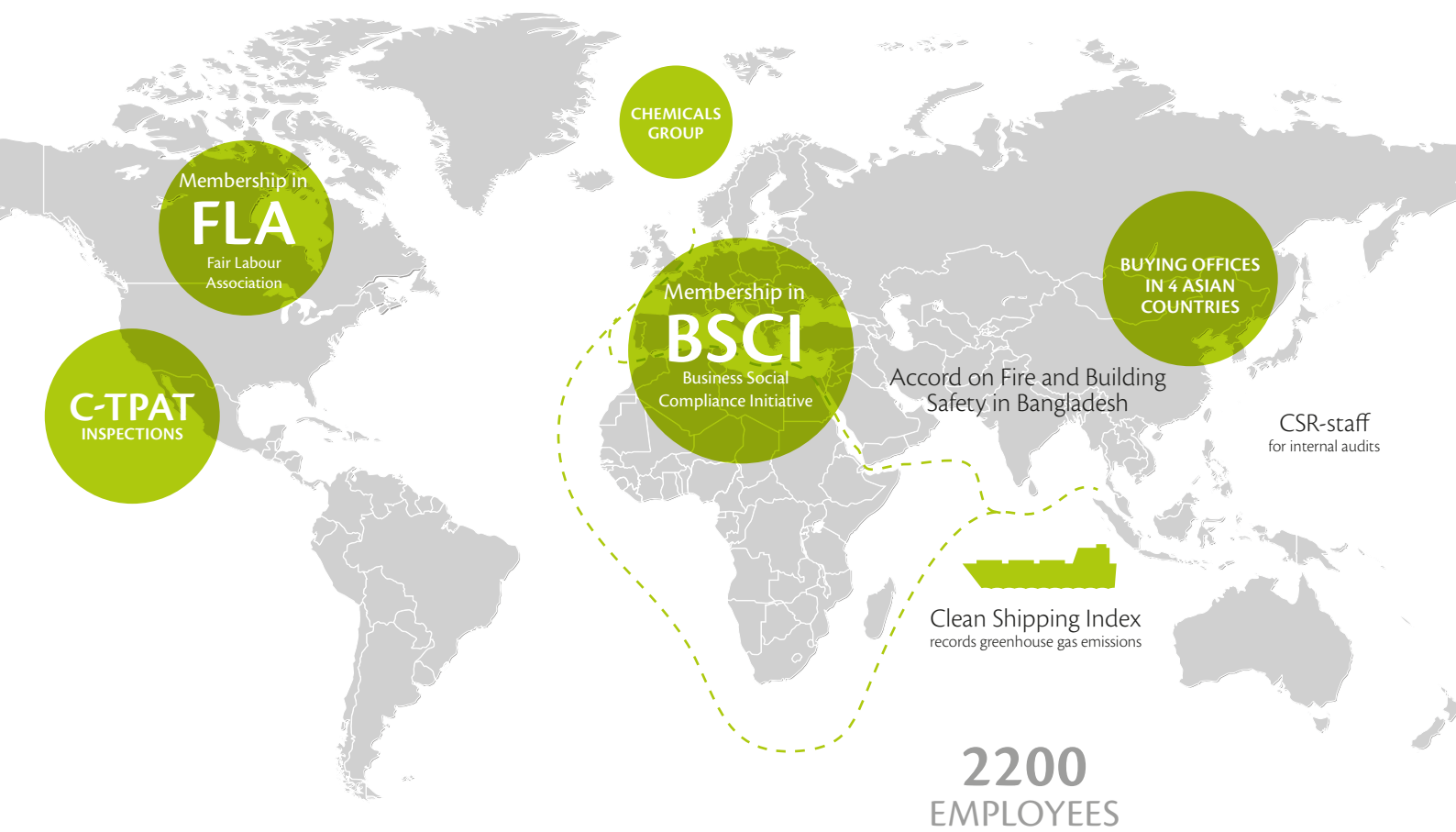


Corporate Social Responsibility

NewWave
G R O U P

CSR HIGHLIGHTS



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Our approach to sustainability

The world is faced with several challenges in the dimensions of sustainable development – economic, social and environmental. We believe it is increasingly important that we all take responsibility for our global impacts.

New Wave Group is working with social and environmental sustainability under the term CSR (Corporate Social Responsibility). This means we strive for business solutions that are financially beneficial, but also sustainable from a social and environmental perspective.

This folder provides customers, investors and other important stakeholders with more information on our work and ambitions for CSR. As a listed company, it is fundamental to communicate how we achieve sustainable growth. It gives us the opportunity to highlight what New Wave Group has accomplished – but also how we could improve.

We have identified three focus points which we believe are the most relevant for social and environmental responsibility within our business. The focus points are chosen to achieve synergies for all New Wave Group- companies.

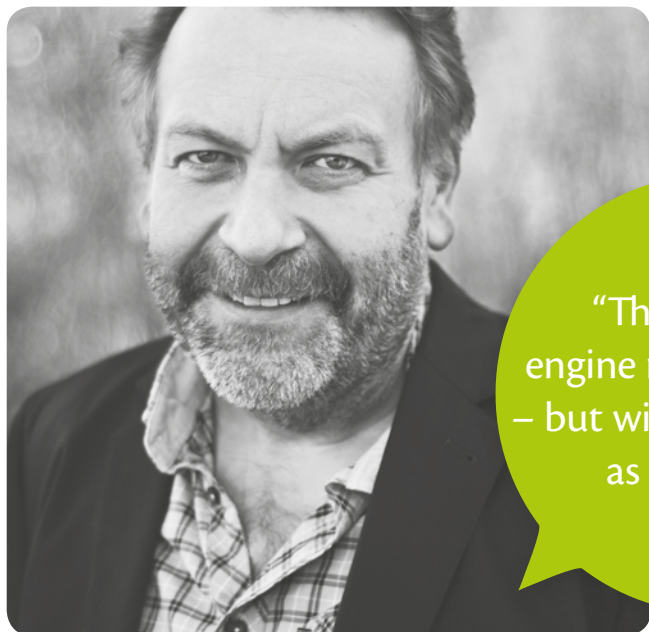
Our focus points are:

- Design and Product Development
- Purchases and Production
- Logistics and Transportation

These focus points represent a significant part of our every-day business operation. In this way, we aim to successfully implement social and environmental strategies in the core of our company.



Our CSR-symbol will guide you to more social- and environmental concern.



“The company engine runs on growth – but with sustainability as navigator.”

Torsten Jansson, CEO.

CEO STATEMENT

A successful business in the long-term will depend on sustainable business solutions. To integrate our financial responsibility with social and environmental perspectives is hence a natural part of our long-term thinking.

New Wave Group has the possibility to contribute and make a difference through our global operations. I'm proud of that. We always strive to find better and smarter solutions to the challenges we face. However, working for sustainability is an endless quest – the journey of New Wave Group has just begun.

Sustainable products

New Wave Group has a broad experience in design and product development, which is the first step towards sustainable products – whether a well-designed promo wear or famous crystal art.

We believe in classic design and good quality products – a concept that will never be out-of-fashion. Quality is a good way to ensure long-lasting use and sustainable consumption. While fashion is subject to constant change – quality remains a constant value.

ECO-FRIENDLY MATERIALS

A good material is fundamental for quality assurance. New Wave Group aims to introduce more sustainable and eco-friendly materials within our range of products. We would like to increase the amount of products from sustainable sources and help our customers to add social and environmental perspectives to their purchasing.



Organic cotton is a good example of an eco-friendly material. It is grown without the use of chemical pesticides or synthetic agricultural fertilizers, which makes organic cotton more sustainable for both humans and the environment.

Unfortunately, less than 1 % of the global cotton production is grown organically. This does not correspond to the increasing demand, which could jeopardize the supply of organic raw material. To support the development of organic production, New Wave Group has aligned with Textile Exchange. Textile Exchange is a non-profit organization that operates internationally to achieve a responsible expansion of organic cotton production. Our membership allows us to take part of valuable advice in our quest for more sustainable products. We hope this journey will be encouraged by our customers as well.

Cotton is just one example of material that could decrease its environmental impact. Another important material is glass, which historically could involve the use of several hazardous substances. Orrefors Kosta Boda has conducted active environmental work for a long time and has been world leading in its ambition to create crystal glass without lead and arsenic. This glass is sometimes referred to as “eco-crystal” - but in Kosta Glassworks it is simply the material we have chosen for all Kosta-production.



Textile Exchange is an international organization working for responsible expansion of the textile industry.

Chemicals

It is important to New Wave Group that our products are safe and free from restricted chemicals. We have made this work a priority in both efforts and resources.

All New Wave Group-suppliers must follow the requirements stated in our Restricted Substance List. The list has been designed in accordance with several legislations, such as REACH and other important EU-directives, also taking into account industry recommendations and standards. As a result, our requirements are often stricter than the applicable legislation.

The Restricted Substance List is continuously updated, with assistance from our partner lab SGS. With the help from well-reputed labs and testing institutes, we also conduct random samplings and spot checks to ensure that our requirements are being respected and adhered to.

THE POWER OF KNOWLEDGE

Chemicals are a part of our daily lives and most chemicals are present in our everyday-environment. It is important for our modern lifestyle and should not automatically be associated with danger. But in order to handle chemicals in a correct and safe manner, we need adequate knowledge.

For this reason, New Wave Group is member of the Swedish Chemicals Group at Swerea IVF. We receive the most updated information on legislations and developments within the industry, which supports our active work to reduce and replace chemicals in line with best available technique.

Some New Wave Group-products are OEKO TEX-certified. The OEKO-TEX label indicates that the complete value chain of the product has been independently tested and certified for skin-friendly clothing. The label could be a helpful decision-making tool when purchasing more sustainable textiles. OEKO TEX-certified garments could for example be found within our assortment of PROJOB and JOBMAN.



The Chemicals Group has regular meetings to discuss REACH and other important chemical topics.

You could always check the validity of an OEKO TEX-certificate through the unique certification number on the product.

Textile dyeing could involve the use of several chemicals. Tirupur, located in southern India, struggled for a long time with polluted water arising from the local dyeing mills. Today, all mills must ensure zero discharge and the water is cleansed and re-used in a closed system. The picture was taken when New Wave Group visited the treatment plant Arulpuram in 2013.

Improving working conditions

New Wave Group must ensure that our business operations respect the legal provisions of different countries, human rights and labour conditions. This includes the business operations of our suppliers.

Most of our products are manufactured by specialized suppliers. We have a wide range of products within New Wave Group, which requires different skills and manufacturing techniques. We do not own any factories in risk countries, but we have some in-house production units in Europe. This you could read more about below.

WHERE WE OPERATE

New Wave Group is never far away from the manufacturing of our products. We have our own buying offices in charge of procurements and purchasing. Being represented on site enables us to have a close partnership with our suppliers and to actively monitor their operations.

China is our biggest country of production, where the buying office headquarters is located. In addition, we have four minor

offices in Qingdao, Shijiazhuang, Xiamen and Nanchang, which represents important regions of manufacturing. Our procurement strategy is to purchase directly from our suppliers and to cut intermediaries that could jeopardize our control of the supply chain.

We have about 100 employees working in China. The staff covers everything from merchandisers and quality controllers to logistics and CSR-staff. New Wave Group also has buying offices in India, Vietnam and Bangladesh. These are somewhat smaller and in total we have about 75 employees working there.

HUMAN RIGHTS & WORKING CONDITIONS

We are aware of the responsibility that comes with sourcing goods in countries with different legal cultures and labour conditions. For this reason, the social responsibility work is mainly focused on working conditions in Asia.

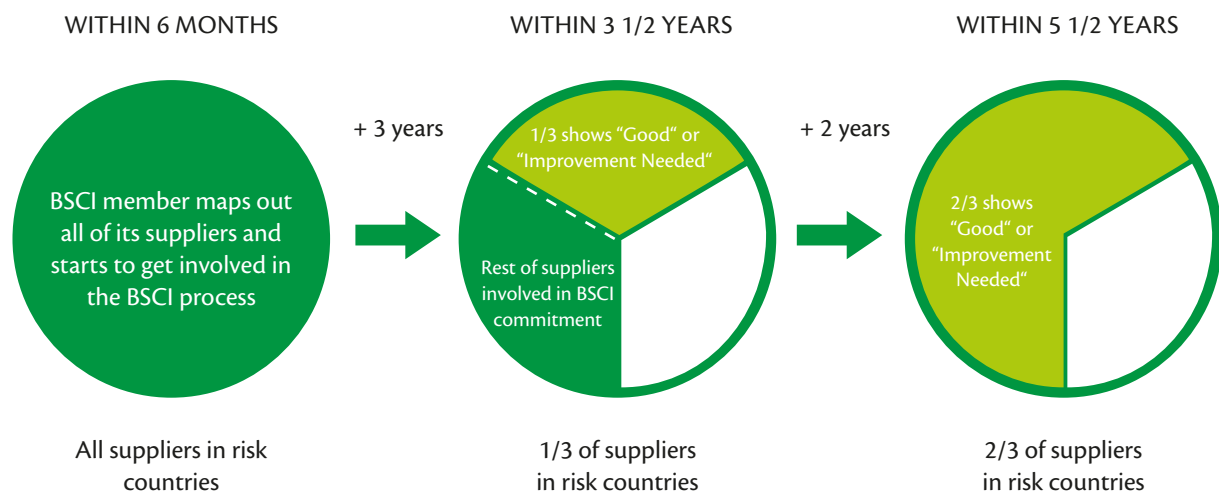
The CSR-team is divided between the different buying offices and consists of full-time staff dedicated to visit suppliers, monitor their operations and support them with various social and environmental topics. Having good suppliers is fundamental for our business and we depend on their business operations as much as they depend on ours. Hence, we care about the situation on the factory floor and that the workers are treated with respect and according to law.



"The biggest strength of New Wave is that we treat our suppliers as partners. Suppliers know there is always an extended hand, which enables us to have a sincere communication. There is still much work to be done in Bangladesh, and we accept the challenge step by step."



Mizanur Rahman is CSR-manager for New Wave in Bangladesh. He has 17 years of working experience in the industry and is certified BSCI-auditor.



CODE OF CONDUCT

New Wave Group has adopted the BSCI Code of Conduct. It contains requirements on minimum wage, working hours, the prohibition of child labour and several other requirements from the ILO Conventions and the UN Declaration of Human Rights. The Code of Conduct forms the basis of what we expect from our suppliers when it comes to social and environmental responsibility.

We are members of BSCI (Business Social Compliance Initiative) which is a global initiative for companies committed to improve working conditions in the supply chain. Companies all over the world are working together to address the common struggle of insufficient labour conditions in developing and newly industrialized countries.

All members of BSCI are using the same Code of Conduct, meaning that more than 1 200 companies have adopted it. The harmonization of BSCI helps us to create transparency and precision in what we expect from suppliers. Co-operating with other brands further improves our ability to implement changes, as we will have a stronger voice together. At the same time, we minimize costs and administration related to the monitoring process for both members and suppliers.

The amount of BSCI-members is rapidly increasing each year. More and more companies realize the value of working together to overcome global challenges.

COMMITMENT

The membership of BSCI is more than having requirements on our suppliers. It also imposes requirements on us. New Wave Group has a commitment towards BSCI to engage a certain amount of suppliers in external inspections by third party-auditors. As a result, New Wave Group is working with both internal and external audits.

The commitment is based on buying volume in risk countries. Within 3 ½ years from joining BSCI, at least 1/3 of our buying volume in risk countries must show the result "Good" or "Improvement Needed". Within 5 ½ years, the number should have increased to 2/3 (see figure).

A BSCI-audit could result in three different grades; "Good", "Improvement Needed" or "Non-Compliant". "Good" means not more than two findings based on the BSCI-standard, which consists of more than 100 different checkpoints. "Improvement Needed" means there are some findings, but no crucial or critical findings. "Non-Compliant" indicate serious findings which must be corrected with urgency.

A "Good" result is valid for 3 years. "Improvement Needed" and "Non-Compliant" must be re-audited within 1 year. The BSCI-system is hence a tool which requires brands to adapt a continuous work for improvements. It is not static like a certificate. To understand the value of the BSCI-system, you should look at all developments and efforts made to raise the concern for social compliance in the supply chain. Being members of BSCI means we are working with this question on a daily basis.

It is not allowed to use the BSCI logotype as a product certificate or to promote special products by indicating factory compliance in relation to BSCI. The BSCI logotype should only be used to indicate membership of brands.

BSCI is a business driven initiative for companies committed to improve working conditions in the global supply chain.





"I would like to highlight the daily work of our CSR-staff, performed with constant determination and willpower. That leads to the success of our company."



*Rebecka Svensson, Corporate
Legal Counsel – Social and
Environmental Responsibility*

As of this date, New Wave Group already fulfills its commitment for 2015. However, the figures are not fixed and since the commitment is based on buying volume, there will be continuous fluctuations. Still, we are proud of the progress made in short time.

FLA AND C-TPAT

New Wave Group is also associated with Fair Labour Association (FLA) through our subsidiary Cutter & Buck. Our FLA-commitment applies to all suppliers producing for the American market. FLA is an independent organization that works with social responsibility, comparable to BSCI but with headquarters in the U.S.

Each year, FLA will handpick suppliers from our supply chain to be audited for social compliance. The audit reports will be published on the FLA website for you to take active part in the progress and findings of various factories.

American suppliers are also obliged to participate in our work for safe transportation and anti-terrorism. The Customs-Trade Partnership Against Terrorism (C-TPAT) is a voluntary initiative of U.S. Customs and Border Protection (CBP) to build relationships that strengthen international supply chains and improve U.S. border security.

CBP organizes regular visits to our suppliers for on-site inspections. Our latest CBP-control took place in July 2013. A supplier in Vietnam passed the full day inspection and could demonstrate effective security within its organization, as well as a dedication to work with business partners to address supply chain security issues.

WORKING FOR PROGRESS

To summarize, New Wave Group-methodology involves the participation of several independent actors, together with our internal work with social compliance. We believe the combination of internal and external inspections will provide the best quality assurance for our suppliers, our customers and for us.

However, improving working conditions requires more than monitoring. It also means to assist suppliers with the implementation of corrective action plans, to challenge cultural differences and to find solutions that will lead to long-term sustainability. It is a sincere ambition we have to take responsibility the whole way.

Some challenges require communication on higher level than with individual suppliers. An important mission for our CSR-staff is to participate in local forums and roundtable discussions to address cultural and regional differences. For example, we participate in BSCI National Group meetings with other responsible brands. Another important forum is Buyers Forum in Bangladesh, which is organized by World Bank Group IFC-SEDF. The forum consists of well-known fashion brands and together we could put pressure on both suppliers and politicians. For example, the forum wrote a letter to the government in Bangladesh regarding the question of minimum wage.

OUR GOAL

We strive for constant improvements and step-by-step actions. Everything can be improved – always! Through regular visits and communication, we attempt to discover findings in time or to suggest actions that could lead to business improvements.

Everything is not perfect. Sometimes we identify non-compliance to what we expect from our supplies. If we discover findings, we prefer to develop an action plan in order to bring the supplier back to an acceptable standard, rather than to stop our cooperation with that supplier. By such means, New Wave Group can achieve the highest compliance levels while contributing to social development in countries of production.

That is taking responsibility in our perspective.

IN-HOUSE PRODUCTION

New Wave Group owns a few factories. In Sweden, our brand SEGER has its production for knitted items, like when the business started in 1947. In the Netherlands, Toppoint has printing operations for pens and mugs and in Denmark, our subsidiary Dahetra owns a production facility for embroidery and transfer printing. In the U.S., AHEAD and Cutter & Buck have embroidery production and Paris Glove has a production unit for gloves.

Our glassworks in Kosta is Sweden's oldest still operating glassworks. The furnaces have been lit since 1742. We welcome you to witness a genuine Swedish handicraft. All year round you



SEGER is a leading supplier of knitted hats and socks. With leftovers of raw material, the factory produced 200 knitted caps which were donated to the City Mission of Stockholm – a good combination of heart and sustainability.

could follow the production of KOSTA BODA products; from the melting of the glass to glassblowing, cutting and painting.

In-house production means direct influence, which gives us better opportunities to work hands on with sustainability. The entire Kosta-production chain has been ISO-certified for quality and environmental management. Waste heat from the glassworks is delivered to the community's district heating network and in 2007 and 2008 we replaced heating oil with biofuel-based district heating, which resulted in a 1 700 tonne reduction of CO2 emissions. Orrefors Kosta Boda has also been awarded for best industrial environmental work.



Logistics & Transportation

New Wave Group depends on the distribution of our products. Transportations must be both efficient and sustainable to meet our requirements.

Most of New Wave Group transportations consist of container shipments between Asia and Europe, resulting in an average shipment of 3 150 containers per year.

The transports sector accounts for a substantial part of the global greenhouse gas emissions. Sea transports are generally the best alternative when it comes to long-distance carriages, while air transports have the highest emission of CO₂. This negative impact further increases when emissions take place on high altitude. For this reason, New Wave Group is working to reduce air transports to situations where it is absolutely necessary.

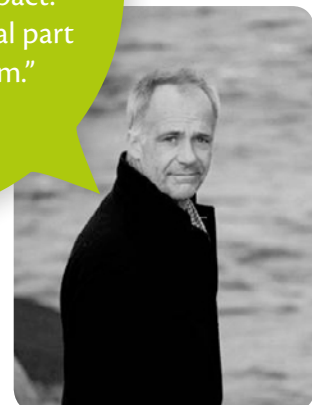
We have two main strategies to decrease our environmental impact and to cut our emission of greenhouse gases. First of all, we strive to influence the transportation providers that we are cooperating with. The biggest impact from an environmental point of view would be eco-friendly fuels and vessels with improved fuel- and energy efficiency. The shipping companies hence have great possibilities to further improve their operations. The environment and the future of global trade will depend on sea transportation to address the challenge with emerging greenhouse gas emissions.

Our membership in "Clean Shipping Index" aims to impact the shipping companies to use cleaner vessels by ranking the most high-performing ships. Through the Clean Shipping Platform, we have access to data on emissions of greenhouse gases— generating scores like "Low", "Medium" and "Good". New Wave Group is working with some of the largest transportation companies on the market, all of which have environmental programs in place for their operations.

Last but not least, we always strive to improve our own logistics and work methods. Within New Wave Group, we club together as much as possible of our shipments and transportations. Besides from protecting the environment, sustainable solutions could also contribute to the streamlining of our business. Hence, the environmental work is a natural part of our journey towards a more sustainable and profitable company.



"The flow of goods within New Wave Group could contribute to lower the environmental impact. Sustainability is a natural part of our professionalism."



Lars Leijon, Logistic Manager

DID YOU KNOW...

That the biggest environmental impact of clothing occurs after you have bought the product, from washing and drying? You could make a difference by doing your laundry more eco-friendly. Switching from 60 degrees to 40 degrees will diminish your energy consumption.



ABOUT NEW WAVE GROUP

New Wave Group is a growth company that designs, acquires and develops brands and products in the corporate promo, gifts and home furnishings sectors. The Group will achieve synergies by coordinating design, purchasing, marketing, warehousing and distribution of its product range.

The objective is for each company to be run in an entrepreneurial spirit, while at the same time enjoying the benefits of belonging to a large group of companies. We are dedicated to upholding and spreading New Wave Group's values within the Group.

Visit our web page: www.nwg.se

MORE QUESTIONS?

We believe in teamwork and engagement. We are happy to share our working experience regarding CSR, including the challenges we face. As our customer, you are more than welcome to contact us with questions and we will make our best effort to assist you— with hopes of strengthening our relationship as well as our sustainability works.

