



# PILGRIM

## UN GLOBAL COMPACT

Communication on Progress 2015







## STATEMENT OF CONTINUED SUPPORT

I am pleased to confirm that Pilgrim 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,

Annemette Markvad, CEO Pilgrim

## ABOUT PILGRIM

It all began in 1983 when two Danes – Annemette Markvad and Thomas Adamsen – translated their unique empathy and innovative energy into jewellery design, sold mainly at festivals.

Their love of music and people expressed itself through the design, reflecting deeply held values of spontaneity, intimacy and authenticity. Pilgrim jewellery was, and remains, truly of the moment.



## HUMAN RIGHTS

### Vision

Pilgrim supports and respects the protection of internationally proclaimed human rights. We try our best to ensure that we are in no way complicit in human rights abuses. It is our policy to ensure that such rights are assured for everyone at all levels of processes and activities. By promoting a culture of respect for the law, and consideration of all members within the organization and with others whom the company come in contact with.

Pilgrim are still committed to ensuring that the company is not knowingly complacent in any Human Rights abuse. It is our policy to ensure that we are not associated with, or in any way accept commission from anybody, corporate, private or official, where their actions are questionable in respect of Human Rights abuses. Pilgrim complies with Danish legislation, which fulfills international conventions.

### Progress

At Pilgrim we continues to update our procedures to ensure they are suitable and sufficient to meet the needs of the employees and those of the company. Further Pilgrim has incorporated a Code of Conduct for our suppliers within which compliance and protection of internationally proclaimed human rights is a must. If Pilgrim finds that any supplier does not adhere to the principles, co-operation will cease immediately.





A large share of production is situated in China and we know how difficult it can be to monitor and audit our suppliers and factories all the way from Denmark. For the same reason we established an office in China with a total of four full time employees. They have one main task, which is ensuring the implementation of our Code of Conduct with our suppliers. The office was established in 2010 and have since been developing our own “Positive Auditing” system. This is just one way of showing, that we believe Social Responsibility is a long term investment.

Not only in regards to profits, but also in regards to progress and development. We try to influence our suppliers to be better and we have no doubt that a mutual partnership and genuine dialogue is the key to make progress towards a better and more sustainable production. Both in regards to ensuring human rights, labour rights, anti-corruption and environmental production.

Pilgrim has incorporated inspections on all large suppliers in China and our local employees will continue to visit suppliers so that Pilgrim can feel secure that rules are taken seriously.

## Results

Pilgrims office in China visits suppliers/factories on an irregular basis to do auditing. An audit report is made after each auditing; issues are raised and later follow-up on solving the issues at suppliers are done. Our “Positive Auditing” consist of 155 different matters which is subject to a corrective action plan if certain issues are not according to our expectations.



## LABOUR RIGHTS

### Vision

Pilgrim supports the International Labor organization's Declaration on Fundamental principles and rights at work and complies with Danish work legislation. It is important to Pilgrim that all suppliers adhere to the UN Global Compact and its principles.

### Progress

In joining the UN Global Compact we follow principles, which we wish to promote to all our suppliers and create understanding and hopefully they want to follow the principles as well. Our production takes place in China, Thailand, India and Denmark. We demand that all suppliers abide to national legislation and labor laws. Further we have made visits to selected factories, and encourage management to improve safety procedures. If our audits show certain areas of concern we offer our guidance and help to overcome these matters of contention.

### Results

When we started auditing our production facilities we noted certain health and safety issues which we found necessary to address. In cooperation with the suppliers we conducted special training on health and safety procedures. We help carry out the





training at their facilities and keep record on data. So far there has been no complaints from employees, local agents, or from other stakeholders concerning adherence to UN Global Compacts principles on labor rights. Furthermore Pilgrim has never been involved in any cases where suppliers has made breach of contract concerning our ethical rules of joint commerce.





## ENVIRONMENT

### Aim

Pilgrim is committed to building a sustainable future. We wish to do so by meeting the needs of today without compromising the possibility for future generations to enjoy an equivalent way of life. We are committed to comply with applicable environmental laws and regulations, etc. and all suppliers have to sign our Code of Conduct, in which we state not only the principles of UN Global Compact but take the responsibility even further.

### Progress

Our main focus is on our Chinese suppliers because most of the production is carried out here, and they deliver a much larger scale of our total products. We feel that we have more leverage and therefore it has been easier to influence our suppliers. Our Code of Conduct stipulates that suppliers must adhere to UN Global Compact principles in regards to environment. Further, our positive auditing system check if the factories does practice what they preach. Every audit reviews eleven points of interest. From recycling to waste management to general impact of the environment. Further we demand that the factories appoint a senior manager to take responsibility for the facilities environmental compliance. Compliance include that the local environment is protected. The use of chemicals is registered and if possible changed to less harmful ones. Also they must focus on recycling and a control a legitimate waste disposal scheme.



## Results

So far all of our suppliers in China has signed our Code of Conduct. We expect all suppliers in Thailand and India to have signed our Code of Conduct before we submit our next COP in 2016. Furthermore, we expect our Code of Conduct to be visible at our webpage in 2015.

We have a simple recycling plan at the headquarters in Denmark and we expect this to become more elaborate so it will be possible for us to measure our impact. We expect this to be part of our next Communication on Progress. Today all of our catalogues is printed on recycled paper and we donate our left over catalogues to kindergartens and the like so that the material may be reused.





## SPONSORSHIPS

### PILGRIM FOUNDATION

The Pilgrim Foundation (founded in 2007) was established as a philanthropic project. The main purpose has been the desire to support humanitarian projects – especially to benefit children and young people in developing countries. Since 2007 Pilgrim has donated more than 1.900.000 Euro to the Foundation. Every year we select different projects and NGO's we believe to have the power to influence Africa in a matter that can change the fate for the youth. In 2014 we supported MomentumTrust. They provide a simple and profitable strategy for poverty reduction in Africa with a focus on food and long lasting profits. They believe – like Pilgrim – that the best help is through sustainable solutions. In short MomentumTrust is a social economic business, who work to change the traditional way of doing development work and believe and work through an empowerment perspective to create self-help to the small-scale farmers I Kenya.

Read more here: [www.momentumtrust.com/our-vision/](http://www.momentumtrust.com/our-vision/)

### MFS (Doctors without Borders)

Every year Pilgrim supports MFS by creating a unique and beautiful piece of jewelry with the MFS logo. Pilgrim has done so since 2003 and we are proud that we now have a wide range of jewelry designed by us specifically for MSF. All jewelry (with the MSF logo) can be purchased following the link below. Pilgrim has no profit on the sale.

Read more here: <http://shop.msf.dk/shop/smykker-15c1.html>



### Kræftens Bekæmpelse (The Danish Cancer Society)

Pilgrim has supported The Danish Cancer Society since 2011. Every year we donate a range of prizes to celebrate an annual golf tournament for women. 27 Danish golf clubs are involved and profits goes to the fight against breast cancer. In total Pilgrim donates around 375 prizes with estimated value of 1.000.000-1.500.000 dkk.

Read more here: [www.cancer.dk/pinkcup/om-pink-cup/](http://www.cancer.dk/pinkcup/om-pink-cup/)

### Danmarks Indsamling

Once a year, 12 humanitarian organizations and the national television channel DR comes together to gather as much possible money and help to people in some of the world's poorest countries. The goal is to support UN's target which is; to reduce poverty by 50 percent, ensuring universal primary education and reducing child mortality by two thirds by the year 2015. Pilgrim has supported this event since 2012 with 25.000 dkk. every year.

Read more here: [www.danmarksindsamling.dk/om-danmarks-indsamling/](http://www.danmarksindsamling.dk/om-danmarks-indsamling/)



### Project Playground

In 2015 we supported Project Playground with a special designed jewelry and so far we have collected more than 31.000 Euro.





Project Playground is a Swedish non-profit organization working towards increasing the possibilities in life, by creating a meaningful spare time with focus on the individual, for children and youth. The organization is politically and religiously independent and has The UN's Convention on the Rights of the Child as its starting-point. As of today, Project Playground is active in townships outside of Cape Town, South Africa.

Read more here: [www.project-playground.org/Home.aspx](http://www.project-playground.org/Home.aspx)

### Other sponsorships

A small selection of other small sponsorships (both specially crafted jewelry and events (as to which the profit goes to the charity) and economically)

**Kirkens Korshær** (The Salvation Army, 2006-2015 (2013 as an exception))

**Danish ADHD** (2009-2015)

**Stomiforeningen Copa** (The Danish Ostomy Association, 2011 and 2014)

**Diabetesforeningen** (Diabetes association, 2013)

**Familier med Kræftramte Børn** (Charity for families with kids with cancer, 2014)

**Ung effekt** (Association for disadvantaged young people, 2014)

**Julehjælp** (Christmas help for the less affluent families, 2014)





## ANTI CORRUPTION

### Aim

Pilgrim follows a strict policy in which we have no tolerance towards any kind of corruption. This includes bribery and embezzlement. We do not accept any kind of corruption within our company or in regards to our business and we expect all suppliers and employees in the entire supply chain to embrace and comply with this. It is our policy not to accept commission from anyone, corporate, private or officials if their actions are questionable in regards to UN Global Compact.

### Progress

Through our international collaborations we constantly work to secure that no corruption or other illegal activities take place. An anti-corruption policy is included in the Code of Conduct, which is reviewed on an annual basis.

### Results

We have not registered or been made aware of any cases from our suppliers in relation to corruption. If this should happen, we will take it seriously and act immediately. If the violations is too comprehensive we will cease cooperation with the accused party.