

BRICpro

Sustainability report 2018
- UN Global Compact
Communication on progress



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About BRICpro

BRICpro is an ethical sourcing company that help design brands in production of furniture, interior design and textile products. We assist from drawings to finished products and we focus on making the products in the most ethical and sustainable way possible by using responsible factories and sustainable materials. In this way, our ambition is to be part of the solution rather than the problem.

Therefore, social and environmental responsibility, product quality and economical profit go hand in hand in the BRICpro mind-set. And this demands for high standards when we look at sustainability, human and labour rights, and ethical business behaviour.

Statement of continued support

With 2018 coming to an end we can look back at an exciting and eventful year. Many new business relationships have been initiated and some have also come to an end. Nevertheless, BRICpro is proud once again to express our continued support to the 10 principles of the United Nations Global Compact. The UN Global Compact has during 2018 functioned as a guiding hand in the development of our company and have help to push all our new initiatives in the right direction.

In this Communication on Progress we share our achievements and challenges during 2018 and our actions to integrate the 10 principles of the UN Global Compact into our business strategy, our culture and our daily operations.

By supporting the UN Global Compact we set ourselves to the highest standards and remain committed to share our progress with our customers, partners and other stakeholders. This means that we are working on improvements related to human and labour rights, beneficial actions towards the environment and measures of anti-corruption. The 10 principles are mentioned in this report.

As a company we continue to work on improving all matters related to our business operations – both within BRICpro, with the suppliers we corporate with, and our collaborations with all other stakeholders.

We are excited to continue our commitment to UN Global Compact and look forward to an eventful 2019.

Signatures:

Nichlas Hassing
Director

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Head of CSR

The Sustainable Development Goals

In 2018 we continued our commitment to the Sustainable Development Goals. The SDGs consists of 17 goals that invite all governments, organizations and businesses on-board to work towards creating solutions to reach these common goals. For businesses this is a unique chance to ensure an innovative business and a sustainable economic growth.



In this report you will see our efforts to comply with the 10 principles of the UN Global Compact and the SDG's as one integrated approach as we see many links and overlaps. We believe that we can get the most out of both with an interlinked approach, since the SDG's are containing issues within both human and labour rights, environmental issues and anti-corruption.

At BRICpro we see the SDG's as a great opportunity to strengthen our company and make an actual difference through our activities. We are working actively with the goals:





Human & Labour Rights

BRICpro is supporting the Universal Declaration of Human Rights and The European Human Rights Declaration which binds us to avoid engaging in any form of human rights abuse. We do everything we can to avoid engaging in any form of forced labour or child labour, as well as ensuring fair wages and acceptable health and safety standards at our partnering factories. These are some of the major human rights risks in our supply chain and therefore we have a special eye out for these important issues.

In our work to ensure compliance with human and labour rights, we are signing on to working with the SGD goal number 8.



BRICpro stresses the importance of human and labor rights in the supply chain of its products. In BRICpro's eyes business should benefit all and not a few. Workers creating products for BRICpro should have the opportunity to create better livelihoods around the world.

Below you can read some of our achievements within Human and Labour rights.

A strong ethical supplier database

Focus for 2018 was to build up an efficient and standardized internal database for suppliers. We have managed to create a tool, which can be applied within all departments of BRICpro. All employees can quickly identify the latest CSR status of each partner factory and see if they are approved or not. It is an important step in involving all colleagues of the organization in making sure that quality, price and CSR status are assessed together and not individually. With this model we will also better be capable in monitoring improvement over a longer period of time and comparing the CSR status of factories within the same industry.

Our suppliers in our database have been either visited personally by one of our staff members or they have shown valid certification of either BSCI, Sedex, GOTS and/or SA8000.

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

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; and

Principle 6: the elimination of discrimination in respect of employment and occupation.



Conditions in 5 factories have not improved as expected in 2018, which is why a further collaboration is on hold until the non-compliances have been fixed. Furthermore, many suppliers didn't make it through our CSR-checks because of either unfair wages, dangerous working conditions or lack of environmental responsibility.

From BRICpro's experience it is clear that a factory which is fully compliant both in environmental and social terms is very difficult to find. Most of the factories focus on certain ethical considerations. The objective of BRICpro is to work on existing problems and find solutions on how bad conditions can be turned to better conditions. This is something that requires trust between the business partners but also patience.

It is also important to recognize the vast regional differences of factory standards within a county. In China, for instance, we have started focusing on factories located in the more developed areas such as Jiangmen and Zhongshan which are also closer to our Chinese offices. Not only are the government regulations regarding safety, health and environment tighter and corruption levels lower, our local employees can also visit them more frequently and build up a closer relationship.



Our own local workshop

2018 was also the year we launched our own local workshop in China, mainly with an assembling and packing line. By having our own workshop we can control the supply chain better and have a much better overview of the involved suppliers and sub-suppliers – a task that can be extremely difficult when producing complicated products such as a lamp or interior design with many smaller parts and processes. The workshop has been checked and approved in regards to fire safety and electrical installations, and in the workshop we are having a big focus on a healthy work environment.



Privacy policy

With the new General Data Protection Regulation, commonly known as GDPR, coming into effect on May 25th, BRICpro has also introduced a privacy policy for all of our digital stakeholders. BRICpro does in no way process or forward information of user visiting its website or social media channels. We use these channels only to communicate our strengths to customs.

Environment

BRICpro is committed to be part of building a more sustainable future and to make sure we do not drive robbery on Nature and it's resources.

We do our best to make sure our daily operations are as environmental-friendly as possible and at the same time we are ready to support our suppliers in limiting the environmental footprint they leave on the world through production.



BRICpro strives to make products of high quality that is made to last. In the production, BRICpro works with responsible suppliers that set high ambitions in terms of sustainable materials, good working conditions, and small environmental footprint.



BRICpro recognizes the major task that we face to tackle climate issues, and therefore we are continuously taking new steps to make sure we play an active role in being part of solving the issues.

Sustainable materials

As the products we make are the designs of our clients and not our own we often have a limited saying in the choice of materials used. However, we are always working on offering sustainable solutions as an alternative option for our clients when they design products and choose which materials to use.

2019 will be the year BRICpro will launch our own in-house material library - solely with sustainable materials. The library will make it easier and inspiring for our clients to choose sustainable materials as a central part of their products - or even serve as inspiration for designing new products.

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.



Environmental friendly shipments

When having many business partners all over the world and sending a lot of products with courier it is a challenge for us to avoid having a negative carbon footprint. Therefore, in our effort to make up for this negative footprint the majority of our shipments are sent as CO2 neutral with DHL. This means that for each shipment a small fee will be donated to one of the partners of DHL to ensure that the CO2 emission for each shipment is neutralised.

As of 2018 we are also offering our customers to choose to ship their goods by train from China to Europe. This option allows for a more environmental friendly journey, which is also competitive to air and sea shipments when it comes to lead-time and price.

Support to environmental friendly projects

From October 2017 to October 2018 BRICpro has committed to donate 2 % of our shipping turnover to Forests of the World – an NGO that works to ensure ecologically, socially and environmentally sustainable use of the World's forests. The amount will be donated so we can support the forests around the World and help lower the CO2 emissions caused by our shipments. We will continue this commitment from October 2018 to October 2019.

Focus on restricted chemicals

Finally, we have decided to tighten our requirements for restrictions on chemical substances in textile and other products. Based on the EU Chemical Agency's list of substances of very high concern (SVHCs),

We have introduced our core factories within textiles, which is the most relevant sector, to the list. For 2019 the promotion of this list amongst our supplier will remain a priority.

In addition, we have decided voluntarily to randomly pick a sample of products annually and conduct a full SVHC test with an official testing institute to assess the compliance commitments made by our suppliers.

Anti-corruption

As a member of the UN Global Compact, BRICpro is committed to work against corruption in all its forms, including extortion and bribery. At all times, BRICpro will back away from and speak against corruption in all its forms.

Our company will always abolish corruption in our business, from our engagement with customer, partners and in our supply chain. If any employees should be in doubt of incident or situations, it is our policy to address and approach the management for further instruction and guidance.



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

Want to learn more?

If you have questions or comments to this report, please contact our Head of CSR:

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COMMUNICATION ON
PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.