

SUSTAINABILITY REPORT II 2013-14



**UNITED NATIONS GLOBAL COMPACT
Communication on Progress**



YASIN KNITTEX INDUSTRIES LIMITED



About This Report/About Us

Yasin Knittex Industries Limited, a 100% export oriented Knit Composite Garments Manufacturer Company, established in 2010, keeping in mind with the philosophy of Oeko-Tex Standard100, healthy environment for the employees and Sustainable and Ethical products for the customers.

It's special emphasis is given for environment friendly products to the customers. The mission of this company is to ***"To reach the zenith of the Garment sector in Bangladesh with the philosophy of Corporate Sustainability"***.

We made our factory green through hard work for achieving our vision of the company. We are partnering with International Finance Company (IFC) for the project of CP (Cleaner Production) and Pact (Partnership for Cleaner Textile) for making our factory greener.

We tried to focus our business strategy in a way that our factory produces green and sustainable products and earn benefits by satisfying our customer's needs.

If you have any queries, please contact:

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GM (Corporate Sustainability)

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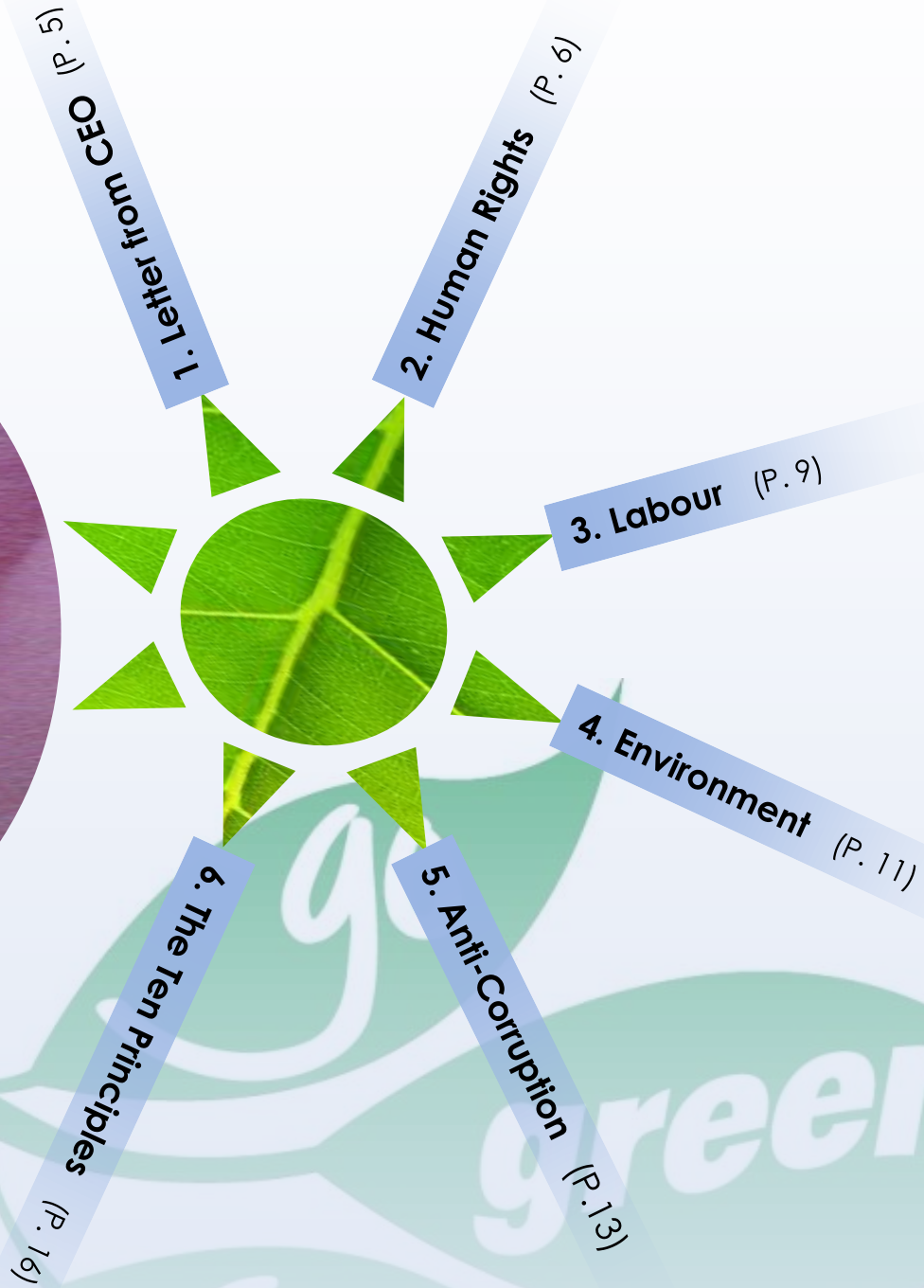
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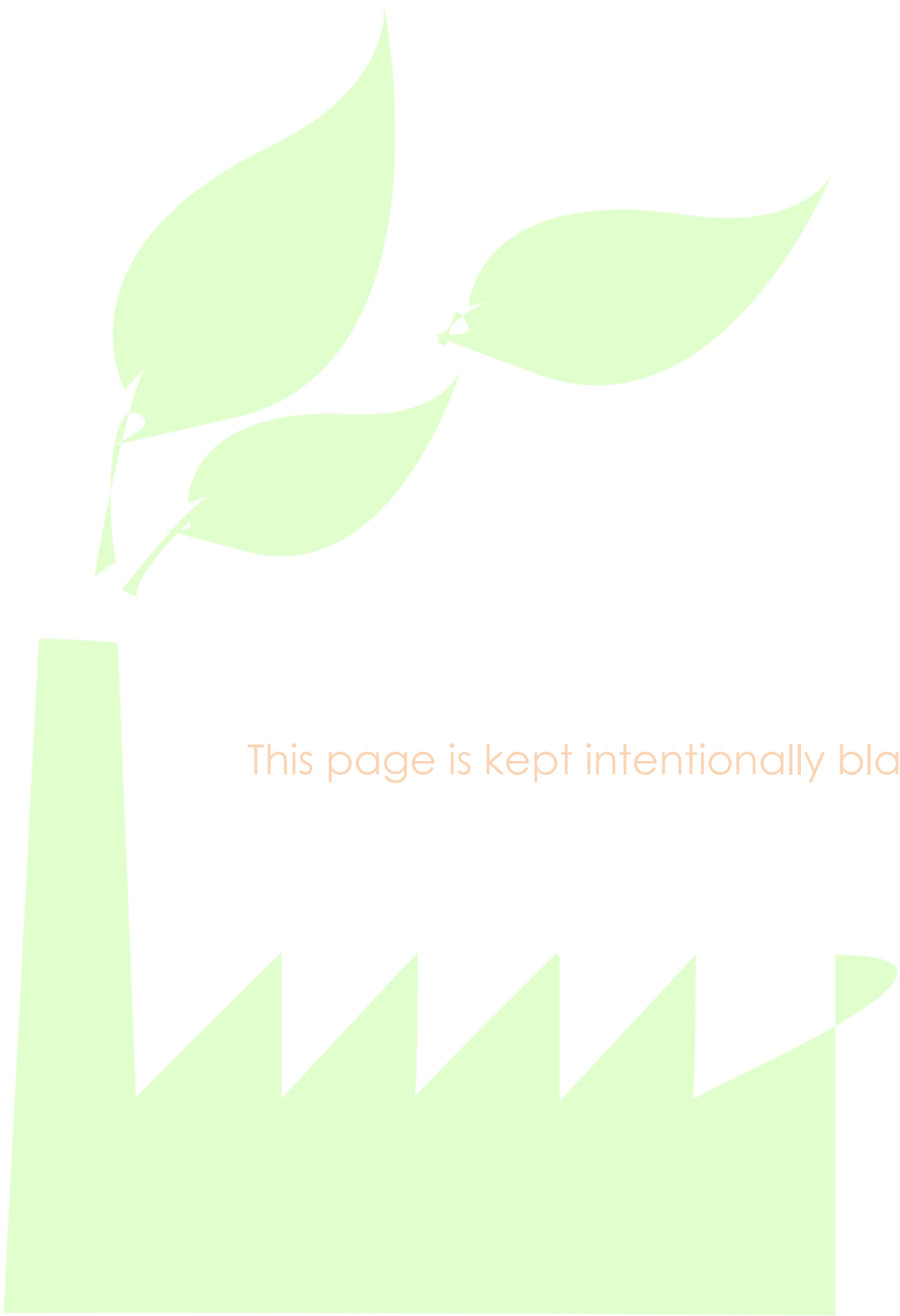
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Letter from the CEO

Our commitment to a more transparent and sustainable future in business is stronger than ever. In the next decade the competition will be more intensified. To fulfill our potentially we have to operate in completely new ways, making sustainability as integral part of our business. Our present challenges are substantial, complex and systemic and the long-term goals are ambitious. To achieve our long-term vision we are required to make ourselves accountable for real and meaningful short-term progress. The challenges we have faced over the past 10 years, we have moved from an approach of simply reacting to criticisms to pursuing sustainability as an integral driver of our long-term growth.



It is clear to us that our company will be severely affected by multiple external factors:

- Traditional models of manufacturing and distribution.
- Many more natural resources will become increasingly scarce, driving up competition and cost.
- Ongoing globalization, access to information and transparency.
- Equal Opportunity.
- More of environmentally concerned person.

The above things push us to think, work and deliver our end product in a sustainable way. We are relentlessly curious about our current world and how we can make it better. We apply that curiosity to our sustainability efforts and we are still learning what is required for real, meaningful progress in the future.

Lessons Learnt

While engaging ourselves in line with the sustainable approach we found out the following three specific matters:

- **Global close collaboration is essential.** We believe in partnerships with our business partners and we also want to share our experience across our trade bodies for a better sustainable future. We also work with global stand outs including the "United Nations Global Compact" initiative to support its principles, Water Foot print Network as well as support the initiative by Organic Trade Association.
- **Transparency is a key factor for achieving success.** Today the world is getting smaller due to the new technologies and knowledge can be easily shared across the countries. In these circumstances if we are all transparent we altogether can achieve a level of success which can turn the world into a joint family.
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- **Sharing innovation helps even us to explore further.** When we share innovative breakthroughs in materials, business practices and processes with other companies -like our water assessment tool – the impact of those innovations on the environment becomes much more significant, with little or no negative impact on our ability to compete in our industry.

These three lessons have been central to our progress. But the most important insight we have gained is –Sustainability in the supply chain. Sustainability can impact and improve our business growth potential. This will be at the heart of transformations in business in the coming era.

Implementation of Innovation in the Business

We cannot achieve our goals for sustainability simply by delivering incremental improvements. We will frequently need to deliver innovations that changes the way things are done at our factory level. It is also being shared with others to affect positive changes in the form of newly developed materials, high-efficiency and low-waste manufacturing methods.

As innovators, we thrive on the challenges to redefine performance and unleash innovation. The following can be a very few steps which have been taken to make our product sustainable:

- Using less water in the dying process
- Setting standards for the Supply Chain Network for manufacturing
- Setting targets for the individual department
- Making an oath to the environment by extracting less water from the underground
- Using as less energy as possible for the products
- Making ethical production.

Goals to Achieve in Future

In this report we tried to be honest in terms of our achievements, targets and where we are frustrated due to our lack of knowledge to fight against the odds. Since my childhood, I dreamt of doing something for the society which now enlarged up to the national and global level. Therefore I will not thrive for the awards, medals nor for the mere achievements, rather will work rest of my life for a sustainable world through my deeds devotedly. It is in this spirit that we share our results. I am optimistic of the progress we have made. But I know we can and must do better, and we will, as I strongly believe that -"**The best can be better tomorrow**".



Abdus Sobhan
Yasin Knittex Industries Ltd
Chief Executive Officer

Human Rights (Principle 1 & 2)

Assessment, Policy and Goals

The Goal of Yasin Knittex Industries Limited (YKIL) is to influence our employees and our partners to respect Universal Declaration of Human Rights and Environment Protection. Based on this, we have our own Code of Conducts in line with the business partner's requirements. We are in a process to achieve our Integrated Management System by a global firm URS which includes ISO 9001:2008, ISO 14001:2004 And ISO 18001:2007 by the end of 2014.

Implementation

YKIL took the following initiatives to present its respect against the Human Rights violation:

A complain box in each and every toilet location of the manufacturing units to submit their unfair treatment or harassment.

Every employees are given regular training on their rights on all the issues of Human Rights.

Implementation



Outcomes

Over the last 12 months, 20 Human Rights issues are dealt within various natures. Those have been resolved via counselling, modifying a few rules by top management. Employees are upgraded in relation to appointment/rank, wages as well as many humanitarian issues which were even beyond local labour law.



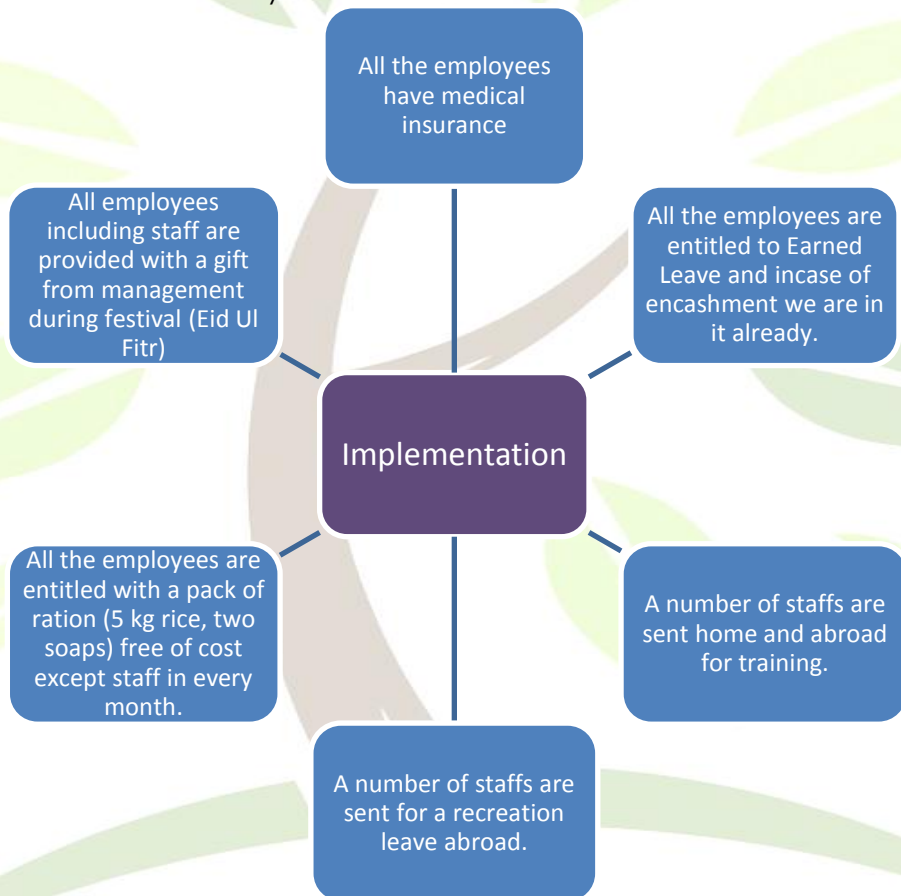
Labour (Principle 3, 4, 5 & 6)

Assessment, Policy and Goals

In the past 12 months management has been busy doing Standard Operating Procedure (SOP) for all the labour related issues covering Bangladesh Labour Law, UNGC principles on labour, ILO conventions as well as the business partner's own COC. Risk management is also done for even individual employees. The trade body of RMG has a requirement of workers. Hand Book which is also being implemented. The goal is to fulfill all the requirements of employees by December 2014.

Implementation

The following measures are already been taken care of:



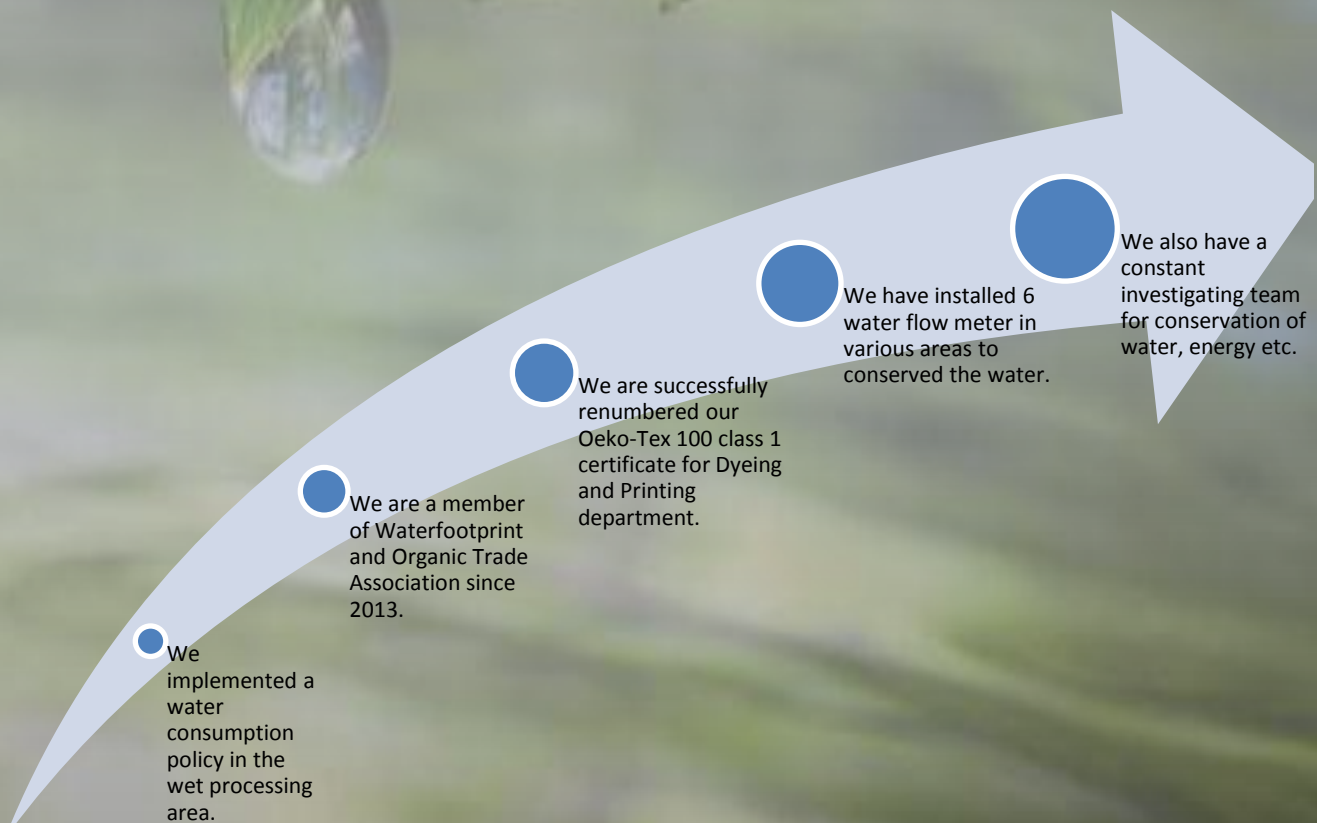




Environment (Principle 7, 8 & 9)

As RMG industry, we are cautious about the environment due to the water extraction from the aquifers. For this we have been involved in a number of projects of IFC, GIZ and with our partners related to water conservation, energy conservation, purification of drinking water etc. Environmental policy on chemical restriction has already been in vogue in our factory.

Implementation





Outcomes

- * We have reduced our water Footprint of 18% in the wet processing are
- * We have decreased our carbon footprint by 3% in last 12 months.
- * We have saved approximately 2400 MWh in relation to electricity.



Anti-Corruption (Principle 10)

Assessment, Policy and Goals

YKIL has a zero tolerance policy on corruption. We even started our own initiative to have a transparent policy on the Supply Chain Network. All the resources are being transparent to our partners. We even are being a partner to the Sustainable Apparel Coalition and will be fully operational by December 2014.

Implementation

Internally we maintain an audit bi-annually. This data is provided to the management personnel.

Outcomes

We are in a process of finalizing an external audit firm doing our financial audit quarterly which will be provided to the top management.

Our Certifications

1. Oeko-Tex 100 for Dyeing and Finishing Department
2. Oeko-Tex 100 Certificate for Printing Department
3. WRAP Certificate



Memberships

1. United Nations Global Compact
2. Water Footprint
3. Organic Trade Association



Awards

1. Best Environmentally Compliance Factory in 2011-12
2. Craghoppers Factory Evaluation Gold Certificate
3. Best Factory in Cleaner Production (CP) run by IFC and Solidaridad
4. Best Factory in Partnership for Cleaner Textile (Pact) run by IFC, Solidaridad, Brands etc.

OUR PRODUCTS

Shorts

Polo-Shirts

T-Shirts (Men, Ladies & Kids)

Tank Top

Leggings

All Children / Ladies wear &
Fancy Designed garments

Sweat-Shirts



CRAGHOPPERS 

Bench.

Peek & Cloppenburg


BESTSELLER®

MCXX

OUR CUSTOMERS

The Ten Principles

Human Rights

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

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

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

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

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

Anti-Corruption

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





GREEN TODAY
FOR A BETTER
TOMORROW



Sustain