



UN Global Compact

- Communication ON Progress 2017 -



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NIMBUS®

- CPH -

corporate identity clothing



Communication on Progress 2017

Nimbus Nordic A/S

– August 2017 –

Introduction

We are pleased to confirm that Nimbus Nordic A/S reaffirms its support of the Ten Principles of the United Nations Global Compact within the areas of Human Rights, Labour, Environment and Anti-Corruption. In this annual Communication on Progress, we point out our actions on continually improving 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.

The Ten Principles of Global Compact' exemplify and indicate ways in which Nimbus Nordic A/S do our utmost to drive our business responsibly. Our participation in the UN's Global Compact helps us to maintain our focus on social and environmental responsibility in our activities and ensures continual communication on the progress we make in the implementation of our CSR strategies.

Statement

As a registered member of the Global Compact, Nimbus Nordic A/S has incorporated the business policies in our management and we do fully support the Ten Global Compact principles.

Our dedication to UN's Global Compact-project is particular apparent in our collaboration with our stakeholders and is assured through

our business policies, supplier evaluation system and through our supplier agreements.

We strongly believe that by upholding the different principles of the UN Global Compact, we are contributing to a positive impact on environment, economies and societies. Nimbus Nordic A/S believes that all companies are obliged to contribute to the improvement of general CSR. Working on improvement following our Code of Conduct and UN's Global Compacts principles, should be considered as a continuous journey, where structured focus can help us to define and fulfill numerous of important targets in regard to CSR.

Over the coming years, Nimbus Nordic A/S will continue to promote and embed our CSR standards into everyday business, using UN's Ten Principles as a guideline. This perspective will include providing our employees in key business functions with training and education to support the implementation and knowledge of our CSR standards. We will also work with our stakeholders - primarily our customers and suppliers - to encourage their support for our approach and standards while further incorporating them into our business practices, including communications, contracts and supplier agreements.

Sincerely yours,

Lars Hammer

CEO, Nimbus Nordic A/S

About Nimbus Nordic A/S

Nimbus Nordic A/S was founded in 1995 in Copenhagen, Denmark, developing, promoting and selling the lifestyle brand "Nimbus Scandinavian Apparel" for the promotional business.

"Nimbus Scandinavian Apparel" offers fashionable and highly detailed apparel inspired by big city style with a touch of the Scandinavian aesthetic.

From in-house design to support on sales, marketing and logistics, the Copenhagen based Head Office houses a professional team of dedicated employees.

The Danish outerwear heritage has made Nimbus one of the strongest trendsetting apparel design companies and a leading supplier of corporate identity clothing in the promotional business market.

Since the first jackets were sold in Copenhagen, Denmark, back in 1995, Nimbus has established sales channels reaching from the Scandinavian countries Sweden, Norway and Finland to Germany, Austria and Switzerland and spanning to markets in the Czech Republic, Poland, Benelux and the UK.

Based in the great surroundings of the north harbor of Copenhagen, Nimbus Nordic A/S covers all aspects of the development of corporate fashion, from design to sales and distribution.

CSR Policies

In the following sections, this report will outline some of the CSR policies, practical actions and outcomes which Nimbus Nordic A/S has started, achieved and will continue working on. The CSR policies are highly related to the UN Global Compact's Ten Principles including human rights, labour, the environment and anti-corruption. Nimbus Nordic A/S, will at any time, do our best in incorporating this in our management.

HUMAN RIGHTS

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

Principle two: Make sure that they are not complicit in human rights abuses

Policy

Nimbus Nordic A/S complies with the universal declaration of human rights. We support the UN Declaration of Human Rights as well as the general ideas about human rights which are embedded in the Scandinavian culture. Further, we are committed to respecting human rights throughout all of our business activities, including the way we treat our employees, suppliers, customers and other stakeholders.

We are focusing on diversity and we are working continuously to create a unique workplace with room for everyone. Not only do we want to include the majority of organization in primary strategic decisions – we also want to promote a culture with respect for the law and good practice with our suppliers.

Our mission for the future is only to do business with suppliers who have the same high standard of human rights as Nimbus Nordic A/S. We believe that ongoing dialogue and close cooperation is one of the key elements in achieving the best results. Our goal is that our current and future suppliers not only support international human rights, but also actively respect them.

Practical actions

Nimbus Nordic A/S has internal procedures regarding illness, stress, health, pregnancy etc. Procedures, which are all, along with our views on human rights, communicated to our business partners and suppliers.

Both announced and unannounced audits and supplier controls are carried out by external partners along with frequent visits from our own employees in China.

For production sites in Turkey and Bangladesh, a specialist from Head Office in Copenhagen is appointed to lead projects related to audits and the like.

This we do to ensure that our suppliers comply with our agreement on following our Code of Conduct and the human rights. Our business terms reflect the way we seek to do business with current and prospective partners and by communicating our support for Global Compact externally as well as internally, we have defined and communicated a code of conduct which reflects our company's ethical views, values, and standards for doing business. <http://service.nimbusnordic.com/codeofconduct.php?lang=5>

The Ten Principles of UN Global Compact is a core value to our organization therefore we developed our Code of Conduct, which we require, as a minimum, all important partners and suppliers sign. It is prepared in accordance with the UN Global Compact's ten principles. This Code of Conduct is available on our website.

As a creative and knowledge-based company we consider our employees as our greatest asset. Therefore, we are highly focused on the rights of our employees by having a specific employee policy regarding the rights, duties, and personnel conditions of the employees at Nimbus Nordic A/S. Our Employee Policy covers, among others, the following aspects:

- Employee development
- Insurance and other employee benefits
- Working conditions

We require that our suppliers' adhere to the local laws as we do ourselves. We have during the past year increased our dialogue with our suppliers on how to avoid identified potential noncompliance issues. This we have developed a process for, helping us being consistent.

Measurement of outcomes

We require that our suppliers adhere to the laws in the countries they operate in as we do ourselves.

In our supplier agreements, our main suppliers are required to comply with our requirement linked to human rights.

Our suppliers must also accept that Nimbus Nordic A/S, either itself or through a third party can carry out both announced and unan-

nounced controls, to see if the different guidelines and requirements are followed. Our suppliers shall at all times permit such inspections. Internally, we undertake a yearly employee development meeting among our staff to ensure that all of our employees are comfortable and satisfied with their job and the company. We continuously encourage our employees to help us create an even better working environment.

LABOUR

Principle three: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle four: The elimination of all forms of forced and compulsory labour;

Principle five: The effective abolition of child labour; and

Principle six: The elimination of discrimination in respect of employment and occupation

Policy

We are aware that many elements must be optimized when undertaking the processes needed running a socially responsible company. This is (and will continue to be) an on-going process.

We want to focus on the process of development, production and sales, and motivate all our suppliers to promote social responsibility within all areas of concern.

We still try to compel our suppliers to be responsible in ensuring that their production methods includes decent working conditions, respect to workers, trade unions and NGOs in producing countries into account.

Nimbus Nordic A/S do not accept any kind of child labour, unreasonably long working hours or wages that do not meet appropriate industry standard in the country of production.

The core value of freedom specifically includes our support for freedom of association, speech, thought and action, while recognizing the business framework in which we operate. Nimbus Nordic A/S supports the conventions of the International Labor Organization. The work environment and conditions for our employees and our suppliers' employees have always been and will continue to be, a high priority for Nimbus Nordic A/S.

Practical actions

Our supplier agreements which have been accepted by all our main suppliers, specifically underline, that in line with our commitment to international frameworks, our company policy upholds the international conventions of labor standards, including, eliminate all forms of forced and compulsory labour, abolish child labour and eliminate discrimination in respect of employment and occupation.

All our main supplier has accepted that Nimbus Nordic A/S, either itself or through a third party can carry out both announced and un-

announced controls, to examine if the above guidelines are followed.

Measurement of outcomes

We continually advise our main suppliers on how to improve working conditions and we have earlier coordinated social audits on app. 25% of our main suppliers' facilities. Before the audits are conducted, our Chinese office has provided the suppliers with detailed advises and guidelines on how to improve the conditions for the employees and thereby also to achieve a high score in a social audit. The social audits have been conducted by a third party inspection company.

In cases where our suppliers received an unsatisfactory score in a social audit, or our own internal inspections identify areas which do not comply with our code of conduct, we request that our suppliers initiate actions in order to improve the general conditions at the factory. This work will continue to ensure that our suppliers do not violate on these demands we have on working conditions.

ENVIRONMENT

Principle seven: Businesses should support a precautionary approach to environmental challenges;

Principle eight: Undertake initiatives to promote greater environmental responsibility; and

Principle nine: Encourage the development and diffusion of environmentally friendly technologies.

Policy

Due to the nature of our business, the main environmental impacts are related to our suppliers and the transportation of our productions. Our ambition is that all of our suppliers must develop a code of conduct or practice for its operations and products that confirms commitment to care for health and the environment in order to ensure that irreversible environmental damage does not occur. Our Suppliers must always ensure to obtain prior approval before certain products, deemed potentially hazardous, are developed.

We are obligated to comply with applicable Danish environmental laws, and we will impose on our suppliers, through our Code of Conduct, to follow the environmental principles of the UN Global Compact. Responsibility towards the environment is a key element to Nimbus Nordic A/S in order to conduct business. We find solutions to recycle and more sustainable transportation as good investments.

Practical actions

In 2011, Nimbus Nordic A/S started to increase focus on the environmental aspects of the company, and this focus is continuously expanding. The first part of the work involved the preparation and communication of Nimbus Nordic A/S' environmental requirements to our suppliers and customers.

This was supported by creating supplier agreements with all our

main suppliers where our requirements are specified. The second part of this work concerns the testing of different product and accessories for chemicals substances. Test results have only been good, and should any related problems occur we will take immediate actions.

Additionally, we will continue the work for new ways to reduce our energy consumption. It is within our ambition that all productions from Far East will be transported to our warehouse by sea rather than by air. We continuously develop processes that helps us control both productions and transport, so that airfreight is not necessary.

Since 1995 most of Nimbus Nordic A/S's production have been placed in China. In the beginning of 2015 we began producing in Turkey and in 2016 in Bangladesh. Due to the new production sites being closer to market, we aim to reduce the amount of airfreight in 2017 compared to 2015 significantly.

Measurement of outcomes

Our focus and concern regarding environmental issues has been addressed in our supplier agreements. Regarding the use of chemical substances, our suppliers must guarantee that their deliveries comply with the European "REACH" - Regulation (EU Regulation 1907/2006). The Supplier must be able to present their respective statements of compliance on Nimbus Nordic A/S's request within 10 weekdays. The supplier declaration must be signed by the Supplier. If new products are to be produced by the Supplier, an updated declaration will be send for signature and this will afterwards replace the former declaration. Additionally, The Supplier must guarantee that all products are

AZO free and ensure that any sub suppliers also comply with these demands.

ANTI - CORRUPTION

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

Policy

Nimbus Nordic A/S adheres to the anti corruption principles and we are kept up to date with developments through the CSR network participation and newsletters. We will, at any time, work against corruption in all its forms, including extortion and bribery. We do not accept any kind of corruption related to our business and we expect all our employees and partners in the supply chain to embrace this.

Practical actions

Our Code of Conduct addresses this issue and require that our suppliers have the same position as us – willingness to fight corruption. All employees and suppliers are informed of the importance of Nimbus Nordic A/S' view on anti-corruption.

Measurement of outcomes

Nimbus Nordic has not been involved in any cases which involves corruption. It is transparent for all of our stakeholders, that Nimbus Nordic A/S has a policy that clearly state, that corruption will not be tolerated. This is specifically defined in our supplier agreements and we communicate this view to our customers as well.