

# COMMUNICATION ON PROGRESS +

Stieler & Co. A/S

March, 2019

United Nations Global Compact

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## About Stielor & Co.

Stielor & Co. was established in 1993 by Jesper Stielor and is a product agency based in Denmark. We specialize in developing promotional items and business gifts to primary Danish companies and brands. With 25 years of experience we have developed a vast and trusted international supplier network with representation offices in Hong Kong and China.

Stielor & Co. has always been extremely focused on sourcing and production to provide value for money along with unique solutions for all clients. With years of expertise within the complex chain of promotional products, we have decided to take the standards of creativity, quality and efficiency to a new level. With our representatives in Hong Kong and China, we have optimized our supply chain based on sharing information. Stielor & Co. has developed a set of stringent guidelines, which we use to identify and select suitable suppliers and partners. Hence, we use UN Global Compact's principles along with our own quality standard to ensure a reliable and transparent platform for our business.

We are confident that we can improve and ensure progress within our CSR with focus on the supply chain. This is also why we at Stielor & Co. joined PSI in 2005. In the PSI Network we can share knowledge between suppliers and costumers, and at the annual fair we aim to stay updated on the newest products and developments especially within eco-friendly promotional items.

Stielor & Co. is a proud member of UN Global Compact and we aim to influence and improve conditions relating to human rights, labor standards, the environment and anti-corruption. We will continue to encourage suppliers to abide all UN conventions.

## Statement of continued support.

I am pleased to confirm that Stielor & Co. A/S 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 letter we describe our actions in order to improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.



2019 will be the year where Stielor & Co. takes a decisive step towards introducing the Sustainable Development Goals into our own business model. There are two goals which we will have special focus on: 12 & 13. We believe that we can make the fastest and biggest change here by improving our day-to-day business internally and externally. We strive in 2019 to actively participate in UN Global Compact's events whenever possible to become even more knowledgeable about the four areas and where to improve.



Yours sincerely,

Stielor & Co.

A handwritten signature in black ink, appearing to read 'Kent Pedersen'.

**Kent Pedersen**

**Chief Executive Officer**



## Human Rights.

### Stieler's principles.

Stieler & Co.'s Code of Conduct reflects the deeply rooted values and ethic of the company:

- + Suppliers or partners must take all measures to ensure that the content of Stieler & Co.'s Code of Conduct is fulfilled.
- + Stieler & Co operate in accordance to Human Rights Compliance Assessment (HRAC), in order to be able to identify potential offence against human rights.

### Actions & Outcome.

At Stieler & Co. we have always been very aware of human rights. Stieler & Co. provide private health insurance to all employees, which in our opinion is a basic human right. Another basic human right at Stieler & Co. is to make sure that all employees has the best and most comfortable working conditions possible, for instance; elevation tables, adjustable office chairs, fresh air possibilities and other ergonomic-friendly assets.

Furthermore, as a new deed this year, the employees of Stieler & Co. is increasingly participating in different events hosted by UN Global Compact, for instance; Ring the Bell for Gender Equality. This event is in compliance with 5<sup>th</sup> SDG (Gender equality). We are already working towards a gender equal working environment with mutual respect between genders. Additionally, the gender ratio at Stieler & Co. is 55 pct.(men)/45 pct.(women). However, we can still improve, since no women are in leader positions. Therefore, we believe that this specific event is relevant, as the focus was women's role in leader positions.

In the coming year, we aim to participate in at least three events hosted by UN Global Compact.



## Labour.

### Stieler's principles.

- + No use of forced or compulsory labour - either directly or indirectly is acceptable. Forced or compulsory labour is defined as a job or a benefit gathered under threat of penalty imposed on a person against his/her will.
- + Employees must have the freedom of movement in connection with their recruitment or termination. The supplier or partner must employ qualified security staff to protect employees and workplace areas.
- + Threats of violence, physical punishment and other forms of physical or mental coercion or maltreatment are forbidden.
- + Employees must be paid a wage in accordance with local laws and regulations. The wage although in accordance with local or national statutory minimum wage requirements should be sufficient to ensure that employees can maintain a reasonable standard of living.

### Actions & Outcome.

Stieler & Co.'s employees are crucial to our business and at the core of all our accomplishments. This is why we strive to secure our employees' work-life balance, and prioritize easy access to management support, information and guidelines. Accordingly, we are an open office both physically and psychologically, which invites to a non-hierarchal dialogue between employees at all levels of the company.

Furthermore, Stielor & Co. currently employs two Student Assistants. It is important for us to make sure that our Student Assistants' first priority is their studies, and know that they are allowed to work less hours if they feel the need to prioritize their studies.

Moreover, we do our best to create a comfortable working environment both for full-time and part-time employees. It is in the interest of the management to create a comfortable environment, since it has proven to enhance the work performance. One of the ways we do this is through annual consultations with employees, where we talk about their well-being and how they can become even better at what they do.

Every January we have our annually Kick-off day. The purpose of this day is to give our employees a good experience together with colleagues, and together make a strategy for the coming year.

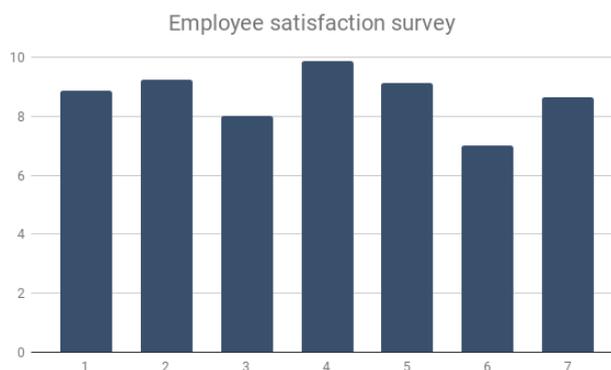
We are currently five women and six men, which represents a reasonable equal balance between genders. Furthermore, we also represent a diversity of age groups ranging from year 1962 to 1995 allows us to share knowledge with each other and learn from each other.

Moreover, our employees do not only represent Denmark, but also China, Vietnam and the UK. This means that 18,2 % of Stielor & Co.'s employees have roles outside the borders of Denmark.

In order to improve the employee satisfaction among Stielor & Co.'s employees, we have, as a new initiative this year, conducted an Employee Satisfaction Survey<sup>1</sup>. (see below chart)

On a scale from 1 to 10:

1. I thrive at work
2. I have an impact on the planning of my work
3. My resources are used in a good way
4. I have a positive relationship with colleagues and managers
5. I look forward to work-day
6. I get praised and acknowledges for my work
7. I am able to accomplish all my tasks within my working hours



We are happy that the general picture of the satisfaction among employees is positive. However, this survey also shows that we can improve in some areas. Especially, using the resources of employees in a good way and make sure that the managers and colleagues praise and acknowledge each others work when it is appropriate.

Our goal for the 2019 is that all areas are above 8 in average.

<sup>1</sup> Conducted 15-02-2019 finished 06-03-2019



## Environment.

### Stieler's principles.

- + It is the responsibility of the supplier or partner to ensure a safe and healthy working environment which meets and preferably exceeds local statutes or legislation.
- + Leadership should appoint one or more representatives with the responsibility to formulate written policies and procedures with respect to health, safety, social welfare and facilities management. These representatives should monitor these policies and procedures and ensure that they are communicated and respected.
- + Legislation regarding the protection of the environment must be respected.
- + Suppliers and partners should strive to use environmental management systems which:
  - + Contribute to the reduction of waste and reduce air, soil and water emissions.
  - + Handle chemicals in an environmentally sound and ethical manner.
  - + Handle, store and dispose of hazardous waste or materials in an environmentally, responsible manner.
  - + Contribute to recycling and reuse of materials and products.
  - + Implement environmentally friendly policies and technologies.

### Actions & Outcome.

As a supplier of promotional items for companies and brands, we believe that we can make the biggest change by influence and raise awareness to our clients to choose eco-friendly items. During 2018 Stieler & Co. have had an increased focus on developing eco-friendly and sustainable promotional items to offer our clients. We strive to introduce an eco-friendly

alternative to our clients whenever possible. We can see that this has led to more orders from clients desiring the eco-friendly alternatives instead of the original desired item.

Currently, we are not aware of the percentage of eco-friendly orders received. However, we will in 2019 introduce a new tracking system which enable us to measure the progress of orders on eco-friendly items. Hence, our aim for 2019 is that 8% of our total orders in quantities must consist of eco-friendly items.

During 2017 and 2018 we have kept our utilities on office supplies on a minimum. Even though we have experienced economic and employee growth, we have obtained the same utilities of paper in 2018 compared in 2017. During 2018 we created a recycle-packaging policy where all the employees of Stielers & Co. must recycle the packaging we gather from our suppliers if possible.

We will produce a product catalogue exclusively containing eco-friendly and sustainable items. We believe at Stielers & Co. that this will make a strong statement towards our clients, and hopefully influence them to think greener and choose products within this catalogue instead of the cheaper alternatives.



## **Anti-Corruption.**

### **Stieler's principles.**

- + Bribes of any type may not be received, offered, promised, requested, given or accepted.
- + No gifts or promise of hospitality are acceptable.

### **Actions & Outcome.**

According to the Transparency International and the Corruption Perceptions Index for 2019 Denmark is ranked no. 1 out of 180 countries and is therefore the least corrupted country in the world. China, which is our primary used supplier country, is ranked as no. 87 out of 180, which we also consider positive since China's Government has an increased focus on anti-corruption.

We are against all forms of corruption and every day we prove that it is possible to achieve success without accepting or engaging in any form of corruption.

Internally, we have maintained an excellent check system over transactions. The records are maintained with proper proves about where each DKK goes to and what is done with it. This information is checked and controlled by our accountant in close corporation with the management board.