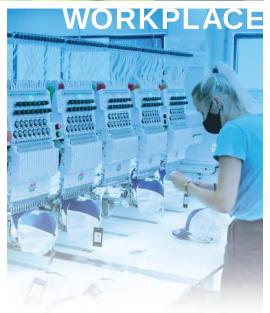
# LYNKA SUSTAINABILITY REPORT 2022/2023



















Celebrating 30 years! Lynka has won more awards for quality print & embroidery than any other clothing company in Europe.

- Award Winning Decoration
- GOTS & WRAP certified
- Sustainable Partner
- Wide Range of Services
- CSR Compliant

And now, we are a part of the U.S. Vantage Apparel Group - making us combined, one of the largest apparel decorators in the world.













### **MEET LYNKA**

Lynka is one of Europe's top suppliers of corporate clothing, casual fashion and sportswear. Lynka manufactures, decorates and distributes a wide variety of apparel and accessories. Founded in 1992 by two young American entrepreneurs in Krakow, Poland, Lynka today services thousands of clients in 32 countries from its 10,000 m<sup>2</sup> facility.

With over 50 awards for quality apparel decoration, Lynka is synonymous with quality. Indeed, Lynka has won more awards for screen printing and embroidery than any other European company. And having decorated more than 90 million garments in its 30-year history, no one in the EU has more experience. Today, Lynka has capacity to print more than 50,000 garments every day.

Lynka was also the first multi-brand, authorized apparel wholesaler in the EU to introduce the One-Stop-Shop model. Whatever the client needs: garment, embellishment, sublimation, finishing, re-labelling, digital printing, Print-on-Demand (POD), special make-ups, or other value-added services, Lynka is up to the challenge.



### LYNKA BY THE NUMBERS:

90,000,000 1,500,000

Items in stock

Clothing articles decorated

10,000

m<sup>2</sup> production/distribution center

1992

The year it all began!

250

Awesome employees

54

International printing awards

32

Countries served

30

Years in business



One-Stop-Shop solution



In quality across the EU

### Dear Friends & Partners,

Sustainability has been important at Lynka long before it became imperative for every respectable company. Since its creation Lynka was actively engaged in various community and charitable activities.

In 2020 we decided to unite our CSR and ecological activities under our Lynka Cares program which is comprised of four pillars: environment, workplace, community and marketplace. On the pages of the report, you will find highlights of the activities Lynka is engaged in under our Lynka Cares program.

I would like to emphasize our continuous commitment to transparency in every aspect of relations with our stakeholders. Already back in 2013 Lynka submitted itself to external scrutiny by a professional auditors' team from Worldwide Accredited Responsible Production and is still one of the very few apparel manufacturing companies in Europe that is WRAP certified. Our company maintains high standards receiving in 2021 its seventh consecutive Gold Wrap certificate!

One of Lynka's most cherished Core Values is continuous improvement. In this spirit, we take steps to increase the spread of sustainability across the company and to become better each day. Thus I am proud to inform that in 2021 we were awarded with Gold Medal by EcoVadis. That achievement is the embodiment of this value - when Lynka first approached EcoVadis in 2020, it was ranked Silver.

Last but not least, in December of 2021 we received our GOTS Certification. This distinguished recognition demonstrates that Lynka meets strict requirements as outlined by the standard and is ready to provide customers with printing and embroidery solutions that are also now certified organic.

This 2022 is also special for Lynka, as it marks our 30th Anniversary. I'm proud of our company, its achievements and most of all I am thankful to all our partners and dedicated employees who have along the years contributed to where we are now.

> John Lynch Founder & CEO Lynka

"Successful businesses have a responsibility to make the world a better place."



### **OUR CORE VALUES**

### QUALITY in everything we do

Quality is essential in everything we do: quality of products, quality of service, quality of relationships, quality of our communications, quality of our promises.

### We care about our CUSTOMERS

Great customer service is much more than just a slogan at Lynka. We care deeply about our customers, we know them by name, we know their businesses. When we let them down, we lose sleep at night.

#### **Great PEOPLE. Great PLACE to work**

To achieve our goals, we need a team of great people. We must find them, invest in their development and insure they stay with us.

#### **INTEGRITY & RESPONSIBILTY**

Lynka is a good corporate citizen. We care about our community and the world around us. LYNKA conducts business in an honest and ethical fashion. We honor our commitments.

#### **Continuous IMPROVEMENT**

We strive to improve in everything we do - including our organization, processes and standards of excellence. Continuous improvement helps us build long-term competitive advantage.

#### **PROFIT**

Although profit is not the only goal of our company, we must nonetheless be an efficient and profitable business, or else we limit our ability to be of service to our clients. Healthy profits must be a result of our activity.



### THE 4 PILLARS OF LYNKA CARES SUSTAINABILITY PROGRAM





# COMMUNITY



## Giving back and supporting the "greater good," especially now, for our friends and neighbors from Ukraine.

Lynka has been active in Poland for 30 years. During that time, we have helped our community by supporting local aid initiatives. We believe that solidarity is needed more than ever, during Ukrainian War. The world is awestruck by the outpouring of human compassion and generosity of Polish citizens who donate goods and supplies, not-to-mention days and nights spent as volunteers or even welcoming refuges into their homes.

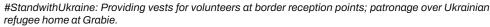
Lynka's charity activities are united under our Lynka CARES program. The heart - a modified version of the Lynka icon - symbolizes love, good will, and humanity - our timeless values.

Lynka has been particularly active in supporting Ukraine. We have donated reflective safety vests for the border volunteers. We have dispatched boxes with warm sweatshirts, jackets, food and supplies. Moreover, Lynka has taken the lead in financially supporting a refugee home in Grabie, east of Krakow, where 300 Ukrainians mostly mothers and young children - have been given shelter.

Our thoughts are with Ukrainian people who fighting so courageously to defend their motherland.

### **CHARITABLE ACTIVITIES**













Lynka donated 1000 of protectiv

face mask to hospital and school







by our clients or NGOs.



Lynka has been an active member of AmCham since 1994. taking part in many charitable initiatives over the years





# Environmental sustainability is one of the most important issues our industry is facing.

Lynka Cares program aims at reducing the overall environmental impact of our activities. We have been proactive in our eco-friendly practices and policies since our early days, and continue to make positive strides year-after-year. Our environmental activities can be broadly categorized in these three areas:

**Printing & Operations.** Printing and embellishment using more eco-friendly inks, materials and technologies, plus making our overall operations more environmentally sustainable.

**Packaging & Logistics.** Finding alternative solutions that leave a lighter carbon footprint than the industry's historical ones. Using packaging sources that support sustainable forest management.

**Products & Fabrics.** Sourcing and supplying more garments made from organic, recycled and other sustainable fabrics is the clear route forward. Reconsidering the entire supply-chain, including the countries in which we manufacture garments.

As one of Europe's largest and most well-established garment suppliers and decorators, since our early days, Lynka has always out-performed the standards for emissions, waste-water and other pollutants. We use safer, more expensive, imported equipment and chemicals.

We were one of the first printers in Central Europe to create an eco-friendly screen department with screen wash / reclaiming system which introduced eco-friendly solvents from the USA and Sweden. We were one of the first CEE promo apparel suppliers to receive WRAP certification, which includes environmental requirements.

Below are a few of the activities we are engaged in to make our embellishment operations greener than ever before.

### PRINTING & OPERATIONS



In the process of screen washing, **Eco-Tex reduces environmental impact** and lowers operating costs by recirculating screen-cleaning chemicals.



**Reduction of mixed waste** by exercising segregation throughout the company.



We employ 'heat regeneration' system which means that heat from our driers is being recycled back to heat the building.



**Recycling of paper and carton** stock throughout the company.



**Energy-saving** measures in production. Sky-lights provide healthy, natural light for workers, while reducing lighting needs.



**Reduce energy usage** via low-energy LED light-bulbs throughout the company.



Kornit Direct-to-Garment significantly reduces water usage, decreases waste, minimizes carbon footprint and eliminates harmful chemicals. Eco-friendly, GOTS 3V certified.



Low consumption premium Virus brand water-based inks for eco-friendly textile screen printing.



Our Rutland plastisol inks are **PVC and phthalate free.** 

### PACKAGING & LOGISTICS



**Logistics & Packaging.** We are actively finding ways to reduce our carbon-footprint via eco-friendly logistics solutions and certified packaging producers.



Forest Stewardship Council. Our packaging producers are certified that the trees that were in our packaging comes from approved forests.



**Program for the Endorsement of Forest Certification** is an international, non-profit organization which promotes sustainable forest management through independent third-party certification.

### PRODUCTS & FABRICS

One of the most important aspects of environmental sustainability are the products themselves. There are several ways apparel can be more eco-friendly:

**Organic Cotton.** Sourcing and supplying more garments made from organic cotton is a great way to show commitment to sustainability. No toxic chemicals are used in the growing of organic cotton. It doesn't damage the soil, has less impact on the air, and uses 88% less water and 62% less energy. Conventional cotton uses about 16% of the world's insecticides and 7% of pesticides.

Garments from recycled fabrics. Textile recycling saves energy and reduces pollution. Recycling provides both environmental and economic benefits. Textile recycling reduces pressure on new resources and reduces the demand for dyes and fixing agents.

Garments from recycled PET bottles. Recycled polyester (rPET) is almost the same as virgin polyester in terms of quality, but its production requires 59 percent less energy compared to virgin polyester. WRAP estimates rPET's production to reduce CO2 emissions by 32 percent in comparison to regular polyester. Using recycled polyester lessens our dependence on petroleum as a source of raw materials.





GOTS The Global Organic Textile Standard (GOTS) is the worldwide leading textile processing standard for organic fibres, including ecological and social criteria, backed up by independent certification of the entire textile supply chain.



100% Recycled Polyester by Global Recycled Standard certified and inspected by Control Union. The goal of the GRS is to increase use of recycled materials in products and reduce/eliminate the harm caused by its production.



The official EU label for Greener Products. Eco-labelled products have a comparatively modest impact on air, water, soil, quality, natural resource consumption, global warming and biodiversity. Products must pass rigorous tests with results verified by an independent body.



Products are made from Organic Cotton with a certification process other than GOTS.



OCS 100 covers the processing, manufacturing, packaging, labelling, trading and distribution of a product that contains at least 95 percent certified 'organic' materials.



The Recycled Claim Standard (RCS) is used as a chain of custody standard to track recycled raw materials through the supply chain. The RCS verifies the presence and amount of recycled material in a final product.



The Oeko-Tex 100 Standard comprehensively addresses the human ecology component of textile products. It evaluates and screens for any harmful substances present within processed textiles, which are intended to come into contact with consumers.



The Fairtrade Certification Mark is your independent guarantee that the cotton in this product has been certified in accordance with international Fairtrade Standards.

### **OUR ORGANIC & ECO-FRIENDLY BRANDS**

Lynka offers a wide range of eco-friendly garments from Europe's leading sustainable brands:

STANLEY/STELLA







There are other brands in our collection that include organic cotton garments, as well as a wide selection of recycled fabrics:





















### "A great place to work."

This was one of the Lynka founders' goals from the very first days: to create a special atmosphere where honest, fun, talented, and motivated people could come to work. Back in 1992 Poland, this wasn't so common. Today, we employ numerous practices to our maintain founders' objective:

Family-friendly functions such as parties, picnics and open-house events.

Healthy, transparent communications including an open-door policy and regular information sharing via our Intranet and employee-focused social media platforms.

An employee-elected **Worker's Representative** body to increase engagement and communication, which has been invaluable during the Covid-19 crisis.

Integrating non-Polish employees into our team.

To achieve ambitious goals, a first-class team of people is essential. We must find them, invest in their development and insure they stay with us. This is one of Lynka's most cherished Core Values.

When ever possible, Lynka promotes from within. Lynka does not discriminate in any way. Moreover, almost 60% ofour 250-strong workforce and 65% of our managers are women. We are an honest employer.

Of course, to be considered a great work place, its equally important to adhere to local laws and regulations, maintain a healthy and safe work environment, and pay fair and competitive wages.

Monthly safety inspections.



Friendly and spacious office



Clean, comfortable, safe production



Employee Appreciation Day

### FAIR & SAFE LABOR PRACTICES

Lynka believes in fair wages, employee health and safety, as well as in conducting business in an ethical way. The company adheres to 12 WRAP principles:



# WRAP STANDARD -CODE OF ETHICS

- 1. Compliance with laws and workplace regulations
- 2. Prohibition of forced labor
- 3. Prohibition of child labor
- 4. Prohibition of harassment or abuse
- 5. Compensation and benefits
- 6. Hours of work
- 7. Prohibition of discrimination
- 8. Health and safety
- 9. Freedom of association and collective bargaining
- 10. Environment
- 11. Customs compliance
- 12. Security



# **MARKETPLACE**



# "Successful businesses have a responsibility to make the world a better place."

The fourth pillar of corporate social responsibility is ethical behavior and improved business efficiency. For CSR to work, it must also be economically viable. Lynka is truly committed to running a safe and responsible business. Since our early days we have been true to our **core values** on each of the following tenets:

**Anti-corruption. Ethical behavior.** Lynka conducts business in an honest and ethical fashion. We honor our commitments.

**Paying local taxes.** We contribute to our local community through paying taxes and hiring hundreds of local, tax-paying citizens.

Customs Compliance. We import products legally.

**Security Regulations.** We respect and enforce data and other security regulations including GDPR (General Data Protection Regulation).

**Supply Chains** organized in a socially beneficial manner.

WRAP ROOM

Lynka is one of the very few and very first WRAP certified apparel manufacturing companies in CEE – we first received our certification in 2013.

The Worldwide Responsible Accredited Production (WRAP) program is the world's most accepted independent certification for the apparel/textile, footwear, and sewn products industry. WRAP insures employee-safe, compliant and environmentally-friendly, sustainable practices. The program monitors and certifies lawful, humane and ethical production.

WRAP is supported by the International Apparel Federation, the American Apparel & Footwear Association and as well as more than 20 international trade and industry associations.



Lynka is **committed to market transparency** in every aspect of relations with our stakeholders. That is why we undergo independent, third party audits which are a guarantee for clients that not only do they receive excellent Lynka products and services, but they are working with a partner for whom ethical and sustainable practices are of utmost importance.

Lynka is a WRAP certified manufacturer since 2013, and a signatory to the UNGC sustainability initiative. More recently, we received a Gold medal during our second Eco-Vadis audit. Finally, we are very proud to be one of the very few certified NIKE apparel manufacturing vendors in Central Eastern Europe, which we possess since 2012 – the year Lynka was the authorized Nike apparel decorator for the European Football Championships.

Below please find major programs and certifications which are part of Lynka daily business practice.



Launched as a special initiative of the UN Secretary-General, the UN Global Compact provides a framework for developing a more sustainable and responsible business. Today, the UN Global Compact is the largest corporate sustainability initiative in the world, with over 10,000 companies and 3,000 non-business signatories based in over 160 countries.

It is a call to companies everywhere to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.





### Certified by Control Union CU 1048298

Lynka received GOTS certification in December 2021. GOTS (Global Organic Textile Standard) recognition, awarded by auditing body Control Union, demonstrates that Lynka meets strict requirements as outlined by widely accepted industry standard and provides printing and embroidery solutions that are also now certified organic. Company Customers when buying apparel or accessories with "green T-shirt logo" can feel re-assured that their products – from seed to shelf-product - are sustainability viable.

The Global Organic Textile Standard examines textile processing for organic fibers, including ecological and social criteria, and covers entire textile supply chain. Scope of the audit encompasses entire post-harvest processing (including spinning, knitting, weaving, dyeing and manufacturing) of apparel and home textiles made with certified organic fiber (such as organic cotton and organic wool), and includes both environmental and social criteria. Key provisions include a ban on the use of genetically modified organisms (GMOs), highly hazardous chemicals (such as azo dyes and formaldehyde), and child labour, while requiring strong social and environmental compliance management.







EcoVadis was launched in 2007, to address the needs of Procurement Executives which were looking for reliable Sustainability indicators on their suppliers.

EcoVadis is an evaluation of how well a company has integrated principles of Sustainability/CSR into their business and management system in the following areas: environment, labor & human rights, ethics and sustainable procurement.

The assessment framework is aligned with GRI G3, Global Compact, and ISO 26000. To date, EcoVadis has rated over 60,000 trading partners worldwide, positively impacting the environments, fostering transparency and driving innovation.

The rated company can see how their score compares to the benchmark in their industry and set goals to achieve global best practice.



Higg Index is a self-assessment tool developed and launched in 2012 by the Sustainable Apparel Coalition (SAC), a nonprofit organization founded by a group of fashion companies, the United States government Environmental Protection Agency, and other nonprofit entities.

The tool is designed to measure the sustainability impacts of apparel and footwear products, and to assess sustainability throughout a product's entire life cycle, from materials to end-of-life. The Index asks practice-based, qualitative questions to gauge environmental sustainability performance and drive behaviour for improvement.



# **10 Principles of the UN Global Compact**





### THE 4 PILLARS OF LYNKA CARES









ENVIRONMENT COMMUNITY WORKPLACE

MARKETPLACE



Thanks















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LEARN MORE ABOUT OUR LYNKA CARES SUSTAINABILITY PROGRAM AT:

WWW.LYNKA.EU/CSR