

BLÅKLÄDER

SUSTAINABILITY REPORT 2017



BLÅKLÄDER
WORKWEAR



DETERMINED TO GO ALL THE WAY

Our business involves many complex challenges. New technical innovations help us overcome these and lead us towards our goals. However, in order to achieve long-term sustainability there has to be a will and this is made clear in our core values.

This is Blåkläder's first ever Sustainability report and comprises AB Blåkläder and its subsidiaries* for the fiscal year 2017. It aims to provide our stakeholders with a transparent and honest presentation of where we are and the steps we are taking towards becoming a more responsible and sustainable manufacturer of workwear.

The core of Blåkläder's business is workwear and this constitutes the major part of our sales. Therefore, this report focuses on workwear and only briefly refers to our gloves and shoes. As our sustainability efforts are common to all product groups, the disclosures in this report are also applicable for gloves and shoes.

Lastly, we want this report to share our successes as well as our shortcomings, and demonstrate our sincere commitment towards becoming gradually more sustainable, step by step.

*AB Blåkläder subsidiaries are listed in "Blåkläder Business Model"

TABLE OF CONTENT.

4	BLÅKLÄDER DNA
6	BUSINESS MODEL
8	MD HAS THE FLOOR
10	VALUE CHAIN
12	STAKEHOLDERS
14	SUSTAINABILITY AREAS
16	GOALS AND STRATEGIES
20	LOGISTICS
21	PACKAGING MATERIALS
22	ENERGY AND WASTE
23	SUPPLIERS
24	ETHICAL TRADE
26	SUSTAINABLE MATERIALS
28	THE GOOD AND THE BAD CHEMICALS
30	THE APPROACH TO WORKWEAR
31	LAUNDRY IMPACT
32	OUR BLUE FAMILY

SOME THINGS ARE NEVER WORN OUT

Long-lasting sustainability is such a thing.

Long-term thinking is in Blåkläder's DNA. Ever since the brand began back in 1959 the aim has been to provide sustainable workwear for customers with high demands. One of our most beloved models is 1530; a worker style trouser and an excellent example of long-lasting sustainable design. This style was first launched in 1984 and has been produced and supplied ever since.

Timeless designs and durable products with a long life cycle are the model for Blåkläder. We pride ourselves on our product commitment to the lifetime guarantee on seams. This reflects our strong belief in our products, as well as our promise to the customer that the seams will not wear out before the garment itself becomes obsolete.

The definition of sustainability is now much wider than it was during the 1950s and 1960s. Sustainable workwear today connects to broader issues beyond the quality of the product. Just as the product itself needs to be sustainable, we need to manage the effect on people and the environment when producing it. In that spirit, Blåkläder actively works to

**“TIMELESS DESIGNS
AND DURABLE
PRODUCTS
WITH A LONG
LIFE-CYCLE.”**

minimize environmental impact and ensure the wellbeing of the people producing our products. Yet the fundamental idea to create and produce functional, long-lasting workwear is as much a part of sustainable thinking now as it was then. It's an idea that will never grow old.



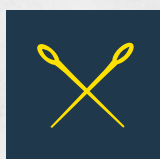


1530

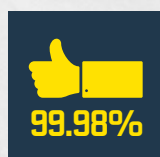
THE TRUE BACKBONE.

One of our most beloved models; a worker style trouser and an excellent example of long-lasting sustainable design.

Over the years Blåkläder has adapted to the growing demands of the market. Today, an increasingly large part of the workwear that we produce are garments that provide the user with specific protection against risks or dangers. These are classified as Personal Protective Equipment and their protective and functional performance is regulated by a legislative framework; EU Regulation 2016/425 (replacing EU Directive 89/686 in April 2018). This legislation regulates the technical scope for the product, limits the options for raw materials and adds requirements for essential process chemicals. Functionality is key even for workwear without any specific protection properties, and restricts material choices in the same way as safety clothing. This limits the most sustainable choices for materials and chemical treatments. The challenge for Blåkläder is to not only provide customers with superior protection but also a sustainable choice. It's a challenge we gladly accept.

**LIFETIME WARRANTY ON SEAMS**

Longer-lasting clothes mean reduced climate impacts from transportation, raw materials and other resources. Blåkläder's work trousers last longer and come with a lifetime warranty on the seams.

**RATE OF COMPLAINTS ONLY 0.02%**

Blåkläder focuses on quality at every stage for its products. Our goal is to create functional, long-lasting clothing in order to reduce consumption of raw materials and other resources.



ROOTED IN AUTHENTICITY AND KNOWLEDGE

– BLÅKLÄDER'S BUSINESS MODEL

If holding on to originality and honesty can be called a business model, it would be Blåkläder's.

With roots firmly planted in the heartland of Swedish textile industry, Blåkläder has a long and proud history of clothing production for both fashion and industry. After more than 50 years in the business, this family-run company has gained a deep understanding of how to produce clothing.

We develop, produce and distribute **workwear, gloves and shoes** for tradesmen placing high demands on **functionality, quality and design**. At the same time we stay true to our brand by respecting its heritage.

Our suppliers are essential to our success and we see close, long-term relationships with material producers and sewing suppliers as the foundation of our business.

Our products are distributed through dealers and direct sales to large organizations on the international market. Our aim is to be the leading supplier in all relevant markets. Our main focus is still on Europe but Blåkläder has also been introduced into the American and Canadian markets. The business has even expanded into Japan.

AB Blåkläder is the Blåkläder Group's operational parent company and is located in Svenljunga, Sweden. AB Blåkläder has several fully owned subsidiaries located in Norway, Finland, Germany, Austria, Netherlands, Belgium (branch), Estonia, Denmark, France, UK, Spain, Italy, USA and Canada.

18 THOUSAND
UNIQUE ITEMS

2 MILLION
PRODUCTS IN STOCK

14 CATEGORIES
OF PRODUCTS

CANADA

USA

TODAY BLÅKLÄDER IS SOLD IN MORE THAN **5100** STORES IN OVER **20** COUNTRIES WORLDWIDE.



COUNTRY	RETAILERS	EMPLOYEES	FEMALE ♀	MALE ♂
SWEDEN	1840	175	92	83
BELGIUM	400	10	4	6
GERMANY	800	17	6	11
NORWAY	100	20	8	12
AUSTRIA	255	7	2	5
THE NETHERLANDS	300	7	1	6
FINLAND	250	14	6	8
FRANCE	625	13	6	7
DENMARK	300	8	4	4
ITALY	120	5	3	2
USA	80	6	1	5
CANADA	30	2	1	1
JAPAN	25	-	-	-



In plain words, by Anders Carlsson, MD

50 YEARS OF DEDICATION TO SUSTAINABLE WORKWEAR

Ever since we started more than 50 years ago, Blåkläder has been committed to designing and producing functional and long-lasting workwear. For us, sustainability means providing high-quality products that are produced as responsibly as possible. Whilst I am proud to say that Blåkläder has come a long way, we realize that we need to continue this work to reduce our environmental footprint even further.



The expectations from our customers look different today than when we started in 1959. Today, we are expected to not only provide quality but to also ensure a sustainable production process in which the protection of workers' rights and choice of sustainable materials are two important components. For us, however, these issues have always been integral to our way of working. One example of this is that Blåkläder takes pride in having a transparent and long-term relationship with our major suppliers. This enables us to safeguard both the highest quality standards and a sustainable production process.

But our commitment to sustainable workwear is not free from challenges. One particular challenge is to continue to ensure the highest quality of our products from the users' perspective whilst also reducing the products'

environmental impact from a life cycle perspective. Due to market and legislative demands, our options in terms of choice of materials and chemical treatments are sometimes limited. Meeting this challenge will require cooperation and a long-term commitment from us, but I am confident that we can continue to push the boundaries. When we make a decision to do something, we do it properly.

“WE KNOW THAT WE ARE NOT PERFECT, BUT WE ARE ALWAYS TRYING.”

2017 was an important year for us. We expanded our sustainability team from one to three people, which will enable us to integrate sustainability into all aspects of our daily operations even further. In the last year we also joined

the Better Cotton Initiative, which we believe will help us increase the level of sustainable raw materials in our products.

As this is Blåkläder's first sustainability report ever I invite you as a reader to provide us with any reflections and feedback on this report – it is through dialogue and continuous improvement efforts that we can make a difference. We know that we are not perfect, but we are always trying!

Anders Carlsson, MD Blåkläder



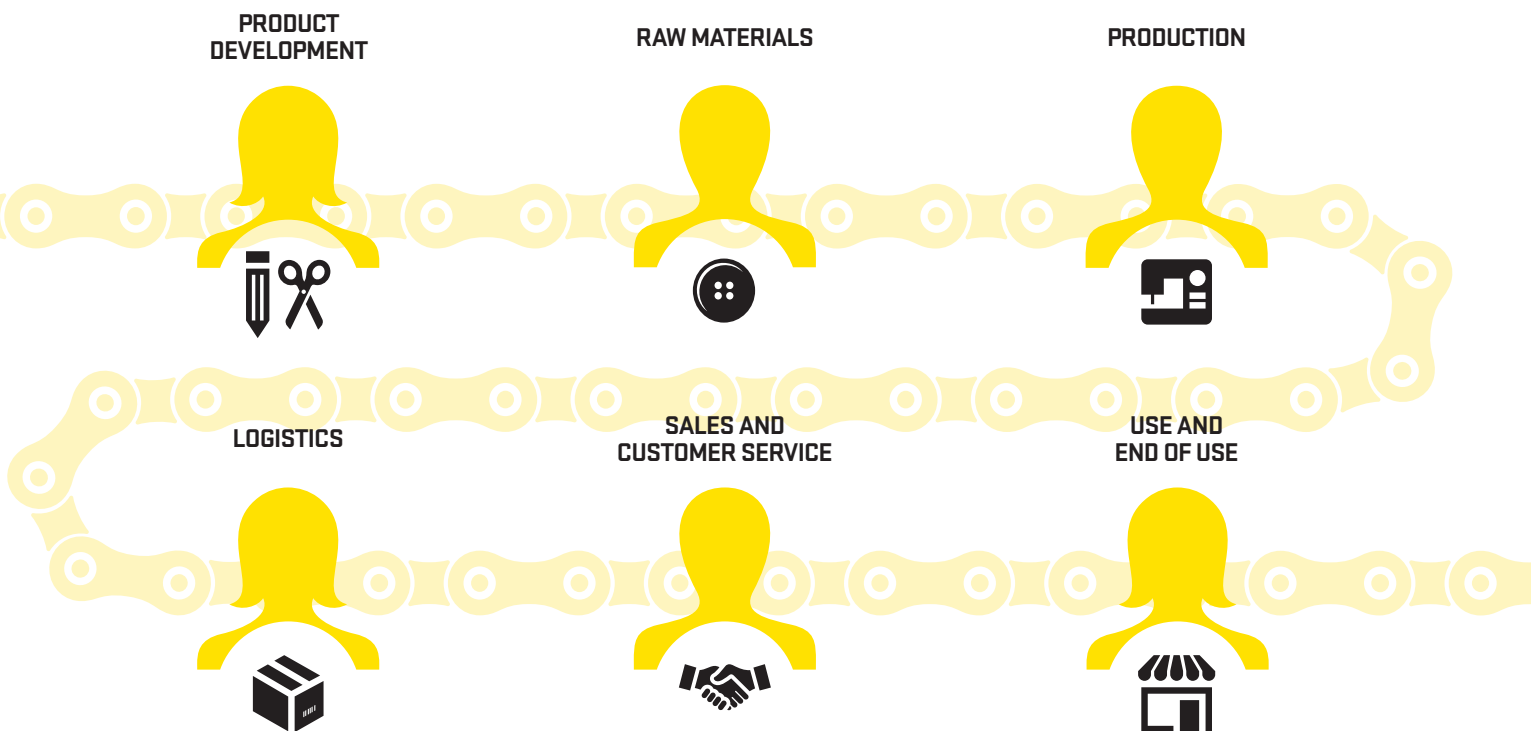



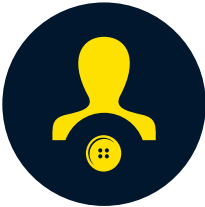




OUR IMPACT ON THE WORLD

Being part of something bigger involves actions that have both an immediate and long-term impact. Through our ongoing sustainability efforts we have fully understood the importance of sharing our approach with our partners and suppliers. By implementing our tools throughout the organization we can increase the importance of our efforts.

Our value chain makes Blåkläder a part of the global economy. It connects to and affects people, the environment and businesses all around the world. This involvement comes with a responsibility to identify and limit, or possibly eliminate, the negative impact each step of the process might have. However, our connections also create advantages that can make it possible to get more involved and contribute to more sustainable development.

Blåkläder's long-term aspiration is to maximize the positive impact of what we do and minimize any negative impact through our business connections worldwide. We aim to achieve this ambitious objective through close cooperation with our suppliers and partners, clear communication of expectations and by supporting our supply chain contacts so they can also become more sustainable.



	MAIN OBJECTIVE	IMPACT	APPROACH
PRODUCT DEVELOPMENT	 <p>Create functional and long lasting products that fulfills the customers needs and expectations as well as legal aspects regarding safety and protection. All packaged in an appealing design.</p>	<p>The type of product, functionality, legal demands, market expectations and design sets the prerequisites for choices of ingoing materials and alternatives for production. Taking all of this into consideration it is essential to find the balance for the most sustainable roadmap for each specific type of product.</p>	<p>Conscientious evaluations and revisions of the most sustainable alternatives for ingoing materials and design.</p> <p>Keeping updated with the latest reserch and developments in this field.</p> <p>Methodology and approach; "Goals and strategies", "Sustainable materials", "The good and the bad chemicals", "The approach to workwear"</p>
RAW MATERIALS	 <p>Soucing materials in terms of economical, environmental and social sustainability without decreasing functionality aspects.</p>	<p>The choice of raw material sources will not only define the impact from the manufacturing process but also the life span of the final product.</p> <p>Fibers of organic and renewable origin are not always feasible in favor of synthetic materials from fossil-based sources due to safety, function or durability.</p>	<p>Strive to challenge predetermined perceptions and have a life-cycle perspective when defining and sourcing materials and componetes. Including environmental and social aspects without losing focus on the safety and protective objectives for the end user. Conscious choices of recycled sources or organic origin provides a sustainable aspect, however the overall lifecycle in terms of durability, protection and function must always be kept in focus.</p> <p>Methodology and approach; "Goals and strategies", "Sustainable materials", "The good and the bad chemicals", "The approach to workwear"</p>
PRODUCTION	 <p>Working with stable partners whom provide a high quality product without jeopardizing environment, human rights or ethical trade.</p>	<p>Production is an area with risks of violations against humans rights which might jeopardize working conditions, worker rights, risking child labor and forced work. Poor business ethics and corruption are also possible risks.</p> <p>Environmental aspects such as energy consumption, water usage and emissions from production must be considered as a crucial risk parameter.</p>	<p>Using frequent evaluations and redefintions we create our methodology for providing the demands we make in our choice of suppliers and partners. Continuously encourage and support suppliers and subcontractors to develop and prosper sustainably.</p> <p>Close and long-term relations with our suppliers support transparency throughout the Blåkläder supply chain.</p> <p>Methodology and approach; "Goals and strategies", "Suppliers", "Ethical trade"</p>
LOGISTICS	 <p>Always identifying the most suitable choice of transportation based on environmental and economical aspects. Handling of goods given environmental, social and economical conditions.</p>	<p>Complex logistics with long transportation will have an environmental impact. The extent of this impact is completely dependent on the chosen type of logistic.</p>	<p>Establishing a supply planning process that enables optimization of the logistic flow in terms of environmental impact and economical aspects.</p> <p>Methodology and approach; "Goals and strategies", "Logistics", "Packaging materials", "Energy and waste"</p>
SALES AND CUSTOMER SERVICE	 <p>Providing good customer support, short lead times, high delivery precision but limit the environmental impact and maintain the safety of workers in sales as a high priority.</p>	<p>A large part of the interaction between Blåkläder and our customers takes place where the action is: in industry, on building sites or logistics centers. This is also why our sales representatives travel so much doing their job. This has an environmental impact and raises safety issues for our co-workers on the road.</p>	<p>Blåkläder aim to provide company cars that are evaluated from both safety and environmental perspectives.</p> <p>Methodology and approach; "Goals and strategies", "Logistics", "Energy and waste", "Our blue family"</p>
USE AND END OF USE	 <p>Supply the market with a long-term use product that provides limited negative environmental impact during use as well as following end of use.</p>	<p>The major environmental impact during the use of a garment is the washing, which requires both use of water, chemicals and energy. When the product reaches its end of use the sustainability issues are influenced by the types of materials the product is made with as well as the disposal choices.</p>	<p>Serve our customers by providing use and care instructions to enable a long-term product life whilst preserving the protective and functional properties. Continuously strive to overcome the obstacles regarding reuse and recycling connected to our industry. Have the ambition to implement a higher share of renewable and recycled raw materials to limit the negative impact after end-of-life.</p> <p>Keeping updated with progress and developments regarding "closed-loop" solutions for safety and workwear.</p> <p>Methodology and approach; "Goals and strategies", "Sustainable materials", "The good and the bad chemicals", "The approach to workwear"</p>



IT'S **WHAT WE ARE** MADE OF THAT **DEFINES US**

We do not work alone in the process of becoming more sustainable. Our daily work is the result of close dialogue with our partners. We are confident that this cooperation can bring us closer to our goal, step by step, one seam at a time.

What drives us is a determination to gradually become better at sustainability. As a company, Blåkläder is responsive to the input we receive from our shareholders and this dialogue is vital if we are to succeed. We therefore value open and honest communication in order to further improve development.

"Trust and honesty are the foundation of our business. It runs like a thread through every part of our organization and is evident in every relationship we establish with the outside world."

STAKEHOLDERS	FOCUS AREA	CHANNEL OF COMMUNICATION
 <p data-bbox="233 584 387 611">CUSTOMERS</p>	<p data-bbox="483 315 778 405">Blåkläder's customer base consists of both retail/B2B, large industries with central purchasing functions and direct customers through our webshop solution.</p> <p data-bbox="483 427 778 539">Our ambition is that all customers think of Blåkläder as a sustainable business partner that considers social and environmental responsibility throughout the supply chain.</p>	<ul data-bbox="834 315 1409 517" style="list-style-type: none"> ➤ Ethical trade ➤ Social responsibility in production ➤ User safety ➤ Sustainable materials; organic, renewable sources etc. <ul data-bbox="1169 315 1409 517" style="list-style-type: none"> ➤ Sales representatives ➤ Direct customer dialogue ➤ Market Surveillance ➤ Procurement specifications ➤ Internet, catalogues, brochures and social media ➤ Fairs and exhibitions
 <p data-bbox="233 936 387 963">COWORKERS</p>	<p data-bbox="483 667 778 835">Blåkläder wishes to provide a safe and healthy working environment for all its staff. All members of the Blåkläder team shall share a good feeling about their day at work and take pride in the ambition of becoming a more sustainable business, step by step.</p>	<ul data-bbox="834 667 1425 779" style="list-style-type: none"> ➤ Working conditions and environment ➤ Good communication ➤ Low chemical contents in handled products <ul data-bbox="1169 667 1425 947" style="list-style-type: none"> ➤ Department meetings ➤ Coworker studies ➤ Daily dialogue ➤ Performance appraisal meetings ➤ Common meetings with company status reports ➤ Dialogue between employer and Unions ➤ Fairs and exhibitions (meeting future coworkers)
 <p data-bbox="240 1283 379 1310">SUPPLIERS</p>	<p data-bbox="483 1014 778 1137">Suppliers of Blåkläder depend on our clear communication of expectations and demands, but also our assistance in terms of improvements in sustainable development.</p> <p data-bbox="483 1160 778 1249">We wish to preserve long-term relationships with our preferred suppliers for stability and progress in CSR and environmental areas.</p>	<ul data-bbox="834 1014 1385 1160" style="list-style-type: none"> ➤ Ethical trade ➤ Chemical limitations; use and contents ➤ Working conditions ➤ Origin and traceability <ul data-bbox="1169 1014 1385 1160" style="list-style-type: none"> ➤ Regular meetings and visits ➤ Frequent communication ➤ Long-term relationships ➤ Local purchase office
 <p data-bbox="201 1630 419 1657">OWNERS / BOARD</p>	<p data-bbox="483 1361 778 1462">The growth and development of the company shall follow a strategy for sustainability alongside business priorities.</p> <p data-bbox="483 1485 778 1597">This is to be evident both in words and actions. The sustainable awareness shall reflect on the bigger, worldwide perspective as well as the smaller, local point of view.</p>	<ul data-bbox="834 1361 1425 1507" style="list-style-type: none"> ➤ Ethical trade ➤ Environmental and social concerns ➤ Energy savings and resource awareness within Blåkläder ➤ Attracting new employees <ul data-bbox="1169 1361 1425 1507" style="list-style-type: none"> ➤ Close involvement, support and dialogue with the owners ➤ Board and management meetings ➤ Periodic reports
 <p data-bbox="256 1989 363 2016">SOCIETY</p>	<p data-bbox="483 1720 778 1843">Blåkläder aim to contribute to society by being responsive and receptive to not only the local and general rules and regulations, but also to the outside world's unspoken expectations and requirements.</p> <p data-bbox="483 1865 778 1955">Society includes different stakeholder organizations, politics, decision makers, the local community and all other parties affected by Blåkläder's operations.</p>	<ul data-bbox="834 1720 1409 1888" style="list-style-type: none"> ➤ Ethical trade ➤ Chemicals; use and contents ➤ Logistics alternatives ➤ Energy consumption ➤ Noise, lighting or other issues directly connected to Blåkläder <ul data-bbox="1169 1720 1409 1888" style="list-style-type: none"> ➤ Close cooperation and communication with local politicians and decision makers ➤ Members of stakeholder organizations

SIGNIFICANT RISKS PER SUSTAINABILITY AREA

Blåkläder uses several tools to identify the most substantial risks in terms of conducting a sustainable business. This overview identifies these risks per sustainability area.



ENVIRONMENT



SOCIAL ASPECTS



PERSONNEL



HUMAN RIGHTS



ANTI-CORRUPTION

RISKS

<ul style="list-style-type: none"> Waste of energy resources Energy from non-sustainable sources Chemical use in production Chemical contents in products Materials and products with high negative environmental impact Emissions from travels and logistics End of use and disposal 	<ul style="list-style-type: none"> Discrimination Low wages Child labor Health and safety 	<ul style="list-style-type: none"> Health and safety in the work place Dissatisfaction and lack of well-being 	<ul style="list-style-type: none"> Forced labor Limitations in worker rights Violations against freedom of association 	<ul style="list-style-type: none"> Unethical business methods Bribes and extortion
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BLÅKLÄDERS APPROACH

<ul style="list-style-type: none"> Environmental Policy Supplier Audits Restricted Substance List. <p>Reference in this report; "Goals and strategies" "Logistics" "Packaging materials" "Energy and waste" "Sustainable materials" "The good and the bad chemicals" "The approach to workwear"</p>	<ul style="list-style-type: none"> Ethical Code of Conduct Supplier Audits <p>Reference in this report; "Goals and strategies" "Suppliers" "Ethical trade"</p>	<ul style="list-style-type: none"> Work environment policy Systematic work environment meetings – joint function between the employer and employees Coworker Surveys <p>Reference in this report; "Goals and strategies" "Our blue family"</p>	<ul style="list-style-type: none"> Ethical Code of Conduct Supplier Audits <p>Reference in this report; "Goals and strategies" "Suppliers" "Ethical trade"</p>	<ul style="list-style-type: none"> Ethical Code of Conduct Supplier Audits <p>Reference in this report; "Goals and strategies" "Suppliers" "Ethical trade"</p>
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THE GOALS WITHIN REACH, THE TOOLS AT HAND

Our vision and the policies that guide us.

Blåkläder is dedicated to making our business gradually more sustainable step by step, every day. The transformation into a fully sustainable business is hardly done overnight. And we're not taking any shortcuts. What we want to do requires determination, a measure of compromise, the willingness to re-evaluate accepted truths, and a commitment to questioning old habits. Every business has its share of traditions and the workwear industry is no exception. Some of the "nuts and bolts" of what workwear really is might need to be questioned and redefined in order to clear the way for sustainable development.

We can honestly say we're not there yet and the journey has only just begun. It's important to make clear we will continue our efforts and do whatever it takes.

It's a long road, but we're well on our way

Every grand ambition needs to be sliced down into its component parts to become a reality. With this in mind the roadmap for our sustainability program has been incorporated into our daily business through our goals and strategies. We constantly reach crossroads where decisions can lead us in different directions. It's therefore essential to have the right tools so we choose the most sustainable solution overall, both now and in the future. Our common goals and strategies help us make decisions that follow Blåkläder's way of creating sustainable development.

POLICIES

The tools and guidelines for Blåkläders sustainability work are defined in our policy program.

- ☉ Environmental Policy
- ☉ Quality Policy
- ☉ Work Environment Policy
- ☉ Ethical Code of Conduct

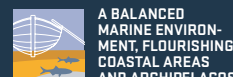
Our policies are incorporated into our daily routine through the goals and strategies of our business.

Through our sustainability work we recognize that in order to keep pace with change our policies need to be re-evaluated, sometimes modified and supplemented. We are currently reviewing all policies and assessing the possible need for further guidelines to support our sustainability. An example of a strategy that could benefit from clarification is Diversity and Inclusion.

Our policies are communicated throughout our organization using our management system which has ISO 9001 and ISO 14001 certification.

Policies are the backbone of our sustainability program so it is vital that everyone at Blåkläder is kept well informed about the guidelines. The ambition of a clear, shared agenda will require dedication and continuous follow-ups to ensure that everyone is on the same page. A team that works together towards the same goal can go far and ensure our policies are successful.

SELECTION OF SWEDEN ENVIRONMENTAL OBJECTIVES



SELECTION OF UN GLOBAL GOALS



GOALS	ACTIVITIES	GLOBAL GOALS*	STATUS
Maximum 3% of all deliveries shall be sent using air freight.	Continuous forecast analysis and long-term logistics planning to prevent the need for express deliveries by airfreight.		The results from 2017 show the Air Freight rate was 6.27%. This deviation from the 3% target is the result of a number of events that occurred during the last year: - Raw material delays - Forecast deviations due to increased sales - Unexpected quality issues related to moisture Corrective and preventive actions have been initiated.
Decreasing overall energy consumption.	The facilities in Svenljunga were extensively remodelled recently. Expansion of the office and several major investments have been made in the warehouse and logistic area. Investments have been made in energy saving alternatives. An Energy Audit will be performed during winter 2018 and the results will provide the foundation for the energy rationalization project.		Ongoing and to be evaluated during Autumn 2018 (Last quarter 2018)
The number of products rejected by the customer shall not exceed 0.5% of the total number of sold pieces.	Continuous cooperation between our Product Development and the Customer Returns teams. In combination with a close dialogue with the market and our end-user customers, a fruitful process is achieved. Durability is the foundation of workwear with a sustainable life cycle.		The results from 2017 showed a rejection rate of 0.014%, a figure based on the number of returned pieces with quality issues. This measure has delivered well below the defined upper limit for several years. It will therefore be re-evaluated to see how this parameter can provide a result with a higher analytic value.

STRATEGIES	ACTIVITIES	GLOBAL GOALS*	STATUS
 LOGISTICS AND TRANSPORT			
Limit the consumption of packaging materials and strive to use more environmentally friendly alternatives.	Reuse of cardboard boxes as much as possible. Research and identify alternative packaging materials with less environmental impact.		Cardboard boxes are being re-used to the greatest extent possible. Investigation of more sustainable packaging alternatives is an ongoing process.
Striving to limit the environmental impact caused by the company's waste and disposal.	The negative impact may be limited by reviewing the internal waste handling, investigating recycling possibilities, establish a plan to decrease waste volumes, introducing more sustainable product options and evaluating the possibility of replacing disposables with reuseable products.		A review will start in 2018.
Minimizing the company's negative environmental impact due to business travel.	Encouraging the use of alternatives to meetings in person to limit travel. Facilitate meetings through using Skype and telephone/video conferencing. Whenever feasible strive to choose public transport as a means of travel during business trips.		Implemented and ongoing.
Limiting the negative environmental impact caused by company cars.	Consider models with ECO profile when replacing company cars.		Not implemented.
Limiting the environmental impact from land transport.	Ensuring good delivery precision and logistics planning to avoid express transports. All our logistics partners apply Eco Driving and only use fuel of Swedish environmental class 1.		Implemented and ongoing.

 ENERGY CONSUMPTION

Increasing energy efficiency and awareness.

Raising the level of energy awareness and encourage energy saving behavior amongst personnel through provision of information.

Examples of activities connected to the facility are energy saving installations during renovation and remodelling of offices and warehouse; motion-controlled lighting and LED light sources.



Implemented and ongoing.
(connected to goal "Decreasing the overall energy consumption")

Using energy from renewable sources.

Investigate how to increase energy consumption from renewable sources, for instance through solar panels and local hydroelectric suppliers.



Ongoing.
(connected to goal "Decreasing the overall energy consumption")

 PRODUCTS AND MATERIALS

Provide workwear and safety garments with longer life cycles in an effort to limit overconsumption.

Always develop products with a focus on durability and long term functionality through the choice of ingoing materials, components and design.



Implemented and ongoing.

Adapt garments for a more sustainable life cycle in terms of their care and use; eg. washing.

Increase the level of "Industrial Wash" approved garments in the product portfolio.

Professional washing methods require less chemicals, energy and water consumption per garment than traditional household washing. Wastewater is treated industrially instead of at public water treatment plants.



Implemented and ongoing.

Increase the proportion of Better Cotton in Blåkläder's product portfolio.

Actively address suppliers that offer BCI products when sourcing cotton materials and products.

The aim is to replace all cotton with BCI products or other sustainable options.



Implemented and ongoing.

Only use PFAS related treatments when this is an absolute necessity and no other feasible option is available.

During product development and sourcing the DWR functionality is carefully evaluated and only applied due to safety reasons or when equally significant for the user.

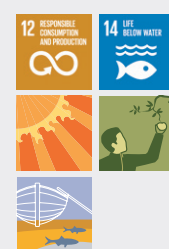


Implemented and ongoing.

Actively replace fibers of fossil origin with more sustainable alternatives to reduce the consumption of fossil based resources and address the problem of micro plastics in lakes and the sea.

As a part of the product development process to identify the most sustainable alternative for each application and when feasible avoid fibers and materials of fossil origin.

Keeping updated with new developments, research and novel findings in this field.



Implemented and ongoing.

To use Oeko Tex-fulfilled materials and components to the greatest extent possible.

Implement Oeko Tex fulfillment/certification as part of the material specification during sourcing. Deviations only when in absence of other feasible options.



Implemented and ongoing.



SUPPLIERS AND PRODUCTION

Strive to use suppliers with an implemented and verified CSR methodology.

Always prioritizing suppliers that can show that they share our values and take responsibility such as being SA 8000 certified, SEDEX approved or BSCI audited. Encourage suppliers to develop in this area and to implement management systems that support recognized CSR standards.



Implemented and ongoing.

Raise the level of awareness and conservation of resources in the production process.

Include review of areas such as water consumption, energy sources, waste water treatment in the scope of the supplier audits.



Partly implemented and ongoing.

Encourage investments in this field and exclude cooperation with production facilities with poor standards and little to no ambition to improve.



BLÅKLÄDER COWORKERS

Healthy coworkers.

Encourage and enable employees to make time for exercise and health in everyday life. For this purpose gym open for all employees is installed in the office in Svenljunga.

Activities and policies to motivate and facilitate physical exercise for all employees.

Implemented.

Workplace with good working environment and pleasant working climate.

Provide a good indoor climate and an attractive, functional work environment.

Offer personnel activities such as weekly company breakfast buffets, summer/ christmas parties and shared celebrations as a timeout from everyday work.

Implemented and ongoing.

Prevention of stress and creation of a healthy psychosocial working environment.

Systematic work environment projects in cooperation between the company and the employees



Implemented.

An inclusive and non-discriminating working environment with the aim of encouraging diversity.

Systematic work environment projects in cooperation between the company and the employees.



Implemented.

Strive to be a workplace characterized by diversity and inclusion.

Actively seeking to be an attractive and interesting employer for all potential new employees regardless of gender, ethnicity, origin or background.

Ongoing

IT'S IN OUR BLOOD

Our roots in the countryside make it somehow easier to understand the importance of respecting natural resources.

Deep In rural south central Sweden, in a small town called Svenljunga you will find the heart and soul of Blåkläder. Here is our hub, where we orchestrate an international business. Working globally means that we also manufacture globally and distribute our goods to global customers. This is a big responsibility, and Blåkläder is committed to limiting our consumption of natural resources and reducing our environmental footprint. Likewise we aim to encourage and help our suppliers and partners to improve their activities.

LOGISTICS

Working globally requires long distance logistics and the choices are key to diminishing our global footprint. With logistics being such a major part of our everyday business, everything we do in some way has an impact.

Logistics from Asia

For transports of goods from the production units in Asia, the feasible transport option with less environmental impact is direct sea freight. Due to the close, long term relationship with our major suppliers we can adapt the quantities of goods in order to more efficiently fill the containers and thereby optimize transportation.

We work continuously to meet our supply demands without delays to achieve good customer service. This requires a constant overview and correlation between sales, forecast and delivery situations which are handled by our planning team. The production planning is conducted using a safety margin to secure supply of ingoing materials and to absorb any interruptions in production.

Air freight is only used when absolutely necessary, for example due to an unexpected rise in sales or severe delays from our supplier. Our target is that a maximum of 3% of all deliveries should be conducted by air transport.



45 trucks leaving Svenljunga every week

400

Number of container loads every year.



97%

of our consignments are scheduled transported by sea.

Alternative express delivery solutions are being investigated and one feasible option being examined is land transport by train.

Land transportation

The majority of Blåkläder's sales take place in the European market. Each order is picked, packed and distributed from our logistics center in Svenljunga. The distribution is mainly conducted using land transport. This transportation is managed by a logistics partner that only uses vehicles that run on fuel that is Swedish environmental class 1. All drivers have eco driving training.

We also make great efforts to optimize our land transport. Keeping the supply on stock according to a plan can minimize the need for part deliveries and express transport.



Workforce travel at Blåkläder

Since we are working across the globe it is sometimes necessary to visit our suppliers' production units. For everyday business these contacts are handled through mail, phone and skype meetings. These methods are frequently used for internal and external meetings as well as for customer or supplier communication.

Sometimes there is no substitute for a meeting in person however we always try to carefully evaluate the need to travel.

When evaluating our suppliers it is usually necessary to be present on location but where possible as an alternative we try to involve local audit services.

During a product development phase we limit the need for transport by sending samples. The sample production and couriers are kept to a minimum, and in the long run this work method limits travelling and quality issues.

PACKAGING MATERIALS

When our products are ready for dispatch from the suppliers they need to be packed for protection during transportation. In the warehouse in Svenljunga all orders are picked and then packed again. All this packing is necessary, but generates an environmental impact.

We aim to keep the amount of used packaging materials to a minimum by excluding plastics and poly bags whenever possible and by reusing cardboard cartons. We take pride in the fact that today we reuse more than 60% of all cardboard cartons. Only cardboard that is not fit for reuse is disposed of.

The plastics used for packing is always an issue. Blåkläder try to keep plastic use to a minimum and only use poly bags when absolutely necessary. Sometimes a master poly bag, meaning one bag for multi packing instead of single packs, is a feasible solution when plastics cannot be completely avoided.

The main reason for using poly bags is for protection from dirt and moisture. Moist in particular is a serious quality and health hazard as moist enables growth of mold and causes foul smell. Severe mold can require the decontamination of goods or in severe cases the disposal of brand new garments, shoes or gloves. Polybags in combination with desiccants are used when issues with moisture are not resolvable using any other option.

MORE THAN
60%
OF ALL CARBOARD
CARTONS ARE REUSED.



ENERGY

Blåkläder in Svenljunga 2017

One consequence of Blåkläder's rapid growth in recent years has been the need for expansion and rebuilding our offices in Svenljunga. In addition, the warehouse has undergone major changes recently. A central theme in this has been better energy efficiency and reducing energy consumption, for example by installing a more effective ventilation and air-conditioning system and motion-controlled lighting.

By providing personnel with information we also want to raise awareness about energy saving at work and in everyday life.

After completion of the new office and major parts of the warehouse an energy survey was conducted during the winter of 2017. The results will identify areas for improvement and create action plans for taking steps to become a more energy efficient business.

The source of energy is of major importance in the overall strategy for improving our energy consumption.

Just near the main office in Svenljunga the river Ätran provides an endless source of energy. Local powerplants have used this to generate electricity for many decades. One of the oldest turbines was installed at the beginning of the twentieth century and has produced electricity for local needs for over 100 years. We think this is a real sustainable energy solution and therefore we are looking into the possibility of getting our business powered by Ätran.

Solar panels are also being investigated as a possible energy source. Even in the northern parts of Europe the sun's energy will generate power throughout the year, although the effectiveness of this energy source is higher in warmer climates.

WASTE MANAGEMENT

Acting responsibly is not only about limiting the use of resources, but also about what is being done with waste and disposal.

Blåkläder's approach to reusing cardboard cartons is one action we have implemented to decrease waste and we are investigating other projects.

The waste being sorted today enables the recycling of cardboard and paper, however this is an area with potential for improvement. The process of waste management is handled by the municipality and this limits the possibilities for sorting and recycling. So Blåkläder is investigating other options for how its waste volume can be reduced such as the introduction of reusables instead of disposables and other similar initiatives.

After end of use

Workwear is not replaced in the same manner as fashion garments. They are only exchanged when they are worn out or become obsolete for other reasons. Safety clothes and workwear that are worn out can be challenging because they are often permanently contaminated with substances that cannot be part of the recycling process. In addition, the materials used to make the clothing are often mixes of different fibers and chemicals that are unsuitable for recycling.

Blåkläder have discussed this issue with companies who collect and sort clothes for recycling, reuse and upcycling. The conclusion has been that the challenges with workwear prevent a circular lifecycle and the most sustainable option for the time being is still to send worn out and discarded garments for incineration.

The returns department at Blåkläder sort all incoming products based on their condition and the reason for the return. Worn and dirty items are discarded and sorted for incineration. All goods returned in unused condition are sorted for reuse either as ordinary goods or as seconds.

Sometimes we also need to incinerate unused clothing. The reasons for this can vary but it could be due to severe cases of mold or undesired contents of hazardous chemicals. In some cases it might be safety products that have become obsolete due to legislative changes that prohibit the items from being placed on the market. By better controlling materials and products throughout the supply chain we can keep the incidences of unusable products to a minimum. With careful observation of legislation it is also possible to minimize the risk of products in stock becoming obsolete.

Another reason for clothes being discarded is when a customized collection is cancelled by the customer. This could be due to logotype updates or changes in ownership with a new company profile. In these cases Blåkläder always tries to find a solution for using the products, however sometimes this is not possible due to legal reasons and there is no option but to discard the clothes. For this reason, projects for customers requiring unique products are assessed for risk. This is not a common problem, however Blåkläder takes all possible steps to limit the probability of it happening.

A FAIR WAY TO SUSTAINABLE WORKWEAR THE BLÅKLÄDER WAY

Here at Blåkläder we do our utmost to research and test materials. We are always looking for new and innovative ways to make improvements.

We believe that a fundamental element of sustainable workwear is making them long lasting. By ensuring our products are of the highest quality we contribute to the sustainable use of raw materials and natural resources. Yet sustainable workwear connects to a wider perspective than the quality of the product. Social issues and the environmental impact during manufacturing are as essential to sustainability as the characteristics of the product. In that spirit, Blåkläder works actively to minimize environmental impact through conscious choices of raw material, keeping chemicals to a minimum and continuously searching for logistics options with a smaller global footprint.

SUPPLIERS

Blåkläder relies on our suppliers and we take pride in the long-term relationships with many of these partners. The sewing industries together with producers of gloves, shoes, textiles and accessories form the supplier base of Blåkläder. Many of our contacts go back over 15 years and the oldest business cooperation goes back almost 30 years. We believe this longevity creates the foundation for a sustainable business.

Environmental impact, energy efficiency and the consumption of natural resources are included in the scope of sustainability at suppliers, textile manufacturers, leather and sewing production.

At our main suppliers, projects such as installation of solar panels have been initiated. Often electricity plants in Asia use diesel fueled generators, which provides a source of energy that is both unreliable and far from sustainable.

The key manufacturers of Blåkläders garments have also constructed new buildings in accordance with the LEED green building rating system and internal training encouraging smarter thinking regarding energy and water consumption have been implemented.



LEED Green Buildings

LEED is short for "Leadership in Energy & Environmental Design" and is a certification program developed by U.S. Green Building Council. The program provides the guidelines for environmentally sustainable structures no

matter what type of building it concerns. It covers the whole process, from design and construction, including energy efficiency and water consumption, carbon dioxide emissions, taking into account the existing environment, nature, water shortages and available energy sources.

Constructing buildings in accordance with LEED does not imply automatic additional costs, which is a common misconception, but it in fact leads to lower operating expenses for the completed building.

Solar panels

The sun is an environmentally sustainable and almost endless source of energy and installing solar panels is a way of transforming the sunrays to electricity.

Several regions of the world have their electricity produced by generators powered by fossil fuels. Not only are these power plants an environmental liability but they also provide an unreliable electricity supply.

An installation of solar panels will provide a stable power supply and at the same time contribute to reduced environmental impact. When manufacturing solar panels there is a need of silver and the increased production of panels has raised the prices of silver. This parameter together with the waste and disposal of used panels are the negative aspects of solar panels.



Ethical and sustainable trade

At Blåkläder good business ethics equals fair wages, a safe working environment, no discrimination, zero child labor and a respect for human rights. All our contracted partners and suppliers need to accept and abide by the Blåkläder ethical code to be approved for the manufacturing of Blåkläder products, ingoing components, textiles and leathers. Furthermore the environmental impact of the business needs to be monitored and the negative influence must be limited and kept to a minimum. Suppliers with a chemical process requiring water needs to have a water management strategy, an implemented waste water treatment plan and a safe chemical handling routine.

We seek partners with a production process that encourages safety and pushes for improvements to labor rights. Blåkläder therefore always prioritizes suppliers that can show that they share our values and take responsibility, for example by being SA 8000 certified, SEDEX approved or BSCI audited. Suppliers are encouraged to develop in this area and implement management systems that support recognized CSR standards.

We pride ourselves with the fact that approx. 90 % of Blåkläder garments are made in SA 8000 certified operations. This certification represents a high standard of social accountability. The SA 8000 methodology is incorporated in the

documented management system and one of its major characteristics is that a continuous improvement system is implemented. Some of the facilities at our suppliers are also revised and audited several times per year by SEDEX; 2 or 4 pillar SMETA audits.

90%
OF BLÅKLÄDERS
GARMENTS ARE FROM
SA 8000 CERTIFIED
PRODUCTION.



SOCIAL ACCOUNTABILITY INTERNATIONAL

The SA8000® Standard is the leading social certification standard for factories and organizations across the globe. It was established by Social Accountability International in 1997 as a multi-stakeholder initiative. Over the years, the Standard has evolved into an overall framework that helps certified organizations demonstrate their dedication to the fair treatment of workers across industries and in any country.

SA8000 measures social performance in eight areas important to social accountability in workplaces, anchored by a management system element that drives continuous improvement in all areas of the standard.



SEDEX is a membership based platform with transparency throughout the supply chain as the main objective. This is obtained through a web-based tool that connects all parties in the chain of supply. SMETA audits are performed several times per year.



BSCI is a methodology for sustainable workplaces from a social point of view. The program includes a code of conduct, audit structure and a continuous improvement program. BSCI is not a certification but a membership.



Blåkläder supplier guidelines

The requirements regarding environmental and social performance are defined in the Blåkläder suppliers guide to ensure the wellbeing of people producing and handling our products throughout the supply chain. This document defines the fundamental requirements for being qualified to supply Blåkläder and includes a code of conduct, restricted substance list, specific supplier demands as well as legal and policy requirements.

The fundamentals in our code of conduct are based on the following:

- UN Global Compact
- UN Convention on the Rights of the Child (UNCRC)
- The Universal Declaration of Human Rights
- ILO Conventions on 29 (Forced Labour), 87 (Freedom of Association), 98 (Right to Organise and Collective Bargaining), 100 (Equal Remuneration), 105 (Abolition of Forced Labour), 111 (Discrimination), 138 (Minimum Age) and 182 (Worst Forms of Child Labour)

The ethical code sets the requirements for the Supplier Audit program.

SUPPLIER AUDIT RESULTS 2017

It is impossible for us to be present on every occasion a glove is being sewn or a batch of cotton twill is being woven, but our ambition is to take responsibility and set the rules for the circumstances under which our products are being processed and made. The tools to realize this commitment are the Blåkläder Supplier Guide and our Supplier Audit Program.

During 2017, eleven of Blåkläder's suppliers and subcontractors were audited and evaluated for their performance in the following areas:

- Social aspects
- Worker rights, safety, child labor and working environment
- Environmental awareness and actions
- Quality Assurance
- Ethical business and anti-corruption

The audits focused on textile producers, leather tanneries and glove manufacturers.

With only one exception the general conclusion was that the audited suppliers shared a high level of engagement in human rights, working conditions, environmental awareness, safety conditions and ethical trade.

Significant for the audited businesses was an overall ambition to improve and take things a step further towards becoming even more socially and environmentally aware.

No child labor was detected or suspected, nor were signs of abuse or violation against labor rights.

The one supplier that showed deficiencies was a subcontractor sourced by one of Blåkläders suppliers. Deviations regarding working conditions and shortcomings connected to waste water treatment were detected. The subcontractor in question displayed an overall lack of motivation to improve in these problem areas and the audit concluded that this subcontractor is unfit to be included in the Blåkläder supply chain.

“OUR AMBITION IS TO TAKE RESPONSIBILITY AND SET THE RULES FOR THE CIRCUMSTANCES UNDER WHICH OUR PRODUCTS ARE BEING PROCESSED AND MADE.”

Blåkläder strongly believes that helping suppliers to progress with their development will not only be beneficial for the business relationship but most of all for workers in the supply chain.

Apart from the internal Blåkläder audit program a significant number of suppliers are also regularly reviewed through customer initiated 2nd or 3rd party audits as well as the scheduled SA 8000, BSCI and SMETA inspections.

SUSTAINABLE FIBERS AND FUNCTIONALITY

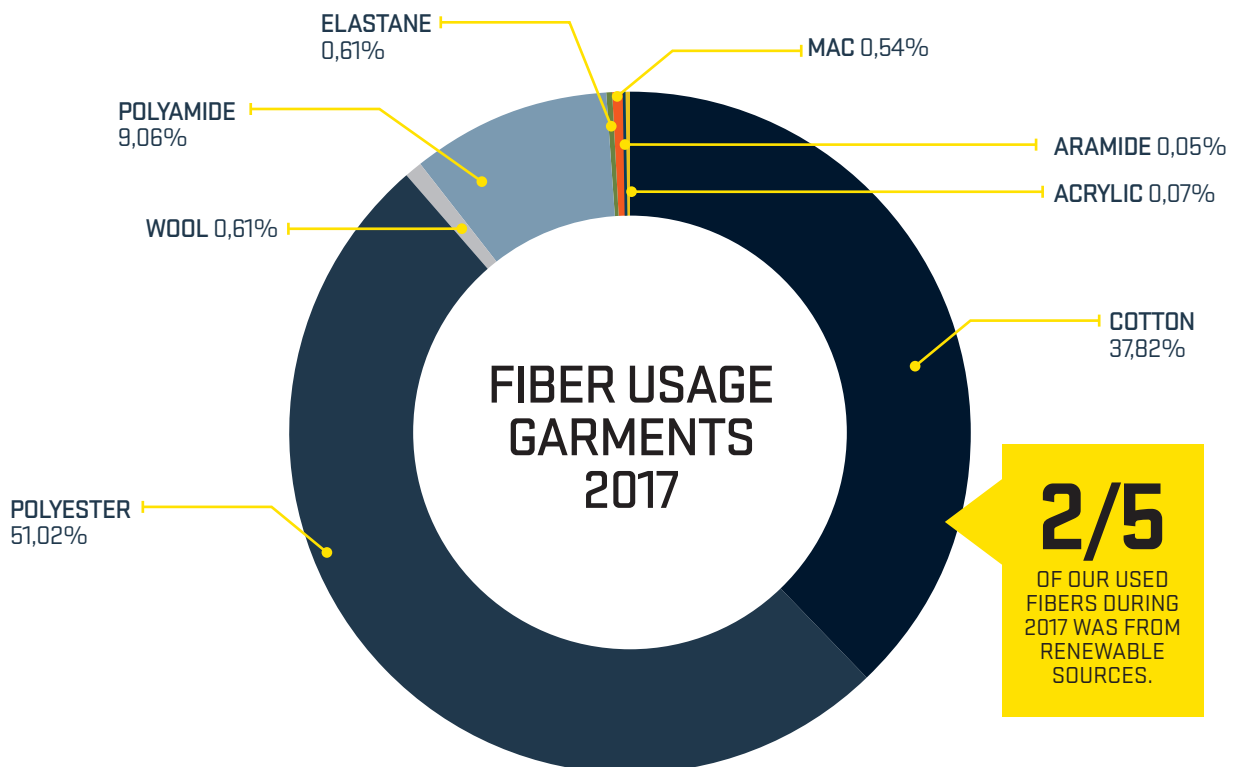
What is the definition of a sustainable material from a workwear point of view? High durability and a long life cycle is the first to come to mind, but can these parameters be improved upon using a renewable or recycled raw material source? And if so, where is the break-even point?

These are the questions that we discuss and deal with on a daily basis. The answer is neither straight nor without compromise. The business of workwear and safety garments is very specific in terms of protection and functionality. The fact that these clothes will not be replaced until they are worn out, and not because they go out of style, puts the emphasis on high durability and a long life cycle. One other aspect to consider that limits the recycling of workwear is the high probability of permanent contamination from garment use. These substances are often not permitted to form part of a recycling chain.

Long-term use is essential for sustainable workwear and this is also the overall objective in our evaluation when sourcing materials and components.

The optimized properties of a textile material needed for function and durability in workwear is often achieved through a mix of different fibers. These properties are what limit the recycling possibilities. A balance of function, protection, durability and environmental footprint must be found to identify the most sustainable solution.

Blåkläder keeps itself continuously updated with the latest research into sustainable materials and fibers.



THE WORLD OF COTTON

Cotton is by far the textile fiber with the longest history in manufacturing of workwear. It's certainly a multi-utility fiber with many areas of use. It provides heavy duty materials, absorbs moist, does not melt nor easily ignite, is from a renewable raw-material source and it's comfortable. Over the years new fibers have been introduced in the world of textiles and many of these have replaced cotton with regards to performance parameters superior to those of the cotton fiber. Nevertheless cotton is still one of the base elements of the Blåkläder collection and we love this fiber.

Cotton materials are however not produced without conflict. Even if the fiber originates from a renewable source the farming is strongly connected to heavy use of pesticides and the cultivation of crops in this way is harmful to the earth. The farmers and other actors in the supply chain often pay the highest price in terms of poor working conditions and low earnings.

Blåkläder believes that cotton can be made more sustainable and even a preferred alternative from this perspective, all depending on how the fiber is produced. During 2017 we therefore joined the Better Cotton Initiative. This initiative provides the farmers with the tools to grow their crops sustainably and receive fair compensation.

We have confidence that the methodology of BCI provides a sustainable solution for one of the world's most important textile fibers.

THE POLYESTER FIBER

The durability and versatility of the polyester fiber makes it the backbone of workwear and safety clothing today, whether used on its own or with other fibers. The production process of this manmade fiber has become very chemical and water efficient which should make it a sustainable choice of material. The downside however is the fossil-based origin of this plastic. Another negative issue is that this polymer, together with all other fossil-based fibers and materials, are a source of micro-plastic pollution of our lakes and oceans.

Blåkläder depend on a significant level of polyester in our products and we are continuously searching for suitable replacement materials. When polyester is the natural option, action is taken to actively rethink the choice of material. For instance, as a functional base layer the wool fiber has many desirable properties that in some aspects even exceed the functionality of polyester. The compromise that must be made here is durability and price.

Recycled polyester is also an alternative to a virgin source of raw material. This is an area with reason for precaution because the recycled materials from PET bottles are often part of the "greenwashing" problem. There is a large industry based around the production of PET bottles for the sole purpose of being reprocessed into polyester yarn, but these bottles have not been used prior to the recycling process.

At Blåkläder we are very careful about choosing a recycled polyester product for two main reasons. The first is the difficulty with identifying whether the product really is a legitimate recycled material. The other reason is the need to find a material that performs to a standard similar to that of virgin polyester. This is to avoid a reduction in durability that in turn creates a negative impact upon overall sustainability.

Long-term use is still our strategy for tackling sustainability together with replacing synthetics such as polyester wherever possible.



BCI – Better Cotton Initiative

The Better Cotton Initiative aims to make global cotton production better for the people who grow the crops and better for the environment where the cotton grows. This is achieved with guidelines for the following areas; minimizing the harmful impact of crop protection practices, using water efficiently and caring for the availability of water, caring for soil health, conservation of natural habitats, preservation of the quality of the fiber and Decent Work.

BCI is not a quality mark of the physical fiber, it's a quality mark for the manufacturing process of the fiber from a sustainability perspective.

Micro plastics and our oceans

The use of plastic materials and synthetic fibers of fossil origin generate micro plastics that find their way into our oceans through washing and wear of clothing. Once in the ocean the micro plastics absorb toxins and hazardous substances. Due to their micro size the plastics get consumed by the smallest organisms in marine biology. These micro plastics are introduced in the food chain by these organisms and eventually end up on the plates of humans.

Alternative fibers

The surveillance of research and development regarding textile fibers is conducted continuously. At Blåkläder we are always eager to try and evaluate alternative options. This could be fibers and materials based on different cellulosic sources such as hemp and bamboo. In this search we are eventually bound to make mistakes and the wrong decisions from time to time. It's a learning process and it's called "trial and error". At Blåkläder trying beats doing nothing any day of the week. We learn from our mistakes and we continuously upgrade our product portfolio for sustainability and performance.



THE GOOD AND THE BAD CHEMICALS

Chemical treatments providing a specific property for the final product may at first sound like something that should be avoided at all cost. However, the issue of providing protection against chemicals or providing flame retardant properties is a serious matter that means we have to think about things in a different way.

PFAS – FLUOROCARBONS

Blåkläder use chemical treatment to provide our products with repellency towards water, dirt, oil and, in some cases, liquid chemicals. The protection provided by a treatment of fluorocarbons cannot be created any other way, so for the time being it is not possible to phase out this substance. However, Blåkläder only use this surface treatment where absolute necessary and use the lowest concentration possible. We are striving to replace fluorocarbons as soon as a viable replacement is available.

FLAME PROTECTION

Flame retardant properties are added to cellulosic fibers by using chemical treatments containing a component preventing flammability such as phosphorous. The alternative to this is using fibers with inherent flame retardant properties. However both types of flame protections have their advantages and therefore Blåkläder offers collections with both alternatives.

The chemically treated flame retardant properties nowadays are very efficient and very little active substance is actually required. Once applied to the material the functionality is permanent in the cellulosic fiber and will not wear off during wash or wear.

Info perfluorinated compounds PFC/PFAS

Perfluorinated Compounds (PFC or PFAS) are a group of chemicals commonly used in outdoor clothing and workwear for durable, water, chemical and oil-repellent finish (DWR).

Water repellence may be achieved through other treatments, however oil and chemical repellency can only be accomplished by the use of perfluorinated compounds.

Perfluorinated substances, or fluorocarbons, are very persistent and last for a long period of time in the environment. Some fluorocarbon related compounds are known to have toxic effects and can disrupt reproduction in mammals.

The compounds perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA), are regulated by European chemical legislation due to their well documented long-term environmental safety concerns.



OEKO-TEX – USER SAFETY

Almost all of the materials and components in Blåkläder's products fulfill the Oeko-Tex 100 standard class 2, which is safe to wear in close contact to the skin. Exceptions are only made whenever technical functions rule out any other option.

It is not only the wearer of the final garment that benefits from the fact that there are no harmful substances in the material. The absence of hazardous chemicals is beneficial for everybody handling the materials and products in supply chain.

RESTRICTED SUBSTANCE LIST

The tool used to communicate the required chemical restrictions and prohibitions for production purposes and for contents in products, is the Blåkläder Restricted Substance List (RSL).

This list of substances is excluded from the European legislation. Fulfillment of all applicable European chemical regulations is required for all Blåkläder suppliers, however the RSL list is also mandatory for compliance.

This list is based on the Swerea IVF's Chemicals Guidance and the common conclusion of acceptable and feasible levels of restrictions between the chemists from Swerea IVF and the stakeholders of the Chemical Group.

Blåkläder is a member of two stakeholder organizations in Sweden with the main purpose of keeping track of the research and development of chemicals connected to the textile and leather industry. These organizations are the Swerea IVF's Chemical Group and the Swedish Textile importers organization.

All suppliers of Blåkläder needs to acknowledge the Blåkläder Suppliers Guide.



Oeko-Tex 100

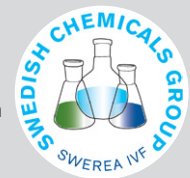
The Oeko-Tex 100 validation program is the most common of the Oeko-Tex accreditations and is a certification for user safety. The standard focuses on human ecology and specifies substances that should be limited or prohibited in the material or product.

Even though the standard does not specifically limit the use of chemicals in production, everyone in the whole supply chain benefits from limiting chemical content in the materials.

Swerea IVF's Chemical Group

Trade organization with chemical specialists from Swerea/IVF's

Research Institute and stakeholders from the textile and electronic industry in Sweden. The objective of the chemical group is to share the latest in legislation and research regarding chemical and environmental issues.



Swedish Textile importers organization

Textile importers is a trade organization for Swedish companies dealing with textiles, leather goods, clothes and shoes. The service provided to members includes trade related legislative information, industry-specific chemical support, general news and support related to the textile importing business.



TEXTILIMPORTÖRERNA

BY CHALLENGING EXISTING WORKWEAR SOLUTIONS AND CONVENTIONAL THINKING, **WE ARE CHANGING THE GAME OF WORKWEAR.**

THE WILL TO CHALLENGE, **THE COURAGE TO CHANGE**

We aim to challenge the definition of what workwear is expected to feel and look like.

Is this really necessary to move forward? At Blåkläder we think so, at least to a certain extent. If we don't challenge traditional workwear materials and designs, the march towards becoming a more sustainable business will not happen at the rate and with the measure of success we strive for.

Blåkläder's customers depend on our products every day so it's natural that the expectations on performance and function are high. But there are also very particular expectations regarding the design and choice of materials that are bound up with tradition. This is not the same for all markets. As a manufacturer of professional garments for customers across Europe we are very much aware that the features of a worker pant in Sweden will not necessarily appeal to a customer in France or Germany and vice versa. We need to find ways to meet the needs and expectations of all the different markets while finding ways to change traditional materials to more sustainable alternatives.

In addition, the legal issues connected to the European legislation of Personal Protective Equipment are applicable to safety clothes, shoes and gloves. Our protective properties are often achieved using specific materials or chemical treatments that are absolutely necessary for their function. This limits the options for more sustainable alternatives.

Blåkläder's main objective is to always develop products with a focus on durability and long-term functionality and this always dictates our choice of materials, components and design. Our colleagues in product development are experts in finding features that can make a difference. It could be moving a seam to prevent unnecessary wear or placing reinforcements in just the right places.

The frequent dialogue and cooperation between product development and our customers is a highly valued input in our drive to create the most functional, comfortable and durable workwear. Also, the team that handle customer returns provide essential information in cases where our products do not meet the customer's needs to their satisfaction.

This connection and close dialogue with the market and our customers forms a productive loop where any deviations or flaws in products are corrected and a lesson is learned.

A low return rate is not only a measure of customer satisfaction but it also validates the quality of our products. During 2017 our rejection rate was only 0.014%, which is a number we take great pride in.

High-quality products generate longer term use and this ultimately leads to a lower consumption of resources.



WE LOOK AFTER OUR FAMILY

We believe a healthy workforce means a healthy business.

The world of Blåkläder is changing by virtue of the most important part of the supply chain - our coworkers. Without dedicated and hardworking colleagues no sales would be conducted or shipments dispatched.

Built into the company's DNA, is a fundamental policy to create a healthy and safe working environment, with inclusive and non-discriminatory values. It places high demands on both the social and physical work environment, with security and wellbeing as the primary focus.

Longer term thinking is not only applied to our products, but also to the relationship between the company and our workforce. We aim to offer a workplace that is both inspiring and attractive to both our current coworkers and to all potential colleagues to-be.

The psychosocial and stress-related aspects of the working environment are handled together with other associated work matters using a systematic work environment process. This process is a forum including representatives from both the company and employees and the main objective is to build a successful working environment from all perspectives.

As a last resort, if preventive measures prove to be insufficient, employees have access to an occupational health team at Avonova. This service provides aid in the form of physical therapy, support from a therapist and consultation.

WHAT MAKES OUR BLUE HEART TICK

We believe a healthy workforce means a healthy business.

To be able to see the big picture, we need to pay attention to details. In 2017, a new tradition was introduced with the objective of bringing all employees located in Svenljunga closer to each other. The new tradition is embodied in a common breakfast buffet that takes place every Monday. A small measure in the big context, but an important step in our team building effort, and in the ambition to create a workplace characterized by openness and less distance between departments.

The warehouse is a working environment with important safety issues. A significant reduction in the need for forklifts and a more ergonomic pick and pack process was enabled due to the investment of an automated storage system. This provides safer working conditions for all personnel in packing and more supportive processes.

During the remodeling of the offices and warehouse spaces in Svenljunga, one of the primary goals was to offer a creative and inspiring work environment. To ensure good air quality in the facilities, new ventilation and air conditioning was installed. The renovation of the warehouse area is still moving forward and is scheduled to be completed in 2018.

Activities to maintain good physical health are encouraged by the company and in the remodeling of the office a gym was installed. This is available for all employees and use of these facilities or other training options are encouraged. The company also contributes to registration fees for competitions and races when a team from the company signs up together.

The key to Blåkläder's future rests on the shoulders of our team members. The way our business is built and functions, our workers are, and will always be, our most valuable asset. They are the very foundation of our business.





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