

GLOBAL COMPACT

COMMUNICATION ON PROGRESS 2010

Statement of support

Claire Group is family-owned companies (Ltd.) established in 1975, with headquarter in Ikast, Denmark. Claire Group is an international fashion house. Together our collections make a complete concept for modern women and children with an active life style.

Our mission is to create stylish and casual clothes that appeal to fashion conscious women and children. Our vision is to create clothes on a sustainable basis and build a company we can be proud of.

Claire Group products are sold around the world through retailers. Claire Group are dedicated to fulfil the intentions of the 10 principles outlined by the UN Global Compact Initiative. We strive to strongly influence our suppliers and business partners to support, to live up to and to participate in the Global Compact Initiative.

Since 2009 Claire Group has been a member of BSCI (Business Social Compliance Initiative). Through this concept we are obliged to respect human rights and basic workers rights, and to implement these with our suppliers. In 2011 we ensure that 2/3 of our suppliers have started up the social audits procedure.

This COP-report will be available at our homepage www.claire.dk together with information about our CSR programme.

Claire Group has been an active part of the UN Global Compact initiative since January 2010 and our support is unchanged. We have set targets within the 10 principles and have begun to measure our performance year by year.

Ikast, 2011-01-20


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CLAIRE GROUP A/S

Brief description of nature of business:

Claire Group is an international fashion house with roots in Denmark. We design and sell clothes for women and children. Most products are produced by our suppliers in Europe, China and India.

Company	Claire Group A/S	Date	11-01-2011
	Marsvej 6 - 10		
	7430 Ikast	Membership date	11-01-2010
Contry	DK - Denmark	Number of employees	65
Contact name	Ulla Dam	Sector	Textile
Contact position	Supply chain manager		
Contact mail	ud@claire.dk		

HUMAN RIGHTS PRINCIPLES

PRINCIPLE 1 BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

PRINCIPLE 2 BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

Our Commitment :

We are a part of a Scandinavian political tradition upholding freedom of speech, democracy and basic human rights, and through regular updates we influence our suppliers to implement this idea.

Claire Group supports the international declared human rights. We have a clear written policy on the fundamental human rights. We do not discriminate against any person, regardless of race, sex, colour or religion. One of Claire Group core values is that we are aware of our social responsibility in relation to employees, local society and supply chain. Through the BSCI Code of Conduct we are obliged to respect fundamental human rights conventions and ILO-workers rights where ever we produce our clothes.

Processes and activities:

Our policies and values together with our BSCI membership combined with our in-house procedures for hiring new employees and for dismissal ensure us against discrimination.

We strive to have the same composition of our suppliers and retailers similar to the composition of our local community. Our headquarters in Denmark are under strict Danish legislation, which does not allow any discrimination. Terms of employment are established by individual workers contracts according to Danish legislation.

Our code of conduct and our in-house awareness training of employees will prevent us from potential abuses.

To monitor our effort in the supply chain we joined the BSCI in 2009.

Outcome and next year:

Claire Group headquarters comply with Danish legislation in every respect and thus we are confident that we have no violation of human rights. In 2011 we will allocate the responsibility for protection of Human Rights within our company and set up a system for measurement or an audit procedure.

In 2010 1/3 of our suppliers have passed social audits with satisfactory results.
In 2011 we ensure that 2/3 of all our suppliers have started up the social audits procedure in order to disclose non-conformities within human rights. We strive to raise awareness of all issues related to human rights and build a procedure to eliminate any violation of human rights.

LABOUR PRINCIPLES

PRINCIPLE 3	BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING
PRINCIPLE 4	BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR
PRINCIPLE 5	BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR
PRINCIPLE 6	BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

Comitment:

We want to be one of the very best companies in the textile business within CSR-related issues.

Sustainability in procurement process and manufacturing also involves occupational health and safety work in our company. We respect freedom of association and the right to collective bargaining. There is no forced or compulsory labour in the company or at our supplier premises

We take the working environment extremely seriously. We are aware of each employee's health and safety. We want to have a creative work environment and believe that this requires that the basic conditions concerning employee safety and health is top standard.

We condemn any work where children can be hurt. No children are employed, and if we see any young workers they will be employed in light jobs suitable to their age and abilities only. At the same time we will demand that they return to school every day.

In addition, we always require compliance as a minimum with local legislation in our production countries.

Processes and activities:

We continually work with our working environment, according to high Danish legislation standard and we assess any labour related risk or accident at Claire.

We have 6 weeks vacation and paid sick leave. We have a canteen with daily lunch facilities and free coffee and fruit. We have massage facilities at reduced prices and employer-paid health insurance. All employees have access to paid education within their area of responsibility.

Employees in headquarters are organized in unions as we respect freedom of association and collective bargaining. Compensation and overtime payment meet the Danish minimum standard or the relevant collective agreement.

Through our membership in BSCI we implement our policies in our supply chain.

Additionally we try to help employees at our core suppliers by making sure that they always have access to a canteen and a hot daily meal at the factory. We also make sure that it is possible to take out health insurance and to have access to see a doctor at regular intervals.

There is no deduction in payment occurring to disciplinary reasons and all terms are pre-agreed

and available to both parties and confirmed with certificates of employment.

Outcome and next year:

According to Danish law we have environmental group and safety committee with representatives from the workers and the management group. Our occupational and safety work is well organised and works successfully according to the intentions of the Danish laws. However we will train our staff in labour rights and establish suggestion boxes.

Though our focus on the 10 principles we have gained an overview showing us that we are in compliance with all the 10 principles at our headquarters in Denmark.

Our staff is extremely loyal and as a consequence we have a lot of long terms relationship.

Through our BSCI membership we have realized through audit results that we are in compliance with BSCI code of conduct at our core suppliers in India and China equivalent to 1/3 of our suppliers. Besides we can notice that an additional 1/3 have started auditing procedure.

ENVIRONMENTAL PRINCIPLES

PRINCIPLE 7	BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES
PRINCIPLE 8	BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY
PRINCIPLE 9	BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

Commitment :

At Claire Group we are aware of our environmental responsibility. We seek to be a more and more green company on a daily basis. We consider environmental awareness as a wide range of initiatives that includes attention in connection with procurement and running our headquarters in Ikast.

We have a policy on environment and transport. We care about the environment and chemicals in clothes, zippers and buttons. Besides we have a restricted chemicals programme, which our suppliers must follow.

Systems and activities:

We have performed a 360 degree inspection in our house and reviewed our electricity consumption in our headquarters.

We are aware of sustainability in procurement and at most promotional materials. We support the FSC trademark on most paper materials as a guarantee that products come from responsible sources.

It is natural to us to back up our concern by official certification, such as the Nordic eco label "Swan" in our in-house consume of all materials such as paper, cleaning products etc. In our efforts to be a more green company we also use recycling paper whenever it is possible.

We use azo-free dyes and recycle materials whenever we can. We encourage our suppliers always to use an environmentally friendly method and to avoid all unnecessary use of chemicals.

Outcome and next year

We have invested a considerable amount in saving electricity and changing bulbs and have reduced consumption by 25 %.

We expect our investment in low energy lighting will be earned back over a 4 years period since we have reduced our electricity costs significantly in 2010. The reduction in electricity will continue in 2011.

We will at the same time continue our effort and focus on green initiatives all over in our company. It goes from buying products for in-house consume with EU-label or the Nordic Swann to introducing healthy food and health care initiatives for the employees.

Our focus on avoiding flying of goods, have resulted that we sail approximately 95 % of our goods to Europe from our suppliers.

We will increase our focus on waste management in 2011 and allocate responsibility for our environmental performance.

ANTI-CORRUPTION PRINCIPLE

PRINCIPLE 10

BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY

Commitment :

At Claire Group corruption is not acceptable. We are against extortion. In 2010 we have made a company policy about bribery and anti-corruption.

Processes :

Bribery is mentioned in our in-house training of employee in human rights, workers rights and environmental issues. Bribery is forbidden according to national legislation in Denmark and we will make our position clear to all our suppliers on our annual meetings in India and China.

Actions implemented in the last year.

Bribery is not included in BSCI Code of Conduct, but we have made three amendments to the BSCI code of conduct, which we follow. A bribery and anti-corruption clause is one of them.

How do you intend to make this COP available to your stakeholders?

This COP will be available at our homepage www.claire.dk. Our CSR-programme likewise.