# Communication on Progress March 2022

OSTE COPENHAGEN



### HOME IS WHERE THE B IS

Broste Copenhagen is more than just interior design. It is a way of life that we are eager to share with the world around us. Therefore, we create our products to reach a wide range of customers, not just the few.

Broste Copenhagen is one of Scandinavia's leading interior brands, based in Copenhagen and originates back to 1955. We have a long tradition of travelling the world for inspiration and materials, as we Scandinavians have always done. Processing is gentle, so the original feel of the material and its character remain intact - with focus on high quality and our wellknown Nordic signature in the final design.

With a total of two collections every year Broste Copenhagen covers a range including candles and lanterns to tableware, home textiles and decorative items.

Our dynamic and creative team is constantly working on developing the range with respect for the fine balance between the Nordic tradition and the trends of the moment. This is the framework within which our interior design finds a blend of modern edge and classic vitality.

Assuming a social responsibility is not about adapting to customer demands, riding a passing green wave, or embellishing yourself with fashionable labels. It is about decency. At Broste Copenhagen we want to be an active part of the society in which we live and act - as individuals, as citizens, and as a business, both now and in the future. That is why our CSR policies are an important aspect of the way we think and act in any connection.

We are proud of being able to apply the Nordic Ecolabel, which for the past 25 years has made it easier for consumers and businesses to choose the most environmentally sound products and services. A large number of our textiles are certified in accordance with the OEKO-TEX scheme, which ensures that there are no harmful chemicals in our textiles - to the benefit of both the environment and consumer health. And not least we run our business in accordance with UN's ten Global Compact principles that safeguard workers' rights and environmental considerations, and function as a defence against corruption.

The labels are our customers' guarantee that we keep our promises, so that they may choose products that do not damage people, society, and environment - we want our customers to feel safe in their choices.

### STATEMENT OF CONTINUED SUPPORT

I am pleased to confirm that Broste Copenhagen reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and AntiCorruption. UN Global Compact's 10 principles has been our focus since 2014 and we have continuously been working on our focus on human and labor rights. Another important aspect of the principles has been environmental considerations and anticorruption which has also been an important part of our business strategy.

One of our strategies has been to make our work transparent and especially certificates has been a method to guide our customers in taking the right choices and the certificates also show that we do keep our promises and that our customers can choose products that have less negative impact on people, society and the environment. With certified products we give our customers a possibility to choose and they can feel safe when they buy our products.

Every year we integrate and embed sustainability into our processes even more and we are certain that this is something that will continue in the years to come. At Broste Copenhagen we

believe this provides us with a longterm perspective and an opportunity to examine our sustainable business long-term. Since 2019 we have been working with the SDGs and yearly we have identified the SDG's to where Broste Copenhagen can obtain the largest impact and have made assessments to how the work has been progressing and if anything has changed in regards to our possibility to make an impact. We do not identify all the SDG's and their underlying goals as equally important to our company, but we do acknowledge that all of the Sustainable Development Goals encompasses extremely important issues that needs to be dealt with. It is important for us that our sustainable strategy and business conduct is aligned and we know that focusing on the areas where we can make a difference is how we best contribute to the global tasks that the Sustainable Development Goals put forward. In this annual Communication on Progress, we describe our actions to continually improve the integration of the SDG's and the United Nations Global Compact and its principles into our business strategy, culture and daily operations. We also commit us to share this information with our stakeholders using our primary channels of communication.



**Kim Larsen**, CEO Broste Copenhagen

# THE SUSTAINABLE DEVELOPMENT GOALS

We still find the SDGs important and have choosen to keep our focus on social responsibility in the future. Every year we wish to raise the bar in regards of how we conduct our business in a more sustainable matter.

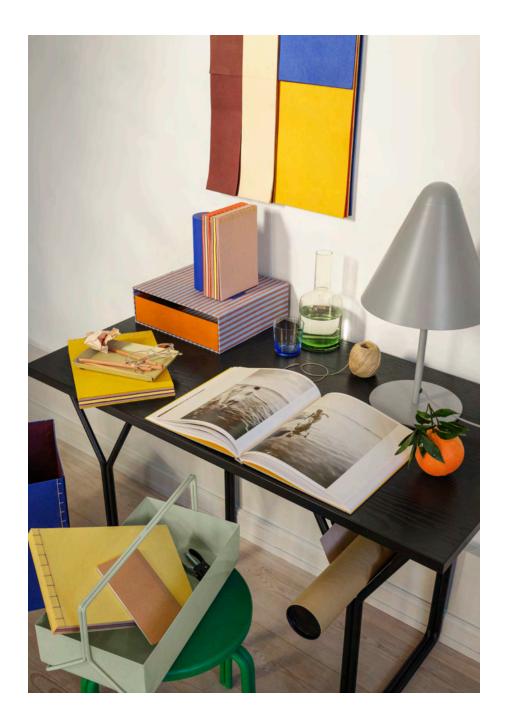
We have been working on determining which goals we want to reach and how to incorporate the United Nations Development Goals in our daily processes and the way we do business.

In this Communications on Progress we have been working on an assessment of the goals that we all believe are highly relevant to our business and we wish to analyze our impact on each of them. We have previously selected six goals that we believe we can impact, facilitate and work with through our business activities. It is within these goals that we have the most impact.

Especially two goals - number 12 "Responsible Consumption and Production" and number 17 "Partnerships for the goals" - have our attention as this is where we find the biggest potential for Broste Copenhagen to make a positive contribution. In the following we will make assessments on how we can contribute and where we in the future can do more to reach even further in 2022 and beyond.







### LABOUR AND HUMAN RIGHTS

At Broste Copenhagen we acknowledge our responsibility and commitment to dealing with sustainability. We do not believe that our sustainability should be rooted in our customers' expectations but it should be something we do because we wish to have a business run on consideration for others.

At Broste Copenhagen, we want to be an active part of the society we live and act in - as individuals, citizens and as a business - both now and in the future.

We have a long tradition of travelling the world for inspiration and materials in our designs. Our designers and creative team is constantly working on developing the range with respect for the fine balance between the Nordic tradition and the trends of a movement which is reflected in our designs. By doing so we always encourage our designers and employees to promote and respect human rights in countries and locations that are not used to our high standards in the Nordic countries. Because of this our CSR strategy has become an even more important aspect of how we wish to conduct our business.

Broste Copenhagen supports Labour and Human Rights in all its forms and recognizes its importance in an increasingly globalized work environment. We acknowledge the potential risks for not focusing on these important rights, both for the company, suppliers and employees.

All company procedures are to be effective to protect internationally proclaimed human rights for all, with a zero tolerance of noncompliance We wish to provide all humans the rights and freedoms they deserve to enjoy. The last couple of years we have intensified our work in regards of general auditing of our suppliers to ensure better standards further out in our supply chain.

We always wish to engage in dialogue and we try to teach them about the importance of safety and health.

Through our Code of Conduct we make sure that we work towards better standards and more secure working environments and we believe that this is the best way to obtain results. Our work with the BSCI and SEDEX initiatives continues and we look forward to engaging further with the initiative in 2022. All our new suppliers undergo an initial screening where we make an assessment in regards of relevant CSR-elements. When we have established that the basics are in place in regards of Labour and Human Rights (working conditions, safety, working hours, child labour exc.) we establish a basis for remodeling their current setups, so that we see progress in regards of sustainability year after year.

Our mindset and business model are structured around long-term perspectives focused on trustbased partnerships. Our approach and mindset in regards of Human and Labour Rights are in accordance to SDG eight and seventeen.





### ENVIRONMENT

We are proud that several of our products have the Nordic Swan Ecolabel, which over the past 25 years has made it easier for consumers and companies to choose the most environmentally friendly products and services.

A large proportion of our textiles (85%) are certified according to the OECO-TEX certification which ensures the limitation of harmful substances in the textiles. It is both beneficial to the environment and people.

All products being sold by us - and in our industry - is reliant on the environment and its resources. We are dependent on the surrounding society and communities from where the materials to our products are being sourced. Today developing countries has a much heavier footprint on the environment. As the population grow on a global scale it is a fact that resources become scarcer and more constrained. This is one of the reasons why we believe it is important that we continuously focus on SDG twelve. It is important that we acknowledge just how important the accessibility to raw materials is to a business like ours and the industry in general.

At Broste Copenhagen we want to showcase that sustainability and business goes hand in hand and that production patterns needs to be more thought through and that resources can and should be more sustainably chosen. This will enable the regeneration of resources in the future. We want to combine innovative solutions to prevent pollution of the world's oceans and the remaining planet in our production. We want to reduce waste sent to landfill and ensure that more of our products are sustainable. We want to reduce the environmental and social impact of our products and develop designs that has a circular economy and to preserve the eco system and the biodiversity.

At Broste Copenhagen we always try to find new ways to reduce our impact on the environment. In 2019 we completely removed all plastic bottles which accounted for meetings, exhibitions and in the everyday routines of our workers. This initiative has resulted in a reduction of no less than 22,000 bottles each year. Further we have reduced our energy usage by more than 30 percent since 2014. In regards of our products we are constantly looking for new ways to make sure we produce more sustainable than the previous years. Most of our products are made from certified materials and others are from recycled materials. With every important supplier we take time to get to know them, and we are shown the production sites, how the materials are being processed and sourced.

We work strategically in aiming for compliant products, sustainable materials and knockdown packaging if possible. We also focus on eliminating all shipping by air around the world. We are also implementing FSC on our gift boxes - candle giftboxes and giftboxes from India are almost finalized. Further we use wrapping of plastic made from waste materials from sugarcane production and our warehouse is illuminated by LED.



### LABELS

#### Nordic Ecolabel

The Nordic Ecolabel is a voluntary eco-labeling scheme that evaluates a product's impact on the environment throughout the whole life cycle. The label guarantees, among other things that climate requirements are taken into account, and that CO2 emissions (and other harmful gasses) are limited - where it is most relevant.

#### Organic Exchange

The Organic Exchange is a non-profit business organization focused on creating environmental and social benefits through the expansion of organic agriculture. The first project focuses on transitioning 10% of the world's supply and demand of cotton to organic cotton within 10 years. The Organic Exchange also works to help increase consumer awareness and Broste Copenhagen want to participate and help this development.

#### Recycled materials

We use products made of recycled glass as part of our environmental strategy to minimizing waste. It conserve natural resources and energy consumption is restrained. Glass is an ideal sustainable product with many advantages. Most importantly, glass can be recycled again and again without it deteriorating.

#### OEKO-TEX

The OEKO-TEX® Standard 100 is an independent testing and certification system for textile raw materials, intermediate and end products at all stages of production. OEKO-TEX 100 is a health care label, which predominantly ensures the end-user against toxic fumes. So far Broste Copenhagen has 193 textile products with this label equal to 85 %. In 2022 all textile products will apply to the OECO-TEX standard (except rugs).





### Foodsafe

Food Safe is a label that Broste Copenhagen uses to guarantee products are tested and food safe approved when used for consumption of food and liquids. Some of our ceramic and glass products used for food contact are produced according to EU Regulative 1935/2004 and complies with consolidation Act 822. Many of our ceramic products for interior purposes like the Box "Jenny" Brass are Food Safe labeled.

### FSC

FSC We actively support the international recognized non-profit organization FSC<sup>™</sup>. In an FSC<sup>™</sup>certified forest no more trees than the forest can reproduce is felled, and over-exploitation of nature is avoided. In addition, FSC<sup>™</sup> guarantees that flora and fauna are protected and that the people who work in the forest are guaranteed education, safety and a fair pay.

# ANTI CORRUPTION

We have always had a zerotolerance policy regarding both bribery and corruption. Our values, code of conduct and CSR policies all stress our dedication to addressing anti-corruption if we see any signs or indicators in our business-related activities. Broste Copenhagen does not trade with any suppliers of goods or services if they breach the guidelines of Anti-Bribery in accordance to the UN Global Compact and/or our Code of Conduct.

