



# GLOBAL COMPACT

## ATG<sup>®</sup> Ceylon (Pvt) Ltd.

# 2019

## COMMUNICATION ON PROGRESS

Katunayake, Sri Lanka

## CONTENT

1. About this report
2. The intelligent Glove Solution
3. ATG and sustainability
4. Chairman´s message
5. Managing Director´s message
6. ATG Topview
7. Sustainability reporting – Path we have thread
8. Scope and boundary
9. ATG Value chain
10. Strategy identification
11. Stakeholder interaction
12. Materiality assessment
13. The business
14. Internalization of interaction findings
15. Enterprise risk management
16. Commitments and external initiatives
17. Performance monitoring
18. Human resources dimensions
19. Our concern for the Environment
20. Concern of energy usage with environmental impact
21. Contribution to the collective action
22. Social investment and philanthropy
23. Audit process
24. Contribution towards sustainable development goals
25. Our people and our communities
26. GRI content index tool

# 1. ABOUT THIS REPORT

We are pleased to Support the GRI as a comprehensive, internationally recognized format for reporting data on Economic, Environmental and Social performance.

This report is intended to supplement our Annual COP report which provides an overview of our 2018 June to 2019 July Corporate Sustainability goals.

This report has been prepared in accordance with the GRI Standards and The GRI content as they have suggested.

This report is not externally assured. However, ATG intends to seek external assure of its next sustainability report.

The PDF version can be downloaded from the company website. ATG is committed to producing a COP Report to communicate the impact of its operations and its contributions towards the goal of sustainable development.

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# 2. THE INTELLIGENT GLOVE SOLUTIONS

Bringing out this Intelligent Glove Solutions to protect one's hands happens due to the deliberate efforts of a wide range of personnel- about 4000 of them – working in tandem guided by the common set of following values.

- Innovation
- Quality
- People & planet
- Long-term partnership

These four values remain inseparable from each other as we keep on manufacturing pairs of gloves one after another and all this happens within a sustainable framework.

The seeds for the total process get started when the product service insight is identified. We then put on the customer's shoes and identify,

- What he would be expecting from the product
- Key gloves suitability
- Unmet needs
- Users experience
- The competition
- The level of service

Our subsequent efforts in developing the product through innovation are strengthened by collaboration with university personnel, specialized industries & experts in the field.

Throughout this entire process there is one aspect which is never compromised – Quality, Quality of Data gathered, Quality of Opinions Solicited, Quality of Suppliers, Raw Materials, etc. and of course the Quality of the Final Product.

It is quite strange; but we have found out that this obsession with quality quite readily blends with our concern for People and the Planet. When the quality is right there will be less burden on People and the planet which ultimately leads to Long-term Relationships.

This process of ours at ATG is almost congruent with sustainable development and it comes quite naturally to us. The Safety and Comfort we offer to our customers' hands will never allow them to take their hands away from us. That is the level of Long-stem Relationship we build up with them.

# 3. ATG AND SUSTAINABILITY

ATG is all about sustainability.

Sustainability of the human being depends on the use of hands which help the human being from the time spent on the mother's lap trying regulate the flow of milk to the time spent on the death bed trying to indicate ones needs or feelings. Even the feet are very often protected by the dress, hands are not protected the same way.

When hands are to be used in abrasive situations that could jeopardize their safety.

ATG provides the desired protection.

Thus, ATG ensures sustainability of humankind by protecting the most important asset needed for a human being's livelihood.

ATG always concern the consequences on the business throughout the planet and trying to leave a very small footprint on the world by considering all aspects of three dimensions of sustainability, Social, Environment and Economical.

## 4. CHAIRMAN'S MESSAGE

In 2018 we started a new journey towards sustainability by gathering all strategical practices on social, environmental and economical areas in addition to involvement in basic social responsibility issues by participating in Global Compact's 10 principles since 2003.

At the moment we are thinking on our commitment to initiate sustainability throughout all dimensions in ATG business with respecting our responsibilities on society and environment as well.



**John Taylor**  
Chairman

While we have advanced in our manufacturing capabilities, geographical spread of these capabilities as well as the market spread of our products, we have always aligned these to the social responsibilities we should shoulder as a responsible corporate citizen. This consideration stems from our belief that a corporate entity cannot exist independent of its social environment.

We have enshrined these social responsibilities into our Real Time Strategic Planning Model which is depicted elsewhere in this COP. To assist in taking these social responsibilities into the corporate fabric of ATG we have evaluated the relevance of the individual criteria to each and every stage in our value chain and the personnel manning these stages made aware of the resulting involvement. While the human resource function overlooks the relevance and applicability of labor related criteria at recruitment phase, all functional heads ensure that these criteria are equally well served during the subsequent phase of the individual's employment at ATG.

We have committed ourselves to the fulfillment of Human Right criteria at ATG and this commitment again stems from the Social Responsibility aspect of our strategic planning model. When it comes to the Environment related aspects of our operations, we established ISO 14001 based Environment Management System in 2007 which certification had been continuously audited and sustained up to date. We have been continuously demonstrating our robust commitment to the system through substantial investments of resources – manpower, financial – targeting improved environmental performance.

Through the continuous efforts that our team has given to establish the sustainable business practices within the group while producing sustainable products and pursuing social responsibilities together with the business, we certified with ISO 26000 in 2018 for our commitment to sustainable development and social responsibility. Our commitment to the eradication of corruption of all types in the Sri Lankan business environment.

We reinforce this commitment by periodically briefing all officers who would be externally subjected to prompting towards corruption and also by scrutinizing and auditing of interactions with external agencies. Our commitment towards social investments and philanthropy has been bearing fruits with our identifying and fulfilling the communities' need for clean water, health care products, etc. We have set ourselves the objective of formalizing this further by incorporating a foundation which will be dedicated for this purpose. We are always seeking to act accordingly to protect our environment from all kind of negative consequences that could lead from our entire business. Therefore we encompassed with a perfect environmental management policy to save our environment along with the way of ATG carbon neutral business implementations.

Our commitment to these Advanced Criteria and Corresponding results is periodically brought to the focus of the Board which is expected to prompt future action along the same guidelines. Our strongest belief that Stakeholders' Engagement at the multitude of stages in our interactions with them has helped us to maintain mutually fruitful relationships for the sustenance of the Planet we share.

Our understanding that the Planet is gradually becoming a more & more difficult place to habitat prompts us to commit more and more resources to these Global Compact Principles. We will not fail in our commitments to this endeavor.

A handwritten signature in black ink that reads "John Taylor". The signature is fluid and cursive, written in a professional style.

John Taylor Chairman  
ATG Group of Companies

## 5. MANAGING DIRECTOR'S MESSAGE



**Fazal Abdeen**  
Managing Director

Whenever I see Sri Lankan Landscape while returning from an overseas visit, my mind gets inundated with ideas to implement different sustainability projects to enrich the lives of the Sri Lankan Community. This desire helps me to look favorably at the sustainability projects brought to me by the staff themselves.

We have evinced a keen enthusiasm about the satisfaction and well-being of all our stakeholders from the very beginning. It is this enthusiasm which drove us towards different types of certifications – from ISO 9001, CE mark to ISO 14001, etc., all of which were indicative of how we respond to the needs of our different stakeholders.

Just as much as we, in our normal manufacturing arena, adopt a pulling model rather than a pushing model, even in respect of fulfilling or responding to the stakeholder requirements we adopt a pulling model. Thus is the challenge, I, as Managing Director in charge of Operation have to-day; fulfilling the consumer requirements brought to us by my colleague overlooking Marketing within the framework determined by the Social Responsibility Path we have selected for ourselves. This framework has only been expanding during the last thirteen years of our existence; expanding in respect of both breadth of coverage and depth of application.

But I enjoy facing the challenge; after all what is business management if not for successfully facing the challenges presented to you. Of course, the circumstances are changing in that, earlier we had to face the challenges thrown at us by personified stakeholders while to-day we have at least one stakeholder it is difficult to personify the environment.

In providing the required leadership (to meet this challenge) to my team at ATG in addition to the set of values we cherish and expressed elsewhere in this document, I also adhere strictly to three fundamental principles which I practice and expect from my colleagues;

- Practice the technologies studied to the highest level possible
- Sincerity of intentions in all our dealings
- Never be casual about Failures.

If I were to tread a bit more on the path we have already carved out for ATG, we have adopted system oriented approaches in respect of our efforts in fulfilling expectations of our customers, the environment and our employees. Wherever such a system approach is not practical, we listen to the corresponding stakeholder/s themselves and set out our action plan for the same.

It is our belief that when corporates could respond to a stakeholder requirement within a shorter time span, with lesser involvement of individuals, such responses would not need a systems approach and this prompts us to respond to the requirements of our extended stakeholders fast and have a separate unit within the company for the purpose. So this report is primarily about how we have been responding to these stakeholder expectations through that unit. We firmly believe that fulfilling the expectations of our stakeholders is also a journey without a finish line and hence we prepare ourselves for the future accordingly.

It is to the credit of Global Compact Initiative that we are being kept on track on this difficult journey and to the credit of my colleagues that we have been able to cope with the relevant expectations

A handwritten signature in black ink, appearing to be 'Fazal Abdeen', written in a cursive style.

**Fazal Abdeen**  
Managing Director  
ATG Group of Companies



## 6. ATG TOP VIEW

Through our considered development of a focused product range, ATG is able to satisfy a wide variety of needs in the hand protection arena while reducing the need for multiple products for a given application. We have worked diligently to introduce an all-encompassing cleanliness program to ensure that our products are free from harmful substances, further



**Andrew Goth**  
Director Global Product Strategy



“We should never forget that we don’t own the planet, we are simply custodians that have a responsibility to take care of it for future generation to enjoy. These are values very close to our heart at ATG and we are pleased to see these values become an increasingly important aspect of our customers purchasing decision. Today sustainability is an important part of our marketing strategy which we look to integrate into all we do”

**David Staniforth**  
Director Global Marketing

“A critical goal within the Sales Group is to utilize training based resources to educate our markets on sustainability best practices, focusing upon proper application based product selection and maximizing product useful life.”



**Kyle Browning**  
Director Global Sales



“To create an Environmental friendly and economically viable system with International Standards of Human Rights for the betterment of the Social Development”

**Upali Karunathilake**  
Director General



“Pursuing sustainable business practices through enhancing product life cycle with the concept of circular economy is the backbone of business continuity while leaving a smaller footprint on the World”

**Sunil Mendis**  
Director Research & Development

“We practice the Quality as a habit to thread our sustainability path through transparency, accountability and responsibility”

**B.W.B Sisirakumara**  
Director Quality Assurance



“Adoption of the state of the art technology simplifies the process of setting up resource efficient manufacturing practices should be the key parameter when manufacturing designing”

**Kosala Nawarathne**  
Director Engineering

“Almost all quality improvement and sustainability practices expose via simplification of design, manufacturing, layout, processes and procedures “

**Damitha Abeykoon**  
Director Process Control



“Adoption of the state of the art technology simplifies the process of setting up resource efficient manufacturing practices should be the key parameter when manufacturing designing”

**Sudath Fernando**  
Director Finance



**Bandara Dissanayake**  
Director IT

“Our digital future is about enabling better productivity and decision making to enjoy a better quality of life”



## 7. SUSTAINABILITY REPORTING – PATH WE HAVE THREAD

Since 2003, we have been evaluating our commitment to the 10 Principles of Global Compact Minimum Requirements and reporting on the same.

With the submission of each successive report, we have maintained our levels of compliance and/or improved our performance.

Since of late we have realized the rationale of blending these ten principles into our strategy formulation and implementation processes which undoubtedly enhances the sustainability of these principles in the continuum of the management fabric.

It is a given fact that we do not employ child labour, forced or compulsory labour and our non-discrimination principle is enforced throughout the entirety of human resource management process stemming from identification of a need through recruitment, performance

appraisals, training up to the termination step. When we are talking about the social responsibility we're ISO 26000 certified in 2018.

In respect of environment related principles, we have been an ISO 14001 certified company since 2007, as a result of which we evaluate how, when, where and to what extent our activities could impact the environment. While we monitor 34 environment related parameters, we review adherence to our Environment Policy and the system every six months. We are also planning to actively support development and diffusion of environmentally friendly technologies by looking outside our corporate entity's environments.

Totality of our business related practices are completely devoid of corrupt practices of all types and forms and we do not hesitate to make these sentiments of ours public whenever needed.

## 8. SCOPE AND BOUNDARY

We are, today a much larger entity than when we commenced our first submission to the Global Compact Framework. But we have endeavored to bring about expansion within the framework of Global Compact's principles and we believe we have succeeded in this.

The subject matter for this report is ATG Group of Companies which includes;

- **ATG Ceylon**
- **ATG Occupational**
- **ATG Knitting**
- **ATG Lanka Stores**
- **ATG Hand Care**

And all the processes carried out at these units and their respective locations.





## 9. ATG VALUE CHAIN

The below figure indicate how these dimensions have become material down the ATG's value chain.

		ATG Value Chain											
Global Compact Consideration		Finance	Infrastructure	Human Resources	Research	Process Design	Product Design	Logistics	Manufacturing	Marketing	Sales	Distribution	Post Sale Service
1	Diversity and equal opportunity			√				√		√	√	√	
2	Effluents and waste		√	√	√	√		√	√			√	
3	Employment		√	√					√		√		
4	Equal Remuneration for women and men			√				√	√			√	
5	Forced or compulsory labour			√				√	√			√	
6	Freedom of Association and Collective Bargaining			√				√	√				
7	Assessments (Human Rights)			√				√	√				
8	Human Rights Grievance Mechanism			√				√	√				
9	Labour Practices Grievance Mechanism			√				√	√				
10	Local Communities		√	√					√				
11	Non-discrimination		√	√					√		√		
12	Occupational Health and Safety	√	√	√	√	√	√	√	√	√	√	√	√
13	Training and Education		√	√	√	√	√		√	√			√
14	Child Labour			√									
15	Emissions		√			√		√	√			√	
16	Energy		√			√		√	√			√	
17	Environmental Compliance		√			√		√	√			√	
18	Environmental Grievance Mechanism		√	√				√	√			√	
17	Labour-Management Relations	√		√					√				
18	Supplier Assessment for Labour Practices							√					
19	Supplier Assessment for impact on society							√					
20	Supplier Assessment for Env Asst		√					√					

## 10. STRATEGY IDENTIFICATION

As demanded by Global Compact Advanced Requirements, the Global Compact requirements have been strategized into all the ATG's key processes. This incorporation has been brought about by been conscious of Global Compact requirements in the management of all the assets which are been utilized at ATG.

Whether it is in the recruitment of staff or procurement of machinery and equipment we observe the corresponding Global Compact principles; for example, if its human resource we observe Global Compact principles 1-6 and if it its machinery and equipment we would evaluate it in terms of Global Compact principles 7-9.




Furthermore, at ATG we follow a Real Time Strategy framework wherein Social Responsibilities and Human Energy play two key roles.


Our understanding and belief is that observance of Global Compact principles 1-6 will definitely enhance the degree of our ability to harness Human Energy and our Social Responsibilities cannot exist without our observance of Global Compact Principles 7-9. As such, our Real-Time Strategy Model ensures that we remain committed to and observing Global Compact Principles by incorporating the relevant aspects into the Strategic Planning Methodology itself that is depicted below.

## 11. STAKEHOLDER INTERACTION

While ATG involves with its main stakeholders in a number of modes of engagement, ATG is planning a more transparent formal, all-inclusive methodology for engagement with all stakeholders.

The current status of stakeholder interaction and plans for stakeholder engagement are indicated in the following table.

Stakeholder	Modes of Engagement	Current Status	Plans for Future
<b>Customer</b> 	Global Exhibitions Customer Survey Complaint Handling End user trainings	A & A Exhibition End user trainings Complaint handling procedure Customer Survey	Sustainability forum for customers
<b>Employees</b>	Joint Council Meetings Informal get together Trips Open door policy Facilitation of different types	Joint council meetings Attitudinal Training Programs Open door policy	Employee engagement Study Implement full-fledged OHS system
<b>Community</b> 	Through employees from different communities scattered around country	Receive many requests from community for support which are fulfilled	Independent Sustainability Stakeholder Engagement Study
<b>Shareholders</b> 	Shareholder Meetings	Meeting frequency at least once a year	A dedicated sustainability oriented meeting

Stakeholder	Modes of Engagement	Current Status	Plans for Future
<b>Regulators &amp; Government Authorities</b> 	Periodical evaluation of environmental adherence Interactions with factory operator community at the zones	All environmental compliance certifications in place Currently president of the association & deeply involved	Extend sustainability awareness programs within the Zone
<b>Suppliers of Materials and Services</b> 	Environmental Screening	Evaluate on Environmental Performance once in two years	Evaluation on performance on other CSR parameters
<b>Business Partners</b> 	Interactions with factory operator community at the Zones	Currently president of the association & deeply involved	Extend sustainability awareness programs within the zone
<b>Media</b> 	Engagement study on identified criteria	Only a casual occasional interaction	Formal Engagement Study on identified criteria
<b>NGOs &amp; Pressure groups</b> 	Engagement Study on identified criteria	casual occasional interaction	Evaluation on performance on other CSR parameters

## 12. MATERIALITY ASSESSMENT

While ATG is alive to the many methods – Surveys, Engagement Exercises, Benchmarking, etc. that could be used to evaluate the materiality, ATG has identified a preliminary set of issues to be monitored at the beginning.

While we believe a fair number of issues will be relevant to different steps in ATG’s values chain, we intend to carry out a more precise and focused assessment of the

materiality of different issues before the next COP is submitted.

After having submitted COPs on Global Compact’s ten principles during the last 14 years with no issues to be raised on Human Rights compliance and Labor related compliance ATG considers that these would not be material in to-day’s context.

## 12. MATERIALITY ASSESSMENT

As such the key issues identified for monitoring are listed below.

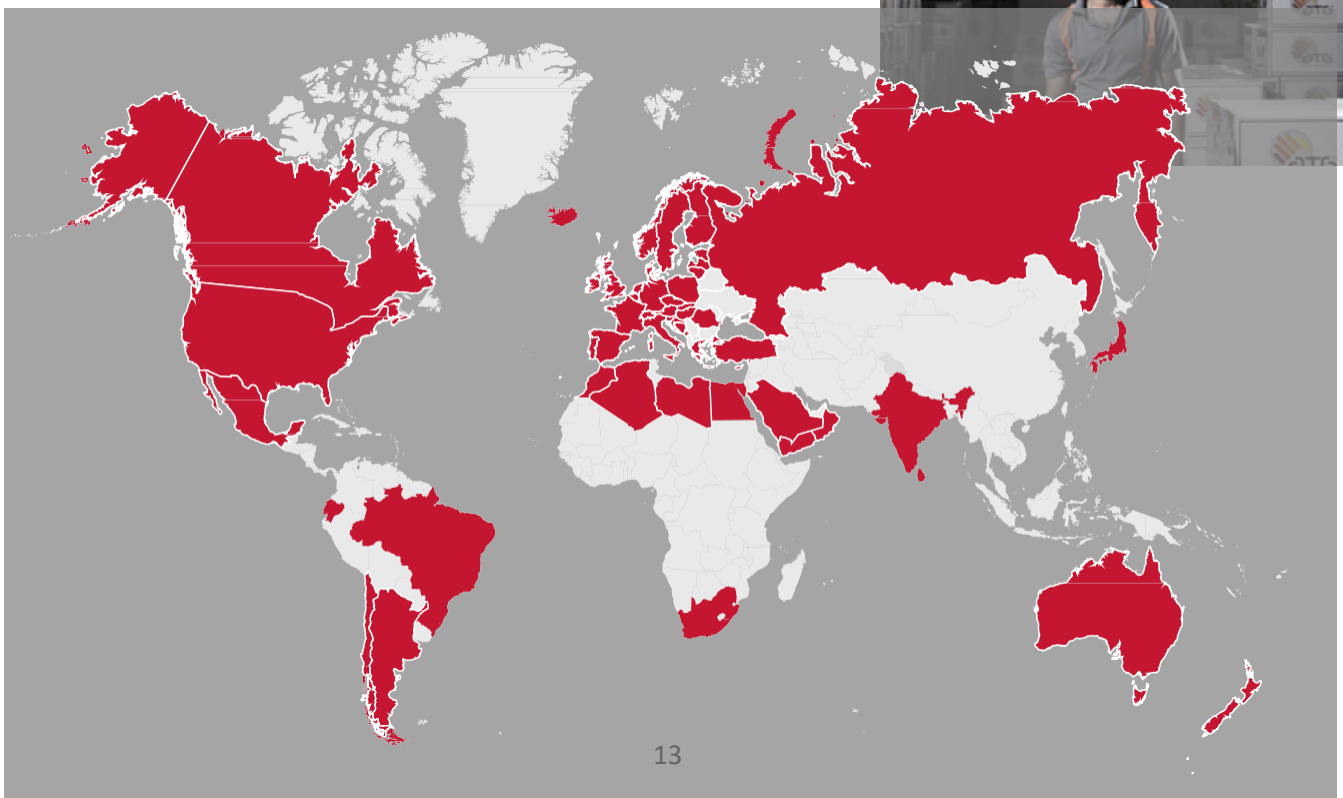
- Energy consumption
- Solid waste management
- OHS Practices
- Product Integrity
- Social Investment
- Water consumption
- Effect on biodiversity
- Work place grievance Process
- New Employee Engagement
- Training of Employee



## 13. THE BUSINESS

The map given below indicates the location of our Primary Sales Partners that ensures us, in partnership, to ensure proximity and presence of our gloves world-wide

Our product integrity is reinforced by the markings on the gloves which carry the relevant quality certification.





## 14. INTERNALIZATION OF INTERACTION FINDINGS

### Interaction finding/GC Criteria

### Need for Health & Safety consideration

### Mode of Internalization

### Implementing an ISO 45001:2018 based Management System

We are pleased to Support the GRI as a comprehensive, In respect of this interaction finding, ATG has already established an OHSAS Policy which is displayed and been institutionalized.

ATG has already measured the CO2 levels, illumination levels and noise levels at different work areas and is in the process of establishing the required documented work processes required for a Healthy and Safe Work Place.

The framework for such a Healthy and Safe Work place is already in place. The clean, orderly laid out factory premises equipped with all relevant fire hazard focused equipment is an indication to the employees that they are entering a Safe Work Place. Regular training has been provided to selected staff in respect of firefighting and first aid. Emergency response plans had been prepared for a selected set of emergencies as a part of the Business Continuity Plan.

## 15. ENTERPRISE RISK MANAGEMENT

As a part of the formulation of the company Business Continuity Plan, a comprehensive Risk Assessment Study covering all the operational units of the Company was carried out. Different units were assessed in respect of a selection of 36 threats selected from

scanning from internal and external environments, with different probabilities for periodicity and impacting different vulnerabilities of different processes within the framework of controls already in place. Findings from this Risk Assessment was used to,

**(a) Identify the need for greater controls**

**(b) Carry out a Business Impact Assessment**

**(c) Identify Business Continuity Strategies depending on the Risk Appetite of ATG.**

These strategies were converted into a full-fledged Business Continuity Plan with Process Continuity Sheets for all key functional areas, Emergency Response Plans for a set of identified emergencies and other related management procedures to keep the Business Continuity Plan alive.

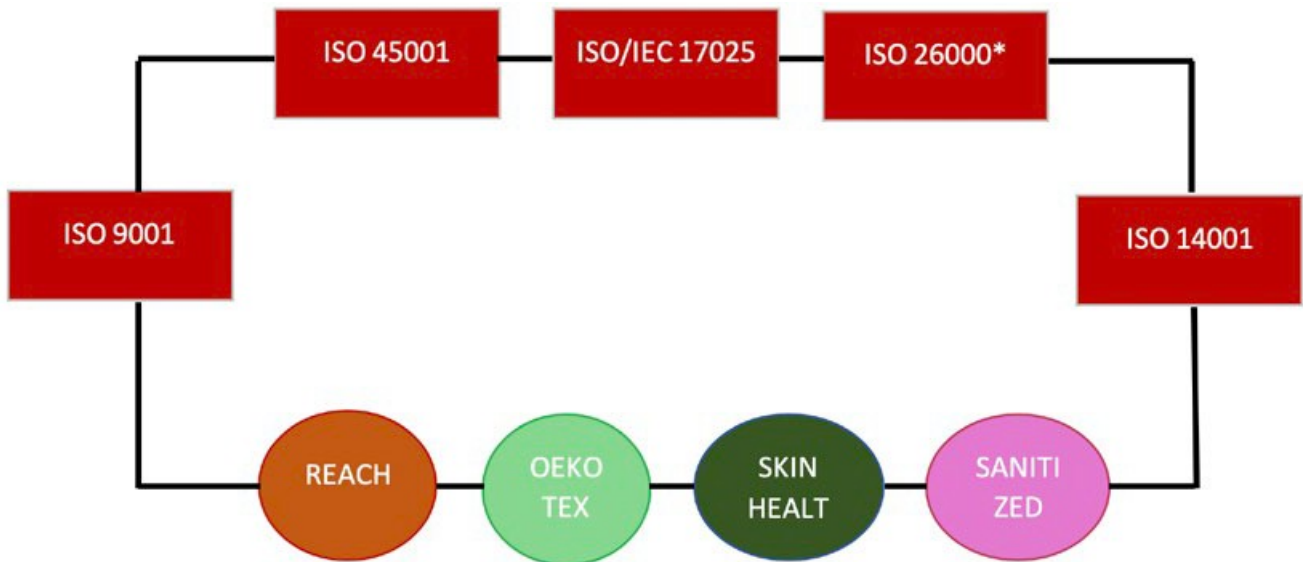
This plan is exercised with drills planned and carried out to match an identified schedule.

This whole exercise was carried out by Mr.Somarathna Consultants' Director who is the only Master Business Continuity Professional certified by the Disaster Recovery Institute International of USA in South Asia.

## COMMITMENTS AND EXTERNAL INITIATIVES

To ensure a common operating practice based on qualitative and environmental matters, ATG uses the recognized international standards. ISO 9001, ISO 14001 and ISO 45001 Integrated management Systems are certified

In 2018, ISO 26000, the guideline for Corporate Social Responsibility, was adopted to provide structure to the sustainability journey.



\*ISO 26000 is not subjected to certification. It provides guidelines only

## 16. PERFORMANCE MONITORING

	Performance Indicator	2019
1	Number of international human right abuses complained by stakeholders.	Nil
2	Number of Employee councils held during the year with	
	• ATG Representation	09
	• BOI Participation	03
3	Number of issues related to wages/salaries/benefits raised at such Employee Council	Nil
4	Number of Employees whose original identity documents are retained by ATG	Nil
5	Number of employees whose cash deposits/other financial securities are retained by ATG (outside in relation to their list of duties)	Nil
6	Age analysis of all employees	
	Number of Employee councils held during the year with	
	• Age 18 to 25	45.9%
	• Age 26 to 40	48.2%
	• Age over 40	5.9%
7	Number of instances where child labor issues had been detected	Nil
8	Number of Significant Environmental Aspects	
	• Air	08
	• Land	10
	• Water	18
	• Noise	06
	• Resource Consumptions	25
9	Number of environmental management programs at different stages of implementation	06
10	Number of training sessions/drills held in respect of such ERPs	

	<ul style="list-style-type: none"> <li>Outside Training sessions</li> </ul>	-
	<ul style="list-style-type: none"> <li>Drills</li> </ul>	06
	<ul style="list-style-type: none"> <li>In House Training</li> </ul>	12
11	Number of emergencies against which emergency response plans are available.	-
12	Number of Environmental incidents	-
13	Number of Environmental Characteristics periodically monitored	34
14	Male Female Ratio	63:37
	<b>Local Presence</b>	
15	Local persons in employment in units	116
16	Foreign persons in employment in units	35
17	Paper-Kg	210
18	Polythene usage in tons	475
	<b>Electricity</b>	
19	<ul style="list-style-type: none"> <li>Electricity from CEB (GJ)</li> </ul>	21311.07
20	<ul style="list-style-type: none"> <li>Energy from Fuel Oils (GJ)</li> </ul>	19455.65
21	<ul style="list-style-type: none"> <li>Energy from LPG (GJ)</li> </ul>	61875.7
22	<ul style="list-style-type: none"> <li>Solar Energy (GJ)</li> </ul>	717.48
	<b>Water Consumption</b>	
23	<ul style="list-style-type: none"> <li>Recycled for manufacture (m3)</li> </ul>	19147
	<b>Emission and Waste</b>	
24	Greenhouse gases from different sources	7631.96
25	Electronic waste (no's)	679

26	Any spills of oil chemicals	NIL
27	Solid waste generated (MT)	383
28	Compliance: Any fines & sanctions in respect of environmental non compliance	NIL
	<b>Occupational Health and Safety</b>	
29	• Injury rate %	0
30	• Absentee rate %	0
31	Number of fatalities	NIL



## 17. HUMAN RESOURCES DIMENSIONS

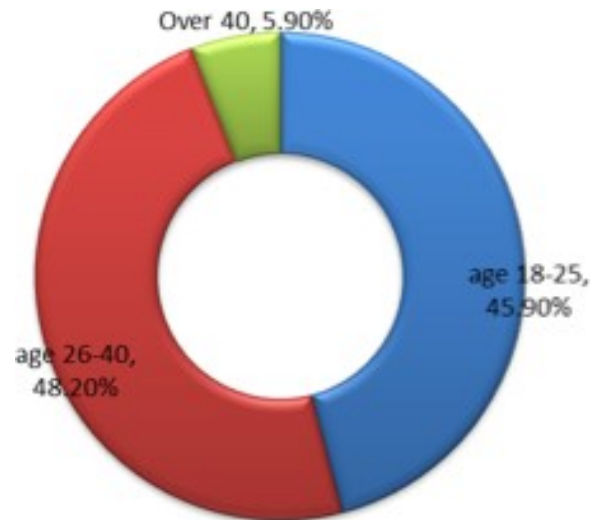
Having reported on the first six Principles of UN Global Compact for the last 14 years, ATG is in a position to look forward to enhancing compliance of its Human Resource Principles to the next level of advancement. ATG has had no issues of significance in respect of these principles since 2003.

The Human Resource Management dimension plays a key role in our Real Time Strategic Planning Model because we consider this also as the most significant form of energy which will drive ATG.

Once a need is identified for a unit of human energy, this need is followed up till it's acquired, assigned the relevant role and provided with the ability to perform.

Recently, we achieved the high grade of ISO 26000 guidelines It provides guidance on how businesses and organizations can operate in a socially responsible way. This means acting in an ethical and transparent way that contributes to the health and welfare of society.

### Age Analysis of all Employees



## MANAGEMENT OF STRESS DUE TO ANXIETY

Since we believe that our colleagues need to have peace of mind to perform, we eliminate all aspects which could deprive them of that peace of mind – stress arising due to issues related to

- **Coming to work**
- **Returning from work**
- **Uncertainties about health & medical expenses**
- **Special needs during pregnancy & delivery**
- **Special needs from family issues like a death in the family and**
- **Issues related to infrastructure at home.**

We have taken steps to release this stress almost completely as indicated below,

- Provide individual transport in way of 4 wheel and 2 wheel vehicles.**
- Provide common company transport to everybody else**
- 24 hour insurance for all employees**
- Special medical insurance for senior workers.**
- Additional snacks for pregnant mothers as recommended by the Company Sister**
- Monetary gift to the mother after delivery**
- Death donation when an immediate family member expires**
- Complete coverage of expenses from mortuary to grave in the case of a death of a member**

## MANAGEMENT OF STRESS RELATED TO WORK

ATG has also taken steps to release the stress of its staff members through a variety of mechanisms as follows.

- (i) **Birthday celebration -**  
Each member is given a birthday gift which is planned once a week
- (ii) **ATG organises an annual trip and a sports meet to develop the camaraderie of workers**
- (iii) **ATG also provides for small lunch time entertainment called „Dessert“ where there would be story telling, songs, etc. for 20-30 minutes to release the stress from the morning session.**
- (iv) **ATG has provided a special aesthetically designed space called „Ketapath Pavura“ for employees to pin their creations in way of poems, short stories/articles, etc.**
- (v) **ATG also publishes a company magazine called „Athwesma“ meaning „The Glove“**
- (vi) **ATG also ensures that the mental stress of parents living in distant places about the place where their children work is released by bringing them to ATG premises to see the environment in which their children work.**

## MANAGEMENT OF PERFORMANCE RELATED ASPECTS

Almost all employees are subjected to a performance appraisal every year, the outcome of which is shared with the individual appraised.

The appraisal process has got streamlined and been carried out in an easy and friendly fashion. We have started measuring the percentage of employees subjected to performance appraisal.

The outcome of this performance appraisal provides us the opportunity of providing the necessary components of the particular competence required for his/her position in the overall operation.

establish this Human Resource Management System, we

This component may be knowledge, a skill or process ability. If there is a need for imparting knowledge, ATG sends the individual for a training program; if it is the enhancement of a skill that is necessary he/she will be guided in developing the skill and if it is a process ability need it would be enhanced by collaborative learning.

Training programs to enhance the thinking processes, attitudinal training, etc. are periodically organized. We have had 2823.5 hours of training in 2018 which has increased to 2933.5 hours in 2019.

## WAY FORWARD

As we have been alive to the significance of people in our overall processes ever since the inception of ATG, we have identified the need to convert the currently active individual processes related to Human Resources to a more effective management system in line with the robust commitments and strategies linked with the

human resource element especially so as People form an important aspect of our values and Human Energy is one of the key pillars in our real time strategy model when we

intend to introduce an Employee Engagement Evaluation also to our calendar of events so that we could be more proactive in our human resource related initiatives.

## 18. OUR CONCERN FOR THE ENVIRONMENT

Through the past few years ATG has done more and more to establish the consistency sustainability of the business.

With considering current situation in the Sri Lanka and global impacts on the environment of the planet and people, we have implemented lot of long term projects and business practices to help people and heal the environment as a leading glove manufacturing company in the world. This is not only for the corporate social responsibility but also every person in world should be responsible to save the planet for a better future.

It was in the context of our concern for the Environment that we embarked on our journey towards ISO 14001 way

back in 2006. It was this rationale, which prompted us to look at the Environment Management System which we always preserved through our journey of expansion during the last few years.

Our ISO 14001 Environment Management System is quite a robust system in this 10th year of its existence and the system been audited once every six months by an outside audit company. Any non-conformity gets addressed within mutually agreeable time frames.

As we expanded, we always looked at ways and means of preserving the environment and protecting the environment from what we dispose within the business.

## STATE OF ART OF WASTE WATER TREATMENT

With the concept of circular economy we, ATG always try to optimize the entire process up to the final end of disposal. Even though we treated considerable amount of waste water every day at a highest technological level, generating of solid waste at different stages was a huge

stress to ATG since past few years. But we understood the bad consequences on disposal method of incineration very well therefore we signed to develop solid waste management principles within business by giving proper solution encompassing with below areas,

- Optimization of existing processes to diminish the sludge generation
- Implementation of high tech AOP systems with zero sludge generation
- Discontinue using of all environmental hazardous chemicals from entire process
- Producing of recycled products from solid sludge

The process at ATG Knitting which made a significant contribution to the environmental pollution was the dyeing of liners knitted.

A simple study of the process indicated that if already dyed yarn were used, instead of dyeing the liners knitted with normal yarn, overall throughput time could be reduced along with reductions in chemical usage and water consumption.

*This simple implementation saves*

<b>WATER</b>	<b>2.5 millionL/month</b>
<b>TIME</b>	<b>6500 hours/month</b>
<b>DIE POWDER</b>	<b>5000 kg/month</b>

Furthermore, by incorporating with RO processes as a tertiary treatment at the end of the treatment plant, we have achieved a total re-use percentage more than 30% of total usage.

# EFFLUENT TREATMENT AND SOLID WASTE MANAGEMENT

Based on the findings of life cycle analysis of solid sludge generated from entire water treatment processes we identified that incineration is not the best solution to dispose our sludge because the solid sludge already embedded with good mechanical properties which convinced us to use that sludge as valuable raw materials.

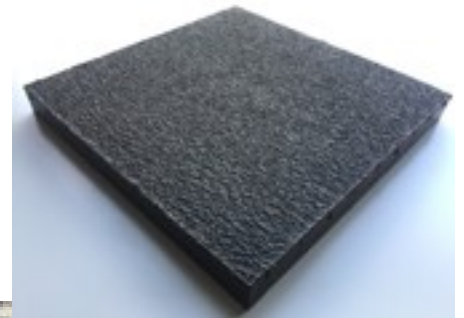
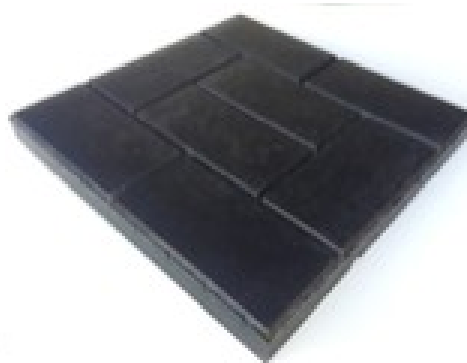
Therefore under the established solid waste management policy we concluded to convert our sludge

treatment process to make raw materials but not to incineration as much as possible.

At the end of optimization we were succeeded convert sludge into different types of raw material according sludge category.

At the moment we are reprocessing more than 40% of entire sludge generation within water treatment process and consume reprocessed material in below areas,

**Manufacturing of upcycled rubber products within factory boundary  
Delivering as raw materials to outside manufacturers  
Exporting**





## 19. CONCERN OF ENERGY USAGE WITH ENVIRONMENTAL IMPACT

Having controlled what is almost entirely within our control we now plan to control what is not entirely within our control.

Here we have already planned to move on the way of using of renewable energy instead fossil fuels and take climate actions according to commitment of global goals.

We have also taken steps to reduce the energy usage within the factory by several means amongst which the following stand out,

- **Modification of oven duct systems to minimize heat loss and hence reduce LPG consumption**
- **Introduce CFL & LED lamps instead of normal fluorescent lamps**
- **Introduce variable speed drives to reduce electricity consumption**
- **Introduce Ultra-low frequency wave treatment for boiler water treatment**
- **Monitoring and controlling stack emissions of generators & boilers regularly**

## CARBON FOOTPRINT AND CLIMATE ACTION

We need to mention here that the quality of exhaust through the stack from both generators & boilers are periodically monitored by external parties and maintained at optimum levels.

When we generate electricity using our standby generator we would directly emitting GHGs per every kWh we generate while when we use main grid electricity we will be generating greenhouse gases indirectly.

We calculated the Greenhouse gas emissions based on energy consumption from below energy sources,

- Electricity
- LP Gas
- Diesel
- Furnace Oil

While these figures indicates where ATG is in respect of Greenhouse Gas emissions, more accurate calculations may be warranted as ATG moves towards reducing GHG emissions.

We have moved to use renewable energy instead using of fossil fuels. Implementation of solar electricity project within ATG group has succeeded to cut down entire CO<sub>2</sub> emission alarmingly within the business in each year.

## CONTRIBUTION FROM RENEWABLE ENERGY USAGE

For the last year 2018, only ATG Ceylon (Pvt) Ltd has cut down more than 150tons of CO<sub>2</sub> furthermore we hope to increase that level more with proposed expansion of solar electricity project.





## CONTRIBUTION TO INCREASE FOREST COVER

We have established “ATG Plantation” project last year 2018 and its very first project successfully completed by planting 1000 trees around dambulla district. The project

saves **28tons of CO<sub>2</sub>** each year by giving continuous contribution to control global warming rising.



## WAY FORWARD

Now that we have reasonable amount of data about our environment related interactions we set ourselves the strategic objectives and timelines for the future. We intend to use 2015 as our baseline and continue

measuring the related aspects. Throughout this we intend to measure all emissions of direct, indirect and accounted carbon footprint as well from our use of energy.

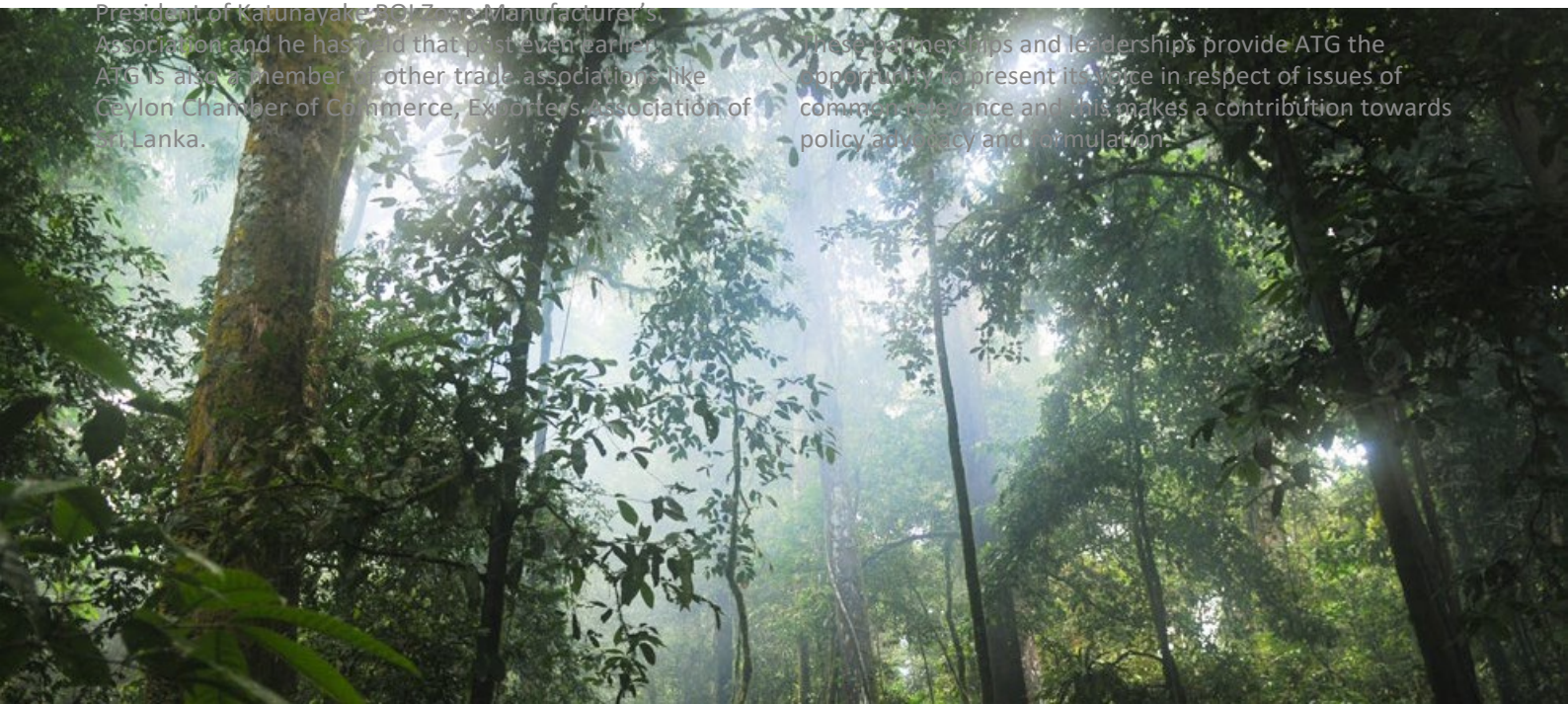
## 20. CONTRIBUTION TO THE COLLECTIVE ACTION

Operating in industrial zones dedicated for exports we are naturally inclined to contribute to the collective voice. We have been participating in the Zonal Manufacturers Association ever since we started operating in the particular zone.

ATG's Managing Director – Operations is the current President of Katunayake POU Zone Manufacturers Association and he has said that past even earlier ATG is also a member of other trade associations like Ceylon Chamber of Commerce, Exporters Association of Sri Lanka.

In these associations ATG engages itself in voicing their own concerns and also contributing to the concerns of collective significance. It is ATG's forthright pronouncements for the well-being of the collective manufacturers/exporters base which prompt the concerned membership to have ATG to provide leadership to the Associations.

These partnerships and leaderships provide ATG the opportunity to present its voice in respect of issues of common significance and this makes a contribution towards policy advocacy and formulation.



## 21. SOCIAL INVESTMENT AND PHILANTHROPY

Our Strategic Planning Model blends very well with our two values, People and the Planet. If we are to value People and the Planet and if we are to expect Human Energy and Social Responsibilities to support us in our actions as expected in our Real Time Strategy Model, we, obviously need to invest in them.

So for us at ATG, Social Investments & Philanthropy are very near and dear. All this makes us strongly believe that what we are talking about is really an investment as there is always a benefit side also to these expenditures.

The ability to provide support to one's neighborhood elevates the status of the individual immensely – even according to Maslow's Motivation Theory – and his/

her enhanced desire to perform is the return on the investment made.

Our Philanthropy starts at the workplace itself. We have provided 24-hour insurance to all our employees and there is special medical insurance for senior workers. Every worker is provided with transport ranging from individual vehicles to a very senior member of the staff to company transport for everybody.

For all pregnant staff members' additional snacks as recommended by the Company Sister are provided. Birthday gifts are given to each and every employee. When an employee gives birth to a baby a Rs. 50,000/= delivery gift is provided.

## 22. AUDIT PROCESS

Currently our external audit processes do look after the financial management system and the ISO 14001 Compliant Environmental Management System.

In respect of the Environmental Management System, the environmental aspects, identified environmental objectives and their achievements are been audited and corrective/preventive action would be initiated in respect of any non-conformities detected. Furthermore, the system is being subjected to internal audits as well and corrective actions will be initiated in respect of any non-conformity detected.

Stringent financial management system audits are carried out annually by external auditors and their brief includes a request to audit financials in respect of external transactions with agencies where there is a possibility for corruption with special care.

We have planned audits in respect of the following aspects for the period June, 2018 to July 2019 so that ATG could report on the same in our next COP.

- Human Rights related Processes
- Labor Relations related Processes
- Occupational Health & Safety related Processes
- GHG Emissions Estimation Processes

Our strong belief in Planet and People as two key components of our set of Values and the Roles of Social Responsibilities and Human Energy in our Real Time Strategy framework will make these audit processes a firm pre-requisite in our journey towards Greatness.

## 23. CONTRIBUTION TOWARDS SUSTAINABLE DEVELOPMENT GOALS

Working with an overseas customer base from the beginning, itself ATG has been concerned about Sustainable Development Goals throughout its existence.

We have set ourselves the objective of contributing to the following nine Development Goals.

A few examples of what we have done in respect of each of these are given below,



Gym facilities to ATG employees  
Provide Healthy B' fast & Lunch to all Employees



Completed 06 projects of Providing Clean water and Sanitation for community



We promote innovation as we value Innovation, in our industry where we lead and all our efforts are brought to fruition due to the infrastructure we enjoy.



Supplier sustainability assessments  
Supplier Audits  
Code of ethics  
Employee Satisfaction Survey



Water recycling  
Solid waste recycling  
Energy efficient process



Started measuring GHG emissions  
Solar Panels introduced  
CO2 Capturing & Reforesting



Code of Ethics



Code of Ethics



Code of Ethics  
UN Global Compact Membership  
Commitment to global goals



“ATG Plantations “Projects

## 24. OUR PEOPLE AND OUR COMMUNITIES

*“True to our values we vow to remain people centric and continue helping our communities to thrive”*



## ATG GROUP SPONSORS YOUNG RESEARCHER'S PHD AT CAMBRIDGE

M.I Haseemdeen, young scientists involved in Cancer research, at the prestigious university of Cambridge, England.

**ATG offered a full scholarship of £ 84000 to Haseemdeen to complete his two years at University**



**SPENDING TIME ON EVENTS AND RAISING FUNDS ARE NOW A PART OF THE COMPANY CULTURE.**

**THE FINAL GOAL OF EACH PROJECT IS TO MAINTAIN OUR ACTIONS ON A LIFELONG PERSPECTIVE.**

## ATG PROMOTE MULTI RELIGIOUS HARMONY IN WORK PLACE



We have a dynamic and diverse workforce representing all religious and ethnicities.

Company has nurtured a culture of offering the same degree of recognition and respect all faiths in order to maintain a pleasant work environment.

## ATG PROMOTE MULTI RELIGIOUS HARMONY IN WORK PLACE

The program which serves to use religion as a platform to promote harmony in workplace and also spark an intellectually stimulation conversation about how persons of different faiths can work in harmony by keeping an open mind of other perspectives.



## ATG DONATES MEDICAL EQUIPMENT TO NEGOMBO HOSPITAL

ATG made donation of Medical equipment to the Negombo district general hospital to upgrade its emergency care unit. In 2017 the company fully renovated the Negombo Hospital's Maternity Wards at a cost of Rs.13 Mn.





## DONATION OF PHOTOCOPY MACHINE TO IKIRIYAWATTA VIDYALAYA

Our education initiatives are focused towards uplifting education in the country, especially to the underprivileged children.



## RUGBY TO BE PROMOTED IN OUTSTATION SCHOOLS

ATG signed up as the official Jersey sponsor of Colombo Synergy Rugby Academy for year 2019. CSRA is one of the pioneering Academies in the island focusing on the development & promotion of the sport in Sri Lanka. As such, the ATG Group generously extends its support to sportsmen and women from all over the country.





## INDUSTRIAL WASHING MACHINE TO MAHARA PRISON

ATG the company took the effort to reach out and empower one of the most marginalized communities in society – prisoners. The Mahara prison houses approximately 1400 male inmates ranging from ages 16 to 80. The capacity of the washing machine is 100 kilos.



## 25. GRI CONTENT INDEX TOOL

No.	Section included	Page reference
<b>Strategy and Analysis</b>		
G4-1	Chairman's Message A Word from Mr. Fazal Abdeen – Managing Director	04,05
<b>Organizational Profile</b>		
G4-3	Introduction	01
G4-4	The Intelligent Glove Solutions	01
G4-5	Introduction	01
G4-6	Introduction The Intelligent glove solutions	01
G4-7	Introduction	01
G4-8	The Business	13
G4-9	Performance Monitoring	16-18
G4-10	Performance Monitoring	16-18
G4-12	ATG Value Chain	09
G4-13	Strategy Identification Sustainability Reporting	10
G4-14	Enterprise risk Management	08
G4-15	Stakeholder Interaction	14
<b>Identified Material Aspects and Boundaries</b>		
G4-17	Scope and Boundary	08
G4-19	Materiality Assessment	12
G4-20	Materiality Assessment	12
<b>Stakeholder Engagement</b>		
G4-24-27	Stakeholder Interaction	11
<b>Report Profile</b>		
G4-28-33	Introduction	01
<b>Governance</b>		
G4-34	ATG Top View	06
<b>Ethics and Integrity</b>		
G4-56	Innovation, Quality, People and Planet – Long term relationship	03

No.	Section included	Page reference
<b>Environmental Aspects</b>		
<b>Materials</b>		
G4-EN1 G4-EN2	Performance Monitoring	14-18
<b>Energy</b>		
G4-EN3	Performance Monitoring	16-18
G4-EN4	Performance Monitoring	16-18
G4-EN6 G4-EN7	Performance Monitoring Concern of energy usage with environmental impact	16-18 23
G4-EN11	Contribution to increase forest cover	24
<b>Water</b>		
G4-EN8	Performance Monitoring	16-18
<b>Emission</b>		
G4-EN-15-21	Performance Monitoring Carbon footprint and climate action	16-18 23
<b>Effluent and Waste</b>		
G4-EN22-23	Performance Monitoring Effluent treatment and solid waste management	16-18 22
<b>Social Aspects</b>		
<b>Employment; Labour practices and decent works</b>		
G4-LA1 G4-LA2	Contribution to sustainable development goals Human Resources Dimensions Performance Monitoring Commitments and External Initiatives Social Investments & Philanthropy	25 19 16-18 15 25
<b>Employment: occupational Health &amp; Safety</b>		
G4-LA4 G4-LA6	Internalization of interaction findings Performance Monitoring	14 16-18
<b>Employment: Training &amp; Education</b>		
G4-LA9-10 G4-LA12	Performance Monitoring Human Resources Dimensions Performance monitoring	16-18 19 16-18
<b>Human Rights: Child Labor</b>		
G4-HR5-6	Performance Monitoring	16-18
<b>Society: Local Communities</b>		
G4-SO1	Contributing towards Sustainable Development Goals	25

