UN GLOBAL COMPACT
COMMUNICATION ON PROGRESS
2020

CLIPPER A/S

CEO STATEMENT

Clipper A/S was established in 1955 in Herning and is built on strong traditions and fine craftsmanship.

Over the years, the company has grown into an international business, providing key items for the classic gentleman and corporate wear for professionals within many different industries all over Europe.

Since 2012, Clipper A/S has actively supported and participated in the UN Global Compact. Every year, we strive to improve our products' quality, our production processes, and our CSR profile. We actively use the UN Global Compact initiative in this process and to keep track of our internal and external activities in regards to the Ten Principles and our own ethical values.

We urge our suppliers and business partners to support and live up to the Ten Principles, which is also a part of our Code of Conduct. Striving for long term relations with our suppliers and business partners, we keep a constant focus on this subject.

The year 2019 has been an exciting year with many positive changes to our supply chain and to our internal and external processes.

We now continue our journey in 2020 with unchanged focus on sustainability and CSR - proud to take part in setting the stage for a better tomorrow.

Torben Bang
CEO, Clipper A/S

HUMAN RIGHTS – PEOPLE
– Our core capital

Internally

At Clipper A/S we strive to respect basic human rights conventions in Denmark and in the countries in which our products are produced. Our customers should feel confident when doing business with us, knowing that we do our very best to meet fundamental responsibilities in the areas of human rights, labour and anti-corruption.

We support the internationally declared human rights and will not discriminate against any person on the grounds of race, religion, gender, age or disability. We care for our employees, involve them in our planning and decision-making processes, and ask for their feedback.

Clipper A/S boasts an equal gender mix with all ages represented. This goes for the management group as well, consisting of three men and three women.

In 2019, we decided to perform the mandatory workplace evaluation (the "APV") every year, instead of every three years, which is the minimum requirement. The evaluation gives us valuable feed-back from each employee and helps us improve the work environment, thus boosting physical and mental health among our employees.

Once a year, each employee has a one-to-one meeting with his/her superior to discuss wages and a personal appraisal interview. The employee and his/her superior evaluate their cooperation and the daily work life, and discuss their ambitions for the coming year. At Clipper A/S we welcome this kind of open and honest dialogue to grow our common understanding and boost employee satisfaction.

"... we do our very best to meet fundamental responsibilities in the areas of human rights, labour and anti-corruption."

All of our employees have six weeks of holiday each year and an 8% private pension paid by the company. Furthermore, each employee is offered a non-obligatory healthcare insurance.

We refrain from any sort of corruption or bribery. It is our company policy, that bribery may not be offered, accepted or demanded at any time.

According to Danish legislation, bribery is forbidden, and no employees at Clipper A/S are allowed to receive any personal gifts from suppliers or business partners. We do not have any procedures to monitor our employees in Denmark as we consider this irrelevant. We believe in freedom with responsibility.

In accordance with Danish legislation, we have a safety committee with representatives from the employees and the management, which is monitored by the labour inspectorate.

Clipper A/S acknowledges the increased focus on the environment and CSR. We therefore strive to attract employees with the same mind-set and determination as the existing personnel. As a result, it is one of our key focus points to improve both internal and external working conditions as well as environmental awareness.

Externally

Our policies towards our suppliers are included in our CoC. We strive for long term relations with our supplier base and rarely change suppliers. We believe, that together we can grow. Our suppliers have shown great interest in supporting our CoC, and they all have a very constructive view on human rights. Furthermore, they have workers standards which, in most cases, are higher than required by local legislation.

We respect the rights of association and collective bargaining. All work must be voluntary, and there must be safe and hygienic working conditions and lodging at our suppliers (if applicable).

Child labour shall not be used and we follow ILO's principles on these issues. If we find that this is violated, the children will be protected and a transition plan will be prepared in order to ensure their educational and financial safety until they reach adulthood.

According to our CoC, all suppliers must comply with national legislation. In the event that our CoC offers better conditions for the employees, our CoC must be followed.

We use selected audits as a means of ensuring that our suppliers respect and comply with the principal rights of their workers. Amfori BSCI, SMETA and ACCORD are some of the common compliances that we ask our suppliers for. We also do accept other similar certifications if demands are equal or higher, for example Inditex audits.

We generally prefer to control the complete value chain, as this ensures transparency for us and for our customers. At our own factory in Latvia, we maintain full control of the value chain, and when working with subcontractors, we usually buy raw materials such as yarn, zippers and thread ourselves.

"We strive for long term relations with our supplier base and rarely change suppliers. We believe, that together we can grow."

HUMAN RIGHTS – PEOPLE
Achievements 2019

All of our suppliers signed and thereby committed themselves to our updated Code of Conduct.

In February 2019 our own factory in Latvia was audited for the SMETA 4 pillar certificate.

During 2019, we visited and inspected six production facilities of our main garment and raw materials suppliers, to ensure that they live up to our CoC.

In March 2019 we mapped all of our suppliers according to their certifications, and we will continue to update this list.

A local physiotherapy centre/health centre (Benefit) visited us and helped each employee optimise his/her work station and tools for better working positions. During the year, we have changed some of the chairs, mouse pads, mats etc. according to the recommendations that Benefit gave us.

On a monthly basis, our CEO informs the employees of the strategy of the company, current status and financial figures.

We continued our long-standing support to DINNødhjælp. A voluntary association fighting to save the so-called witch children in Nigeria, where the belief in witches is a big problem. You may already have heard of Anja Lovén and Hope and all the other children, that she has saved.

Clipper A/S sponsors a nurse for the orphanage of DINNødhjælp, so the children can get the right care, and so that illnesses can be prevented.

HUMAN RIGHTS – PEOPLE
Actions in 2020

We will implement gymnastics every day at 11 a.m. which will be beneficiary for the daily well-being and strengthen social relations.

To further strengthen social relations, we will increase the number of social activities through our staff association.

We will perform a new APV (workplace evaluation).

We will continue to update our Code of Conduct and our suppliers will have to re-sign accordingly.

We will continue to support DINNødhjælp and to sponsor a nurse for the orphanage.

We will continue to develop and educate our employees, to keep them competent and motivated.

We will work on common remediation plans with our core suppliers based on their prior audit reports. We will support and help the suppliers if possible.

In January, we had a workshop with Sustainawear, to educate and inspire our sales team regarding CSR. Among other things, we talked about green-hushing versus green-washing, and the sales force got a good basic knowledge.

As a result, our sales team is now better prepared for questions from our customers on sustainability and CSR in general.

ENVIRONMENT
– Plan Planet Earth

Internally

We are aware of our environmental responsibilities. We strive to make our production as sustainable as possible, knowing that any production will lead to a negative impact on the environment.

We educate ourselves to become aware of the possibilities that exist within our business in fashion and corporate wear.

Externally

We expect all of our suppliers to live up to the REACH regulations and the STANDARD 100 by OEKOTEX® for raw materials. We make random inspections to see if our garments can pass the tests.

Sourcing new suppliers who focus on reducing the use of chemicals, water and dyestuff is always a main focus point. We would rather go the extra mile to find the right environmental solution than choose the easier and cheaper one.

We continuously work with our suppliers, educating them and sharing our knowledge with them. Everyone is openly discussing challenges and possibilities, recognising that this is crucial to maintain a positive development.

"We are aware of our environmental responsibilities."

ENVIRONMENT
Achievements 2019

All catalogues were printed according to the standards of Nordic Ecolabelling.

We use recycled Nordic Ecolabelled paper whenever possible and encourage everyone to save paper and think before they print. If printing is necessary, we usually print on both sides of the paper.

Our e-mail signature, includes the sentence; "Clipper A/S cares – we hope you do, too – please consider before printing". With this initiative, we hope to encourage receivers of our e-mails to be aware of the environment and print less.

We encouraged our suppliers to only accept the stricter appendixes and product classes within the STANDARD 100 by OEKO-TEX® certification.

We participated in several CSR courses and bought the CSR programme "How to Eat and Elephant" from Sustainawear.

We stopped using plastic cups in our staff canteen.

We started sorting our waist and recycle paper and cardboard. Today, we only have two dustbins in our head office, thus reducing the number of plastic bags.

We have gradually changed old-fashioned (incandescent) light bulbs and strip lights into more environmentally friendly LED lighting, and we turn off screens and other electrical devices when not in use.

ENVIRONMENT
Actions 2020

It is a strategic goal to source more environmentally friendly materials, and we will launch a new range of 100% wool garments, produced with reduced water-use, mulesing free yarn and in a quality offering a longer product life span, thus saving the environment.

Our goal is to gain insight into the CO_2 emission results of our forwarding agents and their ambitions and strategy for reducing their environmental impact.

We will change to electricity from renewable sources and start monitoring our consumption of electricity and our use of water to reduce both.

We will continue to re-use our import boxes for export. To raise awareness, we cover the old packing stickers with new ones with the statement: "We Recycle".

We will continue our membership of the CSR programme by Sustainawear to keep updated and to participate in networking meetings.

To use our overproduced raw materials in a sustainable way, we will manufacture products for selected private label customers from leftover yarn or yardage.

Leftover samples are donated to different kinds of charity.

We will continuously try to consolidate our shipments and reduce the number of shipments by air.

We will gradually shift to using 100% mulesing free wool, which means, that over the next year, mulesing free products will become the standard in wool products delivered by our company.

CLIPPER A/S

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