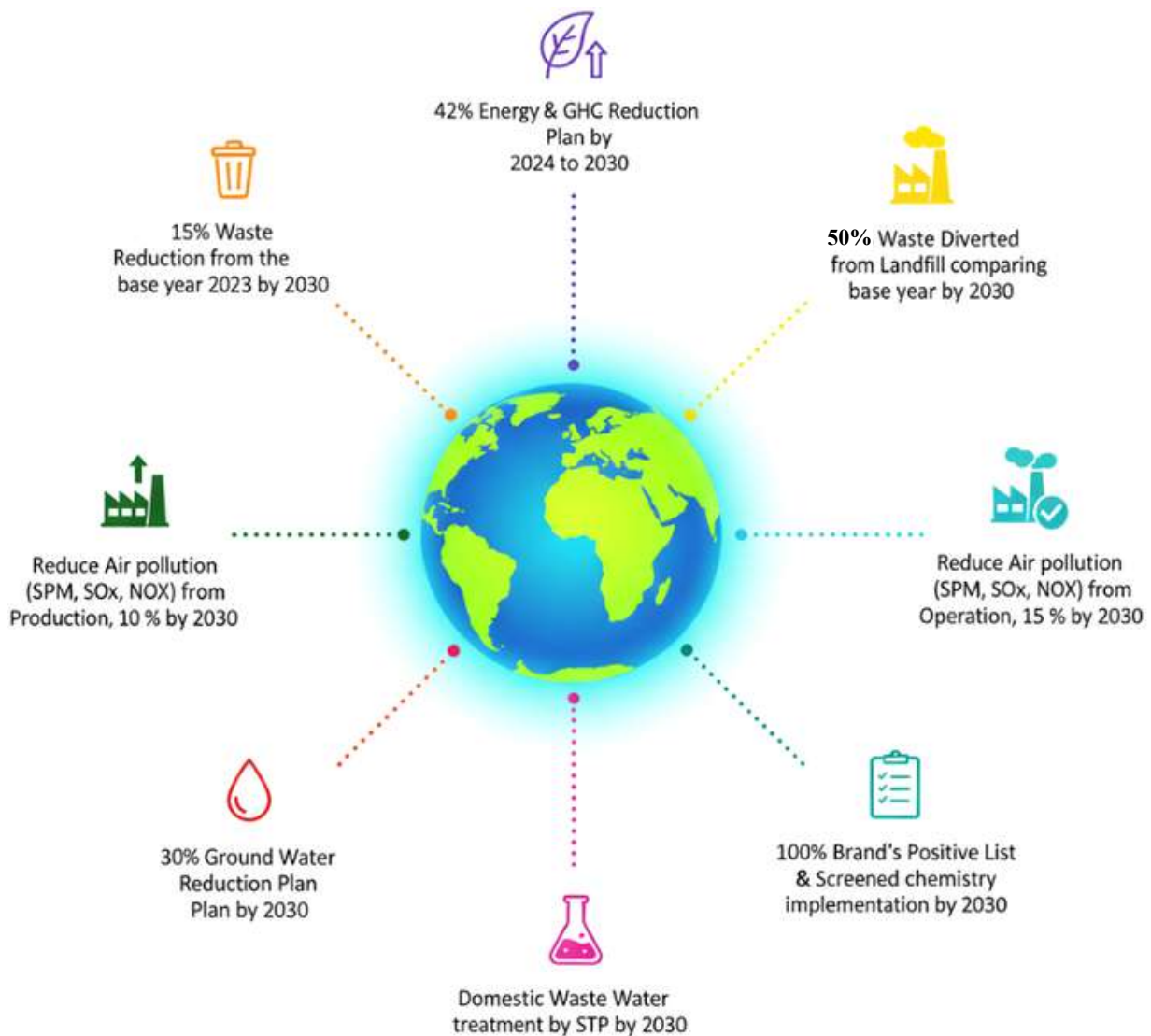


While ACCL has made remarkable progress in energy efficiency, water recycling, and responsible chemical management, the company still faces challenges in reducing its dependency on non-renewable energy sources. A significant portion of operational energy is derived from grid electricity and conventional fuels, which continue to contribute to its carbon footprint. To align fully with national and global decarbonization goals, ACCL aims to progressively increase the share of renewable energy—including solar power integration and green energy procurement—in the coming years.

Additionally, ACCL recognizes the need to expand environmental data coverage to include Scope 3 emissions, off-site energy consumption, and air pollutant monitoring. Strengthening these areas will enhance transparency, support science-based target setting, and further solidify ACCL's leadership in sustainable manufacturing.

From Commitment to Climate Action

1st GLOBAL 5-YEAR (2024-2030) ENVIRONMENTAL STRATEGY



Our environmental strategy involves working closely with both employees and suppliers. We educate, train, and motivate our workforce to carry out their tasks in an environmentally responsible manner. We also encourage our suppliers and subcontractors to protect the environment and, where necessary, support them in developing energy and environmental management systems.

ACCL's performance demonstrates strong alignment with its decarbonization roadmap. The year 2024 marked the successful completion of the first milestone, and the coming years (2025–2030) will test the company's ability to sustain reductions through technological upgrades, renewable energy expansion, and process innovation.

ENERGY & EMISSION: ROADMAP TO SUSTAINABILITY

In 2022, factory operations centered on printing, producing 50.47 million garments, consuming significant fossil-fuel-based energy (33,863 GJ), and generating 9,055.84 tCO₂e of greenhouse gas emissions across Scope 1 and Scope 2.



Energy Source	2022 (GJ)	2023 (GJ)	2024 (GJ)
Diesel	13,934.30	13,176.60	11,935
CNG	994.7	900.9	808.7
Grid Electricity	18,934.40	14,610.40	13,809
Purchased Steam	0	0	1,545.50
Renewable Energy – Solar	0	303.9	704.3
Total Energy	33,863.40	28,991.80	28,802.90

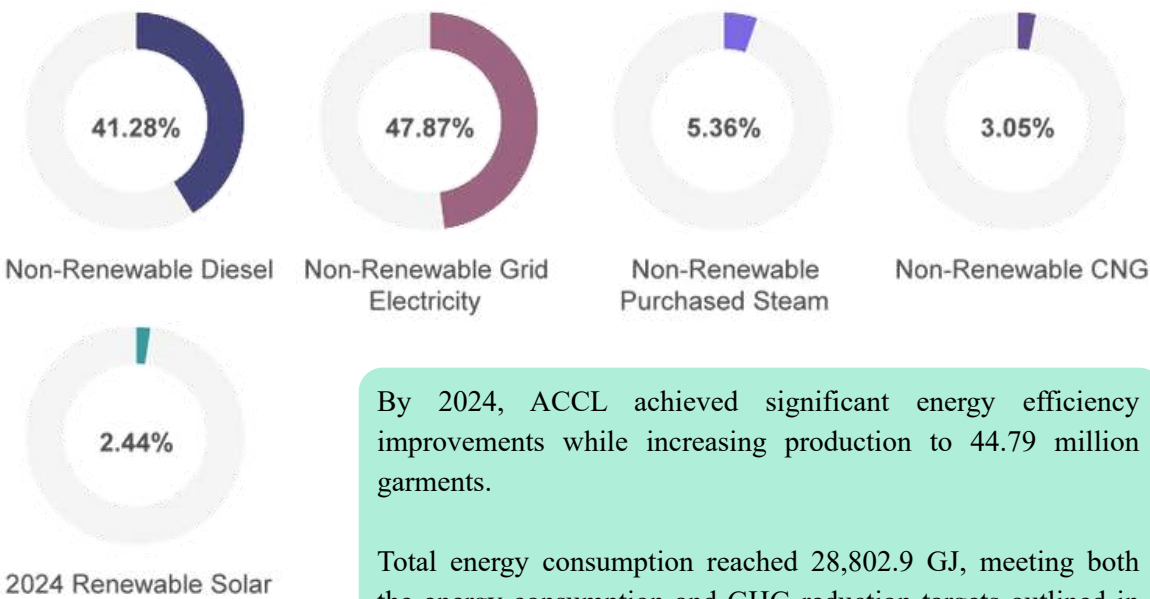
During the reporting period, the organization did not track energy consumption outside its operations (purchased electricity from external facilities), but initiatives are planned to capture this data in future reporting cycles.

In 2022, ACCL relied entirely on non-renewable energy sources - primarily diesel and CNG, which powered both stationary and mobile operations.

Total energy consumption within the organization declined from 28,991.8 GJ in 2023 to 28,802.9 GJ in 2024, a small but meaningful reduction achieved even as production volumes rose.

This change is primarily attributable to variations in the production mix and the increased sourcing of external steam, which substitutes for self-generated thermal energy.

2024 Energy Consumption by Sources



By 2024, ACCL achieved significant energy efficiency improvements while increasing production to 44.79 million garments.

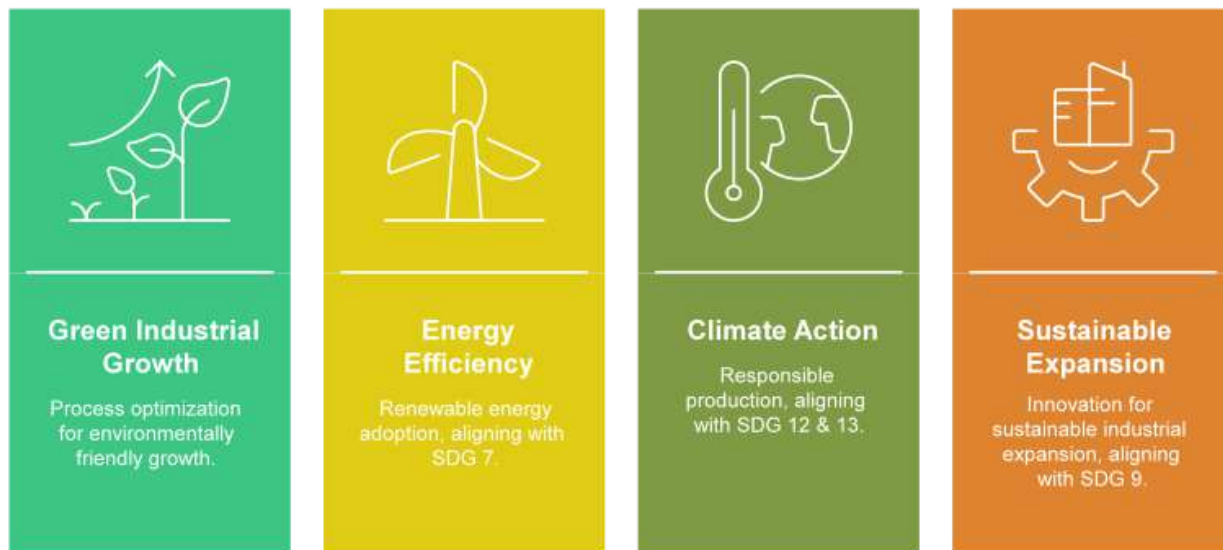
Total energy consumption reached 28,802.9 GJ, meeting both the energy consumption and GHG reduction targets outlined in our five-year plan. The 2024 process-level emissions further highlight the impact of these initiatives:

Our Energy Efficiency Initiatives



Our next major step will be the implementation of a Battery Energy Storage System (BESS) to phase out diesel generators. Although diesel dependency remains a key challenge, ACCL continues to take concrete steps to reduce it. We are also preparing to begin Scope 3 emissions accounting in the near future.

ACCL's Alignment with Bangladesh's 8th Five year plan



ACCL's energy and emission strategies are directly aligned with the Government of Bangladesh's 8th Five-Year Plan (2021–2025), which emphasizes low-carbon industrialization, renewable energy integration, and resource efficiency.



WATER MANAGEMENT: A CURCULAR APPROACH

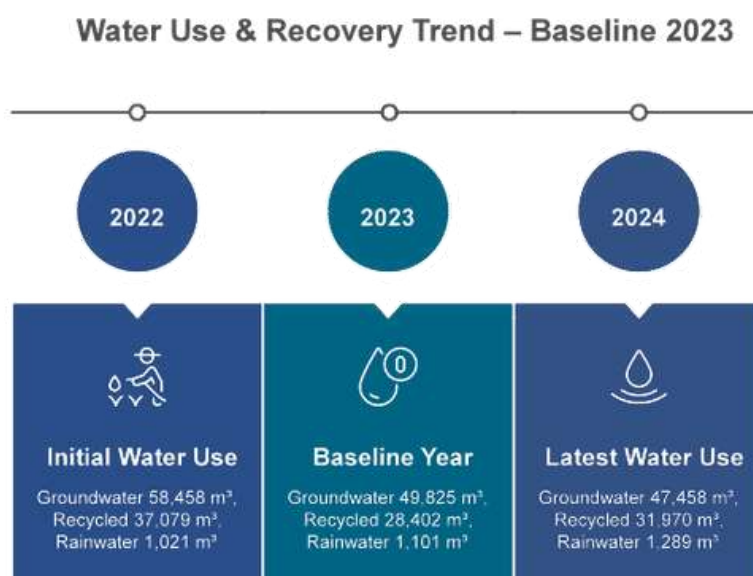
At Ayesha Clothing Company Limited (ACCL), water is not a core process input but a supporting resource mainly used for domestic purposes and for cleaning screen frames in the printing section. As a responsible ready-made garment manufacturer, ACCL recognizes that even minimal water use carries environmental importance, especially in a region increasingly affected by groundwater depletion.

Table: Water Balance Overview (m³)

Year	Groundwater Extraction(m3)	Production Freshwater(m3)	Domestic Use(m3)	Recycled / Reused Water(m3)	Treated Water(m3)	Rainwater Harvested(m3)
2022	58,458	9,750	46,248	37,079	37,079	1,021
2023 (Baseline)	49,825	6,411	41,203	28,402	28,402	1,101
2024	47,458	7,217	38,294	31,970	31,970	1,289

The entire water supply came from groundwater sources, serving both domestic and limited production needs. This dependency on groundwater totaling 58,458 m³ in 2022, posed sustainability risks in the long term, as the region is categorized as moderately water-stressed.

Recognizing the growing footprint and responsibility, ACCL invested in a 100% recycle-based Effluent Treatment Plant (ETP) to ensure all water used in printing is collected, treated, and reused internally.



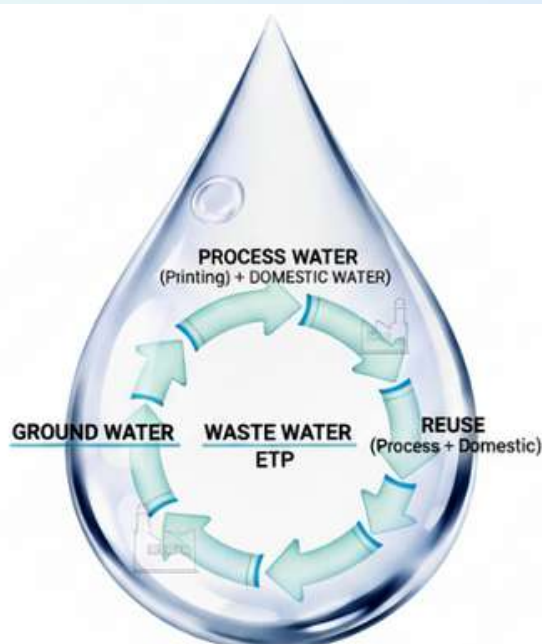
ACCL Water Management Achievements (2024 vs 2023 Baseline)

By 2024, the results of ACCL's interventions became evident. Despite increased production output, the factory achieved:



A Commitment to Sustainable Water Stewardship

This closed-loop system guarantees zero discharge to the environment, meaning that every drop used in the process re-enters the system after treatment. In addition, ACCL introduced a rainwater harvesting system, capturing 1,021 m³ of rainwater in its first operational year and supplementing non-potable and domestic uses. Regular monitoring through calibrated meters and digital logs ensures data accuracy and transparency.



“ Protecting the source that sustains us all - one drop, one process, one commitment at a time. ”



REDUCING, REUSING, RECYCLING WASTE

At Ayesha Clothing Company Limited (ACCL), we recognize that improper waste management can pose environmental, social, and health challenges for both our employees and the communities around us. In line with our sustainability vision and GRI reporting principles, ACCL is committed to managing waste responsibly through a systematic approach that minimizes waste generation, ensures safe disposal, and promotes circular use of materials.



Ayesha Clothing Company Limited (ACCL) generates a variety of waste streams, including textile offcuts, packaging, chemical containers, and medical waste, arising from printing, embroidery, garments production, and ancillary operations. In 2023, the company faced a notable increase in hazardous waste, particularly chemical drums and ETP sludge, highlighting challenges in chemical management and waste segregation. Non-hazardous textile and packaging waste remained substantial, reflecting the labor-intensive nature of RMG production and the high dependency on single-use materials.

Waste Type	2022 (MT)	2023 (MT)	2024 (MT)
Hazardous	5.74	31.81	28.19
Non-Hazardous	366.27	331.96	224.71
Total	371.99	363.77	252.9

Non-hazardous waste, mainly fabric and packaging materials, continued to form the bulk of total waste, reflecting the material-intensive nature of RMG operations. Improper handling of such waste can affect worker well-being and local ecosystems, underscoring the importance of strict control and monitoring.





To address these challenges, ACCL implemented a structured 3R approach—Reduce, Reuse, Recycle—supported by clear policies and awareness initiatives across all departments. These initiatives led to measurable improvements in waste management:



ACCL's 2030 Circularity Targets

Key outcomes include lower generation of process waste, improved reuse of textile scraps, and expanded recycling partnerships for packaging and plastic materials.

While progress is evident, ACCL remains committed to further minimizing single-use materials, enhancing hazardous waste segregation, and exploring circular solutions to achieve a zero-waste vision.



CHEMICAL MANAGEMENT

We maintain a robust Chemical Management Policy to ensure the safe, efficient, and compliant use of all production and auxiliary chemicals. The policy aligns with the Zero Discharge of Hazardous Chemicals (ZDHC) Manufacturing Restricted Substances List (MRSL) and national environmental regulations. All chemicals used in printing, finishing, and effluent treatment are MRSL-listed and ZDHC-conformant, ensuring no intentional use of hazardous substances across production processes.

The company conducts supplier screening, Material Safety Data Sheet (MSDS) verification, and chemical storage inspections as part of its environmental management system. Regular training programs are arranged for chemical handlers, warehouse staff, and ETP operators to strengthen workplace safety and awareness.



Table: Total Chemical Consumption (Kg)

Year	Dyes	Process Chemical	Mesh	Flock	Glitter	ETP Chemical	Total Consumption
2022	2,895.92	186,370.82	31,447.50	1,686.50	1,393.50	42,773.00	266,567.24
2023	1,814.71	139,350.23	11,375.90	1,787.45	479.9	21,332.00	176,140.19
2024	1,646.15	138,035.27	21,076.40	963.56	878.35	24,337.00	186,936.73

Chemical Management

All chemical residues and effluents are treated in the company's Effluent Treatment Plant (ETP) before discharge, ensuring compliance with DoE Bangladesh and ZDHC Wastewater Guidelines. Chemical sludge is disposed of through authorized channels following hazardous waste protocols.



Chemical Management & Environmental Performance



Material Management

Sustainable Materials Journey: 2023-2024 Performance

Material Composition & Non-Renewable Trends

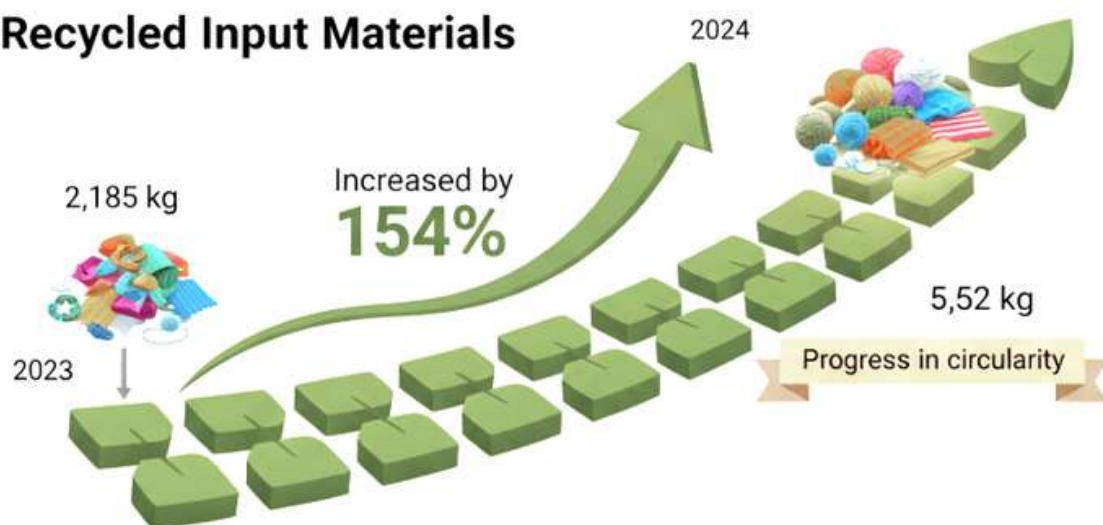


Ayesha Clothing Company Ltd. (ACCL) recognizes that efficient material management is vital for both operational excellence and environmental stewardship. The company uses a wide range of raw materials — including cotton, polyester, paper, and packaging components — across its embroidery, printing, and garment operations. ACCL strives to progressively reduce dependence on virgin resources by increasing the use of renewable and recycled inputs in its production and packaging processes.

Renewable materials remained the dominant input category, representing ~87% of total materials in the baseline year. Non-renewable materials increased from 180.47 tons in 2023 to 191.80 tons in 2024 (slight increase compared to baseline), highlighting areas where efficiency can still improve.

Recycled input materials increased from 2,185 kg in 2023 (baseline) to 5,562 kg in 2024, showing early progress in integrating recycled polyester yarn in garment production.

Recycled Input Materials



The chart shows material use across ACCL's Embroidery, Print, and Garment facilities, distinguishing renewable and non-renewable inputs.

Embroidery relies entirely on renewable materials, peaking at 120,104 kg in 2023 before slightly decreasing in 2024.

Print consumes mainly non-renewables, with total use dropping from 272,676 kg in 2022 to 178,980 kg in 2023 (baseline), then rising to 204,885 kg in 2024.

Garment operations are the largest consumer, dominated by renewable materials; recycled polyester yarn was introduced in 2023.



Overall Trends (Total Across Facilities):

- Total material consumption decreased from 1,672,216 kg in 2022 to 1,435,838 kg in 2023, establishing the baseline year for monitoring material efficiency.
- In 2024, total material use increased to 1,617,118 kg, reflecting production adjustments.

The share of renewable materials remained high, consistently above 85% of total inputs, while non-renewable materials decreased from 265.87 tons in 2022 to 191.80 tons in 2024, showing a trend toward more sustainable material usage.

Facility Type	Year	Renewable (kg)	Non-Renewable (kg)	Total (kg)
Embroidery	2022	99,354.11	10,520.66	99,354.11
	2023	120,104.07	9,944.78	120,104.07
	2024	110,535.62	9,018.87	110,535.62
Print	2022	10,646.00	262,030.39	272,676.39
	2023	2,659.00	176,321.19	178,980.19
	2024	17,445.00	187,440.34	204,885.34
Garment	2022	1,296,344.00	3,842.00	1,300,186.00
	2023	1,132,605.00	4,149.00	1,136,754.00
	2024	1,297,335.00	4,362.00	1,301,697.00
Year Totals	2022	1,406,344.11	265,872.39	1,672,216.50
	2023	1,255,368.07	180,470.19	1,435,838.26
	2024	1,425,315.62	191,802.34	1,617,117.96

USE OF SUSTAINABLE MATERIALS

To reduce plastic consumption in fashion industry, we have always advised our buyers to use their products using natural materials. Recently, we are emphasizing on sustainable fibers so that the supply chain can be traceable, transparent and the end consumer can enjoy sustainable products. In the below table, we have tried to depict what kind of fibers we are offering and it shows our strength and capabilities. Since Ayesha Clothing Company Ltd. is GOTS, OCS, GRS, BCI, Oeko-tex etc. certified, so our buyers can get a hassle-free one stop supply chain. This is connected to UN SGD-12.

‘ORGANIC’

- 100% Organic Cotton (GOTS)
- Upto 95% Organic Cotton blend with elastane / recycled polyester / viscose / modal / tencel / bamboo / linen / hemp / wool / kapok / silk

‘MADE WITH ORGANIC’

- Upto 70% Organic Cotton blend with elastane / recycled polyester / non-GMO viscose & tencel / non-GMO bamboo / linen / hemp / wool / kapok / silk

– 100% Organic Cotton (OCS)

- Upto 5% Organic cotton blend with elastane / recycled polyester / viscose / modal / tencel / bamboo / pineapple/ linen / hemp / jute / wool / kapok / silk

– Recycled cotton blend with organic cotton / recycled polyester / recycled wool /

- Recycled polyester blend with elastane / cotton/ viscose / modal / tencel / bamboo / pineapple / linen / hemp / jute / wool / kapok / silk Recycle wool

Future Commitment: ACCL's Roadmap to Sustainable Materials Management

ACCL's path to 2026 treats sustainability as a connected journey, not a single initiative — each stage building on the one before it.

It starts at the source: increasing certified recycled yarns and sustainably grown cotton, so the materials entering the supply chain are already aligned with long-term goals. Next comes visibility — a material traceability system, targeted for 2025, will track lifecycle impacts across the supply chain rather than relying on isolated snapshots.

That visibility enables deeper supplier collaboration, working directly with partners to cut non-renewable inputs in trims and packaging — a shift from ACCL's own operations to shared responsibility across its network. The roadmap then closes the loop through circularity initiatives, piloting product take-back and fabric recycling by 2026, so waste can re-enter the system as raw material.

Anchored between a 2023 baseline and a 2026 goal, the strategy is measured and staged: sourcing, traceability, collaboration, and circularity, each reinforcing the last — building a greener future, together.



Currently, ACCL does not have a formal system for reclaiming products or packaging materials after sale. The company is exploring opportunities to participate in circular textile initiatives and customer take-back programs in collaboration with brand partners. These future actions aim to close the loop on material use and enable higher levels of recycling and reuse.

Social





The People Behind the Fabric

At Ayesha Clothing Co. Ltd., we recognize that our people are the heart of our success and we ensure that every employee feels respected, heard, and empowered.

We have made several commitments in terms of meeting the needs of our people. We are committed to providing a safe, healthy, ethical and respectful working environment for our employees, we strive to connect with our employees through effective communication mechanisms, and we endeavour to nurture them to make a positive impact on themselves, their families, the Group and the wider communities.

Our initiatives extend to sustaining the health and employability of staff, including specialized support for pregnant and returning employees. We actively address workplace injuries, illnesses, and health costs through thorough injury analysis, investigation reports, and preventative actions. Through these measures, Our aim to maintain a safe and healthy work environment, ensuring the well-being and longevity of our workforce.

Key Milestones in 2024: Our Year of Progress & Empowerment

Expanded OHS Coverage

342 Fire Fighters & 58 First Aiders

Induction & Refresher Sessions

Trained 613 Employees in 2014

Provided CSR Support

Water, Education, Health & Local Infrastructure

Reinforcing Trust Between Workers & management

Achieved 100% Grievance Resolution



Making a Positive Impact

At Ayesha Clothing Company Ltd. (ACCL), we believe our responsibility extends beyond the workplace. Through community development, employee well-being, environmental stewardship, and skills development initiatives, we create lasting value for employees, their families, and surrounding communities.

In 2024, over 1,700 employees and community members benefited from our CSR programs.

Key initiatives included tree plantation under our Green Project, winter clothing distribution, free book donations, community water facilities, Friday health clinics, health insurance, and continuous employee training and cultural programs. These efforts reflect our commitment to improving quality of life, promoting environmental responsibility, and building stronger, more resilient communities while supporting SDGs 3 (Good Health and Well-being), 4 (Quality Education), 8 (Decent Work and Economic Growth), and 13 (Climate Action).



Reinforcing a fair and Ethical Culture

We are committed to fostering an inclusive, respectful, and safe workplace where every employee is valued. Our Social Compliance Policy, Code of Conduct, and corporate values define the standards of behaviour expected from all employees. These standards cover a wide range of ethical and social issues, including integrity, anti-corruption, fair competition, child and forced labour prevention, occupational health and safety, and employee well-being.



In 2024, a total of 231 employees left the company, compared to 442 in 2023 and 751 in 2022. The majority of separations occurred due to resignations, while no retirements or contract expirations were reported.

Creating a culture where integrity and fairness come first.

Meanwhile, new hiring continued to align with production demand and workforce planning needs.

Overall, the factory recorded a significant reduction in turnover from 2022 to 2024, supported by consistent recruitment efforts to maintain a balanced workforce. This trend indicates enhanced organizational stability and a more sustainable workforce structure.

While Ayesha Clothing Company Limited (ACCL) maintains detailed records on overall workforce size, gender composition, and employment type, the company has not yet begun tracking total employee, new hires and turnover data segmented by **region, or age group**.

Workforce Composition & Employment Trend

Combined view: Age & Gender breakdown (2024) and Yearly Headcount Trend (2022–2024)

Category	Male	Female	Total
2024 Workforce by Age Group & Gender			
Below 30 (Workers)	522	326	848
31–45 (Workers)	292	346	638
45+ (Workers)	58	36	94
Below 30 (Staff)	63	0	63
31–45 (Staff)	128	4	132
45+ (Staff)	22	0	22
Subtotal (Age Group Breakdown)	1085	712	1797
Total Employees by Year (2022–2024)			
2022	1460	821	2281
2023	1103	813	1916
2024	872	708	1797

Employee New Hires and Turnover (2022–2024)

Indicator	2022	2023	2024
New Hires (Total)	1,018	537	653
Resignations (Total)	749	473	228
• Male	525	354	132
• Female	224	119	96
Other Employee Departures (Left)	751	442	231
• Male	495	327	151
• Female	256	115	80
Retirements	0	0	0

Healthy & Safe Workplace



Ensuring a safe and healthy working environment for our employees is a top priority at Ayesha Clothing Company Ltd (ACCL). We've implemented a robust health & safety policy to conducting all our operations in accordance with Bangladesh labor laws, relevant ILO conventions, and Buyer's Code , so that every worker can perform their duties with dignity, security, and confidence.

WORKING WITH DIGNITY, SECURITY & CONFIDENCE

Our Health & Safety Policy, Occupational Health & Safety (OHS) system, and associated Standard Operating Procedures (SOPs) provide clear guidance on all aspects of workplace safety, including fire safety, machine and chemical handling, personal protective equipment (PPE), building and structural safety, and emergency response protocols. These policies apply to all ACCL facilities, workers, staff, and contractors operating within our premises.



HAZARD IDENTIFICATION & RISK ASSESSMENT (HIRA)

To ensure a safe and healthy workplace, ACCL conducts Hazard Identification and Risk Assessment (HIRA) twice a year. This systematic process helps to detect potential risks—whether chemical, mechanical, electrical, or ergonomic—before they can cause harm.

Each department participates in joint risk reviews, where hazards are logged, prioritized, and corrective actions are assigned. HIRA outcomes are reviewed in monthly safety committee meetings and communicated across departments.

Worker engagement is central to our health and safety approach. Safety is everyone's job, and we empower our workforce to be active guardians of their own well-being.

Workers' Participation in Safety Management

- **Right to Refuse Unsafe Work:** Every employee has the right to refuse unsafe conditions without fear of penalty.
- **Joint Safety Committees:** Monthly meetings review HIRA results, incidents, and preventive actions.
- **Hazard Reporting:** Employees report risks directly to HR/Welfare or via grievance boxes.
- **Safety Recognition:** Positive safety behaviors and proactive reporting are rewarded to promote a safety-first culture

Fire and Building structural safety

At Ayesha Clothing Company Limited (ACCL), the safety and well-being of every individual in our workplace remain our top priority. Fire and structural integrity are managed through a comprehensive Occupational Health & Safety (OHS) framework guided by national laws, buyer requirements, and international best practices.



Our factory infrastructure has been designed and regularly audited in compliance with the Bangladesh National Building Code (BNBC), Accord and Alliance standards, ensuring that all facilities meet structural, electrical, and fire safety benchmarks. The company maintains valid Fire Safety and Occupancy Certificates, issued by the Department of Fire Service and Civil Defence and RAJUK, confirming that all safety installations are properly maintained and functional.

ACCL Fire Safety Management System



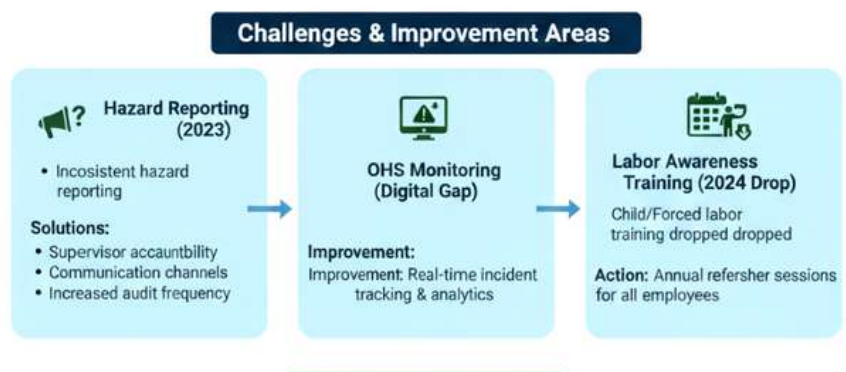
Ensuring a Safe & Prepared Workplace



OHS implementation and performance are continuously monitored through strong internal governance structures. The Safety Committee oversees occupational safety compliance, tracks incident trends, and ensures timely implementation of corrective measures.

The Environmental Management System (EMS) Committee complements these efforts by monitoring chemical storage, waste handling, and emissions management, thereby reinforcing the link between worker safety and environmental protection.

Regular audits, internal monitoring, and compliance reviews are carried out to sustain improvement and uphold a culture of accountability, transparency, and continuous progress.



Committed to a Safer, Smarter & More Ethical Future

To promote the overall health and well-being of employees, ACCL provides comprehensive onsite medical services supported by annual health check-ups conducted through accredited external healthcare providers. Employees also receive nutrition and health awareness sessions, focusing on preventive care and lifestyle management.

In addition, virtual digital health consultations are available for quick and confidential access to medical advice. ACCL places special emphasis on female employee health, offering maternal health care and family planning services in collaboration with Marie Stopes, ensuring gender-sensitive and inclusive healthcare support within the workplace.



ACCL maintains a structured approach to managing workplace incidents and near misses. All work-related injuries and unsafe occurrences are promptly reported, recorded, and investigated to identify root causes. Based on the findings, corrective and preventive actions are implemented immediately to eliminate risks and prevent recurrence.

Continuous monitoring ensures that lessons learned from each case contribute to strengthening workplace safety systems. This approach has led to a notable reduction in lost workdays and injury cases over the years, reflecting improved awareness and responsiveness across the factory.

The trend shows a significant reduction in days lost due to injuries, dropping from 148 in 2022 to just 16 in 2024, indicating improved risk management and effective safety interventions. Over the past three years, no fatalities were recorded. Most reported injuries were minor, such as cuts, burns, and strains, all of which were promptly investigated and addressed through appropriate corrective and preventive actions.

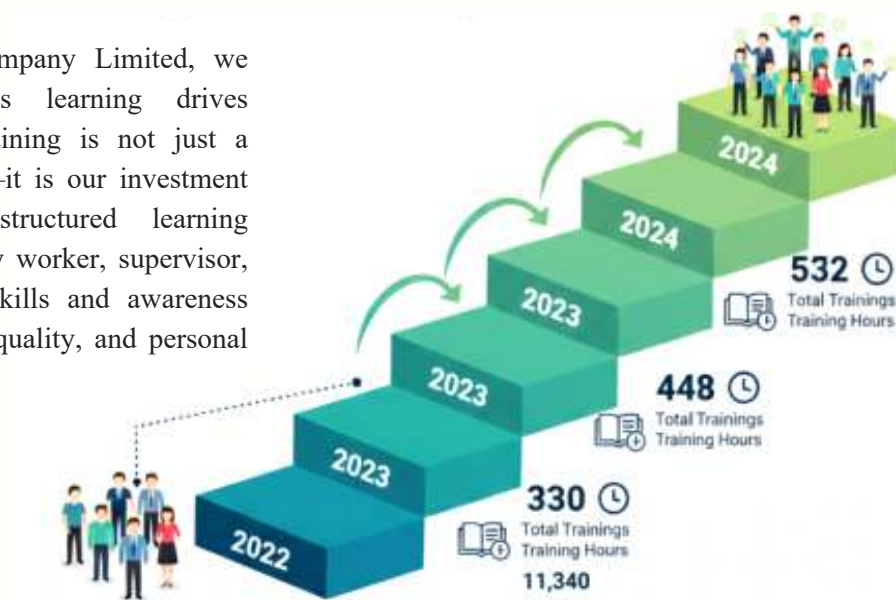


Medical and First Aid Cases

Year	2022	2023	2024
Medical Cases	12	17	13
Male	10	14	7
Female	2	3	4
Days Lost	148	45	16
First Aid Cases	2	2	2

Training and Awareness – Growing Skills, Empowering People

At Ayesha Clothing Company Limited, we believe that continuous learning drives sustainable progress. Training is not just a compliance requirement—it is our investment in people. Through structured learning programs, we equip every worker, supervisor, and manager with the skills and awareness needed to ensure safety, quality, and personal growth.



Year	Fire Fighters	First Aiders	OHS Training	Induction Training	Child Labor Training	Forced Labor Training
2022	94	48	397	1018	1018	1018
2023	200	52	399	537	537	537
2024	342	58	224	613	240	240

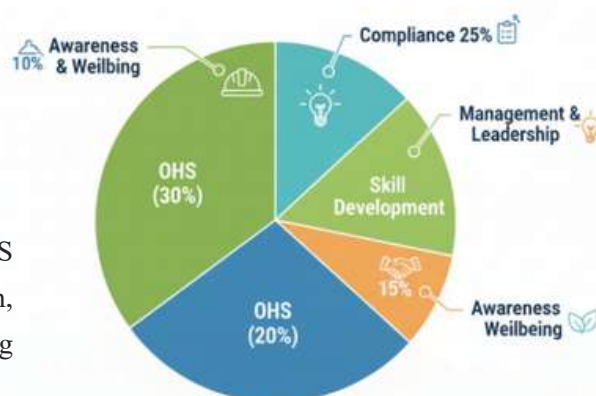
In 2023, 399 employees received direct Occupational Health and Safety (OHS) training, while all 537 new joiners participated in mandatory induction and compliance sessions that included topics such as:

- Child Labor and Forced Labor Prevention
- Code of Conduct and Workplace Ethics
- Fire Safety and Emergency Response
- First Aid and Health Awareness
- Gender Equality and Anti-Harassment Policy

Similarly, in 2022, 397 employees received OHS training, with 1,018 employees covered under induction, child labor, and forced labor sessions—demonstrating ACCL’s strong focus on full workforce sensitization.

TRAINING COVERAGE BY TYPE (2024)

Investing in a Holistic & Empowered Workforce



Diversity, Equity, and Inclusion (DEI)

Workforce Representation



62%

of Total Employees
(2024)

↑ from 58% in 2022

Women form the backbone of
ACCL's workforce.

Leadership & Growth



8%

Mid-Management
Positions

Supervisory Roles →

Leadership training &
capacity-building initiatives.

Maternity & Support



97%

Return-to-Work Rate
(2022–2024)

❤ Full Support

Full maternity leave &
childcare-friendly culture.

As ACCL expands operations, we are committed to deepening inclusivity — ensuring that women move from participation to leadership, that marginalized voices are heard, and that every employee, regardless of background, thrives as part of
“The Hands That Make It Possible.”

Diversity, Equity & Non-Discrimination



ACCL ensures equal remuneration for equal work, verified through internal audits and third-party buyer assessments. Wage structures strictly follow the National Minimum Wage Board guidelines, while periodic reviews ensure pay parity across genders and job categories.

Our Non-Discrimination Policy, aligned with the Bangladesh Labour Act 2006 (amended 2018) and ILO Conventions 100 & 111, prohibits discrimination on the basis of gender, age, religion, disability, ethnicity, or marital status. The policy extends across all employment stages — recruitment, promotion, compensation, training, and termination — ensuring that merit and performance are the sole criteria for professional advancement.

All employees are briefed on these principles during onboarding and through periodic refresher sessions led by the Human Resources and Compliance teams.

Women employees in ACCL earn the same base pay as men for identical roles - reaffirming the company's stance on economic equity and sustainable livelihood.

Category	2022	2023	2024
Total Employees	2,281	1,916	1,797
Female (%)	58%	60%	62%
Male (%)	42%	40%	38%
Female Supervisors (%)	14%	18%	20%

Employee & Maternity Benefits – Supporting Women, Strengthening Families

Supporting Our Female Workforce

Ensuring Well-being & Continuity



At Ayesha Clothing Company Limited (ACCL), we recognize that empowering women is not only a matter of equality but also the foundation of sustainable growth. Over 65% of our workforce are women whose skills and dedication bring life to every product we make. Ensuring their well-being—especially during motherhood—is one of our most meaningful commitments. Gender inclusion remains a key focus area for ACCL’s workforce development strategy.

Our Maternity and Employee Benefit Policy guarantees paid maternity leave, job security, and smooth reintegration upon return to work. The company’s policy aligns with the Bangladesh Labour Act 2006 (Amended 2018) and the ILO Maternity Protection Convention, ensuring that no employee faces discrimination or financial hardship during maternity periods.

The steady return-to-work rate highlights the effectiveness of ACCL’s supportive culture and post-maternity follow-up system. Slight variations reflect normal life transitions such as relocation or extended care periods, which are handled with flexibility and sensitivity by HR and welfare officers.

Year	Employees on Maternity Leave	Returned to Work
2022	24	24
2023	18	18
2024	23	21

Maternity Benefits



Our organization is committed to supporting the health and well-being of expectant mothers. We provide 112 days of maternity leave to ensure adequate recovery and bonding time with the newborn. To further assist working mothers, child care facilities are available on-site, creating a safe and nurturing environment for children. Additionally, we offer financial support during maternity, helping employees manage the costs associated with childbirth and early childcare, reflecting our dedication to employee welfare and family-friendly workplace practices.



Our Human Rights Framework



We recognize that respecting and promoting human rights is integral to our business purpose, operations, and long-term sustainability. We are committed to creating a workplace where all employees, contractors, and community members are treated with dignity, fairness, and equity. Our approach is guided by international standards, national laws, and our internal policies, including the Human Rights & Business Practice Policy and Open Door Policy.

Governance and Oversight

We embed human rights oversight across all levels of management. Our Resident Director (Admin, HR & Compliance), department heads, and the Managing Director collectively ensure that policies are implemented consistently and effectively. Key governance mechanisms include:

- Policy development and review – Human Rights policies are reviewed regularly to align with Bangladesh Labor Law 2006 (Amended 2018), Labor Rules 2015 & 2022, ILO Conventions, and buyer codes of conduct.
- Assigned responsibilities – Officers and executives are clearly tasked with monitoring labor rights, workplace safety, grievance handling, and compliance.
- Internal audits and monitoring – Periodic audits verify adherence to human rights policies and identify gaps for corrective action.

Human Rights Policy



Grievance Resolution Process



We maintain a transparent and accessible grievance mechanism that empowers all workers to raise concerns freely, confidentially, and without fear of retaliation.

Every complaint is recorded, reviewed, and resolved within a defined timeframe. Periodic audits ensure accountability and continuous improvement of the process. In addition, periodic internal audits are conducted to evaluate the system's effectiveness, strengthen accountability, and drive continuous improvement.

Grievance Mechanism: Ensuring Every Voice is Heard

Open Door Policy: A Culture of Trust and Transparency

We encourage employees at all levels to share ideas, express grievances, or discuss workplace concerns directly with management. This policy fosters inclusivity and ensures that management remains approachable, empathetic, and proactive in addressing issues before they escalate.



Child Labor: A Zero-Tolerance Commitment

We comply with the Bangladesh Labor Act 2006 (Amended 2018) and the ILO Convention 138 & 182, ensuring that no person under the legal working age is employed.

During recruitment, age verification is a mandatory step — verified through national ID, birth certificate, or equivalent documents.

Our HR and Compliance departments conduct periodic internal audits and supplier inspections to ensure that our zero-tolerance stance is consistently enforced.

Beyond prevention, we also work with the local community to raise awareness on child rights and education — reinforcing our belief that every child belongs in school, not at work.



Forced Labor: Upholding the Right to Freedom



We have a strict prohibition on all forms of forced, bonded, or involuntary labor. Every worker at Ayesha Clothing is employed under lawful conditions, with full freedom to terminate employment as per legal and contractual provisions.

We do not retain personal documents, collect deposits, or impose coercive penalties. All workers are informed of their rights and employment terms in a language they understand before joining.

Periodic social and compliance audits ensure that our operations remain free from any form of labor exploitation.

FREE FRIDAY CLINIC



Awards



National Export Trophy — Silver (1990–91, 1991–92) and Bronze (1992–93), awarded to Palmal Garments Limited and Palmal Knitwear Factory Ltd, Dhaka

A HERITAGE OF EXCELLENCE

Among the earliest honours were the National Export Trophies awarded by the Government of Bangladesh in recognition of outstanding export performance — a distinction shared by group concerns including Palmal Garments Limited and Palmal Knitwear Factory Ltd through the early 1990s.

GLOBAL BUYER CONFIDENCE

Palmal Group's manufacturing units were named Walmart International Supplier of the Year and Import Supplier of the Year across multiple consecutive years, in recognition of product quality, on-time delivery, ethical standards, and sound business management.



Walmart International & Import Supplier of the Year — 2004, 2005, 2006, awarded to Palmal Knitwear Factory Ltd

A WALL OF DISTINCTION

From government-conferred export trophies to Vendor and Supplier of the Year awards, tax honours, and group anniversary distinctions- the display reflects recognition spanning compliance, delivery performance, and long-term buyer partnership across Palmal Group's manufacturing units, including NAFA Apparels Ltd and Palmal Knitwear Factory Ltd.



Certificates

Ayesha Clothing Company Ltd. (ACCL) has consistently demonstrated excellence in sustainable manufacturing, environmental stewardship, and social compliance. Through continuous improvement and innovation, the company has earned national and international recognition for its responsible operations and contribution to the ready-made garment (RMG) sector of Bangladesh.





PEOPLE. PLANET. PROGRESS.



Every great story begins with a promise. For Ayesha Clothing Company Ltd., this first ESG report is that promise—of a future where progress wears a human face and sustainability becomes the thread that binds profit with purpose. Each initiative, each small act of responsibility, is a stitch in the larger fabric of transformation we are weaving together.

The next report will not just recount what we've done, but what we've become. Because the story of Ayesha is still unfolding—boldly, beautifully, and with a heartbeat that belongs to the future.

Abbreviation

Abbreviation	Full Form
ACCL	Ayesha Clothing Company Ltd.
BESS	Battery Energy Storage System
BGMEA	Bangladesh Garment Manufacturers and Exporters Association
CNG	Compressed Natural Gas
CO ₂ e	Carbon Dioxide Equivalent
ETP	Effluent Treatment Plant
ESG	Environmental, Social, and Governance
GHG	Greenhouse Gas
GJ	Gigajoule
GOTS	Global Organic Textile Standard
GRI	Global Reporting Initiative
HR	Human Resources
ILO	International Labour Organization
ISO	International Organization for Standardization
KVA	Kilovolt-Ampere
MD	Managing Director
MRSL	Manufacturing Restricted Substances List
NGO	Non-Governmental Organization

Abbreviation	Full Form
QA	Quality Assurance
QC	Quality Control
RMG	Ready-Made Garments
RSL	Restricted Substances List
SDGs	Sustainable Development Goals
UNGC	United Nations Global Compact
WTP	Water Treatment Plant
STP	Sewage Treatment Plant
tCO ₂ e	Metric Tons of Carbon Dioxide Equivalent
REACH	Registration, Evaluation, Authorization, and Restriction of Chemicals
GRS	Global Recycled Standard
RWS	Responsible Wool Standard
PC	Participation Committee
PPE	Personal Protective Equipment
OCS	Organic Content Standard
OHS	Occupational Health and Safety

GRI Index

Ayesha Clothing Company Ltd has reported the information cited in this GRI content index for the period from 1 January 2024 to 31 December 2024 with reference to the GRI Standards.

GRI Standard	Disclosure	Description	Omission	Page
GRI 2: General Disclosures 2021	2-1 Organizational details	www.palmalgarments.com	No	16
	2-2 Entities included in the organization's sustainability reporting	Only Ayesha Clothing Company Ltd.	No	4
	2-3 Reporting period, frequency and contact point	Reporting year: 2024. Reporting frequency: Annually.	No	4
	2-4 Restatements of information		No	
	2-5 External assurance	Not available. Not done for this report.	Yes	-
	2-6 Activities, value chain and other business relationships		No	17 to 20
	2-7 Employees	Total number of employees: 1,797+	No	16
	2-8 Workers who are not employees	Not applicable	Yes	-
	2-9 Governance structure and composition	Governance at ACCL is guided by the principles of integrity, fairness, and compliance with national laws, buyer codes of conduct, and international sustainability standards.	No	22
	2-10 Nomination and selection of the highest governance body	Confidentiality constraint.	Yes	-
	2-11 Chair of the highest governance body	Managing Director	No	22
	2-13 Delegation of responsibility for managing impacts			
	2-14 Role of the highest governance body in sustainability reporting	Guidance, target setting, evaluating, monitoring	No	4 to 8
	2-15 Conflicts of interest	Confidentiality constraint.	Yes	-
	2-16 Communication of critical concerns	The suggestion box, open hotline, verbal complaint, email, open door policy	No	64
	2-17 Collective knowledge of the highest governance body	Confidentiality constraint	Yes	-

GRI Standard	Disclosure	Description	Omission	Page
	2-18 Evaluation of the performance of the highest	Confidentiality constraint	Yes	-
	2-19 Remuneration policies	Guarantees timely payment, legal minimum wage, and accurate record	No	24
	2-20 Process to determine remuneration	Confidentiality constraint	Yes	-
	2-21 Annual total compensation ratio	Not available	Yes	-
	2-22 Statement on sustainable development strategy		No	17
	2-23 Policy commitments		No	23 & 24
	2-24 Embedding policy commitments	Policies embedded through HR systems, safety and grievance committees,	No	24
	2-25 Processes to remediate negative impacts		No	64
	2-26 Mechanisms for seeking advice and raising concerns	Grievance Handling Committee	No	23
	2-27 Compliance with laws and regulations	ACCL provides all lawful benefits as per law	No	9
	2-28 Membership associations		No	20
	2-29 Approach to stakeholder engagement		No	10
	2-30 Collective bargaining agreements	Our key stakeholders are our employees, Customers, Suppliers	No	12
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment	No	11 to 14
	3-2 List of material topics		No	13
	3-3 Management of material topics		No	22 to 65
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services		No	27
	203-2 Significant indirect economic impacts		No	27 & 28
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption		No	26
	3-3 Management approach		No	26

GRI Standard	Disclosure	Description	Omission	Page
GRI 301: Materials 2016	3-3 Management approach		No	43
	301-1 Materials used by weight or volume		No	43
	301-2 Recycled input materials used		No	43
GRI 302: Energy 2016	3-3 Management approach		No	33
	302-1 Energy consumption within the organization		No	33
	302-2 Energy indirect (Scope 2) GHG emissions		No	34
	302-3 Other indirect (Scope 3) GHG emissions	We are preparing to begin Scope 3 emissions accounting in the near future.	No	33
	302-4 Reduction of energy consumption		No	34
GRI 303: Water and Effluents 2018	3-3 Management approach		No	36
	303-1 Interactions with water as a shared resource		No	36
	303-2 Management of water discharge-related impacts		No	36, 37
	303-3 Water withdrawal		No	36
GRI 305: Emissions 2016	3-3 Management approach		No	33
	305-1 Direct (Scope 1) GHG emissions		No	33
	305-2 Energy indirect (Scope 2) GHG emissions		No	33
	305-3 Reduction of GHG emissions		No	34
	305-4 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions		No	35

GRI Standard	Disclosure	Description	Omission	Page
GRI 306: Waste 2020	3-3 Management approach		No	38
	306-1 Waste generation and significant waste-related impacts		No	38
	306-2 Management of significant waste-related impacts		No	38
	306-3 Waste generated		No	38
GRI 401: Employment 2016	3-3 Management approach		No	48
	401-1 New employee hires and employee turnover		No	52
	401-2 Benefits provided to full-time employees		No	50
	401-3 Parental leave		No	61
GRI 403: Occupational Health and Safety 2018	3-3 Management approach		No	53
	403-1 Occupational health and safety management system		No	53 & 54
	403-2 Hazard identification, risk assessment, and incident investigation		No	54
	403-3 Occupational health services		No	55
	403-4 Worker participation and communication on OHS		No	54
	403-5 Worker training on occupational health and safety		No	58
GRI 404: Training and Education 2016	3-3 Management approach		No	58
	404-1 Average hours of training per employee		No	58
	404-2 Programs for upgrading employee skills		No	58
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management approach		No	59
	405-1 Diversity of governance bodies and employees		No	60
GRI 406: Non-discrimination 2016	3-3 Management approach		No	60
GRI 408: Child Labor 2016	3-3 Management approach		No	65
	408-1 Operations at risk for incidents of child labor		No	65
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations at risk for incidents of forced labor		No	65



**PEOPLE.
PLANET.
PROGRESS.**