



CUTE DRESS
INDUSTRY LIMITED

Sustainability Report 2025

Driving Responsible Apparel Manufacturing with Data and Innovation:
Upholding Human Rights and Environmental Leadership



Sustainable Apparel Manufacturer



This Sustainability Report has been developed by the Compliance Department of Cute Dress Industry Ltd. with the training and guidance of our first report which was assisted by German Government via the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, as part of the Promotion of Social and Environmental Standards in the Industry (PSES) programme. The views, opinions and information in this report are that of Cute Dress Industry Ltd.

2025 Report Profile

This is the 7th published sustainability report for Cute Dress Industry Ltd. (from hereafter as Cute Dress). This report has analysed factory premises, labour and production processes, integrated departmental functions, corporate social responsibilities, stakeholders' perspectives, environmental management system etc. for the calendar year 2025 (1st January to 31st December). Financial data was considered from July, 2024 to June, 2025. This report is being published on an annual basis. It was published in January 2026 and is available in English language only. Where data boundaries differ, the reporting scope is clearly indicated in the relevant section. This report has been prepared in accordance with Global Reporting Initiative (GRI) Standards 2021, which focuses on the three pillars of sustainable development, i.e. economy, environment and people including human rights.

The data collected by the Compliance Department of Cute Dress and the team of 'Sustainability Management' has published the report. The concept of this report was fully designed by Cute Dress and Sheikh H M Mustafiz, Managing Director who is the main contact person for any kind of information and can be reached at mustafiz@cutedress.net.

The report focuses on 15 Sustainable Development Goals (SDGs); **SDG 1** – No Poverty, **SDG 3** – Good Health and Well-being, **SDG-4** – Quality Education, **SDG-5** – Gender Equality, **SDG 6** – Clean Water and Sanitation, **SDG-7** – Affordable and Clean Energy, **SDG 8** – Decent Work and Economic Growth, **SDG-9** – Industry, Innovation and Infrastructure, **SDG-10** – Reduced Inequalities, **SDG-11** – Sustainable Cities and Communities, **SDG 12** – Responsible Consumption and Production, **SDG-13** – Climate Action, **SDG-14** – Life Below Water, **SDG 16** – Peace, Justice & Strong Institutions and lastly **SDG-17** – Partnerships for the Goals.

These sustainability issues were identified by us and our stakeholders due to their importance on our business. Each year we shall conduct a materiality analysis to identify these issues.

REPORT CONTENT AND ASPECT BOUNDARIES

This report is centered around the facets of social, environmental, economic, and product sustainability practices at Cute Dress. The identification of these aspects adheres to the guidelines outlined in the Global Reporting Initiative (GRI) Standards 2021. The selection of indicators is based on the availability of information pertaining to these practices, ensuring a comprehensive representation of Cute Dress's sustainability efforts.

Within Cute Dress, various sustainability projects contribute both to the organizational well-being and the broader community. Our commitment to aligning these initiatives with GRI reporting requirements reflects a conscientious effort to establish a meaningful connection. The primary objective has been to provide transparent insights into the implementation of sustainability initiatives in accordance with international standards, aspiring to set a benchmark for other entities within the industry.

This report emphasizes the correlation between Cute Dress's sustainability practices and the GRI reporting guidelines, with a particular focus on delineating goals, measuring performance, and facilitating change management for enhanced outcomes. Our intention is to elevate our sustainability reporting practices continually, striving for excellence in future reporting endeavors.

Cute Dress, through this report, perpetuates its journey in sustainability reporting, delving into the economic, environmental, and social dimensions of its business activities. A commitment to transparency is exemplified through the progressive evolution of our reporting practices. Cute Dress vows to deliver clear insights into the management of its economic, environmental, social, and governance performance, aspiring to maintain high standards and inspire similar commitments within the industry.

Preface

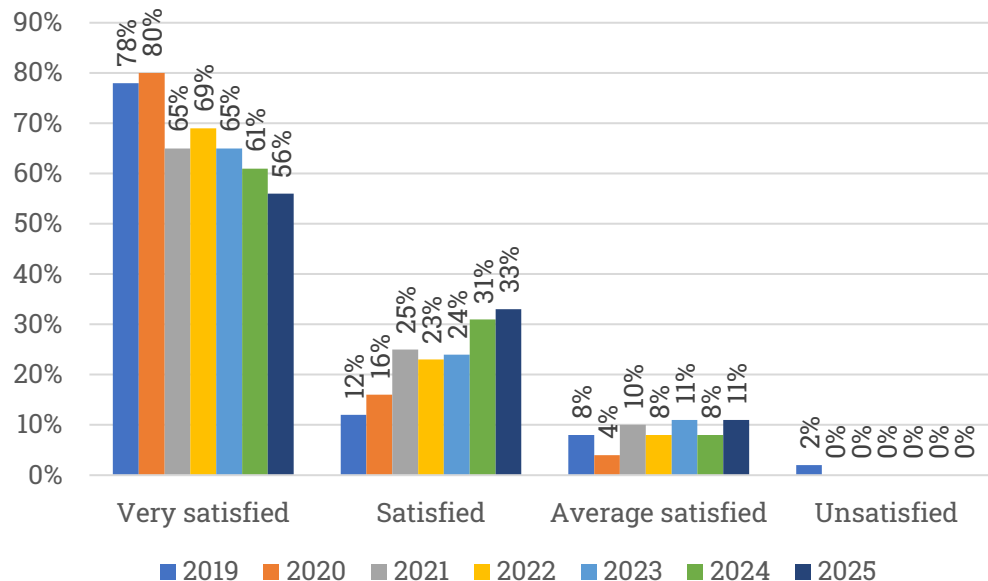
Our inaugural sustainability report, released in 2019, marked the initiation of our commitment to evaluating data-driven performance across economic, environmental, and social impacts including their human rights. Building on the benchmarks set in our previous report, we meticulously assessed our impact per garment, striving to enhance our overall sustainability.

As of 2025, key performance indicators (KPIs) indicate commendable progress in energy and waste management. However, our focus sharpens on areas requiring additional attention, notably water management and CO₂ emissions. We were able to maintain control over energy consumption and CO₂ emissions in 2025, even during the construction phase of our expansion project. The global fuel crisis further compelled us to rely on our own generator, affecting our energy profile.

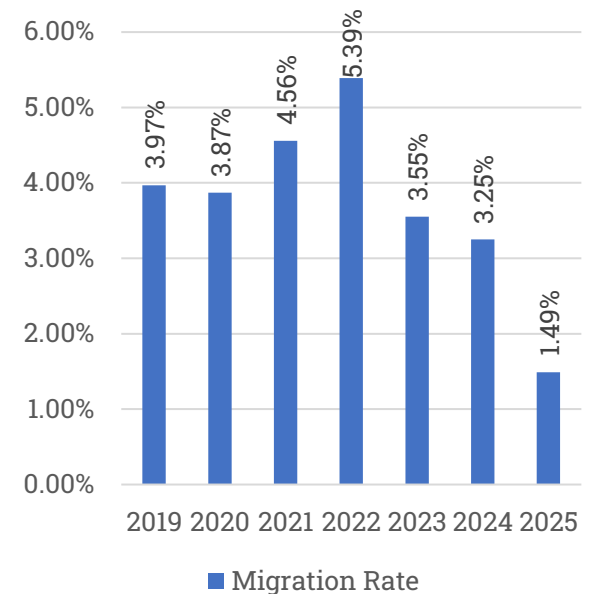
Encouragingly, employee satisfaction has seen improvement, reflecting our commitment to fostering a positive workplace environment. The rising demand for sustainable materials is a trend we anticipate to persist and grow. Our KPIs now incorporate new details, expounded upon in relevant sections of this report, providing a comprehensive overview of our evolving sustainability metrics.

SOCIAL : KEY PERFORMANCE INDICATORS

Employees satisfaction survey report



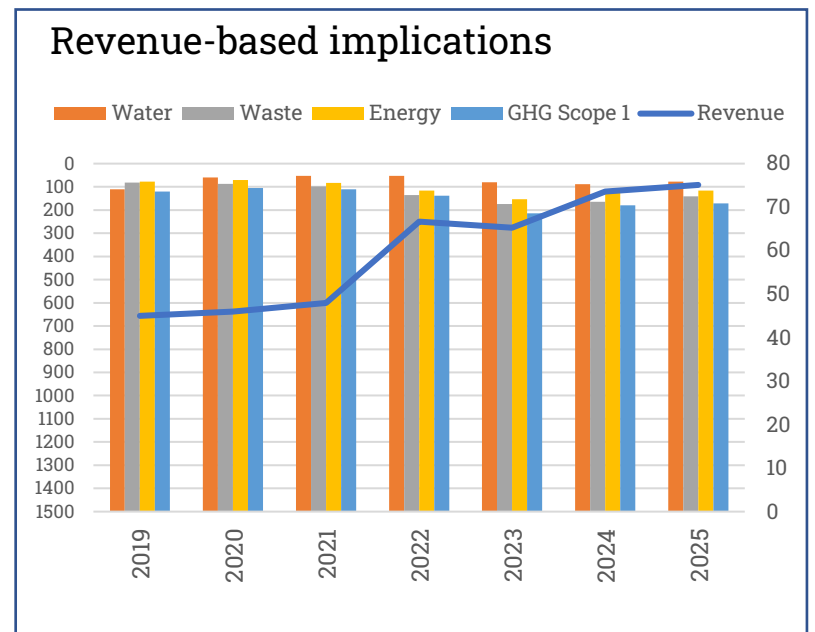
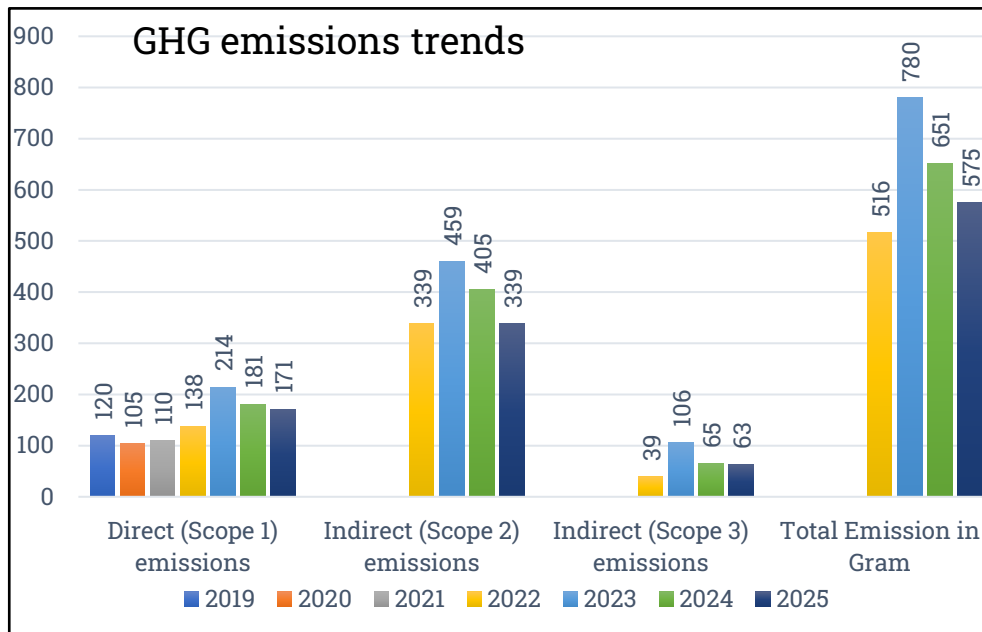
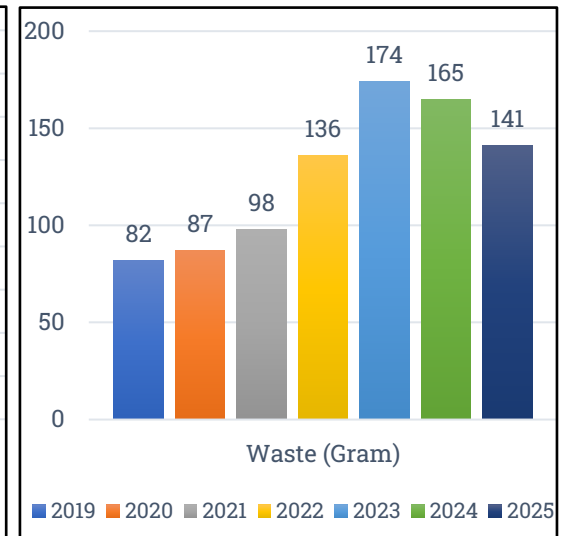
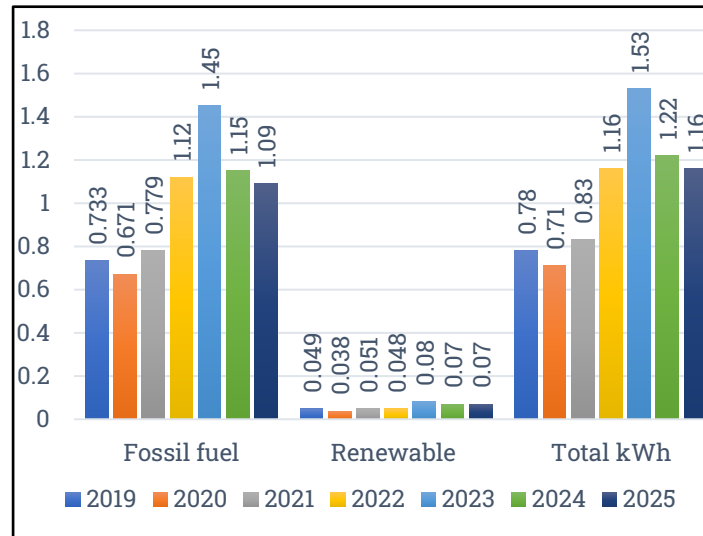
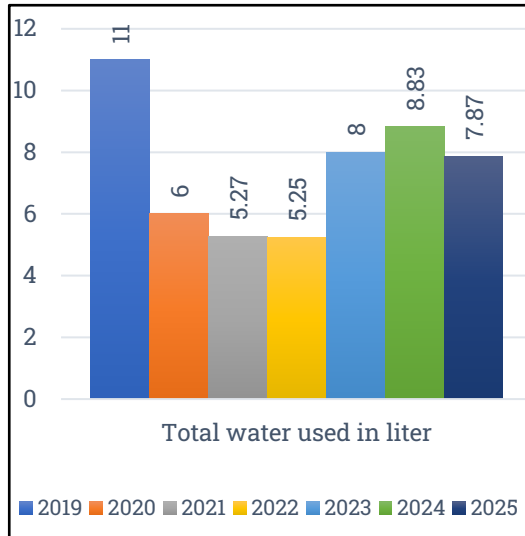
Employee Migration Rate



ENVIRONMENTAL : KEY PERFORMANCE INDICATORS

Environmental impact to produce one piece of garment

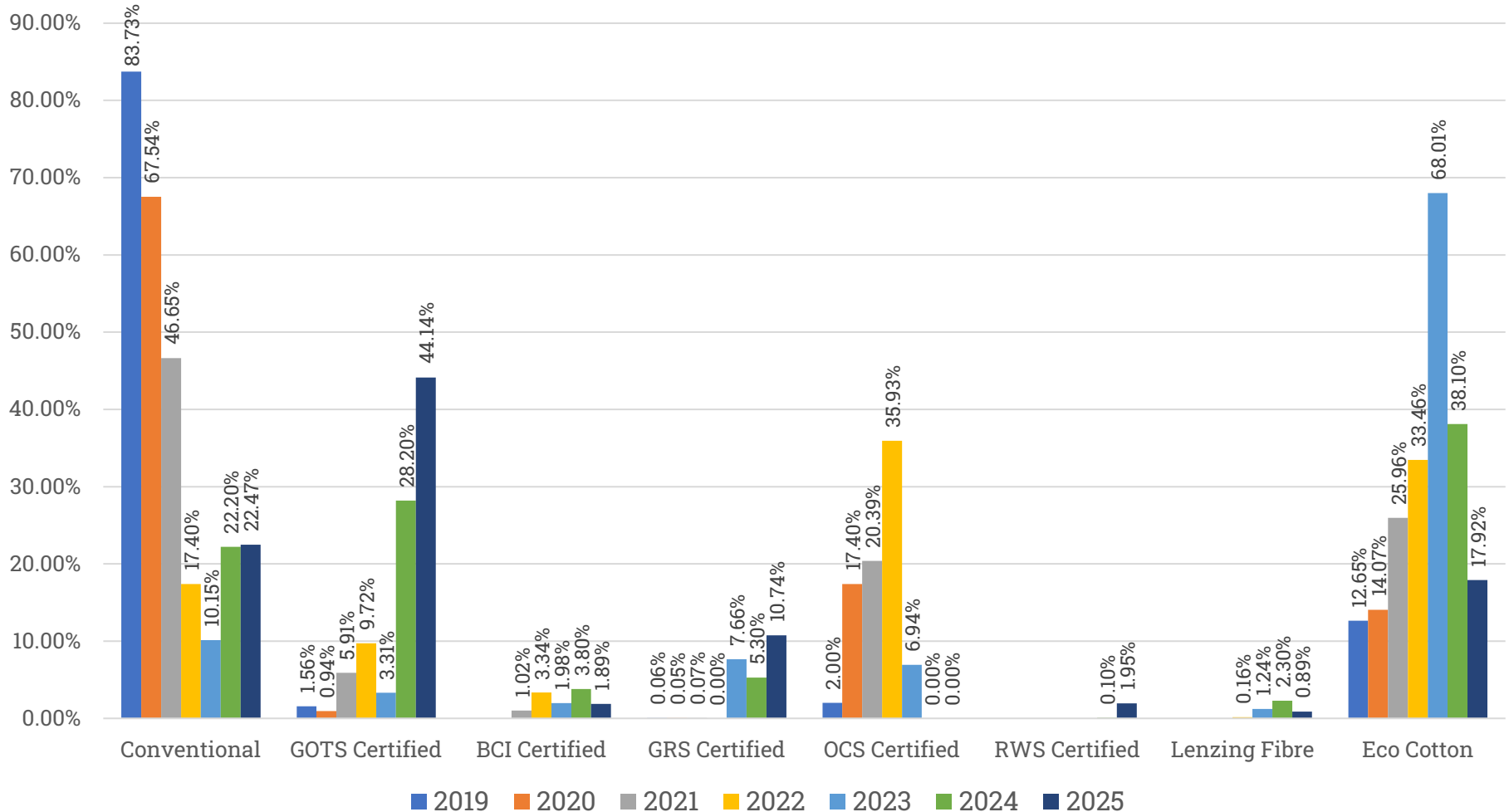
[performance variation information will be found in relevant section details]



USE OF SUSTAINABLE MATERIALS : KEY PERFORMANCE INDICATORS

The demand of sustainable materials show that conventional materials demand will be decreasing. But due to global price-hike, the situation has changed in this year. The conventional materials consumption has increased. We will be reporting this graph continuously and you will be able to see how the brands are performing when it is a question of using sustainable materials.

Year on year trends



IGNITE CHANGE WITH US

YOUR GATEWAY TO SUSTAINABLE SUCCESS

In the dynamic realm of commerce, conventional approaches no longer cut it. Embrace the future of profitability intertwined with purpose – because at Cute Dress, we believe in rewriting the narrative.

Shatter the norms, elevate your brand. In a world where the threads of business, ethics, and environmental consciousness converge, we invite you to stand shoulder to shoulder with us. Be a catalyst for change in the fashion landscape, where every stitch tells a story of responsibility.

Join our movement, transcend the ordinary. From discerning consumers to retailers, traders, and manufacturers, the collective responsibility echoes loud. It's time to redefine the industry, together.

Partner with us and redefine success. Let's craft a legacy that doesn't just follow trends, but sets them – a legacy built on the pillars of ethical production, a commitment to our skilled artisans, and a deep reverence for the planet we proudly call 'home.'

Your journey towards sustainable prosperity starts here. Embrace the change, be a changemaker with Cute Dress Industry Ltd.

“

We do not inherit the earth from our ancestors; we borrow it from our children.

”

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Introduction



EXECUTIVE SUMMARY

Since publishing our first Sustainability Report in 2019, our journey has been guided by continuous improvement, stronger transparency, and a firm commitment to responsible manufacturing. With this 7th edition (2025), we reflect on the progress we have made and sincerely thank our stakeholders, especially our valued buyers, whose support inspires us to raise the bar every year.

This report is not only about business performance; it is about protecting people and the planet. I am grateful to our leadership team for their direction and to our dedicated employees, whose hard work enables us to deliver world-class apparel with consistency, quality, and integrity.

Aligned with the UN Sustainable Development Goals (SDGs) and National Priority Initiatives (NPIs), we continue to strengthen our impact through collaboration and measurable action. We are honored to have received recognition for our sustainability efforts, including a Certificate of Appreciation from UNDP for SDG-aligned self-reporting and the Impact Excellence Award from Hey Social Good (2021).

Our recent environmental progress includes:

- **52,326 kWh** renewable energy generated through solar power
- **2,136,000+ liters** of groundwater conserved through water recycling
- Strengthened wastewater and chemical management through **ETP/WWTP**, with **STP** installed and our journey toward **Zero Liquid Discharge (ZLD)** underway
- Expanded **GHG reporting** (including Scope 2 & 3) in line with the GHG Protocol
- Continued **zero-landfill** practices and the introduction of **upcycling** for leftover and over-production materials

On the social side, continuous improvements in working conditions—supported by successful **RSC audits**—reflect our priority on safety, dignity, and well-being. Our certifications (**GOTS, OCS, GRS, RWS, OEKO-TEX® Standard 100, US Cotton, and BCI Cotton**) reinforce traceability and transparency, while our participation in the **Higg Index** (also known as **WORLDLY**) is advancing our sustainability reporting, with validated results expected in the coming year.

Sustainability is an ongoing journey. We are investing in automation, strategic marketing, and stronger measurement systems to improve circularity, performance, and operational excellence. Looking ahead, our enhanced impact measurement framework will deepen the quality of data and insight in future reports—turning progress into clearer evidence and stronger accountability.

Together, we remain committed to building a more sustainable future—step by step, action by action.



Sheikh H M Mustafiz
Managing Director

ENTREPRENEUR PROFILE

Mr. Sheikh H. M. Mustafiz is the Founder and Managing Director of Cute Dress Industry Ltd. A passionate entrepreneur and industry change-maker, he envisions Bangladesh's RMG sector evolving from volume-driven manufacturing to high-value, niche production built on quality, innovation, and responsible practices.

In 2003, Mr. Mustafiz launched his business journey and began building strong relationships in the Nordic market. Today, Cute Dress exports circular knitwear to 40+ high-end brands across Denmark, Sweden, Norway, Germany, Canada, USA, Japan, Australia, South Africa, and other destinations. The company is widely recognized for premium knitwear, specialized fabrics, and its ability to manage small and diverse orders efficiently, supported by a skilled workforce and an experienced management team.

Through professional and personal exposure spanning more than 32 countries, Mr. Mustafiz has supported the integration of global standards and best practices within the company's operations. Under his leadership, Cute Dress has achieved steady and sustainable growth and has established itself as a state-of-the-art, environmentally responsible facility. The factory is LEED Platinum certified under the U.S. Green Building Council (USGBC) standard, placing it among the world's leading green factories. The company received the "Step Up Award" from *Dansk Mode og Textil* for notable progress in productivity and CSR performance, and it became the only company from Bangladesh to showcase a "Package Solution for Sustainable Knitwear" at the Copenhagen Fashion Summit in May 2019.

Mr. Mustafiz holds an M.A. in English and was awarded a Professional Fellowship as a young entrepreneur by the U.S. Department of State in 2012. In 2015, he piloted an online apparel platform, "Brand for Humanity," aimed at improving the living standards of garment workers in Bangladesh, an initiative that earned the Telly Award and the W3 Award in the USA for its impactful video content. He was also recognized by the Embassy of Nepal in Bangladesh in 2015 for his contributions to earthquake victims in Kathmandu.

As a committed industry leader, Mr. Mustafiz has participated in international programs such as the workshop on "Workforce Skills Development for Industry 4.0," organized by Singapore Polytechnic International in collaboration with Temasek Foundation and Bangladesh's a2i. He currently serves as a Director of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) for the 2025–2027 term and previously served as Director of the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) for the 2017–2019 term. For his contribution to the national economy, he was recognized as a Commercially Important Person (CIP) by the Government of the People's Republic of Bangladesh. Beyond his professional life, he is a proud father of two sons and the son of a government stipend-awarded Freedom Fighter.



Company Profile



Cute Dress Industry Ltd. is a private limited knitwear manufacturer in Bangladesh, with its head office at L-8 Arifabad Housing Society, Rupnagar, Dhaka 1216, and its factory at Bathuli, Shaha Belisshor, Dhamrai, Dhaka 1800. Led by Mr. Sheikh H. M. Mustafiz, Managing Director, the company operates on 186 decimals of land with 40% open space and 100,588 sq. ft. of floor area across three buildings and five sheds, enabling an organized and efficient industrial layout.

Worker wellbeing is a core priority. The factory provides daycare services with full-time nannies, a breastfeeding room, child nutrition support, and indoor-outdoor playground facilities. Onsite medical support is provided by a full-time doctor and nurse, along with insurance coverage from Gonoshasthay Kendra. Safety and security systems include automatic fire detection and hydrant, a public addressing system, full CCTV coverage, and a security-controlled shipping process.

Cute Dress offers end-to-end cut-and-sew knitwear capabilities, supported by in-house value addition. The facility operates knitting with 11 machines, digital and screen printing, and embroidery (including plain stitch and sequins). Production is supported by CAD with plotters, large cutting tables with spreaders, and a full range of sewing machines required for knitwear manufacturing. A well-equipped finishing section includes spot removing and thread-sucking facilities, ensuring clean presentation and buyer-ready output.

Quality assurance is strengthened through an in-house laboratory for essential tests such as color fastness, GSM checks, and composition verification. The company does not have its own dyeing unit; instead, dyeing is subcontracted to certified dyeing mills to ensure compliance and consistent quality. The factory is supported by a 6,000 sq. ft. utility building, sub-station, boiler, and air compressor, and three generators (460 kVA, 200 kVA, and 30 kVA) for power continuity. Waste recycling storage is organized in four dedicated rooms.

Environmental systems are integrated to support responsible water management. Cute Dress operates a Waste Water Treatment Plant (WWTP) to treat rainwater and gray water for recycling. A 1,500 L/day Effluent Treatment Plant (ETP) treats wastewater from the printing section for reuse through the WWTP cycle, and a 5,000 L/day Sewage Treatment Plant (STP) treats black water discharge. The company holds major certifications including OEKO-TEX, GOTS, OCS, GRS, RWS, LEED, BCI/US Cotton, and is audited by BSCI and ACCORD/RSC, with Better Work and Higg Index engagement; Fair Trade, WRAP, and C-TPAT are in process.

Cute Dress has previously engaged with the UNFCCC Fashion Charter framework and continues to align its climate actions with internationally recognized decarbonization principles. We are currently reviewing the next phase of our engagement and related commitments.

MATERIALITY ASSESSMENT

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. For this reason, we have paired Table 1 and Figure 1 for a complete materiality assessment through GRI standard for identifying the impact to the company and to the stakeholders. Each material is ranked between 0 to 1 based on realistic potential significance of Cute Dress. Our seventh sustainability report for Cute Dress, the materiality assessment covers Cute Dress's performance in 2025 (1st January to 31st December) which is same as last year.

The following steps were adopted in order to obtain inputs for the materiality assessment:

- i. Identifying internal and external stakeholders
- ii. Identifying the material topics to be measured.
- iii. Carrying out two individual surveys for finding the relevance of the material topic to company and stakeholders.
- iv. Analysing the graphical representation of data and obtaining constructive insights, the materials with greater numbers were selected as 'most material' (significant) for this report.
- v. The 'most material' topic covered in the report has been marked bold in 'Table 1' which indicates significant materiality for the sustainability reporting.
- vi. To simplify comparisons, all topics are put together in 'Figure 1'.

Material Topics	Grid	Impact to Company	Impact to Stakeholders
Water	E1	0.77	0.60
Chemicals	E2	0.33	0.36
Resources/ Materials	E3	0.25	0.28
Energy and Emissions	E4	0.60	0.51
Waste/ Recycling	E5	0.20	0.2
Regulations	E6	0.46	0.43
Employees	S1	0.56	0.42
Working conditions	S2	0.72	0.77
Diversity	S3	0.18	0.18
Workplace safety	S4	0.60	0.68
Value-added services	S5	0.49	0.36
Employee rights	S6	0.59	0.59
Workers' benefits and compensation	S7	0.56	0.56
Regulations	S8	0.42	0.49
Certification and initiatives	S9	0.35	0.25
Donations	S10	0.12	0.12
Economic Performance	EC1	0.48	0.44
Market presence	EC2	0.69	0.63
Indirect economic impacts	EC3	0.55	0.55
Procurement practices	EC4	0.17	0.14
Anti-corruption	EC5	0.24	0.34
Anti-Competitive Behavior	EC6	0.13	0.16

Table 1: Comparative Data for Materiality Assessment

The Materiality Assessment Matrix

This figure presents Cute Dress's materiality matrix aligned with the GRI Standards' material topics. The vertical axis shows the influence on stakeholder assessments and decisions, scaled from 0.00 to 0.90. The horizontal axis shows Cute Dress's impacts on the economy, environment, and society, scaled from 0.00 to 0.80. Higher scores on either axis indicate greater relative significance, and the two scales are assessed independently.

The matrix indicates that Certification and Initiatives (0.35, 0.25) is a lower-priority topic compared to others, reflecting its comparatively limited influence on stakeholder decision-making and its smaller direct impact across our economic, environmental, and social dimensions. Nevertheless, this topic remains actively monitored because stakeholder expectations and regulatory requirements in this area can evolve over time.

In contrast, Working Conditions (0.73, 0.76) emerges as a top material priority, demonstrating both strong stakeholder influence and substantial impact on our overall sustainability performance. Other topics also ranked as material and are therefore addressed in this report, including Workplace Safety (0.60, 0.68), Water (0.75, 0.60), Energy & Emissions (0.60, 0.51), Employee Rights (0.57, 0.42), Workers' Benefits & Compensation (0.57, 0.56), Market Presence (0.70, 0.65), and Indirect Economic Impacts (0.55, 0.55).

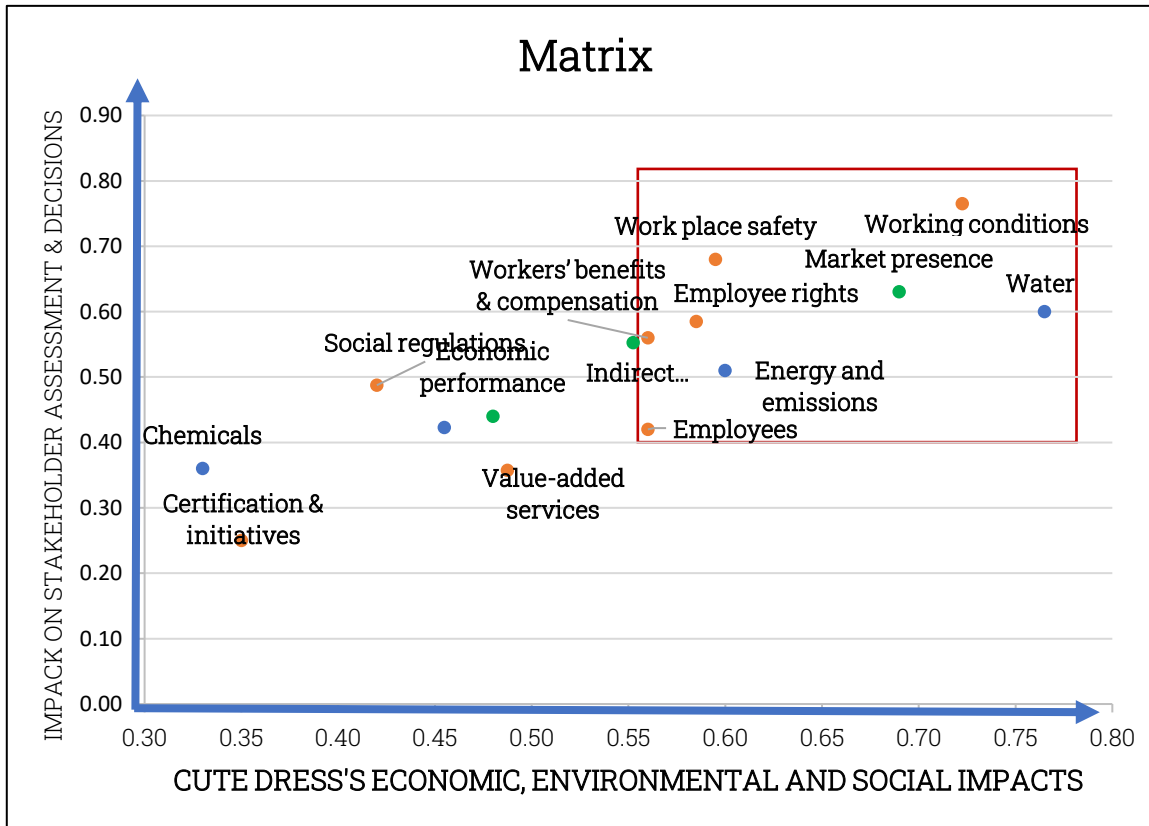


Figure 1: Materiality Assessment Matrix

Enabling Sustainability



SUSTAINABILITY STRATEGY

VISION

To be a trusted sustainable apparel manufacturing brand in Bangladesh valued for joyful workplaces and environmental excellence.

MISSION

Cute Dress believes its vision depends on balancing environmental, economic, and social performance to support the well-being of the Planet, People, and Product. Our practices are designed to minimize pollution, reduce landfill waste, and protect ecosystems.

Beyond core employee welfare, we have introduced the “Happy Faces” program to strengthen employee well-being and social performance. We are also committed to delivering high-quality products through teamwork and innovation, while meeting timelines and maintaining stakeholder satisfaction.



PEOPLE

We believe our employees are among the company’s most valuable assets. We therefore prioritize initiatives that support their well-being, address everyday needs, and strengthen their skills. Through a range of programs, we aim to create a more supportive and empowering workplace.

PLANET

Nature is fundamental to life on Earth, and Cute Dress is committed to growing its business while protecting natural ecosystems. We integrate environmental responsibility across our operations by minimizing carbon emissions, reducing waste and landfill impact, conserving energy, and using water resources efficiently throughout our workflow.

PRODUCT

Cute Dress is committed to responsible production and the delivery of high-quality products to its clients. We emphasize the use of certified and traceable materials, eco-friendly chemicals, and organic and recycled inputs wherever feasible.



ALIGNMENT WITH SDGs

The Agenda of United Nations' Sustainable Development Goals (SDGs) 2030 is an exemplary blueprint of a global sustainable future. Cute Dress is addressing the 17 SDGs and the 39 Sub-goals (nation-wise priority) through every step of our movement. Our Management Board has underscored this support in 2019, which has led us to align our strategies more closely with the SDGs.

This report will demonstrate how we have incorporated the sustainability values within our processes in order to achieve the SDGs. Cute Dress's sustainability strategy provides a common framework for the sustainability activities across our company.

In 2020, Cute Dress received 'Certification of Appreciation' for contributing to the achievement of Bangladesh Priority Indicators (NPIs) and SDGs through sustainability self-reporting. The survey was jointly conducted by UNDP, GRI, BGMEA.

COLLABORATION DETAILS

In collaboration with the United Nations Development Programme (UNDP) and Global Reporting Initiative (GRI), Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has undertaken an initiative to assess the impact of the Ready-Made Garment (RMG) sector on Bangladesh's National Priority Indicators (NPIs) and Sustainable Development Goals (SDGs). Approximately 47 factories prioritized sustainability in their business decisions, aligning their practices with NPIs and SDGs. The report, accessible at http://www.bgmea.com.bd/page/Sustainability_Environment, provides insights into the RMG sector's contributions to NPIs and SDGs, outlining actions taken, challenges faced, and strategies for greater impact, based on factory self-reported data. It's essential to note that this data has not undergone third-party verification.



CERTIFICATE OF APPRECIATION

Awarded to

Cute Dress Industry Ltd.

For contributing to the achievement of the Bangladesh National Priority Indicators (NPIs) and Sustainable Development Goals (SDGs) through sustainability self-reporting

28 March 2021



















Zuena Aziz
Principal Coordinator for Sustainable Development Goals (SDGs) Affairs
Prime Minister's Office

Dr. Rubana Huq
President
Bangladesh Garment Manufacturers and Exporters Association

Sudipto Mukerjee
Resident Representative
UNDP Bangladesh

Aditi Haldar
Director
Global Reporting Initiative (GRI) South Asia

Goal No.	Goal	Our Achievements
	NO POVERTY	<ul style="list-style-type: none"> Ensured minimum wages and on time salary. Other supporting financial aids
	ZERO HUNGER	<ul style="list-style-type: none"> Looking forward for collaboration.
	GOOD HEALTH AND WELL-BEING	<ul style="list-style-type: none"> Ensured parental leave Sanitary Napkin during working hours Supply family planning tools Health insurance
	QUALITY EDUCATION	<ul style="list-style-type: none"> Ensured on-the-job skill development training Ensure all kinds of training and soft skills Ensured compensation from Central Workers' Welfare fund for meritorious children of our employees.
	GENDER EQUALITY	<ul style="list-style-type: none"> No discrimination at any level of occupation
	CLEAN WATER AND SANITATION	<ul style="list-style-type: none"> Water resilient management with water recycling and rain water harvesting Low flow water dispensing Ensure pure drinking water
	AFFORDABLE AND CLEAN ENERGY	<ul style="list-style-type: none"> Invested on solar energy and planning to generate more in future
	DECENT WORK AND ECONOMIC GROWTH	<ul style="list-style-type: none"> Invested and managed good working condition Innovation on product diversification for continuous economic growth
	INDUSTRY, INNOVATION AND INFRASTRUCTURE	<ul style="list-style-type: none"> Invested on energy, water and CO₂ efficient green industry

Goal No.	Goal	Our Achievements
	REDUCED INEQUALITIES	<ul style="list-style-type: none"> Employed male-female with no discrimination in salary Employed physically challenged people Employed senior citizens Employed tribal people
	SUSTAINABLE CITIES AND COMMUNITIES	<ul style="list-style-type: none"> Encouraging bicycle transportation for our employees Introduced birds sanctuary project to make safe living of local species.
	RESPONSIBLE CONSUMPTION AND PRODUCTION	<ul style="list-style-type: none"> Responsible resource consumption practice Responsible waste recycling practice Collaboration with international circularity project
	CLIMATE ACTION	<ul style="list-style-type: none"> GHG emissions management in place as per international GHG emissions protocol
	LIFE BELOW WATER	<ul style="list-style-type: none"> Necessary infrastructure development in progress to make our factory as Zero Liquid Discharge facility.
	LIFE ON LAND	<ul style="list-style-type: none"> Ensured no landfill of any kinds of waste generated from the production process
	PEACE, JUSTICE AND STRONG INSTITUTIONS	<ul style="list-style-type: none"> Start collaboration with ILO Better Work program
	PARTNERSHIPS FOR THE GOALS	<ul style="list-style-type: none"> With assistance of GIZ we started publishing 'Sustainability Report' as per GRI standard. Signed up with Reverse Resource for Circularity Project Signed up with Ganashasthya Kendra to ensure medical facilities for the employees Partnering with several research project to measure the loophole of RMG industries of Bangladesh

PRODUCTS AND SERVICES

PRODUCTS

Cute Dress is mainly producing different kinds of circular knitted items for men, ladies and kids. We have manufacturing experience of below items:

Men's	Ladies	Kids
• T-shirt	• T-shirt	• T-shirt
• Tank Top	• Tank Top	• Tank Top
• Polo Shirt	• Polo Shirt	• Polo Shirt
• Sweatshirt	• Sweatshirt	• Sweatshirt
• Hoodie	• Hoodie	• Hoodie
• Trouser	• Tunica	• Jacket
• Jacket	• Leggings	• Bodysuit
• Blazers	• Trousers	• Jumpsuit
• Brief	• Jacket	• Trouser
	• Dress	• Dress
	• Draped Dress	• Cap
	• Pleated Dress	• Bib
	• Asymmetric Dress	

SERVICES

In addition to the regular production, Cute Dress provides below services to the valued clients:

Lab-test service

Cute Dress has a setup for in-house product testing. The aim of this setup is to check whether the end user of our produced goods will satisfy through the basic home laundering process. This service is free of cost for all the customers. Cute Dress provides basic home laundering test for colour fastness, rubbing test, dimensional stability, twisting, print durability, fabric weight etc.

Pick-pack service

Cute Dress provides pick-pack service to clients if there is a need for distribution of bulk goods to different part of the world or to different customers in same country. We have a special packing arrangement for this service with an agreed fees. In addition to that, clients needing to use warehouse as our web-shop distribution from Bangladesh can be entertained with a service fees.

Fabric development service

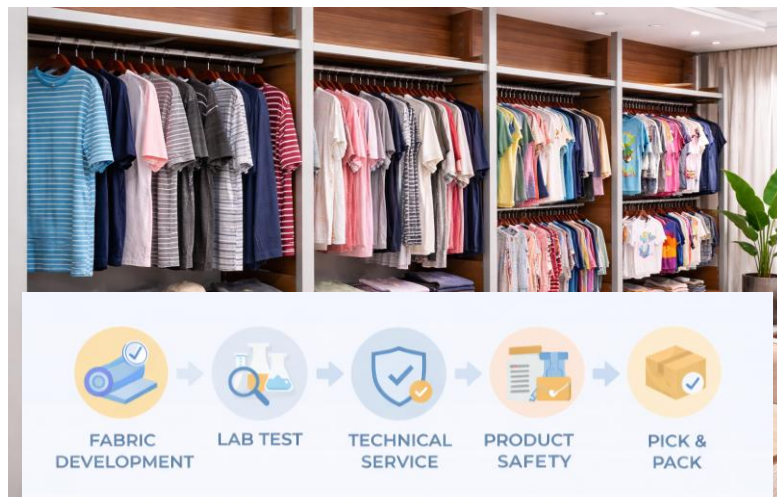
Every season Cute Dress thrives to create new fabrics as an offer to the clients thereby enabling brands to present fresh collection in each season. Cute Dress also develops fabric, which are distinctive depending on buyer's request.

Technical service

Cute Dress provides technical services to customers for making style chart, measurement list, fitting adjustment, fabric quality selection, accessories selection and sustainability solutions.

Product safety

Through our operation we ensure product safety in terms of needle control, sharp metals, choking hazard and chemical safety.



MANUFACTURING PROCESSES

Cute Dress maintains a traceable manufacturing system across its entire supply chain. As we do not operate in-house spinning or dyeing facilities, we implement strict quality control procedures to ensure compliance with international standards such as EU REACH, OEKO-TEX, GOTS, OCS, RWS, and GRS when sourcing yarn and subcontracting knitting, dyeing, or printing. As of 2025, we work with 49 external suppliers, including 29 local and 20 international partners.

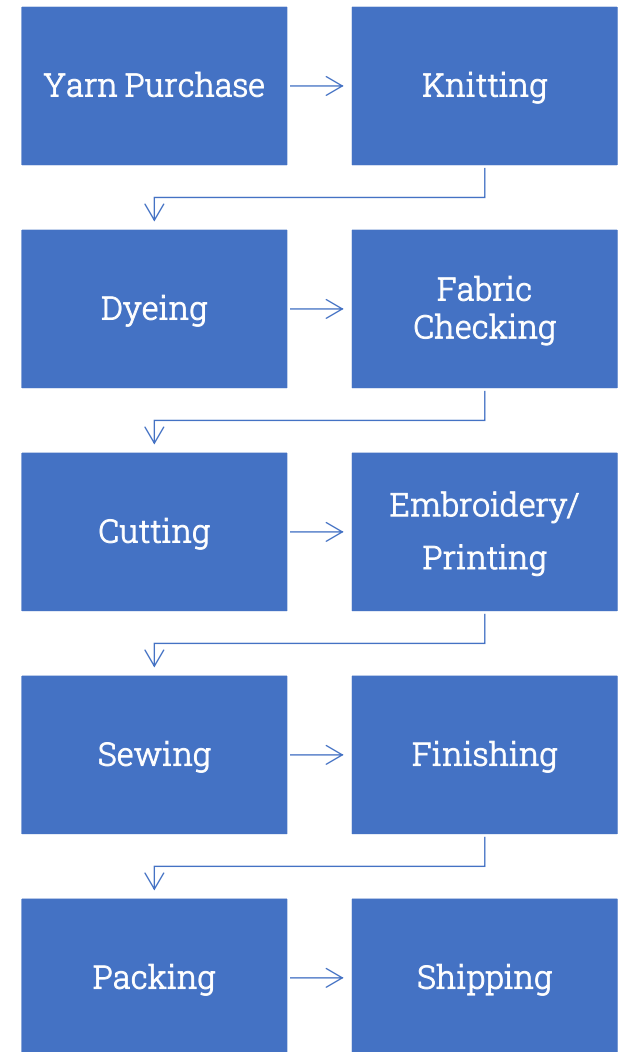
Upon fabric receipt, our QC team conducts inspection using the 4-point system. Fabrics are then conditioned for a minimum of 12 hours before cutting. After cutting, each component undergoes inspection prior to sewing. Our Industrial Engineering and Work Study department applies statistical quality control tools for root cause analysis and productivity monitoring.

For printing, embroidery, or other value-added processes, cut panels are either processed in-house or sent to approved subcontractors with proper packaging control.

During sewing, inline quality checks are conducted at every stage. Post-sewing, a first quality audit is performed, and any non-conforming items are returned for correction. Garments then pass through thread trimming, button attachment (if applicable), random inspection, and ironing preparation.

Following ironing, garments undergo final quality inspection, measurement verification, and visual checks before moving to packing. In our dedicated packing section, all products are screened through a needle detection machine to ensure safety. Care labels and assortment instructions are attached prior to carton packing.

For Japanese customers, final inspection is conducted after needle detection as per their specific requirements. For EU and USA markets, final inspections are performed based on AQL standards after complete packaging of finished goods.



STRATEGIC AND COLLABORATION PARTNERS



CORPORATE GOVERNANCE

Cute Dress is practicing corporate governance by decentralizing and empowering the tasks to the mid-management team. Although central command by the Managing Director plays an important role in the governance of Cute Dress, yet all decisions are taken by meeting and respecting the opinions of the mid-management managers. By the way, We prioritize local hiring and local capacity-building in line with applicable law.

Compliances

Cute Dress follows corporate governance framework, based on Bangladesh legislation, code of conduct by the buyers, OECD principles etc. Cute Dress's commitment to transparency, accountability and responsibility are the key principles to comply with all required standards.

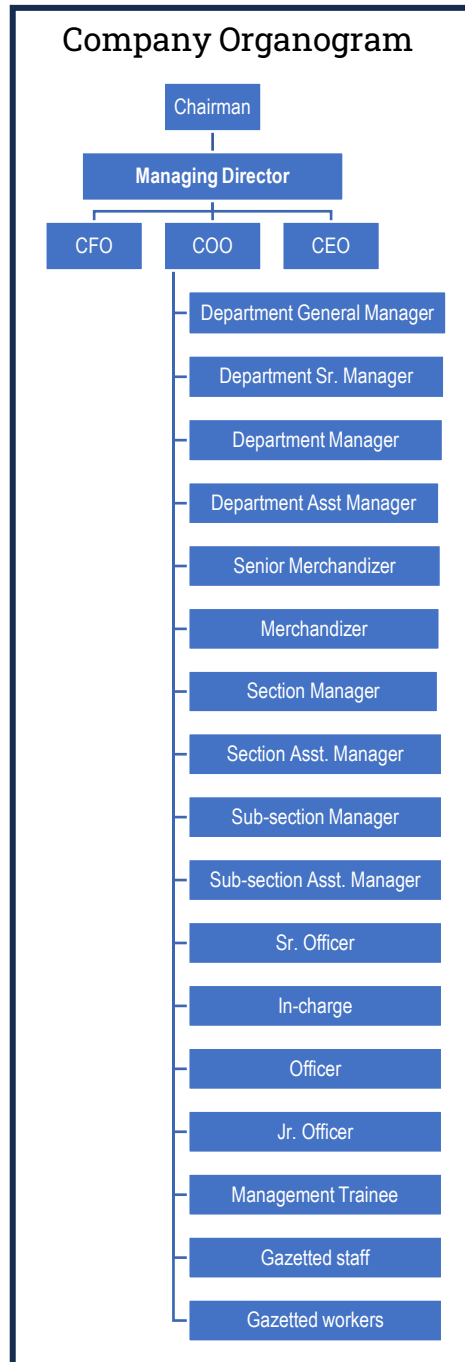
General Governance Structure

The company has the following governance structure:

General Assembly: Allows the shareholders to participate in the governance of the company. This assembly is held once per fiscal year.

CFO: Assigned the task to control the financial infrastructure and day-to-day tasks.

Internal Audits: Develops and monitors internal control procedures for the business operation.



Internal Audit and Control

Risk management: The company places great importance on risk management and ensures that appropriate risk management system is established.

Internal auditor: The internal auditor is responsible for the daily internal control. A random unannounced audit is conducted once in every week.

External auditor: An external auditor audits the company's financial statements. This is done once in every fiscal year.

Disclosure: Cute Dress has not yet decided to enlist as a public limited company.

MARKET PRESENCE

In 2025, we shipped out about 1,595,838 pieces of different types of garments for different countries all over the world. Out of this quantity 1,339,970 pieces are sustainable products with different labels like GOTS, OCS, BCI, Lenzing, GRS and RWS which seems to be a similar growth than last seasons.

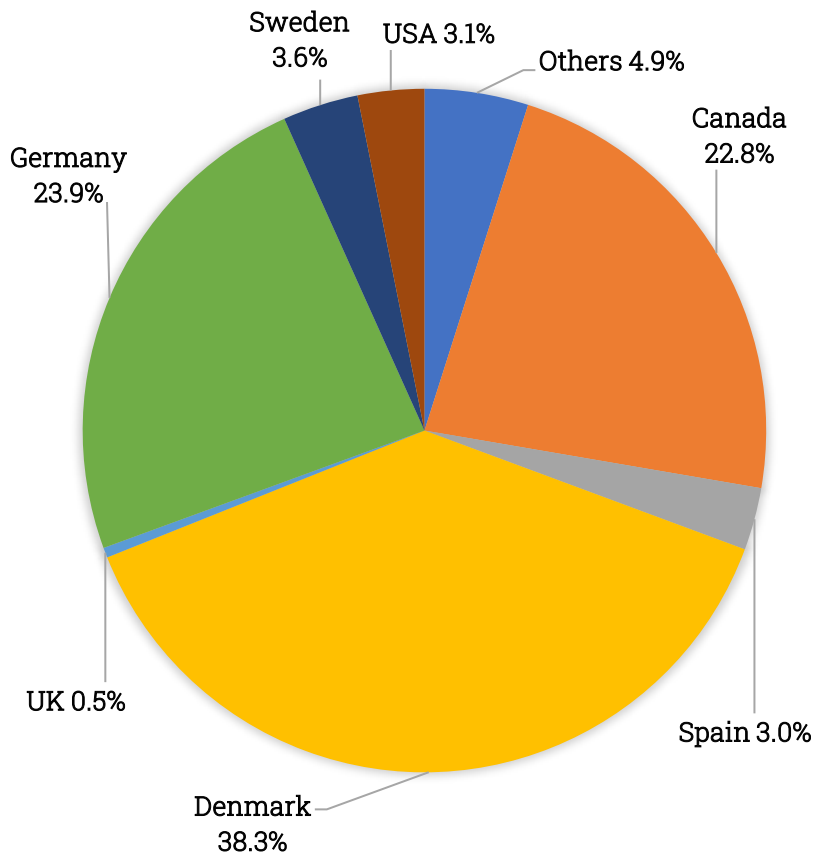


Figure 3: Indicating quantity-wise global market presence in 2025

Sustainable Products Quantity Demands in 2025

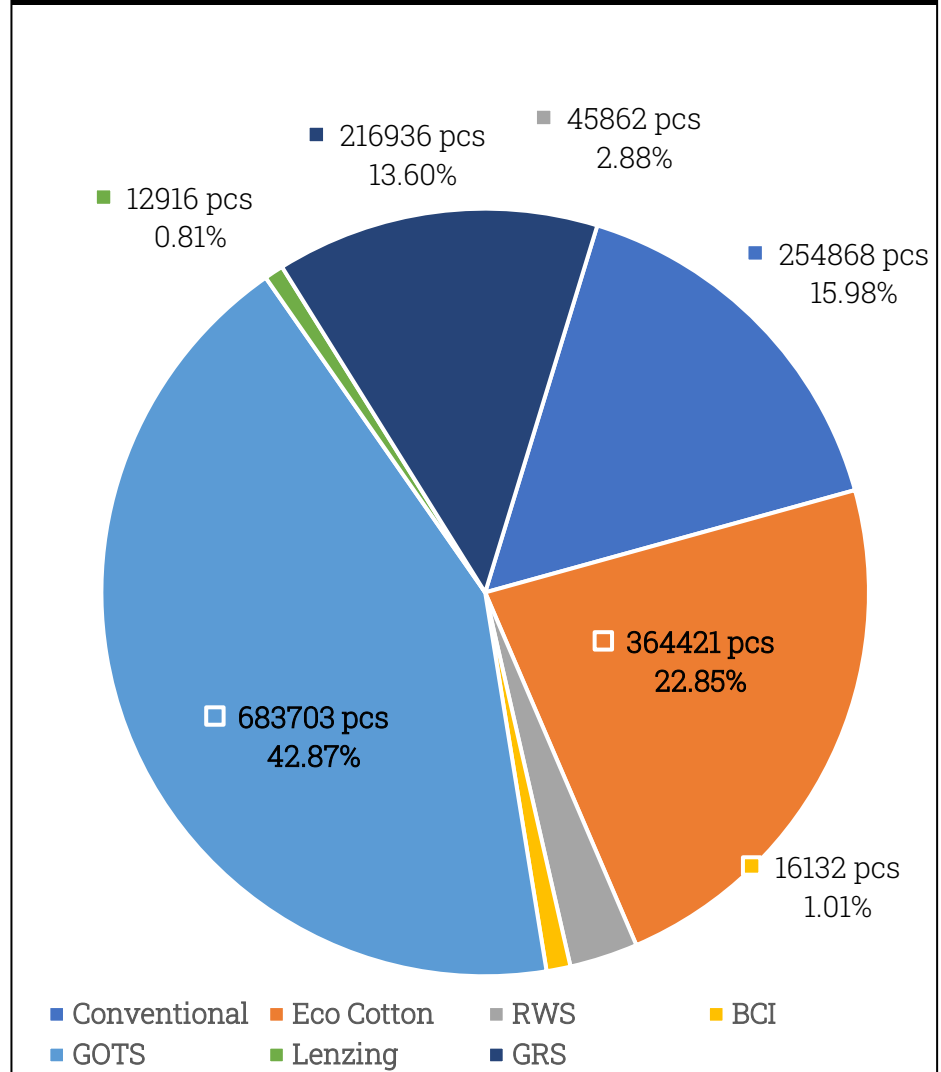


Figure 4: Indication quantity-wise diversification of certified product in 2025

AWARD



www.hey-social-good.com

The Social Good Medal Rating serves as an indicator of a company's notable achievements in community contributions and the adoption of sustainable practices. It evaluates a company's positive impacts in alignment with the United Nations' 17 Sustainable Development Goals, encompassing aspects such as Decent Work, Clean Water, and more. The assessment scrutinizes a company's sustainable practices, evaluating activities and operations from sourcing to packaging to distribution.

Hey Social Good has introduced a distinctive Social Good Assessment (SGA) tool designed to monitor the sustainable, philanthropic, social, and governance practices embraced by businesses, facilities, and enterprises. A "Social Good Company," as defined by Hey Social Good, directs efforts, funds, and resources toward addressing significant societal challenges through business practices that benefit both people and the planet.

In recognition of its outstanding performance in sustainability practices and social contributions, Cute Dress was honored with the '2021 Impact Excellence Award' by Hey Social Good, USA, in 2021.



Stakeholder Engagement

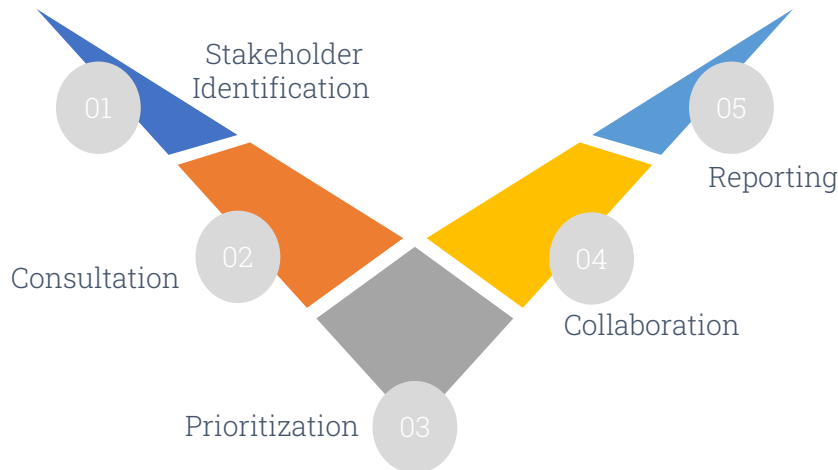


STAKEHOLDER ENGAGEMENT

Meeting the needs and expectations of the relevant stakeholders satisfaction is a key concern in our company values and we take care of it. We have internal and external stakeholders in our business process. The approach and the frequency of engagement with the stakeholders differ based on the category of the stakeholder. Cute Dress believes that stakeholder engagement is important to make a sustainable production process.

Stakeholder Identification and Engagement

Cute Dress follows a structured stakeholder engagement approach that includes stakeholder identification and prioritization, regular communication through formal and informal channels, feedback collection, and management review. Inputs from stakeholders are considered in our materiality assessment, operational planning, and continuous improvement actions.



INTERNAL STAKEHOLDERS

Our key stakeholders are our employees and their families. To maintain a committed and enthusiastic workforce we maintain several initiatives as below:

Participation Committee (PC)

At Cute Dress, collective bargain is practiced as per law. To make a trustworthy relationship between the workers and the company we formed a Participation Committee. They are elected by the workers through direct voting system. This committee is formed both from employers and employees.

The committee meets every two months to promote mutual trust, understanding and cooperation between the employers and the employees as well as to fulfil production target, reduce production cost and improve the quality of the products. They are working to effectively establish privileges as well as to improve welfare services for the workers and their families. Through the PC, workers can freely contact the committee to discuss any issue.

Grievance Mechanism

Apart from formal grievance procedures which are set up as per local laws, Cute Dress also has informal ways to resolve any sort of disputes quickly and effectively. The top management has an open-door policy and grievance boxes are provided to assist employees maintain confidentiality.

Cute Dress has established several channels for workers to file complaints, including anonymous complaints. These include suggestion boxes and an open-door policy. The Welfare Officers are responsible for handling complaints. The suggestion boxes are checked once in every week and the grievances are recorded. Appropriate actions are taken, and the results are reported back to the employees.

Welfare Officers

The Welfare Officers stationed at the factory complex oversee workers' concerns and problems and communicate with the Human Resource and other concerned departments as required. These Officers are involved with multiple tasks as shown below. Workers feel very comfortable expressing themselves to them. They handle every single case with great care & efficiency and maintain confidentiality depending on the sensitivity. Proper measures are taken immediately to resolve any concern over workplace or even workers' personal issues.

Roles of Welfare Officers:

- Maintaining first aid boxes and checklists
- Dealing with complaints from workers
- Registering and providing extra care to pregnant employees
- Ensuring washroom hygiene
- Coordinating and conducting trainings
- Facilitating meetings
- Informing workers of any changes in policies

EXTERNAL STAKEHOLDERS

In general, external stakeholders are our key partners who support us to improve ourselves; keep us aware about latest situation; assist us with the tools they have to offer and allow us to interact on what we feel.

We have several external stakeholders who are engaged with our supply chain, who offer us with different kinds of projects for the workforce, provide various export related documentation, communicate with industry association, get involved with media coverage, participating in trade shows, participate in discussion with buyers, knowledge partners and government.

The following infographic shows how we are communicating with our external stakeholders and keep ourselves well informed of the continuous improvement to keep Cute Dress continuing to remain as a sustainable manufacturing company.

Suppliers	Marketing team, sourcing team, procurement team, emails, meetings, audits etc.
NGOs	Emails, Meetings, Conferences, Workshops, Seminars, etc.
Service Provider	Emails, Meetings, Seminars, etc.
Industry Associations	Emails, Meetings with BGMEA, BKMEA; Interaction with FBCCI, DCCI etc.
Knowledge Partners	Emails, Trainings, Seminars, Workshops, Interaction with specified topics, etc.
Buyers	Purchase team, Designers, Technicians, Merchandizing, QCs, Emails, Exhibitions, Audits, Conferences etc.
Media	Communication Team, Press Release, Press Briefings, Interviews, Presentation, etc.
Government/Public sector	Interactions with different Ministries of Govt. of Bangladesh, Embassies, Donor Agencies etc.

Social Development



SOCIAL DEVELOPMENT AND SUSTAINABILITY

Cute Dress places paramount importance on People as one of the fundamental pillars of sustainable development. Recognizing that the vitality of our organization hinges on the well-being of our employees—both physically and mentally—we consider them an indispensable asset. Through a rigorous materiality assessment, we have identified our people as the most critical focus area.

In our commitment to fostering a thriving workforce, Cute Dress has instituted policies geared towards ensuring the health and happiness of our employees. We prioritize the provision of a comfortable environment, healthy working conditions, and a secure workplace. Our dedicated compliance department diligently oversees that all practices align with Cute Dress's unwavering commitment to establishing a safe and secure working environment for every employee.

Cute Dress is keen aware of the profound impact business practices can have on its employees and actively endeavors to serve their best interests. Our enduring dedication to safeguarding the well-being of our workforce underscores our belief that a thriving and contented team is integral to the sustainable growth of our organization.

EMPLOYEES WELFARE

Viewed from a comprehensive perspective, the well-being of employees play a pivotal role in shaping their perception of the workplace beyond a mere source of income. The prime objective of employee welfare is to establish a secure and nurturing work environment, fostering a sense of ownership among employees. This, in turn, contributes to stable productivity, economic development, and the overall sustainability of the business.

The positive impact of employee welfare measures extends to both the mental and physical health of the workforce, directly enhancing their efficiency, productivity, and the long-term sustainability of the business. Welfare facilities not only serve as motivational factors but also instill a sense of ownership in employees, promoting organizational longevity.

Cute Dress is steadfast in its commitment to develop a dynamic welfare motivation system. To this end, we have formulated a set of policies and procedures that are uniformly applicable to all employees. Our dedicated Welfare Officers, stationed at the factory complexes, address employees' concerns and problems, liaising with the Human Resources and relevant departments as needed. We firmly believe that sustaining compliance practices is a collective responsibility, extending from lower-level management to directors, rather than the sole duty of Welfare Officers. This shared accountability underscores our commitment to fostering a sustainable and supportive work environment at Cute Dress.

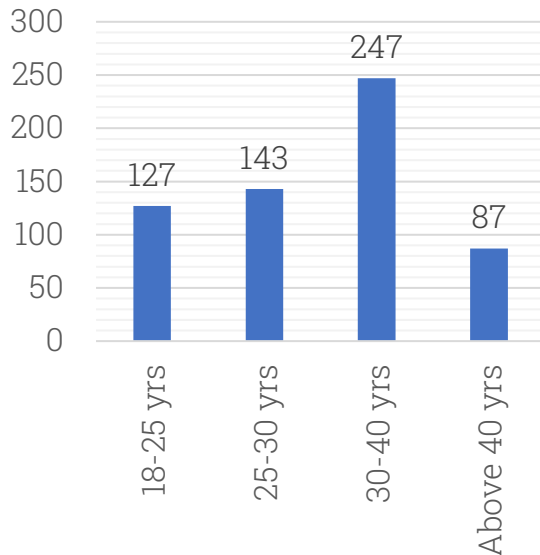
EMPLOYMENT MATRIX

From Jan 2025 to Dec 2025, we had around 604+ employees. The female male ratio was 57% and 43% respectively.

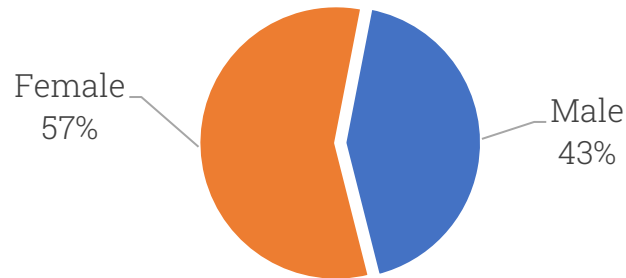
Every year we will analyse our employment matrix based on the charts mentioned here so that we can take necessary steps to make our production facility sustainable in terms of productivity, quality and capacity.

EMPLOYMENT BY AGE-GROUP

■ Number of persons



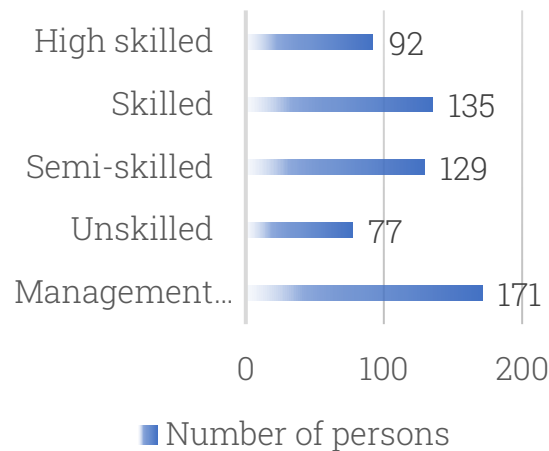
EMPLOYMENT BY GENDER



EMPLOYEE MIGRATION RATE IN 2025

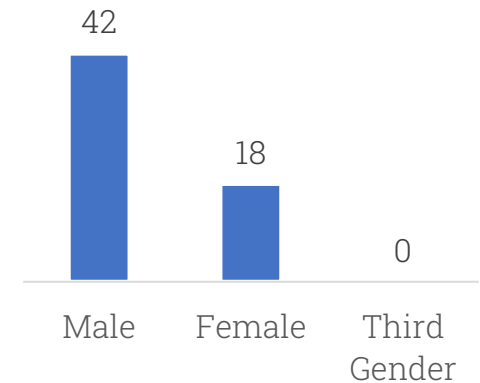
1.49%

EMPLOYMENT BY SKILL MATRIX



EMPLOYMENT BY NEWLY HIRED

■ Number of persons



FACILITIES

At Cute Dress, we provide two types of benefits to our employees; firstly, the legally required minimum benefits and secondly, additional benefits beyond legal requirements. On the other hand, employees receive onsite basic medicine for free, compensation for accidents etc.

Ergonomic workspace

Cute Dress ensures comfortable workspace for all employees. We have conducted ergonomic risk assessment of our employees and based on this we have installed appropriate furniture accordingly.

First aid facilities

First aid kits are available in all the first aid boxes and maintained properly. Cute Dress has 16 first aid boxes and 39 first aider. Every first aid box has two designated persons to control. Onsite first aid training has been conducted periodically. We have a dedicated medical room with a registered fulltime doctor and a nurse.

Canteen, dining area and rest room

Cute Dress provides to the employee a canteen, dining and rest room. In the dining hall more than 300 persons can sit in one batch. Canteen area has a kiosk for snacks.

Personal locker

Cute Dress provides to the employees a personal locker facility. Employees can use personal locker to keep their personal belongings.

Childcare facility

Cute Dress has a childcare facility with a breastfeeding room. A childcare attendee is taking care of eight kids as of now. Our childcare room is equipped with toys and other facilities. We provide food items to childcare room as per law.

BENEFITS

Lawful benefits

Cute Dress provides all kind of lawful benefits as per law. We have a compensation and benefits policy as below:

Minimum wage

Cute Dress provides minimum wage of BDT 12,500 as per law. Yearly increment is 9% and salary is always provided within first seven working days of the month.

Overtime

Overtime payment is in accordance with the local law to all the workers of the factory. Overtime calculation formula = (Basic Salary x 2 x OT hours)-208.

Leave and maternity

Cute Dress provides 120 days of maternity benefit as per law and company policy. In 2025, total 5 persons of our female employees was entitled for maternity leave. In addition, Welfare Officer is responsible to provide necessary advice to female workers regarding maternity issue. We also provide other leave as per law like sick leave, causal leave, festival leave, earned leave etc. We have a procedure to encash earned leave as per law. We also have nutrition support for the expecting mothers during the working hours.

Others benefits

Cute Dress provides two festival bonuses every year as per law. In addition, we have service benefit procedure as per law.

Additional benefits

Cute Dress provides the following additional benefits to employees as per company's own policy and these are beyond the lawful requirements:

Paternity leave

Cute Dress provides paternity leave to male employees when his pregnant wife hospitalized for delivery. As per policy, if a male worker is employed for more than six months in the company, he will be entitled to have two days paternity leave. Total 27 male employees enjoyed this facility in 2025.

Attendance bonus

Cute Dress provides attendance bonus for all workers. The aim of this bonus is to reduce absenteeism, and an internal policy is maintained for this purpose.

Other activities

Cute Dress arranges Ramadan breakfast, birthday celebrations, new year celebration, women's day, safety day, world environment day etc.

PROJECT ‘HAPPY FACES’

Cute Dress places the highest priority on employee wellbeing. We strictly comply with all applicable laws and international codes of conduct, while striving to exceed minimum standards to enhance employee satisfaction. Through our “Happy Faces” initiative, we are investing in improved facilities, supportive programs, and workplace practices that go beyond compliance—creating a positive environment where our workforce feels valued, motivated, and respected.



Free Transportation

Cute Dress operates seven shuttle bus services between designated pickup/drop-off points and the factory. Although costly, it supports safe and timely commuting and improves attendance. We also monitor vehicle fitness, driver performance, and valid driving licenses.

Personal Hygiene Support

We provide free sanitary napkins to all female employees during working hours to support comfort and dignity. Distribution is managed by our on-site nurse.

Decent Working Hours

Cute Dress complies with local labour laws on working hours. Overtime is planned within capacity and timelines, limited to a maximum of two hours per day and twelve hours per week, with at least one day off in every seven-day period.

Inclusion

We create suitable job opportunities for minority groups, including persons with disabilities, third-gender individuals, indigenous people, and senior citizens. The premises are wheelchair accessible.

Annual Medical Check-up

Employee wellbeing is a priority. Since 2019, we have continued a Hepatitis B screening program for employees and maintain a full-time medical team for on-site care. In 2025, 148 employees received occupational health-related diagnosis/support.

Ergonomic Workplace

To reduce fatigue and muscle strain from repetitive work, Cute Dress has introduced ergonomic furniture to improve comfort and productivity.



HELATH INSURANCE

The well-being of our employees are very important as per our core business philosophy. We really do care about their physical health including mental health condition. But due to lack of Bangladesh under developed healthcare system, it is difficult for our employees to get proper treatment with their income source.

So we signed up with Ganashashthay Kendro under financial assistance from the Netherland Development Organization (SNV) to support our workers health treatment cost up to BDT 25,000 per annum including test, hospitalization and medicine. In this project, employees contribution will be BDT 600. Our employees are very happy with this collaboration as their cost for healthcare dropped down to almost nothing.

In 2025, total 498 personnel took service from this initiative which is worth of BDT 392,850.-



FINANCIAL INCLUSION THROUGH FINTECH

We become partner with WAGELY. Wagely is an initiative for financial wellness for everyone with a mission is to provide a sustainable solution for all employees in breaking the cycle of debt caused by overdraft fees, high-interest credit or pay day loans and play a leading role in building financial wellness for lower- and middle-income workers in Asia.

We have signed up with Wagely in August 2022. In 2025, total BDT 5,882,134.- withdrawn through this APP by our employees.

For more details please visit www.wagely.app



পরিবার পরিকল্পনা অধিদপ্তর

FAMILY PLANNING CORNER

We establish 'Family Planning Corner' in our health centre with the assistance of Directorate of Family Planning of Bangladesh. All our employees get all kind of family planning materials for free. This initiative helps a lot to our employees to enjoy a hassle-free family life and cost saving service from their income. Total 225 persons of employees taken service in 2025.

ETHICAL TRADING OUTLET

The “Fair Price Shop” model is widely practiced in Bangladesh’s RMG sector, where factories operate small outlets to help employees buy daily essentials quickly and at affordable prices.

Cute Dress has introduced its own Fair Price Shop within the facility to support employee wellbeing. Here, employees can purchase essential non-perishable household items at wholesale prices, which is especially convenient during long working hours—allowing them to pick up necessities before boarding the bus home.

To ensure quality service and accountability, the shop is managed directly by Cute Dress through a dedicated staff member rather than third-party vendors.



SOCIAL INCLUSION INITIATIVE

As part of our commitment to social inclusion and equal opportunity, Cute Dress has opened employment pathways for persons with disabilities and other underrepresented groups. We currently employ **6 differently able employees**, including both female and male colleagues with physical challenges. Our factory infrastructure is designed to be accessible and supportive, helping ensure safe movement and a dignified working environment.

Through collaboration with the **Centre for the Rehabilitation of the Paralysed (CRP)**, we have recruited **one male and one female employee**, assigning roles that match their skills and physical capacity. This partnership remains ongoing, and we plan to create additional opportunities in the future based on operational needs. More information about CRP is available at www.crp-bangladesh.org.

Beyond physical disability inclusion, we are also exploring partnerships to employ individuals with **mental health challenges**, **qualified senior citizens**, and **third-gender** individuals. This initiative is an important part of our social inclusion program—promoting dignity, reducing stigma, and ensuring that economic opportunities reach every segment of society.



TRAINING PROGRAMS

Cute Dress believes training and skill development are essential for improving performance, safety awareness, productivity, and leadership. We prioritize continuous learning through a structured training calendar and provide regular training to employees at all levels on technical skills, compliance, workplace safety, and leadership development like:

- New employee orientation
- Health, nutrition and safety
- Family Planning, Trauma & Illness
- Fire Fighting
- Personal protective equipment awareness
- Training on legal law and rights
- Chemical handling
- Waste management
- Environmental awareness
- Factory policies
- Workers' rights and responsibilities
- Lifting and carrying procedures
- Electric safety and boiler operation
- First Aid and Rescue
- Discrimination, harassment and abusive behavior
- Anti-harassment, anti-abuse, anti-bullying
- Anti-corruption
- AIDS and other transmittable/non-transmittable diseases
- Water, energy saving and tree plantation
- Grievance handling
- Maternity benefit and calculation
- Quality Assurance
- Pregnant female worker awareness training
- Risk Assessment
- Awareness training on security procedure
- Use system and control of sharp tools in working station

In 2025, total training hours conducted = 10,252.86 hrs.'
i.e. 18.18 hrs./person

Skill Development Training

Cute Dress works for continuous skill development of its workforce. We arrange continuous training for new employees, operators & supervisors to create a wide job opportunity and to ensure quality of the product. In 2019 we developed a training curriculum from "SHUDOKKHO" a private skills training program funded by UK Aid and SDC. With the continuation of same concept in 2025, total 21 entry level workers have received training to upgrade them as sewing operator and total 29 workers upskilled from their existing skill level.



Established in 2015, Better Work Bangladesh has been an essential facilitator of growth and expansion of the Ready-Made Garment industry. In Bangladesh, Better Work is focused on promoting decent work, empowering women and inclusive economic growth. Launched in 2020, Better Work Bangladesh's Learning Hub has risen to meet industry demand for institutional capacity building of constituents and has since been a key driver of knowledge sharing.

“Better Works” program is conducting below trainings at our facility:

- 5s
- Reproductive Health
- Capacity Building for Welfare Officers
- Workplace Communication (Workers)
- Compensation and Benefits
- Crisis Leadership
- Factory Ambassador
- Financial Literacy
- Gender Equality
- Leadership Skills
- Learning Sharing Session
- Negotiation and Collective Bargaining
- Nutrition
- Problem Solving
- Participation Committee
- Sexual Harassment and Prevention
- TOT-Sexual Harassment and Prevention
- Supervisory Skills
- Training for Facilitators
- HIV & AIDs Awareness
- Management System
- Compliant Committees
- Workplace Violence
- Worker Rights and Responsibilities

MOTHERS @WORK

Better Work launched the programme Mothers@Work in partnership with UNICEF in Bangladesh. The national initiative was designed to protect the wellbeing of mothers and to ensure that their children receive adequate early nutrition. Since 2017, Better Work Bangladesh (BWB) has implemented the special initiative in 103 partner factories. We are one of the factories who is collaborating with this project.

The Mothers@Work programme sought to promote seven minimum standards related to maternity rights and breastfeeding at work:

- Breastfeeding rooms in enterprise sites with female employees where nursing mothers can breastfeed or express breastmilk and store the milk
- Breastfeeding breaks for nursing mothers – that is, 30x30 minute breaks in addition to lunch breaks and flexible working arrangements
- Childcare services and early education for pre-school children
- Maternity leave according to legal provision (for at least six months)
- Cash and medical benefits to women who go on maternity leave
- Employment protection and nondiscrimination for all workers – guaranteed right to return to work in the former or an equivalent position
- Ensuring health protection of pregnant or nursing mothers, who should not be obliged to perform work that can harm the mother or the child.



OCCUPATIONAL HEALTH AND SAFETY

Global garment employees face significant occupational vulnerabilities, with health issues being a prominent concern in the readymade garment (RMG) sector, particularly in South and Southeast Asia. The unhygienic and unsafe conditions prevalent in many RMG factories compromise the well-being of workers. Cute Dress prioritizes employee safety, rejecting hazardous equipment and unsafe premises. We avoid the use of hazardous chemicals, with designated hazardous areas located separately and equipped with safety measures.

Our commitment to safety includes the provision of Personal Protective Equipment (PPE) for authorized personnel in specific areas. Yearly health check-ups, documented injury registers, and prompt accident reporting to government authorities are integral components of our safety protocols. Cute Dress adheres to local laws and international safety standards, maintaining an occupational health and safety committee and a comprehensive safety monitoring system.

To create a safe work environment, Cute Dress conducts monthly risk assessments across facilities, communicates identified risks to employees, and regularly convenes safety committee meetings. Our focus extends beyond physical health to overall well-being, mental health, and preventive healthcare measures. With a full-time medical team and 100% group insurance coverage, we prioritize employees' health through regular check-ups, training sessions, and awareness programs.

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, Cute Dress aims to maintain a safe and healthy work environment, ensuring the well-being and longevity of our workforce.

Safe workplace

Prioritizing the safety of employees, equipment, and business premises is essential for Cute Dress. We view workplace safety as the primary means of ensuring the well-being of our employees. The factory premises are regarded as the employees' second home, and Cute Dress is dedicated to fostering a safe and comfortable environment. We firmly believe that a secure workplace not only minimizes accidents but also reduces costs associated with employee compensation, decreases downtime, and cuts down on retraining efforts. Adhering to national laws, we follow established compensation protocols based on the type of injury, as outlined in the Bangladesh Labour Law 2006. Enhancing employee performance is a direct outcome of promoting injury prevention awareness and instilling confidence in the active role management plays in safeguarding their well-being.

Risk Management

Cute Dress places significant emphasis on risk assessments to ensure a safe workplace. Our robust risk management systems are crafted to protect all assets, preventing any potential harm to individuals and properties. Regular risk assessments, encompassing health and safety, electrical, and fire risks, are conducted and reviewed across Cute Dress, including production processes, machinery, and utility areas, on an annual basis. Information regarding these assessments is prominently displayed on notice boards in specific areas.

To address the measures identified in risk assessments, Cute Dress has a comprehensive risk assessment policy that is communicated to relevant personnel for follow-up. In 2025, we conducted a risk assessment to gather employee feedback on working conditions and overall safety measures. Our safety committee members actively participate in the risk assessment process, and the identified risks and preventive measures are communicated to employees through safety committee meetings and training sessions. Relevant personal protective equipment (PPE) is determined for all areas based on the risk assessment, and clear PPE usage signs are displayed in different zones throughout the facility.

Drinking water

Accessible drinking water is provided across all production floors and in the dining area at Cute Dress. A dedicated drinking water trolley is available to dispense water on the production floor, and additional drinking water points are strategically placed on each floor. As part of our commitment to water quality, Cute Dress conducts an annual drinking water test. This comprehensive test, carried out by a government-approved organization, ensures that the water remains free from contaminants such as arsenic, iron, pH imbalances, and other harmful germs.

Washing facilities

Employees have access to gender-specific, clean and private toilet facilities. Two cleaners keep the washrooms neat and clean and equips them with adequate soap, slipper and towels. Cute Dress has a total of 51 washrooms.

Medical facility

Cute Dress has a dedicated medical room with a registered doctor and nurse available. In addition, first aid kits can be found in all the first aid boxes and are maintained properly. As required by law, Cute Dress has sufficient first aid boxes and first aiders as per law. Cute Dress provides regular training for first aiders on first aid activity. We provide basic medicine free of cost.

In 2025, total 4,324 persons has taken service from our inhouse medical centre. As per our record, we provided consultation and basic medication for 7.03% transmittable and 92.97% of non-transmittable disease.

Healthy Workplace

Cute Dress is dedicated to ensuring a healthy workplace for its RMG employees. Since 2018, we've implemented a robust health and safety policy in line with local laws, ILO conventions, and Buyer's Code of Conducts. A safety committee, comprising both employees and management representatives, actively oversees health and safety matters, conducting regular meetings to address concerns on the production floor. We prioritize comfort by maintaining suitable temperatures, installing windows and exhaust fans, and monitoring cleanliness with a daily schedule. Our commitment to employee well-being is a cornerstone of our operations.



Physical exercise during working hour

From 2023 and onward, we implemented a daily 10-minutes physical exercise routine for all our employees at 11 am, designed to enhance their overall well-being. This proactive initiative aims to alleviate work-related fatigue and promote a more balanced distribution of physical strength among our workforce. By incorporating these brief exercise sessions into our daily routine, we aspire to create a healthier and more energized work environment. This not only contributes to the physical fitness of our employees but also fosters a sense of camaraderie and shared commitment to a healthier lifestyle within the workplace.

Employment Injury Scheme (EIS)

In 2024, as part of our unwavering commitment to social responsibility, we are proud to be enrolled in the Employment Injury Scheme (EIS) pilot project, led by the International Labour Organization (ILO). This initiative ensures that our workers receive timely compensation and medical care in the unfortunate event of workplace injuries, reinforcing our dedication to their safety and well-being. By proactively supporting this program, we are contributing to a more secure and resilient workforce, aligning with global best practices in social protection and responsible manufacturing. Our brand partners can take pride in knowing that their supply chain is built on a foundation of care, fairness, and ethical responsibility.

Internal Audit Policy

In order to maintain a robust internal occupational health and safety management system, the factory has established an internal audit team. Comprising representatives from compliance, human resources, fire and safety, as well as welfare, the team conducts internal audits on a semi-annual basis. Following each internal audit, the team organizes a meeting to discuss findings, analyze issues, and propose preventative and corrective actions. This systematic approach ensures the ongoing effectiveness of our occupational health and safety measures.

Emergency procedure

Unrecognized hazardous conditions may occur that could aggravate an emergency situation and we can only prepare our company by developing an emergency plan and a procedure. Below are our emergency procedure initiatives taken:

Emergency evacuation procedure

Emergency exits are located on each side of the working area at Cute Dress. A minimum of two exits can be found at opposite direction of each other in all the required areas. All the exits are unlocked and marked. Cute Dress has installed outward fire resistance doors. The production floor is well ventilated. Exit signs and emergency lights are installed. Evacuation plans are posted in each stairway.

Emergency response team

The firefighting team is considered as the emergency response team of the factory. The team consists of 39% of the total employees to protect rest of the 61% employees. Those employees are trained to handle emergency situations. Individual responsibility has been assigned for individual team members who are allocated on a specific floor as well as section. Regular mock drills are conducted at Cute Dress. The contact details of the member of emergency response team leader is displayed at each floor exit.

Training and awareness program

Cute Dress has an annual training and awareness program considering all the employees. Cute Dress has spent a total of 48 hours on firefighting training for each participant last year. Moreover, all employees have participated in a training arranged by ACCORD/RSC on emergency response.

Workplace injury and immediate action

Cute Dress keeps injury records (major and minor) and makes yearly summary. An injury related report has been prepared in 2025 and sent for a check by the concerned government authority. A total of 23 minor injuries happened in 2025 and among them 80% were minor needle injuries. But no fatality due to work-related injury or ill health was reported in 2025. Moreover, Cute Dress counts the total lost days due to injury to be able to prevent future occurrence. Cute Dress has conducted an additional injury root cause analysis in 2025 and as a result: introduced preventative and corrective actions. Based on every injury we make an investigation report and provide awareness as well as one to one counselling. Consequently, employees have been trained on the identified root causes and introduced with corrective actions to prevent accident recurrence.

Furthermore, as a preventive action a workplace risk assessment has been done in 2025 to identify workplace hazards. It includes workplace injury, near misses, in all the production and non-production areas and facility workplace.

Internal monitoring options like a medical facility, medical kits, a doctor, a nurse and, first aider are available to respond immediately on any injury related matter.

Workplace Safety Measures

Ensuring work place safety is the top priority at Cute Dress. Based on the risk assessment in 2025, Cute Dress determines relevant personal protective equipment (PPE) for all areas. The PPE using sign is posted in different areas. The required PPE is free of charge for employees and all employees in relevant areas are wearing proper PPE. Cute Dress has taken different safety measures to make the workplace safer. In doing so, Cute Dress considers three major main areas: fire safety, building safety and electric safety. We have a safety committee consists of eight members, four from workers and four from management.

Building safety

Our building approval was taken from Executive Engineer of “Dhamrai Upazila” in January 2018 and building safety audit was done by ACCORD. Also Detailed Engineering Assessment (DEA) has been conducted and approved by ACCORD. Building layout approval was taken on February 2018. A designated concern Engineer monitors and observes building structure and other safety areas and prepares a summary on an yearly basis. In addition, the factory is certified from U.S. Green Building Council (USGBC). Cute Dress achieved “Platinum” category certification scoring 87 points out of 110 points. Cute Dress always prioritise building security and uses power saving equipment.

Electrical safety

Cute Dress has an electrical safety policy to reduce electrical risks. Cute Dress maintains local law and international standard as well as their buyer CoCs (Code of Conducts) to ensure electrical safety. We have appointed experts such as Electrical Engineers, Mechanical Engineers and certified Electricians at Cute Dress for electrical activity. The general cabling system for building is designed according to local law. Permanent conduit wiring is in good conditions with no broken junctions or wires sticking out at the ends of the conduit. Electrical wiring and wiring rails are kept properly. Also storage of materials in and around all electrical panels, transformers etc. are kept away to allow immediate access in the event of an emergency and prevent fire from arching parts. In addition, the facility inspects all electrical insulation resistance, earthing performed by government approved third party authority on a yearly basis.



Safety Committee Members from Workers

Fire safety

Cute Dress has its own Fire safety policy. A fire safety license has been obtained from the government authority. It covers all areas. Cute Dress has an emergency fire safety response team as well as, a fire and safety concern personnel to ensure fire safety at the workplace. Cute Dress regularly arranges a fire safety training for all employees. These trainings shall help them to respond to any emergency fire condition. Cute Dress has installed necessary fire and safety equipment such as fire extinguisher, fire hose, automatic fire alarm system, fire hydrant system, smoke detector, emergency light.

HUMAN RIGHTS

Cute Dress adopts a responsible and proactive approach to human rights, addressing key issues such as child labor, forced labor, discrimination, freedom of association and collective bargaining, and anti-corruption. The company is committed to protecting workers' fundamental rights and supporting decent living standards in line with applicable national laws and internationally recognized standards. This commitment helps maintain a safe, respectful, and sustainable workplace, while strengthening mutual trust between management and employees. During the reporting period, no cases of human rights violations or discrimination were reported through the company's grievance channels or identified through internal monitoring.

Child Labour

Cute Dress maintains a strict zero-tolerance approach to child labor and prohibits its use in any form of work. This commitment is embedded in the company's recruitment and hiring practices. A written policy and procedure define the minimum age for employment, and these requirements are consistently applied.

Recruitment at Cute Dress begins only after confirming that a candidate meets the legally required minimum working age. Age verification is conducted through valid documentation, such as a national ID card, birth certificate, school certificate, or an age certificate issued by a registered medical practitioner.

To prevent any risk of underage employment, Cute Dress applies careful screening throughout the hiring process. If standard age-related documents are unavailable, the candidate's age is verified through assessment and certification by a registered doctor engaged by the factory.

Forced Labour

Cute Dress is committed to voluntary employment and maintains a clear, documented policy prohibiting all forms of forced labor. In line with applicable laws and regulations in Bangladesh, the company does not employ bonded, indentured, trafficked, or prison labor. All recruitment is managed directly by the HR department, and Cute Dress does not use labor brokers or recruitment agents. Overtime is voluntary, and employees have the right to refuse overtime work.

The company maintains defined policies on regular, and overtime working hours and seeks to accommodate leave requests and early departures in accordance with operational requirements and applicable laws. Employees' freedom of movement is respected, with only reasonable security controls in place to protect people and property. Cute Dress also provides training and guidance for personnel involved in recruitment and hiring.

To support implementation, Cute Dress has established policies, procedures, and internal oversight mechanisms to prevent forced labor risks. The compliance team and welfare officers monitor adherence, address concerns, and support corrective actions where needed, reinforcing the company's commitment to ethical employment practices.

Non-discrimination

Cute Dress ensures that employment terms and conditions are solely based on an individual's ability to perform the job, without consideration of personal characteristics or beliefs. The company upholds equal pay for equal work, irrespective of gender, ensuring that male and female employees receive comparable compensation for similar job responsibilities and experience. Notably, Cute Dress neither requests nor conducts pregnancy tests during or after the recruitment process.

To further reinforce its commitment to non-discrimination, the facility has established a comprehensive policy and procedures. This framework ensures compliance and outlines remediation measures when necessary. The non-discrimination policy is prominently displayed in various areas, particularly on the policy board, using local language for clear visibility to all employees. Cute Dress management conducts regular training sessions to raise awareness about discrimination, fostering a workplace environment that values equality and diversity.

Freedom of association and collective bargain

Cute Dress has established a comprehensive policy and procedure concerning Freedom of Association, which is effectively communicated to all workers. We uphold and respect the freedom of each employee to decide whether or not to join a workers' association. While the facility currently does not have a trade union, it has instituted a Participation Committee (PC) as an alternative means. The formation of the PC was carried out through a lawful election process.

In 2024, an election for the PC committee was conducted, resulting in the selection of twelve members, six representing workers and six from the management. Regular meetings between the workers' representatives and the management take place every two months. Meeting minutes are meticulously recorded by the facility, communicated to the workers through notice boards, and submitted to the Labour Department as required by law.

The workers' representatives or committee members actively contribute to addressing any issues related to working conditions within the factory. The management consistently maintains a positive approach in resolving concerns raised by PC members, demonstrating a commitment to effective communication and collaborative decision-making.

Anti-corruption

Cute Dress upholds a robust anti-corruption and anti-bribery policy as part of our commitment to conducting business in an honest and ethical manner. Our approach is one of zero tolerance towards bribery and corruption. We pledge to engage in all business dealings and relationships professionally, fairly, and with unwavering integrity. The purpose of this policy is to establish controls that ensure compliance with all relevant anti-bribery and corruption regulations, fostering socially responsible business conduct.

To disseminate and reinforce this policy, Cute Dress has conducted training sessions for staff, workers, and management, in addition to prominently displaying the policy on the company board. As a proactive measure, we have announced a reward of BDT 2,000 for anyone providing information about corruption or bribery within the factory. This initiative underscores our commitment to maintaining transparency and accountability in all aspects of our business operations.



GRIEVANCE MECHANISM

Cute Dress believes that acknowledgement of grievances and its solution could drive factory to achieve its ultimate goal. Cute Dress created grievance mechanisms to learn and resolve both employee and external concerns and maintain harmonious relationships between workers, factory management and the community. Overall grievance mechanism of the facility is divided into two parts: Internal and External.

Internal Grievance Mechanism

Cute Dress is aware that workers often lack options and resources to protect themselves from unfair treatment at work. This awareness has driven the determination to establish multiple internal grievance channels with multilingual access to hear and resolve complaints in a way that ensures confidentiality and non-retaliation.

Grievance handling Committee

Cute Dress has a Grievance Handling Committee including workers committee members, Welfare officer and member of the management team who exercise the grievance procedures very professionally and encourage employees to express their concerns without hesitation through the complaint management system.

Way of lodging grievances

Workers feel comfortable sharing any concern that they might have with the Welfare Officers. Cute Dress processes the grievances both formally and informally. These include:

- **The Suggestion Box:** Workers can put in their issues in written form and drop them in the boxes confidentially. Multiple boxes are placed on each floor. Designated people check them every week and the grievances are recorded in a register and resolved by the Grievance Committee immediately.
- **Open Hotline No:** +880 1716 628825, however this number is not free of charge.
- **Verbal complaint:** Workers can inform verbally to Officers from the Welfare, Compliance, Human Resource (HR), and/or Admin departments or to their Supervisor or Line Chief.
- **Digital media:** Workers can write email to hr@cutedress.net
- **QR Code:** we have generated QR code to lodge online compliant submission

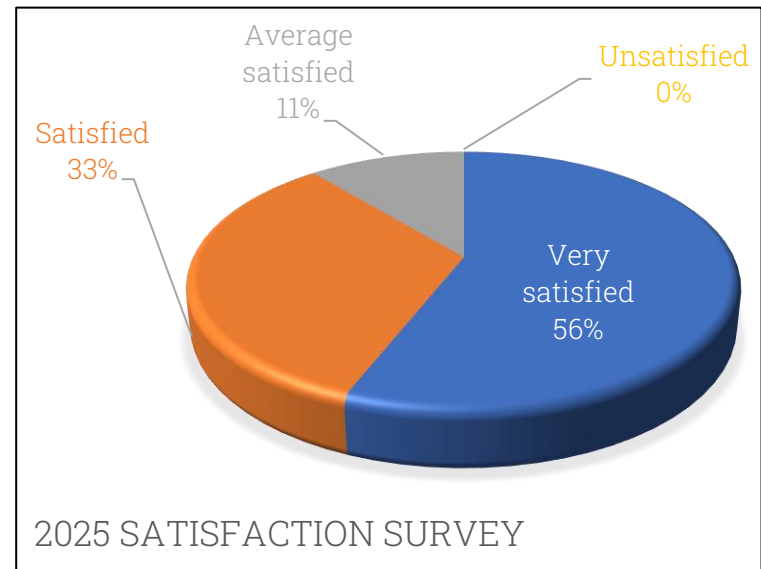


External Grievance Mechanism

Cute Dress initiated two mechanism on collecting grievances from external people including local community. A suggestion box has been placed outside the factory premises to collect grievances from community. There is an open hotline number through which anyone can raise any concern. Grievance handling procedure for external grievances are same as Internal grievance handling.

Survey on Grievance Mechanism

To be informed about the effectiveness of grievance mechanism, Cute Dress has conducted survey on Grievance mechanism with 100% of its employees in 2025. Feedback was positive from the workers and all workers are happy about the grievance mechanism. In 2025, we resolved 7 written and 29 verbal total 36 of grievances.



AUDIT UPDATES



The Business Social Compliance Initiative (BSCI), now operated under **amfori BSCI**, is a widely recognized supply chain management system that supports brands and suppliers in improving social compliance and working conditions across global supply chains. The framework is aligned with key international standards, including **International Labour Organization (ILO)** conventions, the **UN Guiding Principles on Business and Human Rights**, and the **OECD Guidelines for Multinational Enterprises**. It promotes responsible employment practices such as fair working hours, safe and healthy workplaces, non-discrimination, freedom of association, ethical recruitment, and protection from harassment and forced or child labour.

Cute Dress is an amfori BSCI-audited factory. Out of **13 Performance Areas (PA)**, we achieved an **'A'** rating in **12 areas**, which indicates strong performance in social compliance, labour rights, and working conditions. We have been maintaining this level consistently for several years through structured systems, regular internal monitoring, worker awareness programs, and management commitment to corrective actions and continuous improvement.

We view BSCI not only as an audit requirement, but as a management tool to strengthen transparency, accountability, and responsible business culture across our operations. We remain committed to improving further and sustaining international best practices. For more information, please visit www.amfori.org



On 14 January 2020, representatives of BGMEA and the Steering Committee of the Accord on Fire and Building Safety in Bangladesh signed an agreement to transition to the RMG Sustainability Council (RSC). Accordingly, from 1 June 2020, the RSC assumed the operations, staff, policies, and infrastructure of the Bangladesh Accord office.

The RSC is responsible for conducting health and safety inspections, monitoring remediation progress, delivering safety training, and managing safety complaints. It ensures transparency by making key programme information publicly available, including initial inspection reports and updated Corrective Action Plans (CAPs).

Through the RSC framework, covered factories are required to complete outstanding CAPs and verify that all safety issues are properly remediated. Labour-management Safety Committees are also strengthened to monitor workplace safety on a daily basis. The RSC operates under the laws of Bangladesh and works in close coordination with relevant government regulatory authorities.

Our ID No. 12239 and factory CAPs and remediation updates will be found in this link: <https://rsc-bd.org/en/factories>

Once the final audit will be done and the 'Letter of Recognitions' will be issued; we will update the record here.

AWARD



Upon the recommendation of our partner brands in Denmark, Cute Dress was chosen to participate in the pilot project 'Step Up,' in collaboration with Danish Fashion and Textile, Denmark. This initiative, facilitated by the Bangladesh Garment Manufacturers and Exporter Association, WEAR/Danish Chamber of Commerce, and Danish Fashion Institute, is a capacity-building program focused on CSR and compliance improvements, incorporating due diligence management and productivity enhancement concepts.

In recognition of our outstanding commitment and extraordinary efforts within the 'Step Up' project in Bangladesh, Cute Dress was honored with an award and acknowledged as a symbol of 'responsible production as a business driver.' As an award-winning company, Cute Dress had the opportunity to showcase its 'sustainable product' at the Innovation Forum during the Copenhagen Fashion Summit in 2019. The company received acclaim from numerous brands participating in the summit, highlighting its notable contributions to responsible and sustainable production practices.



Environmental Development



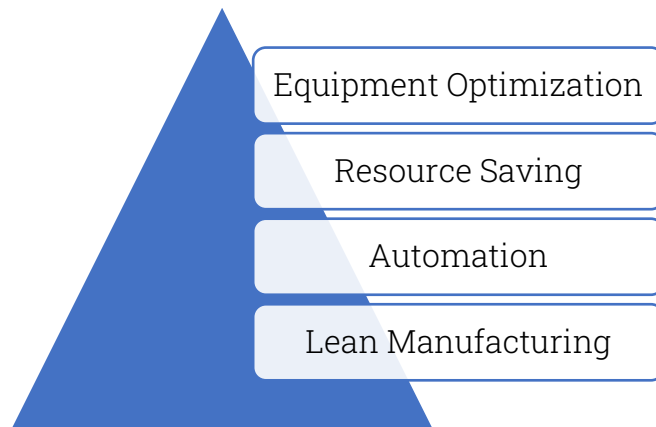
MAJOR PROCESSES

The environment and ecosystem are fundamental to human survival and future generations. However, certain practices within the RMG industry have contributed to environmental degradation through water, air, and noise pollution, placing increasing pressure on natural resources and public health.

In response to these global challenges, governments, environmental organizations, and businesses worldwide are working toward more sustainable practices. In line with this direction, Cute Dress places environmental sustainability at the core of its operations. We continuously work to reduce our carbon footprint, optimize water use, improve energy efficiency, and strengthen responsible waste management. We are also committed to conserving resources and supporting environmental regeneration wherever possible.

How do we act?

We focus on continuous improvement across our entire value chain—from sourcing raw materials to delivering finished garments. By eliminating non-value-added activities and improving operational efficiency, we aim to deliver quality products on time while minimizing environmental impact.



Equipment Optimization

Cute Dress has designed a default set of operations to optimize the environmental impacts from 2019. As per company policy when we buy an equipment, first we consider all environmental parameters like energy consumption, waste control process, efficiency etc. before we look into its price and other services. For example, when we chose to buy our lights in the factory we have chosen LED lights even though it was a big investment. When we bought our VRF (Variable Refrigerant Flow) system we considered COP (Coefficient of Performance) value and energy efficiency rather than buying a cheap one.

Resource Saving

Saving raw materials and resources are key processes in our production system. We always double check when we cut fabrics and use materials so that we can save resources. Plus, we also monitor the use of energy and water in our process so that we can save at the optimum level.

Automation

We have started adopting automation in our process. In 2020, we invested more in process automation like sewing machine with auto thread cutter, high efficient sewing machine, energy saving vacuum iron table etc. However, CCTV, LAN, Access Control etc. infrastructure are also installed. We are in progress to implement our Industry 4.0 automation in all our processes.

Lean Manufacturing

Lean manufacturing is a business model and collection of tactical methods that emphasize eliminating waste while delivering quality products on time. From the day one of our operation, we have started practicing it and our whole operation is run by a professional IE (industrial Engineer) team.

ENERGY CONSUMPTION

Natural gas is the main energy source in Bangladesh, and most grid electricity is generated using natural gas and other fossil fuels, with diesel and fuel oil used as backup. SMEs mainly rely on grid electricity, while many large industries use captive power generation, mostly gas-based generators. Bangladesh is also moving toward nuclear power to diversify its energy mix.

Cute Dress uses both renewable and non-renewable energy and is committed to increasing renewable use over time. Our electricity is supplied from the national grid through **BREB (Bangladesh Rural Electrification Board)**. According to the latest available figures, the national grid mix is **94.60% fossil fuel and 5.40% renewable energy**. Updated renewable energy information is available here: <http://www.renewableenergy.gov.bd/index.php?id=7>

At our facility, we also generate electricity from our **solar system**, and use **diesel generator** and **CNG** as backup sources when required.

In 2025, total energy consumption was **1,520,482 kWh** and production was **1,300,627 garments**, meaning **1.169 kWh per garment**. Although we produced more heavyweight items this year, we optimized energy use compared to last year.

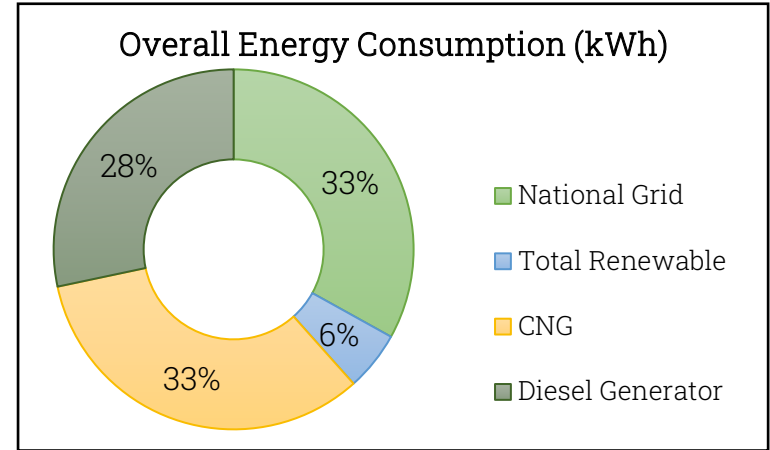


Figure 5 : Overall energy consumption ratio in 2025

Overall energy performance did not improve compared to last year due to the ongoing national fuel crisis linked to the Russia–Ukraine war and local political challenges. As a result, we relied more on diesel and CNG for operations. In addition, a higher number of cloudy days in 2025 reduced solar power generation.

Energy Source	Actual Consumption	Equivalent Energy Value
National Grid (REB) Fossil Electricity	531,473 kWh	502,773 kWh
Solar Electricity from National Grid	28,700 kWh	28,700 kWh
Own Solar Electricity Generation	52,326 kWh	52,326 kWh
Electricity from Diesel Generator	48,547 liter	430,613 kWh
CNG for Vehicles and others	47,969 m ³	506,069 kWh
Total	-	1,520,482 kWh

Table 2: Status of Energy Consumption in 2025

Energy Saving Measures

We have Energy Monitoring System for both Supply Electricity and Solar Electricity. We have total 3 Electricity Meter (Main 2 + Solar 1). Among the 2 main meters, 1 for In and another for Out to National Grid Supply by factory. Following energy Saving Measures we have been taken in our factory:

- LED lights: 710 pcs in 36 watt and 257 pcs in 15 watt each being lit for 8 hours per day
- 363 Servo Motors of 425 watt each
- VRF (Variable Referent Flow) system + Lift
- Office area + Conference Room + Washrooms: Sensor based light switches
- Energy saving fan 41 pcs



Solar Energy

Actual in 2025, we received 531,473 kWh from REB and out of this 28,700 kWh is from renewable source and own Solar production is 52,326 kWh i.e. total 81,026 kWh from renewable source. Residual solar electricity, after usage in the factory, is supplied to the National Grid which is around 8,120 kWh. By 2026, Cute Dress has plan to invest more on solar panel with a target to get 50% electricity from renewable source.

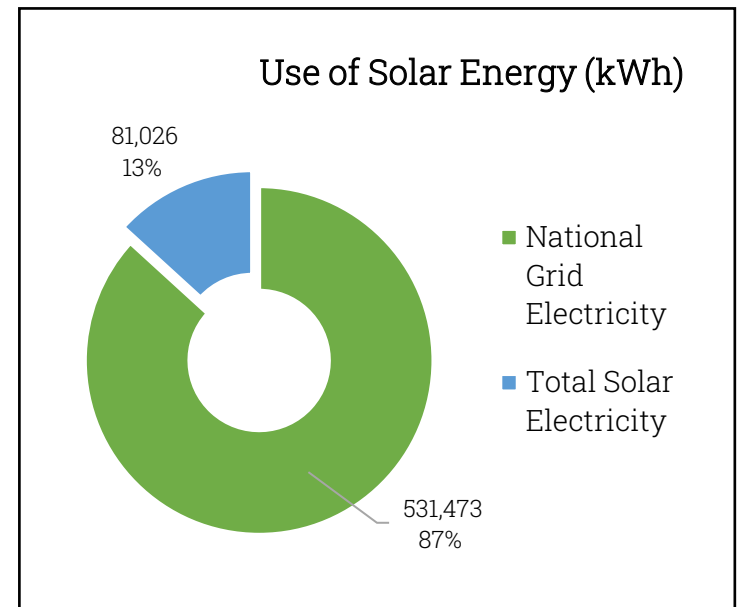


Figure 6 : Electricity consumption sources ratio in 2025

GREENHOUSE GAS (GHG) EMISSIONS

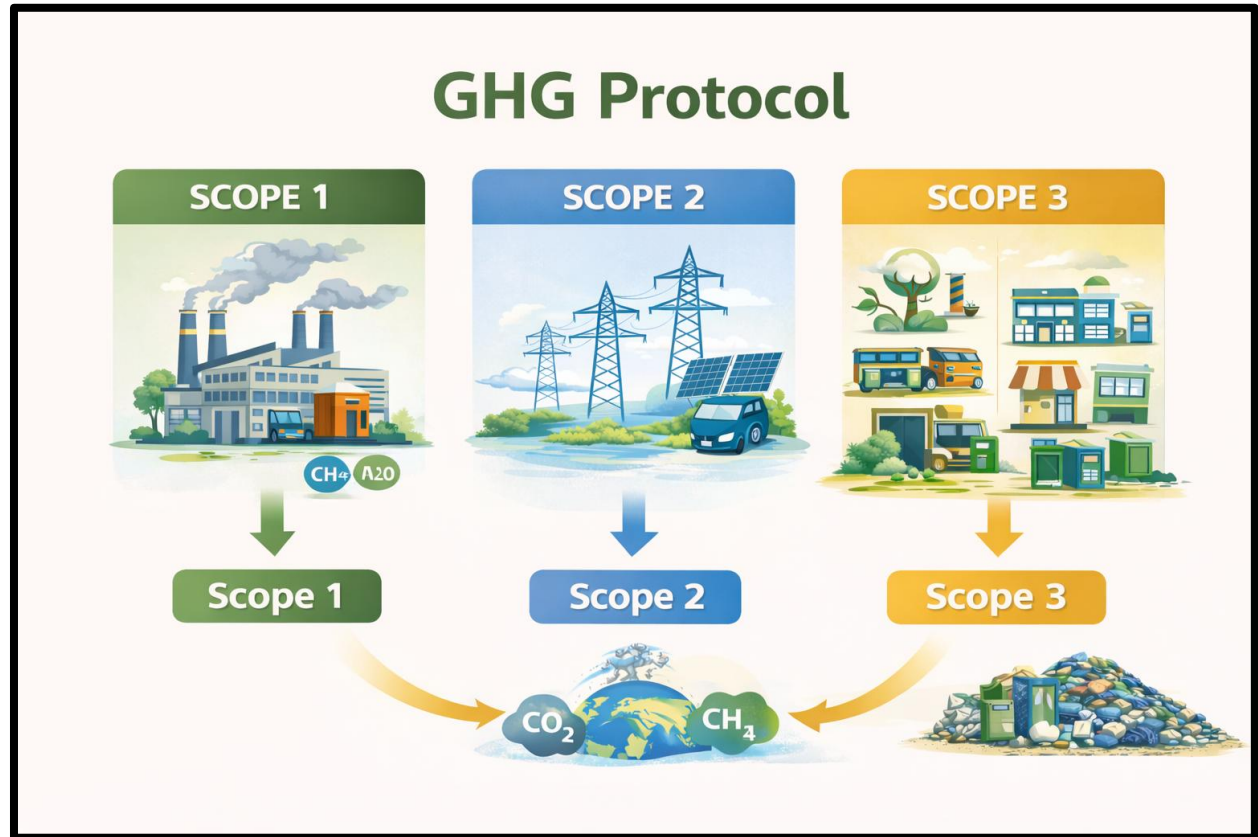
Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and fluorinated gases (F-gases such as HFCs and PFCs) are the main greenhouse gases. In the RMG sector, these emissions mostly come from electricity and fuel used for boilers/generators, transportation and logistics, and refrigerants from cooling and air-conditioning systems. Once released, these gases trap heat in the atmosphere and accelerate global climate change.

At Cute Dress, we have been aligning our climate approach with internationally recognized frameworks and sector expectations, and we have set an internal direction to significantly reduce emissions by 2030 and work toward a net-zero pathway by 2050. However, our near-term decarbonization plan depends heavily on scaling renewable electricity—especially rooftop solar—because power consumption is a major part of our footprint. Due to current investment constraints, we were not able to expand solar capacity at the pace required under the program’s performance expectations, so we chose to step back from that program for now.

This is a temporary decision. We are actively preparing for additional solar investments and will re-strengthen our roadmap and disclosure once the new capacity is implemented. Going forward, we will update our reporting with revised targets, improved renewable energy contribution, and measurable progress on emissions reduction across Scope 1, Scope 2, and key Scope 3 categories relevant to our RMG value chain.



United Nations
Framework Convention on
Climate Change



From this year we started our GHG emissions calculation based on international standard GHG emissions protocol and the factors for calculation are taken from below link:
<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022>

This is similar to our previous exercise and can be compared to our previous Scope 1 calculation.

Activity Type	Fuel Type	Source of Emissions Factor	Amount of Fuel	Units	Emissions Factors per Kg	GHG Emissions (Kg)
Stationary Combustion	Diesel	Boiler+Generator	21243	Liter	2.70	57356.10
Stationary Combustion	CNG	Boiler	47829	m3	2.02	96614.82
Mobile Combustion	Diesel	Cover Van	14362	Liter	2.70	38777.40
Mobile Combustion	Octane	Cover Van	97.57	Liter	2.34	228.31
Mobile Combustion	Octane	Office Micro	12744	Liter	2.34	29822.29
Mobile Combustion	CNG	Cover Van	139	m3	2.02	280.78
Refrigerants	R410A	Air Cooler	0.00	kg	2088.00	0.000
TOTAL						223,080.38

Result of Scope 1

Cute Dress emitted 223,080 kg of GHG as per "Scope 1 protocol" by consuming diesel, octane and CNG in 2025. From January 2025 to December 2025 we produced 1,300,627 pcs of garments which means it emitted 171 gram of GHG to manufacture one piece of garment which lower than last year and gained higher value in garment price. If we compare in earlier year revenue versus our GHG emissions, then we found we are doing better. For example, to earn US\$ 1 we emitted 38 gram in 2021, 27 gram in 2022, 30 gram in 2023, 30 gram in 2024 and 29 gram in 2025.

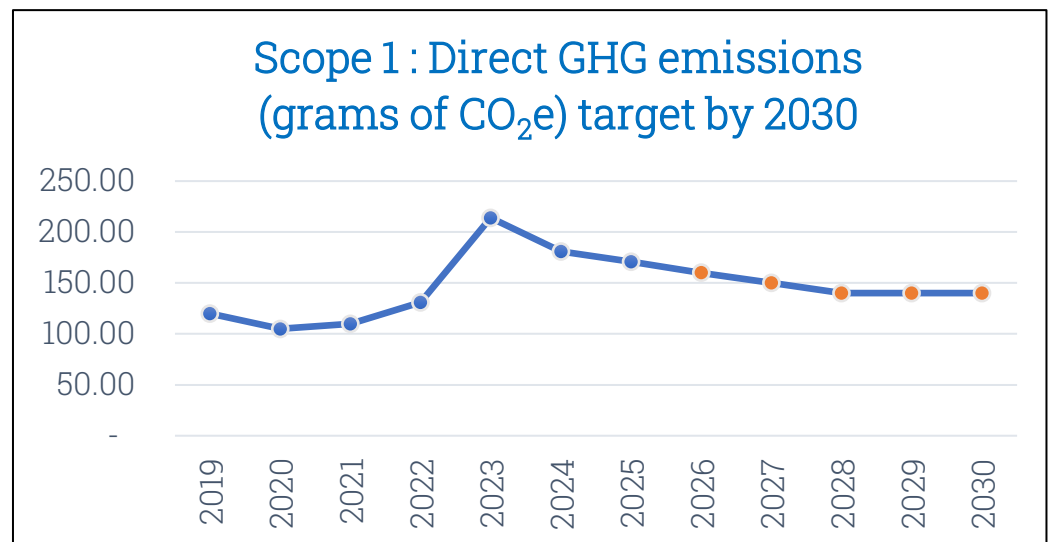


Figure 7A: Target of Scope 1 GHG emissions per pieces of garment produced

Scope 2 Calculation and Result

Type of Emissions Factor	Calculation Approach	mWh Amount	Units	Emissions Factors per Tons	GHG Emissions (Kg)
Grid Energy	Purchased Electricity	502.77	MWh	0.8795	442,188.90

As per “Scope 2 protocol” Cute Dress emitted 442,188.90 kg of GHG by consuming fossil fuel generated electricity from national grid in 2025. From January 2025 to December 2025 we produced 1,300,627 pcs of garments which means it emitted 339 gram of CO₂e to manufacture one piece of garment which is less than last year. We will find out how we can improve here.

Scope 3 Calculation and Result

Activity Type	Fuel Type	Source of Emissions Factor	Amount Of Fuel	Units	Emission s Factors per Kgs.	GHG Emissions (Kgs)
Employee Commuting	CNG	Outside Worker Transport	18620	m3	2.02	37612.40
Employee Commuting	Diesel	Outside Worker Transport	10487	Liter	2.70	28314.90
Transport & distribution	Diesel	Cover Van	6216	Liter	2.70	16783.20
TOTAL						82,710.50

As per “Scope 3 protocol” Cute Dress emitted 82,710.50 kg of GHG by consuming transportation used by our employees and carrying goods to port in 2025. From January 2025 to December 2025 we produced 1,300,627 pcs of garments which means it emitted 63 gram of CO₂e to manufacture one piece of garment which is less than last year. But we have to add more data in future in this protocol like transportation to brands warehouse, business air travel, supply-chain emissions etc. We will find out how we can get the data and report it.

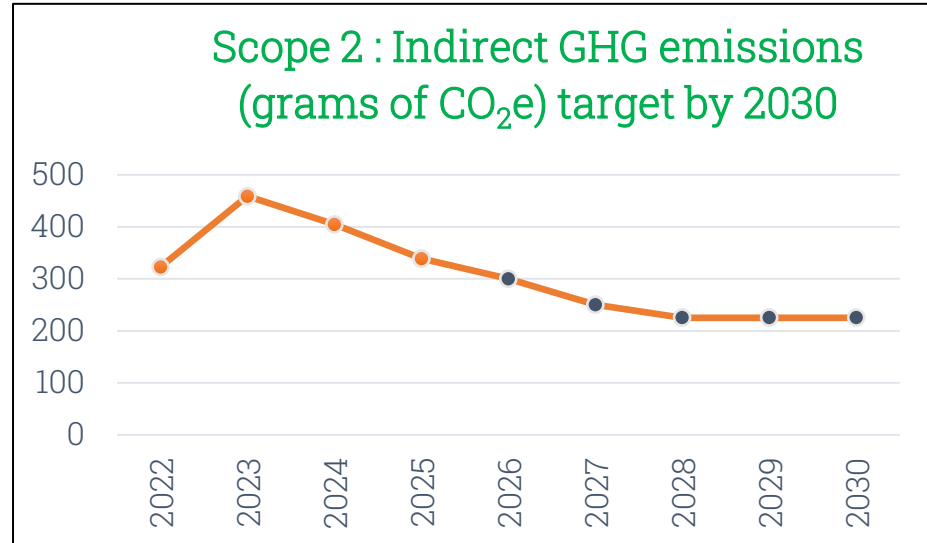


Figure 7B: Target of Scope 2 GHG emissions per pieces of garment produced

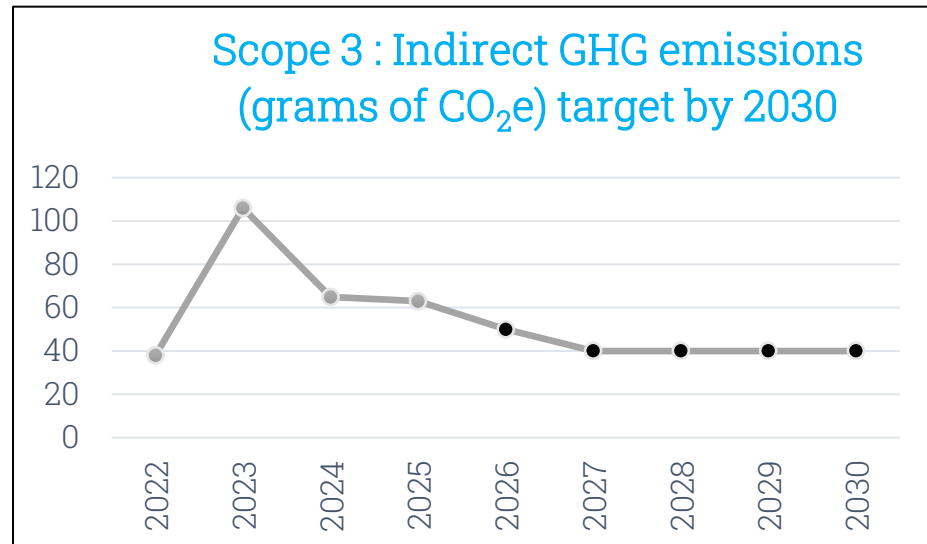


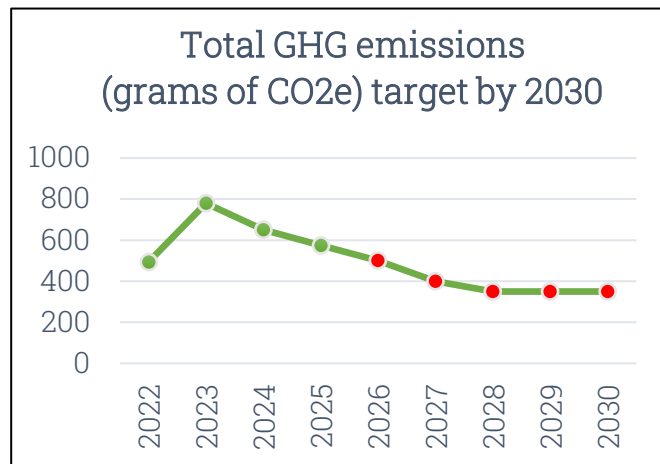
Figure 7C: Target of Scope 3 GHG emissions per pieces of garment produced

Total GHG emissions

Scope	Impact	GHG Emissions (Kg)
1	Direct	223,080
2	Indirect	442,188
3	Indirect	82,710
TOTAL		747,978

So based on this calculation we have emitted total 747,978 kg of GHG which means we have emitted about **575** gram of GHG to produce one piece of garment in 2025 which is less than last year. Compare to revenue earning it seems reasonable as per our regular practice.

We will continue collecting more data in 2026 to get better results and find solution to reduce GHG emissions as per our global commitment to UNFCCC.



GHG Reduction Measures

Cute Dress believes that GHG reduction measures constitute an economic benefit by reducing the impacts of climate change, and the costs associated with them. In addition, they can bring economic benefits by reducing local air pollution and energy resource depletion.

Following GHG reduction measures have been taken by the factory:

- Complementary Car Charging point for all cars. But we do not have any electric car yet.
- 80% of employees of Cute Dress commute using company buses. Six buses have been designated to transport to following routes: Nabinagar, Manikganj, Kawlipara, Sutipara, Sauria and Rajibpur.
- We are encouraging our employees for tree plantation through our Green Education project.
- More than 10% of the workforce are using bicycle to commute to factory premises.
- Some employees have their own bikes or cars.



WATER CONSUMPTION

Bangladesh, renowned for its riverine landscape, faces a paradox where its industries heavily rely on groundwater due to the unsuitability of river water caused by pollution. This dependence has led to a gradual decline in groundwater levels, resulting in water scarcity during dry seasons. Heightened awareness has prompted people to use water more efficiently.

Recognizing the environmental impact, Cute Dress is committed to reducing its freshwater consumption within the factory operations. The company is actively promoting the use of recycled water, implementing various measures to alleviate the pressure on groundwater extraction, which serves as the sole source of fresh water for Cute Dress.

In 2025, a total of 10,193,000 liters of water were utilized, with approximately 21% sourced from recycled water. Despite producing 1,300,627 garments from January to December 2025, the water consumption per garment has increased to around 7.83 liters of groundwater per piece, indicating a rise from the previous year. It's noteworthy that, despite variations in monthly order quantities, the overall water consumption remains consistent if we compare the revenue we are generating.

Water Savings Measures

Low-flow water taps

In 2018, Cute Dress installed low-flow water taps, faucets, toilet flush system etc. to control excessive use of water.

Recycling water

In 2018, Cute Dress installed water recycling tank to recycle grey water collection from hand wash, shower, ablution, rainwater etc. grey waters are filtered through 3-stages and those water are used for gardening, toilet flushes, car wash etc.

Green Education

To educate the employees regarding the importance of water saving in the premises and their life; enough number of green education signage are hanged in all visible places.

Water Source	Actual Consumption (liter)
Ground Water	8,057,000
Recycled Water	2,136,000
Total	10,193,000

Table 3: Status of Water Consumption in 2025

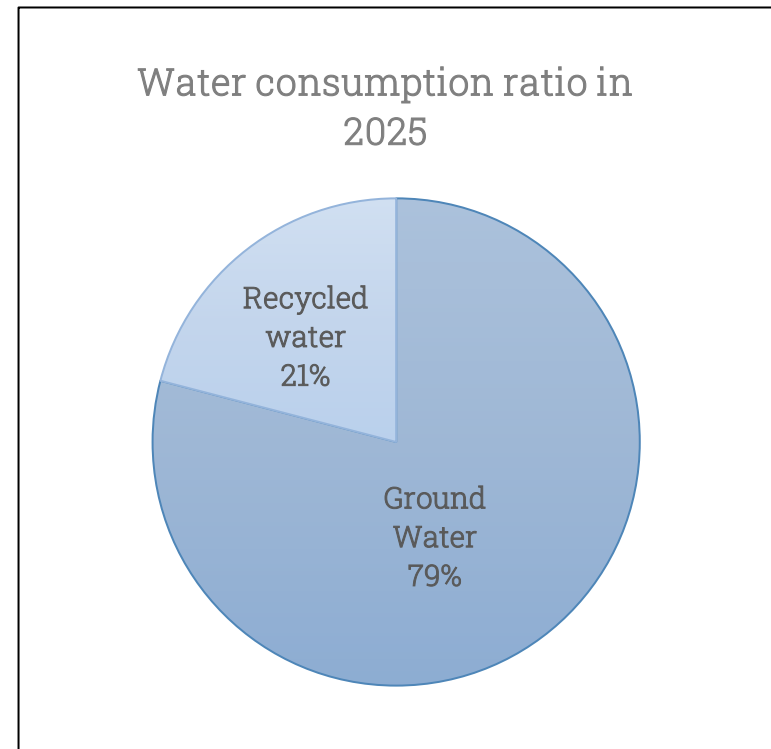


Figure 8: Water consumption ratio in 2025

WASTE MANAGEMENT

Effective waste management is essential for maintaining cleanliness, protecting public health, and safeguarding the environment. Bangladesh faces significant waste management challenges due to rapid population growth and fast-paced industrial expansion. As the country’s largest export-earning industry, the RMG sector accounts for more than 84% of national exports and its scale of production inevitably generates large volumes of waste, which can become difficult to track and manage without strong systems and accountability.

Solid waste

Cute Dress actively monitors waste management from the point of generation through final disposal. We follow a dedicated waste management policy to ensure waste is handled responsibly and in compliance with required standards. Color-coded waste bins are placed on every production floor to support segregation into designated categories before disposal. Relevant employees, including sweepers and cleaners, receive specific training to carry out daily sorting consistently. In addition, Cute Dress has established internal controls within the production process to prevent waste, improve segregation, and ensure effective monitoring of waste streams.

Waste control measures

Cute Dress segregates waste at source and classifies all solid waste into two categories: hazardous and non-hazardous. Fabrics, polybags, and paper are the major components of non-hazardous waste, accounting for around 80% of the total. A key priority for the factory is to reduce fabric off-cuts generated during production.

All employees are instructed to control cutting and handling carefully so that scrap is kept to a minimum. Any unavoidable fabric scraps are placed in designated waste rooms, where the recycling team reviews and sorts them for recovery. Recyclable materials are then separated into metal, fabric, polythene, and plastic streams. Finally, the sorted waste is sold to licensed recycling traders.

In addition, the apparel industry often faces the issue of unsold inventory that may be destroyed, increasing overall carbon footprint. Cute Dress mitigates this risk by operating on an in-demand production model, which helps minimize overproduction and reduce unsold stock.

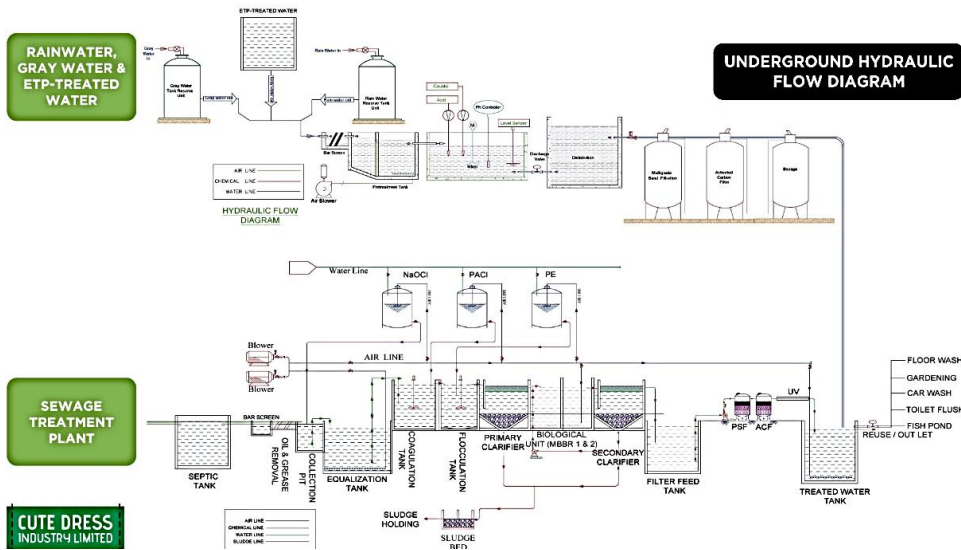
SOLID WASTE SENT FOR RECYCLING in 2025



Figure 9: Pictorial info of Waste Sent for Recycling in 2025

NB: We have reduced good amount of clothing waste this year compare to last year. Other wastes are also in control. However, we still have opportunity reduce further.

ZERO LIQUID DISCHARGE (ZLD) PLANT



Plastic bottle-free facility

Cute Dress has taken a meaningful step toward sustainability by becoming a plastic bottle-free facility. To reduce single-use plastic waste and minimize our environmental footprint, we have provided reusable metal water bottles to all employees for daily use inside the factory. This initiative reflects our commitment to responsible resource use while also supporting a cleaner and healthier workplace. By eliminating disposable plastic bottles from our operations, we aim to significantly reduce plastic waste and strengthen a greener approach to everyday practices.

LIQUID WASTE MANAGEMENT

Cute Dress is advancing toward a Zero Liquid Discharge (ZLD) facility by strengthening how we collect, treat, and reuse wastewater across our operations. While RMG manufacturing typically does not generate hazardous effluent like dyeing or leather industries, our facility produces significant volumes of grey water (from hand wash, shower, and ablution) and black water (sewage). To ensure only clean water is released to the environment and to reduce freshwater demand, we have installed a grey-water recycling system where wastewater is filtered through a three-stage process and reused for gardening, toilet flushing, and car washing—recycling 2,136,000 litres in 2025 with over 80% system efficiency. From our printing unit, we also collected and recycled 252,000 litres of chemical-mixed wastewater in 2025 and fully reused it within the facility. In addition, we have introduced a sewage treatment solution and recently installed a Sewage Treatment Plant (STP) to convert black water into reusable clean water, moving us closer to ZLD; measurement and improved data tracking will be strengthened and reported in our 2026 sustainability report.

Completion of HIGG Self-assessment

We have registered our facility to HIGG Index currently known as Worldly and for more information please follow our ID No. 162224





UPCYCLED

Zero Waste Project by Cute Dress

Cute Dress has launched a factory-based zero-waste initiative called “UpCycled” to give new life to leftover garments and minor defective items that would otherwise be sold as scrap. Through careful sorting, repairing, and finishing, these products are restored to wearable quality and offered through a dedicated outlet inside the factory. This approach helps us reduce landfill waste, maximize resource efficiency, and extend the life cycle of materials already consumed in production.

UpCycled also creates direct social value. Our employees can purchase repaired garments at a discounted rate, supporting affordability and well-being. At the same time, members of the surrounding community can access quality clothing at a lower price, strengthening local goodwill and inclusion. The initiative encourages a culture of responsible consumption by showing that “imperfect” products can still deliver meaningful value.

From a business perspective, UpCycled improves circular revenue by converting potential waste into a higher-value product stream. Compared to selling items as waste scraps, this model generates better returns while lowering waste-handling costs and reinforcing our sustainability commitments. It is a practical example of how Cute Dress integrates circularity into day-to-day operations—reducing waste, supporting people, and creating shared value.

CIRCULAR FASHION PARTNERSHIP



Cute Dress, a member of the Reverse Resource Network, benefits from Reverse Resources (RR), a tracking and trading platform revolutionizing textile waste management. Acting as the “Uber of textile waste,” RR ensures 360-degree transparency in waste flows, addressing issues of blocked access, incomplete data, and inflated prices. By connecting stakeholders globally, RR efficiently matches supply and demand, dismantling market barriers, shortening supply chains, and enhancing overall value. Through these efforts, RR plays a crucial role in reducing textile-to-textile recycling costs, fostering the scale-up of circular economy practices.

Waste sent to Reverse Resource Platform

In 2025, we sent total 15,786 kg of cut piece fabric to this platform and they used this cut piece to convert them into yarn. These yarn are GRS (Global Recycled Standard) certified yarn as pre-consumer waste.

CERTIFICATE

Cute Dress Industry Ltd. is LEED Platinum certified factory in Bangladesh. The rating system is devised by US Green Building Council. Cute Dress achieved 87 points out 110 points in different parameters. All instructions were followed properly from the beginning of construction period till commissioning of the project. By achieving this certificate Cute Dress is recognised as world's one of the top-rated Green factory.

Besides, Cute Dress also has environmental clearance from Bangladesh Department of Environment, Energy Regulatory Commission and other local authorities.



Initiatives taken to achieve LEED Certification in 2019

Energy consumption reduced about 40%

- Energy saving LED lights
- Energy saving servo motors
- High efficient VRF system (Variable Refrigerant Flow) is used as a means of heat recovery systems for simultaneous heating and cooling in certain areas
- Energy monitoring system with separate energy meter
- Low-emissivity (Low-e) glass has been used to reduce heat and noise. This glass allows sun light to enter and illuminate areas with minimal transmission of infrared and ultraviolet rays.
- Solar panel producing 20%+ of total energy

Air quality management

- Indoor gardening
- Bicycle parking
- Carpool preferred parking
- Huge amount of fresh air circulation
- Enough daylight for whole building

Water consumption reduced about 44%

- Low-flow water fixtures
- Waste water recycling system to reuse in toilet flush, gardening etc.

Waste management

- Segregation of waste materials like fabric, paper, plastic etc.
- Selling the waste to recycler
- No landfill



LEED Facts	
for LEED BD+C: New Construction (v2009)	
Certification awarded Sep 2019	
Platinum	87
Sustainable sites	24/26
Water efficiency	8/10
Energy & atmosphere	28/35
Material & resources	6/14
Indoor environmental quality	11/15
Innovation	6/6
Regional priority credits	4/4

Economic Development



ECONOMIC SUSTAINABILITY

As a key contributor to Bangladesh’s ready-made garment industry, Cute Dress understands the importance of its role in supporting the national economy and creating everyday value for people. Our steadily growing export revenue over the years reflects strong financial performance and reinforces the long-term sustainability of our business. While maintaining this growth, we remain committed to the well-being of people and the protection of the planet. Through this balanced approach, we aspire to become a trusted and enduring manufacturing brand. Below is a brief overview of our business model, with a focus on economic sustainability.

BUSINESS MODEL

FUNCTIONALITY

- Best workmanship
- Best fitted apparel
- Fantastic touch and feel of fabric
- Long lasting performance
- High durability

FLEXIBILITY

- Flexible Minimum Order Quantity (MOQ)
- Flexible fiber composition
- Flexible product category
- Flexible lead time
- Flexible on-demand service
- Flexible option to choose sustainable materials

SUSTAINABILITY

- Less use of Energy
- Less use of Water
- Reduced GHG emissions
- Maximum recycled materials
- Ensure social justice
- Ensure employees Health & Safety
- World class CSR Practices
- Operational transparency
- Traceable conventional raw materials
- Certified and traceable sustainable products
- Innovative and eco-friendly fabrics
- Eco-friendly trims and application
- Healthy financial growth
- Alignment with SDG and NPIs

HEXA-PILLARS

SOCIAL JUSTICE

- Fair compensation
- Non-discrimination
- Ensure human rights
- Good working condition
- Financial inclusion through fintech
- Inclusive jobs

ENVIRONMENT

- Environmental management system
- Energy efficiency
- Renewable energy
- Water resilience
- Water recycled and ZLD
- Reduction of GHG emissions

CIRCULARITY

- Resource optimization
- Recycling pre and post-consumer waste
- Regenerate resources
- Design out waste

GOOD GOVERNANCE

- Establish corporate governance
- Corruption-free operation
- Digitalization
- Business continuity plan

ECONOMIC RESILIENCE

- Cost optimization
- Efficient production management
- Waste control
- Investment on technology

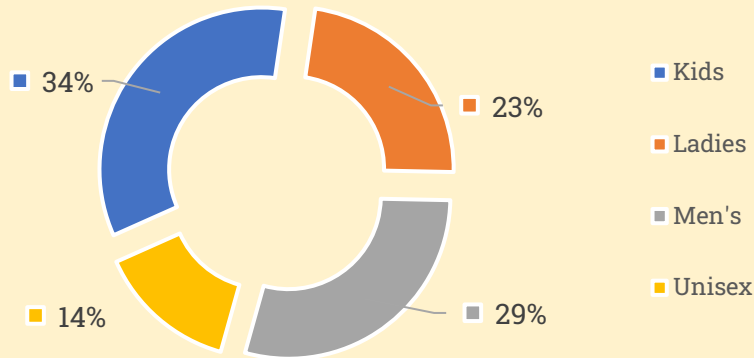
INNOVATION

- New fabric development
- Product development
- Product diversification
- Value added products

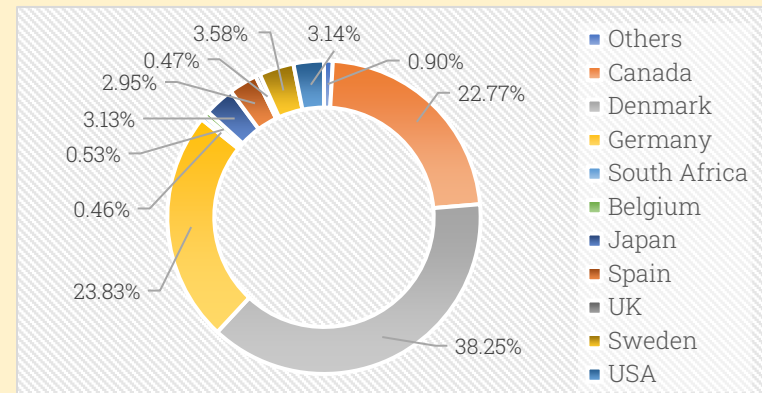
ECONOMIC SUMMARY

This section presents our economic summary, highlighting the range of products we manufacture, their target-group distribution, and the countries where our products are exported. It also reflects our journey since 2008, when Cute Dress began operations in Narayanganj, and the steady financial growth we have achieved over the years. We are especially proud of the employment opportunities we have created throughout our long manufacturing journey. The financial data below has been analyzed based on the July–June fiscal year.

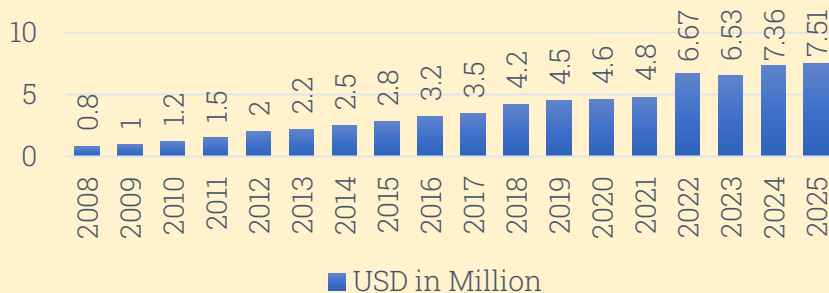
PRODUCT CATEGORY BY REVENUE in 2024-2025



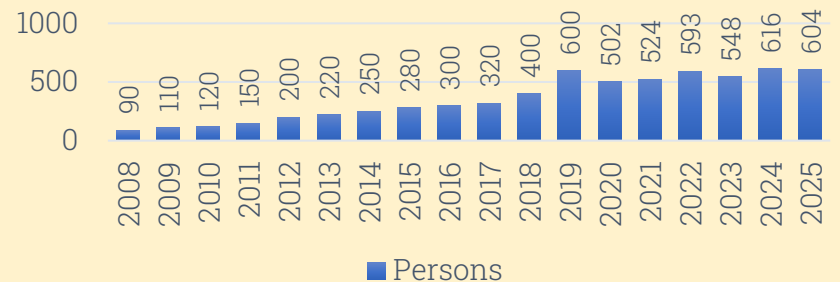
EXPORT REVENUE BY COUNTRY in 2024-2025

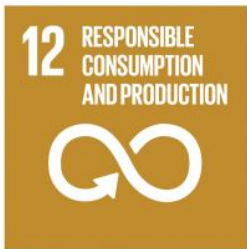


FISCAL YEAR REVENUE TREND



YEAR-ON-YEAR EMPLOYMENT GENERATION





USE OF SUSTAINABLE MATERIALS

To help reduce plastic use in the fashion industry, we consistently encourage our buyers to prioritize products made from natural materials. More recently, we have placed stronger emphasis on sustainable fibers to support a more traceable and transparent supply chain and to deliver more responsible products to end consumers. The table below highlights the types of fibers we offer and demonstrates our strengths and capabilities in this area. With certifications including GOTS, OCS, GRS, RWS, BCI, USCTP, and OEKO-TEX®, Cute Dress provides buyers with a reliable, hassle-free, one-stop supply chain solution. These efforts are aligned with UN **SDG 12** (Responsible Consumption and Production).

COTTON & BLENDS

- Organic cotton
- BCI Cotton
- Pima cotton
- African cotton
- USA cotton
- Regular cotton
- Cotton melange
- Cotton blend with spandex
- Cotton blend with polyester
- Cotton blend with viscose
- Cotton blend with modal
- Cotton blend with tencel
- Cotton blend with bamboo
- Cotton blend with wool
- Cotton blend with linen/hemp/jute
- Cotton blend with pineapple
- Cotton blend with inject polyester
- Cotton blend with cloud polyester
- Cotton blend with neps
- Cotton blend with recycled poly
- Open end cotton yarn

EXCLUSIVE FIBERS

- Merino wool and melange
- Wool blend with bamboo
- Wool blend with cotton
- Wool blend with silk
- Vegan wool blend with cotton
- Cupro and blend with spandex
- Lyocel and blend with cotton
- Lyocel and blend with linen
- Viscose and melange
- Modal and melange
- Tencel and melange
- Bamboo and melange
- Linen and blend with cotton
- Linen and blend with viscose
- Hemp and blend with cotton

And many more ...



SUSTAINABLE FIBERS



'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



TRACEABLE MAN-MADE CELLULOSIC fibre

- Lenzing ECOVERO, TENCEL, REFIBRA etc.
- FSC/PEFC certified viscose



INNOVATION OF FABRICS

Cute Dress takes great pride in being an innovator in fabric development, with a fabric library of more than 1,200 varieties. Most of our fabrics are developed and sourced in Bangladesh, maximizing the potential and capabilities of local resources. In certain cases, however, we also rely on international sourcing to achieve the best possible product outcomes based on our buyers' requirements. The following infographic provides an overview of our fabric development and production capabilities.



VALUE ADDITION ON GARMENT

Cute Dress offers more than sustainable garments—we also provide a wide range of value-added services that enhance product appeal, fashion relevance, and marketability. Our in-house facilities include embroidery, digital printing, and screen printing. In addition, we manage subcontracted services such as all-over printing, garment dyeing, and selected handwork techniques. The following list outlines the key quality parameters for your reference. Many of these processes can also be carried out using more sustainable methods.

PLACEMENT PRINT	EMBROIDERY	ALL OVER PRINT	WASHING/ PIECE DYED
<ul style="list-style-type: none"> - Digital - Pigment - Plastisol - High density - Puff - Foil - Flock - Glitter - Metallic - Cracked - Sublimation - Transfer - Spray - Discharge - Burn-out - Sublimation 	<ul style="list-style-type: none"> - Flat stitch - 2D - 3D - Chenille - Sequins - Patchwork - Cotton thread - Emb with print - Cut hole - Felt - Cording <p>Handworks:</p> <ul style="list-style-type: none"> - Hand embroidery - Hand stich - Sequins - Beading works - Stone works - Hotfix 	<ul style="list-style-type: none"> - Pigment - Rubber - Reactive - Discharge - Puff - Burn-out - Glitter - Metallic 	<ul style="list-style-type: none"> - Washed look - Pigment dyed - Enzyme wash - Uneven wash - Destroy wash - Crinkle wash - Tie-dye - Dip-dye



SUSTAINABLE ACCESSORIES

In addition to regular sewing and packaging accessories, Cute Dress follows the 3R principle (Reduce, Reuse, Recycle) to offer more sustainable accessory options to brands. For example, sewing threads can be made from recycled polyester, polybags can be sourced from recycled plastic, and woven labels can also be produced from recycled polyester. We can further provide hangtags made from recycled cotton paper or source FSC/PEFC-certified paper products. Buttons, zippers, and similar trims can also be sourced from recycled materials whenever available.

We have also phased out conventional polymer-based desiccants and now use eco-friendly desiccants for all brands. These are made from natural ingredients and are biodegradable under landfill conditions. This initiative is directly aligned with UN SDG 12 (Responsible Consumption and Production), and we actively encourage our buyers to adopt these more sustainable options.

CERTIFICATION AND TRACEABILITY

Certified and traceable products are becoming increasingly important in the fashion industry, as they build confidence and trust among end consumers. Cute Dress treats this as a key priority in both product development and manufacturing, ensuring that our processes remain authentic, transparent, and reliable.

To demonstrate transparency and accountability in our production process, we have strengthened our performance across environmental, social, and product sustainability areas. Our LEED-certified green factory reflects our commitment to protecting the planet. Our compliance with BSCI, StepUp, and ACCORD/RSC demonstrates our commitment to people and workplace well-being. In addition, certifications and standards such as GOTS, OCS, GRS, RWS, OEKO-TEX®, BCI, US Cotton, along with adherence to REACH directives, confirm that our products are sourced and manufactured using more sustainable materials and responsible practices.



SWOT Analysis

In order to devise a fitting approach toward organizational development of Cute Dress, from 2019 we have used a SWOT analysis (S=Strength, W=Weakness, O=Opportunities, T=Threats) for Cute Dress.

Business Sustainability SWOT Snapshot

S Strengths

- Accepts low MOQs
- Advanced fashion capability
- Broad knitwear manufacturing
- Supports emerging global brands
- Continuous fabric innovation
- Strong raw material supply chain
- Professional management



W Weaknesses

- Operational constraints
- Capacity strains at times
- Need better decision control



O Opportunities

- Growth in sustainable fashion
- Ethical manufacturing lead
- Transparency & traceability
- Value for responsible brands



T Threats

- Fair trade challenges
- High sustainability costs
- Low buyer support
- Financial pressures



INDIRECT ECONOMIC IMPACTS

Poverty Alleviation

Poverty reduction is one of the world's most pressing challenges, and supporting inclusive economic opportunity has been a core objective of Cute Dress since the company's establishment. From the beginning, we have focused on practical actions that help create decent jobs and strengthen livelihoods, especially for communities with limited access to industrial employment. Key initiatives include:

- **Creating jobs in underserved areas:** Our factory is located in a non-industrial zone, which has opened up employment opportunities for nearby residents.
- **Expanding women's participation:** A large portion of our workforce is female, and in 2025 we created employment opportunities for more than 110 women who were previously not engaged in paid work.
- **Skills development with fair pay:** We train unskilled individuals through our in-house training centre and provide the legally required minimum wage during the training period. In 2025, this program helped develop 29 newly skilled employees.
- **Inclusive hiring for vulnerable groups:** We also create job opportunities for underrepresented groups, including senior citizens (aged 60+), persons with disabilities, and third-gender individuals. Currently, we employ 11 people across these categories.

Impact on economy of local community

Community economic impact generally comes from two sources: (a) direct spending by the factory and employees in local businesses and (b) multiplier effects as income circulates through the local economy. To strengthen this indirect impact, Cute Dress supports:

- **Local growth around the factory:** Housing, shops, and small markets have expanded to serve employees and their families.
- **Better connectivity:** Road access and local transport services have improved over time, making commuting and business activities easier.
- **Healthier community:** Regular employee health check-ups help prevent illness and reduce household medical costs and lost workdays.
- **Income circulation and services:** Stable wages increase local spending, supporting transport, food, and other small service providers in the community.

No hazardous effluent discharge

Cute Dress does not have any production or non-production activities that generate hazardous industrial effluent for discharge into the environment. However, we recognize our responsibility to manage domestic wastewater and all types of waste in a safe and compliant manner. To protect the environment, we have implemented the following initiatives:

- **Domestic wastewater treatment:** Our domestic wastewater is now routed to a newly installed Sewage Treatment Plant (STP) for proper treatment before discharge, helping protect nearby lakes, canals, and surrounding ecosystems.
- **Waste governance and compliance:** We follow a waste management policy and procedures to ensure waste is segregated, handled, and disposed of responsibly. Any hazardous waste is transferred only through authorized contractors for safe treatment and disposal in line with legal requirements.
- **Ongoing improvement:** We continuously monitor these systems and strengthen our practices to reduce pollution risks and improve environmental performance.







GRI STANDARD	DISCLOSURE	LOCATION	DESCRIPTION	OMISSION	PAGE NUMBER	
GRI 2: General Disclosure 2021	2-1	Organizational details	Introduction	Cute Dress Industry Ltd., https://www.cutedress.net/	No	10
	2-2	Entities included in the organization's sustainability reporting	Introduction	Only Cute Dress Industry Ltd.	No	01
	2-3	Reporting period, frequency and contact point	Introduction	Reporting year: 2025 Reporting Frequency: Annually Contact: Mr. Sheikh H M Mustafiz, Managing Director	No	01
	2-4	Restatements of information	Key Performance Indicators	Comparative analysis of previous years.	No	02, 03, 04
	2-5	External assurance	-	-	No external assurance was conducted for this report.	-
	2-6	Activities, value chain and other business relationships	-	-	-	-
	2-7	Employees	Social Development	Total Number of employee- 604+	No	29
	2-8	Workers who are not employees	-	-	Yes, Not Applicable	-
	2-9	Governance structure and composition	Enabling Sustainability	Cute Dress is practicing corporate governance by decentralizing and empowering the tasks to the mid-management team. Although central command by the Managing Director plays an important role in the governance of Cute Dress, yet all decisions are taken by meeting and respecting the opinions of the mid-management managers.	-	20
	2-10	Nomination and selection of the highest governance body	-	Detailed information on individual nomination and selection processes is not publicly disclosed due to internal governance confidentiality requirements. However, governance oversight responsibilities, roles, and reporting structures are described in this report to ensure transparency on management accountability.	-	-
	2-11	Chair of the highest governance body	Enabling Sustainability	Managing Director	No	20
	2-12	Role of the highest governance body in overseeing the management of impacts	Enabling Sustainability	Value focus, Business focus, Process focus	No	20
	2-13	Delegation of responsibility for managing impacts	Enabling Sustainability	Leaders distribute decisions, seamlessly implementing them across business units or functions.	No	20
	2-14	Role of the highest governance body in sustainability reporting	Enabling Sustainability	Guidance, target setting, evaluating, monitoring	No	1
	2-15	Conflicts of interest	-	Cute Dress manages potential conflicts of interest through management oversight, internal controls, and decision-making protocols. We are in the process of further formalizing and documenting this process within our governance framework.	-	-
	2-16	Communication of critical concerns	Social Development	The Suggestion Box, Open Hotline , Verbal complaint, Email, QR Code	No	43
	2-17	Collective knowledge of the highest governance body	-	-	-	-
	2-18	Evaluation of the performance of the highest governance body	-	-	-	-
	2-19	Remuneration policies	-	-	-	-
	2-20	Process to determine remuneration	-	-	-	-
	2-21	Annual total compensation ratio	-	-	-	-
	2-22	Statement on sustainable development strategy	Enabling Sustainability	Cute Dress has launched an internal program called "Happy Faces" for ensuring social performance.	No	14, 31
	2-23	Policy commitments	Social Development	Cute Dress has instituted policies geared towards ensuring the health and happiness of our employees.	No	28
	2-24	Embedding policy commitments	-	-	-	-
	2-25	Processes to remediate negative impacts	Social Development	Cute Dress believes that acknowledgement of grievances and its solution could drive factory to achieve its ultimate goal. Cute Dress created grievance mechanisms to learn and resolve both employee and external concerns and maintain harmonious relationships between workers, factory management and the community.	No	43

GRI STANDARD	DISCLOSURE	LOCATION	DESCRIPTION	OMISSION	PAGE NUMBER	
GRI 3: Material topics 2021	2-26	Mechanisms for seeking advice and raising concerns	Social Development	Cute Dress has a Grievance Handling Committee including workers committee members, Welfare officer and member of the management.	No	43
	2-27	Compliance with laws and regulations	Social Development	Cute Dress provides all kind of lawful benefits as per law.	No	30
	2-28	Membership associations	Stakeholder Engagement	-	No	24, 26
	2-29	Approach to stakeholder engagement	Stakeholder Engagement	We involve many stakeholders in shaping our sustainability strategy and initiatives through diverse communication channels.	No	26
	2-30	Collective bargaining agreements	Stakeholder Engagement	Our key stakeholders are our employees and their families.	No	25
	3-1	Process to determine material topics	Introduction	-	No	11
3-2	List of material topics	Introduction	-	No	12	
Economic						
GRI 3: Material topics 2021	3-3	Management of material topics	-	-	No	61
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Economic Development	Cute Dress started its journey since 2008 from Narayanganj and we have been observing a steady financial growth.	No	61
	201-02	Financial implications and other risks and opportunities due to climate change	-	-	Yes, Not Available	-
	201-3	Defined benefit plan obligations and other retirement plans	-	-	Yes, Not Available	-
GRI 204: Procurement Practices 2016	3-3	Management approach	-	-	No	26
	204-1	Proportion of spending on local suppliers	Stakeholder Engagement	-	No	26
GRI 205: Anti-Corruption 2016	205	-	Social Development	-	No	41
	3-3	Management approach	-	-	No	41, 42
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	-	Yes, Not Available	-
GRI 207: Tax 2019	3-3	Management approach	-	-	-	-
	207-1	Approach to tax	-	-	-	-
	207-2	Tax governance, control, and risk management	-	-	-	-
	207-3	Tax governance, control, and risk management	-	-	-	-
Environmental						
GRI 301: Materials 2016	3-3	Management approach	Environmental Development	-	No	47
	301-2	Recycled input materials used	Environmental Development	-	No	55
GRI 302: Energy 2016	3-3	Management approach	Environmental Development	-	No	48
	302-1	Energy consumption within the organization	Environmental Development	-	No	48
	302-2	Energy indirect (Scope 2) GHG emissions	Environmental Development	-	No	52
	302-3	Other indirect (Scope 3) GHG emissions	Environmental Development	-	No	52
	302-4	Reduction of energy consumption	Environmental Development	-	No	49
GRI 303: Water and Effluents 2018	3-3	Management approach	Environmental Development	-	No	54
	303-1	Interactions with water as a shared resource	Environmental Development	Groundwater as a primary source of water	No	54
	303-2	Management of water discharge-related impacts	Environmental Development	Water Savings Measures	No	54
	303-3	Water withdrawal	Environmental Development	In 2025, a total of 10,193,000 liters of water were utilized, with approximately 21% sourced from recycled water	No	54

GRI STANDARD	DISCLOSURE	LOCATION	DESCRIPTION	OMISSION	PAGE NUMBER	
GRI 305: Emissions 2016	3-3	Management approach	Environmental Development	-	No	50
	305-1	Direct (Scope 1) GHG emissions	Environmental Development	-	No	51
	305-2	Energy indirect (Scope 2) GHG emissions	Environmental Development	As per "Scope 2 protocol" Cute Dress emitted 442,449.60 kg of GHG by consuming fossil fuel generated electricity from national grid in 2025.	No	52
	305-3	Reduction of GHG emissions	Environmental Development	GHG Reduction Measures	No	53
	305-4	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	-	-	Yes, Not Available	-
GRI 306: Waste 2020	3-3	Management approach	-	-	No	55
	306-1	Waste generation and significant waste-related impacts	Environmental Development	-	No	55
	306-2	Management of significant waste-related impacts	Environmental Development	We actively monitors the waste management process from the creation of waste to its disposal.	No	55
	306-3	Waste generated	Environmental Development	Solid waste sent for recycling in 2025	No	55
GRI 308: Supplier Environmental Assessment 2016	3-3	Management approach	-	-	-	
	308-1	New suppliers that were screened using environmental criteria	-	-	-	
	308-2	Negative environmental impacts in the supply chain and actions taken	-	-	-	
Social						
GRI 401: Employment 2016	3-3	Management approach	-	-	No	28
	401-1	New employee hires and employee turnover	Social Development	From Jan 2025 to Dec 2025, we had around 604+ employees. The female male ratio was 57% and 43% respectively	No	29
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social Development	we provide two types of benefits to our employees; firstly, the legally required minimum benefits and secondly, additional benefits beyond legal requirements.	No	30
	401-3	Parental leave	Social Development	We provides paternity leave to male employees.	No	30
GRI 402: Labor/Management Relations 2016	3-3	Management approach	-	-	No	28
GRI 403: Occupational Health and Safety 2018	401-1	New employee hires and employee turnover	Social Development	From Jan 2025 to Dec 2025, we had hired 60 new employees. Employee turnover was 1.51%.	No	29
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social Development	we provide two types of benefits to our employees; firstly, the legally required minimum benefits and secondly, additional benefits beyond legal requirements.	No	30
	401-3	Parental leave	Social Development	We provides paternity leave to male employees.	No	30
	3-3	-	-	-	-	-
	3-3	Management approach	-	-	-	36
	403-1	Occupational health and safety management system	Social Development	In 2025, total 4,324 persons has taken service from our inhouse medical centre.	No	36
	403-2	Hazard identification, risk assessment, and incident investigation	Social Development	An injury related report has been prepared in 2025 and sent for a check by the concerned government authority.	No	37, 38, 39
	403-3	Occupational health services	Social Development	-	No	37-40
	403-4	Worker participation, consultation, and communication on occupational health and safety	Social Development	Cute Dress is dedicated to ensuring a healthy workplace for its RMG employees.	No	39
403-5	Worker training on occupational health and safety	Social Development	Cute Dress has an annual training and awareness program considering all the employees.	No	40	

GRI STANDARD	DISCLOSURE	LOCATION	DESCRIPTION	OMISSION	PAGE NUMBER	
GRI 404: Training and Education 2016	3-3	Management approach	Social Development	We believes that training and skill development is an indispensable function.	No	34
	404-1	Average hours of training per year per employee	Social Development	In 2025, total training hours conducted = 10,252.86 hrs i.e. 18.18 hrs/person	No	34
	404-2	Programs for upgrading employee skills and transition assistance programs	Social Development	Cute Dress works for continuous skill development of its workforce.	No	34
	GRI 405: Diversity and Equal Opportunity 2016	3-3	Management approach	Social Development	-	No
	405-1	Diversity of governance bodies and employees	Social Development	-	No	29
GRI 406: Non-discrimination 2016	3-3	Management approach	Social Development	-	No	42
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3	Management approach	-	-	No	42
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Social Development	-	No	42
GRI 408: Child Labor 2016	3-3	Management approach	-	-	No	41
	408-1	Operations and suppliers at significant risk for incidents of child labor	Social Development	-	No	41
GRI 409: Forced or Compulsory Labor 2016	3-3	Management approach	-	-	No	41
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Social Development	-	No	41
GRI 413: Local Communities 2016	3-3	Management approach	-	-	No	43
	413-1	Operations with local community engagement, impact assessments, and development programs	Social Development	-	No	43
GRI 414: Supplier Social Assessment 2016	3-3	Management approach	-	-	-	
	414-1	New suppliers that were screened using social criteria	-	-	-	
	414-2	Negative social impacts in the supply chain and actions taken	-	-	-	
GRI 415: Public Policy 2016	3-3	Management approach	-	-	-	
	3-3	Management approach	-	-	-	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	-	-	-	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-	-	-	
GRI 417: Marketing and Labeling 2016	3-3	Management approach	-	-	-	
	417-1	Requirements for product and service information and labeling	-	-	-	
GRI 418: Customer Privacy 2016	3-3	Management approach	-	-	-	
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-	-	

Cute Dress is committed to continuous improvement in sustainability reporting. As our reporting systems and stakeholder engagement processes evolve, we continue to strengthen data quality, governance disclosures, and alignment with GRI requirements to enhance transparency and decision-usefulness for all stakeholders.

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