



SUPERYELLOW

SUSTAINABILITY REPORT 2020

TABLE OF CONTENTS

- 3 Founders greetings
- 6 Superyellow in a nutshell
- 9 Superyellow today
- 12 Our values
- 14 Sustainability at Superyellow
- 15 #wedothingsright
- 17 Superyellow and the SDGs
- 21 Our supply chain
- 23 Logistics
- 26 Production
- 27 Environment
- 30 Materials
- 36 Slow fashion
- 38 Care and repair
- 39 Waste
- 41 Circularity
- 44 Social wellbeing
- 48 Where do we go from here?



I would like to welcome you all to our first sustainability report. Reporting of our sustainability efforts has not really been on the table and it made me think why?

Since the Superyellow was founded in 2007, we have always tried to "do things right" which has later become our slogan as well. This applies to all we do.

While this report was in the making I was happy to notice that it did not really lead to any big changes, which makes me proud of Superyellow and the values we have, and have had since the beginning in the company. As a designer, and also responsible when it comes to material choices and production, I'm happy with the direction we have chosen.

The good outcome was of course the added awareness among our "Team Superyellow" to the things we do on daily basis.

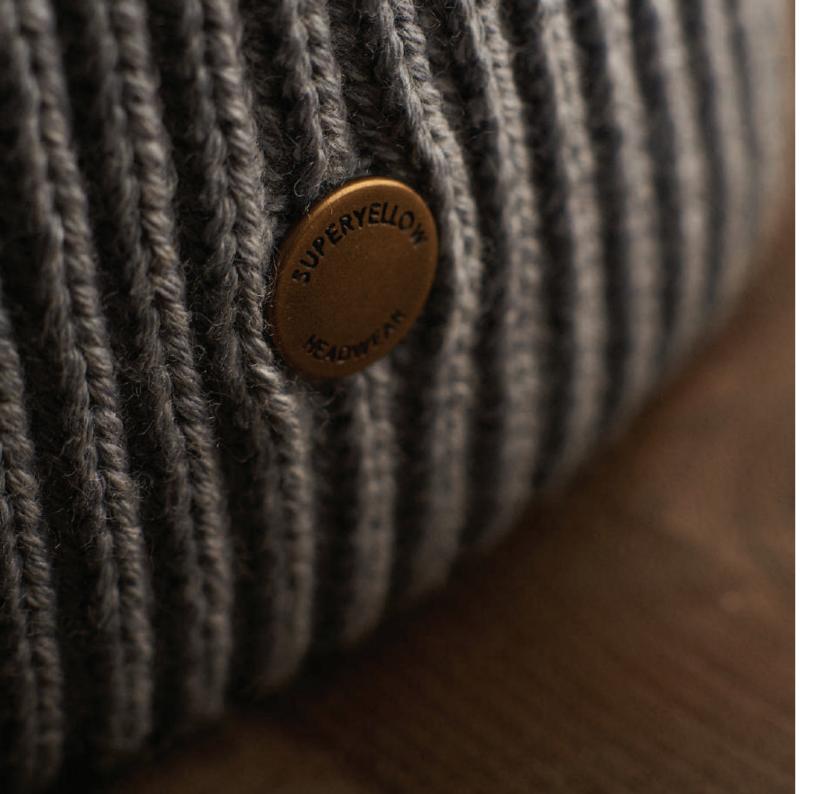
I hope this Sustainability report helps the readers to better understand our values and helps on our path to become the preferred headwear brand for our existing and future customers. In addition to communicating our current state of sustainability related matters and what we have accomplished so far, this report provides an overview of our future sustainability goals as well.

"Doing things right" has been our guideline since day one. By starting this annual sustainability reporting process we look forward to sharing this ideology with all of you.

Best Regards,

Anna Ahlholm Superyellow





Superyellow in a nutshell

Superyellow is a Nordic headwear brand that was established by three ambitious designers in Finland in 2007. As a contrast to the cold and dark winter months of Finland, they wanted to capture a name that brings people joy and colors. From the very beginning, the aim has been to create eco-friendly and locally produced beanies.



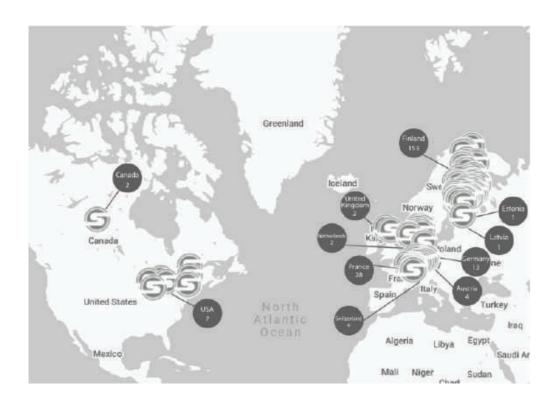


Founded in 2007 by three designers	surplus and offcuts waste Production has always been in Finland,	local production and long-lasting, sustainable materials have been important from the very start In 2009 first retailer outside of	Finland started in Sweden	First wool beanies appeared in 2012	First Kids collection in 2014	Iconic Polar beanie was designed in 2014	First beanie which was made of recycled materials was Baltic, in 2019	Developing new, sustainable material solutions have always been important	Zero- plastic waste policy was fully adapted in 2020
2007		é	2009	<012	2014	2014	2019		2020



Superyellow today

As seen on the map below, we have customers all over the world. We have chosen to work with high-quality sports and leisure shops, which are carefully selected on the basis of values.









Our values

Functional headwear

Affordable premium

Pursuit of happiness

Fair, unbiased and non-discriminating

Preserving nature

Continuous improvement





Sustainability at Superyellow

At Superyellow we are proud of the fact that sustainability has always been a part of our business journey. It has been a conscious decision to be able to create long time value both for the company as well as for our stakeholders. By keeping our focus on sustainability, we future-proof our business in a world more and more focused on combatting climate- and socially related challenges.

Sustainability in everything we do

Sustainability is important for us in everything we do. We want to make products that are of the highest possible quality with the smallest possible environmental impact. By being as transparent as we can, and by making the most responsible decisions we as a business can make, we aim to provide value for all our stakeholders.

This means:

Utilizing more sustainable and recycled materials

Localized production

Creating long-lasting products

Minimizing waste of natural resources

Measuring progress

By identifying a set of targets and criteria we are able to monitor our progress towards achieving our goals, while continuously revising our approach to best manage our impact. This is a continuous process, and we expect to improve and expand our impact over time. Read more about our sustainability commitments on page 48.



#wedothingsright

Sustainability for us

For us sustainability means that we don't harm people, animals, or the environment, we don't waste any resources and we continuously innovate new, more sustainable solutions. Superyellow has a holistic understanding of sustainability that encompasses environmental, social and economic aspects of its corporate responsibility

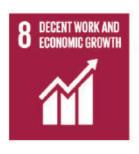
As environmental and social issues have gained more and more attention, we have noticed many companies' efforts to become more sustainable. At some point, we realized that we have been taking these same efforts since the very beginning. However, this does not mean that we are finished with these efforts, our focus is very much on continuous improvement.





Superyellow and SDGs Our work in accordance with our priority SDGs:

The 17 Sustainable Development Goals are part of the UN 2030 Agenda for Sustainable Development. These goals are an international agenda that provide a shared framework for governments, companies, and other stakeholders. At Superyellow we have used these goals as a guideline when planning our own sustainability targets and monitoring our practices. We have chosen to focus on the SDGs where we feel we can make most impact namely SDG 12 Respobsible consumtion and production and SDG 8 Decent work and economic growth.



Priority SDG

8

We are careful in picking our suppliers and have set expected supplier criteria. We work with suppliers who share our social and ecological values and are interested in continuous improvement.



Priority SDG

12

Is about impacting our design, production, logistics, and consumption to make it more sustainable and transparent. Our task is to produce products with high-quality materials and a long lifespan. We provide product information and care instructions to prolong product life. Our beanies also have a good secondhand value







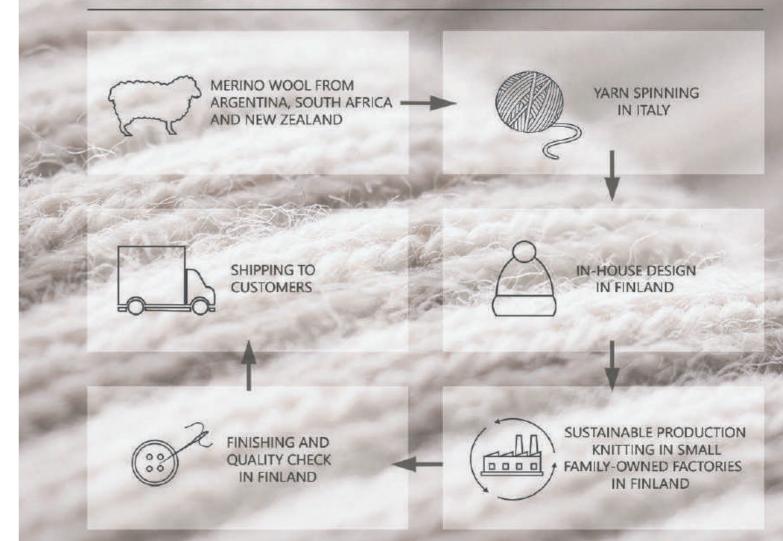
Our supply chain and logistics

Transparent and sustainable

From the shredding of wool to shipping. The main steps in our supply chain.

21 SUPELOW SUSTAINABILITY REPORT 20

SUPPLY CHAIN TRANSPARENT AND SUSTAINABLE



Logistics

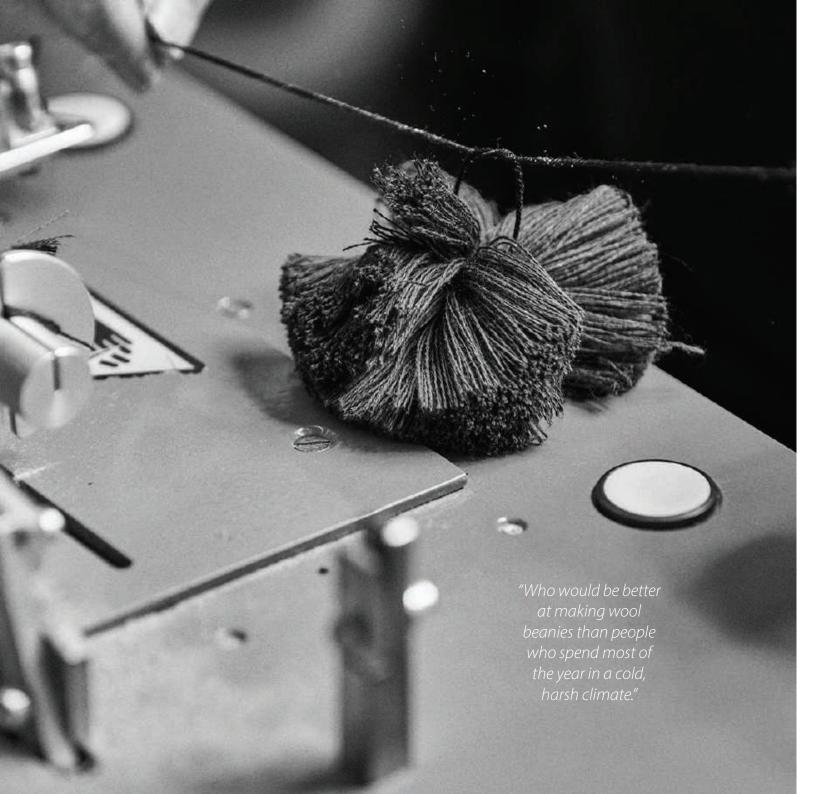
The best way for us to impact the environmental footprint of our mindful operations is to be mindful of our transportation choices. By optimizing our logistics we can reduce emissions and enhance efficiency. All our wool comes from Argentina, New Zealand, and South Africa. The yarn spinning then takes place in Italy. The wool is transported mostly by ship, ferry, or truck to and inside of Europe. The production takes place at different smaller production sites in Finland. When the products have been quality checked they are delivered to customers in Finland and abroad. Usually, the form of delivery from Finland abroad is by ship or truck, and inside Finland by truck.

GLS

All our shipments and deliveries are serviced by GLS. GLS is certified in accordance with DIN ISO 9001:2015 and 14001:2015 by Dekra, one of the largest international issuers of management certification. This means that GLS meets internationally recognized high standards. GLS systematically shortens its transport journeys on the basis of optimized route planning.







Production

"We are pleased to report that every step of the beanie production is carried out in Finland. We take big pride in our local production"

Every step of the beanie production is carried out in Finland. Local production is an important choice we have made. First of all, we know for sure that in Finland we have strong craftsmanship in this field. Who would be better at making wool beanies than people who spend most of the year in a cold, harsh climate? Second of all, with local production, we can lower the impact on the environment due to shorter transport distances and we can ensure that the working conditions are good. Knitting and sewing take place in our factories that have a long history of making knitted products. After the production, we do one last quality check before shipping the products to our customers.

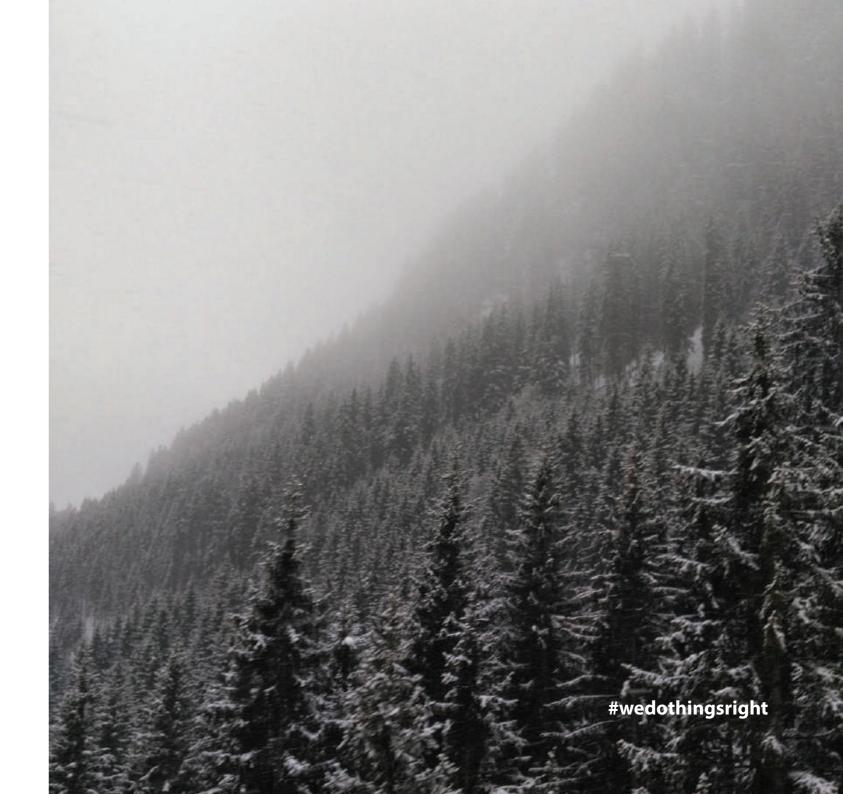
Quality control

After the production, we do one last quality check before shipping the products to our customers. Our beanies also go through a testing process to ensure that they will make it through whatever weather comes their way.

Environment

Minimizing our impact – being aware of how to impact our impact

We refuse to be a part of the single-use culture and strive to incorporate this in everything from designing timeless beanies to constantly pushing ourselves to be the best, most sustainable, version of ourselves. By producing our products close to home, we are able to impact and monitor the process in a thorough way.





Materials

Material choices are likely to affect the quality, functionality and comfort of the product. This is why we constantly strive to evaluate our materials and how we use them, to find the best, most sustainable fit for us and our customers.

Merino wool

Why we use merino wool?

We think it is simply one of the best headwear materials in the world. It is breathable, warm and it lasts from season to season. Due to the natural qualities of merino wool, it is a long-lasting and high-quality material. Therefore, merino products can be used for decades, whereas many other materials may not be that long-lasting. Merino wool is a 100% natural and renewable material, as the merino sheep produce a new fleece every year. When merino wool is disposed of, it will naturally decompose in soil releasing nutrients back to earth. Merino wool can be reused or recycled. Merino products rarely require machine wash, which in turn saves water and energy consumption.

Where does our merino wool come from?

All the merino wool we use is 100% mulesing-free and comes from Argentina, South Africa, and New Zealand. The wool suppliers are selected based on the certificates which guarantee that there are no harmful irritants or chemicals used in the wool farming and the working conditions are strictly monitored. The sheep farming of non-mulesed sheep is an animal-friendly way of wool production.

Organic cotton

The cotton we use is either GOTS- or Oeko-Tex®- certified. GOTS is used in textile production and it limits the use of toxic bleaches, dyes, and other chemicals during the production of the textile. GOTS takes into account every step of the manufacturing process. GOTS- certificate can be only obtained when a product contains at least 95% of organic fibers, it is not treated with bleach or other toxic substances, it is colored with non-toxic dyes and produced in a facility that strictly follows the social and environmental standards. The Oeko-Tex® standard guarantees that the product doesn't include any substances that can be harmful to human health.

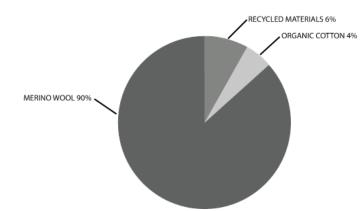
Recycled merino wool

Using recycled merino wool is a great way to prolong the life span of this valuable material. Our recycled merino wool is from surplus and offcuts waste.

Lyocell

Lyocell is a material made from cellulosic fiber.
The steps of how wood can become a beanie are shown below:

Wood → Cellulose pulp → Fibre production → Yarn → Beanie



We also have a zero-tolerance policy for acrylic materials.

31 SUPER YELLOW JSTAINABILITY REPORT 2020

From waste to beanie

One of our main targets is to use recycled materials in our products and we constantly innovate new way to use the already existing materials. For example our Baltic- beanie is made of merino wool and recycled plastic bottles.

Other materials

Patches

The different materials used in our patches are the following: Birch wood, genuine leather, natural cork, metal, artificial leather and artificial chamois.

Display materials

All our display and point of sale marketing materials are made out of eco-certified Finnish birch.

Pet plastic bottles

Inspired by our passion for plastic-free Baltic sea, in the Superyellow BALTIC beanie, the plastic bottles get a new life. The beanie is made of recycled plastic bottles and merino wool giving it a warm and comfy feel. The bottles used in this beanie are collected in Northern Italy. For each sold Baltic- Recycled Beanie we donate 5€ to John Nurminen Foundation supporting Baltic sea protection.

Packaging

We are constantly minimizing the packaging waste in our supply chain. We aim to reuse as much material as possible and come up with new ways to reduce waste. The material choices are considered in every detail including the material we use in our product tags and packages.

Plastic-free packaging

All our products, whether ordered online or purchased in-store, are packaged plastic-free. We have also switched our hooks, which are used to display the products in-store, from plastic to recycled cardboard.





Certificates

Using materials that are certified by a third party is a crucial part of ensuring transparency. In our production the materials and processes we use have been certified according to the following standards:



Slow fashion

Products that stand time and use

Time

We take great pride in creating timeless styles. There are few things more timeless than nature, which is why nature is our biggest inspiration.

Classics

We have found that people are very fond of our timeless styles, and see no need to create entirely new collections.

This in turn eliminates the issue of something being "last season" and therefore becoming excess or even waste.

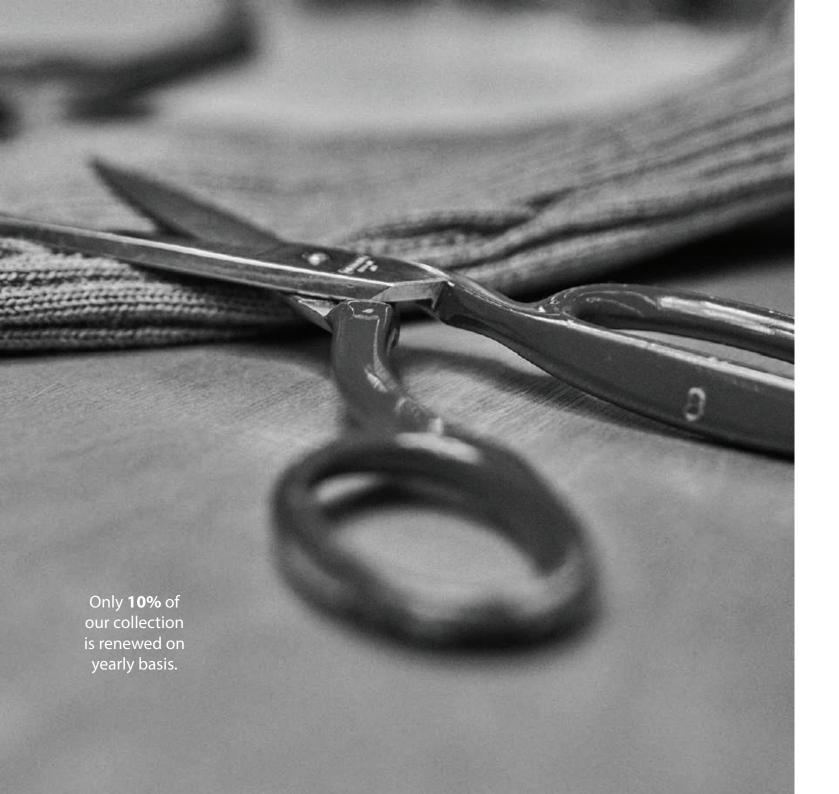
Since our collection is based on classics, we only renew 10% of our collection on a yearly basis.

Use

Textile waste is a huge issue in the fashion industry. Using products as long as possible is one of the most responsible things a consumer can do. Our beanies are made to last a long time, yet, taking good care of your beanie and repairing it when needed, is the best way to prolong Classics it's life cycle.







Care and repair

Maximizing product life

Care guide

Proper care is key in assuring the longevity of the product. That is why we offer guidelines for how best to care for our beanies. The care guide can be found on our website, but we also make a point of discussing the product and its qualities with our customers upon purchase.

As our beanies are used on the slopes, at sea, or while on a Sunday stroll, they are bound to needr refreshing. This is why we use materials that are easy to wash and that won't lose form. Every beanie comes with a wash tag, and further instructions can be found on our website.

Repair service

We want to make sure that our customers get to enjoy their beanies for as long as possible, which is why we also provide a repair service.

We continuously aim to offer our customers more information on products, materials, and their proper care both in-store and online.



Waste

The best waste is waste that is never created

Minimizing our waste

Nothing goes unused

One of the biggest challenges in the textile industry is textile waste and the environmental impacts it has. We carefully plan our production and we can proudly state that the waste caused by our produ tion is very minimal.

Yet, no production happens without there being some excess material, which oftentimes goes unused.

We strive to minimize fabric cutting waste generated in production. The generated cutting waste is used when creating smaller products, donated to other actors, and donated e.g. to kindergartens.

One important part of the production only the necessary amount of resources. To reduce waste we donate, reuse, or recycle, instead of throwing anything away.

True to demand

By carefully planning our stock we aim to prevent overproduction and keep our production precise and true to demand.

Due to our short and centralized supply chain, we are able to be a truly agile company.

Knowing our materials and how to use them

Truly knowing your materials and how to use them is vital in creating sustainable products.

We not only use the best, multi-functional, environmentally-and animal-friendly, durable and sustainable materials, but we are also aware of the ways in which we can reuse and repurpose the excess materials.

Constant improvement and product development are important features of our production philosophy.

Our high-quality materials allow us to practice zero-waste fashion and leave as small a carbon footprint as possible.

Read more about our materials and how they are used on page 30.

Returns

With quality products and our customer-friendly policies, we can minimize the number of returns.

Having continuous contact with our local customers we are also able to enable easy exchange of products if needed.

"To reduce waste we donate, reuse or recycle, instead of throwing anything away."





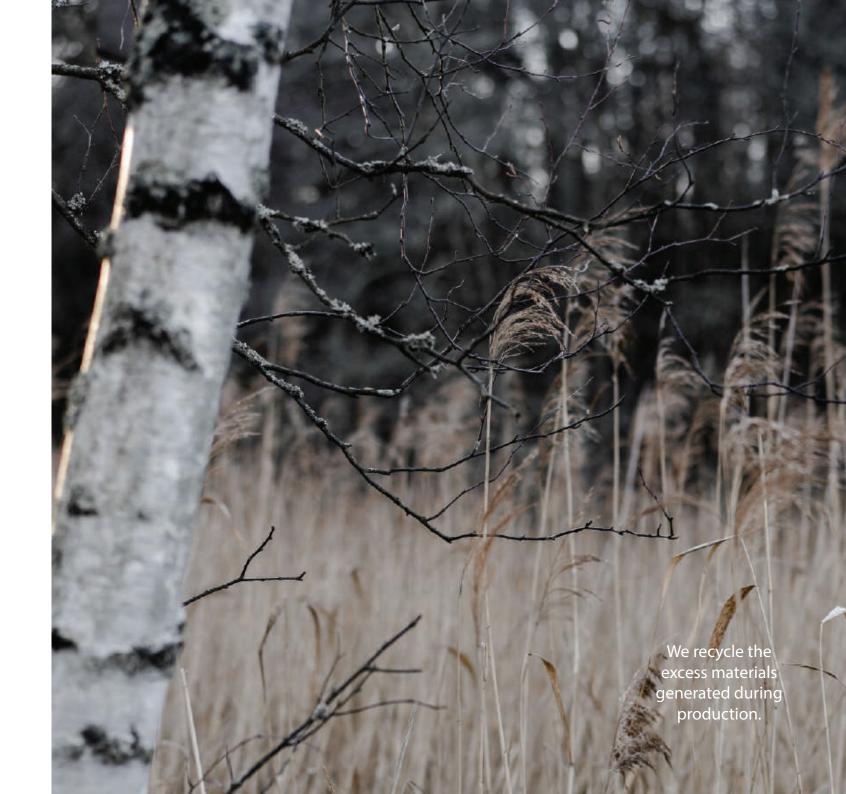
Circularity

Constant improvement and product development are important features of our production philosophy, which is why we are continuously looking for new ways to use materials in an innovative way.

For instance, we recycle the excess materials generated during production to be used in e.g. oil spill mats

We strive to use as much recycled materials as possible. An example of this is our BALTIC beanie, which is made out of recycled plastic bottles and merino wool









Social wellbeing

Our people

Our dedicated core team sits in Finland. In addition, we have sales representatives in Europe, the USA, and Canada. We are driven by a strong sense of purpose and with our different competences we want to make an impact in modern sustainable design.

Suppliers

Careful supplier selection and we have chosen to work only with people and partners who share our values, promote responsible practices, and fight for a better future.

Citizenship

We want to be an easily approachable companion in both local and global cooperation. The fact that every step of the beanie production is carried out in Finland, also means that we can contribute to the creation of local jobs.

Giving back

We collaborate with charities whose work relates to ocean conservation. We donate to the protection of the Baltic Sea now and in the future. For several years we have donated to charities promoting children's welfare, enabling a better Christmas for lessfortunate children and families in Finland.



Animal wellbeing

By using merino wool, we are able to work with the wool farmers who share the same environmental values as us. This is extremely important, since through this weare able to make sure the wool we use is mulesing free.

Mulesing free

The merino wool we use is 100% mulesing free. This means that the wool we use comes from farmers who are not harming their sheep. Especially common in Australia where wool is mass-produced, the sheep breeders remove skin from the sheep to prevent the sheep getting infected by insects. Mulesing is a surgical procedure, where a part of skin from the sheep's breech is removed in order to make the nesting environment less attractive for the blowflies. This, for the animals, extremely painful procedure can be avoided there are other, non-painful ways, to keep the sheep safe from the infections.





Where do we go from here?

This report is not just about looking back, but to the utmost extent about looking forward. This report constitutes a basis for a continuous work in progress and a framework by which to track our impacts and improvements over time. Progress and improvement requires concrete action, so here are our commitments:



By increasing the share of recycled materials we can further minimize our environmental impact. In practice, this means constantly researching, examining, and testing new ways to use excess materials, waste and recyclable fabrics.

Consumer awareness

We have found that one of the most important ways for us to impact the life span of our beanie, is by providing our customers with proper knowledge about, and guidance in, how to care for the product. Therefore, we are committing to enhancing co sumer and stakeholder awareness.

- Supplier and retailer training
- Staff and store training
- Adding information about recycling and repair to our website

Transparency and accountability

We want to increase our transparency and accountability. We feel that this is best done through cooperation and dialogue. Thus, in practice this commitment looks like follows:

- Maintaining good and transparent relationships with our partners
- Increased transparency in every step of our supply chain
- Continuous updates about our sustainability work on our social





Continue following our journey on Instagram @superyellowheadwear

