



GLOBAL COMPACT END OF YEAR COMMUNICATION ON PROGRESS

Company: Asia SONG Design Ltd.

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Reporting Period: 21 March 2012 - 21 March 2013

Membership date: 21 March 2008

Sector: Design, Manufacturing & Trading of Textile Goods

Number of Employees: 70

Brief Description of Nature of Business

Asia Song Design Ltd. (ASD, the Company) was founded by 2 private French investors as a full service fashion house presenting a unique luxury Natural lifestyle concept branded SONG (meaning “life” in Vietnamese). ASD is operating according to the highest international industry standards while having established itself in Vietnam due to the talented labor pool & positive manufacturing environment.

The mix of our unique “high craft” sustainable and ethical brand concept, our FAIRTRADE certification (WFTO) as well as our commercial and cost-conscious market positioning together with upcoming business trends in our industry is creating strong potential for the few vertically integrated companies with a proven social entrepreneurship story such as SONG.

ASD is designing, producing and exporting its SONG lifestyle concept to about 10 countries and is producing the following collections: women & men fashion, fashion accessories, lounge wear & Yoga, soft furnishings and home decoration textile goods.

Availability of this COP

This COP is available online at www.unglobalcompact.org and internally within our company through our yearly manuals that are posted on our intranet. It will also be distributed to clients and suppliers as well as being forwarded to any requesting party.

Statement of Support

I am pleased to confirm that ASIA SONG DESIGN LIMITED supports the ten principles of the Global Compact in respect to human rights, labour rights, the protection of the environment and anti-corruption. With this communication, we express our intent to support and advance those principles within our sphere of influence. We commit to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company and undertake to make a clear statement of this commitment - both to our employees, partners, clients and to the public.

29 March 2013



Rene Tayeb
Managing Director

A - HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: Businesses should ensure that they are not complicit in human right abuses

Assessment, Policy, Goals and Implementation:

As a Fairtrade certified company, human rights are of utmost importance for our organization.

We adhere to all of the Universal Declaration of Human Rights principles.

ASD has established detailed “Code of Conduct” and “Supplier Code of Conduct” manuals. We adhere and surpass all applicable laws & regulations concerning worker’s rights.

Measurement of outcomes:

We are a small business and we actively work with our suppliers on a day to day basis, through this we gain a good knowledge of their employment parameters & records. Our company does not breach any human rights principles, either internally or through our few selected and monitored suppliers.

B - LABOUR RIGHTS

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

Principle 4: Businesses should support the elimination of all forms of forced and compulsory labor

Principle 5: Businesses should support the effective abolition of child labor

Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation

Assessment, Policy, Goals and Implementation:

We have detailed internal HR policies that are translated in local language and posted on the main company board. We surpass all official employment policies and we also offer to our employees considerable additional benefits such as paying for their share of Social Insurance, Health Insurance and Un-employment Insurance (this means that the company pays an additional 9.5% of each employee salary).

We are a small business and we actively source as well as work with small suppliers & sub-contractors on a day to day basis. It would be extremely difficult for our suppliers & sub-contractors to hide serious breach of recognized labor regulation such as forced or compulsory labor or child labor.

ASD has established detailed “Code of Conduct” and “Supplier Code of Conduct” manuals. We adhere and surpass all applicable laws & regulations concerning worker’s employment & rights, working conditions, health & safety, wages & benefits, working hours, no discrimination, child labor, full time fair employment, protection of the environment.

ASD is determined to achieve the highest standards of ethical trading throughout its supply chain. Consequently, our Ethical Trading Policy is based on the internationally recognized standards of both the UN Global Compact and the WFTO (World Fair Trade Organization) of which we are members since 2008.

Asia SONG Design Ltd. (ASD) adheres and surpass all applicable laws & regulations as well as ILO (UN International Labor Organization) and SAI (Social Accountability International) SA8000 standards concerning worker’s employment & rights, working conditions, health & safety, wages & benefits, working hours, no discrimination, child labor and full time fair employment.

The company underwent an independent & detailed social audit that served as the base of our successful application to WFTO.

Measurements of outcomes:

Our management conducts bi-yearly meetings with our suppliers / sub-contractors including labour principles. This in addition to the close day-to-day work relationship provides sufficient information to confirm that labour rights are respected. In 2012 we stopped working with 2 workshops who did not fully cooperate with our procedures.

For our own company, it is impossible that we would be in breach of any labour right principles and measurements of outcome is not relevant.

C - ENVIRONMENT

Principle 7: Businesses 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

Assessment, Policy, Goals and Implementation:

All SONG products are created and manufactured according to eco-conscious production processes. We screen textiles and dyes that have a low impact on our environment and we select them for their natural properties or the absence of harmful chemical substances.

All SONG products are made using natural raw materials, preferably from sustainable origins. We do not use polyester or synthetic fabrics, even for our buttons or labels ...

Through our production office, we have reviewed processes and improved laymaking, thus reducing the wastage of fabric used for our products.

Measurements of outcomes:

Our fashion collections are more and more constructed around “piece dye” techniques. This means that we buy the best suitable “greige” natural raw materials and once the garments are finished we then work with dyeing factories where we can control dyes that are being used since our brand is using low-impact and mostly natural dyes vs. chemical dyes.

We have established a recycling program for most of the consumables being used by our company as well as our waste. Specifically: left over fabric & fabric waste, paper / cardboard, plastics are 100% recycled.

D - ANTI-CORRUPTION

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

Assessment, Policy, Goals and Implementation:

Our industry (apparel manufacturing, low profit margins ...) is not seriously prone to corruption. We believe that the few instances relate more to “gifts” as per local coutume (e.g.: Chinese New Year gifts) and their value is irrelevantly low compared to the business turnover.

Our goal is to eliminate all unnecessary payments but the UN Global Compact must understand that we must also stay in business and thus make small “facilitation” payments at 2 points of our supply chain relating to importing / shipping goods.

Measurements of outcomes:

In 2012 we purchased and are currently putting into operation an accounting software that will in turn register and manage all financial transactions making it impossible for our company to make “off the book” transactions.