

NOA NOA  
COMMUNICATION ON PROGRESS  
2014



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# OUR ETHICAL GUIDELINES

## **ACTING RESPONSIBLY**

We will approach CSR and promote an ethical supply chain in accordance with our values and within the framework of our membership of BSCI and the ten principles of UN Global Compact on human rights, labour, environment and anti-corruption.

## **COMPLYING WITH LAW AND INTERNATIONAL RECOGNIZED RIGHTS AND STANDARDS**

We are committed, wherever we operate and at all times, to comply with all applicable laws and regulations, the ten principles of UN Global Compact, and the requirements following from our BSCI membership.

## **MANAGING EXPECTATIONS**

We will in a clear, adequate and timely manner make sure that our employees, partners, and suppliers are familiar with what we require of them in relation to human rights, labour, environment and anti-corruption. We will be open and honest about the challenges we might face and take responsibility for solving. And we will communicate our objectives and the results we achieve as soon as possible.

## **GROWING EMPLOYEES' TEAM SPIRIT**

We believe that we can achieve more as a team than as individualists. We value diversity and assist each other. Our behavior is constructive and we seek individual solutions to individual problems and resist all aspects of discrimination and harassment.

## **SUPPORTING OUR SUPPLIERS' ETHICAL EFFORTS**

Accepting that we cannot guarantee that ethical problems may not arise in our supply chain, we consider it essential that our products are manufactured and handled in a proper and responsible manner by our suppliers. To that end we ask every supplier to accept, sign and follow our Suppliers' Code of Conduct (CoC). The CoC is based on the ten principles of Un Global Compact and the BSCI Code of Conduct, and it provides our suppliers with the ethical roadmap needed when working with Noa Noa. Our membership of BSCI constitutes the main tool for translating the intentions of the CoC into reality. According to the BSCI compliance system we call for self-assessments, monitor compliance, commission external audits and facilitate corrective measures and training when needed. If a supplier fails to comply with our CoC we will always respond in an effective and appropriate manner and, whenever possible, we will opt for a response facilitating corrective measures and leading to progress. However, in the event of gross negligence on behalf of a supplier, we will not hesitate to terminate a contract if appropriate.

## **PROTECTING OUR BRAND**

We insist that every individual representing Noa Noa is under a special obligation not to engage in any activity (both in words and action) that compromises our ethical guidelines including corruption in all its form. This is stated in our internal management guidelines.

**ANIMAL WELFARE**

At Noa Noa we are strongly opposed to any form of animal cruelty including methods such as mulesing and live plucking of birds/rabbits. We only use leather, fur, feathers, and wool from animals used for food production.

**LIMITING OUR ENVIRONMENTAL IMPACT**

We will monitor our environmental footprint and continuously look for possible ways of reducing our energy consumption, improving the sustainability profile of our packaging, increasing recycling of unsold clothing, as well as promoting environmental friendly manufacturing in the supply-chain.

**EASING DIFFICULT LIFE CIRCUMSTANCES FOR CHILDREN AND WOMEN**

We will, while respecting the integrity of our brand and customers, support projects helping children and women in operating countries and main supplier countries or elsewhere when a suitable project is found. Noa Noa collaborates with SOS Children Villages, an independent international NGO development organisation, which works to improve Children's rights and living conditions.

# INTRODUCTION

This is Noa Noa's Third Communication on Progress report.

The strategic commitment to join and support the 10 principles of UN Global Compact was made 3 years ago and the framework is still the base in the CSR work at Noa Noa. CSR has been part of Noa Noa's business practice for many years and goes hand in hand with our value of acting responsibly.

We are proud to be a part of the United Nation Global initiative. We regard the initiative to be an important part of our Corporate Social Responsibility progress.

This report covers the progress in Noa Noa during 2014 in regards to the Global Compact principles and the aim and goal for the coming year.

## CEO STATEMENT

To our stakeholders:

I am pleased to confirm that Noa Noa reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,



Henrik Aaen Kastberg  
CEO



# HUMAN RIGHTS

*Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.*

*Principle 2: Businesses should ensure that they are not complicit in human rights abuses.*

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## **“SHARE YOUR STRENGTH” – SHANNON GALPIN**

Fashion for Noa Noa is a way to explore and express our multifarious individualities. Noa Noa celebrates the fact that all women are completely unique and each has their own special story. We pay tribute to real women's beauty and strength. With courage and strength, an Afghan women's cycling team are fighting for their own rights. These women refuse to accept the condition of things and they will do whatever it takes to reach their goal and win the fight for their important cause.

During 2014 Noa Noa decided to take upon a new project to show its support for promoting human rights. Noa Noa chose to support an Afghan women's cycling team who are training hard and against all odds in their attempt to reach the 2020 Olympics in Tokyo. The Afghan cyclists defy poor roads, dangerous traffic, prejudice and threats to achieve what they want most - to ride their bikes and reach their goal.

Noa Noa supports the cycling team in several ways. Shannon Galpin who is the manager of the Afghan women's cycling team was invited to visit Denmark to spread the message on a tour to five towns around Denmark in cooperation with the former racing cyclist Rolf Sørensen.

Exercise bikes were put outside Noa Noa stores in several cities where people could stop by and cycle. The more kilometres pushed around by the pedals, the more money were raised for the Afghan women. Noa Noa donated DKK 20 to the women's fight for every kilometre cycled. A special designed canvas bag was also sold in selected stores, and profits from sales went directly to the cycling team.



## **BSCI ENGAGEMENT**

Through our membership of BSCI we support initiatives that secure the human rights of workers in our supply chain. We continuously audit our suppliers and act on audit results to support improvement in the conditions for the workers in the production.

The work with BSCI will be upgraded in 2015 as BSCI releases a new code of conduct and are changing the auditing process etc. Noa Noa will adapt to this new way of working during the coming year and embrace it in our daily work with our suppliers.

# LABOUR

*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 forced or 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.*

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## BSCI ENGAGEMENT

Through our membership of BSCI we support initiatives to improve Labour rights in our production countries. We continuously audit our suppliers and act on audit results to support an improvement in the working conditions for the workers in the production.

The work with BSCI will be upgraded in 2015 as BSCI announces a new code of conduct and are changing the auditing process etc. Noa Noa will adapt to this new way of working during the coming year and embrace it in our daily work with our suppliers.

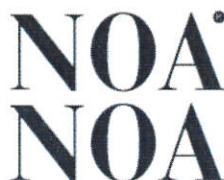
## SOS CHILDREN'S VILLAGES

Our aim for the past year was to engage in 2 yearly SOS children village events and other projects that could help to raise funds and awareness for children's rights and Social responsibility. Funds raised are donated to a SOS children Village in Mussoorie in Northern India.

Noa Noa did run 2 projects, where non-profit products were sold and surplus donated to SOS children villages.

Noa Noa has in the past year also engaged in social responsibility activities in Denmark. Noa Noa has engaged in a collaboration with Børnehjælpsdagen. The aim is to help children in need.

Our aim for 2015 is to engage in similar projects either with SOS Children's Villages or similar initiatives that go hand in hand with Noa Noa's focus on women and children.



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# ENVIRONMENT

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

*Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.*

*Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.*

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Noa Noa has during 2014 decided to enhance the focus on chemicals used in the production. Therefore it has been decided that during the first half of 2015 the **RSL** (Restricted Substance List) and the **workflow** to handle control and follow-up will be reviewed, clarified and updated. During the second part of 2015 this will be implemented at our suppliers.

To be able to stay updated with the industry standards and regulation regarding chemicals in production and finished products, Noa Noa has joined the following 2 working groups within the field.

## **SWEREA IVF – “THE CHEMICALS GROUP”**

SWEREA IVF offers advanced R&D and consulting services to the manufacturing and engineering industry. SWEREA IVF is part of the SWEREA Group, a Swedish industrial research group that encompasses Sweden's industrial research institutes within the fields of materials, process, product and production technology.

Membership in "The chemicals group at SWEREA IVF", offers access to chemical databases, valuable meetings with industry colleagues as well as support and help in managing legislation within the area.

A membership in SWEREA provides support and knowledge to Noa Noa in enhancing the knowledge about Chemicals in production and finished goods as well as the control of it, now and in the future. The membership has already provided Noa Noa a lot of information and support and will be used more extensively in the future, both in terms of experts from the organisation and knowledge exchange with fellow industry colleagues. This will be of high importance to be able to reach the goals set for 2015 for the environmental area and chemicals.





## **BUREAU VERITAS – “CHEMICALS AND SUSTAINABILITY IN THE TEXTILE INDUSTRY”**

Bureau Veritas is a global leader in Testing, Inspection and Certification (TIC) with focus on the growing challenges of quality, safety, environmental protection and social responsibility. Noa Noa has decided to join the Network on “Chemicals and Sustainability in the Textile Industry” facilitated by Bureau Veritas. The members of the network are Danish Footwear and Textile companies eager to share ideas and learn from each other. The focus is on regulation updates and discussions as well as lectures by industry professionals from Bureau Veritas.

A membership in the network group facilitated by Bureau Veritas provides Noa Noa with a forum for discussion with Danish industry colleagues as well as updates on the development in the industry provided by one of the major actors in the field of chemical testing and audits. Bureau Veritas and the network group will provide input and support in completing the goals set for Noa Noa in 2015 within the area.

## **TRANSPORT – BOAT VS AIR FREIGHT**

At Noa Noa we continuously look for possible ways of reducing our energy consumption and CO2 footprint. We aim for all production transport from Far East to go by sea rather than air. And we aim for all European transport to go by truck rather than air. We do face some difficulties with our Express collection that needs to hit stores very quickly and are therefore often transported by air. Despite this we manage to keep the goal of 80% by truck/sea and 20% by air from last year. During 2014 85% was shipped by sea/truck and 15% by air and we aim for keeping the same level and potentially improving during 2015.

## **RECYCLING**

All Noa Noa garments that are not sellable in our stores or outlets, e.g. styles with minor defects are sent to charity. This is something that we will continue doing.

During 2015 Noa Noa will introduce the use of recyclable polybags. All suppliers are to use labelled recyclable poly bags for deliveries to Noa Noa by the end of 2015.

# ANTI-CORRUPTION

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

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## **SUPPLIER CONTRACT**

Corruption in our Supply Chain is of zero tolerance and to be able to control it and to make sure that it does not occur Noa Noa has chosen to make use of the BSCI tools available. Suppliers are requested to sign the BSCI Code of Conduct that covers among other areas, the Anti-corruption policy. This is followed up by regular audits of suppliers where these parameters among others are controlled.

An update of the former BSCI Code of Conduct is on its way and Noa Noa will incorporate this in the updated supplier contract that will be revised and distributed during 2015.

## **INTERNAL MANAGEMENT GUIDELINES**

Noa Noa does not engage in business relations with customers, suppliers or partners where corruption, bribe or personal relations / gifts are necessary to drive business. No employee are allowed to take bribe, Noa Noa has a zero tolerance for misuse of means, fraud and theft.

Noa Noa does not allow any of above components to drive our sales, we rely on standard terms and the design and products in itself to be competitive and satisfy the customer need and grow the business. Decisions taken can only be based on a sound financial basis and deviations from these guidelines are considered inappropriate behaviour.

The Anti-Corruption guidelines have been incorporated in our management guidelines. These guidelines will be updated during 2015.

# CONCLUSION

Noa Noa is looking forward to continuing the work with the United Nations Global Compact. The 10 principles in combination with our engagement in BSCI give us a very good base to be plan and execute our CSR strategies.

We will continue our responsible journey towards our supply chain, society and environment.

Our goal of integrating the COP as part of our financial report has been accomplished.