

Corporate Social Responsibility 2015

AVAILABILITY
DURABILITY
FUNCTION
DESIGN





Workwear with a point of view

Nybo Workwear A/S (hereafter Nybo Workwear) is a family owned company. This means that we are owned by real people that have a daily involvement in the company. This has a huge impact on the way we run our business and implement our values. It is of utmost importance to us to value both responsibility and a solid bottom line equally.

We work with corporate social responsibility because of four main reasons:

1. We believe that we must behave decently in relation to other people - our own employees, our suppliers' employees, our customers, their customers and others we meet on our way.
2. We believe that we must focus on our environment and nature - we have a responsibility to pass it on in good condition for future generations.
3. We believe that decent behaviour and sound business are interdependent.
4. We appreciate that many of our customers focus on CSR and place high demands on us. These requirements we would like to meet.

CONTINUED SUPPORT TO GLOBAL COMPACT

Nybo Workwear has been supporting the UN Global Compact since 2010. Together with our core values, these 10 principles form the basis for our holistic approach to CSR.

In 2014, we have conducted a structured process aiming at integrating CSR further into our business strategy. We have looked deeper into our potential risks and identified our most significant stakeholder. Furthermore, we have conducted a self-assessment of process and materials in order to prioritize those CSR activities that create most value to both our business and the society around us. These priorities are reflected in our report. We are constantly setting new targets for improvement, and in 2016 we will further strengthen our partnership with our suppliers in Asia with the goal of enhancing responsibility in our supply chain.

ABOUT OUR CSR REPORT

The purpose of our CSR reporting is to provide a comprehensive picture to our stakeholders on our CSR performance in 2015. Our CSR report form at the same time the obligatory Communication on Progress (COP) report to UN Global Compact.

The report covers our three locations: our headquarter in Viborg, Denmark and our two production facilities in Dobeles and Jelgava, Latvia.

During 2015 Nybo Workwear A/S acquired a production facility in Asia with manufacturing in Laos and design and administration in Bangkok, Thailand. The company was acquired from the founder of the company, a Dane who had run the business for more than 5 years. The process of receiving the BSCI standard is currently ongoing. Activities under NYBO Asia is under Danish management. As for all other NYBO facilities, CSR will also be important for NYBO Asia. A key focus is the wellbeing of the workforce and therefore high standards in living conditions is available as well as medical assistance and guidance is being offered to the workforce on site. In order to ensure a transparent, balanced and reasonable presentation of our CSR performance, we are inspired by general accepted reporting principles: Global Reporting Initiative (www.gri.com).

As we will continue our strategic and systematic work with CSR, any constructive comment for further improvements are highly appreciated.

We hope you will enjoy reading it!



Lars Husted Dall
CEO, Nybo Workwear A/S



Company values

Dynamics

In order to retain a solid platform in a changeable world we want to be an innovative, dynamic, and efficient company that inspires customers and colleagues in our industry.

Passion

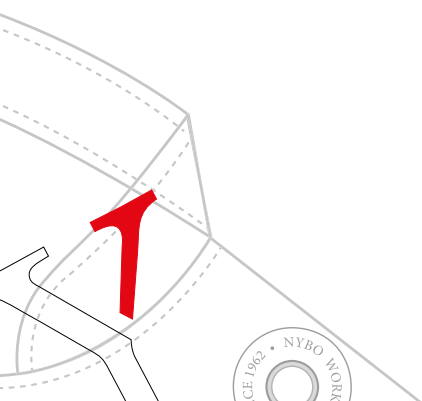
With equal parts competence, persistence, and enthusiasm we wish to deliver profitable solutions for the mutual benefit of our customers and ourselves.

Credibility

Honesty and credibility must be our guidelines in everything we do.

Quality

Durable products is a key demand from our customers. We must adapt the highest possible standards of quality within all our activities.





Purchase

A trustful partnership is the key to responsible sourcing

We understand purchase as all sourcing activities related to procurement and supplier management at Nybo Workwear.

Nybo Workwear has main suppliers of textile distributed in Europe and Asia. Our European suppliers are all subject to strict European legislation and control. We have chosen to conduct an assessment of our Asian suppliers in order to ensure the highest possible level of CSR. Consequently, our key supplier in India holds a SA8000 certification and in 2014 – Fair Wear.

Our focus is therefore still to cooperate with our suppliers in China in order to ensure that they live up to our high standards concerning human rights, labour rights and environmental issues as well as quality and stable delivery.

POLICIES AND STRATEGIES

Our ambition is to do business with suppliers who meet the same high standards with regards to quality, ethics, environment and security of supplies as we do ourselves. We only source from international recognized suppliers.

We believe that we achieve the best results through trustful partnerships striving for improvement in regards to human right, labour rights and environmental issues. Therefore, we are convinced that it is through a long-term partnership with our key suppliers that we achieve the best results. Regular visits in the places of production guarantee observance of the agreed conditions.

Nybo Workwear is a member of the trade association “Danish Fashion and Textile” that has developed a recognized code of conduct targeting suppliers named FairFashion. Our goal is to ensure that our suppliers live up to the standards similar to FairFashion.

WHAT WE SAID IN 2015

- All European suppliers with a purchase of more than 500.000 DKK must sign the FairFashion Code of Conduct as an integrated part of the contract with Nybo Workwear.
- Asian suppliers with a purchase of more than 100.000 DKK are obliged to sign the FairFashion Code of Conduct as an integrated part of their contract as well as fill in the Nybo Workwear – self-assessment.

WHAT WE ACHIEVED IN 2015

- All suppliers have conducted the Nybo Workwear - self-assessment if they are not certified with SA 8000 or ISO 26000/DS49001.
- Our existing suppliers all live up to our high standards for quality and responsibility.
- We have not had any situations where a supplier has failed in our cooperation.

WHAT IS NEXT FOR 2016

- All European suppliers with a purchase of more than 500.000 DKK must sign the FairFashion Code of Conduct as an integrated part of the contract with Nybo Workwear.
- Asian suppliers with a purchase of more than 100.000 DKK are obliged to sign the FairFashion Code of Conduct as an integrated part of their contract as well as fill in the Nybo Workwear self-assessment.
- In 2016 we will cancel the cooperation with two suppliers and then concentrate on our new production facility in Laos and our supplier in India.
- During 2015 Nybo Workwear A/S acquired a production facility in Asia with manufacturing in Laos and design and administration in Bangkok, Thailand. The process of receiving the BSCI standard is currently ongoing and will hopefully be finished in 2016.





Product

High quality in everything we do

We understand “solutions” as our full assortment of products, processes, customer relations, and sales and marketing activities.

As a textile company our main impact on society is related to the quality and content of the products we sell. It means that our focus is constantly on environmentally friendly fabrics and accessories we use in our products.

POLICIES AND STRATEGIES

Since the foundation of Nybo Workwear we have strived towards high quality in everything we do. We believe that quality and responsibility are interrelated.

We also believe that we have an obligation to develop innovative and environmentally friendly products, which will be a benefit for all involved.

Nybo Workwear works only with experienced and international recognized sub-suppliers of raw material for industrial washable products. All specifications of fabrics and accessories are determined and controlled according to international standards regarding quality, environmental requirements and healthy working conditions. A continuous follow-up takes place regarding the fulfilment of the agreed demands and arrangements.

In our catalogues and on the web, we clearly indicate which certificates relate to each product. It assists our customers in making a responsible choice.

WHAT WE SAID IN 2015

- We will continue to live up to our customers' demands concerning environmental and social irresponsible products and processes.
- We will continue to contribute to new innovative and environmentally friendly solutions within fabrics, accessories, and finished products.
- We will still focus on our transport and follow our carbon footprint within this activity - our sea- and air freight from Far East suppliers.

WHAT WE ACHIEVED IN 2015

- 97% of the raw material in our standard products is Oeko –Tex 100 certified.
- 73% of our total standard products is certified with EU-Ecolabel or bluesign pr. 31.6.15.

As there have come more restrictions on demands of EU-Ecolabel, our two suppliers has chosen to stop with the certification. Pr. 1.7.15 – it was only 16% of our products which had abovementioned certifications.

- Our Tencel collections which has started up in 2011/12 is still of a very high interest as the customers ask for new and more sustainable products. In 2015 we have again launched more collections in different blends where Tencel is a part of it instead of cotton.
- We have launched a new collection Nature that is a collection of upper parts made of regenerated polyester and organic cotton.
- Regenerated polyester is made of e.g. old dumped plastic bottles found in nature or at landfill sites. In contrast to the production of traditional polyester, no oil is used in the production of regenerated polyester and therefore the consumption of energy and the CO2 emissions are profoundly less. Organic cotton protects the environment because no pesticides are used in the production. A production without pesticides naturally also contributes to improved living and working conditions of the cotton farmers.
- In 2015 our use of air freight have been at a unsatisfactory high level. We have chosen to use airfreight as our turnover has increased compared to 2014 and have focused to have articles on stock.

WHAT IS NEXT FOR 2016

- We will continue to live up to our customers' demands concerning environmental and social irresponsible products and processes.
- We will continue to contribute to new innovative and sustainable solutions within fabrics, accessories, and finished products and be a frontrunner in the work wear business.
- We can see that more suppliers are going for STeP environmental certification and expect that 1-2 suppliers will have this in mid 2016 which means that we again will achieve a higher level of certified products.
- We will still focus on our transport and follow our carbon footprint within this activity - our sea- and air freight from Far East suppliers.
- We will focus on having less suppliers and gather more products at the existing suppliers.

Nybo Workwear's garments meet the following standards

ISO 15797

As one of the first in our industry, we use the international test standard ISO 15797. A careful selection of raw material guarantee that Nybo products meet the requirements of industrial washing.

Oeko-Tex Standard 100

If possible, we strive to buy fabrics and accessories that are Oeko-Tex Standard 100-certified. The scheme is the most common labelling for textiles in the world. The system checks content of harmful substances in textiles, and minimize the risk of user exposure to hazardous substances

bluesign Standard

A number of our products are based on fabrics, which have achieved certification, by bluesign Standard. This ensures that production takes place with the utmost consideration for resource utilization, negative impact on air and water, health and consumer protection.

EU-Ecolabel

In our assortment, you will find products that are EU-Ecolabel certified, the European environmental label, which is the guarantee of an environmentally friendly production. This label is awarded only to clothing, which is analyzed from cradle-to-cradle. They have to meet strict demands to water consumption and use of chemicals.

Unfortunately there has been increased demands for use of organic cotton in the production of fabrics and our suppliers cannot achieve this compared to the demands of the market so this means that 2 of our main suppliers did not continue to have it and therefore we do not have this certification since July 2015.

STeP

This is the new environmental certification. It is a guarantee of an environmentally and sustainable product from start to end – the whole production process and social working conditions. It is handled by the OEKO-TEX Association.



Nybo - frontrunner in sustainable work wear

Nybo Workwear do not just want to be a manufacturer of light work wear. We also want to be an innovative frontrunner of sustainability and ecology.

Therefore, we are proud to present our very first sustainable collection: **Nature**.

Nature is a collection of upper parts made of regenerated polyester and organic cotton.

Nature is available in three nice and discrete colors, which indicate purity, freshness and healthiness thereby supporting the good qualities of the sustainable fabric.

Regenerated polyester is made of e.g. old dumped plastic bottles found in nature or at landfill sites. In contrast to the production of traditional polyester, no oil is used in the production of regenerated polyester and therefore the consumption of energy and the CO2 emissions are profoundly less.

Organic cotton protects the environment because no pesticides are used in the production. A production without pesticides naturally also contributes to improved living and working conditions of the cotton farmers.

With **Nature**, the user does not only get a high quality product. He also gets a product produced under sustainable and resource-saving conditions and the user actively supports a production with a good conscience and takes responsibility for our common future.

At Nybo Workwear, we believe that sustainability is imperative in the future production of work wear and we have now taken the first step.



Process

Environmental precautions from the very beginning

We perceive “process” as all the internalized activities across our own company value chain, including production, logistics, properties and utilities.

Our facility in Viborg, Denmark is home of our administration and stock. Our environmental challenges are mainly related to our production facilities in Latvia. As a textile, producing company our main task is to produce high quality work wear, which means that we have very limited environmental issues related to hazardous waste and our water consumption.

POLICIES AND STRATEGIES

We consider ourselves as an integrated part of our common environment. In spite of our modest size and position as a minor Danish player, we are determined to demonstrate our will to contribute to the preservation of our environment and resources.

In 1980, we decided to set up a wind turbine at our facility in Denmark and thus become self-sufficient in electricity. Our wind turbine produces about 47,000 kWh annually. We consume the majority internally, and the surplus we market to the local power plant.

We continue our recycling project of paper and plastic in cooperation with Zala Josta Ltd., which a Latvian company is caring for a clean Latvia. We collect and sort all waste: fabric, paper, cartons and plastic for recycling. Our systematic work with recycling has given us the Zala Josta certificate, which certifies that our production site “Sia Nybo Dobe” is environmentally friendly. We have a special focus on the end-to-end handling of cardboard boxes, as this is our main packaging consumption. All boxes are sorted, cleaned, pressed and recycled.

In Viborg, we sort all waste as: paper, cartons and plastic and sell it for recycling.

WHAT WE SAID IN 2015

- We want to continue reducing our energy consumption:
- We have invested in IT equipment with lower energy consumption in beginning of 2015, which we hope will make an effect on the total use of energy.
- Our aim is to reduce our water consumption by 3%

WHAT WE ACHIEVED IN 2015

- Our wind turbine has produced much more energy than 2014 and we have used quite much of the energy for our own consumption. In the latest years, we have bought very small figures of energy. Unfortunately, we have had the opinion that this was the facts, but were informed by the public supplier of energy mid 2016 that we had not been connected correct to the public power plant. Therefore, it means that our purchase will be much higher than the latest years and first in 2016 we will know the exact level.
- We have in 2015 also invested in new IT equipment, which also be a part of a reduction in the future.
- In our facility in Latvia, we have invested more in LED light in our production, which has given less energy consumption also in 2015.
- Our water consumption has increased with 14,96%. This is not satisfied as we have made a new structure for washing test – though we had to test more of our new collections.
- We brought 61,47 tons of material back to full recycling in 2015. It is more than 2014 as we have produced more garments in Latvia and have reused more carton boxes in Denmark.
- In Denmark, we donated more than 300 kg of clothing to the Danish Red Cross in their campaign “Smid tøjet”. We have collected the clothing among employees and our sample department.
- We have joined a non-profitable movement against food waste in Denmark. It is called “Stop Wasting Food” and will be at the 30-35 biggest festivals in Denmark and collect the huge amounts of surplus food and distribute it to people who needs it. In Viborg we have an arrangement that the surplus of food we have every day, can be offered to different department of the company every week and we do not throw away the waste but it is used.

WHAT IS NEXT FOR 2016

- We still want to continue reducing our energy consumption in Denmark and Latvia.
- We will continue to be active in “Stop Wasting Food” and “Smid tøjet” and donate clothes to this organisations.
- Our aim is to reduce our water consumption by 4% total.



Environmental key figures

	Denmark (Viborg) 2015	Latvia (Dobele)	Total
Electricity purchased	43.683 kWh	206.130 kWh	249.813 kWh
Wind turbine – produced	47.387 kWh	-	47.387 kWh
Electricity used of own production	38.203 kWh	-	38.203 kWh
Wind turbine - energy - sold	9.184 kWh	-	9.184 kWh
Gas	24.216 m3	8.460 m3	32.676 m3
Water consumption	154 m3	875 m3	1.029 m3
Recycling	9.36 tons	52,11 tons	61,47 tons





People

Good working conditions are key to success

We understand people as all activities related to managing and developing our employees. This includes a safe and healthy working environment, leadership and compliance with Nybo Workwear's Code of Conduct.

Nybo Workwear employs 204 persons – 35 are working at the headquarter in Denmark and 169 are working at our two production facilities in Latvia.

We are proud to have a very high length of employment – both in Latvia and Denmark.

We will implement our new production facility in Laos and administration office in Bangkok in the 2016 report.

POLICIES AND STRATEGIES

We want to offer a desirable, developing and challenging place of work that is able to attract and retain quality-minded, well-qualified and passionate employees. We believe that our employees are the most important key to success.

We respect and live up to the national labour market laws in Denmark and Latvia including minimum wages, health and safety, working hours etc. All conditions regarding employees are described in detail in our Handbook for personnel. This is handed out to all employees and kept up-to-date with all new guidelines for the company. With this, we go further than the rather strict laws of labour and employee rights in Denmark and Latvia – and we implement additional training, health insurance and personnel celebrations.

WHAT WE SAID IN 2015

- We want continuously to focus on improvement concerning health and safety among our employees. Our ambition is to grow in a responsible manner with respect for the well-being of our employees. The concern for our employees has always been at the heart of the Nybo Workwear company spirit.
- We have zero tolerance when it comes to corruption.
- We will offer the employees in Denmark a follow-up course in first aid and use of defibrillator.

WHAT WE ACHIEVED IN 2015

- We continued our English language training in Latvia for 6 people and 10 people had different courses in DK.
- Continued systematic employee development dialogues for all employees in Denmark and all managers in Latvia.
- Increased systematic documentation on health and safety issues in both Denmark and Latvia. In Viborg we had a very low sick-leave at 1,6% - in Latvia 8,2% which is a little lower than 2014 in Latvia and same in DK.
- Continued our cooperation with Viborg Municipality to include socially vulnerable citizens into our company. In 2015, we have 3 persons employed on special terms.
- We have planned to have follow-up course in first aid and use of defibrillator in February and March in 2016.
- We have made overviews of contact persons for all staff in case of accidents or sickness.
- We have not had any situations with any corruption.

WHAT'S NEXT FOR 2016

- We continuously focus on improvements concerning health and safety among our employees. Our ambition is to have a stable workforce that cares about each other and Nybo as an attractive place to work. The concern for our employees has always been at the heart of the Nybo Workwear company spirit. In 2015, Nybo Laos was established and therefore Laos will have our attention in all CSR aspects in 2016.
- We want to improve our data management on CSR to cover both Denmark, Latvia and Laos with same monthly KPI structure.
- Establish continuous improvements through dialog with the employees regarding sickness and physical work environment.
- We have zero tolerance when it comes to corruption.
- We will offer the employees in Denmark a follow-up course in first aid and use of defibrillator.



Key figures regarding employees

	Denmark (Viborg)	Latvia (Dobele and Jelgava)	Total
Employees	35	169	204
Blue collar	6	143	149
White collar	29	26	55
Sick leave (%)	1,6	8,2	-
Injuries	0	2	2
Employee Development Dialogue	35	26	71
Employees received training	10	6	16
Employees on spec. terms	3	0	3

CSR Performance at Nybo Workwear A/S

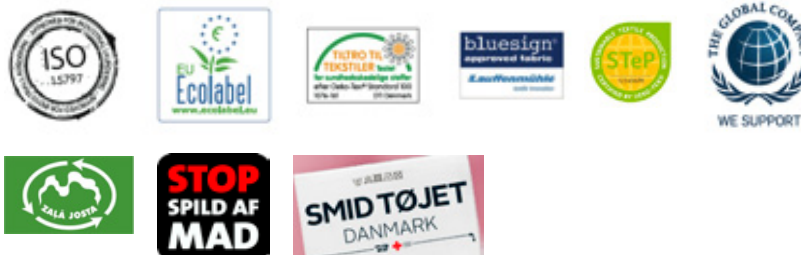
	Subject	Objective	Result	Global Compact	GRI	Page
Purchase	Implementing Supplier Code of Conduct	All suppliers of fabrics and sewing sign supplier Code of Conduct.	Completed	All principles	General	4, 6,7
	Number of suppliers that has undergone screening REACH-Directive	All major suppliers in Asia must conduct our self-assessment.	Completed	All principles	General	4, 6,7
		All suppliers has to document that they live up to REACH Directive	Completed	All principles		4, 6,7
Product and customers	Development of environmental friendly products		Our collection of environmental friendly Tencel products is still of very much interest from our customers and more collections in different blends has been launched in 2015. We have launched a new collection Nature which is a collection of upper parts made of regenerated polyester and organic cotton.	9		5
	Product and customers Development of environmental friendly products Certifications: Oeko-Tex Standard 100, Eco-Label, Bluesign, STeP, ISO 15797	95% of our products is Oeko-Tex certified 70% of our products is certified with EU Eco-label/Bluesign/ STeP	97 % 73% until 31.6.15 16% after 1.7.15	9	PR3	5
Process	Electricity consumption	43.683 kWh	See notes on page 8	7	EN3	8
	Initiatives to reduce electricity consumption	Efficient use of windmill	9.184 kWh – 88% better than 2014	7,8	EN5	8
	Total water consumption	Maintain 2014 level	13,3% increase			
	Gas	32.676 m ³	14,4% reduction			
	Recycling	61,47 tons	2,2% increase		EN2	8
People and society	Diversity of workforce		Blue collar: 149 White collar: 55	1,2, 6	LA1	9
	Employee development	Access to English language training-LV Courses - DK	6 employees 10 employees	1,2	LA10	9
	Access to labour unions	All employees	100 %	1,2,3	LA4	9
	Collective bargaining	All blue collar workers	100 %		LA 4	
	Wage level	Observe and respect national labour marked laws regarding minimum wage level	100 %	1,2,3	LA4	9
	Staff compensation	-	Pensions, health insurance, compensation on sick leave, pregnancy etc.	1,2	LA3	9
	Health and safety: 1. Rates of injury 2. Health programs 3. Sick leave 4. National laws on OHS	1. Zero injuries 2. Improve health programs 3. Reduction of sick leaves 4. Observe and respect national labour marked laws on OHS	Pensions, health insurance, compensation on sick leave, pregnancy etc. 1. 2 incidents during 2015 2. Health insurance, canteen, massage, . 3. DK: 1,6%; Latvia: 8,2% 4. 100 %	1,2	LA7	9
	Number of employees on special terms	Contribute to an inclusive labour marked	3 employees on special terms	1,2, 6	LA13	9
	Implementation of Code of Conduct	Nybo Workwear's companies in Denmark and Latvia must sign our Code of Conduct and Global Compact				



Nybo Workwear A/S in brief

Company name	Nybo Workwear A/S
Address	Industrivej 24 26 8800 Viborg DK-8800 Viborg Phone +45 8727 3000 E-mail: info@nybo.com
CVR nr.:	36 74 51 18
Locations of operations	Nybo Workwear A/S is headquartered in Viborg, Denmark. We have two production facilities in Latvia. The company is represented on all North European markets. Our customers consist of laundries and dealers of work wear.
Number of employees 2015	204
Contact person	Helle Nybo Holmberg Purchasing Manager, Owner +45 87273006 hnh@nybo.com
About Nybo Workwear A/S	Margit and Peder Nybo Jensen established Nybo Workwear A/S in 1962. The company is a family owned business. The management team consists of the next generation of the Nybo family together with Lars Husted Dall appointed as CEO in 2015. Nybo Workwear A/S offers a broad assortment of fashionable work wear for users within Health & Care, Gastronomy & Catering, and Light Industry. Our solutions are available through industrial laundries and dealers throughout Northern Europe. We are acknowledged purveyor to H. M. The Queen of Denmark as the only work wear supplier in Denmark.

Awards and certifications



AVAILABILITY

DURABILITY

FUNCTION

DESIGN



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