

Corporate Social Responsibility 2012



KONGELIG HOFLEVERANDØR

NVBO JENSEN
K O N F E K T I O N A / S



Company values

- Dynamics** In order to retain a solid platform in a changeable world we want to be an innovative, dynamic, and efficient company that other companies in the business look to for inspiration.
- Passion** With equal parts competence, durability, enthusiasm, and good spirits we wish to ensure our customers optimum solutions and thereby add value to benefit our customers - and ourselves.
- Credibility** Honesty and credibility must be our guidelines in everything we do.
- Quality** Everything we do must be marked with a high quality stamp.



Workwear with a point of view

The 1st of June 2012 Nybo Jensen Konfektion A/S (hereafter Nybo Jensen) celebrated its 50th anniversary. To deliver high quality workwear based on trustworthy business relations and quality-minded, well-qualified and passionate employees have been our guiding star for 50 years.

Nybo Jensen is a family owned company. As a family owned company, it is real people who own us – and this ownership condition means a huge difference in the way we run our business. It is of utmost importance to us to value both responsibility and a solid bottom line equally.

We work with corporate social responsibility because of four main reasons:

1. We believe that we must behave decently in relation to other people - our own employees, our suppliers' employees, our customers, their customers and others we meet on our way.
2. We believe that we must focus on our environment and nature - we have a responsibility to pass it on in good condition for future generations
3. We believe that decent behaviour and sound business are interdependent
4. We appreciate that many of our customers focus on CSR and places high demands on us. These requirements we would like to meet.

Continued support to Global Compact

Nybo Jensen has been supporting the UN Global Compact since 2010. Together with our core values, these 10 principles form the basis for our holistic approach to CSR.

In 2012, we have conducted a structured process aiming at integrating CSR further into our business strategy. We have looked deeper into our potential risks, identified our most significant stakeholders as well as conducted a materiality assessment in order to prioritize those CSR activities that create most value to both our business and the society around us. These priorities are reflected in our report.

We are constantly setting new targets for improvement, and in 2013 we will further strengthen our partnership with our suppliers in Asia with the goal of enhancing responsibility in our supply chain.

About our CSR report

The purpose of our CSR reporting is to provide a comprehensive picture to our stakeholders on our CSR performance in 2012. Our CSR report form at the same time the obligatory Communication on Progress (COP) report to UN Global Compact.

The report covers our two facilities controlled by Nybo Jensen: our headquarter in Viborg, Denmark and our production facility in Dobeles, Latvia.

In order to ensure a transparent, balanced and reasonable presentation of our CSR performance, we are inspired by general accepted reporting principles: Global Reporting Initiative (www.gri.com).

As we will continue our strategic and systematic work with CSR, any constructive comment for further improvements are highly appreciated. We hope you will enjoy reading it!



A handwritten signature in black ink that reads "Torben Bang". The signature is fluid and cursive, written on a white background.

Torben Bang
CEO Nybo Jensen Konfektion A/S



Purchase: Trustful partnership is key to responsible sourcing

We understand purchase as all sourcing activities related to procurement and supplier management at Nybo Jensen.

Nybo Jensen has 9 main suppliers of textile distributed in Europe and Asia. We have conducted a risk assessment identifying that major risks of doing harm are related to the social and environmental conditions of our main suppliers in Asia since our European suppliers are subject to strict European legislation. Likewise our key supplier in India holds a SA8000 certification, which guarantees a satisfactory high CSR standard. Our focus is therefore to cooperate with our suppliers in China in order to ensure that they live up to our high standards in regard to human rights, labour rights and environmental issues as well as quality and stable delivery.

Policies and strategies

Our ambition is to do business with suppliers who intend to meet the same high standards as regards quality, ethics, environment and security of supplies as we do ourselves. We only source from international recognized suppliers.

We believe that we achieve the best results through trustful partnerships striving for improvement in regards to human right, labour rights and environmental issues. Therefore we are convinced that it is through a long-term partnership with our key suppliers that we can achieve the best results. Regular visits in the places of production guarantee observance of the agreed conditions.

Nybo Jensen is a member of the trade association "Danish Fashion and Textile" that have developed a recognized code of conduct targeting suppliers named FairFashion. Our goal is to ensure that our suppliers live up to the standards similar to FairFashion (http://www.dmegt.dk/csr/code_of_conduct_fairfashion.aspx). Our objective is that all our suppliers have signed FairFashion as part of the contract between Nybo Jensen and the supplier.

What we said in 2012

In 2012 our objective has been to further implement the FairFashion Code of conduct among our seven 9 key suppliers of textile. All European suppliers with more than 500.000 Dkr. must sign the FairFashion Code of Conduct as an integrated part of the contract with Nybo Jensen. As for Asian suppliers it is suppliers with more than 100.000 Dkr. who are obliged to sign the FairFashion Code of Conduct as an integrated part of their contract.

Another goal was to develop a supplier self-assessment tool and to implement this tool among our key Asian suppliers of textiles.

What we did in 2012

- All our 9 key suppliers of textile have signed our FairFashion Code of Conduct
- A supplier self-assessment tool based on BSCI (<http://www.bsci-intl.org>) has been developed
- One new Chinese supplier has undergone a self-assessment
- 2 suppliers were visited during 2012

What we achieved in 2012

Our "old" suppliers all live up to our high standards for quality and responsibility. However, we identified some failings among our new Chinese supplier and agreed on a plan of action to improve the sanitary conditions for employees.

What's next for 2013

Our objective for 2013 is to full implement our procedures for monitoring of suppliers of raw material. Our plan is that all our suppliers in Asia have conducted the Nybo Jensen's self-assessment. If we identify any failings, we will agree on a plan of action within 6 months in order to ensure satisfactory improvements. In addition, we will ask all our suppliers to document that they handle substances according to the REACH Directive.

We will visit our Chinese supplier during 2013 to check whether our agreed plan of action has been implemented.



Responsible sourcing from main supplier


“Our suppliers must comply to high CSR standards. When it comes to our non-European suppliers we focus especially on staff conditions because we consider issues in relation to human rights and labour rights to be high-risk areas. We have signed the UN Global Compact which sends a strong signal to our customers that we have things under control and we are keen on living up to that”.

Helle Nybo Holmberg, Purchasing Manager and Part Owner at Nybo Jensen

“We decided to go for a SA8000 standard. Through a SA8000 we can document to our business partners that we are a trustful company in terms of CSR. We are regularly audited by authorised bodies and must continuously prove that we live up to the criteria issued in a SA8000. If they come across any critical aspect, we agree on a plan of action and they will follow up. It is both serious and professional”

Indian supplier to Nybo Jensen

SA8000 Standard



ISA8000 is one of the world’s first auditable social certification standards for decent workplaces based on conventions of the ILO, UN and national laws. Those who complies with SA8000 have adopted policies and procedures covering child labor, forced and compulsory labor, health and safety, freedom of association and right to collective bargaining, discrimination, disciplinary practices, working hours and remuneration. The company undergoes regularly audits – both announced and unannounced.





Product: High quality in every-thing we do

We understand product as the full assortment of Nybo Jensen's work wear collections, customer relations, sales and marketing activities related to our products.

As a textile company our main impacts on society are related to the quality and content of the products we sell. It means that our focus related to the products we send to the market are closely related to the environmental friendly fabrics we use in our products.

Policies and strategies

Since the foundation of Nybo Jensen we have strived towards high quality in everything we do. We believe that quality and responsibility are two sides of the same matter.

We also believe that we have an obligation to develop innovative and environmentally friendly products.

Nybo Jensen works only with experienced and international recognized sub-suppliers of raw material for industrial washable products. All specifications of fabrics and accessories are determined and controlled according to international standards regarding quality, environmental requirements and healthy working conditions. A continuous follow-up takes place regarding the fulfilment of the agreed demands and arrangements.

In our catalogues we have clearly indicated the certifications related to each product. It assists our customers in making a responsible choice.

What we said in 2012

- We continue to ensure that our products live up to international standards concerning quality, environmental and ethical concerns.

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What we did in 2012

- An assortment of environmental friendly Tencel products was launched in 2012.

What we achieved in 2012

- 95 % of the raw material in our products is Oeko-Tex 100 certified.

What's next for 2013

- We will continue to live up to our customers demands in regard to environmental and social impact from our products
- We will continue to contribute to new innovative and environmentally friendly products.

Nybo Jensen's work wear fulfils these standards

ISO 15797

We use, as one of the first in the industry, the international test standard ISO 15797 by selection of raw material and to guarantee that Nybo Jensen's products meet the requirements of industrial washing.

Oeko-Tex Standard 100

As far as possible, we buy fabrics and accessories that are Oeko-Tex Standard 100-certified. The scheme is the most common labelling for textiles in the world. The system checks content of harmful substances in textiles, and ensure user from textiles release hazardous substances.

EU-Ecolabel

In our assortments you will find products that are EU-Ecolabel certified, which is the guarantee of an environmentally friendly production. This label is awarded only clothing, which is analysed from "cradle-to-cradle", and that meets strict requirements among other reduced water consumption during production and restrictions on the use of hazardous substances.

Bluesign Standard

A number of our products are based on fabrics who have achieved certification by Bluesign Standard. This ensures that production is done with the utmost consideration for resource utilization, negative impact on air and water, health and consumer protection.





Tencel and nature

TENCEL fibres are made of 100% organic eucalyptus wood, which has been harvested in a closed circuit, without the influence of pesticides. The fibres are naturally clean. The production of Tencel is guaranteed free from hazardous substances and therefore fibres often been recognized as green and environmentally friendly. In addition to Oeko-Tex Standard 100 is Tencel also certified with the Blue sign Standard.

TENCEL fibres are the strongest among the cellulose fibres, and this particular feature makes Tencel a super partner for workwear.



Process: Environmental precautions from the very beginning

We understand process as all the activities involved in operation and managing our company, including production, logistics, properties and utilities.

Our facility in Viborg, Denmark contains administration and stock. In consequence our environmental challenges are mainly related to our production facility in Latvia. As a textile producing company our main task is to sew high quality work wear which means that we have no environmental issues related to hazardous waste and our water consumption is very limited.

Policies and strategies

We consider ourselves to be an integrated part of our common environment. As a company we believe we must take our part in showing responsibility towards our common planet and its resources. Even we are a small company we believe we have an obligation to demonstrate environmental concerns and responsible resource management.

We decided already in 1980 to set up a wind turbine at our facility in Denmark and thus become self-sufficient in electricity. Our wind turbine produces 65,000 kW annually. We consume the majority itself, and the surplus we market to the local power plant.

What we said in 2012

Our first objective for 2012 is to continue our focus on reducing energy use and to undertake further initiatives to achieve this objective. Our second objective is to stabilize our water consumption on present level. Our third objective is to further strengthen our recycling project in Latvia.

What we did in 2012

- We conducted an analysis of our energy consumption at our facility in Viborg, Denmark and discovered that our major energy

consumption was related to our administrative building. In consequence we have started to use the majority of wind turbine produced energy in this building.

- We continued our recycling project of paper and plastic in cooperation with Zala Josta Ltd., which is a Latvian company caring for a clean Latvia. We collected and sorted all waste: paper, cartons and plastic and sold it for recycling. Our systematic work with recycling gave us the Zala Josta certificate, which certifies that our production site "Sia Nybo Dobeles" is environmentally friendly. We also started to recycle the boxes used to send finished goods to DK and which are returned to Latvia.

What we achieved in 2012

- We manage to reduce our electricity consumption with 17.5 %. The very satisfactory reduction is mainly due to increased efficient use of our windmill in Denmark together with a number of energy efficient initiatives such a change of IT equipment, instalment of on-and-off sensors etc.
- We increased our recycling project, which mean that we recycled 60.89 tons in total.
- Our water consumption was stabilized with a minor increase on 3,6 % during 2012 due to a change in operations and the moving of our washing test to Latvia.

What's next for 2013

We want to continue reducing our energy consumption. Our next step is to look deeper into our future IT investment and to make energy use a parameter for the future choice of IT.

In the future we want to include transportation in our energy consumption.

We want to continue to stabilize our water consumption and bring it back on 2011 level.

Environmental key figures

	Denmark (Viborg)	Latvia (Dobeles)	Total
Energy consumption	Electricity: 24,064 kWh Gas: 7005 m3	216,860 kWh 9750 m3	240,924 kWh 16755 m3
Water consumption	210 m3	1,113 m3	1,323
Recycling	14.75 tons	Zala Josta certified	17.75 tons



"We manage to reduce our electricity consumption with 17.5 %. The very satisfactory reduction is mainly due to increased efficient use of our windmill in Denmark together with a number of energy efficient initiatives such a change of IT equipment, instalment of on-and-off sensors etc."

People: Good working conditions are key to success

We understand people as all activities related to managing and developing our employees. This includes a safe and healthy working environment, leadership and compliance with Nybo Jensen's code of conduct.

Nybo Jensen employs 172 persons - 37 are working at the headquarter in Denmark and 135 are working at our main production facility in Latvia. We regretfully had to lay off 5 employees in 2012 due to the financial crisis that has serious impact on the textile industry.

Policies and strategies

We want to offer a desirable, developing and challenging place of work that is able to attract and retain quality-minded, well-qualified and passionate employees. We believe that our employees are the most important key to success.

To ensure and document that we live up to our high standards we take our own medicine and follow the principles of BSCI code of conduct internally at our own operations in Denmark, Latvia.

We respect and live up to the national labour market laws in Denmark and Latvia including minimum wages, health and safety, working hours etc. All conditions regarding employees are detailed described in our Handbook for Personnel, which is handed out to every new employee. Even the labour marked laws in both Denmark and Latvia are of very high standards, we want to go beyond the law and provide support to ex training, health insurance and staff celebrations.

What we said in 2012

- We continue to deploy our staff procedures and politics as described in the Handbook for Personnel.

- We want to improve our data management on CSR to cover both Denmark and Latvia.
- We have zero tolerance when it comes to corruption.

What we did in 2012

- Continued English language training in Latvia.
- Continued systematic employee development dialogues for all employees in Denmark and all managers in Latvia.
- Continued to support to staff training, including access to free English training in Latvia
- Conducted the BSCI self-assessment at our own facilities in Denmark and Latvia.
- Increased systematic documentation on health and safety issues in both Denmark and Latvia together with a number of employee initiatives regarding improvement of health conditions under the supervision of Danish and Latvian authorities ex first aid course, defibrillator and massage.
- Continued our cooperation with Viborg Municipality to include socially vulnerable citizens into our company. In 2012 we have 3 persons employed on special terms.

What we achieved in 2012

The BSCI self-assessment documented full compliance. Through our improved registration and documentation of staff conditions, we have achieved a better overview.

What's next for 2013

We want continuously to focus on improvement in regard to health and safety among our employees. Our ambition is to grow in a responsible manner with respect for the well-being of our employees. Concern for our employees has always been at the heart of the Nybo Jensen company spirit.

Key figures regarding employees

	Denmark (Viborg)	Latvia (Dobele)	Total
Employees	37	135	172
Blue collar	7	110	117
White collar	30	25	55
Sick leave (5)	5,4	7,7	-
Injuries	0	3 during the last 5 years	-
Employee Development Dialogue	37	25	62
Employees received training	0	12	12
Employees on special terms	3	0	3



	Subject	Objective	Result	Global Compact	GRI	Page
Purchase	Implementing Supplier Code of Conduct	All suppliers of fabrics and sewing sign supplier Code of Conduct.	All 4 European and 5 Asian suppliers of fabrics and sewing has signed supplier Code of Conduct.	All principles	General	4, 6,7
	Number of suppliers that has undergone screening	All major suppliers in Asia must conduct our self-assessment.	2 out of 5 Asian suppliers has conducted a self-assessment.	All principles	General	4, 6,7
	Monitoring and improving supplier standards	Plan of action to be monitored within a 6 month period	1 plan of Action has been issued	All principles	General	4, 6, 7
Product/customers	Development of environmental friendly products	-	A collection of environmental friendly Tencel products has been launched.	9		5
	Certifications: Oeko-Tex Standard 100, Eco-Label, Bluesign, ISO 15797	90% of our products are Oeko-Tex certified 60% of our products are Eco-label/Bluesign certified	95 % of our products are Oeko-Tex certified 65 % of our products are Eco-label/Bluesign certified	9	PR3	5
Process	Energy consumption	5 % reduction	17.5 %	7	EN3	8
	Initiatives to reduce energy consumption	Efficient use of windmill	28,340 kWh equals to 17.5 % reduction	7,8	EN5	8
	Total greenhouse gas emission	5 % reduction	Mangler	7,8	EN16	8
	Total water consumption	Maintain 2011 level	3,6 % increase	7	EN8	8
	Recycling	5 % increase in volumen	14,75 tons	7,8	EN2	8
People/society	Diversity of workforce		Blue collar: 117 White collar: 55	1,2, 6	LA1	9
	Employee development	Access to English language training for employees in Latvia	12 employees	1,2	LA10	9
	Number of employees covered by collective bargaining agreements	All blue collar employees	100 %	1,2,3	LA4	9
	Wage level	Observe and respect national labour marked laws regarding minimum wage level	100 %	1,2,3	LA4	9
	Staff compensation	-	Pensions, heath insurance, compensation on sick leave, pregnancy etc.	1,2	LA3	9
	<ul style="list-style-type: none"> Health and safety: rates of injury health programs sick leave 	<ul style="list-style-type: none"> zero injuries improve health programs reduction of sick leaves Observe and respect national labour marked laws on OHS 	<ul style="list-style-type: none"> 2 injuries health insurance, canteen etc. DK: 4,3 %; Latvia: 7,7 % 100 % 	1,2	LA7	9
	Number of employees on special terms	-Contribute to an inclusive labour marked	3 employees on special terms	1,2, 6	LA13	9
	Implementation of Code of Conduct	All Nybo Jensen companies must sign our Code of Conduct and Global Compact (Denmark and Latvia)	Completed	All principles	General	2, 9

CSR Performance at Nybo Jensen Konfektion A/S

Nybo Jensen Konfektion A/S in brief

Company name	Nybo Jensen Konfektion A/S
Address	Industrivej 24-26, DK-8800 Viborg Phone +45 8727 3000? E-mail: salg@nybo.dk
CVR number	36745118
Locations of operations:	Nybo Jensen Konfektion A/S is headquartered in Viborg, Denmark and has own production facilities in Latvia. The company is represented in all North European markets. Our customers consist of laundries and wholesalers. Our main suppliers are located in Europe, India and China.
Number of employees 2012	172
Contact person	Helle Nybo Holmberg Purchasing Manager, Part Owner +45 87273006? hnh@nybo.dk
About Nybo Jensen Konfektion A/	Margit and Peder Nybo Jensen established Nybo Jensen Konfektion A/S in 1962. The company is a family owned business. The management team consists of the next generation of the Nybo Jensen family together with Torben Bang appointed as CEO in 2012. Nybo Jensen Konfektion A/S offers a broad assortment of fashionable work wear. We supply fashionable clothing for laundries, industry retail trade, the services, hotels, restaurants and even to the Danish Royal Family. In other words we deliver overall solutions that meet every work wear demand from the shop assistant up to the manager.
Awards and certifications	     

Global Compacts 10 principper



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
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.