



UN Global Compact

Communication on Progress

2020.9-2021.8



***Statement by the General Manager***

Dear Reader,

As we continue to grow, we continuously thrive to promote our mission in all aspect of our work. In 2017 we moved to our new green factory, built using recycled materials, and with the wellbeing of all our employees in mind.

Since 2018 we have started the green movement in Norwex China with the goal to educate our employees and our community on how to lower our carbon footprint and lead a more sustainable life. Over the years we have taught our employees about waste sorting, we have encouraged walking or bicycle riding to the office. In 2020, due to the pandemic, we took our mission online and organized activities through different social media platforms to encourage waste sorting.

We aim to not only live by our mission, but also lead the way in our community and in the families of all our staff and people around us.

Norwex continues to deliver new solutions for a healthier environment to live in, creating safe havens by reducing harmful and toxic chemicals in our homes. Our company mission statement remains

***Improving quality of life  
by radically reducing chemicals  
in our homes***

We continued to develop products that support this mission.

Besides these products, we reach out to people through our Norwex Movement. The Norwex Movement is a meeting place of people of all walks of life, all over the globe, coming together to create a more sustainable chemical-free environment for our families and our planet.

The website supporting this is [www.NorwexMovement.com](http://www.NorwexMovement.com)

This website is part of the Norwex Movement. The Norwex movement exist to help people everywhere create safer heavens in their homes by raising awareness about planetary issues that affect all of us.

Our values of Integrity, Trust and Respect, stay the same and form the backbone for a healthy corporate culture within Norwex.

Sincerely,  
Julien Dufaure  
General Manager Norwex China



## **Company introduction**

In 1994, still in the pioneering days of a new product called Micro Fiber, a local cleaning company received a sample of this cleaning product and soon realized its enormous potential in the cleaning market. Soon thereafter, the Norwegian operating company, Eidsvoll Miljøprodukter, went further into developing micro fiber as a material used in modern cleaning products to help reduce our use of harmful chemicals in our homes and enable us to clean using only microfiber and water.

The holding company, Norwex Holding AS, was established in 2000 to enable the Norwex group to expand internationally and to further our product development.

Norwex came to China in 2005, when we set up a Representative Office in Shanghai. With further development in 2006, Norwex China was set up as a company.

In October of 2009, Norwex incorporated a manufacturing company in Zhangjiagang – Norwex China Factory.

## **Human Rights Principles**

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.

## **Assessment, Policy and Goals**

Norwex fully and passionately supports the Universal Declaration of Human Rights.

Norwex is an Equal Opportunity Employer committed to a work environment free from discrimination. We provide equal opportunities to all applicants and employees with regards to race, color, religion, sex, national origin, marital status, sexual orientation, physical or mental disabilities or other factors unrelated to a person's job performance ability.

Norwex's has 3 core values that are central to how it operates its businesses worldwide: Integrity, Trust and Respect.

### **Integrity**

To conduct our business with integrity means we uphold our moral principles and remain honest and transparent in all areas of practice, from our product standards to our business relationships.

### **Trust**

Trust is the belief that one can rely upon another's actions and words. Through a foundation of trust, we empower our community of employees, Consultants and Leaders to work openly and



creatively.

#### Respect

To respect someone is to think highly of them and to admire them for their qualities. By respecting others, Norwex brings people together from all walks of life creating a supportive, inspiring and empowering joy land. All human beings deserve respect just because they are human beings. To receive respect confirms the individual's worth as human being.

We have policies in our Executive Manual for any breach of our core values:

If an employee is in breach of the company core values, this will regularly have formal consequences, and will also result in loss of annual performance bonus.

The UN Global Compact's Human Rights principles are part of our company regulations and part of our Employee trainings. Staff and managers will adhere to the UN Global Compact Human Rights principles, promote the consciousness of upholding human rights, support and respect the Universal Declaration of Human Rights. Violations of regulations in our Employee Manual will have formal consequences.

#### Implementation

Our policies are implemented in our day to day operations. All of our staff is treated fairly. Norwex truly cares about each of its staff.

Because of the pandemic, the Year 2020 has become a special year. Norwex is also affected by this sudden disaster, however, Norwex ensured the normal restart in the early February and guaranteed adequate supplies to ensure the health of the staff. Soon in the early March, Norwex provided more job opportunities, no layoff due to the pandemic.

We have regular informal conversations between General Manager and staff to promote a free and open communication between management and staff. We share company information and update all staff in regular newsletters and company Intranet.

On our local Intranet, there is a page exclusively for the UN Global Compact where information, training material and this COP are posted.

To protect each of our supplier's staff, Human Rights are part of Norwex China's Manufacturing Agreement and Norwex China will conduct supplier audits to ensure that we are not indirectly involved in human rights abuses.

#### Measurement of outcomes

Norwex undertakes regular Environment, Health & Safety Meetings concerning company compensation, working time, working condition & company benefits. As a textile manufacturing



factory, Norwex pays more attention to fire prevention work, like adding charger protection devices and installing fireproof glass in the warehouse. EHS Training is one part of our new hire orientation and annual training plan. We have increased our company health check to twice a year.

In addition to regular breaks, in the afternoon of each working day, we make employees exercise for ten minutes to relieve the work pressure. We organize group outing, where staff can meet with coworkers and coworkers' family members in a relaxed way and in Nov, 2020, we sent the whole team to Sanya, Hainan. This tour took 5 days, totally for free.

Since 2021, Norwex has specially set up a family care fund for employees to care for their families. The scope of subsidy includes childcare, employee fitness, and parental physical examination. The expenses for above activities are completely reimbursed. And Norwex are gradually expanding the scope of subsidies to benefit more family affairs. Norwex cares about employees as well as their families!

### **Labor Principles**

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 labor;

Principle 5: The effective abolition of child labor;

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

### **Assessment, Policy and Goals**

Norwex China strictly adheres to the Chinese Labor Law.

Each individual in Norwex enjoys equal pay for equal work, and we ensure that the hiring procedure is objective, transparent and equal.

Norwex normal workweek: 40 hours. In emergency or unusual situations, Norwex workweek can be extended to 60 hours, including overtime. All workers take at least one day off every seven-days. All overtime is voluntary.

In addition to their compensation for regular hours of work, Norwex workers are compensated for overtime hours at the premium rate required by applicable laws and regulations. Norwex also offers vacation time, leave periods and holidays consistent with applicable laws and regulations. Employees are paid timely and clearly conveyed the basis on which they are being paid.

Norwex employees are also free to leave work or terminate their employment with reasonable notice.

Norwex does not use any forced and compulsory labor or use child labor and we support the



principle of freedom of association. Principles 3 through 6 are incorporated into Norwex China's CSR Code of Conduct, which our suppliers are obliged to follow, and Norwex China will audit our suppliers to ensure we are not indirectly violating any of the 4 labor principles.

The UN Global Compact Labor Principles are part of our company regulations and explained during new hire orientation day. Violations of our Employee Manual will have formal consequences.

### **Implementation**

The UN Global Compact Labor principles have been introduced in our internal training and Intranet website.

Norwex has a human resource team in place to ensure the principles are implemented and supported, to be included in the new hire training for new employees and is available to assist and support staff and managers in questions regarding any of the 4 principles.

Norwex China labor union is there to ensure that the Global Compact's principle number 3 is consistently followed.

### **Measurement of outcomes**

The number of lost legal disputes with staff is zero and no labor disputes/strikes per calendar year. There have been neither disputes in relation to forced and compulsory labor or complaints about discrimination.

### **Environment Principles**

Principle 7: Business should support a precautionary approach to environmental challenges;  
Principle 8: Undertake initiatives to promote greater environmental responsibility;  
Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

### **Assessment, Policy and Goals**

Norwex is committed to consider the environmental impact of the business and selling its "clean without chemicals" concept and state of the art "organic and other personal care products.

Norwex has an ecological approach to our mission and considers the impact on humans, other animals and the environment and how these parts interact and impact each other. Norwex is, as such, striving to improve the quality of life rather than just improve the indoor environment or the well-being of a few individuals.

### **Implementation**



Norwex is producing environment friendly products. Microfiber allows for the removal and or reduction in the use of cleaning products that can contain harmful chemicals, reducing their inherent pollution to our habitat. Norwex uses antibacterial technology in our own fiber to give our products an excellent cleaning function.

Norwex is continually seeking better technologies for producing products as well as the characteristics of the products itself.

The UN Global Compact's Environment principles are part of our company regulations and added to our Manufacturing Agreement.

The UN Global Compact's environmental principles are part of Norwex China's CSR Code of Conduct and we audit our suppliers to ensure Norwex China is not indirectly involved in the abuse of our environment and any unnecessary pollution.

Norwex China recycles industrial waste from the production of its products, and we have recycle programs for daily use items in the office.

Year 2018 is the first year of Norwex China Green Factory and the two green projects we have implemented namely waste sorting and paper saving have achieved great results. Our employees are also enthusiastic about participating. A total of 50 employees have carried out waste sorting in their own homes, and promoted the knowledge of waste sorting and Norwex's environment protection concept in nearly 10 local communities.

Our green theme in Year 2019 is : Let's do our part to prevent global warming! We encourage our employees to use bicycles (non-electric bicycles) to commute to and from work, and reduce the frequency of driving, which will not only reduce vehicle emissions, but also exercise the body and benefit the health. In the meantime, we encourage all staff to have vegetarian diet on Wednesdays, cook more at home and cut down on takeout.

In June 2020, we organized an environmental protection knowledge competition online, which was warmly welcomed by not only our employees but also their family and friends. More than 120 people took an active part in this competition and 36 won the final prize. They were impressed by this activity, at the same time, they were appreciated Norwex's commitment to environmental protection.

We have been pursuing our purpose to go green! Two new projects we have implemented in the Summer of Year 2021 are Water & Electricity Saving and 100 Days' Exercise Plan. We advocate each household of Norwex China employee can reduce water & electricity consumption from June 1 to October 31, 2021. Each less consumption of kilowatt hour can reduce a bit of CO<sub>2</sub> emission, the pressure of global warming can be relieved a bit consequently. Each household of the participants saves the water & electricity consumption during this period will be viewed as a success and will be gifted. Since our company offered Family Care Fund, many employees have kicked off their



fitness exercise and with the launching of 100 Day's Exercise Plan, a healthier fitness culture in the company has been formed.

### **Measurement of outcomes**

We send warning letters to our suppliers based on supplier audits for violating our CSR Code of Conduct with respect to environmental protection.

We have purchased a laser guided auto-cutting machine that also reduces the cutting waste.

The cutting waste is collected and recycled and re-used.

Our dyeing factories all have upgraded their water-purification systems.

Although our production output over the years has gone up considerably, the energy, gas and water cost were relatively stable thanks to saving initiatives and efficiency improvements.

After the implementation of the waste sorting and paper saving projects,

- 1, The accumulated amount of recyclable waste is more than 24 tons and the value is RMB15,600, which is enough to pay the professional disposal fee of other wastes;
- 2, The amount of kitchen waste collected in one month is about 1,500 kg, which accumulates to over 18 tons;
- 3, A cumulative collection of hazardous waste is more than 15 kinds;
- 4, Reducing more than 42 tons of the waste that needs to be buried or incinerated in one year, much more than expected;
- 5, A cumulative saving of 2.65 tons of paper, more than one million pieces of paper, which is equivalent to cutting down at least 47 trees more than 20 years old every year.

At Norwex, our goal is to improve quality of life and take responsibility for our planet. This is reflected through utilizing lots of natural, low consumption and presence-detecting lighting, a green roof and solar power. Solar panels installed on the roof can generate nearly 4,000 kilowatts of electricity yearly.

### **Anti-corruption Principles**

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

### **Assessment, Policy and Goals**

Norwex is against corruption and supports the UN convention against corruption, and we have anti-corruption policies, which are in the Integrity Statement that all staff and suppliers of/to Norwex China have signed.

Norwex's Core Values are: Integrity, Trust and Respect.





Integrity is the quality of being honest and morally upright. Incorporating integrity into our core values means we must conduct our business in a strictly legal way, we do not do anything illegal.

The UN Global Compact Anti-corruption principle is part of our company rules and was added into our Executive & Employee Manual.

### **Implementation**

Every Norwex staff is required to sign the Integrity Statement the first day they work for Norwex, which is a part of the employee contract. A new Code of Business Conduct was introduced to all employees in March, 2021, aiming to summarize rules that all employees should follow, and unifying the ethical standards and business ethics in all business activities of Norwex China. All members must promptly report all known or suspected violations of applicable laws, the mentioned Code of Business Conduct, or any policies of Norwex.

Every Norwex supplier is required to sign the Supplier Integrity Statement together with the supplier contract the first day they work with Norwex.

### **Measurement of outcomes**

Staffs who are working for Norwex now all have signed the Integrity Statement. Any claim of corruption is extensively investigated internally and by our legal departments. Until August 2021, we have had no confirmed cases of such misbehavior.

We also did not find any suppliers violating our CSR Code of Conduct with respect to graft and corruption in 2020 and 2021. 100% of our suppliers have signed the Supplier Partnership Agreement and Manufacturing Agreement.

### **Norwex CSR Code of Conduct**

Norwex is committed to ensuring that working conditions are safe, that workers are treated with respect and trust, and that manufacturing processes are environmentally responsible.

On the basis of such commitments, Norwex has been working on setting up a CSR Code of Conduct and this code was released in 2012 and all our suppliers have signed it.





**Norwex Corporate Social Responsibility Code of Conduct**

At Norwex, we are committed to conducting business with the highest standards of business ethics and respect for human rights and the environment. We require our vendors and other partners to meet at least the same standards. All must be in compliance with the requirements of local applicable laws and regulations.

What follows are the essential requirements that our own factory and its vendors must meet:

**Respect for human rights**

Compliance with the principles of the UN Global Compact initiative is a must. All employees will have a written labor contract.

Child and forced labor is not allowed. The minimum working age must be according to local applicable laws.

The safety and health of our employees and of our suppliers' employees are our highest concern. Safe work environment must be foreseen and compliance with all relevant EHS regulations is a must.

This includes possible dormitories.

Harassment, abuse and discrimination are forbidden. All employees must be treated with respect and dignity. Non-discrimination is required in the employment in hiring, compensation, advancement, discipline, termination or retirement on the basis of gender, race, religion, age, disability, sexual orientation, nationality or ethnic origin.

Working hours and compensation must be at least in accordance with the local labor law. The right of the workers to freedom of association and collective bargaining must be recognized and respected.

**Environmental**

All suppliers must avoid negative impact by their activities on the environment. They must actively strive to reduce their footprint on the environment. Suppliers must comply with local and international laws or rules protecting the environment.

**Corruption**

Corruption in any form is forbidden. Violation of this prohibition can result in immediate termination of the supplier.

**Others**

Norwex has its own quality assurance division that will ensure compliance with Norwex' code of conduct and other agreed rules. They will be granted access to the production facilities.

Vendors cannot use subcontractors without the prior written approval and only after this subcontractor has also accepted Norwex' terms.

This code summarizes only the major requirements of doing business with Norwex China and in no way does it replace any of the agreements signed between Norwex and its vendors.

Norwex maintains also a high degree of confidentiality for which all suppliers need to sign a confidentiality agreement.

