

Communication On Progress



Intelligent Glove Solutions

ATG Ceylon (Pvt) Ltd.

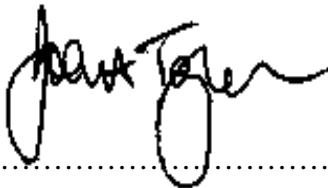
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(A) Statement of Continued Support

We, at ATG Ceylon (Pvt) Ltd. are convinced that in today's global environment, our success as a global supplier has to stem also from our commitment to our social and physical environment. It is this conviction that prompts us to use the Global Compact Principles as a guideline for our Human Rights, Labour and Environment related activities. We also believe that Corruption at any level will always bring about an additional cost and thus a burden on the society.

As such we are happy to be a partner of the Global Compact now and in the years to come. The Communication on Progress, of which this is the first part, expresses what we have done up to now in respect of the Global Compact's Ten Principles.



Chairman/Managing Director

04.08.2014

Date

(B) Review Reports on actions taken in respect of 10 Principles

Principle 1 Protection of International Human Rights

Members of the Management and other staff of ATG, respect the rights of human beings, just as much as they value their own rights as human beings. ATG members support and respect the concepts of internationally accepted human rights in their official and private pronouncements to the extent of their relevance

Principle 2 Non-complicity in Human Rights Violations.

ATG Management by virtue of their convictions on international human rights do not become a party to any form of violations of international human rights. This principle of non-complicity is communicated to everybody within the organisation so that everybody is aware of the organisations commitment and would act accordingly.

Principle 3 Freedom of Association & Rights to Collective Bargaining

As required by the regulations governing the establishment of Economic Processing Zones in Sri Lanka, within one of which ATG operates, ATG recognizes the need for ATG workers to belong to an association. This is fulfilled by ATG forming Joint Consultative Councils (JCCs), with the guidance & cooperation from the representative of Board of Investments of Sri Lanka. These JCCs meet periodically with representatives from ATG and Board of Investments of Sri Lanka. Any grievances, including salary related ones, could be discussed at these meetings.

Principle 4 Forced & Compulsory Labour

ATG does not engage in or support the use of forced and compulsory labour and does not demand its employees to lodge deposits or original identity papers as a guarantee of being employed at ATG as long as ATG so desires. ATG, with its vision of being a model corporate citizen expects its employees to consider ATG's reputation as such a valid reason to be in its cadre. Absolute freedom of entry into and exit from ATG's premises is provided within the current regulations governing the same.

Principle 5 Child Labour

As a part of its Social Responsibility Policy, ATG does not engage in or support the use of Child Labour. In this respect, ATG monitors local and international interpretations of child labour and adjusts its policies accordingly. In case a child worker is detected amongst its workforce, due to a mistaken identity issue, ATG will take him off the work force and support him during a remediation process till he reaches the limiting age of childhood as defined by local and international regulations.

During overseas visits to our suppliers, we monitor whether they use child labour and if so we would take this matter with its directors to rectify such issues. If on a subsequent visit we notice the same, then we would consider to remove such suppliers from the 'List of Approved Suppliers' which we maintain as per ISO Management System Requirements.

Principle 6 Discrimination

ATG's employees are not subjected to discrimination based on caste, national origin, religion, disability, gender, sexual orientation, involvement in Joint Consultative Council work, political affiliation and marital status, during any stage of their employment including recruitment and hiring, participation in training programs, opportunities for advancement, termination or decision making in respect of wages, salaries or benefits.

This anti-discrimination policy of ATG prohibits any overt or subtle pressure for sexual favours, including implying or threatening that an applicant's or employee's co-operation of a sexual nature will have a bearing on conditions of employment or future opportunities.

Any employee who feels that he/she/another employee is a victim of discrimination or harassment enjoys the freedom to report the matter to his or her supervisor or to the Director. All such complaints will be immediately recorded, investigated and appropriate action will be taken. All reports of harassment will be kept confidential, limiting involvement only to those who have a need to know.

As a model employer ATG has employed physically handicapped people within its production facility after studying the handicapped person in question so that his/her life is not put into any form of danger which may be not applicable to other physically normal worker.

Principle 7 Precautionary Approach to Environment

ATG's Environmental Policy, developed during the ISO 14001 certification initiative and made public and available to even visitors to the Company premises emphasises a preventive approach to environmental issues. Engaged in the Industrial Gloves Industrial sector, ATG uses chemicals of different origin and complexity in its manufacturing processes. As such, it is mindful of the impact its activities could have on the environment and plans prevention and remedial measures accordingly. As a part of the requirements of its Environmental Management System – a system certified to be in compliance with ISO 14001:2004 standard – ATG takes possible, potential Environmental Aspects and Impacts into consideration during its new product design and development stages. ATG has taken adequate and appropriate steps to collect all types of waste, - waste from processes, canteen waste, office waste, etc. – in a methodical fashion into classified bins so that they could be disposed with least damage to the environment. ATG makes its achievements in respect of its environmental management public, in order to instil greater support and commitment towards environmental issues by its business partners and the business community in general. The extent to which the Environmental Policy is subscribed to by the ATG employees are reviewed once every six months to check its suitability in the context of changing environmental and business issues.

At ATG probable, potential emergencies with an impact on the environment are identified and action plans to reduce their probability are implemented. Furthermore, mitigation and response plans, in adequate detail to match the relevant impacts, are also worked out and documented. The personnel who will have to play roles in respect of these plans are made aware of these roles and appropriate training sessions and drills are carried out to enhance their preparedness.

Principle 8 Promotion of Greater Environmental Responsibility

Again the Promotion of Greater Environmental Responsibility at ATG starts with the Top Management who emphasises and reinforces the same in its Environmental Policy Statement. As a part of its ISO 14001 certified Environmental Management System, ATG identified all Environmental Aspects and Impacts in respect of its total operation. using a rating system that takes five characteristics into consideration, ATG identified the most significant environmental aspects and impacts and then demonstrating grater environmental responsibility, planned out and implemented environmental programmes to improve the performances and outcomes in respect of these significant environmental aspects and impacts. This has become an annual phenomenon thereby reducing the significance of total environmental aspects and impacts to lower and lower levels. The final outcome of this practice would be a corporate entity which is not operating merely in conformity with the relevant environmental regulations and limits but even better, thereby demonstrating true commitment to ATG's responsibility towards the environment.

ATG adopts different mechanisms to promote greater environmental responsibility in the minds of its strong workforce by having poster competitions where the theme should be related to the environment. The prize winning posters are displayed in suitable common areas. ATG educates its subcontractors for civil and other engineering related jobs to be carried out on site – in respect of better environment related practices using a set of guidelines issued to each of these subcontractors prior to commencing work on site. Furthermore ATG also uses mechanisms in selection of suppliers for its raw materials which takes the environment related practices adopted by the suppliers into consideration.

Using the lists of identified environmental aspects and impacts, ATG prepares operational controls to be adhered to by the operators in respect of the non-significant environmental aspects and impacts. All these activities are audited periodically and any deviations are rectified using, appropriate corrective and preventive actions. Whenever an incident with an impact on the environment happens, ATG expects its staff members to document the incident and take adequate action to rectify the situation mitigate the impact and also to prevent recurrence/s such records are closely monitored and successful closure of the issue is promoted.

ATG has also identified the key parameters that need to be measured to understand, monitor, evaluate and control the impacts its activities could

have on the environment. These parameters are monitored at identified frequencies in order to ensure that the environmental impact of the ATG's operation are maintained within limits.

Principle 9 Development & Diffusion of Environmentally friendly Technologies.

By communicating its environmental policy to its staff members at all levels ATG encourages the development and diffusion of environmentally friendly technologies. ATG had planned to carry out a study of the technologies utilised by it in the light of their impact on the environment and identify, develop and promote newer technologies with a lesser impact.

Principle 10 Elimination of Corruption

ATG and its works are categorically against all forms of corruption including extortion and bribery. While all transactions within the organisation are guided by adequate & appropriate guidelines and documents, ATG ensures that all financial transactions with the outside world are exactly as per the terms and conditions governing such transactions. Furthermore, all those who get involved in such transactions are briefed on these terms and conditions prior to their engagement for such purposes.

(C) Performance Indicators

<i>Performance Indicator</i>		<i>Value</i>	
1.	Number of international human right abuses complained by stakeholders	Nil	
2.	Number of JCC Meetings held during the year with	2012	2013
	• ATG Representation	4	8
	• BOI Participation	2	1
3.	Number of issues related to wages/salaries/benefits raised at such JCC Meetings	Nil	Nil
4.	Number of Employees whose original identity documents are retained by ATG	Nil	Nil
5.	Number of employees whose cash deposits/other financial securities are retained by JWCL (out side in relation to their list of duties)	Nil	Nil
6.	Age analysis of all employees		
	• Age 18 to 25	56.5%	65.44%
	• Age 26 to 40	38.2%	30.57%
	• Age over 40	5.2%	3.99%
7.	Number of instances where child labor issues had been detected	Nil	Nil
8.	Number of Significant Environmental Aspects		
	• Air	11	11
	• Land	10	12
	• Water	21	21
	• Noise	7	8
	• Resource Consumptions	22	21
9.	Number of environmental management programs at different stages of implementation	2	2
10.	Number of training sessions/drills held in respect of such ERPs		
	• Outside Training sessions	-	-
	• Drills	4	4
	• In House Training	8	8
11.	Number of emergencies against which emergency response plans are available.	-	-
12.	Number of Environmental incidents	-	-
13.	Number of Environmental Characteristics periodically monitored	35	35
14.	Male Female Ratio	68 ; 32	68;32