



This is our **Communication on Progress**  
in implementing the principles of the  
**United Nations Global Compact.**

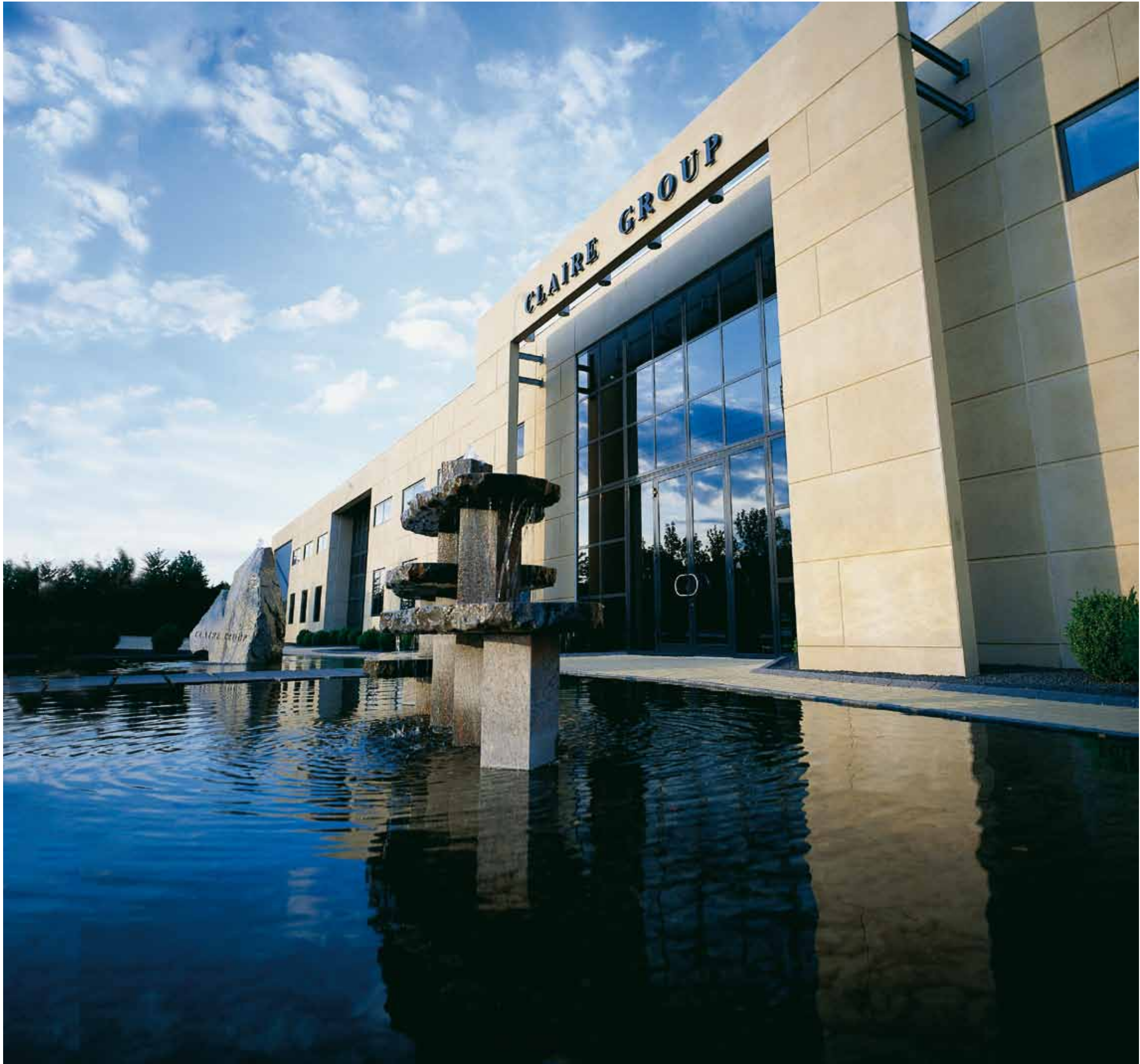
We welcome feedback on its contents.

# UN GLOBAL COMPACT

## COMMUNICATION ON PROGRESS 2013

# CLAIRE GROUP A/S





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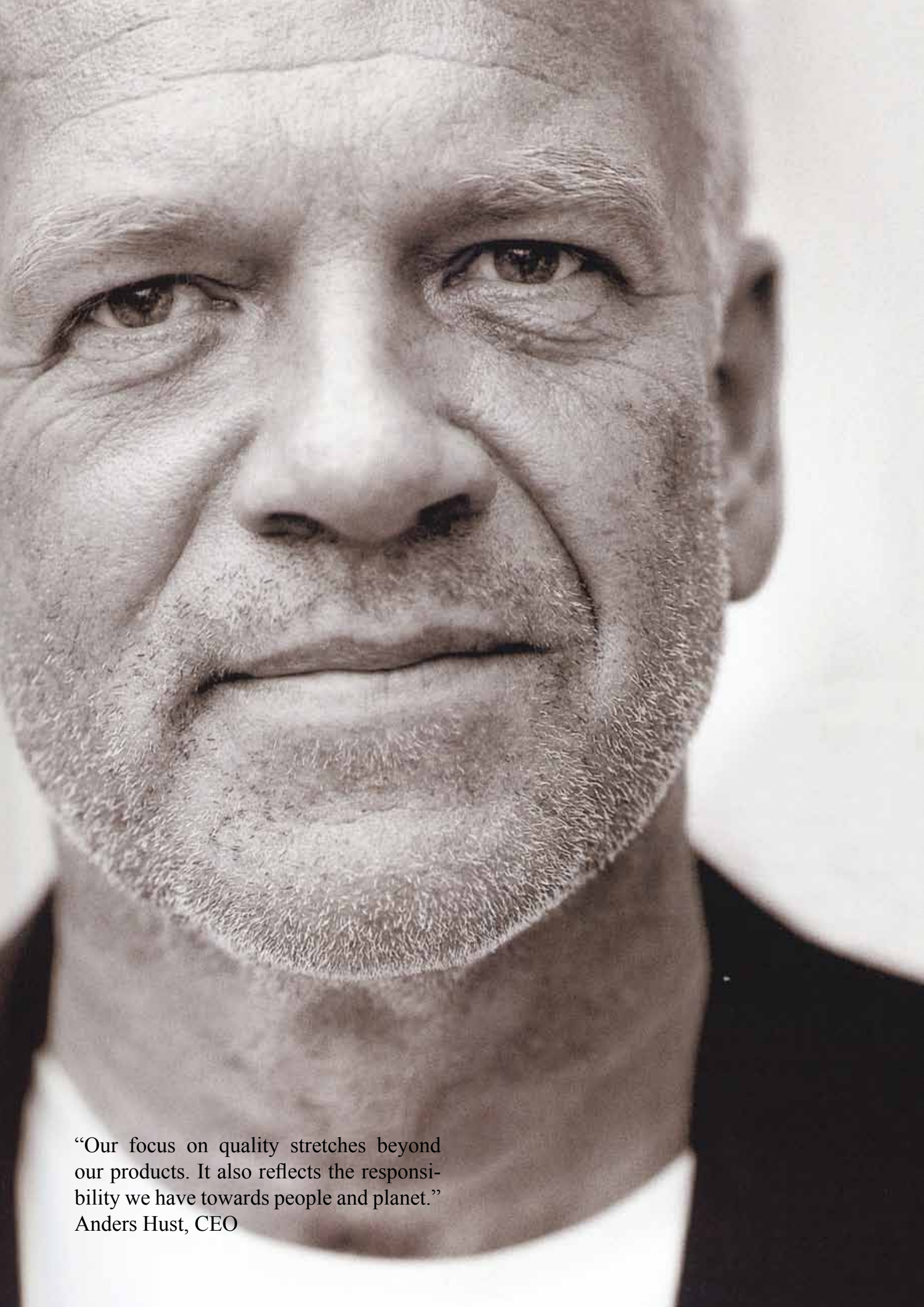
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“Our focus on quality stretches beyond our products. It also reflects the responsibility we have towards people and planet.”  
Anders Hust, CEO

## Statement of support

Claire Group is an international fashion house with roots in Denmark founded in 1975 with the vision to create clothes on a sustainable basis. Our mission is to create stylish and casual clothes that appeal to fashion conscious women and children and build a company we can be proud of.

Our products are sold around the world through own shops and retailers. We 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. Claire Group has been an active part of the UN Global Compact initiative since January 2010 and our support is unchanged.

It is our conviction that business must be sound and sustainable for all involved in the process. Since 2009 Claire Group has been a member of BSCI (Business Social Compliance Initiative) because we believe that auditing our suppliers will help us to obtain a responsible supply chain.

In 2012 we took a step further and became the first fashion house in Scandinavia to be certified with the ethic standard, SA 8000. In 2013 we have revised our policies and in 2014 we have committed our selves to uphold a strong animal welfare policy.

We continue setting targets within the 10 principles in UN Global Compact and we measure our performance year by year. We are proud to contribute to a more sustainable world, today and in the future.

Anders Hust, CEO

Sign:  \_\_\_\_\_





” It is our vision to create clothes on a sustainable basis and build a company we can be proud of”  
- Anders Hust, CEO

# About Claire

**Brief description of nature of business.**  
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. Most products are produced by our suppliers in Europe, China and India.

Company info:	Claire Group A/S	Date:	30-06-2014
Address:	Marsvej 6 - 10 7430 Ikast	Membership date:	11-01-2010
Telephone:	+45 97153122	Employees:	40
Country:	DK - Denmark	Sector:	Textile
Contact name:	Ulla Dam		
Contact position:	Supply chain manager	Contact mail:	ud@claire.dk

You can read about our different memberships, our certification and our sustainable product marks on [www.claire.dk](http://www.claire.dk)







# Human Rights - People

*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 right abuses.*

## What we want

In Claire Group we will make an effort not to violate basic human rights conventions in Denmark and where our clothes are produced. We support the international declared human rights and we will not discriminate against any person on grounds of race, religion, gender, age or disability. It is vital to us that everybody is welcome and feels like a member of the team. It is one of our core values that we are aware of our social responsibility towards our employees, the local society and our supply chain. Everybody should be given fair opportunities to build careers. We want to have a sustainable supply chain as well. Through our membership of the Business Social Compliance Initiative concept we are obliged to respect the fundamental human rights conventions no matter where we produce our clothes.

“We have been working with social responsibility for more than 35 years and finally we have a certificate proving that our work is very well done. Now there is more weight behind our words, when we talk about human rights and labor standards.”

Anders Hust, CEO

## Processes and activities

We have a clear written policy on human rights and sustainable production. Our values together with our in-house SA 8000 procedures and our BSCI membership ensure us against discrimination. To prevent discrimination to happen we have implemented proactive procedures for hiring, promoting and dismissal. At the same time our headquarters in Denmark are under strict Danish legislation, which we comply with. We have established a whistleblower system to handle any complaints. We have in-house awareness training of employees in human rights and SA 8000 issues. Terms of employment are established by individual workers contracts according to Danish legislation.

## Outcome

Our SA 8000 procedures and our BSCI Code of Conduct have prevented us from violating the human right conventions in Denmark and on factory level at our main suppliers. We are in compliance with Danish laws and collective agreements. Bureau Veritas has successfully certified our company with SA 8000 in 2012, and we have had 3 half anual audits without major non-conformities. To monitor our effort and measure our progress in the supply chain we are a member of the BSCI. We are auditing our suppliers according to an audit plan and we are making corrective action plans when a supplier is audited NON COMPLIANCE with the Code of Conduct. See our figures on last page in this report.

- Claire Group was certified with the ethic standard SA 8000 in 2012.
- In 2013 80 % of our employees are covered by a collective agreement.
- In 2013 85 % of all employees have participated in a SA 8000 course.
- In 2013 57 % of employees on management level or in a position of trust were women.
- In 2013 64 % of our suppliers (BV), have had 1. first audit in order to disclose non-conformities within human rights and the BSCI Code of Conduct in general. Corrective actions have been carried out accordingly.
- In 2013 64 % of our suppliers (BV) are in compliance with the BSCI Code of Conduct or with the result improvement needed. Additional 30 % of BV have been screened and have now started preparation for auditing procedure.







# Labor principles - People

*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.*

## What we want

We want to be one of the very best companies in the textile business within CSR-related issues. We believe fundamentally that our social responsibility should encompass not only our own activities in Denmark but also our total supply chain. We think that freedom of association and the right to collective bargaining are fundamental rights, which should be upheld.

We take the working environment extremely seriously because we believe that working environment and satisfaction goes hand in hand. We care about each employee's health and safety. We want to have a creative work environment and believe that this requires basic conditions concerning employee safety and health of a top standard level. We want to motivate and educate our staff and make the best possible use of our resources.

We condemn child labour, dangerous work, unreasonably long working days or salaries, which is lower than the current industrial rate in the country of production.

## Processes and activities

Employees in headquarters are organized in unions as we respect freedom of association and the right to collective bargaining. The company is covered by three collective agreements. Compensation and overtime payment meet the Danish minimum standard or the relevant collective agreement.

We have a clear written policy on working environment. We continually improve our working environment, according to high Danish legislation and our SA 8000 standard and procedures. We have an environmental, health and safety committee with representatives from the workers and the management group. Our occupational and safety work is very well organized. We assess any labour related risk or accident at Claire Group

A/S as well as “close to” accidents, which we focus on, in the coming period. We have 6 weeks of vacation and paid sick leave. We have an employer-paid health insurance. All employees have access to paid education within their area of responsibility. We have a job on special terms e.g. trainees or work ability testing.

Our values together with our in-house SA 8000 procedures and our BSCI membership ensure us against violation of basic labor standards in Denmark and at our suppliers. We have established a whistleblower system to handle any complaints. We have in-house awareness training of employees in health and safety and in SA 8000 issues every year.

Through our membership in BSCI we have implemented our policies and Code of Conduct in our supply chain. The BSCI Code of Conduct set out the minimum criterias for labour standards. We make sure that it is possible for workers to take out health insurance. 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. We also require compliance as a minimum with local legislation in our production countries.

## Outcome

There is no forced or compulsory labour in the company or at our supplier premises and all basic labor standards are observed.

Our SA 8000 procedures and our BSCI Code of Conduct have prevented us from violating basic workers standards, national legislation and collective agreements in Denmark and on factory level at our main suppliers. We are in compliance with Danish laws and collective agreements and Bureau Veritas has successfully certified our company with SA 8000 in 2012. Our staff is extremely loyal and as a consequence we have a lot of long terms relationship. We are auditing our suppliers according to an audit plan and we are making corrective action plans when a supplier is not in compliance with the Code of Conduct. See our figures on last page in this report.

- Our occupational and safety work is well organised and works successfully according to the intentions of the Danish laws.
- 85 % of our staff has received training in our CSR-programme and SA 8000 issues.
- We have employees on special terms corresponding to ½ man year.
- 100 % of all employees have a private health insurance.
- 80 % of all employees are covered by a collective agreement.
- 30 % of all employees have first aid certificate.
- We have established a whistleblower system.
- In 2013 64 % of our suppliers (BV) have had first audit in order to disclose non-conformities within human rights and our Code of Conduct in general. Corrective actions have been carried out accordingly.
- In 2013 64 % of our suppliers (BV) are in compliance with the BSCI Code of Conduct or with the result improvement needed. Additional 30 % of BV have been screened and have now started preparation for the auditing procedure.



# Environment - Planet

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

*Principle 8: Undertake initiatives to promote greater environmental responsibility; and*

*Principle 9: Encourage the development and diffusion of environmentally friendly technologies*

## What we want

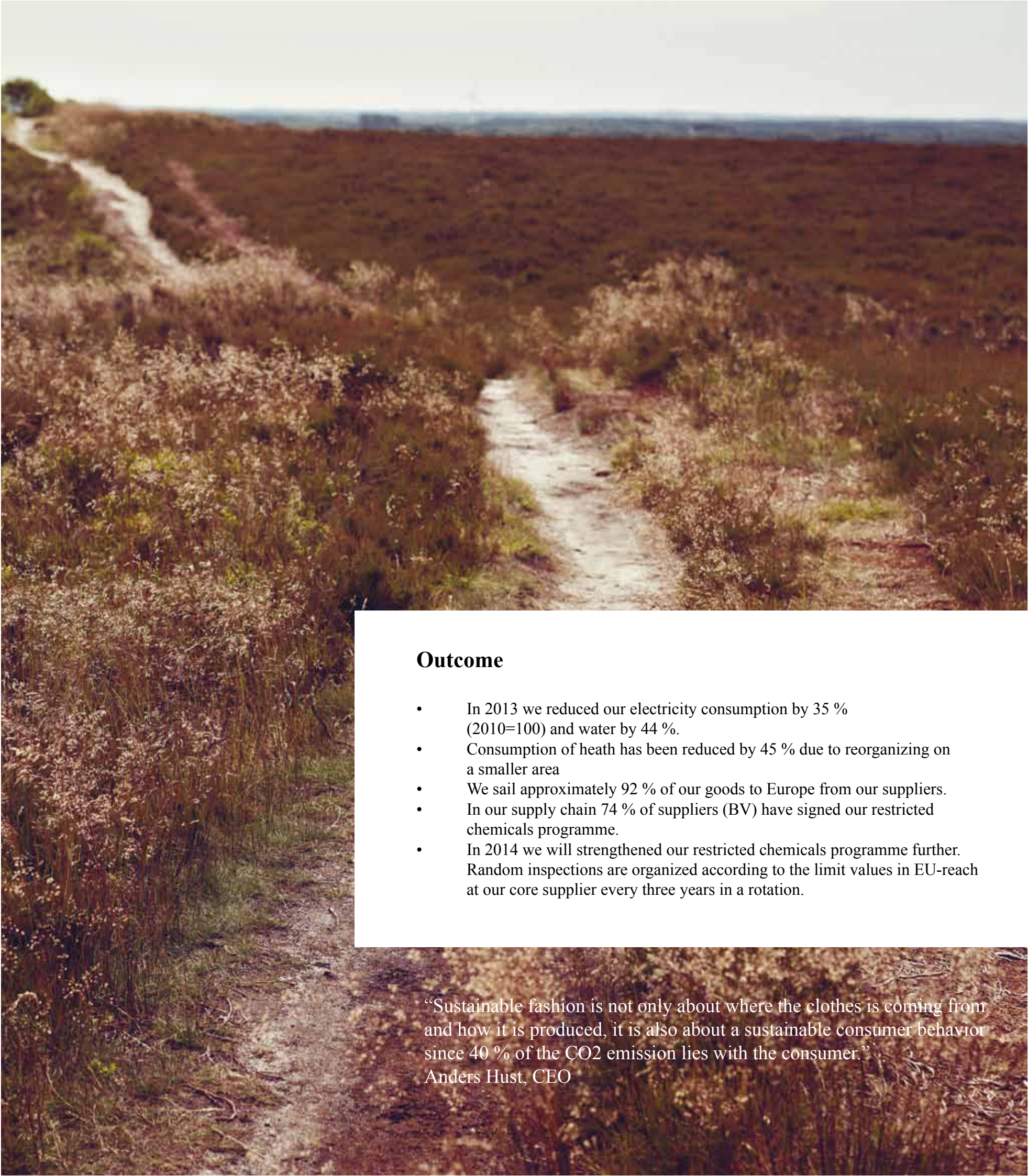
At Claire Group we are aware of our environmental responsibility, and we think all companies should contribute. We seek to be a more and more green company on a daily basis not only because there is money to be earned by safeguarding the environment but also because we owe this to our grandchildren. We consider environmental awareness as a wide range of initiatives that includes running our headquarters in Ikast on a sustainable basis and reducing our CO2 emission from producing our products. We care about chemicals in clothes, zippers and buttons and we observe the EU-REACH legislation as a minimum. We support environmentally friendly technologies and help to improve the general knowledge of environmentally friendly fabrics.

## Processes and activities

We have a policy on environment and transport. In 2010 we performed a 360 degree inspection in our house and reviewed our electricity consumption in our headquarters. We are aware of environmental issues in procurement and on most promotional materials. In our efforts to be a more green company we use recycling whenever it is possible and we measure our in-house consumption of resources. We encourage our suppliers always to use an environmentally friendly method and to avoid all unnecessary use of chemicals. Besides we have a restricted chemicals programme, which our suppliers must follow. We have a collection of organic styles for children (GOTS) and a collection of styles made by the environmentally friendly material, bamboo. We also strive to increase the number of styles with Oeko-Tex 100 year after year.

## Outcome

We have established figures for our calculation and picked relevant Key Performance Indicators. We measure our progress and we begin to see the result of our efforts in 2010, where we invested a considerable amount in saving electricity and changing bulbs. The reduction in electricity continued in 2013, where our total consumption of electricity for the year has been reduced by 35 % compared to 2010 and water is reduced by 44 %. We still believe our investment in low energy lighting will be earned back over a 4 years period. We have focused on reduction of our commercial waste and have recycled as much as possible. We have reduced our commercial waste by 54 % (2010=100) See our total measurements on last page.



## Outcome

- In 2013 we reduced our electricity consumption by 35 % (2010=100) and water by 44 %.
- Consumption of heath has been reduced by 45 % due to reorganizing on a smaller area
- We sail approximately 92 % of our goods to Europe from our suppliers.
- In our supply chain 74 % of suppliers (BV) have signed our restricted chemicals programme.
- In 2014 we will strengthened our restricted chemicals programme further. Random inspections are organized according to the limit values in EU-reach at our core supplier every three years in a rotation.

“Sustainable fashion is not only about where the clothes is coming from and how it is produced, it is also about a sustainable consumer behavior since 40 % of the CO2 emission lies with the consumer.”  
Anders Hust, CEO





# Anti-Corruption - Profit

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

## What we want

At Claire Group corruption is not acceptable and we are strongly against bribery, extortion or any other form of facility payments. We want to run a profitable company and respect people and planet. We encourage our business partners with our attitudes to bribery and corruption.

## Processes and activities

We have formulated a company policy about bribery and anti-corruption, and in 2011 it was implemented in our staff handbook.

Bribery is not included in the BSCI Code of Conduct, but we have made three amendments, which we follow. A bribery and anti-corruption clause is one of them. We do not pay any form for illegitimate payments and no employee must either give or receive gifts above a value of 50 Euro. Our employees are encouraged to express complaints, suspicions or concerns anonymously to the company by using the whistleblower. Bribery is a part of our in-house training of employees in human rights, workers rights and environmental issues and SA 8000 training.

## Outcome

Our anti-corruption policy and our transparent rules and procedures have prevented us from any cases of bribery, anti-corruption etc. in 2012. We are in compliance with Danish laws and Bureau Veritas has successfully certified our company with SA 8000 in 2012.

- In 2011 we formulated a anti-corruption policy about bribery and corruption and in 2012 it was implemented in our staff handbook. In 2014 we will revise this policy.
- In 2013 we had no cases regarding bribery or anti-corruption from the whistleblower scheme.
- In 2013 64 % of our suppliers (BV), have had first audit in order to disclose non-conformities within human rights and our Code of Conduct in general. Corrective actions have been carried out accordingly.
- In 2013 64 % of our suppliers (BV) are in compliance with the BSCI Code of Conduct or with the result improvement needed.

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

A summary of our social performance for 2013 can be found on last page. This COP will be available at the Global Compact homepage and can be found on [www.claire.dk](http://www.claire.dk).



# Measurements and goals

Key Perform- ance Indicators	Policy	System	Measurements 2013 Headquaters		Measurements 2013 Suppliers	Goals/Objectives 2014 Headquaters	Goals/Objectives 2014 Suppliers																																				
Human Rights	YES	<b>Headquarters:</b>  SA 8000 management system + Three collective agreements  <b>Suppliers:</b>  BSCI – Code of Conduct	<b>Headquarters:</b>  • SA 8000 certification in June 2012  • 85 % of all employees with SA-8000 training  • 57 % of employees on management level or in a position of trust are women  • 80 % of employees covered by a collective agree- ment		<b>Suppliers:</b>  1. 64 % of buying volume (BV) with first audit  2. 64 % of BV in compliance or IN with BSCI CoC and  3. 30 % of suppliers with screening   * IN = Improvement needed	<b>Headquarters:</b>  • SA 8000 certification continued  • 98 % of all employees with SA-8000 training and increa- sing focus on internal training in general  • 50 % of employees on manage- ment level or in a position of trust are women  • 80 % of employees covered by a collective agreement	<b>Suppliers:</b>  1. 68 % of BV with first audit  2. 68 % of BV in compliance or IN with BSCI CoC and  3. 25 % of suppliers with screening   * IN = Improvement needed																																				
Labour Standards	YES	<b>Headquarters:</b>  SA 8000 management system + Three collective agreements  <b>Suppliers:</b>  BSCI – Code of Conduct	<b>Headquarters:</b>  • SA 8000 certification in June 2012  • 85 % of all employees with SA-8000 training  • ½ man-year employed on special terms  • 80 % of employees covered by a collective agreement  • 30 % of all employees have first aid certificate		<b>Suppliers:</b>  1. 64 % of BV with first audit  2. 64 % of BV in compliance or IN with BSCI CoC and  3. 30 % of suppliers with screening   * IN = Improvement needed	<b>Headquarters:</b>  • SA 8000 certification continued  • 98 % of all employees with SA-8000 training and increa-sing focus on inter- nal training in general  • ½ man-year employed on special terms  • 80 % of employees covered by a col- lective agreement • 25 % with first aid certificate	<b>Suppliers:</b>  1. 68 % of BV with first audit  2. 68 % of BV in compliance or IN with BSCI CoC and  3. 25 % of suppliers with screening																																				
Environment	YES	<b>Headquarters:</b>  Environment program  <b>Suppliers:</b>  Restricted chemicals program.	<table><tr><td></td><td>2011</td><td>2012</td><td>2013</td></tr><tr><td>Waste in KG</td><td>26701</td><td>18340</td><td>12200</td></tr><tr><td>Electricity in Kwh</td><td>193232</td><td>185262</td><td>157760</td></tr><tr><td>Water in M3</td><td>653</td><td>485</td><td>421</td></tr><tr><td>Heath in Kwh</td><td>875900</td><td>847100</td><td>460592</td></tr><tr><td>Transportation by Ship/aeroplane</td><td>95% / 5%</td><td>91,8%/9,2 %</td><td>96% / 4 %</td></tr></table>		2011	2012	2013	Waste in KG	26701	18340	12200	Electricity in Kwh	193232	185262	157760	Water in M3	653	485	421	Heath in Kwh	875900	847100	460592	Transportation by Ship/aeroplane	95% / 5%	91,8%/9,2 %	96% / 4 %		<b>Suppliers:</b>  • 74 % of BV with signed chemi- cals program	<table><tr><td></td><td>2014</td></tr><tr><td>Waste in KG</td><td>12000</td></tr><tr><td>Electricity in Kwh</td><td>150000</td></tr><tr><td>Water in M3</td><td>400</td></tr><tr><td>Heath in Kwh</td><td>450000</td></tr><tr><td>Transportation by Ship/aeroplane</td><td>93% /3%</td></tr></table>		2014	Waste in KG	12000	Electricity in Kwh	150000	Water in M3	400	Heath in Kwh	450000	Transportation by Ship/aeroplane	93% /3%	<b>Suppliers:</b> • 85 % of BV with signed chemi cals program  • Random inspections on readymade garment from all core suppliers every three years in rotation.  • Cold wash campaign
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Anti-corruption	YES	<b>Headquarters:</b> Policy Whistleblower and suggestion box  <b>Suppliers:</b>  BSCI – Code of Conduct	<b>Headquarters:</b>  • No cases regarding Anti-corruption		<b>Suppliers:</b>  1. 64 % of BV with first audit  2. 64 % of BV in compliance or IN with BSCI CoC  3. 30 % of suppliers with screening	<b>Headquarters:</b>  • All cases solved	<b>Suppliers:</b>  1. 68 % of BV with first audit  2. 68 % of BV in compliance or IN with BSCI CoC  3. 25 % suppliers with screening  * IN = Improvement needed																																				



CLAIRE

**BUREAU VERITAS**  
Certification



## Certification

Awarded to

**Claire Group A/S**

*Marsvej 6-10, 7430 Ikast, Denmark*

Bureau Veritas Certification certify that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standards detailed below.

STANDARD

**SA 8000:2008**

SCOPE OF SUPPLY

**International fashion house with Danish design, development, innovation, purchase, logistic centre, marketing and sales to retail customers.**

Original approval date: 25-07-2012

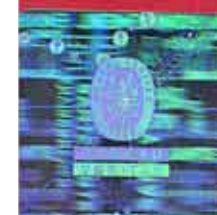
Subject to the continued satisfactory operation of the organisation's Management System, this certificate is valid until: 24-07-2015

To check the validity of this certificate, please call: (+45) 77 311 000.

Further clarification regarding the scope of this certificate and the applicability of the system requirements may be obtained by consulting the organisation

Certificate Number: IND12.8070

Date: 25-07-2012



SF06

*Helena W. Grommesky*  
Certification office: Oldhøjsgade 11, DK-7000 Fredericia





# CLAIRE GROUP A/S

Marsvej 6-10 • 7430 Ikast

[www.claire.dk](http://www.claire.dk)

[www.hustandclaire.dk](http://www.hustandclaire.dk)

[www.clairegroup.dk](http://www.clairegroup.dk)

