

# SUSTAINABILITY REPORT





## **MESSAGE FROM MANAGING DIRECTOR**

As we steer through the post-covid-19 era, it's time to adopt & re-align our business focus. We design our Sustainability goal to achieve Social, Environmental & Economic Sustainability through an achievable sustainability Model.

Businesses today operate in fast-changing circumstances, clearly symbolized by the Sustainable Development Goals (SDGs). At the same time, global society faces serious issues that are becoming constantly more complex and challenging than ever. Companies are expected to take an active part in finding solutions.

In contributing to the realization of the sustainable society that the SDGs aim for, Yasin Knittex Industries Ltd conducts its business in line with the “People, Planet and Profit” approach. Since its inception in 2007, it has been respectful towards human rights, environmentally conscious, and committed to workers’ and employees’ rights, protection and safety. By now we are aware that UNGC has also adopted 17 UN Global Goals in addition to its 10 former principles.

I highly appreciate the newly adopted 17 UN Global Goals with their integrated approach to Sustainable Development. For sustainable progress and enhancement, these 10 principles and 17 Goals would lead to changes in society, the countries and the world as a whole we live in. We are enthusiastically ready to extend our support directly or indirectly through our business places, projects and best practices.

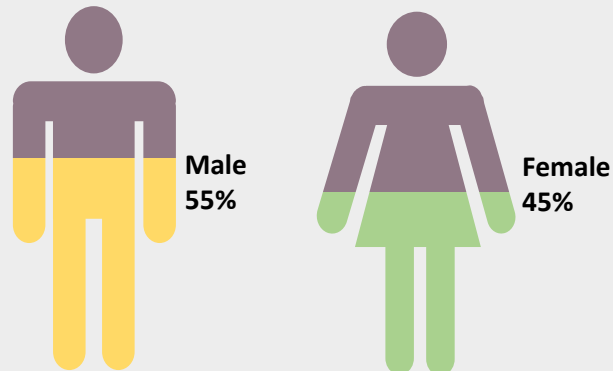
Abdus Sobhan  
Managing Director  
Yasin Knittex Industries Ltd



**AUKO-TEX GROUP** is a 100% export oriented Knit Composite manufacturing enterprise producing Knit Apparel Products for a large number of global customers. The journey started in the year of 2002 based on three pillars of Economic, Social and Environmental Sustainability.

**Engr. Abdus Sobhan** is the Founder and Managing Director of Auko-Tex Group.

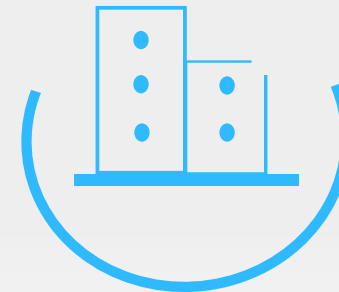
**Total Work Force for Composite  
Setup 4600**



**Production Capacity  
24 Millions pc/Year**



**Investment on CSR  
5.5% of net profit Per Year**



**Total Export up to  
2021 Over \$500m**







## OUR SUSTAINABILITY ROADMAP



**2021**

**2022**

**2023**

**2024**

**2025**



- Installed efficient water trigger & water flow meter. By installing 8 water trigger savings water 3170 m<sup>3</sup> yearly.
- Recycling Cutting wastage (1 ton/month)
- Converted energy efficient Steam boiler. Installation Economizer & auto blowdown system for boiler.
- Started Polybag recycling Process (7-8 ton/month)
- Community health clinic
- FWD-ENV Programme in collaboration with Bestseller
- Renewable energy project
- G Trap Installation in the Steam Irons .It reduces GHG 59 tCO<sub>2</sub>e and saves NG consumption 30550 m<sup>3</sup> yearly.
- Implementation of ERP System. (Paperless)
- Employees Fair Price Shop
- Implement Renewable Energy generation to 10% (180KW).
- Upgrade from Chemical ETP to BIOLOGICAL ETP
- Use of Treated ETP Water for Wash room.
- Sludge Disposal through Geo-cycle for Cement Co-processing.
- Heat Recovery from Exhaust Gas Boiler/Generator.
- Establishing a privately owned fire station with all modern facilities and manpower nearby the factory.
- Implement Renewable Energy generation to Further 15% (243KW).
- Advancing renewable energy project further by 25%
- Carbon Neutral Programme through implementing advanced technology by Industry 4.0 Automation.
- Affordable housing project for workers and staffs
- Expansion of Health Care.





## Overview:

Yasin Knittex Industries Limited (YKIL) is committed to the UNGC principles of **Human Rights** and the **SDG** adopted Global Goals on poverty, hunger, quality education & gender equality. Human rights issues like freedom of expression, access to economic, social & cultural activities, social security, gender, race equality and also Yasin Knittex Industries Ltd. Working to improve access to education.



## Assessment, Policy & Goals

- 1) To support and to respect the protection of internationally proclaimed human rights, YKIL abides by all rules and regulations of the Country's law on human rights, ILO's manifesto of workers' issues, and maintains Company's self-ethical business policy.
- 2) Efforts in policy making are highly given for better understanding and co-existence among Management, Officers, Staffs and Workers.
- 3) The knowledge and awareness about human rights and laws among the workers and the staff are increased through training sessions.
- 4) Timely salary payment, all sorts of leaves including maternity leaves with pay, payments for overtime, encashment of earned leave and weekly holidays are ensured.
- 5) All Employees of the company are bound to comply with the Zero Tolerance policy. Our policy draws a clear line that everyone follows certain behaviours, whether that's discrimination, sexual harassment, or any kind of disrespectful manner treated with Zero Tolerance.
- 6) Elected workers' Participation Committee (PC) is in full function. They can raise their voice about issues with human rights.
- 7) Suggestions related to work-based education & gender equality from all levels, top to bottom, are well-considered.
- 8) Human Resources and Ethical Policies of the Company have been prepared and these are supported by the maintained:  
I) Anti Harassment Policy & procedure II) Zero Tolerance Policy I) Anti Discrimination Policy.
- 9) YKIL is working with Change Associates under the guidance of Plan International to eliminate all sorts of gender-based inequalities such as gender Based discrimination upon recruitment, wage gap, working hours, promising supervisory roles, health care & access to participation committee.



### HUMAN RIGHTS

Businesses should support and respect the protection of internationally proclaimed human rights; and make sure that they are not complicit in human rights abuses.



### **Implementation:**

- I. Suggestion Box
- II. Grievance Mechanisms
- III. Third Party Audits and Verifications
- IV. Through our Welfare, Training and Compliance department.

### **Outcome:**

- 1) With the knowledge and awareness about rights and responsibilities from training sessions, workers and staff are now more confident, stress-free and responsible.
- 2) Harassment in the workplace has become almost to zero level.
- 3) Through HR, Ethics, Compliance and CSR policies, our addresses to the needs of our workers, staff and officials have fulfilled their minds, and ultimately they are well inducted into the Company with real team spirits.
- 4) Regular meetings between the Participating Committee and the Executive Committee have diminished gaps between Management and the workers.
- 5) No more tension during the time of pregnancy- Pregnant employees are relieved with maternity leave with payment as per set rules & policy.
- 6) YKIL has brought a measurable positive impact by promoting gender equality. It has eliminated the gender pay gap and ensured supervisory roles for eligible women.
- 7) YKIL has eliminated all sorts of gender-based inequalities such as gender-based discrimination upon recruitment, wage gap, working hours, improvising supervisory roles, health care & access to the participation committee.
- 8) By ensuring human rights YKIL has established a harmonious work environment which has increased productivity, reduced absenteeism & decreased turnover.
- 9) YKIL has also created an environment of trust, collaboration and cooperation between employees which has increased employees' satisfaction.

**Monitoring:** 1) MIS II) Incident register. 2) Welfare Officer 3) Periodic review by the Management. 4) External Audits.



## Overview:

Yasin Knittex Industries Ltd. is a believer in the right of workers in true sense. The Company has been conducting a number of projects with ILO, WRAP & BSCI addressing labors' rights including other issues. We also maintain the rules and regulations of the Government, international agencies and our buyers. Auditors from those authorities come very often and audit us which help us to broaden our related expertise.

We have very deliberately chosen to offer all sorts of facilities to our workers because the Company itself believes that a couple of hands with satisfied soul and passionate mind are very important for multi-folds reasons. Our total packages of compliant environment ensure decent work to our workers, staff and officers with steady growth of our business. So ultimately, we give efforts to play the roles of a responsible producer, and our buyers with their ultimate retailed purchasers act as responsible consumers.



### LABOUR

**Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.**

**3** GOOD HEALTH AND WELL-BEING



**8** DECENT WORK AND ECONOMIC GROWTH



**10** REDUCED INEQUALITIES



**12** RESPONSIBLE CONSUMPTION AND PRODUCTION



## Assessment, Policy and Goals:

- 1) All the workers and employees are under the coverage of two insurance policies, one is compulsory in terms of law and another is a voluntary approach from the Company.
- 2) Welfare program through Health Enable Return (HER+) Project for female workers and the Health Improved Society (HIS) Project for male workers is conducted.
- 3) Medical support for the parents is also offered. Besides, the provision of health insurance and yearly health checkup for all employees is arranged.
- 4) Elected Participation Committee continues working for the interest of workers.
- 5) Our buyers have been taking regular data about our compliance-related issues and giving us feedback with inspiring scores.  
I) Working Hours II) No Bond Labour II) No Force labour IV) Freedom of Association.
- 6) There is a provision for giving a profit share bonus (twice a year) to our employees.
- 7) Yearly health checkup for workers and employees is also provided.





- 8) Scopes of providing free transport for workers are in practice.
- 9) Our buyers themselves or by their third parties arrange audits of our factory and check different social issues including labour rights.
- 10) Working with Better Work Bangladesh, IFC has added an improvement to the working conditions, productivity, quality and competitiveness of factories in the global supply chain.
- 11) Besides health issues of the projects, HER+ Project for the women employees and HIS Project for male employees with their regular training programs are continuously making aware of the rights of the labour among workers.
- 12) Yasin Knittex Industries Ltd received a Certificate of Occupational on Health and Safety (OHSAS 18001) after a series of audits.
- 13) Financial assistance and stipend are given as needed to the children of poor workers for better education.
- 14) Donation for religious pilgrimage is sanctioned to workers as some extra benefits.
- 15) Birthday gifts for the workers and employees are also introduced.

## Implementation

- I. Training awareness
- II. Health and safety
- III. Code of Conduct (COC)
- IV. Regular Management review



A Training Session on health education was conducted among the workers.

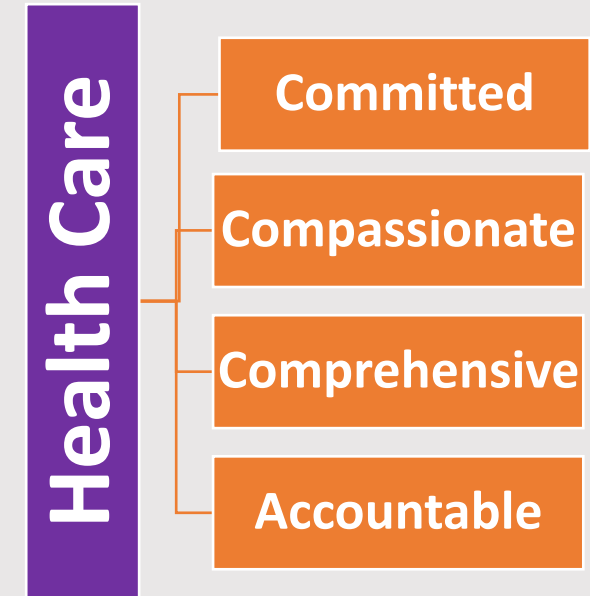
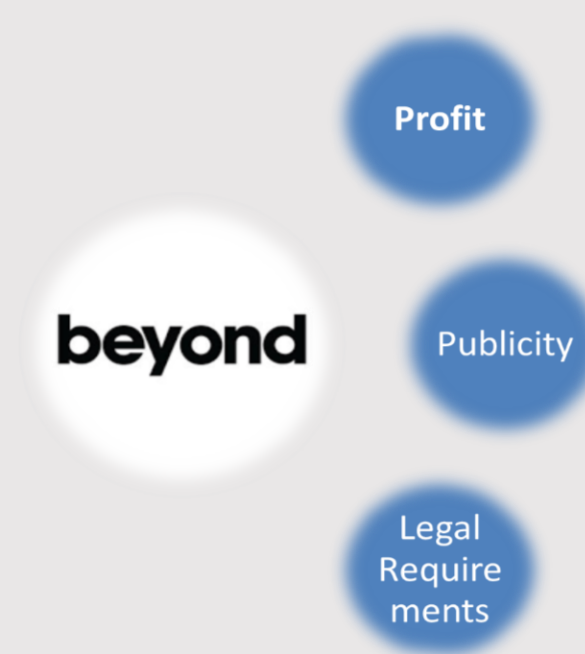


The patients are taking health care from in-house Doctors.



## YASIN KNITTEX HEALTH SERVICES

- ❑ An outpatient-based health facility which is comprehensive & modern and intended for our neighbouring community which also includes our employees' family members.
- ❑ The main Purpose is to ensure accountable, integrated and authentic Health Services to all by Qualified Health Professionals and standard well-equipped Diagnostic Services and Medicines.
- ❑ The expected Out Come is a Change Of Behavior & Health Seeking patterns.
- ❑ The ultimate Benefit is to give Absolute Relief regarding health concerns of an entire family of individuals employees and community people as well.
- ❑ Auko-Tex Group envisage a Healthy Community through strengthening the bonding with people surrounding us.
- ❑ COVID-19 Preventive Measures: Hand Washing Chamber at the Factory Entrance, Thermographic Scanner to check body Temperature, Disinfectant Channel, Mask & PPE distribution, Disinfectant Spray for Vehicles, Flu Corner, Awareness Programs etc.





## OUTCOMES

- 1) Through the elected Workers' Participation Committee, workers are now more free to express their needs and top management is more aware of their requirements.
- 2) Two Insurance Policies have brought some relief to the minds of workers, staff and officers.
- 3) Profit-sharing and provident funds help workers/staff to meet their occasional financial needs.
- 4) Both HER+ and HIS Projects have helped the workers to be aware of their rights from the training given there.
- 5) Workers who are in severe financial crises are now relieved with the help of the Company to send their children to school.
- 6) 24 hours medical facilities including all-time ready ambulance services are now considered a big relief for workers.
- 7) Health checkup annually by the Company for the workers has eased the pressures and tension among the workers, staff and officers.
- 8) Transportation facilities are available for those who are in need and this has removed pressure from them.
- 9) Pilgrimage which once was a dream for poor workers and staff has come to reality in their lives.
- 10) Regular audits by our project partners, buyers, and government agencies have made us more aware of the requirements of our workers.
- 11) The processes of our newly received certificate of Occupational Health and Safety (OHSAS 18001) have helped us to be more responsible for safety of workers.



**Training Sessions for Skill  
Development**





The working mother is facilitated to keep their children to YKIL's Child Care who are ensured elementary education & nutritious foods during the working period.



YKIL started “**The Girls Advocacy Alliance (GAA)**” project along with implementing partner Change Associates. It aims:

- ❑ Economic inclusion of female employees
- ❑ Creating a more women-friendly and supportive workplace at RMG.
- ❑ Eliminate Sexual Harassment.



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## Overview

Yasin Knittex Industries Ltd. believes in sustainable development meeting the need of the present without compromising the ability of future generations to meet their own needs. It does understand that environment goes with the reaction theory-environment returns what we give to it. This is the approach from Company's own self-conscience for a long time. We must not practice anything which may cause damage to our earth ignoring the temptations of short-time benefits.

Yasin strives hard to decontaminate the emitting air out of the factory, gives efforts to decompose every drop of contaminated water and devotes to enriching the soil along with other environmental practices.

## Assessment, Policy and Goals

Environmental issues are addressed by Yasin Knittex Industries Ltd. with some of its projects like Water Footprint Network, PACT, Better Cotton Initiative, Organic Trade Association, Clean Development Mechanism, Environmental Management System, Carbon Neutral Project, ISO 14001:2004, Green Project and 3R Project, FWD>>ENV program & Reverse Resource program.



**ENVIRONMENT**  
Businesses should support a precautionary approach to environmental challenges; undertake initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies.





## TREE PLANTATION PROGRAM

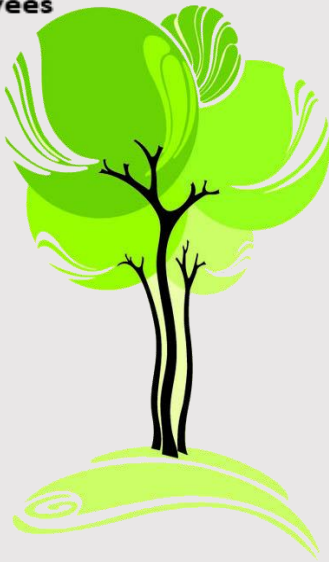
SSWF distributes saplings among its workers/staff and the students of different schools & colleges every year. But due to COVID-19, these programs have been stopped to avoid Social Distancing.

### Implementation in Progress

ATG started distributing saplings among its employees from 2013



5000 Trees



200000 Trees



As part of our Social Responsibilities by 2023 our target to engage directly & indirectly

1 Million People

### Impact on Life



- Reducing Carbon emission
- Balancing Eco System
- Making the World better place to live and saving our future



- Source of Oxygen and Nutrition
- Herbal Medicine
- Reduce Stress



- Inspiring many unemployed people to be financially benefited from Commercial plantation

### Brief Assessment and Outcomes

- 1) Our participation in Better Cotton Initiative has put big impacts on all of our supply chain management.
- 2) Our involvement with Water Foot-Print Network has made us much aware of conscious uses of water in the factory operation.
- 3) We are committed to the principles of Organic Trade Association. The principles basically address the organic cultivation doing no damage to environment.
- 4) Yasin Knittex Industries Ltd has gone under serious of audits from the concerned authority of ISO 14001:2004 and received Certificate for ISO 14001:2004.
- 5) We have initiated new Project on Green Factory and 3Rs and are adding our expertise on them.
- 6) Yasin has studied thoroughly the key components of the Kyoto Protocol on Cleaner Development Mechanism.

## 16 PEACE, JUSTICE AND STRONG INSTITUTIONS



## 17 PARTNERSHIPS FOR THE GOALS



### ASSESSMENT AND OUTCOMES

Since its inception, Yasin Knittex Industries Ltd. has been maintaining very strict practices related to ethics and corruption in an effort to bring a peaceful environment with cooperation from all partners. We are aware that ethics is about behaviour- it is about doing the right thing. Driven by values, we believe in absolute transparency in all decisions and operational issues. No marginal tolerance is acceptable in this regard. We believe that we all have the duty to uphold its image and reputation of it. So we are committed to a set of principles of good corporate governance and justice which emphasize transparency, accountability and independence together with prudent enhancement and management of shareholder values.

We have cooperation from our partners and all stakeholders in this regard. We share our policies and implementation policies which ultimately makes our company a strong institution.

### BRIEF ASSESSMENT AND OUTCOMES

- 1) All the operation procedures are executed following our Company's ethical business policy.
- 2) Standard Operating Systems (SOPs) for departments are prepared to be followed.
- 3) As per SOP, the committees like purchasing committee, quality control committee and marketing committee follow procurement procedures while the audit committee certifies the procedures as per the SOP.
- 4) External Audit is conducted by a Bangladeshi Chartered Accountant Company.
- 5) Before procurement, a thorough study is carried out following Five Points Sources and then we carried a comparative analysis. The Five Points Sources are:
  - ❖ Individual knowledge
  - ❖ Local knowledge
  - ❖ Using Group knowledge
  - ❖ Internet searching
  - ❖ Users' knowledge
- 6) In recruitment procedures, a comprehensive SOP which is strictly aligned with our ethical policy is maintained. Our old and new employees are trained about Company's positions on ethics and corruption.
- 7) A comprehensive observation is carried out in order to find out the ethical behaviour of the employees.
- 8) Yasin Knittex Industries Ltd has an inter-exchange policy in the spirits of partnership with its stakeholders (buyers, suppliers, development agencies, project partners and the like) to strengthen different aspects of policy preparation.

#### ANTI-CORRUPTION

Businesses should work against corruption in all its forms, including extortion and bribery.



**16** PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



**17** PARTNERSHIPS  
FOR THE GOALS



## BRIEF ASSESSMENT AND OUTCOMES

- 1) Because of the Company's Ethical Policy, employees and workers have clear ideas and perceptions about standard process- there remains no grey area.
- 2) Standard Operating Systems (SOPs) for departments help maintain transparency in daily works.
- 3) All the committees especially involved in purchasing and selling have to maintain SOP which keep them out of controversy in all supply chain management and give relief while Company is benefitted with the competitive prices with quality products.
- 4) Our internal and external audits play important role in bringing transparency.
- 5) Our Five Points' Sources, 1. Individual knowledge 2. Local knowledge 3. Using Group knowledge 4. Internet searching & 5. Users' knowledge guide us very comprehensively to check out the best prices while purchasing.
- 6) With standard recruitment procedures, we have the capacity to hire the best as per our needs with not much cumbersome formalities.
- 7) Our inter-exchange policy about how we can develop our ethical policy and procedures has helped us tremendously to cover all the areas.
- 8) Right now, almost no favoritism or nepotism can take place through our detection policy.

