



# UN Global Compact

COMMUNICATION ON PROGRESS

2013

# The 10 principles of the UN Global Compact

## HUMAN RIGHTS

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| PRINCIPLE 1 | Businesses should support and respect the protection of internationally proclaimed human rights. |
| PRINCIPLE 2 | Businesses should make sure that they are not complicit in human rights abuses.                  |

## LABOUR

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| PRINCIPLE 3 | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. |
| PRINCIPLE 4 | Businesses should uphold the elimination of all forms of forced and compulsory labour.                                   |
| PRINCIPLE 5 | Businesses should uphold the effective abolition of child labour.  |
| PRINCIPLE 6 | Businesses should uphold the elimination of discrimination in respect of employment and occupation.                      |

## ENVIRONMENT

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| PRINCIPLE 7 | Businesses should support a precautionary approach to environmental challenges.                     |
| PRINCIPLE 8 | Businesses should undertake initiatives to promote environmental responsibility.                    |
| PRINCIPLE 9 | Businesses should encourage the development and diffusion of environmentally friendly technologies. |

## ANTI-CORRUPTION

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| PRINCIPLE 10 | Businesses should work against corruption in all its forms, including extortion and bribery. |
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## About Skjern Papirfabrik A/S

Skjern Papirfabrik is an order producing company.

The production is mainly cardboard, paperboard and paper, which are delivered as semi-manufactures for further processing at our customers. More than 90 % of the production is exported.

All products are made in close cooperation with the customers, and we are constantly working on optimization and further development.

Only recycled paper is used in the production, which operates around the clock, 350 days a year. The paper primarily comes from Danish, Norwegian and German collections.

Skjern Papirfabrik is certified with:

- ISO 14001
- EMAS
- ISO 50001
- FSC

By joining the UN Global Compact we are committed to demonstrate social and environmental responsibility. We are also committed to integrate the UN Global Compact's 10 principles in our company.

For Skjern Papirfabrik the participation in the UN Global Compact is a way to strengthen our communication on the progress we make due to our environmental and social responsibilities.





## Statement of support

With this COP report, Skjern Papirfabrik A/S confirms that we continues to support the Un Global Compact initiative and its principles.

Our participation in the UN Global Compact is a way to maintain and develop our social and environmental responsibility.

We consider the COP to be a good way to communicate the progress we make within the fields of the 10 principles.

*Date: June 20th 2014*

  
CEO

Jørgen M. Thomsen

  
Environmental Manager

Nana Trelborg Simonsen

## Practical actions

Skjern Papirfabrik A/S has only one production site, which is located in Denmark. Our suppliers are from other EU countries and from Norway.

The fact that Skjern Papirfabrik only operates in the European countries simplifies a lot the ethical questions due to our productions.

It is however still important to show our commitment to human rights, labour, environment and anti-corruption principles.

Skjern Papirfabrik has in 2013 implemented a CSR Policy which include the 10 principles from the UN Global Compact.

### CSR POLICY FOR SKJERN PAPIRFABRIK

Social responsibility is a fundamental element that ensures our organization is presented as a legitimate and responsible company within the industry.

There is an international expectation today that companies incorporate social responsibility in their work. Skjern Papirfabrik A/S is convinced that today it is a market advantage to focus on environmental protection, employee development, health and safety and other aspects of social responsibility.

### Skjern Papirfabrik A/S wants to appear as a socially responsible company by:

- Complying with applicable laws in all areas.
- Demonstrating transparency and compliance, including in the social sphere.
- Being open for guided tours for e.g. educational institutions, associations and other interested parties.
- Supporting the work of associations in the community.
- Using local craftsmen and contractors, wherever possible, for the performance of external tasks.

- Demonstrating zero tolerance for corruption.
- Requiring fair competition and fair trade with customers and suppliers. The market advantages of Skjern Papirfabrik A/S shall be found in the supply of good products and services, and never in unethical and illegal marketing.

Skjern Papirfabrik has signed up to the **UN Global Compact** as a natural extension of the company's work as a legitimate and responsible company and participant in the international market.

### Skjern Papirfabrik wishes to follow the Global Compact's 10 basis principles by:

- Supporting and respecting human rights
- Maintaining freedom of association and recognizing the right to collective negotiations
- Denouncing forced labour
- Denouncing child labour
- Avoiding discrimination in matters related to working and employment
- Being environmentally responsible
- Working against all forms of corruption, including extortion and bribery

In the sections below there will be a short description on the practical actions taken by Skjern Papirfabrik on each of the 4 issue areas.



## Human rights principles

Skjern Papirfabrik must follow all national legislation, among others legislation considering the health and safety for its employees.

Skjern Papirfabrik treats all employees with respect and dignity. This means that the company as a matter of course refrains from corporal punishment, threats and any kind of harassment.

## Labour Principles

Skjern Papirfabrik recognizes the employees right to join unions of their own choice.

The employees can in cooperation with unions make collective bargaining which contains negotiation of wages and working conditions.

Skjern Papirfabrik does not use forced or other kinds of compulsory labour.

Skjern Papirfabrik does not use child labour.

Skjern Papirfabrik does recognize the legal use of young workers. Young workers are

allowed to do light work, which do not interfere with their school attendances.

## Health and safety policy

In accordance with business and management goals, the management and employees from Skjern papirfabrik will make a healthy and safe working environment by:

- Continuous improvement of the health and safety, regardless that the national legislation is complied with.
- Open communication about the working environment
- Safeguarding that all employees act safely and follow internal and external rules.
- Making workplace assessment and continuously follow up on the findings in the health and safety board.
- Involve health and safety representatives when assessing the security situation during the implementation of major projects.
- Secure registration and transparency of accidents and nearby accidents.



## Environmental principles

In accordance with our EMAS registration and ISO 14001 Skjern Papirfabrik commit itself to make continuously environmental improvements.

Since 1994 Skjern Papirfabrik A/S has established principles and guidelines for the mill's environmental work in the form of an environmental policy.

### Environmental policy

In accordance with business and management objectives and approach, Skjern Papirfabrik A/S will strive to minimize the strain on the surrounding environment as much as possible. This is achieved by using raw materials and energy in the best possible way, and by reducing emissions produced from the mill's processes.

Skjern Papirfabrik A/S wants to reduce environmental strain by:

- Open communication about the environmental impacts related to the company's processes and products
- Making sure that employees act in an environmentally responsible way, and comply with internal and external rules

- Positive cooperation with supervisory authorities
- Encouraging our suppliers to provide environmentally friendly raw materials, products and services
- Complying with relevant legislation and other requirements that the company has endorsed
- Ongoing environmental improvements, regardless of the fact that the regulatory requirements have already been met
- Environmental assessment of new projects
- Encouraging employees to participate in preventive environmental work
- Making sure that external craftsmen and contractors are aware of and comply with the company's environmental directions
- Ensuring that the buyers of the company's products are informed of environmental considerations in connection with the manufacture, use and disposal of the company's products.

The company will publish its environmental policy in the annual Sustainability Report, which can be found on Skjern Papirfabrik's home page.





## Anti-corruption principles

Skjern Papirfabrik does not accept any kind of corruption

Skjern Papirfabrik is requiring fair competition and fair trade with customers and suppliers.

The market advantages of Skjern Papirfabrik shall be found in the supply of good products and services, and never in unethical and illegal marketing





## How Skjern Papirfabrik implements the 10 principles – measurement of outcome

### HUMAN RIGHTS PRINCIPLES

An important point taken according to the human rights principles is that Skjern Papirfabrik has only one site, which is located in Denmark.

Denmark is known to be one of the countries with the highest ethical principles in the world.

Skjern Papirfabrik has no suppliers located outside the EU countries + Norway.

Fundamentally, Skjern Papirfabrik complies with all national legislation and complies with the ILO's conventions on employer's rights.

### LABOUR PRINCIPLES

Skjern Papirfabrik follows the agreements made by the Danish labour market's bargaining.

For Skjern Papirfabrik is good working conditions for the employees important.

- Skjern Papirfabrik focus on avoiding accidents and continuously improve safety. In 2013 there were no work accidents at Skjern Papirfabrik.
- All employees can every 14<sup>th</sup> day sign up for free treatment by Physiotherapist
- All employees are offered to be part of private health insurance
- First aid course is offered to all employees.
- There is health and safety representatives from all shifts in the health and safety board.

### ENVIRONMENTAL PRINCIPLES

The environmental principles are described in the yearly sustainability report, which is to be found on our website

[www.skjernpaper.com](http://www.skjernpaper.com)

In the sustainability report are also the goals for 2014 described.

Skjern Papirfabrik is certified after ISO 14001, SIO 50001, EMAS and from 2013 Skjern Papirfabrik was also certified after FSC.

In 2013 Skjern Papirfabrik has delivered 37.600 MWh district heat to the citizens of Skjern. The district heat is primarily made of waste heat from the paper mashines drying section.

### ANTI-CORRUPTION PRINCIPLES

Skjern Papirfabrik has zero tolerance for corruption and other unethical behavior.

Skjern Papirfabrik has in 2013 made a Risk assessment for Corruption. The risk assessment is based on figures from "Transparency International – the global coalition against corruption"