

NOA NOA  
COMMUNICATION ON PROGRESS  
2018



# CONTENT

3  
INTRODUCTION

3  
CEO STATEMENT

4-5  
OUR ETHICAL GUIDELINES

---

6  
HUMAN RIGHTS

7  
LABOUR

8-9  
ENVIRONMENT

10  
ANTI-CORRUPTION

11  
CONCLUSION

# INTRODUCTION

This is Noa Noa's Sixth Communication on Progress report.

The strategic commitment to join and support the 10 principles of UN Global Compact was made 6 years ago and the framework is still the base in the CSR work at Noa Noa. CSR has been part of Noa Noa's business practice for many years and goes hand in hand with our value of acting responsibly.

This report covers the progress in Noa Noa during 2018 in regard to the Global Compact principles and the aim and goal for the coming year.

## CEO STATEMENT

---

To our stakeholders:

I am pleased to confirm that Noa Noa 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,



Steen Kristiansen  
CFO/CEO



# OUR ETHICAL GUIDELINES

## **ACTING RESPONSIBLY**

We will approach CSR and promote an ethical supply chain in accordance with our values and within the framework of our membership of BSCI and the ten principles of UN Global Compact on human rights, labour, environment and anti-corruption.

## **COMPLYING WITH LAW AND INTERNATIONAL RECOGNIZED RIGHTS AND STANDARDS**

We are committed, wherever we operate and at all times, to comply with all applicable laws and regulations, the ten principles of UN Global Compact, and the requirements following from our BSCI membership.

## **MANAGING EXPECTATIONS**

We will in a clear, adequate and timely manner make sure that our employees, partners, and suppliers are familiar with what we require of them in relation to human rights, labour, environment and anti-corruption. We will be open and honest about the challenges we might face and take responsibility for solving these. And we will communicate our objectives and the results we achieve as soon as possible.

## **GROWING EMPLOYEES' TEAM SPIRIT**

We believe that we can achieve more as a team than as individualist. We value diversity and assist each other. Our behavior is constructive, and we seek individual solutions to individual problems and resist all aspects of discrimination and harassment.

## **SUPPORTING OUR SUPPLIERS' ETHICAL EFFORTS**

Accepting that we cannot guarantee that ethical problems may not arise in our supply chain, we consider it essential that our products are manufactured and handled in a proper and responsible manner by our suppliers. To that end we ask every supplier to accept, sign and follow our Suppliers' Code of Conduct (CoC). The CoC is based on the ten principles of Un Global Compact and the BSCI Code of Conduct, and it provides our suppliers with the ethical roadmap needed when working with Noa Noa. Our membership of BSCI constitutes the main tool for translating the intentions of the CoC into reality. According to the BSCI compliance system we call for self-assessments, monitor compliance, commission external audits and facilitate corrective measures and training when needed. If a supplier fails to comply with our CoC we will always respond in an effective and appropriate manner and, whenever possible, we will opt for a response facilitating corrective measures leading to progress. However, in the event of gross negligence on behalf of a supplier, we will not hesitate to terminate a contract.

## **PROTECTING OUR BRAND**

We insist that every individual representing Noa Noa is under a special obligation not to engage in any activity (both in words and action) that compromises our ethical guidelines including corruption in all its form. This is stated in our internal management guidelines.

## **ANIMAL WELFARE**

At Noa Noa we are strongly opposed to any form of animal cruelty including, but not limited to, methods such as mulesing and live plucking of birds/rabbits. We only use leather, fur, feathers, and wool from animals used for food production.

Noa Noa has, as of second half of 2019, decided to discontinue all leather production until the transparency in the whole supply chain meet our requirements.

We are currently working on that all products made of Mohair yarns must be RWS (Responsible Wool Standard) certified and expect that already from Spring 2020 all mohair product will be delivered with RWS certificate. We are looking forward to continuing working on this process - and even to broaden our requirements into regular wool yarns during 2020/2021.

We are also very pleased to apprise that, already as of second half of 2019, all products containing and down and/or feather to be made with RDS certificate (responsible Down Standard).

---

## **LIMITING OUR ENVIRONMENTAL IMPACT**

We will monitor our environmental footprint and continuously look for possible ways of reducing our energy consumption, improving the sustainability profile of our packaging, increasing recycling of unsold clothing, as well as promoting environmentally friendly manufacturing in our supply-chain.

## **EASING DIFFICULT LIFE CIRCUMSTANCES FOR CHILDREN AND WOMEN**

We will, while respecting the integrity of our brand and customers, support projects helping children and women in operating countries and main supplier countries or elsewhere when a suitable project is found.

# HUMAN RIGHTS

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

*Principle 2: Businesses should ensure that they are not complicit in human rights abuses.*

---

## **BSCI ENGAGEMENT**

Through the membership of BSCI Noa Noa supports initiatives that secure the human rights of workers in our supply chain. We continuously audit our suppliers and act on audit results to support improvement in the conditions for the workers in the production.

During 2018 Noa Noa have reviewed our supply chain and the supplier base has been updated. The majority of our production comes from suppliers who are members of and audited by BSCI. We continuously work with our suppliers to improve their audit results.

Our strategy for 2019 is that all our suppliers, and sub-suppliers, located in high-risk countries, must be a member of BSCI.

# LABOUR

*Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.*

*Principle 4: Businesses should uphold the elimination of forced or compulsory labour.*

*Principle 5: Businesses should uphold the effective abolition of child labour.*

*Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.*

---

## **BSCI ENGAGEMENT**

Through our membership of BSCI we support initiatives to improve Labour rights in our production countries. We continuously audit our suppliers and act on audit results to support an improvement in the working conditions for the workers in the production.

See previous chapter regarding Human Rights.

---



# ENVIRONMENT

*Principle 7: Businesses should support a precautionary approach to environmental challenges.*

*Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.*

*Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.*

---

## **CAPSULE COLLECTION “ON THIS NOTE” – SUSTAINABLE AND RECYCLABLE FIBERS**

Noa Noa introduced a new capsule collection in 2016. The capsule collection was for the first time delivered together with the Noa Noa autumn 2017 collection. From there on, it will be a continuous capsule collection which will be delivered 2-4 times a year. It is a laboratory where the focus is to work with sustainable fibers, 100% pure fibres and new materials with a low environmental impact.

We have experienced the difficulties in working with sustainable fabrics during 2018 and this has intensified our work and search for new materials. We have also expanded the work with organic fibers to be included as a larger part of the main collection as well as the ON THIS NOTE collection. Our focus on securing certificates for all new fabrics has been intensified and will also be for the future. We are working closely with existing suppliers that have knowledge in the area as well as searching for new suppliers with sustainable solutions. The aim is to include more sustainable materials, not only in the ON THIS NOTE collection but also in the main collection. So far, the main sustainable materials used are Organic cotton, Recycled polyester and Tencel.

The experience gained, and lessons learnt by working with sustainable materials will gradually be incorporated in a larger scale into the main collections. Noa Noa is looking forward to continuing the development and work with sustainable clothes manufacturing and to increasing our buying volume on sustainable products.



## RESTRICTED SUBSTANCE LIST (RSL)

During 2018 Noa Noa kept focus on the chemicals used in our production and continuously seeks new knowledge and insight to the area. Extensive work and lack of resources made it impossible to reach the targets set for 2017 by finishing the RSL (Restricted Substance List) and improving the workflow of controlling chemicals in our production. This goal has been postponed and our new goal is to finish the Noa Noa RSL during 2019, and distribute it throughout the supply chain accordingly along with an updated version of our Standard Operating Procedure (SOP).

A clear Chemical policy has been set for Noa Noa and is as follows:

*Noa Noa shall act as a sustainable and responsible actor on the global fashion market. To be able to do so, restrictions and limitations for chemical use/content must be followed on all markets where Noa Noa is present. By this, Noa Noa together with its suppliers will contribute to a more sustainable production of fashion garments via education and a constant move for more sustainable and environmental friendly production.*

## INDUSTRY NETWORKS

To stay updated with the industry standards and new regulations regarding chemicals used in production and finished products, Noa Noa continued its membership of the Swedish textile industry chemical network facilitated by SWEREA IVF.

Since 2017 we have been cooperating with several other Danish Fashion Companies in an informal network group discussing experiences and difficulties when working with new materials. The aim of the network is to share experiences and supplier information to be able to speed up the process of changing to a more sustainable production and use of textiles.

Network meetings during 2018 have kept the company updated in the area as well as provided several interesting and useful relationships within the industry by exchanging experiences and knowledge.

## RECYCLING

All Noa Noa garments which are re-located to our outlets, e.g. styles with minor defects are sent to charity. This we plan to continue doing during 2019.

## FSC HANGTAGS

The projects with introducing the FCS labelled material for hangtags has been postponed due to lack of resources and will instead be rolled out in 2019/2020. The project is under investigation and is not yet settled due to ongoing price negotiations and production requirements. Noa Noa is determined to change from conventional paper sources to FSC but the right supplier of both material and distribution needs to be found.

# ANTI-CORRUPTION

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

---

## **SUPPLIER CONTRACT**

Corruption in our Supply Chain is of zero tolerance and to be able to control it and to make sure that it does not occur Noa Noa has chosen to make use of the BSCI tools available. Suppliers are requested to sign the BSCI Code of Conduct that covers among other areas, the Anti-corruption policy. This is followed up by regular audits of suppliers where these parameters among others are controlled.

## **INTERNAL MANAGEMENT GUIDELINES**

---

Noa Noa does not engage in business relations with customers, suppliers or partners where corruption, bribe or personal relations / gifts are necessary to drive business. No employee is allowed to take bribe, Noa Noa has a zero tolerance for misuse of means, fraud and theft.

We rely on standard terms and the design and products to be competitive and satisfy the customer need and grow the business. Decisions taken can only be based on a sound financial basis and deviations from these guidelines are considered inappropriate behavior.

The Anti-Corruption guidelines have been incorporated in our management guidelines.

# CONCLUSION

Noa Noa is looking forward to continuing the work with the United Nations Global Compact. The 10 principles in combination with our engagement in BSCI give us a very good base to plan and execute our CSR strategies.

We will continue our responsible journey towards our supply chain, society and environment.