

# Communication on Progress Report 2017

# Statement of continued support by the Chief Executive Officer (CEO)

We are pleased to confirm that bvba 32 (Ann Demeulemeester) reaffirms and supports the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption.

We are committed to advance the 10 principles within our sphere and scope of influence in the fashion industry. We continue to include the principles in our strategy and day-to-day operations. Additionally, we continue to engage further in collaborative projects which advance the broader development goals of the United Nations.

Since 2012 our company has taken leadership in promoting Children's Rights and Business Principles in Belgium. The business case for respecting and supporting children's rights is clear. Supporting the health, education and safety of children is vital to creating a stable and productive business environment.

Taking positive action for children's rights is key to building strong relationships with the communities in which companies work. Promoting skills-training and youth employment is critical to ensure that the next generation has the skills businesses need to prosper. Building and nurturing creativity and talent is at the heart of our business.

We recognize that a key requirement for participation in the Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the ten principles. 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 support public accountability and transparency, and therefore we also commit in sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Anne Chapelle  
CEO

## Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights;

## Principle 2

Make sure that they are not complicit in human rights abuses.

## 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;

## Principle 6

The elimination of discrimination in respect of employment and occupation.

## Principle 7

Businesses should support a precautionary approach to environmental challenges;

## Principle 8

Undertake initiatives to promote greater environmental responsibility; and

## Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

## Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

## HUMAN RIGHTS

### Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights;

### Principle 2

Businesses should make sure that they are not complicit in human rights abuses.

## OUR COMMITMENT

BVBA32 is committed to promote the human rights values in our Code of Conduct and Human Resources Policies and Practices. We are committed to fostering an environment of integrity and respect for our employees and customers wherever we do business, and we expect that our business partners will operate accordingly. We aspire to work with suppliers that share our values and we expect high standards of business conduct from those who represent us or do business with us. Regardless of where we operate we will not compromise on our integrity. We aim to create social and economic value, contribute to sustainable economic development and promote the exchange of skills and knowledge. It is the policy of our group to ensure equal employment opportunity without discrimination on the basis of race, religion, sex, sexual orientation, disability, citizenship, age or any other characteristic protected by law

## ACTIONS AND OUTCOMES

Before the start of a new business relationship with a potential partner, serious due diligence takes place in order to ensure that the partner respects BVBA32 its principles as well as the UNGC principles.

BVBA32 has continuously helped young talents from all backgrounds move ahead in their careers. We believe young people have to be nourished to build knowledge to continue to strengthen their competences. Multiple schools have worked and still work closely together with BVBA32 for student exchange programs.

BVBA32 continues to offer all its employees an extra health insurance card for medical accidents to ensure a more global and depth health insurance cover as well as a safer working environment.

## LABOUR

### Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

## OUR COMMITMENT

BVBA32 protects and respects the initiatives of union association and values other forms of volunteer organization of its employees. Our employees are the cornerstone of our company's success - a respectful and fair contact with each other at daily work has the highest priority. We abide to the freedom of association, the right to collective bargaining and the democratic principles according to the universal declaration of human rights.

## ACTIONS AND OUTCOMES

BVBA 32 has elaborated detailed internal HR policies - translated in local and English.

We surpass all official employment policies and we offer to our employees considerable additional benefits such as paying for their share of social insurance, health insurance and un-employment insurance.

We provide an environment of open communication where our employees can speak with their managers about their concerns, problems or ideas to address workplace issues.

This policy is applied independently of local laws and to our business partners.

## LABOUR

### Principle 4

The elimination of all forms of forced and compulsory labour;

## OUR COMMITMENT

BVBA32 does not accept, under any circumstance, the exploitation of workers and does not maintain business relationship or hire services from organizations which adopt any form of forced or compulsory labor.

## ACTIONS AND OUTCOMES

We actively source and work with small suppliers and subcontractors who commit themselves to any kind of forced and compulsory labor. Yearly reviews are conducted with our suppliers/sub-contractors in order to control and continue all relevant business partnerships.

We provide competitive compensation and benefits, a safe and friendly work environment, programs for balancing the demands of work, and offer opportunities for learning and career advancement.

Working hours are regulated by our contracts and overtime work is compensated accordingly

## LABOUR

### Principle 5:

Business should uphold the effective abolition of child labor

## OUR COMMITMENT

The BVBA32 group does not accept, under any circumstance, the exploitation of children and youths under the legal age for work, and does not maintain business relationship or hires services from organizations which adopt any form of child labor.

## ACTIONS AND OUTCOMES

We work with smaller/ private ateliers and production sites who respect the human rights principles. Further on we try to keep our production in Western Europe. We do not have production places in emerging markets where hidden child labor is harder to detect. In case of production in China or India –for reasons of expertise and preserved craftsmanship – our production sites are carefully checked. We also want to support small ateliers, preserve the locals and their traditional knowledge of handcrafting artisanal skills. We often visit our production sites as it is important to closely engage with our partners to build a sustainable value chain.

### ➤ “SCARVES IN LOTUS SILK” PROJECT

Supporting girls with the artisanal lotus silk weaving skills in order for them to create and realize their own dream. Education is the first step to empowerment

Inle Lake is the only region in the world where lotus silk is being produced. Artisans extract the delicate fibers from the lotus stem and reel them into a thin thread. The artisanal process results in an extremely rare and exclusive fabric. The lotus silk weaving tradition is a unique craftsmanship and has for decades provided employment to predominantly women in the region.

This scarves program is designed to preserve the fragile ecosystem of the Inle lake and protect local artisanal skills. The girls from the local orphanages learn from experienced women in the village, mothers and grandmothers how to weave with lotus silk and make natural dye to create the most beautiful colors.

The objective is to train the young women in all aspects of the supply chain. They are involved in the various stages of development, from creation of the business plan, financial planning, sourcing of the lotus flower, spinning and weaving, and marketing of the final product to high end customers.

## LABOUR

### Principle 6

The elimination of discrimination in respect of employment and occupation.

## OUR COMMITMENT

BVBA 32 is committed to a Human Resources policy focused on integrity and professionalism. We do not accept, in our processes or at the workplace, any form of discrimination related to race, gender, sexual orientation, color, religion, age, ethnic origin, physical or mental disability or any other classification.

## ACTIONS AND OUTCOMES

BVBA32 has always maintained its commitment to diversity and equal opportunities in recruitment. More than 10 different nationalities are represented among our staff for which multi-cultural management is required. The diversity within BVBA32 its community underlines its energy, vibrancy and connectedness. All applicants are considered for employment based on their experience, skills and attitude. We adhere to all labor laws, respect the freedom of association, privacy and equal employment opportunity. We expect from our suppliers and contractors to embrace similar standards and values.

Our company offers a language supporting program to offer a better integrity of the working environment to its employees.

BVBA32 continued to help talented young people from all backgrounds onto the career ladder with a new policy for work experience and internships supporting the professional development of young people during and after education (such as punctual sponsorships, recurrent sponsored prizes at the Royal Academy of Antwerp, etc.).

## ENVIRONMENT

### Principle 7

Businesses should support a precautionary approach to environmental challenges;

### Principle 8

Undertake initiatives to promote greater environmental responsibility; and

### Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

## OUR COMMITMENT

BVBA 32 acts in order to protect the environment in all the localities in which its business activities are developed.

We commit to use natural resources rationally, use recyclable material whenever possible and taking other measures to reduce to a minimum air, sound and visual pollution. We promote environmental responsibility, not only in our usual operation, but also with consciousness-raising actions, environmental education and education for a conscious consumption. We will encourage our employees and partners to embrace sustainable values and a zero waste ideology. We are endeavored to the development and adoption of environmentally sustainable technologies within the characteristics of our businesses. We will consider the best practices and technologies for implementing the most efficient pollution prevention programs that will minimize the use of hazardous materials and waste

## ACTIONS AND OUTCOMES

We have reviewed processes and established a recycling program for most of the consumables being used by our company as well as our waste-especially for paper/ cardboard, left over fabric and plastics.

Our Quality Management implemented the REACH-, CIQ-and Flammability tests which are set according to specific international ISO/EC standards. The tests are done every season and declares the nonuse of harmful substances for textiles and clothing's. We do not use any hazardous dyes and pigments for our garments that can cause harmful consequences for our workers, the end customer and the environment



## ENVIRONMENT

### Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

## OUR COMMITMENT

BVBA 32 does not accept any form of corruption. We are committed to fair and responsible business and prohibit all forms of bribery or corruption. We expect our employees to follow the rules of conduct that will protect the interests and safety of all employees and the organization

## ACTIONS AND OUTCOMES

We do not accept corruption in any country where we do business.

Training is organized when members of staff do travel and meet our manufacturing partners or our retailers worldwide.