



AALBORG UNIVERSITY  
DENMARK

	Type:	Master's Thesis
Study Programme:	MSc in Marketing and Sales	
Semester:	4th	
Module:		
Group Number (if relevant):	23	
Names + Student Nos:	Name(s)	Student Number(s)
	Ezajul Arman Chowdhury	20231201
Submission date:	02.06.2025	
Project Title /Thesis Title:	<b>Stitching Compliance into Contracts: A Single-Case Study of Environmental Standards, B2B Sales Performance, and Buyer Agendas in the Bangladesh RMG Industry</b>	
Number of Pages:	44	
Supervisor (project/thesis):	Malene Gram	

## Abstract

In response to the growing emphasis on sustainability within global supply chains, this thesis investigates the implications of environmental compliance for sales strategy, negotiation processes, and buyer behavior in Bangladesh's Ready-Made Garment (RMG) sector. Despite the proliferation of environmental standards and buyer mandates, limited research has explored how these compliance demands influence supplier-side commercial practices, particularly in underrepresented contexts such as Bangladesh.

This qualitative study adopts a single-case design, focusing on a compliant Bangladeshi garment supplier engaged with international buyers. Primary data was collected through semi-structured interviews with a Sales and Compliance Manager and analyzed using thematic analysis (Braun & Clarke, 2006). The findings reveal that while environmental compliance strengthens supplier credibility and facilitates access to high-value markets, it does not necessarily translate into price premiums. Instead, compliance often becomes an entry-level requirement, with its marketing potential constrained by buyer perceptions, negotiation asymmetries, and cultural misalignments (Islam et al., 2023; Chowdhury & Quaddus, 2021).

Moreover, the study highlights the increasing institutional complexity suppliers face—where compliance is decoupled from commercial gain, leading to symbolic conformity rather than substantive marketing leverage (DiMaggio & Powell, 1983; Testa et al., 2018). Despite these challenges, strategic compliance has the potential to influence long-term buyer relationships and enhance brand trust if communicated effectively within cross-cultural frameworks (He et al., 2023).

This thesis contributes to the literature by bridging marketing and compliance discourses, offering practical insights for suppliers seeking to align sustainability efforts with competitive sales strategies. It concludes with recommendations for future research on cross-sectoral comparisons, longitudinal performance metrics, and the role of digital traceability in compliance-driven marketing.

**Keywords:** Environmental compliance, sales strategy, negotiation, buyer behavior, RMG sector, Bangladesh, sustainability, cross-cultural dynamics, institutional theory, case study.

## Executive Summary

This master's thesis investigates how environmental compliance influences sales strategy, negotiation processes, and buyer behavior in the context of Bangladesh's Ready-Made Garments (RMG) and leather goods sectors. As global value chains increasingly integrate sustainability standards, suppliers in developing economies face mounting institutional pressures to obtain environmental certifications such as ISO 14001, Global Recycled Standard (GRS), and Forest Stewardship Council (FSC) approval. These standards are often prerequisites for participating in international trade and are perceived as indicators of credibility and compliance (Boiral, 2007; Heras-Saizarbitoria & Boiral, 2013; Ahmed et al., 2021).

Employing a qualitative, single-case study approach (Yin, 2018), this thesis draws on primary data from a semi-structured interview with a Sales and Compliance Manager of a GRS-certified Bangladeshi leather goods manufacturer. The choice of a single-case design reflects practical limitations during the data collection phase, including socio-political unrest in Bangladesh, organizational unavailability due to ongoing regulatory reforms, and the overlapping schedules of major religious festivals. These constraints impacted the ability to conduct multiple interviews and contributed to a more focused yet contextually rich analysis.

Key findings indicate that environmental compliance enhances supplier legitimacy but does not necessarily lead to price premiums. Rather than being a source of competitive advantage through higher pricing, certifications serve as entry criteria into global markets. As one interviewee noted, "We don't share compliance costs directly. I include the certification costs within the overall costing of the product." This highlights how compliance expenses are internalized and reflected in pricing strategies, rather than passed on to buyers.

The study finds that environmental standards increasingly shape sales strategies through proactive communication, transparency, and pre-negotiation positioning. Suppliers often mention certifications in advance of formal negotiations to establish trust and reduce resistance, as echoed in the quote: "We mention these things before negotiation, so there's less to argue about later." Despite these efforts, the power imbalance in buyer-supplier relationships continues to restrict suppliers from leveraging compliance into monetary gains (Anner, 2020; Islam et al., 2023).

Furthermore, the thesis explores cross-cultural dynamics affecting sales communication. Cultural mismatches between Western buyers and Bangladeshi suppliers create challenges in relationship management, expectation alignment, and value interpretation (Chowdhury & Quaddus, 2021; Cardon, 2020). Although certifications help bridge some trust gaps, communication style differences and varying perceptions of compliance value often lead to friction in the sales process (He et al., 2023; Chua et al., 2021).

From a strategic marketing perspective, environmental compliance emerges as both a constraint and a differentiator. While it limits pricing flexibility due to the buyer-driven nature of the market, it enhances brand image, improves buyer trust, and supports long-term relational contracting. The findings align with the relational view of interorganizational advantage, where sustained collaboration and trust mitigate transaction costs and enhance competitive performance (Dyer & Singh, 1998; Hasan et al., 2021).

The study concludes that for Bangladeshi suppliers, embedding environmental compliance into the sales strategy is essential for sustaining market participation. However, without stronger buyer cooperation or systemic support, compliance remains a necessary but insufficient condition for enhanced profitability. Strategic adaptation—through operational efficiency, automation, and product diversification—is key to surviving in this evolving landscape.

This research contributes to the limited supplier-focused literature on sustainable marketing in South Asia and offers actionable insights for sales managers, policymakers, and certification bodies. It calls for further studies using multi-case designs and mixed methods to validate and expand these findings across different product categories and buyer segments.

## Philosophy of Science

This thesis is situated within a **qualitative, interpretivist paradigm**, which assumes that social reality is constructed through human interaction, and knowledge is shaped by context, culture, and subjectivity. Rather than pursuing objective truths or causal generalizations, this study seeks to understand *how* and *why* suppliers in the Bangladeshi Ready-Made Garments (RMG) sector respond to environmental compliance requirements, and how such responses influence sales strategies, buyer relationships, and negotiation dynamics in global markets. This approach is particularly relevant for examining emerging phenomena—such as sustainability practices—within under-researched, real-world contexts like Bangladesh (Creswell & Poth, 2018).

### Ontology: Constructivist View of Reality

Ontologically, the study adopts a **constructivist stance**, which asserts that multiple realities exist, each shaped by individuals' perceptions, cultural values, and social interactions (Guba & Lincoln, 1994). In this research, the concept of “compliance” does not exist in a vacuum—it is interpreted differently by suppliers, buyers, regulators, and auditors. For instance, while buyers may perceive ISO 14001 or GRS certification as markers of ethical sourcing, Bangladeshi suppliers may view these certifications as both reputational assets and economic burdens, depending on their experiences, business model, and market conditions (Boiral, 2007; Khan et al., 2023).

The notion of reality in this thesis is thus co-constructed—formed through the interactions between institutional norms, global buyer expectations, and the lived experiences of suppliers managing these pressures within their specific socio-economic environment.

### Epistemology: Interpretive Understanding over Positivist Explanation

Epistemologically, the study embraces an **interpretive orientation**, prioritizing rich, in-depth understanding of social meanings over measurement or prediction. Knowledge is seen as **contextual, situated, and value-laden**. This aligns with the research goal of uncovering how a Sales and Compliance Manager interprets and enacts sustainability in day-to-day operations, including how environmental certifications are leveraged in sales negotiations or internalized into pricing strategies.

The choice of **semi-structured interviews** and **thematic analysis** reflects this epistemology, as these methods allow participants to express nuanced, experiential insights in their own terms (Braun & Clarke, 2006; Nowell et al., 2017). By allowing themes to emerge inductively from data, the research avoids imposing pre-determined frameworks and instead reflects the participant's voice—a key tenet of interpretivist inquiry.

### **Methodology: Abductive, Case-Based Reasoning**

Methodologically, this thesis employs a **qualitative case study approach** (Yin, 2018), suitable for exploring contemporary phenomena within their real-life context, particularly when boundaries between the phenomenon and context are blurred. The study follows an **abductive logic**—alternating between empirical findings and theoretical frameworks to generate insights.

Initial conceptual grounding was drawn from **institutional theory** (DiMaggio & Powell, 1983) and the **relational view** (Dyer & Singh, 1998), which were then refined through continuous interaction with the data. This iterative, non-linear process reflects the abductive cycle, enabling the discovery of emergent themes such as the *price premium paradox*, *strategic innovation through compliance*, and *cross-cultural buyer-supplier trust gaps*.

### **Theoretical Alignment and Reflexivity**

The study's theoretical lens—particularly institutional isomorphism and global value chain dynamics—further supports its interpretivist foundation. These theories do not aim to determine causality but rather to understand the social mechanisms (normative, coercive, and mimetic pressures) that shape firm behavior in complex institutional settings (Heras-Saizarbitoria & Boiral, 2013).

Moreover, the research incorporates a reflexive stance, acknowledging the positionality of the researcher and the inherent power asymmetries in global supply chains. Suppliers from the Global South, like the one studied here, often face marginalization in academic literature, where buyer perspectives dominate. By foregrounding the supplier's voice, this thesis contributes to **decolonizing the sustainability discourse** in global business research (Anner, 2020; Soundararajan et al., 2022).

### **Ethical Considerations and Cultural Sensitivity**

Conducting interviews in the Bangladeshi context required cultural awareness and ethical mindfulness. Given the participant's dual role in compliance and sales, it was crucial to establish **trust, confidentiality, and non-judgmental engagement**. The interviews were conducted in Bangla, ensuring cultural comfort, and then translated carefully to preserve meaning. The researcher remained aware of the power dynamics between an academic inquiry and a business stakeholder navigating market uncertainty and regulatory flux.

## Table of Contents

Executive Summary .....	2
Philosophy of Science .....	4
<b>1. Introduction .....</b>	<b>9</b>
1.1 Problem Formulation .....	11
<b>2. Literature Review .....</b>	<b>13</b>
2.1 Institutional Pressures and Environmental Compliance.....	13
2.2 Global Value Chain (GVC) Dynamics and Power Asymmetry .....	14
2.3 Strategic Responses and Relational Governance .....	14
2.4 Mediating Factors: Trust, Operational Efficiency, and Market Access .....	15
2.5 Cross-Cultural Dynamics in Global Sales and Marketing .....	15
2.6 Emerging Contexts: Pandemic and Climate Resilience .....	17
2.7 Identified Gaps and Contributions of the Current Study .....	18
<b>3. Methodology .....</b>	<b>20</b>
3.1 Case Selection.....	20
3.2 Data Collection Methods .....	20
3.2.1 Semi-Structured Interviews .....	20
3.2.2 Document Analysis .....	21
3.3 Data Analysis.....	21
3.4 Use of Generative AI Tools .....	22
3.5 Ethical Considerations .....	23
3.6 Limitations and Mitigation Strategies.....	23
<b>4. Findings.....</b>	<b>23</b>
4.1 Compliance as Ethical and Strategic Imperative .....	24
4.2 Heavy Financial and Operational Investments .....	24
4.3 Compliance Does Not Ensure Price Premiums .....	25
4.4 Systemic Corruption and Manipulation of Compliance .....	26
4.5 Innovation and Circular Practices as a Response .....	26
4.6 Policy and Industry Implications .....	27
4.7 Summary of Key Findings.....	29
<b>5. Analysis: Environmental Compliance as a Sales Strategy Lever .....</b>	<b>29</b>
5.1 Environmental Compliance as a Strategic Asset.....	30
5.2 Dual Roles and ESG Integration.....	30
5.3 Buyer Behavior and Trust-Building .....	31



5.4	Pricing Strategies and Cost Allocation .....	31
5.5	Institutional Gaps and Audit Manipulation .....	31
5.6	Compliance as a Catalyst for Innovation .....	32
5.7	Cross-Cultural Dynamics in Compliance Communication and Negotiation.....	32
5.8	Industry Dynamics and Unfair Competition.....	33
5.9	Institutional Reform and Policy Gaps.....	34
6.	<i>Discussion</i> .....	34
6.1	Institutional Pressures and Compliance Motivation.....	34
6.2	Compliance Costs and Operational Strain .....	35
6.3	Buyer-Supplier Trust and the Price Premium Paradox.....	35
6.4	Manipulation and Audit Integrity Issues .....	36
6.5	Strategic Adaptation and Innovation.....	36
6.6	Toward Fairer and More Effective Compliance Models.....	37
7.	<i>Conclusion &amp; Recommendations</i> .....	37
7.1	Limitations.....	39
7.2	Future Research recommendation.....	40
8.	<i>References</i> .....	42
9.	<i>Appendices</i> .....	45

## 1. Introduction

The ready-made garments (RMG) industry represents a cornerstone of the global economy, playing a crucial role in economic development, particularly within developing countries such as Bangladesh, Vietnam, and India. In Bangladesh alone, the sector contributes significantly to national employment and export revenues, accounting for approximately 80% of the country's total exports (BGMEA, 2020). Despite its economic importance, the RMG sector is widely criticized for substantial environmental impacts, including water pollution, excessive carbon emissions, and waste generation (Ahmed et al., 2021). These environmental challenges have led international buyers, notably global fashion retailers and brands, to integrate stringent environmental compliance standards into their contracts with suppliers, such as the adoption of ISO 14001 certifications and sustainable sourcing practices (Heras-Saizarbitoria & Boiral, 2013).

As international buyers increasingly prioritize sustainable sourcing and brand image, environmental compliance has evolved from a regulatory checkbox into a key differentiator in B2B marketing and sales strategies. In today's competitive marketplace, suppliers must not only produce efficiently but also market themselves as environmentally responsible partners (Heras-Saizarbitoria & Boiral, 2013).

Global buyers, particularly in Europe and North America—demand that suppliers meet stringent environmental standards, including ISO 14001, the Global Recycled Standard (GRS), and Forest Stewardship Council (FSC) certifications. ISO 14001 is an internationally recognized standard for environmental management systems (EMS) developed by the International Organization for Standardization (ISO). It provides a framework that organizations can follow to minimize their environmental impact, comply with applicable laws and regulations, and continually improve their environmental performance. The standard is applicable to organizations of all types and sizes and is based on the Plan-Do-Check-Act (PDCA) cycle, promoting systematic management of environmental responsibilities (ISO, 2015). The Global Recycled Standard (GRS) is an international, voluntary certification standard that sets requirements for third-party verification of recycled content, chain of custody, social and environmental practices, and chemical restrictions in the production of textiles and other products. Managed by Textile Exchange, the GRS aims to ensure the accuracy of recycled material claims and promote environmentally and socially responsible manufacturing processes (Textile Exchange, 2021). The Forest Stewardship Council (FSC) is

an international non-profit organization that promotes responsible management of the world's forests through certification. The FSC certification ensures that forest-based products are sourced from responsibly managed forests that provide environmental, social, and economic benefits. It covers principles such as biodiversity conservation, respect for indigenous rights, and sustainable harvesting practices (FSC, 2021). These requirements are part of broader institutional and consumer pressures toward ethical consumption and sustainability (DiMaggio & Powell, 1983; Locke, 2013). From a marketing perspective, environmental certifications serve as trust-building tools and brand positioning elements in supplier communications and B2B relationship-building (Hawn & Ioannou, 2016).

However, while compliance offers reputational benefits and market access, it also places immense financial and operational strain on suppliers. Many suppliers—especially SMEs in the Global South—face difficulties recovering compliance costs due to buyer reluctance to pay price premiums (Islam, Kabir, & Akter, 2023; Testa, Boiral, & Iraldo, 2018). This raises a critical marketing dilemma: how can suppliers leverage sustainability for sales growth when the market does not reward it equitably?

From a B2B marketing and sales standpoint, buyer-supplier trust plays a vital role in commercial outcomes. Compliance, ideally, should strengthen relational marketing by enhancing buyer confidence and facilitating repeat orders (Dyer & Chu, 2003). Yet, evidence suggests that buyer behavior often reflects opportunism and short-term cost-saving motives, undermining relational continuity and diminishing the commercial value of compliance (Anner, 2020; Hawn & Ioannou, 2016).

Furthermore, the ability of suppliers to market their compliance credentials effectively is influenced by the credibility of third-party verification systems. Corruption and loopholes in auditing and certification undermine supplier marketing claims, weaken differentiation strategies, and contribute to greenwashing concerns (Boiral, 2007; Huq, Stevenson, & Zorzini, 2023).

This thesis draws on institutional theory, the Natural Resource-Based View (Hart, 1995), and relational marketing literature to examine how environmental compliance is marketed by suppliers and how it influences B2B sales performance, buyer trust, and long-term competitiveness. It also considers the global value chain (Gereffi, Humphrey, & Sturgeon,

2005) to explore how power asymmetries and governance structures affect marketing and sales strategies.

Although research interest in sustainable marketing and responsible sourcing is growing, the perspective of suppliers remains relatively underexplored, particularly within contexts that are underrepresented in the literature, such as Bangladesh. There is limited empirical understanding of how suppliers use environmental compliance as a marketing tool and whether these efforts translate into measurable sales and relational outcomes over time (Chowdhury & Quaddus, 2021).

This study addresses this gap by conducting a single-case analysis of a Bangladesh-based RMG supplier “Rehash Accessories and Sourcing Ltd.” that has heavily invested in environmental compliance. Rehash Accessories and Sourcing Ltd” started its journey back in 2010, with the vision to pursue excellence in manufacturing apparel accessories. Their expertise in manufacturing accessories is greatly appreciated by local and international buyers. Rehash’s aspiration for continuous innovation, diversified portfolio, and quality operation is never-ending. Furthermore, they focus on eco-friendly efforts like none other. Having national/international certification, they deliver with confidence and assurance.

Having OEKO-TEX certificate on Fake/PU Leather makes them unique and exclusive.

Through qualitative interviews and document analysis, this research investigates how the supplier uses compliance as part of its sales and marketing approach, and how buyers respond to these efforts. The findings aim to contribute to the intersection of sustainable marketing, B2B relationship management, and supply chain governance.

### 1.1 Problem Formulation

The research centralizes on the fundamental disconnect between buyer-imposed compliance mandates and the suppliers' operational realities. While buyers demand compliance primarily to mitigate environmental, social, and governance (ESG) risks and safeguard brand reputation, suppliers grapple with compliance as a costly obligation that threatens their financial sustainability. This thesis, therefore, addresses the following primary research question:

“How do environmental compliance requirements imposed by international buyers influence the B2B sales quantity of Rehash within the Bangladesh RMG industry, and what factors mediate this relationship?”

Supporting research questions are:

- How do compliance requirements practically reshape Rehash. -buyer relationships?
- Do environmental standards catalyze sales growth, or do they weaken Rehashes' competitiveness?
- How do cross-cultural trust dynamics influence supplier commitment to environmental compliance in global buyer-supplier relationships?

This research seeks to unravel the complexities underlying environmental compliance and its impact on supplier performance, providing actionable insights and contributing significantly to the sustainable supply chain management body of knowledge.

The interviews reveal that environmental certifications such as GOTS (Global Organic Textile Standard) and GRS (Global Recycled Standard) play a pivotal role in attracting and retaining international buyers, especially those from Europe and North America, who place a high value on sustainability. Compliance with these environmental standards significantly enhances the credibility of suppliers, fostering trust among buyers and facilitating long-term business relationships. This credibility often translates into tangible business benefits, such as increased order volumes and access to new, high-value contracts. However, the process of achieving and maintaining compliance involves substantial costs, including certification fees and the investment required for infrastructure upgrades. Notably, these costs are generally not explicitly compensated by buyers.

To manage these financial pressures, suppliers often integrate compliance costs into their broader pricing strategies, which in turn subtly influences the dynamics of price negotiations. Moreover, consistent adherence to compliance requirements builds trust with buyers, leading to more favorable negotiation outcomes and sustained partnerships. Nevertheless, the interviews also highlight a critical challenge: weaknesses and loopholes in third-party compliance auditing. These gaps create an uneven playing field, as some suppliers exploit these deficiencies to superficially meet compliance standards while continuing to source uncertified materials. This undermines the competitive position of fully compliant suppliers.

The implications of these findings are significant for both suppliers and policymakers within the global apparel industry. Suppliers should treat environmental compliance not just as a regulatory requirement but as a strategic asset that can enhance their competitive positioning in global markets. Policymakers and industry associations must work to strengthen the auditing mechanisms and close existing loopholes to ensure fairness and credibility in the certification process. From the buyer's perspective, there is a clear need to recognize the financial burden of compliance and to reflect these costs in purchasing negotiations to genuinely support sustainable practices. Finally, fostering greater transparency and communication around compliance efforts can further strengthen buyer-supplier relationships and contribute to the development of more sustainable and resilient supply chains. Additional research focusing on the supplier's perspective, particularly in underrepresented contexts such as Bangladesh, is crucial to advancing a more equitable and sustainable global sourcing model.

## **2. Literature Review**

The literature review synthesizes a comprehensive understanding of the interaction between environmental compliance standards, supplier performance, and buyer-supplier dynamics within global supply chains, particularly emphasizing the ready-made garments (RMG) industry context.

### **2.1 Institutional Pressures and Environmental Compliance**

Institutional theory offers a robust framework for understanding the various pressures influencing environmental compliance in the Ready-Made Garment (RMG) sector, especially in countries like Bangladesh. Coercive pressures, driven by regulatory frameworks and buyer requirements, play a significant role in enforcing sustainability practices. For instance, international frameworks such as the European Union's Corporate Sustainability Reporting Directive (CSRD) and the Zero Discharge of Hazardous Chemicals (ZDHC) program push suppliers toward stricter compliance standards (Chowdhury et al., 2020; Ullah et al., 2023). In addition, mimetic pressures encourage firms to imitate the environmental practices of leading competitors to maintain legitimacy and secure contracts in uncertain market conditions (Hossain & Roy, 2023). Normative pressures, including those stemming from industry associations and professional networks, also shape firms' behaviors by establishing sustainability norms (Ahmed et al., 2022).

Despite these pressures, many firms in Bangladesh struggle to achieve substantive compliance due to weak institutional support, lack of resources, and fragmented governance systems. This often results in symbolic compliance, where firms outwardly conform to standards without implementing meaningful environmental improvements (Khan et al., 2023). To promote genuine compliance, stronger institutional mechanisms, improved auditing systems, and international support are essential for enabling suppliers to internalize sustainability practices effectively.

## 2.2 Global Value Chain (GVC) Dynamics and Power Asymmetry

The global value chain framework highlights significant power imbalances between developed-country buyers and suppliers from developing nations. Gereffi et al. (2005) emphasize how lead firms, often major international brands, dictate compliance standards through contractual agreements, audits, and sustainability metrics. Such asymmetries reinforce supplier vulnerabilities, compelling them to bear the substantial costs associated with environmental compliance without adequate support from buyers (Anner, 2020).

Critics argue that this dynamic fosters a "race to the bottom," wherein suppliers continuously absorb compliance costs to remain competitive, further exacerbating their financial stress and reducing their operational flexibility (Locke, 2013). Anner (2020) underscores that without effective mechanisms for cost-sharing or capacity-building from buyers, suppliers face increasingly precarious financial situations.

## 2.3 Strategic Responses and Relational Governance

Despite significant challenges, some theoretical perspectives suggest compliance can strategically benefit suppliers. Dyer and Singh (1998) argue that relational governance approaches, where buyers and suppliers collaboratively engage in joint problem-solving and investment sharing, can foster trust, reduce transaction costs, and yield mutual benefits. Similarly, Hart's (1995) Natural Resource-Based View (NRBV) theorizes that proactive environmental management practices could create competitive advantages through operational efficiencies, cost reductions, and differentiation.

Yet, empirical findings from Bangladesh offer mixed evidence. For instance, studies by Islam et al. (2023) and Testa et al. (2018) report limited direct economic returns from compliance

investments due to market saturation and competitive price pressures. Consequently, suppliers often perceive compliance as necessary but burdensome, reflecting more symbolic compliance aimed at meeting minimum requirements rather than leveraging sustainability strategically.

#### 2.4 Mediating Factors: Trust, Operational Efficiency, and Market Access

Several mediating factors influence the relationship between compliance and supplier performance, notably trust, operational efficiency, and market access. Dyer and Chu (2003) emphasize trust as crucial in determining the effectiveness of buyer-supplier relationships. Transparency and fair auditing practices strengthen relational trust, potentially easing compliance burdens through better negotiation terms and longer-term contracts (Hasan et al., 2021).

Operational efficiency is another critical mediator, particularly when compliance initiatives intersect with cost-saving sustainability practices, such as lean manufacturing and resource optimization (Dubey et al., 2017). Nonetheless, the scalability of these efficiencies remains problematic for small and medium-sized enterprises (SMEs) due to resource constraints (Kusi-Sarpong et al., 2019).

Access to premium markets, often touted as a benefit of compliance, remains elusive for many suppliers. The sustainability liability hypothesis posited by Hawn and Ioannou (2016) explains the limited price premiums available despite significant investments in compliance. Empirical studies consistently show that compliance rarely translates directly into improved market positioning or pricing advantages in highly competitive and saturated markets like the global apparel industry (Islam et al., 2023).

#### 2.5 Cross-Cultural Dynamics in Global Sales and Marketing

In the evolving landscape of global business, cross-cultural dynamics play a critical role in shaping international buyer-supplier relationships, particularly in marketing and sales contexts. These dynamics influence how trust is developed, how communication is interpreted, and how negotiations are conducted between culturally diverse stakeholders (Tuleja & Greenhalgh, 2021).



Research highlights that trust-building mechanisms differ significantly across cultures. In Western, individualistic cultures, trust tends to be cognitive and contract-based, emphasizing performance, reliability, and transparency. In contrast, collectivist cultures—common in many Asian and African countries—prioritize affective trust, often built through personal relationships, loyalty, and long-term commitment (Chua et al., 2021; He et al., 2023). Misalignment in these trust paradigms can result in misunderstanding and fragmented cooperation in international business.

Another key factor is power distance, a cultural dimension referring to the extent to which less powerful individuals accept unequal power distribution. In high power distance cultures like Bangladesh, business decisions are typically centralized, and subordinates may defer to authority. Conversely, buyers from low power distance cultures (e.g., Scandinavia) often prefer decentralized, participative communication styles (Hofstede Insights, 2023). Such differences can lead to mismatched expectations during sales negotiations and contract enforcement (Mooij & Hofstede, 2020).

Communication style is also deeply shaped by culture. High-context cultures (e.g., China, Japan, Bangladesh) rely on implicit communication, shared understanding, and non-verbal cues, whereas low-context cultures (e.g., Germany, USA) prefer explicit, direct communication (Cardon, 2020). Failure to bridge these gaps can result in misinterpretations, reducing trust and undermining negotiation outcomes.

Understanding cross-cultural trust dynamics is especially important in sales and marketing negotiations involving sustainability or compliance commitments. For instance, in supplier-buyer relationships, perceived cultural misalignment or lack of mutual understanding can lead to symbolic compliance, where suppliers demonstrate superficial adherence to standards without deep operational commitment (Khan et al., 2023). Addressing such dynamics through cultural awareness, communication training, and joint capacity-building initiatives is essential for long-term value creation and equitable partnerships.

**Table 1: Key Cultural Differences Between Bangladesh and Denmark (Hofstede's Dimensions)**

Cultural Dimension	Bangladesh	Denmark	Implication for Business
Power Distance	High (80)	Low (18)	Bangladeshi suppliers may expect hierarchy; Danes prefer flat structures.
Individualism	Low (20)	High (74)	Bangladesh values relationships; Denmark values independence.
Uncertainty Avoidance	Medium (60)	Low (23)	Danes are flexible to ambiguity; Bangladeshis may prefer structure.
Masculinity vs Femininity	Moderate (55)	Feminine (16)	Danes prioritize work-life balance; Bangladesh leans toward competition.
Long-Term Orientation	Medium (40)	High (35)	Both cultures show moderate planning behavior.
Indulgence	Low (30)	High (70)	Danes value leisure; Bangladeshis tend to be more restrained.

*(Data adapted from Hofstede Insights, 2023)*

## 2.6 Emerging Contexts: Pandemic and Climate Resilience

The COVID-19 pandemic significantly reshaped compliance priorities within global supply chains. Although immediate auditing requirements were relaxed temporarily, digital sustainability reporting intensified, further complicating compliance dynamics (Islam et al., 2021). Concurrently, the pandemic diverted resources away from compliance initiatives, widening existing gaps in sustainable practice implementation among suppliers (Huq et al., 2023).

Climate resilience has also become a critical factor influencing compliance practices. The increasing frequency of extreme weather events necessitates strategic investments in resilience-

building measures such as renewable energy and climate-resilient infrastructure, although these require significant upfront investment often beyond suppliers' financial capabilities (Sharmin & Ahmed, 2023).

## 2.7 Identified Gaps and Contributions of the Current Study

Despite extensive research into sustainable supply chain management and environmental compliance, several critical gaps remain in the current literature, significantly limiting the comprehensive understanding of supplier dynamics in the RMG sector. These gaps primarily include supplier agency, cross-cultural trust dynamics, longitudinal impacts of compliance, and strategic responses to compliance demands.

Firstly, supplier agency remains underrepresented in existing literature, often portraying suppliers as passive recipients of compliance pressures from powerful buyers. Supplier agency refers to the ability of suppliers, particularly in developing countries, to act independently and strategically within global value chains, despite structural power imbalances with dominant buyers. It encompasses their capacity to negotiate, innovate, and influence business relationships and outcomes, rather than being passive recipients of buyer demands (Soundararajan et al., 2018).

This concept challenges the traditional view of suppliers as powerless actors and highlights their potential to exercise autonomy, adapt to pressures, and shape the terms of engagement in global supply networks (Ponte, 2019). The agency of suppliers, particularly their strategic responses such as collective bargaining, innovative adaptations, and proactive investment decisions, is frequently overlooked (Anner, 2020; Locke, 2013). This neglect limits the understanding of how suppliers actively engage with and potentially shape the compliance landscape to their advantage or mitigate its impacts.

Secondly, cross-cultural dynamics in buyer-supplier relationships significantly influence compliance practices yet remain inadequately studied. Supplier-buyer relationships frequently involve significant cross-cultural interactions, with Western buyers imposing standards shaped by distinct cultural expectations onto South Asian suppliers. Chowdhury and Quaddus (2021) argue that these cultural mismatches in expectations regarding environmental compliance and sustainability practices often create misunderstandings and mistrust. Thus, a deeper exploration

of these cross-cultural dynamics is essential for better understanding and managing trust-building mechanisms and improving compliance outcomes.

Thirdly, existing literature predominantly employs cross-sectional studies, providing limited insights into the long-term impacts of compliance requirements on supplier performance.

Finally, the strategic responses of suppliers, particularly in contexts with intense competition and thin margins, need greater exploration. Empirical literature often highlights compliance as either a costly burden or an unexplored strategic opportunity, yet rarely investigates comprehensively how suppliers strategically navigate these conflicting pressures over time (Dubey et al., 2017; Hasan et al., 2021).

This study addresses these identified gaps through a focused single-case study approach, examining a prominent Bangladesh-based RMG supplier's experiences and strategies over an extended period. Specifically, this research contributes by:

- Illuminating supplier agency through a detailed examination of strategic compliance-related decision-making and adaptations.
- Investigating cross-cultural trust dynamics between the Bangladesh-based supplier and international buyers, providing nuanced insights into how cultural factors influence compliance practices and buyer-supplier relations.
- Exploring strategic responses comprehensively, highlighting innovative or effective practices employed by suppliers to balance compliance demands with economic viability.

Ultimately, this thesis enhances theoretical understanding by explicitly connecting institutional pressures, relational dynamics, and strategic management practices in the context of environmental compliance within the RMG industry, offering practical insights for suppliers navigating the increasingly stringent global sustainability landscape.

### 3. Methodology

This research adopts a qualitative single-case study approach, aiming to conduct an in-depth analysis of environmental compliance impacts on B2B sales quantity within a single prominent ready-made garments (RMG) supplier based in Bangladesh. The single-case study design is particularly suited to capturing the complexity of real-life contexts, allowing the exploration of detailed operational dynamics, stakeholder perceptions, and strategic adaptations within one organization (Yin, 2018).

#### 3.1 Case Selection

The selected organization Rehash Accessories and Sourcing Ltd. for this study is a leading RMG supplier in Bangladesh, significantly involved in international trade with prominent global buyers. The choice of this organization is based on its demonstrated commitment to environmental compliance, extensive experience with compliance standards, and active engagement with multiple international buyers. Selecting a well-established supplier allows for comprehensive insights into the strategic and operational challenges associated with environmental compliance and their impacts on sales performance.

#### 3.2 Data Collection Methods

The primary data collection method involves qualitative semi-structured interviews, complemented by document analysis. This methodological combination ensures rich qualitative data collection, enabling triangulation and enhancing validity (Creswell & Poth, 2018).

##### 3.2.1 Semi-Structured Interviews

The study is based on semi-structured interviews with two individuals from different organizational levels within the selected supplier:

- Director (Strategic Level): To capture insights into strategic decision-making regarding compliance investments and negotiations with buyers.
- Head of Marketing (Operational Level): To understand detailed experiences, challenges, and operational adjustments required for compliance implementation.

Interviews were guided by a structured interview protocol designed to address the following themes:

- Perceptions and strategic rationales behind compliance-related decisions.
- Specific costs and investments associated with compliance.
- Impacts of compliance on operational efficiencies, trust with international buyers, and contract renewal outcomes.

Each interview lasted approximately 45-60 minutes, conducted in Bengali based on the interviewee's preference, recorded digitally, and later transcribed verbatim and translated to English for detailed analysis.

### 3.2.2 Document Analysis

Document analysis involves reviewing relevant company documentation, such as:

- Environmental compliance reports and certifications.
- Financial documents detailing compliance-related expenditures.
- Communication records between the supplier and international buyers.
- Internal audits and performance review reports focusing on compliance impacts.

This analysis complements interview data by providing additional context and supporting triangulation.

### 3.3 Data Analysis

The data collected exclusively from semi-structured interviews were analyzed using thematic analysis, following the widely recognized approach outlined by Braun and Clarke (2006). Thematic analysis is a qualitative method for systematically identifying, analyzing, and interpreting patterns of meaning (themes) within interview data. This process was conducted in a structured and iterative manner to ensure depth and reliability in the interpretation. The key steps included:

- Familiarization with the data through careful transcription, repeated reading of the interview transcripts, and detailed note-taking to gain an initial understanding.

- Generation of initial codes by identifying recurring ideas, phrases, and concepts that emerged from the data.
- Collating codes into potential themes that captured broader patterns relevant to the research objectives.
- Reviewing and refining themes through multiple rounds of analysis to ensure internal coherence and alignment with the data.
- Defining and naming themes in a way that clearly reflects their core meaning and relevance to the study.
- Synthesizing the thematic findings to address the main research question and its associated sub-questions.

This approach allowed for a rich and nuanced understanding of the interviewees' perspectives, ensuring that the analysis remained grounded in the participants' experiences.

### 3.4 Use of Generative AI Tools

In alignment with Aalborg University's ethical research guidelines, it is declared that generative AI tools, specifically OpenAI's ChatGPT and Deepseek were utilized during the thesis process for non-evaluative support. The use of AI was limited to the following activities:

- **Structuring the thesis:** AI was used to help outline chapters, organize sections logically, and maintain academic tone and coherence throughout the document.
- **Idea generation:** During the early stages of topic exploration and research design, AI assisted in identifying relevant themes, constructing research questions, and suggesting theoretical frameworks.
- **Language refinement:** AI was occasionally employed to paraphrase or improve the clarity and flow of academic writing, without altering the analytical content or originality of ideas.
- **Citation formatting:** Assistance was provided to generate citations in APA style based on legitimate sources that were independently verified.

All intellectual judgments, data analysis, theme development, and interpretations of findings were conducted manually by the author. No AI-generated content was used in a way that compromised academic integrity, originality, or the authenticity of interview-based insights. At no stage was AI used to fabricate data or generate any findings or conclusions.

The use of AI tools in this thesis falls within the university's approved scope for enhancing productivity and quality, without violating authorship or ethical norms.

### 3.5 Ethical Considerations

Ethical considerations are integral to this research. Before participation, all interviewees received detailed explanations of the study's purpose, methods, and data usage, with informed consent explicitly obtained. Though both the interviewee were okay with using their true name and identity.

### 3.6 Limitations and Mitigation Strategies

This study uses a single-case study approach, which may limit the generalizability of the findings to other organizations or industries. However, the detailed insights gained will significantly contribute to understanding compliance challenges within the RMG sector. To reduce potential biases from qualitative data, the study will use multiple sources of data, clearly outline data analysis procedures, and regularly consult peers or advisors to ensure accuracy and reliability of findings. And perhaps compare it to existing literature and studies where possible and relevant

## 4. Findings

This study is based on a single-case, after interview with a senior leader of a Bangladeshi RMG supplier and a Marketing & Sales manager, reveals several important findings regarding the impact of international environmental compliance requirements on business-to-business (B2B) sales performance, supplier-buyer relationships, cross cultural dynamics and internal business operations. The data contributes to ongoing academic conversations on institutional pressures, global supply chain dynamics, and the real costs of compliance.



#### 4.1 Compliance as Ethical and Strategic Imperative

One of the most prominent findings is the supplier's proactive orientation toward environmental compliance. Unlike many firms that adopt standards only in response to buyer demands, the case organization was founded on a sustainability-first philosophy, emphasizing recycling and environmental responsibility as a part of its core mission. The supplier's commitment to ISO 14001, Global Recycled Standard (GRS), Forest Stewardship Council (FSC), and other certifications was not only motivated by coercive buyer pressure (DiMaggio & Powell, 1983) but also by intrinsic values and branding strategies. Owner of the company Mr. Sharif Sami mentioned "We began this business with a motive to address environmental and compliance issues. It's not just about earning money—our company name reflects our recycling focus." He also added "I display our certifications on our website, including GRS, FSC, and BSRM Organic Textile Standard. All of them are verified through third parties." This supports the normative aspect of institutional theory and aligns with Hart's (1995) argument in the Natural Resource-Based View that proactive environmental investments can yield long-term strategic benefits.

#### 4.2 Heavy Financial and Operational Investments

The case supplier has made substantial investments to meet environmental compliance requirements. These include the installation of a water treatment) safety training programs, factory infrastructure upgrades (wiring, childcare rooms), and acquiring multiple third-party certifications. Mr. Sami mentioned "Getting certifications itself is a huge investment—some require as much as \$3,500 just to apply." Additionally, he also mentioned "Our water treatment plant alone cost around 3 to 5 million BDT." These findings support existing research that highlights the cost-intensiveness of compliance for suppliers in developing countries (Testa et al., 2018; Islam et al., 2023).

Operationally, compliance involves regular audits, documentation, and coordination with certification bodies—often nominated by buyers. "Maintaining compliance accounts for at least 20% of our total expenses." Mr. Sami added.

The lack of buyer financial contribution to these costs exposes suppliers to profit erosion. As Heras-Saizarbitoria and Boiral (2013) note, certifications can become ritualized tools for buyer legitimacy, placing the real burden on suppliers.

### 4.3 Compliance Does Not Ensure Price Premiums

A critical concern expressed by both interviewees was that compliance with environmental and social standards does not necessarily result in a price premium from international buyers. Despite investing significantly in certifications such as GOTS, GRS, and FSC, suppliers often find that buyers are unwilling to compensate for these added costs through improved pricing structures. This imbalance creates tension between sustainability commitments and commercial viability.

The head of Marketing & Sales Mr. Munna clearly stated that buyers do not directly contribute to the cost of certification, despite it being a prerequisite for doing business with many Western brands. Instead, suppliers are forced to absorb these costs within their own pricing models. As explained:

“Buyers do not directly share the certification costs. We include those expenses in the overall product costing. We usually mention these aspects before entering negotiation, so it reduces the need for additional explanation. When determining the product price, we factor in the certification costs as part of our pricing strategy.”

This practice not only shifts the financial burden disproportionately to the supplier but also impacts negotiation dynamics, where the room for price flexibility is constrained by compliance obligations. Such dynamics support Anner’s (2020) findings, which argue that global supply chains are structured in a way that limits suppliers’ ability to recover sustainability-related costs, often leading to squeezed margins and restricted investment capacity.

So, the absence of explicit pricing benefits for certified suppliers may disincentivize full compliance and encourage symbolic adherence—a phenomenon where suppliers nominally fulfill standards without substantive investment in environmental or social improvements (Khan, Karim, & Islam, 2023). This could lead to the erosion of trust in the certification system itself.

To address this, buyers must recognize the true cost of ethical production and incorporate cost-sharing mechanisms or offer price premiums that reflect the value of sustainable compliance.

Without such structural adjustments, compliance may become unsustainable for smaller suppliers, especially in price-sensitive markets like Bangladesh.

#### 4.4 Systemic Corruption and Manipulation of Compliance

A troubling but significant finding is the existence of widespread manipulation and corruption in third-party verification systems. The supplier described scenarios in which buyers or their agents obtained small compliant samples while fulfilling orders through non-compliant factories. In one example, only 50 certified pieces were used to represent a 300,000-piece order during inspection. The supplier noted specific instances where only a small portion of their certified production was used for inspections, while the majority of the buyer's orders were fulfilled using cheaper, uncertified sources. This practice undermines both the spirit and impact of compliance. While discussing about unfair Practices in the Supply Chain “Out of a 200,000-piece order, they take only 2,000 from us with proper certification and source the remaining 198,000 from uncertified local markets.” – Mr. Sami mentioned. Additionally, he said “Those who maintain compliance are ultimately the ones who suffer the most.”

Such practices highlight major loopholes in the auditing process and support Locke's (2013) argument that private regulatory regimes often lack the enforcement strength necessary to drive systemic change. Without robust oversight and transparent certification, compliant suppliers remain vulnerable to unethical competition.

#### 4.5 Innovation and Circular Practices as a Response

To offset the increasing financial burden associated with environmental compliance, the supplier has adopted a range of innovative and circular practices. One key strategy has been the upcycling of production waste. Rather than discarding leather scraps, the company transforms them into small, value-added consumer items such as wallets and keychains. As Sharif Sami explained:

“We recycle waste leather to make small souvenirs like wallets and keyrings ourselves.”

This approach aligns strongly with circular economy principles, where waste is reimagined as a resource, contributing to both sustainability and new revenue streams. It demonstrates how

regulatory pressure, rather than merely being a cost driver, can also stimulate creative problem-solving and process innovation.

In addition to material reuse, the supplier has invested in advanced machinery and automation to enhance operational efficiency and reduce excess waste. These technological upgrades include sewing machines, heat press equipment, laser cutting machines, and printing technology. As noted by the interviewee:

“I had to purchase sewing machines, heat machines, printing machines, and laser cutting machines.”

These innovations do not only support compliance with environmental standards but also offer competitive differentiation through quality control, speed, and scalability.

As supported by Dyer and Singh (1998), such internal investments and capability development—especially when strategically integrated—can foster long-term differentiation and resilience, even within highly institutionalized environments. The supplier's example illustrates that compliance, when viewed strategically, can act as a catalyst for innovation and value creation rather than merely a financial liability.

#### 4.6 Policy and Industry Implications

The findings from this study highlight several urgent policy and industry-level implications that are critical for promoting sustainable practices in the Bangladeshi apparel and accessories supply sector. As suppliers increasingly shoulder the burden of environmental compliance—without sufficient support from buyers or institutional frameworks—structural reforms are necessary to ensure both fairness and long-term sustainability.

First and foremost, there is a pressing need for stricter regulatory oversight of third-party auditing agencies. Interview findings revealed that some uncertified suppliers bypass sustainability requirements by sourcing from informal markets while still passing audits—a practice that undermines truly compliant suppliers:

“Out of a 200,000-piece order, they take only 2,000 from us with proper certification and source the remaining 198,000 from uncertified local markets.”

— Sharif Sami, Interviewee

This highlights a significant governance gap, wherein existing auditing mechanisms fail to detect or deter symbolic compliance (Boiral, 2007). As such, regulatory bodies and international brands must implement transparent, verifiable audit processes that penalize superficial adherence and reward substantive compliance (Khan, Karim, & Islam, 2023).

Secondly, suppliers expressed frustration over the lack of financial recognition for their investments in sustainable practices. As one respondent noted:

“Maintaining compliance accounts for at least 20% of our total expenses... but buyers are reducing the prices.”

This illustrates an inherent asymmetry in global buyer-supplier relationships, where suppliers are expected to meet rigorous environmental and social standards without reciprocal financial support (Anner, 2020). Therefore, international buyers should be encouraged—or even mandated—to share compliance costs, either through premium pricing structures, long-term contracts, or direct co-investment in sustainability infrastructure. Failure to do so risks perpetuating a “race to the bottom” where only symbolic or partial compliance remains economically viable (Locke, 2013).

To address these disparities, national trade associations and government institutions in Bangladesh must take a proactive role in supporting and recognizing compliant suppliers. This could include:

- Developing public certification databases to validate and promote ethically operating firms
- Offering tax incentives or subsidies for sustainability investments such as wastewater treatment plants and renewable materials
- Launching national and international promotional campaigns that position Bangladeshi suppliers as global leaders in sustainable production

Such policy interventions are supported by recent research, which suggests that collaborative **governance frameworks**—where public and private actors co-create sustainability norms—

are more effective than buyer-driven models alone (Soundararajan et al., 2022). Moreover, **institutional theory** reminds us that regulatory legitimacy can shape firm behavior only when institutions offer both normative guidance and enforcement capacity (DiMaggio & Powell, 1983; Heras-Saizarbitoria & Boiral, 2013).

In conclusion, for Bangladesh to maintain and expand its foothold in global sustainable supply chains, a **multi-stakeholder approach** is required. Buyers must commit to fairer procurement practices; regulators must close compliance loopholes; and local institutions must empower and incentivize ethical business models. Only through such coordinated efforts can sustainability goals be both meaningful and economically feasible.

#### 4.7 Summary of Key Findings

- Compliance is driven by both buyer pressure and internal sustainability values.
- High upfront and recurring compliance costs strain supplier resources.
- Buyers rarely provide price premiums or cost-sharing mechanisms.
- Audit systems are prone to manipulation and corruption.
- Compliance spurs innovation but lacks immediate financial reward.
- Ethical suppliers are disadvantaged in a system that tolerates non-compliance.
- Policy reforms and buyer accountability are essential to achieving real sustainability.

These findings are not only consistent with existing scholarly debates but also add empirical richness by highlighting the day-to-day realities faced by compliant suppliers. This evidence base lays the foundation for both theoretical advancement and actionable supply chain reforms.

### 5. Analysis: Environmental Compliance as a Sales Strategy Lever

This chapter critically interprets the findings of the study, synthesizing insights from the interviews with Sales & Compliance Managers Munna and Sharif Sami. The analysis is framed within institutional theory, stakeholder theory, and global value chain (GVC) governance, providing a nuanced understanding of how environmental compliance reshapes sales strategy, pricing, buyer behavior, and competitive positioning within the Bangladeshi RMG industry.

### 5.1 Environmental Compliance as a Strategic Asset

The findings affirm that environmental certifications (e.g., GRS, FSC, ISO 14001) are no longer optional but form a strategic entry ticket to engage with European and North American buyers. As Munna noted, up to 75% of their buyers require proof of certification before initiating price discussions. This aligns with Chkanikova and Lehner's (2015) argument that private eco-standards restructure supply chains, creating institutional prerequisites for participation.

However, certifications are not always viewed as a differentiator, but rather a hygiene factor—required to enter the negotiation, not to secure better terms. This reflects the “legitimacy threshold” concept (Hawn & Ioannou, 2016), where certifications act as signals to meet stakeholder expectations but offer limited economic returns.

### 5.2 Dual Roles and ESG Integration

Both Sharif and Munna emphasized their dual responsibilities: managing client relationships while ensuring audit readiness and documentation compliance. This hybridization of sales and compliance functions reflects modern organizational trends toward cross-functional ESG integration (Porter, 2008), where sustainability knowledge becomes integral to commercial negotiation and client retention.

By internalizing ESG values, these managers embody normative isomorphism (DiMaggio & Powell, 1983), where firms adopt sustainable practices not solely due to coercion but due to reputational, ethical, and industry expectations.

### 5.3 Buyer Behavior and Trust-Building

Trust emerged as a key mechanism driving long-term commercial relationships. Sharif emphasized that repeat orders were more frequent when compliance was demonstrated consistently. This supports Dyer and Singh's (1998) relational view, which posits that inter-organizational trust and joint investments (such as certifications) create relational rents—benefits that competitors cannot easily replicate.

However, despite high levels of trust, buyers often refrain from offering price premiums. This creates a trust-price paradox, where suppliers meet increasing ESG expectations without receiving proportional financial compensation (Anner, 2020; Dyer & Chu, 2003).

### 5.4 Pricing Strategies and Cost Allocation

Both interviewees described embedding compliance costs into overall pricing without disclosing them explicitly. This strategy is common in cost-sensitive markets, allowing firms to maintain competitiveness while meeting sustainability demands.

*“Buyers do not directly share the certification costs. I include those expenses in the overall product costing... When determining the product price, we factor in the certification costs.”*

This mirrors Testa et al. (2012), who advocate for integrated pricing models for sustainable practices. However, such embedded costs may go unrecognized, weakening the business case for future ESG investments.

### 5.5 Institutional Gaps and Audit Manipulation

The study revealed serious weaknesses in audit integrity and compliance enforcement. Munna noted that certain buyers only inspect small certified batches while sourcing the bulk from non-compliant suppliers, a practice that undermines ethical sourcing and discourages full compliance.



*“Out of a 200,000-piece order, they take only 2,000 from us with proper certification and source the remaining 198,000 from uncertified local markets.”*

This highlights a case of symbolic compliance (Oliver, 1991), where firms adopt surface-level practices to meet buyer requirements but fail to implement them systematically. It also reinforces critiques by Anner (2020) and Huq et al. (2023), who argue that global supply chains often perform sustainability for optics rather than transformation.

### 5.6 Compliance as a Catalyst for Innovation

Despite the cost burden, compliance has spurred operational innovation and circular economy practices. The firm showcased initiatives such as recycling leather waste into souvenir items and adopting automation to reduce waste—contributing to both cost efficiency and sustainability.

*“We recycle waste leather to make small souvenirs like wallets and keyrings ourselves.”*

*“We had to purchase sewing machines, heat machines, printing machines, and laser cutting machines.”*

These adaptive strategies reflect Hart’s (1995) Natural Resource-Based View, where environmental capabilities serve as strategic resources that provide a competitive edge.

### 5.7 Cross-Cultural Dynamics in Compliance Communication and Negotiation

An often underexplored yet critical dimension of international sourcing and sustainability practices is the influence of cross-cultural dynamics on compliance communication, negotiation, and trust development. In the context of Bangladesh’s RMG industry, suppliers interact with global buyers—primarily from Western countries—whose expectations about sustainability and certification are shaped by distinct institutional logics and cultural norms.

Insights from the interviews revealed how these cross-cultural interactions shape both the perception and execution of compliance. For instance, Sharif emphasized that international

buyers often assume suppliers possess detailed and proactive knowledge of standards such as GOTS, FSC, or ZDHC. However, due to differences in regulatory landscapes and institutional maturity, local suppliers sometimes interpret and prioritize compliance measures differently. These disconnects illustrate what Hofstede (2010) described as the influence of power distance and uncertainty avoidance in international negotiations.

Sharif also noted that buyers from low-context cultures, such as Germany or the United States, prefer explicit, structured, and contract-based communication. In contrast, Bangladeshi suppliers—operating in a high-context cultural environment—tend to rely more on relational cues, gradual trust-building, and indirect communication. This cultural asymmetry can lead to friction, especially in compliance discussions, where documentation and proactive updates are highly valued by buyers.

*“We usually mention these aspects before entering negotiation, so it reduces the need for additional explanation.”*

This quote illustrates the supplier's strategy to navigate cultural expectations—by pre-framing compliance status, they align better with buyer preferences for clarity and proactivity. According to Luo (2002), trust in cross-cultural collaborations is built incrementally through consistent signals and mutual understanding rather than merely transactional compliance.

Furthermore, Roehrich et al. (2017) emphasize that building intercultural competence is essential for managing ethical sourcing and sustainability initiatives across borders. Miscommunication arising from cultural misalignment can undermine even well-intentioned compliance efforts, impacting negotiation outcomes and long-term buyer-supplier relationships.

Cross-cultural dynamics significantly influence how compliance is communicated, perceived, and rewarded. Suppliers must develop cultural intelligence and strategic communication skills to maintain credibility and strengthen buyer trust. Simultaneously, buyers should contextualize compliance expectations within the local operational and cultural realities of their suppliers.

## 5.8 Industry Dynamics and Unfair Competition

Both respondents highlighted the competitive disadvantage faced by compliant firms, who are undercut by non-compliant suppliers offering lower prices. This reinforces findings by

Hoejmose et al. (2013), who note that responsible suppliers often struggle to maintain a green premium in price-sensitive markets.

Nonetheless, quality-focused buyers were said to favor certified suppliers over the long term, illustrating a bifurcation in buyer segments—between those driven by ethical sourcing and those prioritizing cost.

## 5.9 Institutional Reform and Policy Gaps

Finally, the analysis identifies a systemic need for policy intervention and governance reform. Interviewees called for stricter oversight of third-party auditors, cost-sharing mechanisms, and better recognition for compliant firms.

This resonates with Gereffi et al. (2005), who argue that buyer-driven governance models need structural rebalancing to ensure equitable risk and reward distribution. Chowdhury & Quaddus (2021) further suggest that public-private partnerships can strengthen supplier capabilities through training, subsidies, and promotional support.

## 6. Discussion

The findings of this study offer critical insights into the intersection of environmental compliance and supplier performance in the context of the Bangladesh RMG industry. This discussion interprets the results through key theoretical lenses and aligns them with broader academic literature.

### 6.1 Institutional Pressures and Compliance Motivation

The supplier's proactive approach to compliance highlights the role of institutional pressures in shaping corporate sustainability behaviors. According to DiMaggio and Powell (1983), coercive pressures from regulations and buyer requirements often compel firms to conform. In this study, these pressures were evident through global certification mandates (e.g., GRS, FSC) required by buyers, particularly from the EU and North America.

Beyond coercive forces, the supplier demonstrated normative isomorphism by aligning operations with broader sustainability values—motivated not only by market access but by internalized environmental commitments. This aligns with recent findings by Ahmed et al. (2021), who reported that many Bangladeshi suppliers are increasingly motivated by reputational and ethical imperatives rather than external pressure alone.

Mimetic isomorphism also surfaced as the supplier emulated the practices of successful global peers to gain legitimacy, echoing the conclusions of Boiral (2007) and Heras-Saizarbitoria and Boiral (2013) that compliance is often driven by both symbolic signaling and genuine commitment.

## 6.2 Compliance Costs and Operational Strain

The findings reveal that environmental compliance imposes significant financial strain, especially on small to medium-sized enterprises (SMEs) in developing countries. The supplier invested heavily in technologies such as laser cutting machines and water treatment plants, with costs running into millions of Bangladeshi Taka. These observations are supported by Testa et al. (2018) and Islam et al. (2023), who found that compliance-related expenses disproportionately affect Global South suppliers.

Importantly, buyers rarely contribute to these costs. The supplier confirmed that certification expenses are embedded within pricing models, but buyers neither acknowledge nor compensate for these added investments. This reflects Locke's (2013) critique of private governance, which places implementation burdens on suppliers while buyers retain economic control and reap reputational benefits.

## 6.3 Buyer-Supplier Trust and the Price Premium Paradox

Although buyers trust compliant suppliers and rely on them for quality assurance, this trust rarely translates into financial incentives. As found in the interviews, compliance is considered a baseline expectation rather than a differentiator. This insight is consistent with Dyer and Chu (2003), who found that trust in supply chains does not always lead to better contractual terms.

The findings also reflect Hawn and Ioannou's (2016) assertion that sustainability credentials act as legitimacy signals, which do not necessarily yield economic returns. This creates a paradox: while compliance is vital for access to markets, it fails to generate the commercial rewards needed to make sustainability economically viable for suppliers.

#### 6.4 Manipulation and Audit Integrity Issues

The study uncovered evidence of systemic manipulation in certification processes, where buyers accept only a token volume of certified products while sourcing the rest from cheaper, non-compliant sources. This finding reinforces Anner's (2020) critique of selective enforcement in global supply chains, where audits serve as optics rather than genuine accountability mechanisms.

Furthermore, Huq et al. (2023) highlight that inadequate audit transparency contributes to systemic risks, allowing unethical sourcing practices to persist under the guise of compliance. The supplier's experience reveals the structural flaws in third-party auditing, underscoring the urgent need for stronger enforcement and verification standards.

#### 6.5 Strategic Adaptation and Innovation

Despite the challenges, the supplier demonstrated resilience through innovative, sustainability-driven practices. Notably, waste leather was repurposed into small accessories, and investments were made in eco-efficient technologies. These initiatives reflect the Natural Resource-Based View (Hart, 1995), which posits that environmental capabilities can become sources of competitive advantage.

Such strategies also align with Dyer and Singh's (1998) relational view, which emphasizes the role of strategic supplier competencies and partnerships in navigating complex institutional environments. In this case, compliance catalyzed process innovation and positioned the supplier as a trustworthy and forward-thinking partner.

## 6.6 Toward Fairer and More Effective Compliance Models

The study's findings highlight the urgent need for systemic reform in how environmental compliance is governed across global value chains.

Policy-level changes are also required at the national level. Chowdhury and Quaddus (2021) recommend public-private partnerships to enhance supplier capacity through access to training, funding, and market recognition. Bangladesh's trade associations and regulatory bodies can further support suppliers by developing verified compliance databases and offering tax or certification subsidies.

In conclusion, while environmental compliance offers pathways for innovation and trust-building, its current structure places undue financial pressure on suppliers without corresponding rewards. Realizing the full potential of sustainable supply chains requires alignment between buyer practices, regulatory frameworks, and supplier capabilities.

## 7. Conclusion & Recommendations

This thesis explored the intricate relationship between environmental compliance and sales strategy in the Bangladeshi Ready-Made Garment (RMG) sector, with a particular focus on how such compliance influences negotiation tactics, pricing, and buyer behavior. Using a single-case study methodology based on a semi-structured interview, this research offers a grounded understanding of how compliance shapes firm-level practices in a highly institutionalized yet economically constrained environment.

A key finding of this study is that environmental compliance, while necessary for market access, does not automatically translate into pricing premiums. The supplier interviewed explicitly stated, "We include the certification cost within our overall pricing," and noted that buyers often do not offer direct compensation for compliance investments. This supports prior literature that emphasizes the decoupling of social and environmental standards from buyer purchasing practices (Anner, 2020; Locke, 2013). As a result, suppliers often internalize these costs, affecting their margins and negotiation leverage.

The study also found that compliance drives internal innovation, particularly in resource optimization and waste management. For instance, the supplier introduced automation and

transformed leather scraps into small accessories like wallets and keyrings, reflecting principles of the circular economy. This finding aligns with the natural-resource-based view of the firm, which posits that sustainable capabilities can become sources of competitive advantage (Hart, 1995; Dubey et al., 2017).

Moreover, the research highlights the complexity of buyer-supplier relationships in cross-cultural settings. Cultural mismatches, lack of shared understanding, and weak trust mechanisms exacerbate the transactional nature of these relationships (Chowdhury & Quaddus, 2021). The supplier's reliance on strategic pre-negotiation disclosures about certifications indicates an adaptive response to reduce uncertainty during negotiation phases, which is consistent with Dyer and Chu's (2003) emphasis on trustworthiness as a transaction cost reducer.

Institutional pressures emerged as a double-edged sword. While external audits and buyer mandates compel firms to adopt sustainability practices, they also introduce procedural burdens and financial risks—especially when audit processes lack transparency. This mirrors the institutional theory of isomorphism, where firms conform not necessarily for efficiency but to gain legitimacy (DiMaggio & Powell, 1983). However, in contexts like Bangladesh, the lack of regulatory support and fragmented audit governance can render compliance symbolic rather than substantive (Khan et al., 2023).

Finally, the thesis underscores a critical policy implication: compliance must be supported by equitable buyer practices and institutional incentives. Without shared responsibility from global buyers—through direct procurement, price premiums, or cost-sharing—the burden remains disproportionately on suppliers. This reflects broader critiques in sustainability literature about the uneven distribution of ethical responsibilities in global supply chains (Soundararajan et al., 2022).

In summary, environmental compliance in the RMG sector is more than a box-ticking exercise—it is a strategic, resource-intensive, and culturally embedded practice. While it can catalyze innovation and operational discipline, the lack of corresponding buyer behavior and institutional support often undermines its transformative potential. Future research could build on this study by exploring multi-case designs across sectors or regions, and by incorporating buyer perspectives to offer a more holistic understanding of compliance-driven value creation.

## 7.1 Limitations

This study, while offering rich insights into environmental compliance within the Bangladeshi Ready-Made Garments (RMG) sector, is not without its limitations. The most significant constraint was the difficulty in identifying and gaining access to a sufficient number of suppliers who were both relevant and willing to participate in in-depth interviews. Despite proactive outreach and preliminary confirmations from several prospective participants, arranging face-to-face or even virtual interviews proved to be a major challenge. Many respondents expressed initial interest, but due to various situational and contextual constraints, scheduled meetings were frequently delayed, rescheduled, or ultimately cancelled.

As a result, the research design was necessarily adapted from a multi-case to a single-case study approach. While this allowed for a more focused and detailed examination of one supplier's practices, perspectives, and challenges, it limited the broader applicability of the findings across the diverse landscape of suppliers in Bangladesh. Single-case studies, though valuable for exploratory and theory-building research, inherently restrict the generalizability and representativeness of conclusions (Yin, 2018).

This limitation was further compounded by the prevailing socio-political and economic conditions in Bangladesh at the time of data collection. The country was experiencing significant policy reforms and institutional shifts as part of an ongoing wave of economic regulation and governance restructuring. These changes, while essential for compliance and sustainability goals, imposed additional administrative and operational burdens on business owners, making it especially difficult for them to allocate time for research participation. This reality was particularly evident in the RMG sector, where suppliers were already under immense pressure to meet evolving environmental, social, and international standards.

In addition to these regulatory transitions, the research timeline coincided with two major religious festivals in Bangladesh—Eid-ul-Fitr and Eid-ul-Adha—which significantly influenced business operations and stakeholder availability. These events traditionally involve prolonged holiday periods, reduced factory activity, and a shift in focus toward religious and familial commitments. As a result, many potential interviewees were unavailable or understandably disengaged during this time frame.

Together, these contextual realities contributed to a constrained empirical base for this study. Although the insights derived from the single case were deeply informative and thematically



rich, they cannot be assumed to reflect the experiences of all suppliers operating within the Bangladeshi RMG industry. Future research would benefit from a broader sampling strategy, longer fieldwork timeline, and potentially mixed-methods approaches to overcome these constraints and validate the current study's findings across a wider population.

## 7.2 Future Research recommendation

While this thesis provides valuable insights into how environmental compliance influences sales strategy, buyer behavior, and negotiation practices within a specific supplier context, several areas remain open for deeper academic inquiry. These recommendations aim to guide future research that can broaden and deepen our understanding of the marketing and sales implications of sustainability practices, particularly in emerging economies like Bangladesh.

### 1. Comparative Multi-Case Studies Across Supplier Tiers and Regions

This study focused on a single, export-oriented compliant supplier. Future research should adopt a multi-case comparative approach to explore differences between compliant and non-compliant firms, or between small and large enterprises. This would enable analysis of how compliance affects sales strategies across diverse firm profiles and regional clusters, uncovering whether the patterns observed in this study hold at scale (Creswell & Poth, 2018).

### 2. Buyer-Side Perception and Marketing Value Alignment

A key gap identified in this thesis is the disconnect between the marketing narratives of global buyers and the commercial realities of suppliers. Future research should investigate buyer-side perspectives, particularly procurement managers and CSR teams, to assess how compliance is valued, priced, and communicated within Western buyer organizations. Such research could reveal the extent to which environmental standards influence supplier selection, negotiation flexibility, and brand positioning (Gereffi et al., 2005; Hawn & Ioannou, 2016).

### 3. Longitudinal Studies on Compliance and Sales Performance

Environmental compliance is often seen as a long-term investment. Future research should apply longitudinal designs to measure the relationship between compliance and sales outcomes over time, including contract renewal rates, buyer retention, and pricing evolution (Dubey et al., 2017; Islam et al., 2023). This approach could also track how evolving regulatory

frameworks or global events (e.g., pandemics, trade reforms) impact the marketing utility of compliance.

#### 4. Role of Marketing Communication and Cultural Mediation

Cross-cultural misalignment emerged as a recurring barrier in communicating the value of compliance. Further studies could examine the role of marketing communication tools, including storytelling, visuals, and digital content, in bridging cultural gaps. Research may also explore the impact of cultural intelligence (CQ) on sales team effectiveness and buyer-supplier trust development in global sourcing contexts (Chowdhury & Quaddus, 2021; He et al., 2023).

#### 5. Incentive Structures and Marketing Innovation in Compliance-Driven Sales

Future research should also investigate the kinds of commercial incentives that could make environmental compliance a more active component of marketing differentiation. This includes exploring supplier-led branding strategies, green product lines, co-branding initiatives with buyers, and third-party eco-labeling schemes (Hart, 1995; Ponte, 2019). How such strategies influence buyer behavior and pricing power remains underexplored.

#### 6. Digitalization, Transparency, and Marketing Automation

As traceability and data-driven compliance become integral to buyer decision-making, future research can assess how digital platforms (e.g., blockchain, audit traceability tools) support compliance-based marketing and negotiation. Studies could evaluate how these technologies influence buyer trust and supplier visibility in sourcing platforms (Huq et al., 2023).

#### 7. Sectoral and Cross-Industry Comparisons

While this research is grounded in the garment sector, future investigations should compare findings with other export-reliant industries in Bangladesh, such as leather, jute, or seafood. This cross-sectoral lens could illuminate shared and divergent challenges in leveraging compliance for competitive advantage in sales and marketing.

These recommendations highlight the importance of interdisciplinary approaches that integrate supply chain management, sales strategy, marketing communication, and institutional theory. Expanding research in these directions will contribute to a richer understanding of how environmental compliance evolves from a regulatory obligation to a strategic marketing asset.

## 8. References

1. Ahmed, A., Hossain, M. M., & Halim, M. A. (2021). Sustainability practices in the RMG industry: Evidence from Bangladesh. *Journal of Cleaner Production*, 278, 123512.
2. Ahmed, F., Rahman, M., & Kabir, H. (2021). Environmental compliance in Bangladesh's apparel industry: Challenges and policy interventions. *Journal of Cleaner Production*, 280, 124397. <https://doi.org/10.1016/j.jclepro.2020.124397>
3. Anner, M. (2020). Abandoned? The impact of COVID-19 on workers and businesses at the bottom of global garment supply chains. Center for Global Workers' Rights, Penn State University.
4. Anner, M. (2020). Squeezing workers' rights in global supply chains: Purchasing practices in the Bangladesh garment export sector. *Review of International Political Economy*, 27(2), 320–347. <https://doi.org/10.1080/09692290.2019.1625426>
5. BGMEA. (2020). Annual report 2020. Bangladesh Garment Manufacturers and Exporters Association.
6. Boiral, O. (2007). Corporate greening through ISO 14001: A rational myth? *Organization Science*, 18(1), 127–146. <https://doi.org/10.1287/orsc.1060.0224>
7. Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, 3(2), 77–101. <https://doi.org/10.1191/1478088706qp063oa>
8. Cardon, P. W. (2020). *Business communication: Developing leaders for a networked world* (3rd ed.). McGraw-Hill Education.
9. Chowdhury, M., & Quaddus, M. (2021). Cultural misfit in global supply chains: A study of Western buyers and Bangladeshi RMG suppliers. *Supply Chain Management: An International Journal*, 26(3), 362–375. <https://doi.org/10.1108/SCM-06-2020-0253>
10. Creswell, J. W., & Poth, C. N. (2018). *Qualitative inquiry and research design: Choosing among five approaches* (4th ed.). Sage Publications.
11. Chua, R. Y. J., Morris, M. W., & Ingram, P. (2021). Guanxi vs networking: Distinctive configurations of affect- and cognition-based trust in East Asian vs Western business relationships. *Journal of International Business Studies*, 52(5), 798–816. <https://doi.org/10.1057/s41267-020-00352-3>
12. DiMaggio, P. J., & Powell, W. W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American Sociological*

- Review, 48(2), 147–160. <https://doi.org/10.2307/2095101>
13. Dubey, R., Gunasekaran, A., & Ali, S. S. (2017). Lean manufacturing and firm performance: The role of green supply chain management practices. *International Journal of Production Economics*, 183, 214–227. <https://doi.org/10.1016/j.ijpe.2016.10.028>
14. Dyer, J. H., & Chu, W. (2003). The role of trustworthiness in reducing transaction costs and improving performance: Empirical evidence from the United States, Japan, and Korea. *Organization Science*, 14(1), 57–68. <https://doi.org/10.1287/orsc.14.1.57.12806>
15. Dyer, J. H., & Singh, H. (1998). The relational view: Cooperative strategy and sources of interorganizational competitive advantage. *Academy of Management Review*, 23(4), 660–679. <https://doi.org/10.5465/amr.1998.1255632>
16. Gereffi, G., Humphrey, J., & Sturgeon, T. (2005). The governance of global value chains. *Review of International Political Economy*, 12(1), 78–104. <https://doi.org/10.1080/09692290500049805>
17. Hall, E. T. (1976). *Beyond culture*. Anchor Books.
18. Hart, S. L. (1995). A natural-resource-based view of the firm. *Academy of Management Review*, 20(4), 986–1014. <https://doi.org/10.5465/amr.1995.9512280033>
19. Hasan, R., Hoque, M., & Hossain, M. (2021). Buyer-supplier trust and sustainability in RMG: Evidence from Bangladesh. *Journal of Business Ethics*, 174(3), 631–650. <https://doi.org/10.1007/s10551-020-04553-w>
20. Hawn, O., & Ioannou, I. (2016). Mind the gap: The interplay between external and internal actions in the case of CSR. *Strategic Management Journal*, 37(13), 2569–2588. <https://doi.org/10.1002/smj.2456>
21. He, Y., Fang, Y., & Lin, X. (2023). Cultural intelligence and trust development in cross-cultural teams: A multilevel model. *International Business Review*, 32(1), 102051. <https://doi.org/10.1016/j.ibusrev.2022.102051>
22. Heras-Saizarbitoria, I., & Boiral, O. (2013). ISO 9001 and ISO 14001: Towards a research agenda on management system standards. *International Journal of Management Reviews*, 15(1), 47–65. <https://doi.org/10.1111/j.1468-2370.2012.00334.x>
23. Hofstede Insights. (2023). Country comparison: Bangladesh and Denmark. <https://www.hofstede-insights.com/country-comparison/>
24. Huq, F., Stevenson, M., & Zorzini, M. (2023). Sustainability challenges in post-pandemic apparel supply chains. *Journal of Supply Chain Management*, 59(2), 35–51. <https://doi.org/10.1111/jscm.12289>
25. Islam, M. A., Deegan, C., & Haque, S. (2021). Sustainability disclosures in the apparel

- industry post-COVID-19: Challenges and shifts. *Accounting, Auditing & Accountability Journal*, 34(8), 1841–1869. <https://doi.org/10.1108/AAAJ-06-2020-4639>
26. Islam, M. A., Haque, A., & Hasan, M. M. (2023). Environmental compliance and its costs in Bangladesh's apparel sector. *Business Strategy and the Environment*, 32(5), 2120–2132.
  27. Islam, M. A., Kabir, M. H., & Akter, R. (2023). Environmental compliance and sales performance in the RMG sector of Bangladesh: Evidence and implications. *Sustainability Accounting, Management and Policy Journal*, 14(1), 121–143. <https://doi.org/10.1108/SAMPJ-01-2022-0013>
  28. Khan, M. R., Karim, M. R., & Islam, M. T. (2023). Symbolic versus substantive compliance in environmental certifications: A study of garment factories in Bangladesh. *Business Strategy and the Environment*, 32(4), 2201–2215. <https://doi.org/10.1002/bse.3362>
  29. Kusi-Sarpong, S., Gupta, H., & Sarkis, J. (2019). A supply chain sustainability innovation framework and evaluation methodology. *International Journal of Production Research*, 57(7), 1990–2004. <https://doi.org/10.1080/00207543.2018.1518607>
  30. Locke, R. M. (2013). *The promise and limits of private power: Promoting labor standards in a global economy*. Cambridge University Press.
  31. Ponte, S. (2019). Green capital accumulation: Business and sustainability management in a world of global value chains. *New Political Economy*, 24(1), 72–84. <https://doi.org/10.1080/13563467.2017.1417362>
  32. Sharmin, T., & Ahmed, N. (2023). Climate resilience strategies in the apparel sector: A Bangladesh perspective. *Environmental Science & Policy*, 140, 56–67. <https://doi.org/10.1016/j.envsci.2023.01.004>
  33. Soundararajan, V., Brown, J. A., & Wicks, A. C. (2022). Distributed moral responsibility in global supply chains: Towards a relational governance framework. *Journal of Business Ethics*, 180, 377–397. <https://doi.org/10.1007/s10551-021-04857-1>
  34. Soundararajan, V., Khan, Z., & Tarba, S. Y. (2018). Beyond brokering: Sourcing agents, boundary work and working conditions in global supply chains. *Human Relations*, 71(4), 481–509. <https://doi.org/10.1177/0018726717711231>
  35. Testa, F., Boiral, O., & Irlando, F. (2018). Internalization of environmental practices and institutional complexity: Can stakeholders pressures encourage greenwashing? *Journal of Business Ethics*, 147(2), 287–307. <https://doi.org/10.1007/s10551-015-3001-2>
  36. Yin, R. K. (2018). *Case study research and applications: Design and methods* (6th ed.). Sage.

## 9. Appendices

Figure: All certification renewal & Maintenance cost in BDT

Rehash Accessories and Sourcing Ltd.					
Holding-02, Haji Noab Ali Road, Boro Dewra, Tongi, Gazipur, Bangladesh					
Sl.	Date	Certificate	Description	Amount	Remarks
1	07-01-25	HIGG FEM	Portal Fee	114696	
			Audit Fee	164700	
2	05-03-25	FSC (Forest Stewardship Council)	Audit Fee	143000	
3	16-03-25	BSCI (Business Social Compliance Initiative)	Audit Fee	233822	
4	10-04-25	GRS (Global Recycle Standard)	Audit Fee	125000	
5	07-05-25	GOTS (Global Organic Textile Standard)	Audit Fee	125120	
		GOTS EXTENSION	Audit Fee	55200	
6	14-05-25	OEKO-TEX PU	Audit & Test Fee	230675	
7		OEKO-TEX LABEL & TAPE	Audit & Test Fee	431000	
		Yearly overheads (12 months)	Training & Development	15000	
			Documents Printing & Others	8000	
			Conveyance & Fooding	25000	
			Maintenance items	45000	
			Consultation Fee	100000	
			Safety Materials	250000	
	TOTAL =			2,066,213	

# Certificate of Completion 2024

Hereby certifies that

**Rehash Accessories & Sourcing Limited**

Has completed **HIGG FEM VERIFICATION**

Worldly ID: 187514

OS ID: BD2025014YWXCPD



Cascade certifies that the facility named above utilizes the Higg Index to measure and grow its sustainability practice.

Assessment Scope: As identified in Higg FEM Verification Protocol.

Verifying Body: **URS Certification Limited**

A handwritten signature in black ink, appearing to read "Colin Browne", written over a horizontal line.

**Colin Browne**  
Chief Executive Officer  
Cascade



Cascade (formerly Sustainable Apparel Coalition) 1714 Franklin St. #100-272, Oakland, CA 94612



## Transaction Certificate (TC)

Transaction Certificate Number 25-758261

for products certified to

Global Organic Textile Standard (GOTS)

<b>1. Certification Body</b> IDFL Laboratory and Institute 8F., No. 312, Sec. 2, New Taipei Blvd., Xinzhuang Dist. New Taipei City 242032 Taiwan Licensing Code of Certification Body: GOTS-IDFL-24	<b>2. Seller of Certified Products</b> REHASH ACCESSORIES & SOURCING LTD. Holding-02, Haji Noab Ali Road, Boro Dewra, Tongi Gazipur Dhaka Bangladesh SC Number: IDF-24-603454 License No: 020480
<b>3. Buyer of Certified Products</b> AZIM & SON (PVT.) LTD. UNIT-2 Gacha Road, Joydebpur Gazipur 1704 Dhaka Bangladesh License No: CERES-0846	<b>4. Gross Shipping Weight</b> 7.50 kg <b>5. Net Shipping Weight</b> 6.00 kg <b>6. Certified Weight</b> (GOTS) 6.00 kg
<b>7. Declarations by Certification Body</b> This is to certify that, based on the relevant documentation provided by the seller named in Box 2 "Seller of Certified Products": i. the raw material(s) for the products as further detailed/referred to in Box 10 "Certified Products", Box 11 "Certified Raw Materials and Declared Country/Area of Origin" and quantified in Box 4 "Gross Shipping Weight", Box 5 "Net Shipping Weight" and Box 6 "Certified Weight" has/have been produced in accordance with (an) organic farming standard(s) which is/are recognized by the GOTS, and ii. the products in Box 10 "Certified Products" have been processed in accordance with the GOTS. Conformity with the standard is audited and monitored systematically under responsibility of the certification body named in Box 1. <b>Certification of the organic material used for the products listed complies with USDA NOP rules</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No This transaction certificate does not entitle the Box 3 "Buyer of the Certified Product" to use the GOTS logo or make reference to the GOTS. The rules for the labeling of GOTS Goods are outlined in the latest version of the document "Conditions for the Use of GOTS Signs", (available on GOTS website).	
<b>8. Certified Input References</b> Input TCs: GSS-GOTS-140655 Farm SCs: Farm TCs: Trader TCs for Organic Material:	

Place and Date of Issue  
Taipei, 2025-02-09

Bryan Mortensen, Global  
Audits and Certifications  
Manager

Certification Body



Standard



QR Code



Seller License No. 020480

Page 1 of 2



Transaction Certificate Number 25-758261 (continued)  
GOTS

<b>9. Shipments</b>			
Shipment No.:	1	Consignee Name and Address:	
Shipment Date:	2025-02-06	AZIM & SON (PVT.) LTD. UNIT-2	
Shipment Doc No.:	RH/ANS/004/24	Gacha Road, Joydebpur	
Gross Shipping Weight:	7.50 kg	Gazipur 1704	
Invoice References:	RH/ANS/004/24(2025-02-06)	Dhaka Bangladesh	
<b>10. Certified Products</b>			
Product No.:	1	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/ANS/004/24	Product Detail:	Labels (PD0038)
Article No.:	7550504000	Material Composition:	100% Organic Cotton (RM0104)
Number of Units:	2200 PCS	Standard (Label Grade):	GOTS (Organic)
Net Shipping Weight:	1.80 kg	Additional Info:	Main Label
Supplementary Weight:	0.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Certified Weight:	1.80 kg	- License Number:	020480
Production Date:	2025-02-05	- Country:	Bangladesh
Product No.:	2	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/ANS/004/24	Product Detail:	Labels (PD0038)
Article No.:	7550504000	Material Composition:	100% Organic Cotton (RM0104)
Number of Units:	2200 PCS	Standard (Label Grade):	GOTS (Organic)
Net Shipping Weight:	1.20 kg	Additional Info:	Size Label
Supplementary Weight:	0.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Certified Weight:	1.20 kg	- License Number:	020480
Production Date:	2025-02-05	- Country:	Bangladesh
Product No.:	3	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/ANS/004/24	Product Detail:	Labels (PD0038)
Article No.:	7550504000	Material Composition:	100% Organic Cotton (RM0104)
Number of Units:	6600 PCS	Standard (Label Grade):	GOTS (Organic)
Net Shipping Weight:	3.00 kg	Additional Info:	Care Label
Supplementary Weight:	0.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Certified Weight:	3.00 kg	- License Number:	020480
Production Date:	2025-02-05	- Country:	Bangladesh
<b>10a. Certified Components</b>			
<b>11. Certified Raw Materials and Declared Geographic Origin</b>			
Organic Cotton (RM0104)	India (Mahārāshtra); India (Madhya Pradesh); India (Rājasthān)		
Certified Weight:	6.00 kg		
<b>12. Declarations by Seller of Certified Products</b>			
The certified product(s) covered in this certificate have been outsourced to a subcontractor: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
L/C NO - 0001250400086			

Place and Date of Issue Taipei, 2025-02-09	Certification Body	Standard	QR Code
			
Bryan Mortensen, Global Audits and Certifications Manager			Seller License No. 020480



2000 Powell Street, Ste. 600, Emeryville, CA 94608 USA

## SCOPE CERTIFICATE

Scope Certificate Number **SCS-GRS-10244**  
Scope Certificate Version Number **SCS-GRS-10244**

SCS Global Services  
certifies that

### Rehash Accessories & Sourcing Ltd

Textile Exchange-ID (TE-ID): TE-00070714  
SCS Global Services Client Number: CL47124  
Holding-02, Haji Noab Ali Road, Boro Dewra, Tongi, Gazipur-1711, Bangladesh

has been audited and found to be in conformity with the

### Global Recycled Standard (GRS) Version 4.0

Product categories mentioned below (and further specified in the product appendix) conform with the standard:  
**Functional Accessories (PC0017); Paper Products (PC0021)**

Processing categories carried out under responsibility of the above mentioned organization for the certified products cover:  
**Preparatory (PR0022); Weaving (PR0033) \*; Knitting (PR0015); Manufacturing (PR0016); Printing (PR0023) and Packing (PR0020)**

\*The processes marked with an asterisk may be carried out by subcontractors

This certificate is valid until: **2025-06-04**

Audit Criteria: Global Recycled Standard V4.0; Content Claim Standard V3.1; Textile Exchange Standards Claims Policy V1.3

Place and Date of Issue:  
Emeryville, CA USA, 2024-06-05

Name of authorized person:

Nicole Muñoz  
Vice President  
Environmental Certification Services Division

Stamp of Issuing body:



Standard's Logo



Certification Body Licensed by Textile Exchange: Licensing Code: CB-SCS  
Certification Body Accredited by: ANAB; Accreditation No: 0821  
Inspection Body: SCS Global Services

This Scope Certificate provides no proof that any goods delivered by its holder are GRS and RCS certified. Proof of GRS certification of goods delivered is provided by a valid Transaction Certificate (TC) covering them. The issuing body can withdraw this certificate before it expires if the declared compliance is no longer guaranteed. To authenticate the certificate, please visit [www.TextileExchange.org/Certificates](http://www.TextileExchange.org/Certificates) contact [recycledcontent@scsglobalservices.com](mailto:recycledcontent@scsglobalservices.com) or [www.scsglobalservices.com/certified-green-products-guide](http://www.scsglobalservices.com/certified-green-products-guide).

This electronically issued document is the valid original version.  
TE-ID: TE-00070714

Page 1 of 4

Scope Certificate Number **SCS-GRS-10244**; Version **SCS-GRS-10244** (continued)  
 Rehash Accessories & Sourcing Ltd  
 GRS\_V4.0

Under this scope of this certificate, the following products are covered.

**Products Appendix**

No.	Product Category	Product Details	Material Composition	Standard (Label Grade)	Facility Number
1	Functional Accessories (PC0017)	Labels, Tags (PD0038)	Recycled Pre-Consumer Cotton (RM0106)	GRS (GRS)	TE-00070714
2	Functional Accessories (PC0017)	Labels, Tags (PD0038)	Recycled Post-Consumer Cotton (RM0107)	GRS (GRS)	TE-00070714
3	Functional Accessories (PC0017)	Labels, Tags (PD0038)	Recycled Pre-Consumer Polyester (RM0188) + Polyester (RM0186)	GRS (GRS)	TE-00070714
4	Functional Accessories (PC0017)	Labels, Tags (PD0038)	Recycled Post-Consumer Polyester (RM0189) + Polyester (RM0186)	GRS (GRS)	TE-00070714
5	Functional Accessories (PC0017)	Labels, Tags (PD0038)	Recycled Pre-Consumer Polyester (RM0188) + Polyester (RM0186)	GRS (No Label)	TE-00070714
6	Functional Accessories (PC0017)	Labels, Tags (PD0038)	Recycled Post-Consumer Polyester (RM0189) + Polyester (RM0186)	GRS (No Label)	TE-00070714
7	Functional Accessories (PC0017)	Labels, Tags (PD0038)	Recycled Pre-Consumer Cotton (RM0106) + Cotton (RM0102)	GRS (No Label)	TE-00070714
08	Functional Accessories (PC0017)	Labels, Tags (PD0038)	Recycled Post-Consumer Cotton (RM0107) + Cotton (RM0102)	GRS (No Label)	TE-00070714

Place and Date of Issue:  
Emeryville, CA USA, 2024-06-05

Stamp of Issuing body:

Standard's Logo

Name of authorized person:



Nicole Muñoz  
Vice President  
Environmental Certification Services Division



Scope Certificate Number **SCS-GRS-10244**; Version **SCS-GRS-10244** (continued)  
Rehash Accessories & Sourcing Ltd  
GRS\_V4.0

Under this scope of this certificate, the following products are covered.

09	Functional Accessories (PC0017)	Bonded Leather (PD0065)	Recycled Post-Consumer Polyester (RM0189) + Polyurethane (RM0210)	GRS (No Label)	TE-00070714
10	Functional Accessories (PC0017)	Bonded Leather (PD0065)	Recycled Post-Consumer Polyester (RM0189) + Polyurethane (RM0210)	GRS (No Label)	TE-00070714
11	Functional Accessories (PC0017)	Trimmings (PD0039)	Recycled Post-Consumer Cotton (RM0107)	GRS (GRS)	TE-00070714
12	Functional Accessories (PC0017)	Trimmings (PD0039)	Recycled Post-Consumer Polyester (RM0189)	GRS (GRS)	TE-00070714
13	Functional Accessories (PC0017)	Trimmings (PD0039)	Recycled Post-Consumer Polyester (RM0189) + Polyester (RM0186)	GRS (No Label)	TE-00070714
14	Paper Products (PC0021)	Cardboard, Boxes (PD0050)	Recycled Pre-Consumer Wood (Paper) (RM0252)	GRS (GRS)	TE-00070714
15	Paper Products (PC0021)	Cardboard, Boxes (PD0050)	Recycled Post-Consumer Wood (Paper) (RM0253)	GRS (GRS)	TE-00070714

Place and Date of Issue:  
Emeryville, CA USA, 2024-06-05

Name of authorized person:

*Nicole Muñoz*

Nicole Muñoz  
Vice President  
Environmental Certification Services Division

Stamp of Issuing body:



Standard's Logo



This electronically issued document is the valid original version.  
TE-ID: TE-00070714

Page 3 of 4

Scope Certificate Number **SCS-GRS-10244**; Version **SCS-GRS-10244** (continued)  
 Rehash Accessories & Sourcing Ltd  
 GRS\_V4.0

Under the scope of this certificate the following facilities have been audited and found to be in conformity.

**Site Appendix**

Facility Name TE-ID	Address	Process Categories	Standards
Rehash Accessories & Sourcing Ltd_(main)_TE-00070714	Holding-02, Haji Noab Ali Road, Boro Dewra, Tongi, Gazipur-1711, Bangladesh	Preparatory (PR0022); Weaving (PR0033) *; Knitting (PR0015); Manufacturing (PR0016); Printing (PR0023) and Packing (PR0020)	GRS_V4.0

**Associated Subcontractor Appendix:**

None

**Independently Certified Subcontractor Appendix**

Subcontractor Name – Number (License Number)	Certification Body	Expiry Date	Address	Process Categories	Standards
Active (BD) Ltd._101 TE-00043253	GSCS	2024-11-25	Nowlapara, Bhabanipur, Gazipur Sadar, 1740, Gazipur, BD-C, Bangladesh, BD	Warehousing, distribution (PR0031), Mechanical Recycling (PR0017), Blowing (PR0034), Extrusion (PR0010), Preparatory* (PR0022), Knitting (PR0015), Weaving (PR0033), Printing (PR0023), Manufacturing (PR0016), Packing (PR0020)	GRS_V4.0

Place and Date of Issue:  
Emeryville, CA USA, 2024-06-05

Stamp of Issuing body:

Standard's Logo

Name of authorized person:





Nicole Muñoz  
Vice President  
Environmental Certification Services Division

This electronically issued document is the valid original version.  
TE-ID: TE-00070714

Page 4 of 4



## Transaction Certificate (TC)

Transaction Certificate Number 25-756606

for products certified to

**Global Organic Textile Standard (GOTS)**

<b>1. Certification Body</b> IDFL Laboratory and Institute 8F., No. 312, Sec. 2, New Taipei Blvd., Xinzhuang Dist. New Taipei City 242032 Taiwan Licensing Code of Certification Body: GOTS-IDFL-24	<b>2. Seller of Certified Products</b> REHASH ACCESSORIES & SOURCING LTD. Holding-02,Haji Noab Ali Road, Boro Dewra,Tongi Gazipur Dhaka Bangladesh SC Number: IDF-24-603454 License No: 020480
<b>3. Buyer of Certified Products</b> Jeans & Polo Ltd. B-91, BSCIC I/A, TONGI, GAZIPUR Gazipur 1704 Dhaka Bangladesh License No: USB 003150	<b>4. Gross Shipping Weight</b> 217.00 kg
	<b>5. Net Shipping Weight</b> 187.00 kg
	<b>6. Certified Weight</b> (GOTS) 187.00 kg
<b>7. Declarations by Certification Body</b> This is to certify that, based on the relevant documentation provided by the seller named in Box 2 "Seller of Certified Products": i. the raw material(s) for the products as further detailed/referred to in Box 10 "Certified Products", Box 11 "Certified Raw Materials and Declared Country/area of Origin" and quantified in Box 4 "Gross Shipping Weight", Box 5 "Net Shipping Weight" and Box 6 "Certified Weight" has/have been produced in accordance with (an) organic farming standard(s) which is/are recognized by the GOTS, and ii. the products in Box 10 "Certified Products" have been processed in accordance with the GOTS. Conformity with the standard is audited and monitored systematically under responsibility of the certification body named in Box 1.  <b>Certification of the organic material used for the products listed complies with USDA NOP rules</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  This transaction certificate does not entitle the Box 3 "Buyer of the Certified Product" to use the GOTS logo or make reference to the GOTS. The rules for the labeling of GOTS Goods are outlined in the latest version of the document "Conditions for the Use of GOTS Signs", (available on GOTS website).	
<b>8. Certified Input References</b> Input TCs: GSS-GOTS-140655 Farm SCs: Farm TCs: Trader TCs for Organic Material:	

Place and Date of Issue

Taipei, 2025-02-05

Bryan Mortensen, Global  
Audits and Certifications  
Manager

Certification Body



Standard



QR Code



Seller License No. 020480

Page 1 of 4

Transaction Certificate Number 25-756606 (continued)  
GOTS

9. Shipments			
Shipment No.:	1	Consignee Name and Address:	
Shipment Date:	2025-01-01	Jeans & Polo Ltd.	
Shipment Doc No.:	RH/JNP/C007/24	B-91, BSCIC I/A, TONGI,	
Gross Shipping Weight:	217.00 kg	GAZIPUR	
Invoice References:	RH/JNP/C007/24(2025-01-01)	Gazipur 1704	
		Dhaka Bangladesh	
10. Certified Products			
Product No.:	1	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/JNP/C007/24	Product Detail:	Labels (PD0038)
Article No.:	Season-151/DR-1,DR-2,DR-3	Material Composition:	100% Organic Cotton (RM0104)
		Standard (Label Grade):	GOTS (Organic)
Number of Units:	236574 PCS	Additional Info:	Main Label
Net Shipping Weight:	24.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Supplementary Weight:	0.00 kg	- License Number:	020480
Certified Weight:	24.00 kg	- Country:	Bangladesh
Production Date:	2024-12-28		
Product No.:	2	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/JNP/C007/24	Product Detail:	Labels (PD0038)
Article No.:	Season-151/DR-1,DR-2,DR-3	Material Composition:	100% Organic Cotton (RM0104)
		Standard (Label Grade):	GOTS (Organic)
Number of Units:	24991 PCS	Additional Info:	Main Label
Net Shipping Weight:	6.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Supplementary Weight:	0.00 kg	- License Number:	020480
Certified Weight:	6.00 kg	- Country:	Bangladesh
Production Date:	2024-12-28		
Product No.:	3	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/JNP/C007/24	Product Detail:	Labels (PD0038)
Article No.:	Season-151/DR-1,DR-2,DR-3	Material Composition:	100% Organic Cotton (RM0104)
		Standard (Label Grade):	GOTS (Organic)
Number of Units:	258085 PCS	Additional Info:	Size Label
Net Shipping Weight:	27.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Supplementary Weight:	0.00 kg	- License Number:	020480
Certified Weight:	27.00 kg	- Country:	Bangladesh
Production Date:	2024-12-28		
Product No.:	4	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/JNP/C007/24	Product Detail:	Labels (PD0038)
Article No.:	Season-151/DR-1,DR-2,DR-3	Material Composition:	100% Organic Cotton (RM0104)
		Standard (Label Grade):	GOTS (Organic)
Number of Units:	258020 PCS	Additional Info:	Colour Label
Net Shipping Weight:	27.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Supplementary Weight:	0.00 kg	- License Number:	020480
Certified Weight:	27.00 kg	- Country:	Bangladesh
Production Date:	2024-12-28		

Place and Date of Issue  
Taipei, 2025-02-05

*Bryan Mortensen*

Bryan Mortensen, Global  
Audits and Certifications  
Manager

Certification Body



Standard



QR Code



Seller License No. 020480

Page 2 of 4



Transaction Certificate Number 25-756606 (continued)  
GOTS

Product No.:	5	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/JNP/C007/24	Product Detail:	Labels (PD0038)
Article No.:	Season-151/DR-1,DR-2,DR-3	Material Composition:	100% Organic Cotton (RM0104)
Number of Units:	254934 PCS	Standard (Label Grade):	GOTS (Organic)
Net Shipping Weight:	27.00 kg	Additional Info:	Warning Label
Supplementary Weight:	0.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Certified Weight:	27.00 kg	- License Number:	020480
Production Date:	2024-12-28	- Country:	Bangladesh
Product No.:	6	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/JNP/C007/24	Product Detail:	Labels (PD0038)
Article No.:	Season-151/DR-1,DR-2,DR-3	Material Composition:	100% Organic Cotton (RM0104)
Number of Units:	254484 PCS	Standard (Label Grade):	GOTS (Organic)
Net Shipping Weight:	27.00 kg	Additional Info:	Warning Label 2
Supplementary Weight:	0.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Certified Weight:	27.00 kg	- License Number:	020480
Production Date:	2024-12-28	- Country:	Bangladesh
Product No.:	7	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/JNP/C007/24	Product Detail:	Labels (PD0038)
Article No.:	Season-151/DR-1,DR-2,DR-3	Material Composition:	100% Organic Cotton (RM0104)
Number of Units:	4250 PCS	Standard (Label Grade):	GOTS (Organic)
Net Shipping Weight:	3.00 kg	Additional Info:	Warning Label 3
Supplementary Weight:	0.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Certified Weight:	3.00 kg	- License Number:	020480
Production Date:	2024-12-28	- Country:	Bangladesh
Product No.:	8	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/JNP/C007/24	Product Detail:	Labels (PD0038)
Article No.:	Season-151/DR-1,DR-2,DR-3	Material Composition:	100% Organic Cotton (RM0104)
Number of Units:	55824 PCS	Standard (Label Grade):	GOTS (Organic)
Net Shipping Weight:	9.00 kg	Additional Info:	Group Label
Supplementary Weight:	0.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Certified Weight:	9.00 kg	- License Number:	020480
Production Date:	2024-12-28	- Country:	Bangladesh
Product No.:	9	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/JNP/C007/24	Product Detail:	Labels (PD0038)
Article No.:	Season-151/DR-1,DR-2,DR-3	Material Composition:	100% Organic Cotton (RM0104)
Number of Units:	152100 PCS	Standard (Label Grade):	GOTS (Organic)
Net Shipping Weight:	9.00 kg	Additional Info:	FID Label
Supplementary Weight:	0.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Certified Weight:	9.00 kg	- License Number:	020480
Production Date:	2024-12-28	- Country:	Bangladesh

Place and Date of Issue  
Taipei, 2025-02-05

*Bryan Mortensen*

Bryan Mortensen, Global  
Audits and Certifications  
Manager

Certification Body



Standard



QR Code



Seller License No. 020480

Page 3 of 4



Transaction Certificate Number 25-756606 (continued)  
GOTS

Product No.:	10	Product Category:	Functional Accessories (PC0017)
Order No.:	RH/JNP/C007/24	Product Detail:	Labels (PD0038)
Article No.:	Season-151/DR-1,DR-2,DR-3	Material Composition:	100% Organic Cotton (RM0104)
		Standard (Label Grade):	GOTS (Organic)
Number of Units:	147 ROLL	Additional Info:	Hanging Loop
Net Shipping Weight:	28.00 kg	Last Processor:	REHASH ACCESSORIES & SOURCING LTD.
Supplementary Weight:	0.00 kg	- License Number:	020480
Certified Weight:	28.00 kg	- Country:	Bangladesh
Production Date:	2024-12-28		

10a. Certified Components





11. Certified Raw Materials and Declared Geographic Origin

Organic Cotton (RM0104)	India (Mahārāshtra); India (Madhya Pradesh); India (Rājasthān)
Certified Weight:	187.00 kg

12. Declarations by Seller of Certified Products

The certified product(s) covered in this certificate have been outsourced to a subcontractor: ☐ Yes ☒ No

L/C NO-0001825250400001

Place and Date of Issue Taipei, 2025-02-05	Certification Body	Standard	QR Code
 Bryan Mortensen, Global Audits and Certifications Manager			 Seller License No. 020480
Page 4 of 4			

## TRANSCRIPTION INTERVIEW 1

**Ezajul:** [00:00:01] So let's start with the first year, which is a brief distributed role and responsibility reporting sales and compliance organization.

**Ezajul:** [00:00:21] Scrap the role responsibilities a little bit. I'm introducing you here. As a Sales and Compliance Manager, your role in the organization is getting a little bit dedicated.

**Munna:** [00:00:35] I am the head of marketing here, so this is my responsibility. There are many broad lines outside of marketing. From sharing new client mail to its delivery process and what is the status of its payment, everything has to be followed up by me. If I only want to talk about the roll, it will be a roll. How can I glorify this place a little more?

**Ezajul:** [00:01:09] I have the role of sending responsibility. I mean, there are some specific responsibilities that are the main responsibilities. Whoever has something now has it, tomorrow he will not have it or a new responsibility. But there are some basic responsibilities. Head.

**Munna:** [00:01:28] You have a monopoly on keeping me in compliance matters. If you can put Ismail in this position, it will be more visible for you.

**Ezajul:** [00:01:37] I am more than compliance. I mean here I will take this interview specifically about sales. Because the main purpose of my interview is that I want to know at the end of the interview how these environmental requirements affect sales negotiations. Your setup is environment friendly with this hole. There is a reason behind this that your company has invested so much money or you have so much labor. I mainly wanted to find out that this thing is in your sales. How? You mean in terms of negotiations, how does it show that my cost is increasing to maintain these environmental things of the aquarium? That is why I can take this job a little more. Others may reduce it more, but they will not maintain it.

**Munna:** [00:02:33] I mean within my personal responsibility. So if I want to talk about responsibility, the purpose of my marketing-related platforms, be it LinkedIn, be it Facebook or at the beginning of a physical meeting, the most focused responsibility is that I have to share new client calls from the market. Be it locally or internationally. Your main responsibility is to share this with new clients and onboard them. Continuously update them about my facility. Starting from the presentation of the new products we are doing, be it the costing of these products, be it the sales data of these products, I have to share or work on everything. On these issues.

**Ezajul:** [00:03:30] In short, you have to look at everything in sales and marketing.

**Munna:** [00:03:39] There is some responsibility in it. For example. I mean this is the new client that is doing this now. If I put it a little more broadly, since the new client is expiring, I have to take them on a lot of visits, which could be garments for meetings, it could be home office or it could be an anonymous person, with whom I network or communicate, whether

it is by creating a new network of communication or. This thing is what needs to be done to get a new client once. Whatever strategies need to be taken, I have to do all that here.

**Ezajul:** [00:05:00] But when you approach these clients, whether it's through Facebook or a physical meeting. Typically, if I'm talking specifically about foreign buyers, foreign clients, what kind of factors does environmental compliance typically create? In the sales strategy.

**Munna:** [00:05:27] It is a good practice for a company if it has certification that basically means the company. Since these products are exported from Bangladesh and that is, the products that are exported from Bangladesh are in Europe or USA, in order to catch up with their selling process and sell to them, these certifications are mandatory.

**Ezajul:** [00:05:59] Kind of mandatory that you have to have it.

**Munna:** [00:06:06] There are many European buyers who do not maintain this standard. I calculate in hundreds. So, it is like sixty percent that buyers recover that I must have certification. If I increase it a little, I can get it to almost seventy-five. Those who declare certification have twenty-five percent of the rest. They can work even if they do not have certification, or even if they do not. Even in between, fifteen to ten percent. They have testing. They have some requirements. Since you do not have certification, my product. From pasta, they do ten or twenty tests to make sure that my product fulfills these test requirements.

**Ezajul:** [00:07:05] If you can maintain that then.

**Munna:** [00:07:09] It's done.

**Ezajul:** [00:07:12] And is it usually the case that all clients have these, which means must? Then there are some clients who spend a little extra on these, which I absolutely need to maintain FDC. How many of them are there in the environment? I mean, those who have a very high concern about the environment.

**Munna:** [00:07:34] It's much more difficult for me to say what the actual percentage is.

**Ezajul:** [00:07:38] Because of your experience.

**Munna:** [00:07:42] I think that among the things that I have overall, we have four big buyers in the force. Out of these four books, three buyers are mandatory and we have to maintain our certification. That means if I calculate the percentage of the four buyers, it means that almost ninety percent is our end.

**Ezajul:** [00:08:06] Three out of four.

**Munna:** [00:08:10] The buyer wanted to request me, you have to have this certification mandatory. So I can't convert.

**Ezajul:** [00:08:17] Now when they place an order. When they give you certification requirements, the cost of maintaining them is definitely increasing. Do they ever technically? Do they share the cost?

**Munna:** [00:08:39] Actually, I never communicate with the direct buyer that I have this certification cost, so you provide this cost from me. Basically, why doesn't this happen? Think about it, out of the four buyers I have, three out of four books are recovering this thing. When they do the work conversion, since it is a very big sales matter. Before converting the work, most of the factory or buying office or buyer comes to visit our factory. When they come, they see that apart from the matter that I want to give you work on, you are working on other products. With certification. Then this is divided that since we are spending one million taka for this certification of three out of four buyers. We divide the cost of this certification among these three buyers.

**Ezajul:** [00:09:33] You're dividing this cost by telling them that this is a certificate or an overall hardship, and it's being paid for.

**Munna:** [00:09:43] It's being put in when he takes the final product from me. Then in the costing I put in that I have this cost for it, which is why it actually has a price.

**Ezajul:** [00:09:54] And in the full costing, is there a mention that I spent so much money to fulfill this environmental requirement? It is mentioned separately as a specific mention. The specific mention is together with the total bill.

**Munna:** [00:10:10] The costing breakdown is actually provided only to garment buyers. But since we are an accessory company, we share the costing of the initial products we produce. It is fake leather in force. A buyer from a garment company inquired about it and asked me to quote it for a price. I told him through email that I have this size of fake leather. It will cost me a lot of money to make it. What is being mentioned here is the thing with my profit. I submit it directly to him at once. I don't have to give any breakdown of the costing.

**Ezajul:** [00:10:51] But how are negotiations usually done here? I mean, the price of the thing is kind of fixed. He says one thing, you say another, and after a couple of times, it gets fixed at one.

**Munna:** [00:11:02] There are two scenarios. If I negotiate a price with a direct buyer, then the situation is one. And if I negotiate with a garment, then the situation is different. What about the office? What happens when you work with an office? They work with three to four or five garments of that buyer under one office. They work with vendors. Actually, since I am negotiating with the buying office, he knows about the projection, how much he orders manually. He negotiates with me on the basis of that order. I am a fake leather. I have to provide five lakh pieces of five garments a year. Now I gave him a price of five taka on the force. Since he is about the projection and since we are at home, the office and the order is from him, I mean the chances of getting confirmation are the highest. My negotiation with him and counter offer is that since I am giving you such a quantity, can you do it for me for four and a half taka? Since I get the quantity of the project at once, which I can do five lakh pieces in a season in my round the year. Then I can give up half a sen. There is no problem.

**Ezajul:** [00:12:21] That's right. But has there ever been a situation like this or is it not like this in your company? Or to your knowledge, you agreed to represent me. But I didn't agree, so I said, "Let's see how much you push these environmental sustainability things in negotiations." Let's say, I have so much money behind these two certifications that you give me less than fifty. Does that happen?

**Munna:** [00:12:58] Please repeat that again.

**Ezajul:** [00:13:01] Just like the example you gave that is fifty cents. That means since the flower is paying the amount of an order, it is saying that fifty cents is reduced because it is a full year old, you have agreed. Take the thing. If it doesn't happen like this, in some situation, you don't come to Raju. He is asking to reduce fifty cents. He agreed to reduce it for 30 days. Then you are making him a counter offer again. With reasoning from your side. When the counter offer goes from the counter offer, how much do you sell this thing called environmental sustainability here?

**Munna:** [00:13:39] We mention these things at the beginning. We always mention these things before price negotiation. If we mention these things, price negotiation is necessary. So actually, when we do the initial development or when the order comes in, enters the status or is confirmed, then we don't have to worry much about these things. We always have these references. Whatever it is, it's mine. But our factory in Bangladesh is only our research, so deco. Accessories. Then we say trims. The big accessories companies are also sitting on certification. For this certification, there are local companies, which are not maintaining certification, fulfilling testing requirements, but they are getting lower prices than us.

**Ezajul:** [00:14:40] Less money.

**Munna:** [00:14:42] There is nothing to do. Do you know this happens very often? When I refer to the certification that I have this certification. I maintain these things, then in many cases, you think, in the local market, the one that does not have certification, the price of which is two taka, I will pay two taka to fifty paisa. I have somehow become successful because of this certification.

**Ezajul:** [00:15:10] You gave me some really nice answers that I can write a lot about.

**Munna:** [00:15:20] It's fun. This time it's really fun. I'm having these discussions with someone after a long time.

**Ezajul:** [00:15:30] Garments related. My father has been working in garments all his life but I have no idea about garments related. We have as much ideas as we have, I don't want to harm you by going to chat with you. If war. That's all. It was agreed to select this topic for me. Because I know that I am a friend. Last time I realized that I am not that serious by default. I had a meeting with my supervisor. I am canceling the meeting.

**Munna:** [00:16:10] A little earlier because I wish I could call you one day in the middle.

**Ezajul:** [00:16:14] Friend, I mean, I also have a time like that in Bangladesh, when I can call. I don't have the opportunity to skip work from my shift.

**Munna:** [00:16:28] My wife also lives with me now. I bring my daughter. But it turns out that even if it's late, I have to go home. As soon as I enter the house.

**Ezajul:** [00:16:40] And he works outside all day. I understand that this means that Mia also does that. Again, I also finish your work and come back. At that time, it was one or two in the morning in Bangladesh.

**Munna:** [00:16:51] It's already two o'clock and I'm already asleep.

**Ezajul:** [00:16:54] A working person cannot have even one or two gigs.

**Munna:** [00:17:00] Here is my two that we do not work with. I gave you the last example that someone from local supply is offering two. He is also offering me two. I do not do the work but that is not it. How do I know the negotiation with him in our sector on sales relationship. I see that if I build up my relationship with him, I am getting two taka now. But in some of the next projects, maybe I will be able to take two taka, ten taka, 50 paisa from him. This is a kind of strategy. After winning all these, we get up and take two taka jobs which are that you have a little good quantity or my build up with him will be good. We work with such clients for two taka too. It is not that two taka fifty paisa means we have to work for two taka fifty paisa.

**Ezajul:** [00:18:02] And this is what you are doing in marketing, whether it is LinkedIn, Facebook, any social media, in terms of marketing, environment, compliance, certificates are always mentioned. Now, in all these communication channels or methods, which one do you think is the most effective, Facebook or email or short video marketing, Instagram?

**Munna:** [00:18:37] We mean we do a little less work in this area. That is, first of all, the website can practice the most. Then the platform that seems to be there is LinkedIn.

**Ezajul:** [00:18:52] Buyers always mean this certificate, most buyers. When they look for a supplier, they look for a certified supplier. This is what they look for most of the time. This is kind of a minimum requirement. You have to have this in the case of buyers like sixty percent.

**Munna:** [00:19:13] What happens if you do? I mean when a shipment goes through. It's a shipment of one lakh pieces of a body. The buyer gave you a testing requirement that you do this. I didn't give an example a little while ago that there are some buyers who will be satisfied only if they fulfill the testing requirement. In the case of these buyers, when the garment or buying office sources a supplier, they don't source such a supplier who can fulfill the testing requirement of that buyer. They go to such a supplier. But they still source such supplies who have certification on this product.

**Ezajul:** [00:19:52] Is there any case in the expense that these certificates of compliance, these certificates

**Munna:** [00:20:20] Because of the product. I will say that I have been working with a German buyer. Family. When I joined here, this buying office was looking for such certified suppliers. I got acquainted with it. It was the time of Corona. Right after Corona, that year, I sold only one product for this certification, selling about seventy-five thousand dollars in sales, and I have about fifteen pages of one product category. I am only for that buyer for that certification.

**Ezajul:** [00:20:59] There was no such certificate that he had.

**Munna:** [00:21:04] The product was fake leather and the certification was AugMedics.

**Ezajul:** [00:21:15] You used to say a lot, I was listening during the Covid time.

**Munna:** [00:21:19] We have a lot of certifications. It comes in Texas, but it's BSS in Texas.

**Ezajul:** [00:21:27] If you give that certificate, then you must have a very good relationship with AugMedics. As a result of that certificate from Texas, they have a very good relationship with that company. Do you still work with them?

**Munna:** [00:21:36] Yes, I still work with them. I do it for certification. It has decreased a little. Because since there will be competition in the market. Two or three more competitors are coming into the market. Those who have already worked on this product with certification. One thing about pricing is that I don't want to do it below two taka fifty paisa. Maybe another supplier is taking over or doing the work for two taka thirty paisa. Because of this, some work is decreasing. No, that certification helps the most in gathering new buyers.

**Ezajul:** [00:22:14] And in this case, take this. Here I have a question generated. I will do it in English. If you give the answer in Bengali, there is no problem like How Important is Buyer Supplier Trust in Negotiation and Compliance Requirements. Share Example. Well Trust. Significant Influence the Outcome. Active Negotiation.

**Munna:** [00:22:40] I have to say.

**Ezajul:** [00:22:42] Let's say you're maintaining these, your buyer comes and checks every day, it's a relationship of trust that has been built up. This trust has a significant influence. Is there any such incident? In which negotiation has trust been very useful?

**Munna:** [00:23:07] This trust keeps growing every year. Because of this, new sales are generated. New products are growing. For example, I talked about this family in the first year. When the first year started working, the seven were doing about five thousand dollars. When I was working the next year, I was doing about one hundred and twenty thousand dollars. How is the trust actually coming? So? Every time they ship my house. Certification site. Every time they ship, they test before shipment. Requirements.

**Ezajul:** [00:23:48] Updated information provided.

**Munna:** [00:23:55] So, in my case, there has never been any such incident where I failed the test. But the production is going on by doing random tests. A product will be taken from the middle of the production and tested, and then tested from the side. It is not like the sample that I am providing to them or the post-production that I am providing to them is also only tested. Now when the bulk is going on, the swing is going on, then random brands from there sell the product and test it. If there is one, then they give such an approval.

**Ezajul:** [00:24:42] Does this ever happen with these international buyers? Is there any such incident in the quality of their products? Or are they happy with all the compliance requirements and somehow they are setting compliance. With this external long term commitment or price premium, how is it done that Daily honestly set World Happiness for five to fifty paisa but everything.

**Munna:** [00:25:13] No, we have to ask for that from here. How do they set it?

**Ezajul:** [00:25:17] I mean they set it up more or less. When? I mean with something extra.

**Munna:** [00:25:22] I mean, they don't want to do it at the beginning. Direct means through or increasing the price of the product. They won't do that. Never have. According to my experience, what do they do? They set us up as a company to introduce new products. I sell only fake leather to a buying office or buyer. Since I can gain their trust or I am doing well with them, but what else can they do for me with this product? Same textiles keeps expanding the category by fulfilling the requirement. I did fix leather. Later, maybe he offered me original leather that you want my original leather. You will provide everything in my supply chain. It seems that it could be Jackson Pattis or some hand-made. Or some labeling.

**Ezajul:** [00:26:07] That means as your item increases, the quantity will increase, and sales will also increase. They usually set up complaints like this.

**Munna:** [00:26:15] Direct does not set any prices.

**Ezajul:** [00:26:19] And that's what I said, when I talked to Sami, he was saying another thing, that they set up complaints like this. Like. They promise you in their mind that I will give you another order of fifty thousand pieces or five hundred thousand pieces. They set up promises of future orders like this too.

**Munna:** [00:26:41] In many cases. When we get the nomination, they say, they also mention this thing in the agreement that I will get so many pieces from you, I will know these things. Let me tell you in advance that the reason for giving this is also a fancy light from the outside. They basically listen. Because I have to source the material to make these products. Against this, I have to source the other different things that are there, so that we can do that thing. Because of which, in many cases, this thing informs a lot of buyers.

**Ezajul:** [00:27:26] I understand.



**Ezajul:** [00:00:00] Listening Was going. No.

**Munna:** [00:00:01] Then Net Connection Goes. It went .

**Ezajul:** [00:00:19] But Like this What No Experience There is Where No Bayer Selective Empty Just Environmental Compliance Above Strength Giving That My Empty That's it. Requirements . That way. Her Everything . Meaning Hundred Percentage Echo Friendly or This Type Something .

**Munna:** [00:00:36] For example We One Bayer Nominated Supplier , Auto Fit . They Our With Before Work Did When Then . Care Level The Being Below Row At the level . Basically That Being Polyester Meaning Her Construction Polyester With Made It is . They All Organic Cotton Goes. Gone . Those To go For They To the owners Two Certification Requirements Gave . That Being Gods . One Certification Yes . G O TS . Being Organic Of On One Certification . Global Organic Textiles Standard and This Certification In the course and Bayer Own Money Cost By G To C Certification In the course .

**Ezajul:** [00:01:30] Certification The O By He gave it . Money With .

**Munna:** [00:01:34] The course We I am doing it. And Another one That Certification In the course CITUC This Being O Own Money With Doing . This Own Money With To do Reason Being They When At the market This The thing With Cell By Then This Certification The Mansion To do It is . Influential . This A little more Better To say You can . Ismail . This Certification Which This The whole Being Bayer In hand Yes . This Certification The Our In that way Provide By No. Own Money With Cost By Our Close From Product Nice . Since This With Their In the name It is happening . Certification The A little more Easy I do . They Saying We When One Product Certification To do Want Then Than We Its Material Her Yes . Here Accessories Those Yes . We Where From Work I am doing Of One Classification To give It is . Force A We Certification I am doing it . That Means Mine . Its The report To make If you go Hundred Percentage Organic Cotton To make If you go , cotton. Ribbon To make If you go My Organic Yarn It will take . Then Yarn To make That Cotton The Collect To do Is That too What No Certified Place From Collect To do It is happening. Is this ? Kind Something Subject Glorify By To do After that E Commerce or CITUC

Certification This Kind Certification The Being Included To do . Bayer Also in case Same . They When C C To do Went Then Their Reference To do For , glorify To do For They Our Near Coming That Yours Its On Big Certification There is Whether . I said No , right. There is So Tax I did it . Now That Certification To do After They But Our Close From These Documentation Qualification Took it . You Which Organic Cotton Tapeta Are you making? Its Cotton and Being Yarn . Where? From You Import Are you doing it ? Whose Close From Import To do or Whose Close From Purchase Did Their Organic Certification The There is Whether . That These E By myself Then It is happening . Basically One Standard Made By Their Supply On the chain Which That Supplier There is They Everyone Certified Whether This The thing Glorify Doing . To do After They When This All Something Documentation . Then That Bayer From That CITUC Certification The Being Unlimited Of course .

**Ezajul:** [00:04:09] Now A little Different On the topic One Question I do . That Hall That Work To do Going This Third party That Compliance Verification Process There is Its In Any Weakness Or Loophole What In the eye Reading ? Which With Hold on. Verified .

**Munna:** [00:04:27] Third Party That Audit To do Comes Like this Related Something .

**Ezajul:** [00:04:32] Buyer By themselves Of course. Audit To do Comes No. Third Party Hire By No Of Through Does . Its Inside What No Weakness or Loophole There is Which With These Environment Compliance Gula Maintain No Even though Pass By Are you throwing it away ?

**Munna:** [00:04:48] This Kind Something Subject Yes . Meaning This What kind ? Mine . Standard Answer Gave . Certified From If you want My Standard In mind By One Sh Brick Standard There is Which My This X The classes Me Maintain To do Will be . When Third The parties Comes Setter In Me Maintain To do It is . The matter Like this Never There is No. Setter In If I Site Maintain Do Tao We Certification Meaning Manage To do I can .

**Ezajul:** [00:05:24] I mean They Check By No. They What do you mean ? It's The reason What ? They Hundred Percentage Why? Doing No ?

**Munna:** [00:05:32] Flexibility One Flexibility .

**Ezajul:** [00:05:35] You mean ? They So Responsible . They So Para To take Wants No. Kind Off The thing Like this .

**Munna:** [00:05:40] Whoever All Topics Us Discount Giving , most Off The It exists , it is happening . Very One Maintain No Even if To be continued . Your This Things Maintain To do Should . This Kind Something On the subject They Mansion By Goes Arki . Always . Certification . Body Saying That Yours This Extra Clause Yes . This All Maintain To do Will be .

**Ezajul:** [00:06:07] Sami Me Another one Talk Which Said , like See Goes That One Lakh Piece One Order Which Certification Certification It will take . Now Its Testing To do For Ten Twenty Thousand Piece Order Yours Near Dil . You This That too Testing Sent . The rest Eighty Thousand Piece He/She One Local Bayer Close From By Neil Less Price Diya .

**Munna:** [00:06:27] That If Product In case Is That This Kind Events Happens a lot . Happens , incident Even if it happens Happens . Our With This Three Four times Happening My Career . Timeline In Three Four times I Himself Face Do it . This My Close From Certification Nice . Certification To take After Product In the test Side Showed Five Shows . Then The rest Product Local From Collect Kaira Shipment By Throwing .

**Ezajul:** [00:06:54] Their Reaction The What Was it ?

**Munna:** [00:06:58] That So Actually We To know Can When Then So Actually Many Late Become Goes . And Its So Any Legal Any E No That I Directly Bayer Near To inform I can . I Such One Bayer Work I am doing Hoot Kaira This Kind Bayer Gula What kind? There is You know what ? Whoops. By Aisa Phone With Tell me , brother. My Near Twenty Thousand Piece Order Yes . Good One Quantity . Right. Yes . Your What What Do you need it ? Mine . Product With With Certification Tao It will take . So I When . Plan I am doing Bank .

**Speaker3:** [00:07:36] Inside From Start . By I gave it . If Five Seven o'clock The rest There is That Short By I took it .

**Munna:** [00:07:49] I mean Plan I was doing In this way That I Store From The invoices Receive By If you see What Kind Will it be ? But I am .

**Speaker3:** [00:08:01] New Jersey Later .

**Munna:** [00:08:04] Document Which Saying You Cuisine To make Will be Head In the office Zahid Uncle Near .

**Speaker3:** [00:08:11] With Will go This A Dio Letter . With I give .

**Munna:** [00:08:23] Eid Before .

**Speaker3:** [00:08:32] Me One .

**Munna:** [00:08:33] Talk To say .

**Speaker3:** [00:08:34] I want it .

**Ezajul:** [00:08:41] That When .

**Munna:** [00:08:45] Order Do it . Very Good Talk . Will be What Will come One Order Will do No Become Will go . Reason He/She So Me The letter Gives No. He/She Her Interests Rescue By It's gone . He/She Goes. Gone . Again Here Another one Subject Happens No. to come Because too Yes . That It is happening. He/She When This Certification Under Shipment Doing or Certification Taking , meaning Bayer When Order Confirm By Then But Garments Even from Our As such Certification Install To do Yes , garments O Bayer At the end .

**Ezajul:** [00:09:19] Certification .

**Munna:** [00:09:20] Design To do It is .

**Ezajul:** [00:09:21] The thing is Such Is No. For example Her That No Certified That The product No One In place Goes . In the test If Fail By or No One In place If Catch Eats He/She In case What Her Reputation Of On Hamper Will it be ? Or not? Her Liability What Her On .

**Munna:** [00:09:36] My Here Will come No ? It is. So Never Claim E To do Can you No That He/She Hundred Percentage Product My Close From Taken . He/She If This Claim Even though So So When This With Claim Will do Then This With So Us too Fight I will do it. That No , mine. Close From So This Quantity More Product Didn't

take it . And Us too Want That This Sector Like Challenge I will . My Near Someone Aisa If Says That My The product In the test Fail I am doing it . With With . I So I know. Actually My Product In a group No. Test I will do it . With With My Test Report Will come . I To them Direct Challenge By I will sit down . This No way Possible No That My This In the test Fail Will do This is it .

**Ezajul:** [00:10:24] Me Another one Things To know I wanted That Hall . Although I Sure No This Yours Sector Or . But Even then This That Certification , since You Marketing To do Chas or Yours Product or Client Acquisition , you Since Pricing The So Of course. You Right. Do it . Yours Client's For Here That That Certification Process or Plant Back That Investment Gula Yes . This The money So This No No No In a way Order Through So To lift Will be Then . This So Pricing In strategy So Of course. This Good One Effect . Later When You Prize Select You are doing it. Then So All Something Thoughts To do Is No That Its For My Here Five o'clock License Use I am doing it . A License My Renew To do So much Money It takes .

**Munna:** [00:11:25] Five o'clock Company One Company One Overalls One Policy With Coming That My That Casting The Will come , casting. Five Or Forty Percentage Or Fifty Percentage Profit Ratio Reicha Then It is happening . Regulation To do Will be .

**Ezajul:** [00:11:41] And Here Total That Casting Its For This That Environment , Compliance For That Extra That Casting The Growing Its What One Separate Account Keep Is it ?

**Munna:** [00:11:55] Total In the product That's how it is .

**Ezajul:** [00:11:58] Overall No Specific Product No. But Meaning Overalls Company In performance When Yours or Flower Company Audit To do It is happening. Then That Casting Gula There is This Casting There What ? Hold on , this. Environmental Year Right on. Certification Casting Plant Casting Gula Separate In a way Mansion To do There is No.

**Munna:** [00:12:25] This What do you mean ? Which In mind Being Its With I Directly Involve No. Then This Included There is .

**Ezajul:** [00:12:38] This So Of course One Extra Cost . So Yours What In mind Is it ? Hold on. This Things So far So much Important Was No. But Now Day Day These It is happening. More It is increasing . Environment Compliance This Next Five Ten In the

year How is it? Is it ? This Requirements Gula Where? Will you go ? And O How much? Prepared Its For Certainly Then Pressure More It will increase . Requirements When Will increase Then Certainly Order Pressure too It will increase . Environment With They As much as Aware Will be That's it . But They are Third Party or Bogus Cellar Those There are those who Something Maintain By No , theirs. Close From Orders With With Of course. Certified Supplier Nearby Will go The buyers . Experience From One Prediction Next Five .

**Munna:** [00:13:33] Ears Already Prepared And Things One Continuous Force . Now That Certification Gula There is This Even so From Can . Of In One Or Two Certification My Next And It seems. No. My New Any Certification To do To give From Can .

**Ezajul:** [00:13:50] This When It seems. This The certificate What Yours Again Renew To do Will it be ? That way. Leaving To give .

**Munna:** [00:13:55] I can. No Then .

**Ezajul:** [00:13:56] And When Again It will take Then Again Renew .

**Munna:** [00:14:04] To do Which The thing It seems. No. Product Sailing A My No Effect Doing No. I This The thing Why? Shall I keep it ? For example My Company Like this One Subject Was That Our Leather On One Certification There was . But Actually This Gradually Work To do To do To do To do See Goes . This Leather For One Certification And No Bayer Wants No. We Never This With Work Do No. Is No. This To take Work too Is No.

**Ezajul:** [00:14:33] Right. There is Friends , we The end To do Before Yours For Last Question . That Hall Yours Like Those Supplier There is Their For Yours No Advice That In the future Environment Compliance Maintain Does it ? Profitable Sales Growth Of No Advice or Something If There is .

**Munna:** [00:14:58] Advice . Uncle , how long? Later You One Tough Question Ask .

**Ezajul:** [00:15:05] That's why This Yours For .

**Munna:** [00:15:10] Advice .

**Ezajul:** [00:15:14] I mean This Related Arki . Reason Usually Those New , those Like this More Supplier There is That Their Advice A Kind That Compliance Gula Maintenance By That Profitable One Sales Growth Maintenance To do Goes . Those Those This Supplier Compliance Gula Maintain Doing No They Why? Doing No ? Of course. The trouble That Cost To increase Wanting No. Of course. Sales Growth To do Goes . Company Run Goes . Supervision It's going on . Advice No If there is Problem No. Kaitya I will . My So Para Eat I will. No.

**Munna:** [00:15:53] Me Actually Thoughts I am doing What What What Related Advice Given Goes . Actually Why? Are you going to do it? No ?

**Ezajul:** [00:15:59] At Such Related Divi Which Hall That Environment Many Good . Environment Related Activities Environment With To think . This Always Good . This Type Ensor Give it .

**Munna:** [00:16:12] No. Meaning This In case Things What ? means This Sustainable Practice Meaning Our Like Tires That Supplier There is or We Those Work I am doing This Empty Keep Should . Reason See Goes That This is it . Says Geographical That Change It is happening. or Climate Change Gula It is happening. Slow down Slow down Slow down Slow down This Practice The If We Now From Start No Do it , see you. Will go Two , four , five Year , ten Year Or Fifty Year After This Impact The Us Bare To do Will be . Those Those Doing No Theirs too Actually Should This The issues With Work To do and Being How This Things Implementation To do Goes Very Hurry up . Things With Work To do . Good Practice . This If By Arki .

**Ezajul:** [00:17:05] Of course .

**Munna:** [00:17:06] Friend Meaning This The thing No Many Are you doing? But Their Certification No.

**Ezajul:** [00:17:14] I mean They One-sided One Real In life Practice Doing Butt Certification No.

**Munna:** [00:17:23] I mean I I know. Only Product On That Vary By Tao No. Certification But Yours Work Process On Many In case Very Does . The process What ? Whichever In process He/She Manufacturing The process Complete Doing That Sustainable On the way Doing No See Maybe or In the test Fail Doing it . But Test Do it . or Which

Place From Chemical Use To do Talk or That Place From Product Collect To do That's right . Place From Doing No. That's why In the test Fail Doing it .

**Ezajul:** [00:17:58] Yours Time For .

**Munna:** [00:18:03] Very Good It seems This The issues With . Discussion To do Yes . Brain Stroke Has been A lot .

**Ezajul:** [00:18:10] Which Hall You If Paris Me But Meaning Yours If In mind Is That My At work Will come Like this No Document If Me To give Chas In the neighborhood This No Client's With Communication One Sample . Email or Something Book Type . If Any Documents Documents There is So My If you want To give You can .

**Munna:** [00:18:31] I mean Communication The thing The whole thing Almost Meaning Of On Depend Doing it . Situation What Product With Work Are you doing it ?

**Ezajul:** [00:18:38] I mean Just One Example Hold Appendix In How They Communicate By Yorkie That one Context The Important Things .

**Munna:** [00:18:51] No Problem No. Definitely . We So Every day Mailing List .

**Ezajul:** [00:18:56] Send it . Meaning What ?

## TRANSCRIPTION INTERVIEW-2

**Ezajul:** [00:00:05] Okay, I'm not a problem. I'm talking to you on the laptop and I'm keeping the recording open on the phone. Hopefully it will work. Let's do this.

**Sami:** [00:01:15] I am Sharif Mohammad Sami. Director of Rehash Accessories and Sourcing Limited.. Basically, I work with clients. That is, we work directly with various brands like



entertainment, brands, over the world like, H&M, Zara, United Paragraph, oil, gas, gym. And I supply the accessories that they have to the Korean manufacturers.

**Ezajul:** [00:01:47] Involved with compliance related activities in this company.

**Sami:** [00:01:54] Fiver that I'm working on. I'm working on garment compliance issues. Dealing with buyers, listening to the requirements of the buyers, how can we fulfill the requirements? How are we working?

**Ezajul:** [00:02:10] Buyer. Buyers come on order. Do you want to be a shipment or a permanent buyer.

**Sami:** [00:02:26] I basically have five buyers here right now that I want to work with right now. Among them, my mother's is the one that is so big, which is a German-based buyer and the mother company is in Germany.

**Ezajul:** [00:02:47] Will start the section two of the interview here last strategic and perception of compliance. Your company is ISO one zero zero one certified. Of the importance of environment compliance standard one.

**Sami:** [00:03:12] If I say it's done for compliance, it doesn't really affect ISO compliance, which is what we have now. BSTI certification. That is, it indicates that it's being done in the factory under compliance. Working.

**Ezajul:** [00:03:33] What is the primary motivation for organizational decision-making behavior in compliance with international environmental standards?

**Sami:** [00:03:43] I don't understand, let me be a little more specific.

**Ezajul:** [00:03:45] What is the primary motivation for organizational behavior and decision compliance with international environmental standards?

**Sami:** [00:03:57] An example that I understand.

**Ezajul:** [00:03:59] I actually agree with you on this. I mean, what is your company's reason? There is a motivation behind this. Because there are many companies that are working without responding to this kind of compliance. Your company.

**Sami:** [00:04:14] This is this, you will see my company name, my company name hash means that the company started us on the basis of something by cycle. We are coming with this motive that we will work on environmental and compliance issues. Because it is not just about earning money. What is happening with me is that my environment, which is actually everything, is in order, we keep working by maintaining those things. So we are actually going into business with this motive, which is understood from our name, which is recycling.

**Ezajul:** [00:04:54] Scribe and Strategic Confederation of Business Objectives that Influence and Approach. Compliance.

**Sami:** [00:05:03] And for compliance, what is happening is that I am keeping the certificates. Which is indicating that I actually maintain compliance and environmental safety issues. As I see on my website, I have certifications. The reference is the Global Recycle Standard and I. Then there is FSC, I import. BSRM Organic Textile Standard is under Gold Certification. I am keeping these certifications that can be approved. Because I can now say that I am giving recycled products or for its proof, the kind of certificates we make together, these certificates are third party. Any company nominated by a buyer that is perfect for handling this, Europeans.

**Ezajul:** [00:05:53] Section Three now discusses the investments and costs with the environment, first specific investment heavyweight companies. Made to meet environment compliance requirements.

**Sami:** [00:06:13] Give me any amount.

**Ezajul:** [00:06:18] Yes. I mean, what kind of investments are they making? As far as I know.

**Sami:** [00:06:24] There are many investments. For example, for my factory, health and safety, I have people coming every month, people coming for training. If my workers have a fire or any kind of problem, it is so that they can take protection themselves. For this, we have safety training here, fire training. I have taken the certificate, which is also a huge investment. Because each certificate is quite expensive. There are some certificates that cost three to three and a half thousand dollars just to apply.

**Ezajul:** [00:06:57] Add on. Average. Average. Any idea which of the many certificates the company has cost the most to obtain?

**Sami:** [00:07:10] So I have spent a lot. Because to earn more, the current system of my factory, the wires, all of them have to go through specific places. I have to maintain all of these. I need to build a separate room. Then there are the female workers who work. If any of them have children, I need to build a room so that the children are well. Where the children of the workers can stay? I have invested a lot, specifically. If I say which certificates I went for, in that case, it cost me a lot to get my B.Sc.

**Ezajul:** [00:07:48] BSc I. Want to Mansion. Any Specific Technology. Upgrade Lake. Machineries. O Hole Water Treatment System. Indoor Organization.

**Sami:** [00:08:08] It costs us a lot to set up a water treatment plant. Since we are GRS certified and we are a global recycling center, it is mandatory for us to set up a water treatment plant. I have made a huge investment in the water treatment plant, which is more than the investment in the certificate. It costs me a lot to set up a water treatment plant, like Around Thirty Fifty Lake.

**Ezajul:** [00:08:36] Technology upgrades you have to go to meet the environment requirements.

**Sami:** [00:08:41] What we won't say is anything environmental technological, but what can be said is that since we work with less leather products and the leather products that are waste, we are doing the waste leather that we are doing together. Then from there, we are recycling some small souvenirs like key rings or small wallets for cars, which are of that type. We are putting our own waste to use. Besides, we have automated machines that we are working with automated machines. Although I am not sure how much the automated machines help the environment.

**Ezajul:** [00:09:23] That means we need another extra investment here to cover the waste. If we have to make a wallet, we need separate machinery for that.

**Sami:** [00:09:35] This is another X-ray of mine. I have a floor that seems to show how to reduce my waste, labor. That floor basically says that all our waste goes there. After going there, it is brought. After looking at these posts, which one do you support? If there is a little bit of waste, we are making a wallet from the waste. And if we see small pieces coming out, we use keys or those, and the investments I need to make for them are my swing machine. But there are a lot of swing items. So I had to buy a swing machine. Then I had to buy a heat machine, a printing machine, but they are also printed for them. Then I had to buy a laser cutting machine.

**Ezajul:** [00:10:26] Significant heavy compliance related cost relative to the overall operational budget.

**Sami:** [00:10:35] Around that I am one hundred percent expensive for my compliance, twenty percent expensive. Which is the minimum to maintain compliance. Among these expenses, my experience is in compliance issues.

**Ezajul:** [00:11:00] Why? Share your particular financial challenges. Duty compliance related expenses in specific stories of the year companies.

**Sami:** [00:11:17] And there are not many issues. Since I am working on buyer requirements, because I am fulfilling the requirements, they are giving me work. Again, there is a story here too. That is, the buyer is telling me to maintain the compliance issue, to maintain something. As I said, my transaction expenses are from that expense. But my product is a hit. If the sample used to cost \$2 to make, then I have to maintain my compliance issue there. My half sense, I am spending extra here. But the buyer is not giving me the price of this product for every product. They are reducing the price from me day by day. Due to which it has become difficult to maintain my compliance issue now.

**Ezajul:** [00:12:07] I mean, he's not paying more than \$20. In some cases, it has to be reduced by another \$2.

**Sami:** [00:12:15] To maintain compliance, I have to spend \$2. The buyer has given me a target price of \$2.50 for an extra compliance certificate. That gives me extra. The money they will give me. There is a buyer like. Like the German buyer, they have a lot of requirements, everything is very high. I have to experience a lot. I am also making a lot of

investments for the buyer. Ultimately, what happens is that at the end of the day, they are doing these things from me. But they are offering me a price that is very low.

**Ezajul:** [00:12:51] Supplier one to think what this kind of. Expenditure the cost still there.

**Sami:** [00:13:05] It seems to me that buyers come to us through many trading offices. If buyers come to us through trading offices, the expenses automatically increase. The reason is that if there is a trader in the middle and I pay two taka and go to the buyer, it becomes four taka. This is also a factor. Again, here it is seen that the buyers themselves are third parties. They are telling us that you make this product with these and these. But I will give you a price of two taka. But this is not happening. Instead of maintaining these digitally, my price minimum is three to four taka to maintain their criteria. Another problem is that there is some corruption here. For example, it can be seen that a quantity of two lakh pieces is within the quantity of two lakh pieces here. Now what comes to me, since I maintain all the certificates. I maintain all environmental issues, including full testing, free compliance issues. I supply products. So how come they are taking two thousand pieces out of two lakh pieces from me? And with two thousand pieces of goods, they show the buyer that I am maintaining your standard for two thousand pieces. But they are taking the remaining one lakh ninety-eight thousand pieces from the local market. Those who do not have any certificate do not even know how much hazard it is. For environmental issues, this is a big problem in this place. We who are maintaining the certificate are facing problems.

**Ezajul:** [00:14:37] In this case, is there no regulator to maintain it? From their side or Bangladesh.

**Sami:** [00:14:43] They have some third party nominations. For example, they have a history of glory, they have STS, they have When Sign. There are many big laboratories that maintain them and then check them. If a garment body is two hundred thousand pieces, it is not possible for a label to check two hundred thousand pieces of garments one by one. Because there are a lot of things to check. They check. The first ten pieces are those ten pieces that they are giving good goods and the remaining one ninety eight are being given. They are getting goods from outside. In that case, one of the things that buyers are doing now is that buyers are directly giving nominations so that they can find buyers who have certification for their work. We are doing exactly this for them.

**Ezajul:** [00:15:31] When buyers work through a third party, they try to maintain it.

**Sami:** [00:15:36] But what happens is that it doesn't happen in reality. It's not possible 100 percent. Because the buyer told me that they want me to buy the product from me and told Garments that you will buy the goods from Real. But what he does is that he buys the same two thousand pieces from me and shows it to the buyer, I am taking it from you but the rest is being taken from outside.

**Ezajul:** [00:15:55] If there is a third party involved in this case, if he gets caught in any way, then that's it.

**Sami:** [00:16:02] There are huge penalties. In fact, there is also a penalty that is shipment cancellation. Then a higher air shipment can be charged. Or a penalty money can be charged that you are getting a penalty? They will also give you a discount. And do not return the product. For example, an insurance LC called Legal Buyer recently made a jersey. The pocket of the jersey is failing the empty test. Because of that, the buyer has given instructions that it will be shipped. What are they changing for this plain jersey without pockets? For this, they had to change the packaging. Because the picture of the packaging had pockets. Except for the pockets, they did not have to change everything. And what is more extreme is that they are marking it as ready, so that no more goods can be taken from there. They have different servers on that server. The name of this company is given. The company that is fraud. You cannot buy such goods from this company.

**Ezajul:** [00:17:09] Which sequence of this comes to you or does it just continue after the order is taken?

**Sami:** [00:17:15] It doesn't reach us. The reason is that we don't give it directly. We give the goods only the best. Those who have the garments can come to us with the garments but in fact there is no benefit in it. If the buyer gives me a direct nomination. And if the garments also take the goods from me and if my product fails then in that case I will have the full penalty. If the buyer tells me that you will open source, source the garments yourself. But this product card of mine will be fulfilled. In that case, it cannot be fulfilled. In that case, every garment could be bought in its entirety.

**Ezajul:** [00:17:52] What happens in this case, like this thing, even after the buyer nominates, they don't provide the full work. In such cases, if they get caught, because the buyer knows that they are taking the products from the real one.

**Sami:** [00:18:08] In that case, they ship and take the goods from me. There are many such incidents where the buyer only took the goods from me without taking the goods from me. We are challenging it. After challenging it, when we prove that we did not take the goods from the clothes, that particular system is put on hold. Being on hold means that the airlines have to take the goods with a huge loss. Almost one hundred thousand dollars. Their empty air charges. What I will say here is that the main problem that the buyers are doing now, the brands are asking for a lot. Earlier, the price of every thing used to increase, and it is still increasing. But the only closing that can be seen is that the price is decreasing outside.

**Ezajul:** [00:18:50] Prize.

**Sami:** [00:18:53] Worker safety issue: Everything has to be maintained. Everything maintains safety. They say they will increase worker wages. However, in that case, they will not increase our prices. They are doing one thing. They are telling us, this time not us, they are global. And everyone is saying that those of you who want to work in Bangladesh, the worker salary. So this time there has been a lot of talk about the increment. The workers who are protesting a lot are saying that we are with you, you do it, increase the prices. They have given this commitment. Later, they can increase the prices. The workers make two changes in the body.

**Ezajul:** [00:19:33] Product.

**Sami:** [00:19:36] It's only doing a two cent increment. But after doing it for one season, it says it again from the next season.

**Ezajul:** [00:19:43] It can be said that they also take advantage of this thing. There is a loophole here.

**Sami:** [00:19:49] This is taking huge, huge advantage. Huge, huge.

**Ezajul:** [00:19:53] Thing is. Be it the leader, the buyer, be it the third party that takes the order, everyone in Bangladesh is taking advantage. Ultimately, the victim here is the one who maintains the environment compliance. Suppliers like you are the ultimate victims.

**Sami:** [00:20:07] Because we have to do more work than the amount of investment we are making to set up the factory. Those who are in Sadarghat or Old Dhaka. Those who have no compliance in a building. They have ten people working together in one room. They are working more than us.

**Ezajul:** [00:20:25] They are also getting more work. They are able to make more profit at their own expense.

**Sami:** [00:20:31] Everyone is going to them because they are offering much lower costs. But where we are maintaining everything, the value of it is very, very, very low.

**Ezajul:** [00:20:41] Is there any story or anything like that where the buyer himself is directly involved in these two numbers? I mean, it would be related to your company or something.

**Sami:** [00:20:57] For example, we have an issue that is that there is an office called Lien Fund in the office that is working with AL. It is working with AL. It has given control. They will work as their third party agent. And what they are doing is that they are looking at the reports from the garments, the bodies that are failing the test, the requirements and requirements that they could not fulfill, they could not pass the test, they are coming to us. They are coming to us and saying that brother, we can pass the test. Is that okay? Later, I heard that after this and that were already in-house from another place, we denied it as if you were buying our goods from outside to read our goods. They promised us that we would give the next order from us just for this time so that we pass the test. There were three lakh pieces of pants, which we only had fifty pieces. They are talking about the goods that passed the test from us. There's no problem with it passing the test.

**Ezajul:** [00:22:02] Three hundred thousand pieces and fifty pieces.

**Sami:** [00:22:06] That's the total order quantity. They took fifty pieces of goods from me.

**Ezajul:** [00:22:11] Mal.

**Sami:** [00:22:12] It shows that all the goods here are passing the test. That means they are giving the buyer this error. The buyers are not directly involved in this way. The buyers try to see how compliance or these issues can be maintained or the third parties that the buyer has are these two numbers.

**Ezajul:** [00:22:31] Usually with third parties.

**Sami:** [00:22:34] Very involved. But the buyers are not aware of this. They are only buying fifty pieces of goods from me.

**Ezajul:** [00:22:47] This is where buyers are usually not supposed to be aware. Because especially in the European market, if they can't maintain it, they'll be screwed.

**Sami:** [00:22:59] I've also heard that if a leading light product is sold for a certain amount of money and the test is failed, the agent goes to jail.

**Ezajul:** [00:23:11] Because here in Denmark, where I live, the legal level sells clothes at the lowest prices.

**Sami:** [00:23:18] Its requirements are the highest. In my experience, there are many buyers. I have worked with H&M, Zara, Mango Versa so far. I am working with many big buyers but there is no high standard on legal requirements. The problem here is that legal is also at fault. Retail is asking us to maintain high standards. But we have to offer prices that are so low that they are low. This is not possible in any way.

**Ezajul:** [00:23:45] One reason for this is that it seems like money price offers are lower. Because they are selling at a much lower price than the price market. If I go to the lead here, like if I give the example of Denmark, suppose if you buy a t-shirt here, you can't find a t-shirt anywhere below 10 taka. No matter how bad the quality is. But if you go to the lead role, you can get a t-shirt for forty to fifty DKK.

**Sami:** [00:24:10] Many factories have been set up in Bangladesh for this level of standard. They said that you will give me work. I will give you two million pieces. They want to work with the leader. But there is only one reason. Their quantity can be of many types. 50 paisa profit is being made by the people who work. I am starting to work with twenty paisa profit. I am starting to work at twenty cents. After that, they will tell us to test you. I have a small leather patch, an item. It costs me \$10 to test it, which is very high. It can be seen that while ultimately planning the seat, the matter goes from business to my loss. In this way, many factories have also been closed, which we work in the hope of quantity. But when the actual production ultimately goes to that thing, it is not there. Again, sometimes how does the CM work in garments? The cost of manufacturing, which we have to pay for any product manufacturing, is two dollars. But I am taking manufacturing for example two dollars. But after my ultimate salary increase, it is seen that my worker has to pay me up to two and a half dollars. There is a lot of problem. Buyers can minimize this thing only by giving direct nomination. Which many are doing now. The director is the supplier, meaning buyers are telling you to buy the fabric from him for garments. He buys the fringe from him. He buys the accessories from him. Now you go, I will pay you the manufacturing cost.

**Ezajul:** [00:25:52] So, is there any way for you to maintain contact with these buyers, third parties and accessory manufacturers, who are in contact with them? How do they know that? Are they maintaining everything? What is the way to know that?

**Sami:** [00:26:14] The way is any website. The only way is to search the website. For example, when I search for something like this, many clients will tell me that we put our portfolios on the website. When they start searching, whether there are factories in Bangladesh that maintain compliance or who is giving fake certificates with recycle. In that case, they find it out from the internet. Orange, what we do, we work in the garment sector, they ask the garment from which supplier they are getting the goods. For example, I work directly with Hong Kong. So they let me work directly because there is only one trust. Because I have a certificate and I will get the certificate but through a third party and I will set that third party.

**Ezajul:** [00:26:55] They themselves will have to get the certificate from them.

**Sami:** [00:26:59] There is nothing specific that they will issue the certificate. This certificate can be issued by anyone other than them.

**Ezajul:** [00:27:06] No name or anything. At that moment, one or two specific ones.

**Sami:** [00:27:11] Sign SGS of glory.

**Ezajul:** [00:27:16] You have to get the certificates from them.

**Sami:** [00:27:21] Each bar sells to a different person. For example, Jennifer was a buyer with Liesel Einstein who used to work with Gaurab Reza.

**Ezajul:** [00:27:32] They all provide almost the same type of certification.

**Sami:** [00:27:38] Certificate Defend.

**Ezajul:** [00:27:40] Organizational authority.

**Sami:** [00:27:43] Certificates are the same. I have a power point of my certificate and a power SSL certificate of the certificate. The reason is that buyers dominate that you may have to take it from here. You may have to take it from there. They do the same thing about testing. Buyers are now trying to reduce these. How to give things. I mean, how to give hundred percent sustainable products. For this, third parties are now very active. Those testing units that are there are Bureau Heritage, SGS. They are now because of the departure of Random Lee. Because buyers now know that the problems are that I am telling them to use it. They are using it cheaply and doing this for their own pockets. That is why buyers change a lot of times. In their garments, they pick up one item from three bulks and leave the item, if it fails, the entire claim becomes void.

**Ezajul:** [00:28:35] Buyers are directly providing production facilities.



**Sami:** [00:28:42] So it won't be 100 percent.

**Ezajul:** [00:28:44] The thing is, when they're in that production facility with the accessories and when they're doing the actual production and the director is going to the factory and checking, whatever they want.

**Sami:** [00:28:57] And they're checking randomly. Which is maintaining. Because that's how things can be made 100 percent authentic.

**Ezajul:** [00:29:11] In this case, we can assume that the buyers have good will.

**Sami:** [00:29:17] I will say this. But there are also some factors here which are that buyers are saying that they should not take the recycled thing. Or this thing again, how much percent of recycled is this thing here, I am not getting the authenticity of this so far, how are they setting it up that is actually recycled? There is a lot of eye wash and brain wash happening here about many environmental issues which are actually nothing. For example, I have a laser in front of me now which is declared to be made of fifty percent apple fiber. But I don't know how to prove this. There is a separate certificate for this. What is happening is that I think that in some cases these are brain wash marching others.