

# **TRIP TRAP**

BY SKAGERAK

**Trip Trap Denmark A/S**  
**UN Global Compact Communication on Progress**  
**2014-2015**

## Table of contents

1. About the report.....	3
2. CEO statement of continued support in 2014-2015.....	3
3. Practical actions undertaken to implement the UN Global Compact principles.....	4
3.1. Redefined CSR strategy.....	5
3.1.1. Design.....	6
3.1.2. Production.....	6
3.1.3. Use .....	7
3.2. FSC® as a goal.....	7
3.3. Audit procedures .....	8
3.4. Cases of non-conformance .....	9
3.5. Local initiatives.....	11
3.5.1. Supporting educational work on FSC® .....	11
3.5.2. Collaboration with Nordvirk .....	11
4. Achievements of 2014-2015 .....	12
5. Future goals.....	12

## **1. About the report**

Trip Trap has been subscribing to the UN Global Compact since 2010. However, sustainable business practices have been on the company's agenda for years, and have always been considered a matter of great importance. As such, the first progress report set out the first official direction for Trip Trap's contribution to global progress.

Trip Trap is fully committed to the UN Global Compact program and it aspires to integrate the ten principles in its everyday practices and to meet reporting requirements. The subscription to the UN Global Compact has enabled Trip Trap to clearly integrate matters of responsibility and sustainability into its strategy. The vision in regards to these matters is therefore even clearer than before and as such provides Trip Trap with the possibility of focusing attention on areas in which its contribution will provide the biggest impact. Trip Trap's attention to responsible and sustainable practices represents a continuous progress with room for constant development, which will continue to be an important element of the company's agenda.

This progress report describes how Trip Trap has been working with responsibility and sustainability in everyday activities the previous year. It has been prepared in compliance with the content demands of the GC Active level and captures the company's contribution to the UN Global Compact.

## **2. CEO statement of continued support in 2014-2015**



Responsibility and sustainability are matters of increased importance, and they constitute an ever more vital part of our day-to-day lives. We see this increased focus as a great development, as we too have a wish for global progress. We therefore support the UN Global Compact and are committed to adhere to and pass on its ten principles. We see it as a great tool for implementing responsibility and sustainability into our objectives.

Four years ago we started intensive work on our approach to responsibility and sustainability as well as on our stand on these subjects. These areas had always been something which we cared about, but we needed to make sure that our stance was being conveyed and that our efforts were being put into the best possible practice, so a redefinition was needed. It has been hard work and we are proud of the efforts we have put in along the way and of where we stand today. But we also acknowledge that there is a long way to go still. Global progress is a matter towards which efforts should be constantly directed –

new goals should be set continuously and one should strive towards achievement.

Jesper Panduro, CEO

June 1 2015

### **3. Practical actions undertaken to implement the UN Global Compact principles**

At Trip Trap responsibility and sustainability are important priorities that are always part of the company's mindset. Thus, Trip Trap has implemented these areas in its strategy in an effort to achieve further development within global progress.

At the very least, in all respects of its business, Trip Trap obeys current national laws within the countries of operation as well as current international laws.

The company's headquarters are located in Denmark, a country with high legal requirements in relation to the subjects of human rights, labour rights, the environment and anti-corruption, wherefore the UN Global Compact principles are carried out through its everyday operations. Trip Trap, however, acknowledges the fact that in some countries, like so-called high-risk countries, high legal requirements do not necessarily form the basis for conducting business. Thus, to eliminate any issues this may cause, the company takes further actions by drawing up further requirements for its collaborators.

Therefore, in order to meet its self-expectations in terms of responsible and sustainable business operations, Trip Trap has implemented responsibility and sustainability into its overall strategy. This way Trip Trap is driven to continue working on areas in need of improvement.

Contributing to Trip Trap's everyday work with responsible businesses is among others the Code of Conduct (CoC). This is an agreement between Trip Trap and its suppliers that consists of a range of requirements to be met by the suppliers, their employees and sub-suppliers. The ten universally accepted principles from the UN Global Compact are all embedded in the CoC alongside general principles contained in other international human rights and labour standards<sup>1</sup>. Trip Trap's CoC thus contains specifically stated requirements in regards to human rights, labour rights, the environment and anti-corruption.

Additionally, continuing follow-up on the suppliers' compliance to the CoC is carried out

---

<sup>1</sup> E.g. the Universal Declaration of Human Rights (1948), the International Covenant on Civil and Political Rights (1966), the International Covenant on Economic, Social and Cultural Rights (1966), the Eight Fundamental ILO Conventions.

in close cooperation with NEPCon.

NEPCon and/or Trip Trap also follow up on the suppliers' self-assessments to ensure appropriate compliance. If cases of non-compliance are recorded, the conditions that do not meet the requirements of the CoC are approached by creating an individual plan in cooperation with the supplier to bring things up to standard. This allows Trip Trap to ensure that the quality of its supply chain lives up to the same quality as the products.

Additionally, Trip Trap has been a member of the Forest Stewardship Council® (FSC®) since 2003<sup>2</sup>. FSC® is a global, not-for-profit organization established to promote responsible management of the world's forests. In an FSC® forest the amount of wood being used does not exceed the amount of wood the forest is capable of reproducing or re-planting. Likewise, wildlife and vegetation are protected and the people who work in the forest are guaranteed education, safety equipment and proper pay. Thus, an FSC®-certification ensures that the wood has come from a responsible and sustainable plantation.

Trip Trap highly supports the principles of FSC® and in 2014 its Quality Manager was voted onto the executive committee of FSC® Denmark<sup>3</sup>. This has given Trip Trap the opportunity for a closer collaboration with FSC® and thereby the opportunity to work even more integrated on the progress and developments of FSC® in general.

The EU Timber Regulation (EUTR) of 2013 is another set of regulations ensuring that all timber and timber products are being handled according to law. Trip Trap has adopted practices to assure that the timber and timber products it uses are legal, as a minimum. Trip Trap is furthermore able to document how it minimizes the risk of dealing with illegal timber.

A further contribution to Trip Trap's everyday work with responsible business is its CSR strategy, which in its own way implements the Global Compact principles within its three focal areas:

### **3.1. Redefined CSR strategy**

In 2013/14 Trip Trap focused a lot of attention on redefining its CSR strategy. The re-definition took place in order to ensure that the continuous efforts towards responsibility and sustainability would reflect Trip Traps vision and mission and furthermore be in

---

<sup>2</sup> Trip Trap's FSC® certification number: NC-COC-012993, licence number: FSC®-C004462

<sup>3</sup> FSC® Denmark is the Danish office of FSC®. It is approved by FSC® International to handle FSC®'s interests in Denmark, but is economically independent.

compliance with its general mindset. This way Trip Trap has made sure that its efforts are placed within areas in which its contribution will be able to provide the biggest impact. Thus, Trip Trap advocates a *use and preserve* mentality with *design, production* and *use* as priority focal points in its redefined CSR strategy.

The use and preserve mentality goes hand in hand with Trip Trap's former slogan, *design for generations*; A slogan which holds wise words, and even though it no longer functions as the company's official slogan, it still constitutes an important aspect of what the company stands for. It highlights design as Trip Trap's core business and signals long-lasting quality, hence linking quality and sustainability as interrelated. So with design, production and use as the focal points, Trip Trap wishes to confront the use and throw away mentality and instead promote the principle of use and preserve. In close line with this principle is the fact that Trip Trap's designs are of a high quality and can therefore last for decades and even generations. Choosing long lasting products, as opposed to products of a lower quality with an equally lower life span, results in a fundamentally lower strain on the environment in terms of procurement of raw materials, transportation, packaging, removal etc. Hence, the stance in regards to design, production and use means the possibility of making a difference.

#### *3.1.1. Design*

At Trip Trap, design is not only concerned with aesthetics and quality; it is equally important to ensure efficient and responsible use of the resources used for each design. Most of Trip Trap's designs are made of wood, a natural and renewable resource, wherefore Trip Trap sees it as its obligation to not only handle the wonders of nature with respect but also to contribute to the preservation hereof. Trip Trap strives to use wood from plantations with responsible forest management and conservation like FSC®-certified wood. Thus, design in Trip Trap is in accordance with the principles related to the environment, human rights and labour rights within the Global Compact.

#### *3.1.2. Production*

At Trip Trap, production is carried out with efficiency and responsibility. Trip Trap always meets local standards and industry norms and takes further steps by using its CoC as an agreement between itself and its suppliers. The CoC consists of a multitude of requirements to be met by the suppliers in order to ensure efficient and responsible production. Of all elements of the CoC, six points are handled with zero tolerance. These are: no forced labour, no child labour, dignified treatment of employees, avoidance of highly

dangerous working conditions, initiation of the reduction of pollution of air, water and soil, and abidance by international conventions. These zero tolerance points are in compliance with the ten principles provided by the Global Compact. Production in Trip Trap is, however, not limited to include these zero tolerance points, as other aspects within the areas of human rights, labour rights and corruption are covered in the CoC as well.

### *3.1.3. Use*

At Trip Trap, use is concerned with achieving the least possible environmental impact from the use of Trip Trap designs. This means that the designs have been designed bearing in mind that the environment should not suffer as a result of the designs being used and/or being disposed of. As a result Trip Trap strives to be abreast of current rules concerning chemicals, so that no hazardous chemicals are in danger of disrupting the surrounding environment. This way Trip Trap ensures that consumers never have to worry about using Trip Trap designs, but merely just enjoy them.

Use in Trip Trap is thus in accordance with the principles related to the environment and human rights within the Global Compact.

All employees are familiar with the CSR strategy and are encouraged to act accordingly and convey the message. It has been important to Trip Trap to communicate the message of the CSR strategy to its employees, as their support and commitment are vital to its possible success. Hence, carrying out the objectives of the strategy is not something which can be done overnight, instead it requires hard work and a clear focus. The strategy has thus laid the ground for how Trip Trap can work towards global progress.

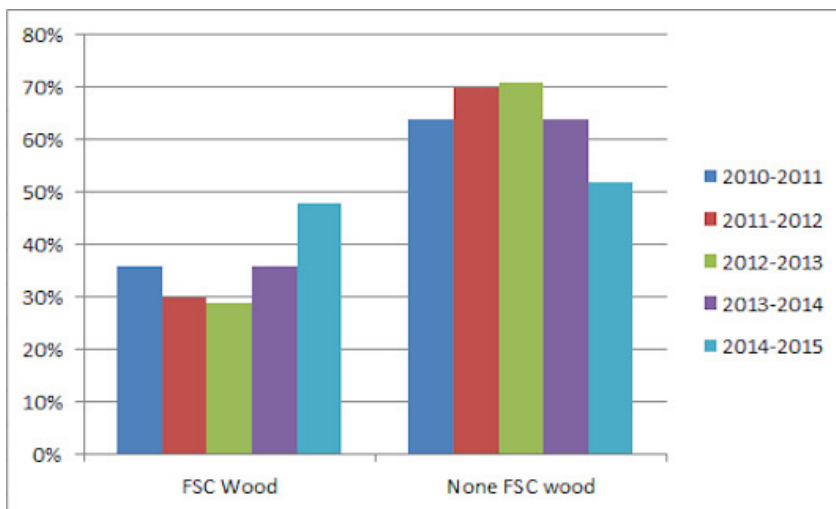
## **3.2. FSC® as a goal**

Trip Trap is an ardent supporter of FSC® and its effort regarding environmental conservation and fair working conditions. Thus, Trip Trap is continuously working on increasing the amount of FSC®-certified wood used for its products and is therefore committed to seek out further opportunities regarding high quality wood with the FSC®-certification. Although, Trip Trap's high quality standards means that an FSC®-certification is not necessarily enough in itself; as Trip Trap is designing furniture with a long life span, it needs wood of the best possible quality, wherefore Trip Trap has quality requirements beyond the FSC®-certification. This is why Trip Trap has yet some work to be done before it can pride itself on using only FSC®-certified wood. Consequently, Trip Trap continues to investigate new opportunities for acquiring responsible and sustainable wood of the right quality. Trip Trap is furthermore encouraging plantations to seek out the possibility of

becoming FSC®-certified.

That being said, the development is moving in the right direction. Since the previous report, the amount of FSC®-certified wood used for Trip Trap's designs has increased with 12 percentile to 48%. Thus, the amount of FSC®-certified wood constitutes almost half of the total amount of wood being utilized by Trip Trap (see fig. 1 below), bringing Trip Trap one step closer to its goal of using only FSC®-certified wood by 2020.

Fig. 01:



### 3.3. Audit procedures

In relation to audit procedures, Trip Trap initiated the process of fine-tuning these in 2011-2012. As the fine-tuning of audit procedures is a case of “learning as you go”, the process has intensified over the years, as Trip Trap has gained further experience and knowledge. The company is thus close to having a complete framework for assessing its suppliers and their compliance to the CoC, but with room for making necessary adjustments along the way. It is an on-going process and Trip Trap will continue to work hard in order to achieve even better results in the implementation of the company's CoC at the suppliers.

The aim of the code is to help suppliers improve social and environmental standards, wherefore all suppliers must sign the CoC and meet its requirements. To help suppliers in implementing the CoC and understanding the reasons behind it, Trip Trap encourages continuous dialogue. It furthermore guides the suppliers if deviations from the code have to be rectified. However, if suppliers continuously fail to comply with the require-



ments of the code, new business will be held back until improvements are recorded. The suppliers' obligation to implement the CoC starts the same day as the document has been signed. When auditing suppliers, they are checked in terms of their compliance with all of the points within the CoC. Therefore, each supplier is required to keep appropriate records demonstrating its compliance with the CoC.

The next round of audits is planned to take place within the next couple of months. These audits will be performed by local auditors recommended by NEPCo or Rainforest Alliance, and will be overseen by Trip Trap in order to make sure that the audit level is in accordance with the guidelines required by Trip Trap itself.

### 3.4. Cases of non-conformance

All Non-Conformance Reports (NCR) represent deviations from the CoC. Thus, the existence of NCRs indicates the need for continuous development within the specific areas. All NCRs are continuously followed up on in order to rectify the deviations. The ultimate goal of this process is to reach a complete implementation of and abidance by the CoC.

Fig. 02 below demonstrates the decrease in total NCRs and furthermore specifies the degree to which the categories of Minor NCRs (Mn) and Major NCRs (Mj) contribute to the total picture.

Fig. 02:

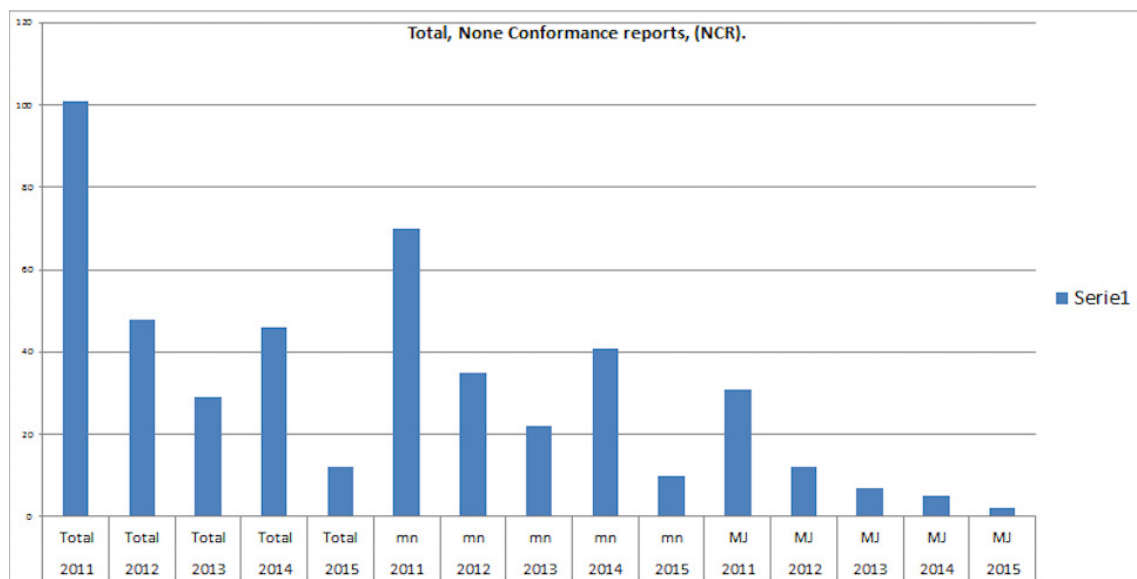
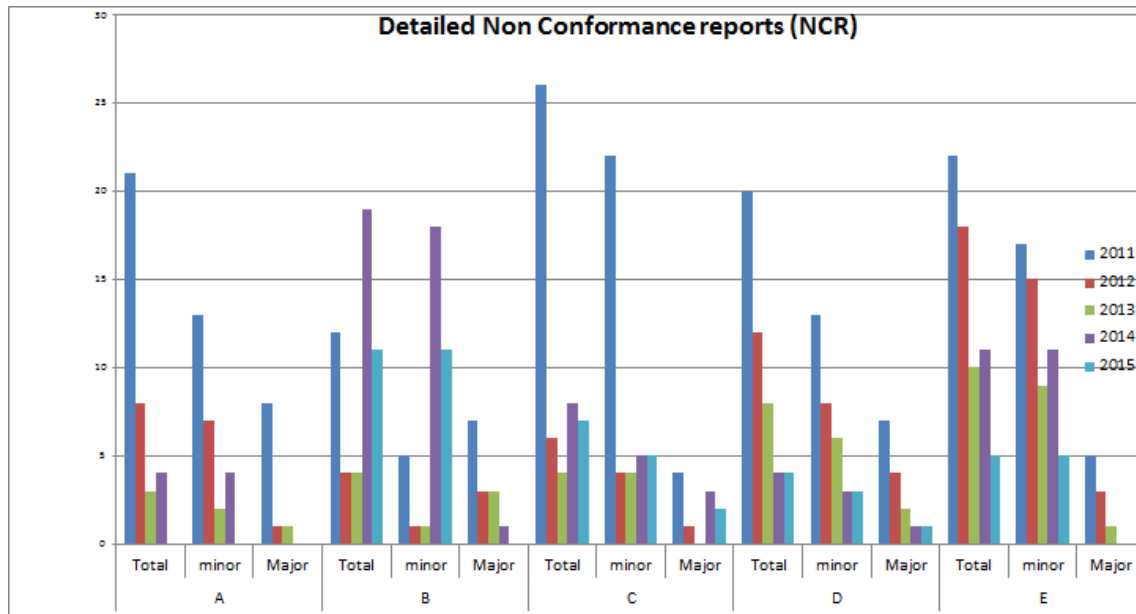


Fig. 03 below demonstrates the year-to-year development of Trip Trap's five key suppliers within the NCR categories of Totals, Minors and Majors.

Fig. 03:



As depicted in the charts above, there has been a significant decrease in the total number of NCRs. Since last year the number has decreased by almost 74%. This means an overall decrease of approx. 88% from 2011 to 2015.

If assessing minor and major NCRs in isolation, great progress is seen in both cases. Minor NCRs have decreased by approx. 75.5% since last year, whereas the total picture of minor NCRs show a complete decrease of almost 86% from 2011 to 2015.

Major NCRs have then decreased by 60% since last year, and the total picture from 2011 to 2015 shows a complete decrease of 93.5%.

Especially the complete decrease of 93.5% in terms of major NCRs indicates how close Trip Trap is to reaching its goal of zero non-conformance reports. As depicted in Fig. 03, for one of the key suppliers the number is already down to zero both in terms of minor and major NCRs, which is of course of great satisfaction. Although, Trip Trap does acknowledge the fact that the overall goal has not yet been reached, wherefore future development is still of great importance. To move forward any open NCRs are continuously being reviewed and discussed with the suppliers and attention is paid to possible

external factors that may affect the progress.

That there is still a small number of NCRs remaining may be an indication of the fact that Trip Trap continues to raise the bar. To Trip Trap, the work on progress does not discontinue as a result of getting closer to its goals, on the contrary, it incentivizes the company to seek further improvements and continue the constant development towards global progress. But this, of course, means that new issues are bound to appear when expectations are raised.

Another reason, which can explain why deviations are still occurring, may be that some of the remaining NCRs are of such extent that improvements are particularly comprehensive in terms of scope and finances, and may even require a complete change in attitude.

Trip Trap continues to believe that in order to progress with a positive development at each supplier, dialogue and negotiation are vital aspects. Especially when it comes to making top and middle management understand the importance of adopting a responsible and sustainable approach and furthermore understand the need to inform and educate employees. Progress is a step-by-step process and Trip Trap continues contributing to this process by communicating with its suppliers and by taking on the role as an active sparring partner. This is for example achieved by the Quality Manager visiting the suppliers on a regular basis.

### **3.5. Local initiatives**

#### *3.5.1. Supporting educational work on FSC®*

For the third year in a row Trip Trap has supported the FSC® Green Goods auction, which auctions off FSC®-certified products, that have been donated by companies who wish to support the work of FSC® Denmark and who themselves distribute FSC®-certified products. The profit from the auction goes to FSC® Denmark's work on educating and informing about the FSC® labelling as well as increasing the awareness of FSC® in general. Trip Trap furthermore sees the continued presence of its Quality Manager on the executive committee of FSC® Denmark as a great opportunity for contributing even further to the educational work of FSC® Denmark.

#### *3.5.2. Collaboration with Nordvirk*

Trip Trap is still in cooperation with Nordvirk about scrapping its computers at the end of their useful lives. Nordvirk is a socioeconomic operation with the vision of creating jobs for

people with autism spectrum disorder (ASD) and the like, who have a hard time adjusting to an ordinary workplace. Through this, these people get a chance to use their skills in real life and thereby contribute to society and earn their own salary. Trip Trap sees this cooperation as a great way to support a good cause and at the same time make sure that its “worn-out” computers are disposed off in an accountable and environmentally responsible way.

#### **4. Achievements of 2014-2015**

- Continued commitment to the redefined CSR strategy
- The part of FSC®-certified wood used for Trip Trap products has risen by 12 percentile
- Trip Trap has experienced a significant decrease in the number of non-conformance reports
  - Total NCRs have decreased by almost 74% since last year
  - Minor NCRs have decreased by approx. 75.5% since last year
  - Major NCRs have decreased by 60% since last year
- Continued presence of Quality Manager on FSC® board

#### **5. Future goals**

- Suppliers in high-risk countries are continuously audited and the results must be followed up on, in order to secure continuous progress
- Investigate opportunities for further improvements when handling waste water
  - Is it possible to start do treatment for waste water?
  - Are there any sufficient methods for recovering pollutants from waste water?
  - Can processes or application be changed to avoid the need for water treatment?
- Continue work on CSR awareness within Trip Trap.
- By 2020 all wood used for Trip Trap’s furniture is FSC®-certified.