

# Communication on Progress 2018

United Nation Global Compact

# **Hathay Bunano PS**

Helping women out of poverty and putting smiles on faces worldwide!











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# Statement of support

Hathay Bunano has continued to grow in 2018 and we are now present in 37 countries. Our relationships with our distributors continue to be very important in growing Pebble brand around the world. We have again released two catalogues for this year with many new products. We have already move into 'kids home' products has started to take shape with a number of new products in this category which have all been received very well.

This expansion into kids home will continue into the next year with us building on the products that have been doing well and expanding in those.

Hathay Bunano as a social enterprise and our employees, producer group and clients actively make every effort to respect and support the UNGC Ten Principles in our national and worldwide activities.

Sincerely yours,
Samantha Morshed MBE
Founder, Hathay Bunano ps

Helping women out of poverty and putting smiles on faces worldwide!

#### **ABOUT US**



Mission

Helping women out of poverty and putting smiles on faces worldwide!

Vision

Hathay Bunano aims to create rural employment for women that is flexible, local, good quality and fairly paid. It aims to create employment that fits in with the rhythm of rural life and to support people in their lives. It aims to empower women by given them a voice through enabling their own financial independence. It aims to remove all the barriers that rural women face to working by providing the help and support they need.

Core Values

Commitment to empower rural women trough establishing sustainable community business.

# FUNDAMENTAL MOTIVATION

After a long stay of about 22 years in the United Kingdom, Golam and Samantha came back to Bangladesh with a strong urge to contribute to the poverty reduction initiatives of Bangladesh. "Since independence Bangladesh received plenty of support from a number of international development organizations but very little improvement has happened in its poverty situation," said Samantha. They wanted to do something meaningful in addressing the real needs of the poor. While trying to find the fundamental cause of poverty, they realized that major initiatives for reducing poverty have been made through a large scale involvement of microfinance organizations for over three decades and yet the rate of poverty reduction at a national level was minimal.

Samantha said, "you can't expect to have such a large proportion of the poor having entrepreneurial ability so that they can utilize the micro-credit properly and generate sustainable income for themselves," and added, "in many of the communities in which we work, the poverty is so severe and the communities are so isolated, that there is simply insufficient purchasing power within the community to support large numbers of new businesses." The philosophy adopted therefore by Samantha and Golam was that these communities need to have employment in the first place; work and investment which comes back into the community, thereby expanding these isolated village economies and providing a base from which microfinance businesses would then have a better chance of success. "Hand manufacturing products for export fit this criterion," said Samantha



# Sustainability Objectives

























# Our Sustainability Pillar



- Eco-friendly raw materials
- Energy saving logistics and rural production unit
- Reduce carbon footprint, low emission and waste management

# **HUMAN RIGHTS**

Principle # 1: Business should support and respect the protection of internationally proclaimed human rights Principle # 2: Make sure that they are not complicit in human rights abuses

# Suppliers:

At Hathay Bunano Proshikon Society (HBPS), we believe acting ethically and responsibly is not only the right thing to do for our society, but also the right thing to do for our business. All suppliers are evaluated for ISO certifications for Quality Management (9001), OEKO Tex to ensure safety on textile materials. We choose our suppliers based on relevant criteria to maintain awareness and comply with all applicable laws and regulations of the countries of their operation. We expect and take responsibility that our supplier ensure fair trade principle at the workplace and their management in accordance with the highest human rights standards.

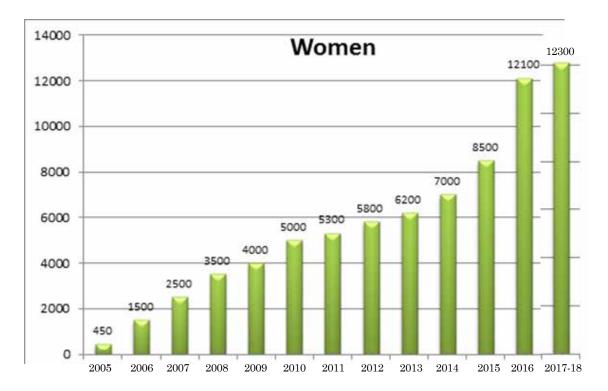
Name of material	No. of percentage	Compliance	
Yarn	70%	OEKO, Organic,	
		FLO	
Padding	22%	ISO 9001	
Others	8%	Local supplier	

### Grievances:

HBPS is committed to conducting business legally and ethically within the framework of a fair trade system. Corrupt arrangements with customers, suppliers, government officials, or other third parties are strictly prohibited. "Corruption" generally refers to obtaining, or attempting to obtain, a personal benefit or business advantage through improper or illegal means.

### Employment Generation for rural disadvantage group:

HBPS is committed to train approximately 1000 disadvantage women from various challenging area of Bangladesh. A growth of employment rate is given below in chart:



# Safe working place:

HBPS production house is fully comfortable and safe for the rural women. There are spacious place in each and every production center. There are available facilities of light and air in all production houses. Producers group are very happy that we have health, sanitation and safety facilities in our head office. They clean our office premises from their own interest. First Aid Box, Fire Extinguse Machine, Fire Blanket, Water etc is available at the head office and all emplyees has given primary training to use these elements. Our rural center does not use any power or chemical or any machine. There is less scop of accident.

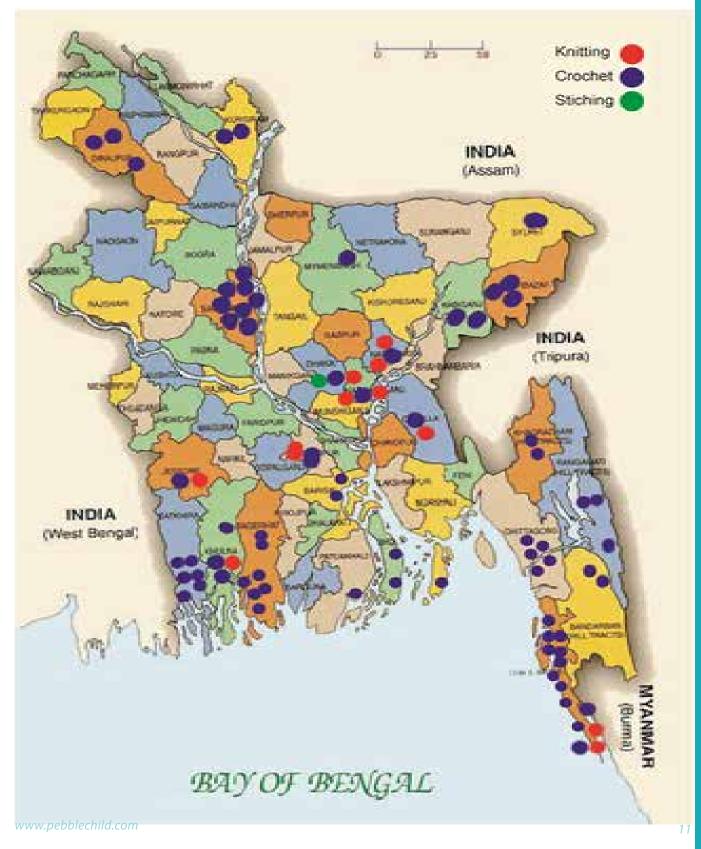
### Childcare and pre-school:

HBPS have 8 Childcare and pre-school facilities at various places in Bangladesh to ensure child education and highest economic development from rural community. A list of 8 pre-schools is given below:

SI No	Name of Preschool	Nearest location of production unit	No of enrolled student
01	Sirajgonj pre-school - 1	Shaikpara, Sirajgongj	20
02	Sirajgonj pre-school - 2	Mudipara, Sirajgonjg	20
03	Sirajgonj pre-school – 3	Mulibari, Sirajgonj	20
04	Cox's Bazar pre-school- 1	Gorjontoli, Sirajgonj	20
05	Cox's Bazar pre-school- 2	Natun Masjid, Sirajgonj	20
06	Satkhira pre-school -1	Vamia, Satkhira	20
07	Satkhira pre-school -2	Vamia, Satkhira	20
08	HBPS HQ Pre-school	Dhaka	20

# Work in challenging geographical area:

HBPS love to work in challenging geographical area in Bangladesh where employment is highly require for vulnerable women. In 2016, HBPS highly focuses on Sunderband area (south east part of Bangladesh), the largest mangrove forest in the world and provide employment opportunities to the women who were highly dependent on forest resources for their daily livelihood. Current HBPS footprint is shown below:



# Partnering with local NGO:

HBPS are working at various rural areas with NGO who are mainly working to ensure human rights at rural level. Local NGO's are working for education, training, women empowerment, agriculture and so on. Local partners are working at rural area for additional benefit of our producers which increase daily life standard of rural women.

# Standardized Operating Procedures (SOP) and Internal Monitoring System (IMS):

As HBPS is strongly committed to protect human rights, a strict monitoring system has been implemented to prohibit any abuse of it. There are Standardized Operating Procedures (SOP) and Internal Monitoring System (IMS) for all operational activities to ensure the protection of human rights. During the planning phase, the SOP and IMS are evaluated and reviewed by the compliance team and top management.

#### Sustainable Development Goal (SDG)

## Fair Trade Principle







# **LABOUR**

Principle # 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle # 4: Business should uphold the elimination of all forms of forced and compulsory labor.

Principle # 5: Business should uphold the effective abolition of child labor.

Principle # 6: Business should uphold the elimination of discrimination in respect of employment and occupation.

### HBPS worker's Association:

HBPS Worker's Welfare Association is formed to protect and promote the interests of their members. Their primary function is to protect the interests of workers against discrimination and unfair labor practices. Association represents individual workers when they have a problem at work.

Negotiation is where Association representatives, discuss with management, the issues which affect people working in an organization. There may be a difference of opinion between management and Association members. Association negotiates with the employers to find out a solution to these differences.

Association with a view to safeguard the health of workers demands the management to provide all the basic facilities such as, lighting and ventilation, sanitation, rest rooms, safety equipment while discharging hazardous duties, drinking, refreshment, minimum working hours, leave and rest, holidays with pay, job satisfaction, social security benefits and other welfare measures.

The association make a harmonious relation between the employees and employer is another vital objective of this association.

### Participatory price setting policy:

HBPS have a sampler group at the head office. When a new sample is developed, than sampler group are responsible to set the FOB price through discussion with producer group. After the costing of the materials, this FOB price is finalize prior approval from higher authority. So producer group are somewhere involve in price setting policy.

#### Participatory wages setting policy:

HBPS have a clear wages setting policy which is followed by producer group. Wages is being set depending on the standard hour and standard hour has been set by producer group. The feedback from producer group can also evaluate if there is any discrepancy on standard hour.

#### Monthly meeting with producer:

HBPS regularly arrange monthly meeting with producer group where employees share sales, export, financial issues with the producer group. Any feedback from producer level is always highly appreciable by the management team which can be considered at executive board meeting.

#### Written contract with producer group:

Hathay Bunano believes on transparent business relationship. To empower the women producers group, Hathay Bunano start to make written contract with all producers group detailing all terms and conditions from both parties. This mutual agreement makes our producer group more confident. According to this contract, all producers are free to work as long as they want and they are free to work any organization by using our skill.

#### Overtime facilities:

HBPS provide overtime for the salaried staff at the head office if there is overload of work. Overtime is not a regular process. But it follows 3 hours in a day if necessary. HBPS pays double during overtime and provide special snacks to the staff.

#### Appointment letter/Job Contract

HBPS provide appointment letter and job contract for every employee which indicates the job responsibility and reporting system. This letter also indicate freedom of work according the local Human Resource Policy.

#### Child labour policy

No children below the age of 18 can be employed in Head Office as well as Production Center of Hathay Bunano. If the law states a higher age, the law must be followed. The supplier must have sufficient management systems in place to ensure no children are employed. All staff and producers must submit national ID card or Birth certificate before join with HBPS.

#### Non-discrimination Policy

Employment decisions related to compensation, benefits, promotions, transfers, reductions in force, rehires will be administered without regard to age, race, color, religion, sexual orientation, disability, sex or national origin, marital status, pregnancy, disabled or veteran status, political beliefs, organizational affiliation or medical condition. The human resources manager will review these decisions. The responsibility for implementation of this Equal Employment Opportunity policy rests with the entire management team.

#### Equal wages policy

HBPS has equal wages policy for all producer groups. Wages rate is equal for every producer so there is no chance for discrimination.

#### Policy for disable and widow:

Priority will give to disable and widow. HBPS provide accommodation to 5 disable women in Head Office who has been with this organization for last 10 years. HBPS also give priority to disable and widow producer in rural center during selection process. Currently we have 4.15% disable producer and 4.8% widow producer in rural area. At Head Office, Hathay Bunano providing accommodation / hostel facilities for physically disables workers.

#### Social benefit policy:

As a social organization, HBPS desires to care, promote and provide employment benefits to all employees and qualified applicants as described in this policy. Currently HBPS have the following policies within the organization:

Group Insurance Policy

Provident Fund Policy

House rent allowance

Transportation Allowance

Medical Allowance

Law Advisory support

Long term service reward

2 (two) Festival bonus

Retirement policy

Crèche facilities along side production unit

Pre-school facilities beside production unit

Distribution of yearly dividend

#### **CSR Policy:**

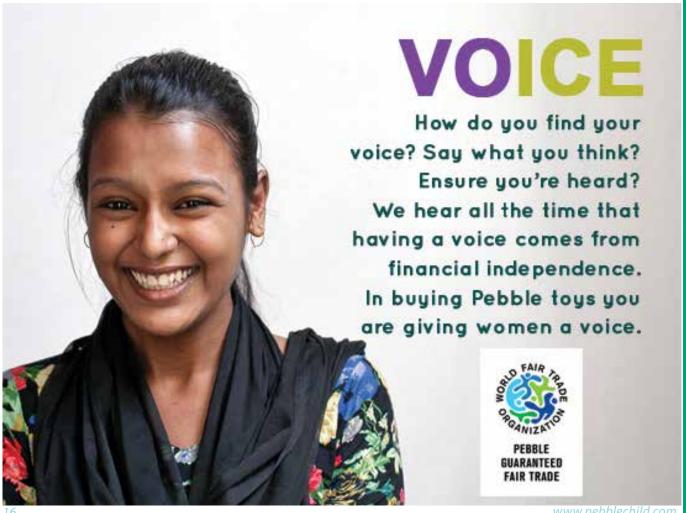
Hathay Bunano's (HBPS) CSR Policy is inspired by the mission statement of it's own "Helping women out of poverty and putting smiles on faces worldwide!" While pursuing our social strategy of introducing ethical products that puts smiles on worldwide, HBPS operates in a manner that not just continues to generate employment for rural producers, but also minimizes our impact on the environment and helps in replenishing the planet for sustainable development; while lending a helping hand to the community

#### Sustainable Development Goal (SDG)



#### Fair Trade Principle





# **ENVIRONMENT**

Principle # 7: Business should support a precautionary approach to environmental challenges.

Principle # 8: Businesses should undertake initiatives to promote greater environmental responsibility.

Principle # 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

### Procurement:

To purchase energy, water, raw materials, work equipment, transport, stationery, furniture, fittings and services from renewable or environmentally sympathetic sources. We also aim to influence the performance of our business partners, producers and suppliers to achieve at least the same environmental standards as our own. We collect environmental certificate, raw materials certificate or any verifiable documents from supplier which can comply environmental standard before go for final procurement.

# Energy Management

Monitor, manage and reduce consumption of energy, and aim to reduce CO2 emissions in our offices. This will be achieved through the use of energy-reducing technologies, encouraging more sustainable practices and using renewable resources where practical. The cost of energy used in every month will hang at official notice board for everybody so that everybody will be aware about the use of energy. Endeavour to influence our suppliers to do the same.

### Waste Management

To eliminate, reduce, re-use, re-cycle or dispose of waste in an environmentally acceptable manner in our offices. There are four steps necessary to properly manage waste:

- Identify Wastes
- Evaluate Wastes
- Manage Wastes
- Arrange for Disposal of Waste

# Water Management

Monitor, manage and reduce water consumption in our offices. Ensure that the maintenance of water systems is of the highest order to ensure wastage is kept to a minimum and that discharges comply with environmental legislation. Endeavour to influence our suppliers to do the same.

Environmental impact: discuss about CREL, Ecofish and BAGH Project

#### Sustainable Development Goal (SDG



Fair Trade Principle





FAIR TRADE

enterprise

# **ANTI-CORRUPTION**

Principle # 10: Business should work against corruption in all its forms, including extortion and bribery.

# Development of new ERP software

In 2015 HBPS developed a new MIS system (an application software developed by Domaintech Ltd.) is implanting in our organization. It's goal is to prevent fraud and corruption and expedite the distribution process to the rural area with accurate raw materials. We are maintaining all raw material distribution, packing note, making payment sheet, shipment and stock entry by this software. So there is no chance for corruption in our system. We have also develop a new method of cost sheet which reflect the cost breakdown of each products. MIS system provide a raw materials report which helps us to make this cost sheet.

### Board member from producer level

HBPS decided to select 1/4 board member from producer level so that every decision can be made through mutual agreement. Board member from producer level can understand how to make them empowered by conducting formal meeting, providing valuable inputs during decision make, raise voice for the right of women etc. The board member from producers' level also shares all their experiences and information with HBPS worker's association.

### Event celebration:

Every year, HBPS celebrate Annual General Meeting, World Fair Trade Day, Anti poverty week with all the staff and shares all the internal financial and technical information. So all staff are aware about the financial activity which can protect corruption during the operation.

Sustainable Development Goal (SDG)





