

Sustainability Report 2022



"As a family business, we see it as our responsibility to ensure that not only this generation, but also future generations can enjoy everything we create and build together."

Ron & Robert Droogleever
CEOs



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1. The Company

We've come a long way since 1974, when we started as a small family business in Rotterdam, the Netherlands. We've expanded worldwide by adding commercial and warehouse operations in Singapore, Houston and Dubai. This global reach in strategic maritime locations enables us to serve our customers directly, quickly, and efficiently.

Our mission

Scandia Gear innovatively and sustainably provides the maritime sector with safety products of the highest quality.

Our vision

Scandia Gear strives to be the global leading brand in maritime workwear and safety equipment.

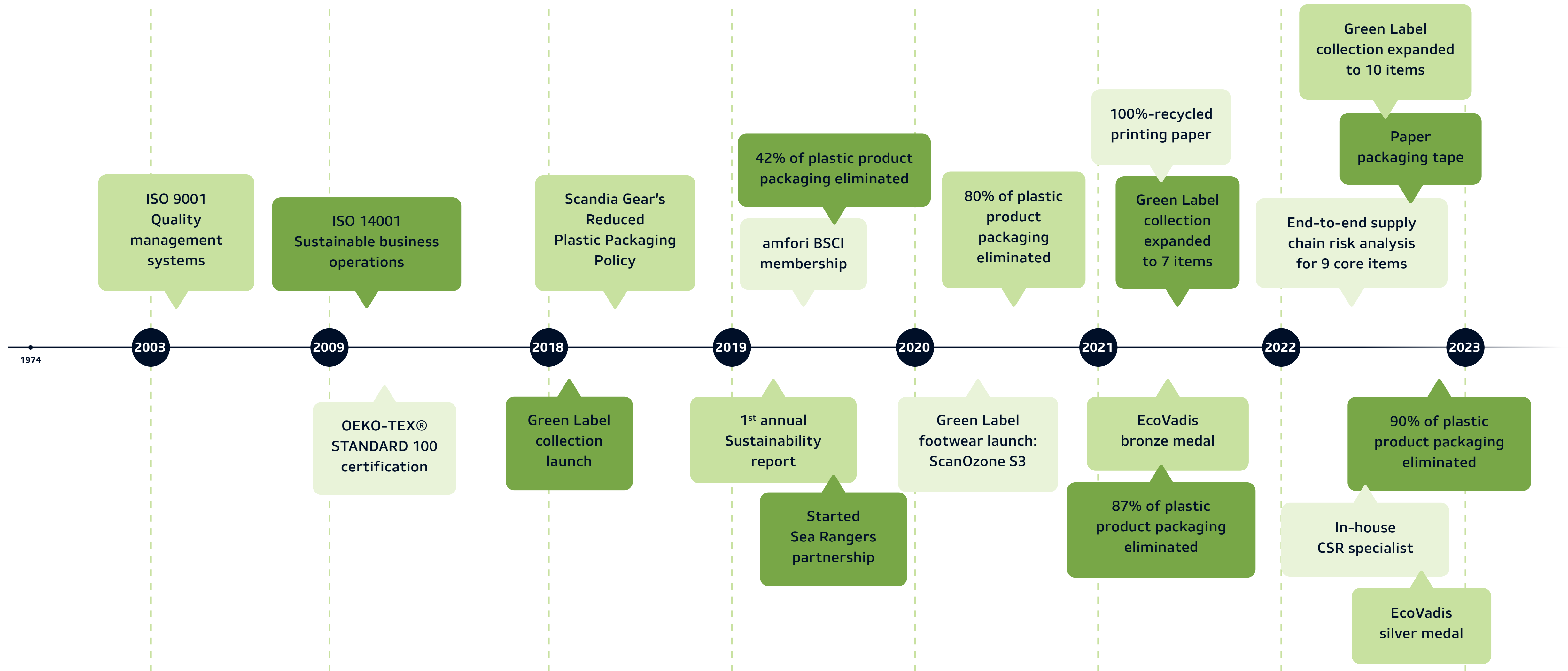
Our journey towards sustainability

Over the last few years, our industry launched many initiatives as part of the transformation toward sustainable production and consumption. It is more important than ever to positively impact the world, preferably now rather than tomorrow. We need to accelerate the change by finding more resource-efficient solutions and adjusting our purchasing, production, and consumption behaviour.

At Scandia Gear, we see it as our responsibility to invest in sustainability. It underpins all our actions and drives our long-term value creation. We want to grow and improve sustainably together with our production partners and customers. This is a process of continuous improvement in terms of the social and environmental impact of our products. Every step we take is another step in Scandia Gear's sustainability journey. This document – our fourth annual Sustainability Report – provides information about our initiatives, goals, and performance in 2022.

Sustainability is at the heart of our strategy – integrated into Scandia Gear's products, investment decisions, and internal operations.

Timeline



2. Key SDGs

The 17 Sustainable Development Goals were adopted by all United Nations (UN) member states in 2015¹. Scandia Gear contributes to achieving SDGs through the topics of people, products, packaging, and the planet. We strive to improve our social and environmental impact by advocating decent working conditions and ensuring product development responsibility.

Our contribution to the SDGs

We believe Scandia Gear can make the greatest contribution to SDGs 8, 12, and 14, given the nature and scale of our business and processes. As the effects of climate change have become increasingly apparent around the world, we also started focusing on SDG 13: Climate Action. As Scandia Gear is a global business, we see it as our responsibility to take action to minimise our negative impact on the climate. Therefore, we've decided to incorporate SDG 13 into our strategies from 2022 onwards. We explain the selected targets within each of the SDGs on the following page.



¹ Read more about the UN's Sustainable Development Goals.



TARGETS



SDG 8

Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

Out of the 12 targets associated with SDG 8, we chose to focus on target 8.5: *"Full employment and decent work with equal pay"*. Safety is our number one priority as a PPE and workwear brand. Creating decent working conditions goes hand-in-hand with safe work environments. The target aligns with our commitment to providing these environments for all the people involved in making Scandia Gear's products. Additionally, we're an amfori BSCI member to increase the effects of our commitment. See chapter 4: People.



TARGETS



SDG 12

Ensure sustainable consumption and production patterns.

We decided to focus on two of the targets associated with SDG 12. The first target is 12.5: *"By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse"*. The target relates to our ongoing journey and research into sustainable materials and packaging. See chapter 6: Packaging.

The second target is 12.6: *"Encourage companies, especially large and transnational companies, to adopt sustainable practices and integrate sustainability information into their reporting cycle"*. Collaboration is key, especially when working on sustainability. We can achieve bigger things by including stakeholders in our sustainability efforts. Therefore, we encourage our production partners and customers to adopt sustainable practices by initiating dialogue, creating a vision, and increasing commitment. See chapter 5: Products.



TARGETS



SDG 14

Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.

Out of the ten targets, the one most closely aligned with our goals is 14.1: *"By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution"*.

We have a close connection to the sea as Scandia Gear specialises in PPE for the maritime, offshore, and cruise industries. We feel responsible for preserving life in the oceans and seas, eradicating pollution, and increasing biodiversity. In this context, Scandia Gear is a proud partner of the Sea Ranger Service. The Sea Ranger Service is a social enterprise on a mission to support the socio-economic regeneration of coastal regions whilst improving the conservation of the world's oceans. See chapter 7: Planet.



TARGETS



SDG 13

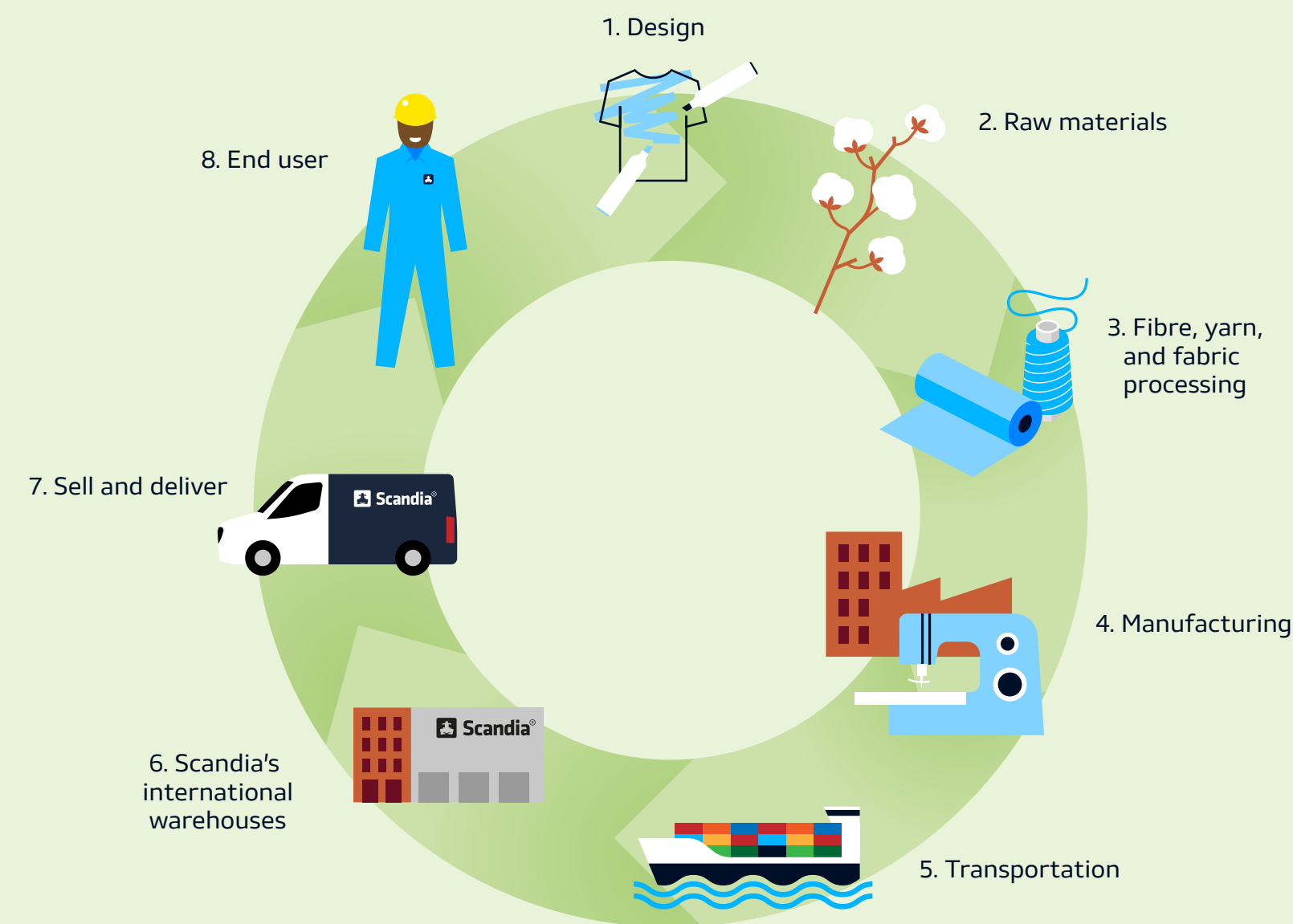
Take urgent action to combat climate change and its impacts.

As this is a new SDG for us, we decided to focus our efforts on two of the five targets. The first target is 13.2: *"Integrate climate change measures into national policies, strategies and planning"*. The second target is 13.3: *"Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning"*. Climate change has become an increasingly important topic around the world and can no longer be ignored. We must act now to prepare ourselves for the future. We're becoming increasingly aware of the environmental and social impact of all the processes involved in manufacturing our products. It's important to reduce the pressure on natural resources as much as possible. See chapter 5: Products.

We want to encourage our production partners to collaborate with us on reducing the environmental impact of our products by raising awareness on topics related to climate action, while simultaneously encouraging our customers to opt for more sustainable products (e.g., from our Green Label collection). Additionally, we welcomed a Corporate Social Responsibility (CSR) specialist to our team in 2022 to help us further develop our sustainability strategy and vision aimed at realising our social and environmental ambitions.

3. Value chain

At Scandia Gear, we strive to integrate sustainability and innovation in all steps of our value chain while fulfilling our customers' expectations by offering high-quality PPE. We started defining the steps in our value chain in 2021 to integrate sustainability and reduce our negative impact. Since then, we have examined the various steps in our supply chain in more detail to determine where improvements could be made.



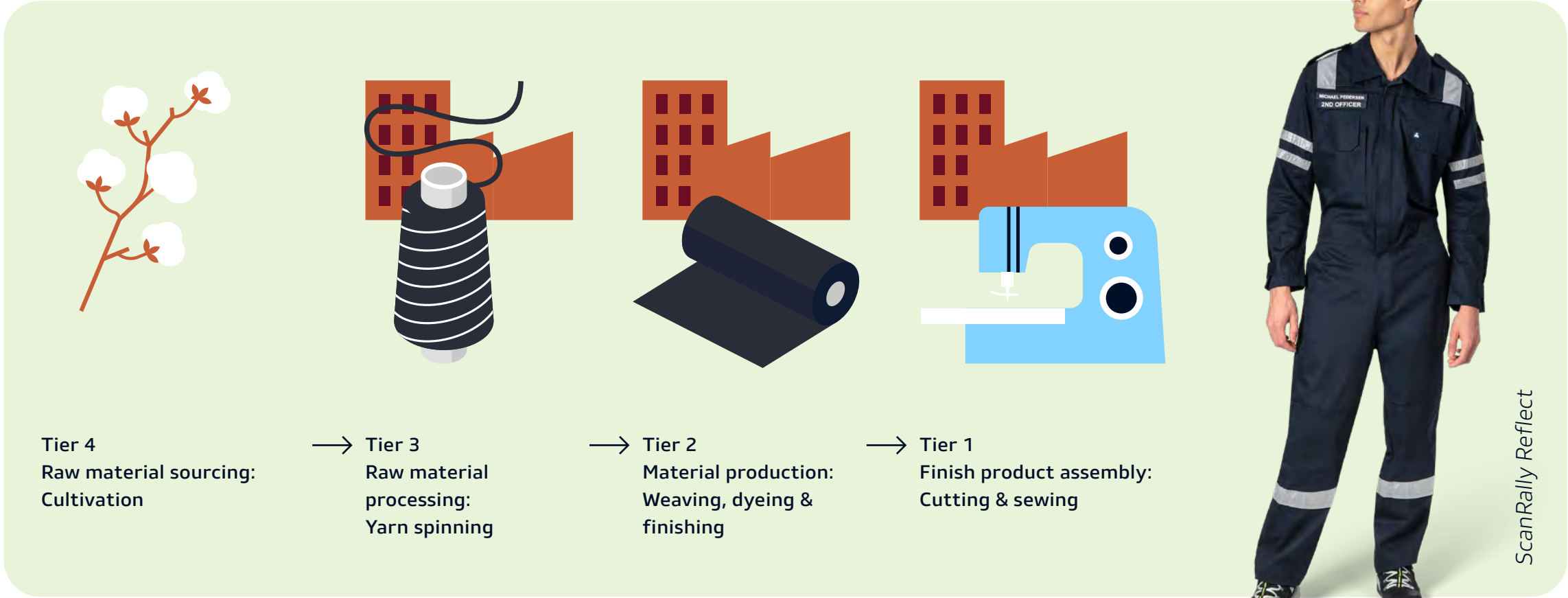
Supply chain analysis

Upcoming European legislation, such as the Corporate Sustainability Reporting Directive (CSRD), obliges companies to publish detailed information on sustainability-related matters. This helps ensure that companies are addressing any impacts in their global value chains. Achieving complete insight into the supply chain is challenging. Supply chains can be complex and far-reaching, and – with a diverse supplier network distributed across the world – tracking every Tier can be a difficult task. Scandia Gear has direct contact with suppliers and visits the factories since the beginning.

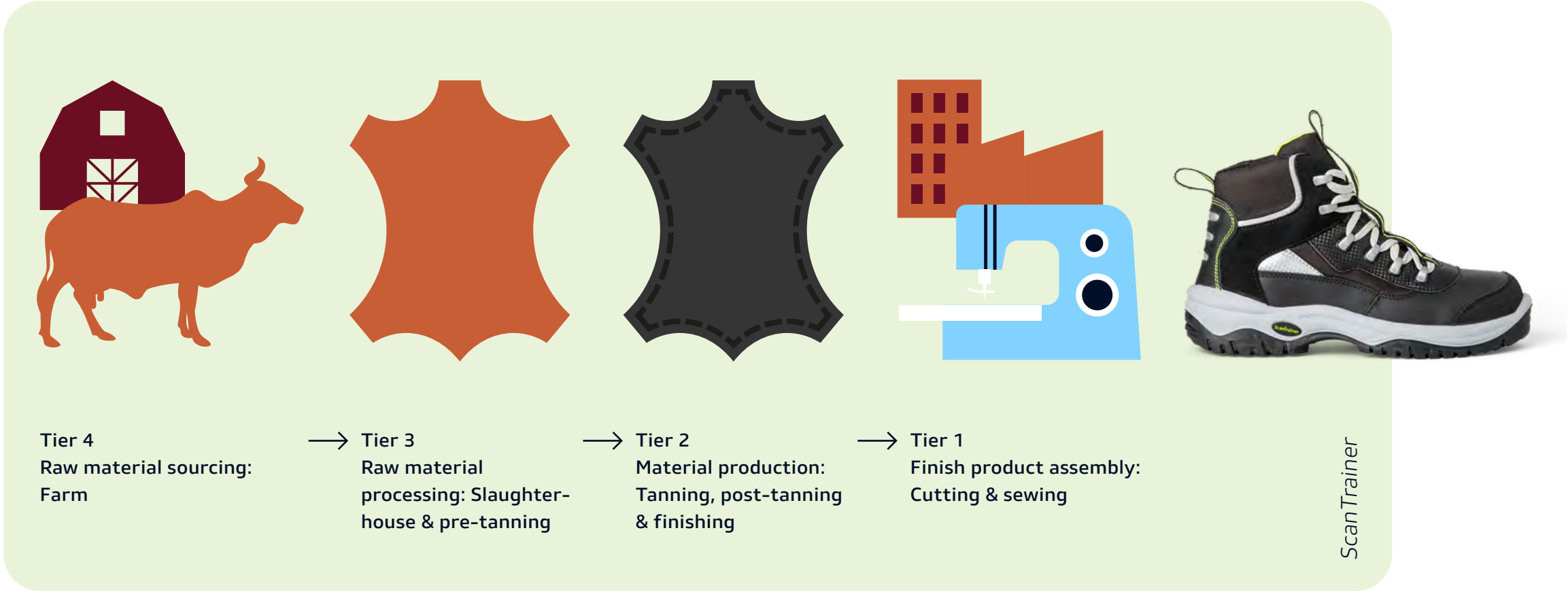
For Scandia Gear, Tier 1 suppliers are those with a direct relationship with Scandia Gear, like Cut Make Trim (CMT) facilities, garment sewing, garment finishing, and packaging. Tier 2 and 3 companies are the processing facilities involved in material production and processing which perform activities such as ginning and spinning, knitting, weaving, dyeing and wet processing, tanning, embroidering, printing, and fabric finishing. Raw material producers are regarded as Tier 4 suppliers.

In the first half of 2022, we analysed the different Tiers beyond our Tier 1 suppliers. We conducted risk analysis on nine core items from three different product categories: workwear, gloves, and footwear. The analysis is related to the leather and fabric end-to-end supply chain (e.g., from cotton cultivation to the finished product). We managed to map out the supply chains per product with the help of our production partners and external sustainability consultants. The findings provided insight into our supply chain and manufacturing processes for these items. We will continue to map the supply chains for all other items in an ongoing basis. On the next page there are three examples of our end-to-end supply chains.

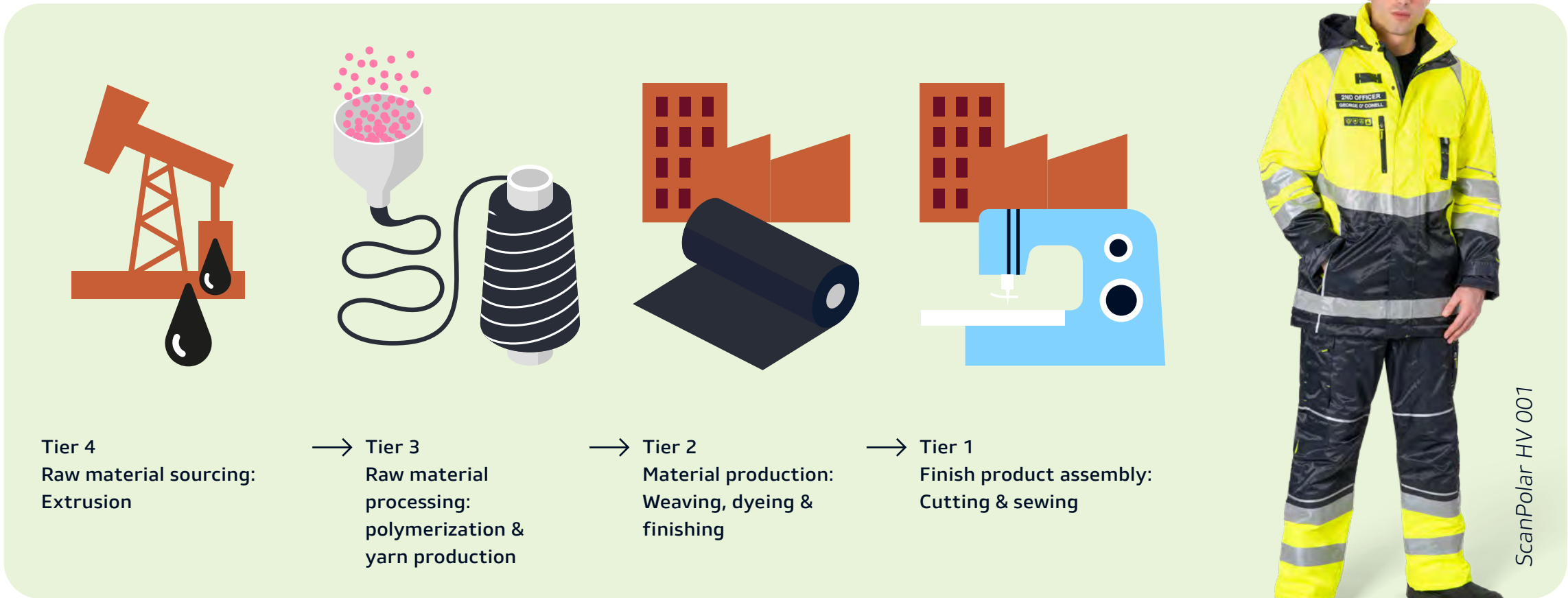
Cotton



Leather



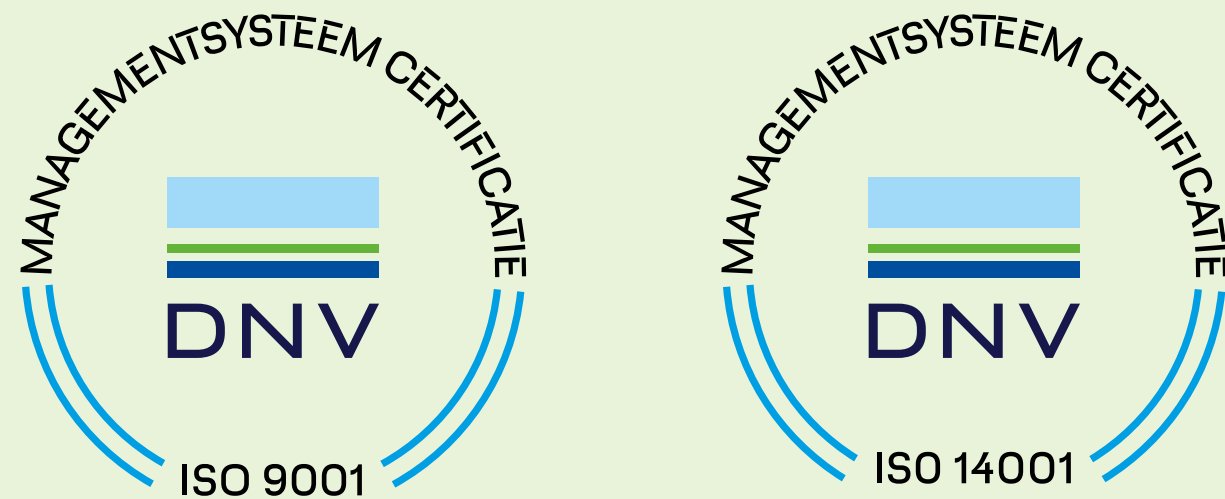
Polyester



The analysis showed Scandia Gear's involvement, impact, and possible risks relating to social compliance and environmental procedures in the supply chain. The possible risks were identified from Tier 1 to Tier 4 per country, manufacturer, and material. This initial start as it opens the possibility of significantly reducing risks and taking the necessary steps to address them. Prevention and transparency can now be our next focal points.

**International Organization for Standardization (ISO)
certification**

Certification establishes credibility and trust among consumers, stakeholders, and other business partners by enabling independent comparisons between organisations, and this is precisely what ISO represents. Scandia Gear Europe's business operations have been audited yearly based on ISO 9001 (quality management) for over 20 years and ISO 14001 (environmental management) for 13 years. Additionally, plans are in place to certify Scandia Gear Europe according to ISO 45001 (occupational health and safety management) in 2023. Developing and implementing the ISO 45001 management system supports safe and healthy workplaces by preventing work-related injury and ill health. This certificate will show that our organisation complies with international laws and regulations in the field of occupational health and safety (OHS).



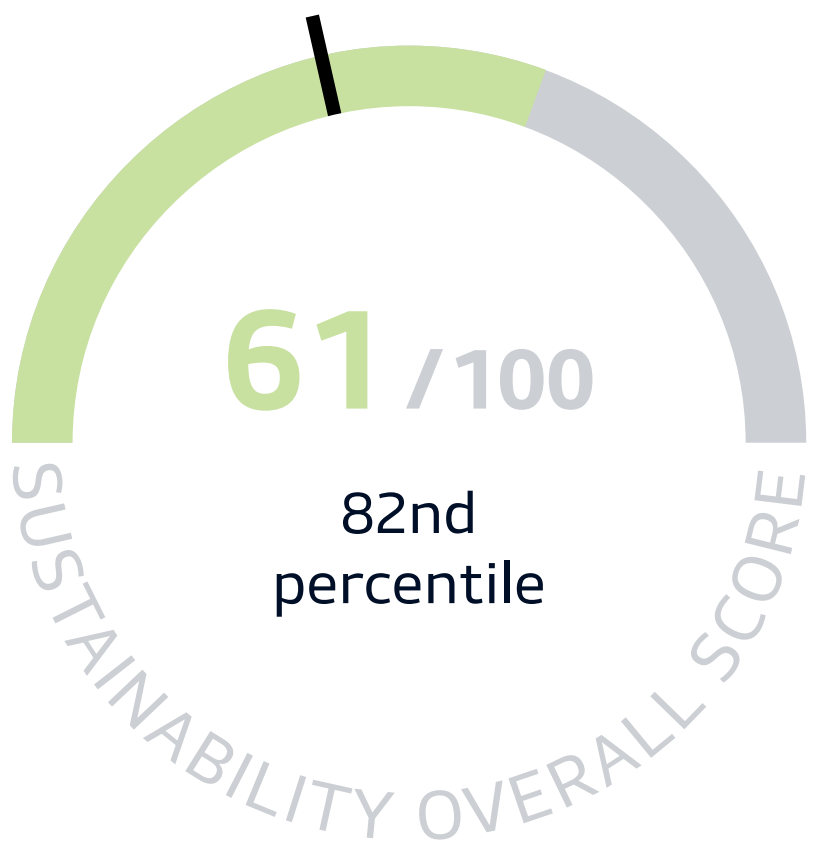
EcoVadis

We registered Scandia Gear Europe with EcoVadis in 2021 to manage and communicate our company's sustainability performance more clearly and effectively. EcoVadis is the world's largest provider of business sustainability ratings, having assessed over 75,000 organisations in 110 countries. It evaluates companies on 21 CSR-related criteria across four pillars: sustainable procurement, social impact, ethical impact, and environmental impact. Since the EcoVadis rating is evidence-based, we are required to provide formalised, recent, and pre-existing documentation. This allows us to determine where Scandia Gear stands as a company in terms of sustainability. EcoVadis helps us to monitor our sustainability performance and set better targets. The assessment results are reviewed in a '360 degree approach' and expressed as a scorecard and a medal (platinum, gold, silver, and bronze).



Having started with a bronze medal at the end of 2021, Scandia Gear Europe's performance in 2022 has now been rewarded with a silver medal. We are very proud of having improved our EcoVadis rating from bronze to silver within one year. This is an excellent confirmation of our commitment and focus on sustainability.

With a score of 61/100,
we belong to the top
25% of EcoVadis-rated
organisations.



EcoVadis topics

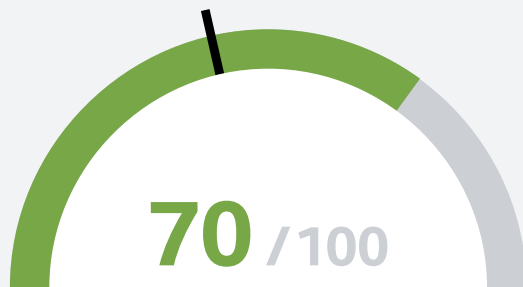
Environment

Operations

- Energy consumption & GHGs
- Water
- Biodiversity
- Local & accidental pollution
- Materials, chemicals & waste

Products

- Product use
- Product end-of-life
- Customer health & safety
- Environment services & advocacy



Weight



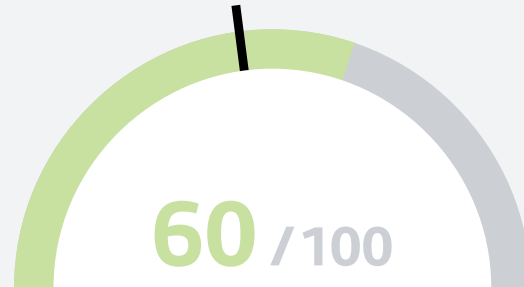
Labor & Human Rights

Human Resources

- Employee health & safety
- Working conditions
- Social dialogue
- Career management & training

Human Rights

- Child labor, Forced labor & Human trafficking
- Diversity, Discrimination & Harassment
- External stakeholder human rights



Weight



Ethics

- Corruption
- Anticompetitive practices
- Responsible information management

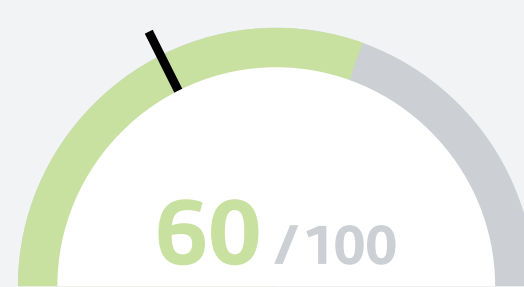


Weight



Sustainable Procurement

- Supplier environmental practices
- Supplier social practices



Weight



4. People

Scandia Gear wouldn't be what it is today without the dedication of everyone involved over the last 50 years, both internally and externally. This chapter expresses the importance of Scandia Gear's people in improving practices and achieving not only our own goals, but also the future ambitions of our partners.

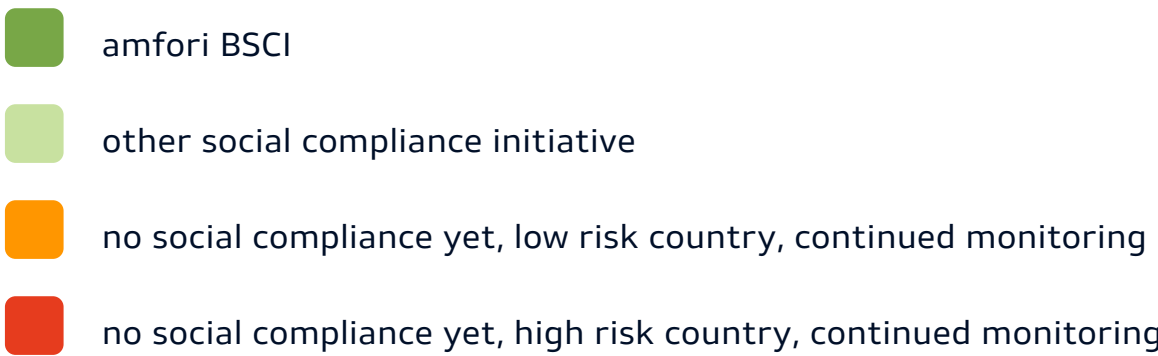


Social Compliance

We joined forces with amfori BSCI in 2019, choosing specifically to work with them because their views are closely aligned with ours. The long-lasting relationships with our production partners are important to us, which is why we assist in improving their social responsibility, plus we are open to other social compliance organisations besides amfori BSCI (e.g., SEDEX or Wrap). We are fully aware that following a social compliance scheme takes time, investment, effort, and willingness from our production partners, and we are therefore grateful for their support.

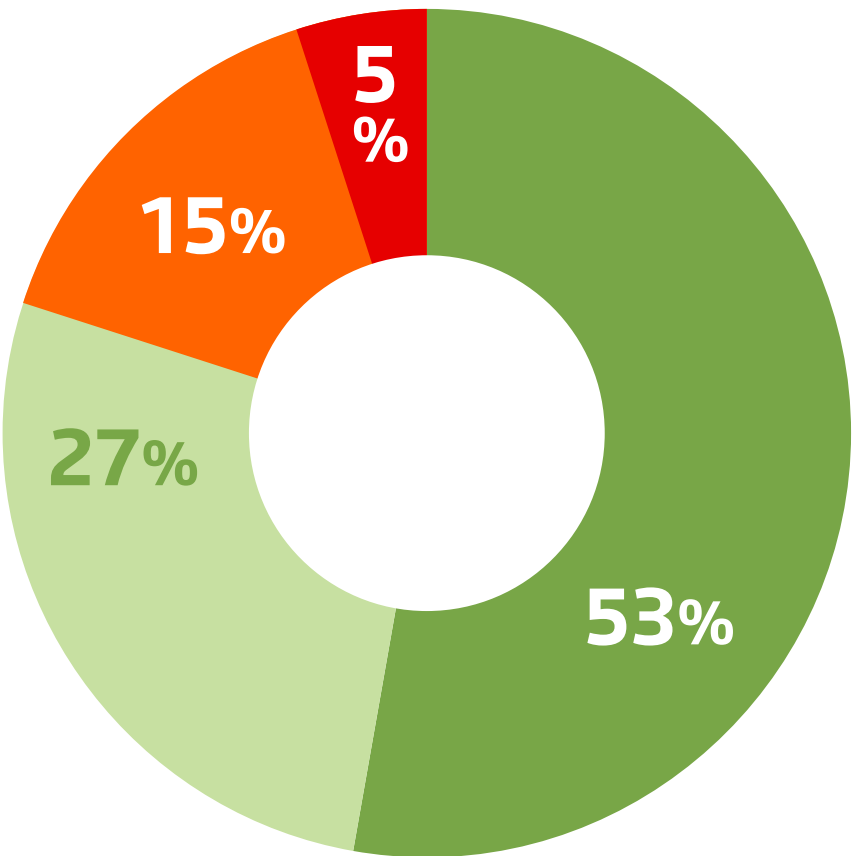
We maintained our performance over the course of 2022, which means we can still guarantee 80% of our production partners' employees work in safe conditions. This doesn't mean that employees at the other 20% of our production partners work in unsafe conditions; although those production locations are not yet audited, we closely monitor them based on self-assessment tools and/or online guided tours of the factories.

An amfori BSCI-initiated on-site audit helps to assess the factory operations to the International Labour Standard (ILO) standards or national standards. It's a third-party factory assessment to evaluate OHS compliance, factory documentation, the factory premises, wages, and working conditions.



Audited and non-audited factories

Trained auditors from independent institutes (e.g., SGS, ALGI, Bureau Veritas) execute these audits to ensure that working conditions are in line with the amfori BSCI code of conduct. Any deviations identified must be corrected through a remediation plan and are followed up by us. Audits are necessary to increase transparency, gain an independent view of the working conditions, and analyse where Scandia Gear can further assist our production partners. They define and track their improvement areas through a remediation plan. This forms their plan of action and includes every point of improvement based on an on-site third-party audit and ILO standards. Together with our supply chain analysis (Chapter 3: Value Chain), amfori BSCI has gradually taught us about the different dynamics and cultures involved in our supply chain.



Workplace values

Scandia Gear believes a positive workplace leads to greater employee engagement and creates productivity improvements beyond the workplace. We promote human rights and well-being to ensure everyone is treated with dignity and respect. The topics of diversity and inclusion are significant to us when operating worldwide. The diversity in perspectives, interests, and work ethics, becomes evident when working with our four local divisions, international partners, and clients. We create personal work plans that work for the employee depending on the individual (e.g. looking at generation or beliefs). Our workplace values influence everyone employed by Scandia Gear and reflect our corporate culture, OHS, and business ethics. The values are incorporated in our employee handbook.

One of our people-related values is continuous learning and growth. Employees are increasingly motivated to participate in selected training at Scandia Gear. A personal performance cycle is used for employees to set goals for themselves and monitor their growth. This resulted in 352 hours of training, including emergency response, forklift & truck driving, inventory optimisation, and legal training over the past year.

We believe we have an impact by inspiring our 117 colleagues worldwide to make the right decisions.



5. Product

One effective way to reduce our environmental impact is to increase our product's lifespan. We are continuously gaining knowledge on sustainability in relation to our products to improve their designs, fabrics, fit, trimmings, and functionality. Working closely with our suppliers helps to ensure all products meet our requirements.

Green Label collection

In 2019, we launched the Scandia Gear Green Label collection, which currently comprises a total of ten items. All Green Label products are developed to decrease negative impact. Sustainable product development starts at the design stage by identifying the needs of the end users. This is followed by understanding the specific product manufacturing process, how the product is consumed and eventually disposed of. The Green Label collection allows us to create products from recycled or partly

recycled and sustainably sourced materials. We are replacing materials in our collections with more sustainable alternatives on an ongoing basis. Each product in this collection can be identified by the green label branding displaying Scandia Gear's recognisable boat logo.

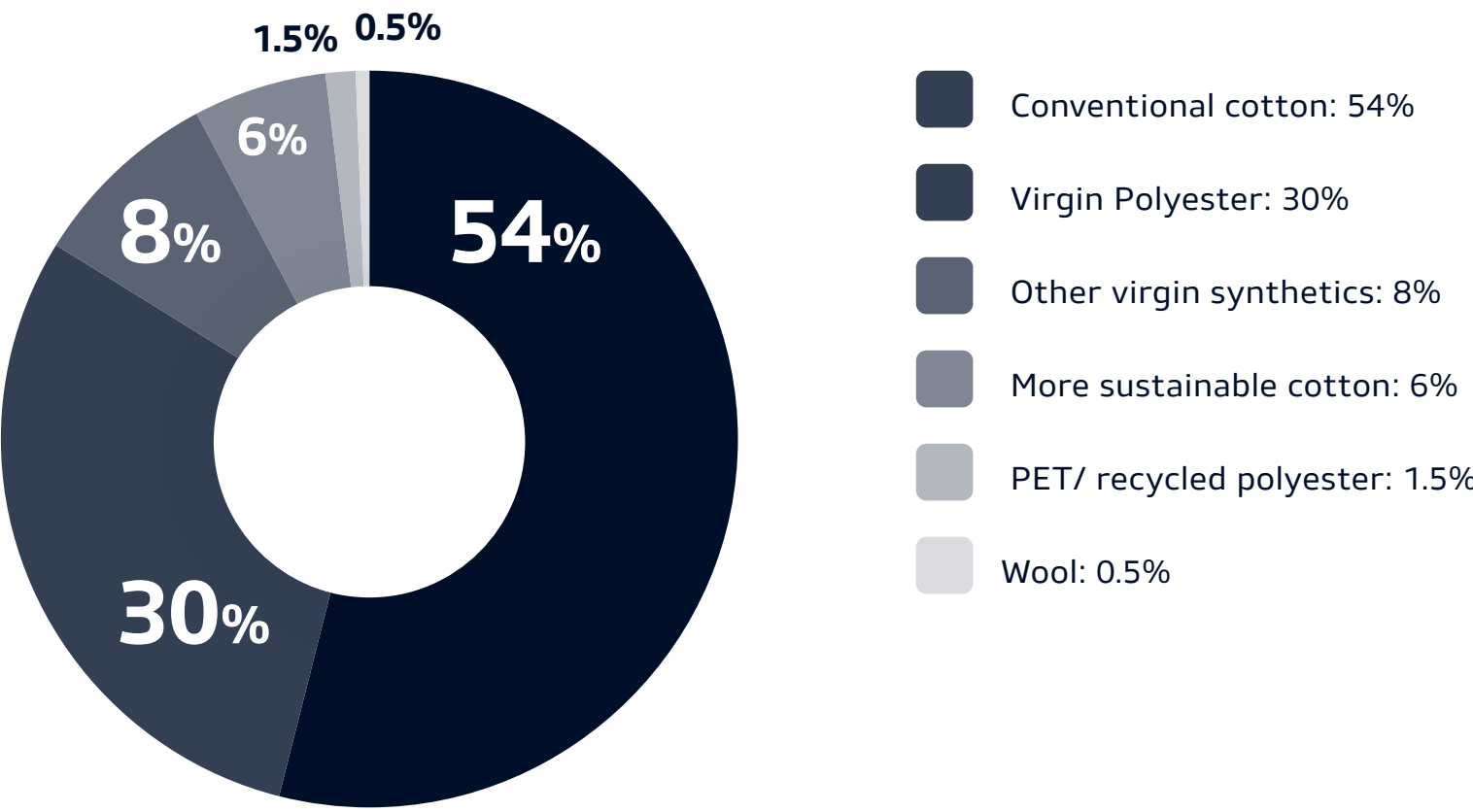
Creating PPE with sustainable content is a demanding process. We are focused on ensuring the same level of quality and safety as our existing Scandia Gear collection.



Materials

The materials we choose affect the performance of the garment, the environmental and social elements. An understanding of the process behind each material is required to make informed decisions. Our goal is to gain more insight into these processes and making them measurable. We are currently conducting a supply chain analysis in cooperation with our production partners to map the origin of our main raw materials per product.

Most of our garments are made of cotton and/or polyester; these materials account for more than 90% of Scandia Gear’s apparel collection. Cotton contributes to high comfort in garments and offers good moisture absorption. We use polyester due to its durability and strength in combination with good abrasion resistance. The high performance of these materials ensures quality and longevity.



By 'sustainable materials', Scandia Gear means materials containing a certain level of recycled or organic content.

Quality management

Quality management is a core element in our mission: "Scandia Gear innovatively and sustainably provides the maritime sector with safety products of the highest quality." We ensure Scandia Gear's quality standards in the following ways:

- ✓ In-house **quality-control** check of each shipment at our headquarters. We work closely with our suppliers and third-party product inspection teams to ensure all products meet the necessary requirements.
- ✓ **Material testing** is carried out by independent test institutes worldwide. We thoroughly test new and existing materials in the development and production process through AITEX, Centexbel, SGS Finland, CITEVE, Certottica, TTI, SaiGlobal and RICOTEST. Each testing institute and notified body has its own testing expertise and adheres to the EN ISO, CE, ANSI, CSA, and AS/NZS standards for the PPE industry.
- ✓ Establishing **long-term business relationships** with our suppliers to build mutual understanding of our quality standards and general terms.
- ✓ Conducting **wearer tests** in collaboration with our customers to ensure each garment features all the necessary functions and is therefore adapted to real-life situations.
- ✓ **Feedback** (e.g., complaints or claims) is followed up and analysed in detail to understand the cause of any defects and prevent them from recurring.



Chemical management

Our priority is to ensure our garments do not include any harmful, prohibited, or restricted chemicals. Chemical finishes are added to fabrics or materials to give a final product its specific functional properties such as: water- and oil repellency. All chemicals must be handled carefully and in line with strict regulations to guarantee our products are safe for the environment, the people who make them, and the people who wear them. Some chemical management examples:

In 2022, 65% of our garments were OEKO-TEX® Standard 100 certified.



REACH

The European Chemicals Agency (ECHA) has primary responsibility for applying the European Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulation. We include the REACH regulations in Scandia Gear's General Terms and Conditions to confirm our products meet all the requirements. The General Terms must be signed and followed by all our suppliers.



OEKO-TEX®

OEKO-TEX® is one of the world's best-known labels for textiles tested for harmful substances. Scandia Gear is OEKO-TEX® Standard 100 certified by notified body Centexbel. All information regarding this safety standard can be found on the OEKO-TEX® website. Our registration number is: 1309032.



AZO-free

Material testing is carried out by independent test institutes worldwide to guarantee that no AZO dyes are used in Scandia Gear products. AZO dyes are used for their brightness, colour fastness, and capacity to set at lower temperatures than other dyes. However, around 5% of AZO dyes degrade into compounds known as aromatic amines. These compounds can enter the human body through inhalation, ingestion, and absorption through the skin. The compounds are strictly regulated and monitored, as research has indicated that they may be carcinogenic (i.e., they may cause cancer).



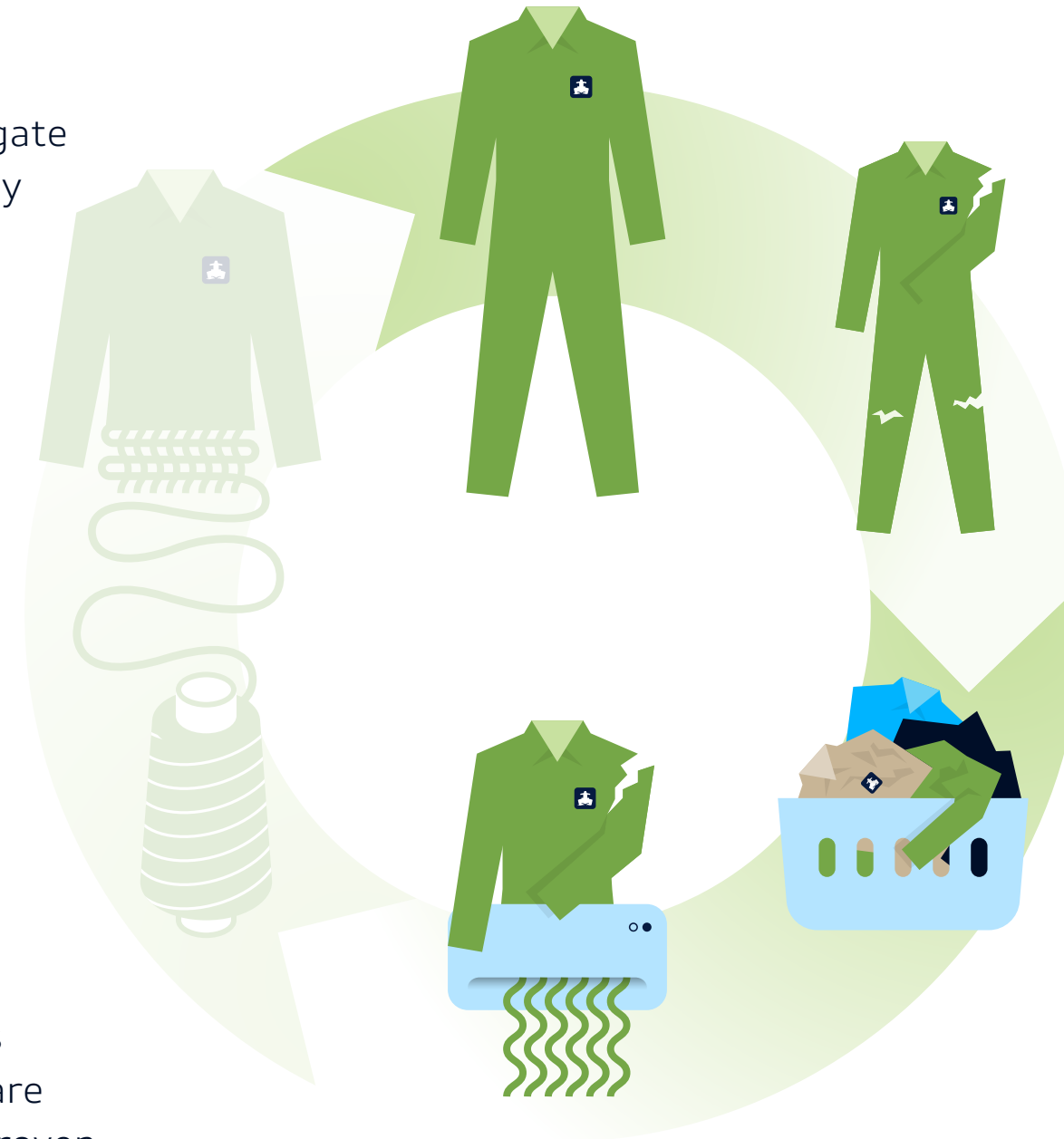
PFC-free

Scandia Gear is committed to eliminating perfluorinated compounds (PFCs) from its apparel. Some types of PFCs are exceptionally good at repelling water, dirt, and oil, so they are commonly used in durable water-repellent (DWR) coatings and water-repellent membranes. However, PFCs are non-biodegradable and spread into environments via our waterways and through the air. The products in our collection that are water-repellent and PFC-free can be identified by the PFC-free icon. PFC-free means products are treated with a DWR without the use of PFCs.

Working towards circularity

In 2020, Scandia Gear started a journey to investigate the concept of circularity. Transitioning to circularity demands effort, creativity, and a different way of thinking. It is about finding ways to use materials effectively and minimize the use of virgin (fossil) resources. Our goal is to build a system where materials can be reused to their full potential to make new products and eliminate waste.

Numerous circularity studies are conducted within the fashion and textiles industries. However, circularity might be an even bigger challenge for workwear and PPE as these products often tend to become smeared with oil, grease, and dirt. This impacts the quality of the fibres and makes them unsuitable for recycling and reusing. Even after recycling, workwear and PPE must meet strict safety requirements to pass testing and achieve certification. Nevertheless, we are optimistic that future developments will lead to proven methods of circularity within the workwear and PPE sector. In the meantime, we are working on a roadmap to circularity. The roadmap clarifies which actions we need to take and which future legislation need to consider. For example:



European Green Deal

The challenges of the textiles sector are being addressed as part of the European Commission's (EC) Green Deal. The Green Deal is a package of policy initiatives driving a transition to climate neutrality in the European Union (EU) by 2050. This deal includes the Circular Economy Action Plan, in which the EC proposes an EU Strategy for Sustainable and Circular Textiles based on input from the industry and other stakeholders.

Circular Economy Action Plan

This new action plan presents initiatives covering the entire product life cycle. It targets how products are designed, promotes processes that contribute to the circular economy, and encourages sustainable consumption.

EU Strategy for Sustainable and Circular Textiles

This strategy will help the EU shift to a climate-neutral, circular economy in which products are designed to be more durable, reusable, repairable, recyclable, and energy-efficient.

Businesses and organisations must form new networks and pursue radical partnerships to achieve climate neutrality by 2050. This calls for more integrated collaboration in the value chain itself and between different industries and sectors. All kinds of issues need a holistic approach to sustainability: design, production of materials, consumer behaviour, take-back and collection of discarded workwear and PPE, and track and trace systems. Scandia Gear is keen to work together with researchers, educators and other industry professionals to safeguard the future of the textiles industry. We hope you will join us!

6. Packaging

The escalating plastic waste accelerates biodiversity loss and increases the climate crisis urgency. We continuously review our packaging methods to find more sustainable, less wasteful approaches. By 'packaging', we mean materials used to enclose or protect products for distribution, storage, or sales.

Plastic takes more than 400 years to degrade, meaning all plastics ever created are still somewhere on Earth (or orbiting around it).

² Source: European Environment Agency, 2021

³ Source: The Roundup Organisation, 2022

Types of plastics and their recyclability

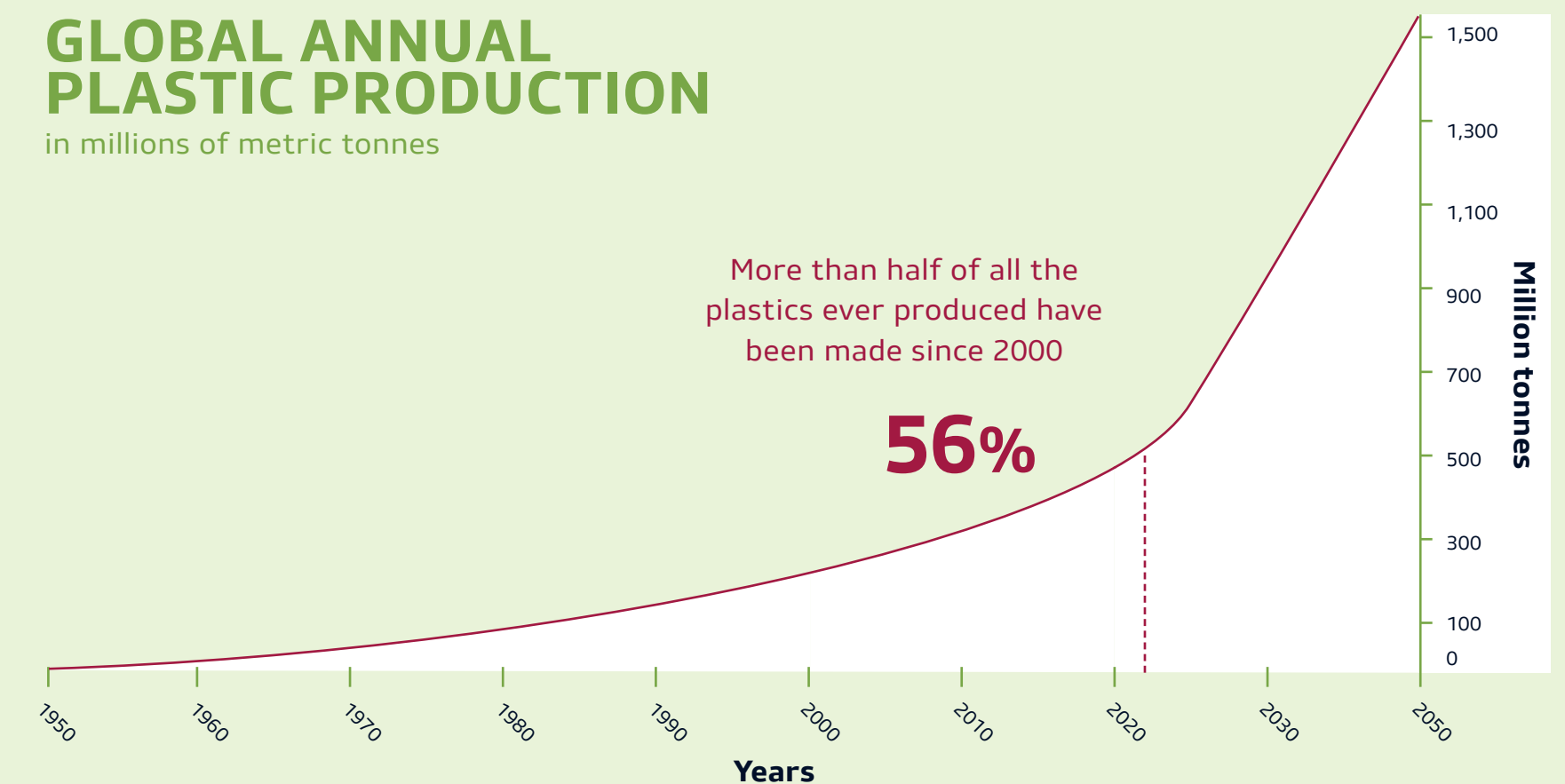
Plastic production for mass consumption started around 1950. Now, the EU produces 13.4 million tonnes of CO₂ yearly related to plastic production². It would require 670 million trees to grow for a year to transform this CO₂ footprint into oxygen.

Some other facts³:

- 8.3 billion metric tonnes of plastic have already been manufactured on Earth.
- 6.5% (600 million tonnes) of the total amount of plastic has been recycled.
- 2.2% (200 million tonnes) is still in use
- 81.3% is either burned (incinerated) or accumulated in landfills.
- 400 million tonnes of plastic are added each year.
- 10 million tonnes end up in the oceans annually.

GLOBAL ANNUAL PLASTIC PRODUCTION

in millions of metric tonnes

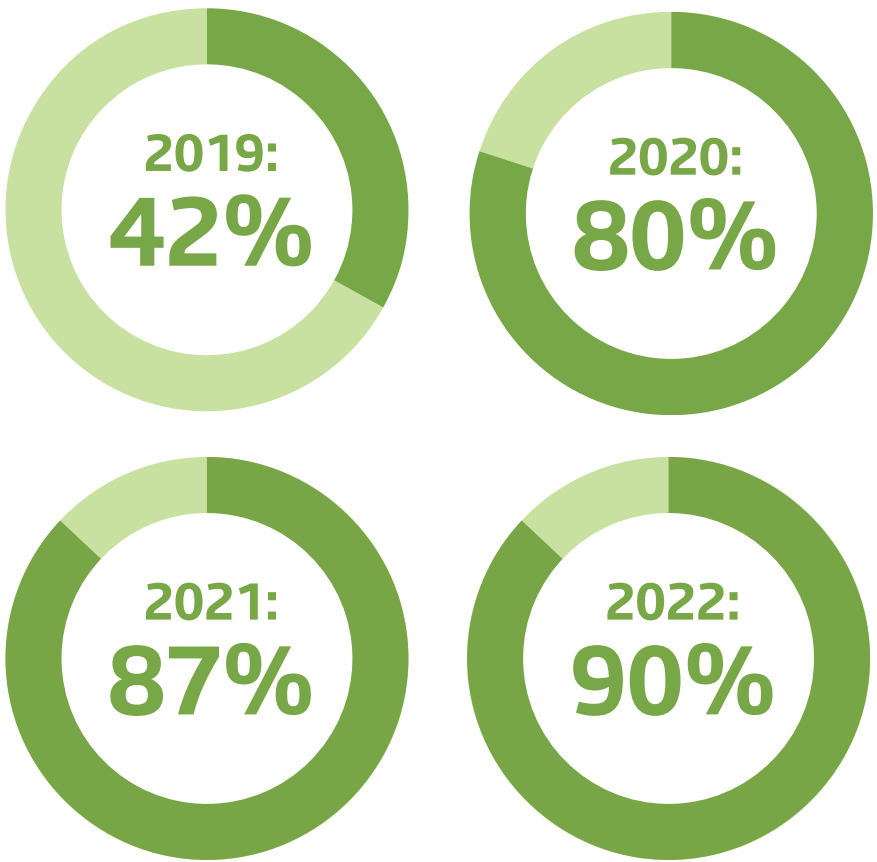


Source: Plastic Soup Foundation, 2021

The rising plastic waste is a reason to look beyond the status quo and find ways to create circular systems instead of wasteful linear systems, whether for marine, land, human, or organic matter. As a start, Scandia Gear is reducing waste through prevention, reduction, recycling, and reuse.

Over the past year, reducing unnecessary usage of individual polybags has saved 17,296 kg of plastic. The large multi-packing polybags (instead of single packing) are still needed to protect the orders shipped to and from our Singapore warehouse due to its tropical and humid climate. However, they have been made from 100%-recycled plastic since 2020 and are recyclable (LDPE).

THE AMOUNT OF PLASTIC WE HAVE SAVED



⁴ Source: Global Plastics Outlook, OECD, 2022

The different types of plastic are categorised as follows:

PET **HDPE**

The numbers 1 (PET) and 2 (HDPE) are recyclable.

LDPE **PP**

Numbers 4 (LDPE) and 5 (PP) are sometimes recyclable, depending on the country and municipality.

PVC **PS** **Other**

Numbers 3 (PVC), 6 (PS), and 7 (Other) are not recyclable and may even be toxic to humans and the environment. These are usually disposed of in landfills, in oceans, or incinerated.

Even though some plastics are recyclable, it doesn't necessarily mean they're recycled. Many different rules and regulations need to be followed when it comes to plastic disposal. These rules and regulations make recycling complex. Worldwide, 9% of plastic waste is recycled, 19% is incinerated, 50% goes to landfills, and 22% ends up in uncontrolled dumpsites, rivers/oceans, or is burned in open pits⁴.

We investigated the use of biodegradable and/or compostable polybags, but we concluded that unfortunately they aren't the right solution for us. The degradation of this specific packaging material starts at the moment of purchase, creating a reduced lifespan. This is too short for Scandia Gear's current business model.

The industrial composting options are limited around the world. For example, in the Netherlands, compostable plastic is disposed of with 'regular' waste; it isn't recycled with oil-based plastics nor with organic waste, so it goes to landfills or is incinerated (depending on the specific location). Needless to say, we won't give up and we will continue to search for more ways to reduce, reuse, and recycle materials where possible.

PET is the most commonly recycled plastic (55%), followed by HDPE (33%).

From plastic to paper packaging tape

Scandia Gear replaced plastic PVC packaging tape (thermoplastic plastic material) with paper packing tape in 2022. Additionally, invoices are now placed inside the box instead of being attached on top in a plastic envelope. The next step in our improvement process will be to find a solution for the plastic (PP) straps, which serve as extra protection during transport. We're investigating possibilities to exclude the current PP straps (recyclable in certain countries) and use reinforced paper packaging tape instead.



Cardboard boxes

Our products must arrive in perfect condition. Therefore, we ship them in sturdy cardboard outer boxes. We reviewed the quality of the outer boxes and the origin of the cardboard. We wanted to ensure that the outer boxes are produced from sustainably managed forests without compromising on quality and durability. The majority of Scandia Gear's outer boxes are Forest Stewardship Council (FSC)® certified and made from recycled materials.

The various types of cardboard certifications for reduced environmental impact:



FSC®
Guarantees the product originating from 'responsibly managed forests' or contributes to it. It mostly aims at tropical forestry with a top-down approach through specific standards.



PEFC
Guarantees the products originating from 'sustainably managed forests'. It aims at EU forests by following a bottom-up approach and incorporates different national certifications. Covers a larger area than FSC®.

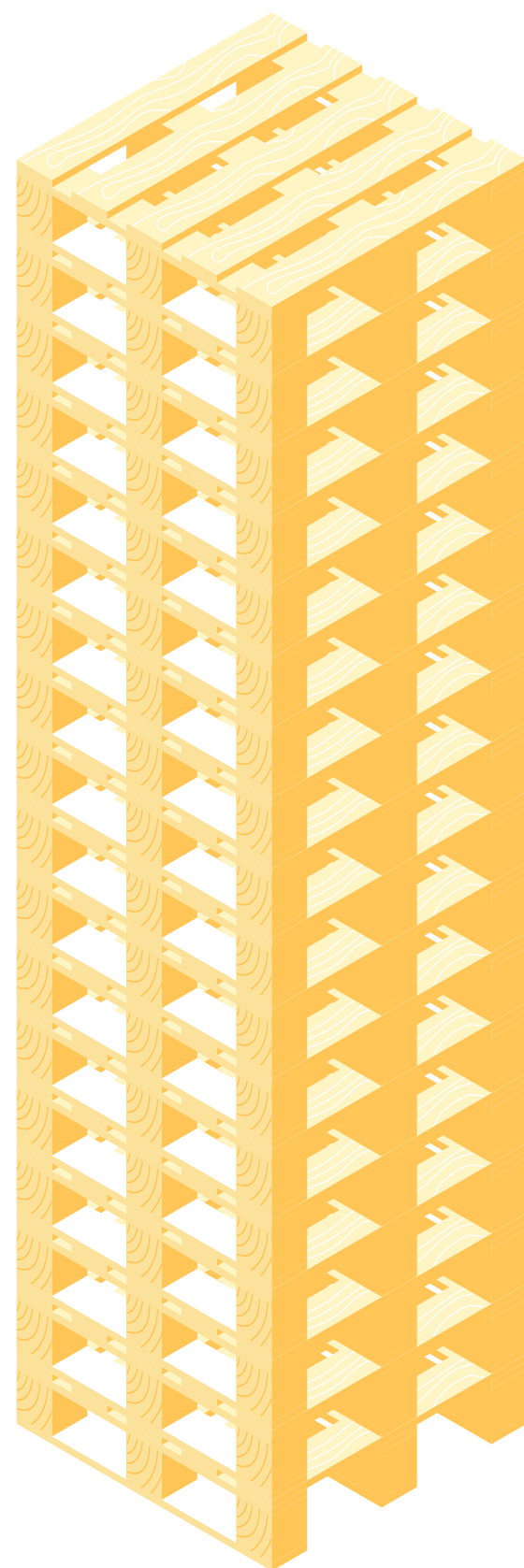


Recycled
A new product made from recycled fibres of post-consumer paper waste.



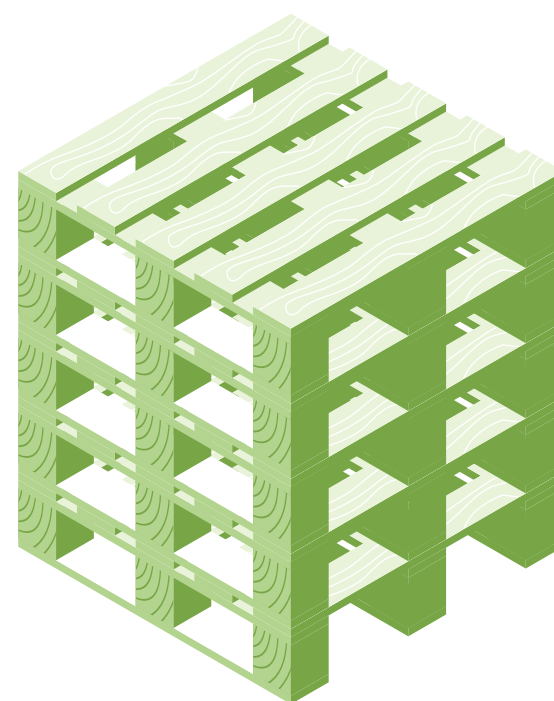
EU Ecolabel
Guarantees products with limited harmful (chemical) substances and made from 'sustainably managed forests' or recycled materials. It has a less negative impact on water and air by decreasing the misuse of water, energy and harmful (chemical) substances.

RELATIVE CO₂ FOOTPRINT PALLETS



NEW
PALLETS

**-70%
REDUCTION**
on CO₂ footprint



USED
PALLETS

Pallet recycling to reduce CO₂

Wooden pallets are used in our daily operations, serving as extra support for goods during transport. To help reduce our carbon footprint and impact on climate change, we partnered with the Dutch company Palletcentrale BV to repeatedly reuse wooden pallets. As a result, Scandia Gear Europe used 4,690 recycled pallets in 2022. This reduced emissions by 70% and saved 73.9 tonnes of CO₂ compared to new pallets, (equivalent to the CO₂ emissions of trucks driving 97,299 kilometres).

**The CO₂ calculations were carried out with a Pallet CO₂ tool developed by CE Delft for the Palletcentrale. The calculation method has been published on www.dedelft.nl*



7. Planet

More research and innovations are needed to mitigate climate change. Working together through sponsorships with specialists can increase speed and adaptation. Initiatives that seek to protect and preserve our oceans, waterways, and other fragile ecosystems to make a positive difference to the future of our planet are especially valuable to us.



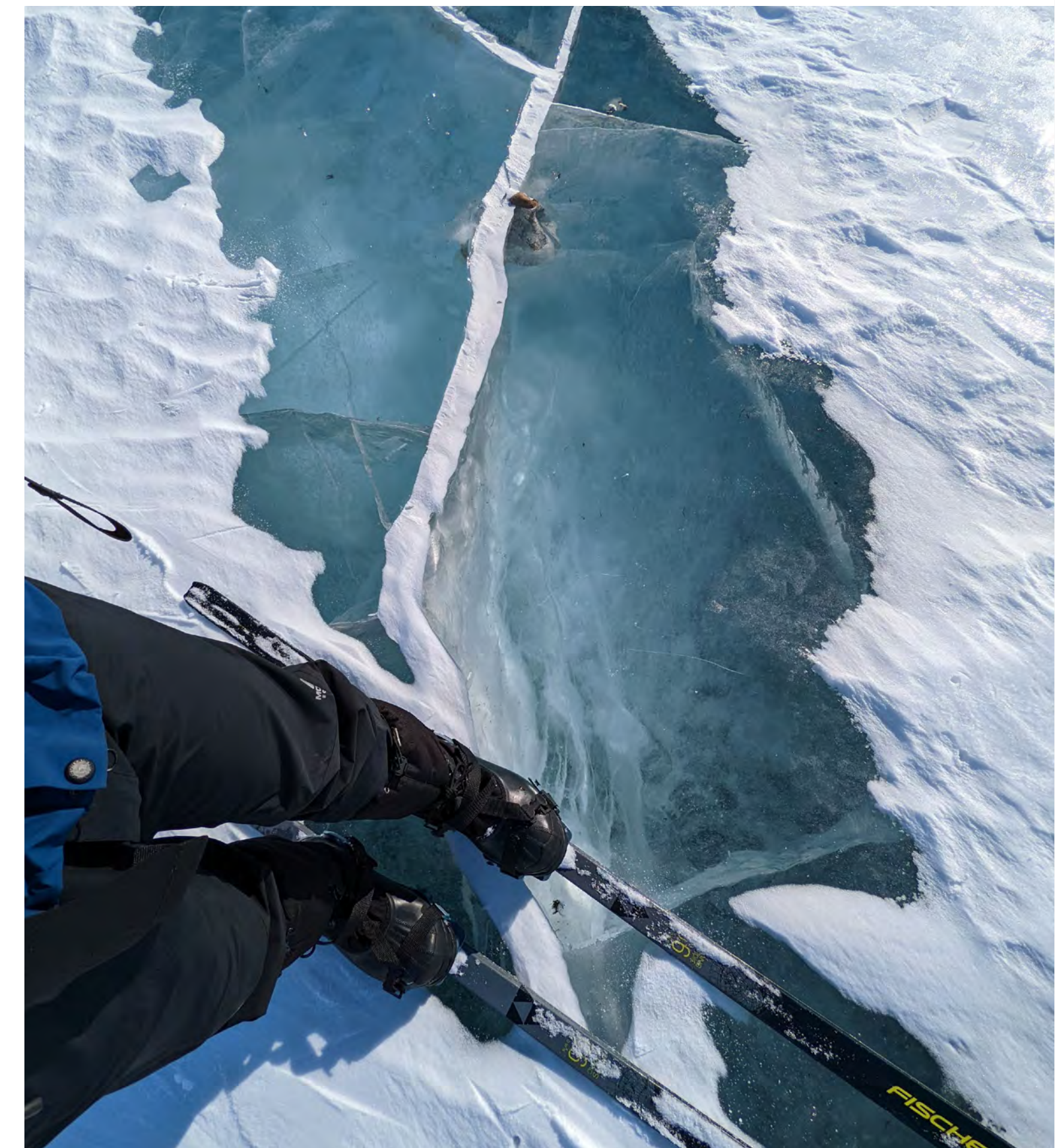
⁵ Source: USGS: Science for a changing world

Ice Warrior Project

At Scandia Gear, we're thrilled to support Kris and the Ice Warrior Project team in this incredible endeavour as part of our commitment to combating climate change. The polar regions are fundamental to our survival; they play a vital role in regulating the world's climate. The white sea ice reflects some of the sun's rays into space, helping to keep the Earth at an even temperature. There is still some uncertainty about the exact volume of glaciers and ice caps on Earth. But if all of them were to melt, global sea levels would rise by approximately 70 metres (230 feet), flooding every coastal city on the planet⁵.

In 2023, Kris Law and his team from the Ice Warrior Project will embark on a big expedition to 'The Northern Pole of Inaccessibility', which lies on a mass of floating ice in the Arctic Ocean, well out of civilisation's reach. The Ice Warriors aim to collect critical data on ice thickness, atmospheric chemistry, and pollution levels, combined with studying how polar bears are responding to their rapidly changing environment.

Kris's team must cover around 1,290 kilometres (800 miles) in +/- 80 days while facing temperatures of approximately -40°C. In 2022, they started training for this project. "It was amazing to see the team in person after two years due to Covid and meet all the new team members who've started their polar training," says Kris. "We set off from Longyearbyen for Sassendalen, a valley nearby. We were out for a total of seven nights and eight days and put all the skills we've learned into practice for real. The last time I was in Svalbard was in January, the middle of winter with temperatures of -40°C and 24 hours of darkness a day. This time, there were 24 hours of daylight, and the temperatures were much higher. It was great being able to see more of the landscape of Svalbard. We travelled for 8-12 hours each day on skis, pulling our 'pulks' or sleds with all our kits.



Unfortunately, we didn't see any polar bears. Apparently, a lot of them have migrated north, following the sea ice, where there are more seals. We did see a lot of other wildlife though."

For more information: www.ice-warrior.com/

Sea Ranger Service

We're honoured to support this work by supplying critical Scandia Gear workwear and PPE for Sea Ranger training programmes. We live on a 'blue planet'; oceans and seas cover more than 70% of the Earth's surface⁶. These waters provide food for us, regulate our climate, and generate much of the oxygen we breathe.

At Scandia Gear, we feel a close connection to the sea and have identified the Sea Ranger Service as an organisation that does indispensable work. The Sea Ranger Service is on a mission to create a combined social and environmental impact to strengthen coastal regions and improve the protection of the world's oceans. Their focus lies on fragile ocean biodiversity regeneration in some of the world's marine hotspots, whilst simultaneously training and coaching young unemployed people as Sea Rangers towards a maritime career⁷.

Based on knowledge, research, and other inputs, the Sea Ranger Service aims to restore one million hectares of ocean biodiversity by 2040 and train 20,000 young people. In particular, the Sea Ranger Service collects seawater samples and maps seagrass. This is part of ongoing research into the potential role of seagrass in climate mitigation thanks to its natural carbon storage properties.

For more information: searangers.org/

⁶ Source: National Ocean Service, 2023

⁷ Source: Sea Ranger Service



8. Goals & Highlights

The goals & highlights are based on the situation December 2022 and refers to the chapters in this statement.

GOALS VALUE CHAIN	TARGET DATE	PROGRESS
Define Scandia Gear's roadmap to circularity	2023	In progress – 33% <div></div>
Obtain ISO45001 certification	2024	New target <div></div>
Scandia Gear Europe obtains EcoVadis gold medal	2024	In progress – 61% <div></div>
Complete supply chain analysis for the Scandia Gear collection	2030	In progress – 10% <div></div>

GOALS PEOPLE	TARGET DATE	PROGRESS
100% of our production partners are audited on their social compliance	2025	In progress – 80% <div></div>

GOALS PRODUCT	TARGET DATE	PROGRESS
100% single-use virgin plastic packaging accessories are eliminated, including pins, clips and hangtag pins	2030	New target <div></div>
100% of our Scandia Gear collection is more sustainable than conventional	2030	In progress – 5% <div></div>

GOALS PACKAGING	TARGET DATE	PROGRESS
Eliminate 100% plastic product packaging or replace it with sustainable alternatives for the Scandia Gear garment collection	2024	In progress – 90% <div></div>

People



amfori BSCI member controlled production sites



In-house CSR specialist



Long-term relationships with production partners



ISO 9001 – certified quality management systems

Product



Certification according to OEKO-TEX® STANDARD 100



Scandia Gear's own Green Label collection



End-to-end supply chain risk analysis conducted



Continuous research into product recycling possibilities

Packing



90% of Scandia Gear's plastic product packaging eliminated



PVC packaging tape replaced with paper packaging tape



Scandia Gear's outer boxes are FSC® certified



Recycled pallets reduced 70% CO₂ emissions*

*compared to new pallets

Planet



ISO 14001 – certified sustainable business operations



Partnership with the Sea Rangers Service



Scandia Gear Europe has an EcoVadis silver medal



Sponsorship of the Ice Warrior Project team



Thank you for reading our Sustainability Report.

If you have any questions or if you would like to receive more information about our sustainability initiatives, please contact: sustainability@scandiagear.com.

We appreciate your feedback.

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since 1974

ROTTERDAM SINGAPORE HOUSTON DUBAI

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