

2020/2021

TRANEMO SUSTAINABILITY REPORT





Tranemo are a leading European supplier of Inherent Flame Retardant and Arc Flash workwear.

With our extensive experience in developing innovative and functional workwear, we strive towards zero flame and heat related injuries.

ABOUT THIS REPORT:

This is our second sustainability report. The report is written with reference to selected GRI standards and covers the financial year 2020-21. The previous report was published in May 2021.

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WE WILL CONTINUE TO CREATE CLIMATE BENEFITS

When I look back on the past year, it can be summed up as an eventful and unusual year, dominated by the Covid-19 pandemic. Despite these challenging times, Tranemo has shown its strength and delivered fantastic results. We have been able to step up our business, but also learned to meet the effects of the pandemic through preparation and targeted measures.

Generating value

Our focus on a sustainable business strategy and innovation, combined with a competent organisation, continues to build a solid foundation for responsible growth. We are taking the lead in the technical development of inherent flame retardant workwear and generating value through a combination of our expertise and proven experience. At the same time, we want to contribute to a better world by acting thoughtfully and sustainably. We are also aware of the complexity of sustainability and are gradually working towards ambitious and achievable goals.

Product development with long-term commitment

The cornerstones of Tranemo's sustainability efforts have been part of the company's vision since it was founded in 1934. This means that we develop products with long-term commitment and insightful efforts that are based on environmental, social and economic needs. In recent years we have worked intensively and initiated structural improvements to integrate sustainability into everything we do at Tranemo.

Several goals were achieved in 2020/21, including the launch of the first fluorocarbon-free collection – Cantex Weld Stretch; increased use of materials from sustainable sources; reductions in packaging; and a shift to fossil-free energy sources for our own operations.

Sustainable choices through collaboration

Together with our customers we are continuing to create long-term sustainable

protection solutions without compromising on our primary purpose – safety. Our protective garments are developed for each unique risk situation and are carefully designed to enable future repair or updating. We analyse the life cycle perspective of our products and their impact on the environment to maximise real benefits for the climate and for our users. By collaborating pro-actively, we are able to lead our suppliers in the right direction and inspire our customers to make sustainable choices.

Effects of the pandemic

The pandemic has accelerated digitalisation and we were able to take advantage of digital technology as an alternative to physical meetings. But we can also see that digitalisation can provide more sustainable alternatives in the future in the form of reduced travel.

Creating future climate benefits

We feel we are in a strong position for the future and look forward to 2022. Considerable work lies ahead as we focus on our key development areas and tackle the issue of sustainability from several angles.

We will continue to base our efforts on current research and pursue effective collaborations as we strive to reduce green house gas emissions and work towards a circular economy. By doing so we will continue to create climate benefits and value for our customers.

Max Larsson CEO

TRANEMO GROUP

Established in 1934, the Tranemo group now consists of subsidiaries in the UK, The Netherlands, Germany, Denmark, Finland, Portugal and Norway which together create one of the strongest sales organisations in Europe today.

Tranemo is a third generation family business with extensive experience in developing and supplying protective workwear to Europe's heavy industries. Our journey has begun with the aim to make workplaces safer where the correct work clothing could have prevented the accident, or helped to reduce the consequences of it. For this reason we developed a new type of advanced workwear with improved flame and heat protection than what the market could offer. The journey we started has changed us, our mission and our vision. We are now focused entirely on advanced workwear and to become best in Europe at flame retardant workwear.

Our Head Office and European Logistics



TRANEMO TEXTIL IS FOUNDED

It was generally considered that there was a great need for a female workplace in Tranemo, which is why shares were bought by almost all the town's traders as well as many private individuals



TRANEMO TEXTIL LDA IN PORTUGAL

Tranemo Textil Lda, a production unit based in Portugal, is founded. The unit will be sold in 1995. Sales of Tranemo Workwear products in Portugal and Spain were started successfully through the sales company Odin Workwear SA.



THE FIRST CERTIFIED FLAME RETARDANT WORKWEAR COLLECTION

Tranemo launches its first certified flame retardant



TRANEMO **WORKWEAR GMBH** IN GERMANY

Tranemo Workwear GmbH, based in Germany, is founded



TRANEMO WORKWEAR

AS DENMARK

Tranemo Workwear Denmark A/S is founded



TRANEMO LOGISTICS CENTER

Tranemo Workwear Logistics Center, 5000 m² high warehouse opens its gates.



TRANEMO WORKWEAR AS

Tranemo Workwear AS, based in



TRANEMO WORKWEAR BENELUX

Tranemo Workwear Benelux, based in Holland is separated from Tranemo Workwear Ltd



80 YEARS ANNIVERSARY

Tranemo Textile celebrates 80 years. The company is in the most expansionary period in the company's history and is constantly gaining new market share



2014

1934

1942

1967

1970

1995

1998

1999

2000

2001

2006

CANTEX

2007

2008

THE THIRD GENERATION

2009

OF FAMILY LARSSON



TRANEMO WORKWEAR OY

2010

Tranemo Workwear Finland Oy is founded.



TRANEMO WORKWEAR LDA

2017

TWW Tranemo Workwear Lda, based in Portugal, is founded together with the staff of Odin Workwear



GUSTAV KJÖLLERSTRÖM -SKILLED ENTREPRENEUR

Gustav Kjöllerström had bought all shares in Tranemo Textil AB.



THE 2ND GENERATION OF THE FAMILY LARSSON

Håkan Larsson becomes the company's CEO.



TRANEMO AMMITZBÖLL COOPORATION

The Board decides to form TAC (Tranemo Ammitzböll Cooporation) for production in Plovdiv, Bulgaria



TRANEMO WORKWEAR LTD

Tranemo Workwear Ltd. based in UK, is founded



THE 1ST INHERENT FLAME RETARDANT COLLECTION

Tranemo launches its first inherent flame retardant collection, Cantex.



Max Larsson becomes the





HIGHLIGHTS AND ACHIEVEMENTS 2020/21



Tranemo delivered 600 000 garments





Tranemo launches the first PFAS-free collection Cantex WS

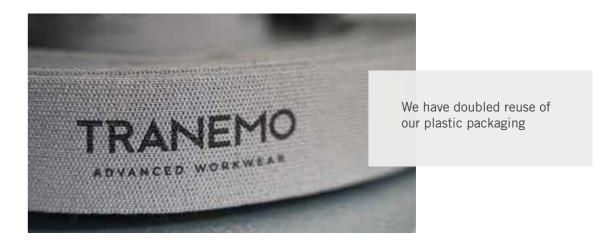


We joined "NO TO PFAS" movement









TRANEMO CORE VALUES

We share a common set of values and goals across all of our subsidiaries and markets. This ensures we consistently deliver the highest levels of quality and service in each of these markets. These values also help us in our future development of garments and ranges.



We are a premium brand and we aim to offer the highest levels of support.

We keep updated on personal protective equipment (PPE) developments and share this knowledge with our customers.

We make products fit for industrial use with a focus on cost benefits.

We keep the highest standards with regards to quality, the environment and ethical production.

INNOVATIVE

We take the lead in the technical development of inherent flame retardant workwear.

We work closely with our customers to provide the correct workplace solutions.

We develop fabrics with unique qualities due to our work with fibres and composition.

We acknowledge the safety challenges of each industry and develop solutions that offer appropriate protection and wear-ability in these sectors.

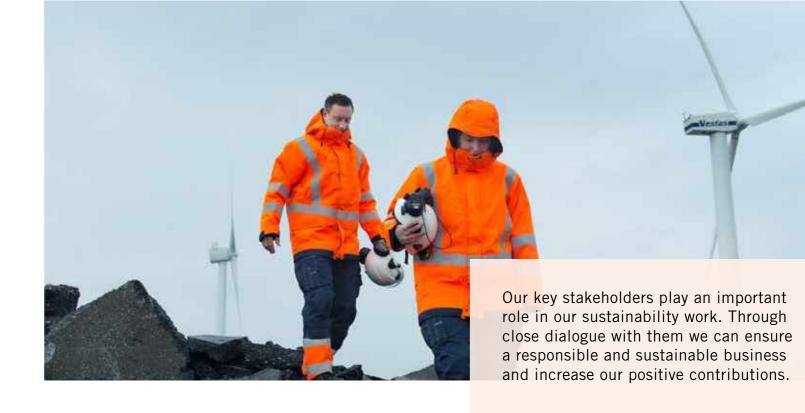
EXPERTS

We strive to be the most knowledgeable manufacturer in the flame retardant workwear market.

We work closely with our customers to ensure that we fully understand their needs.

We can help with risk assessments and in finding the right solutions for each customer.

We have over 80 years experience of producing high quality, functional and innovative work clothing.



STAKEHOLDER ENGAGEMENT

Employees

Our people are the energy that drives us forward. We strive to be a responsible employer and to empower our employees.

Customers

Our aim is to provide innovative solutions that contribute to safer workplaces for our customers in a sustainable way. We also help with the best advice on how to protect against various workplace risks such as heat, flame, electric arc, molten metal, chemicals and the risk of explosion.

End users

We work in close collaboration with our end-users and their input is extremely valuable for us.

Owners

We manage our business in a responsible manner and create value for our owners.

Partners

Through science-driven research initiatives and our close collaboration with suppliers, we can make maximum use of knowledge at all stages of the value chain.

Suppliers

We participate in various projects in collaboration with TEKO's environmental group, the Chemicals Group, Textile & Fashion 2030 and TexChain 3 to drive forward the sustainable development in the textile industry.

Communities

We make positive contributions to the society in which we live and work. We have a long tradition of strong local presence and close involvement with the local community.

Authorities

We strive to be good corporate citizens complying with relevant laws and regulations. We support initiatives which will have positive social and environmental outcomes and have an open dialogue with journalists, other thought leaders within social media community.



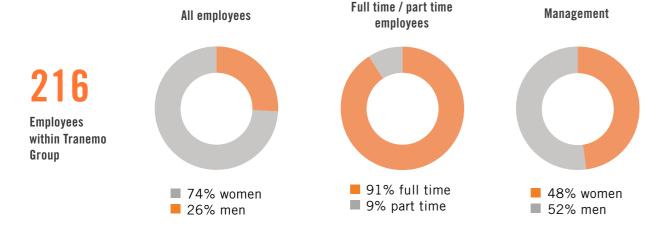
Our people

Our people are important for us; without their dedication, we wouldn't be where we are today. We strive to create a good working environment and to give possibilities to create the right work-life balance. It's important to us that our people feel valued, included and supported in their professional and personal growth.

DIVERSITY

Diversity and inclusion are huge assets for our sustainability efforts.

We bring together different backgrounds, experiences and views that helps us see the "bigger" picture and to create effective sustainable solutions. We give possibilities to our employees to be able to develop their roles and skills regardless of gender, background or other factors. We are proud to have many women in leading positions among our management team.



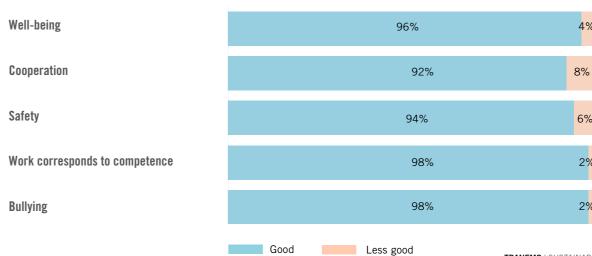
POSITIVE WORK ENVIRONMENT

A safe work environment combined with a perception of good physical and psychosocial health is essential for our employees' well-being and performance. Systematic work environment management at Tranemo is a basic prerequisite for promoting a good working environment by preventing risks at work in order to prevent accidents and ill health. This is a continuously ongoing process that involves all conditions in the working environment that can affect employees in their daily work. The work is conducted by the Tranemo Safety Committee and the key methods are:

- Examine
- Risk assess
- Remedy
- Check & Follow Up

Tranemo Safety Committee ensures that occupational safety and health issues are integrated according to adequate legal requirements and Tranemo ethical guidelines policy.

TRANEMO SWEDEN EMPLOYEE SURVEY RESULTS



SUSTAINABILITY MANAGEMENT

The sustainability management team is responsible for the development and implementation of the environmental strategy, policies and activities related to sustainability and corporate social responsibility. The sustainability performance is regularly measured and reported to the board of directors.



TRANEMO POLICIES AND GUIDELINES

| TRANEMO POLICY | FOCUS AREA | SDG'S |
|---------------------------|------------|-----------------|
| Code of Conduct | 2,3,4 | 5,8,10,12,16,17 |
| Environmental policy | 3 | 6,7,12,16,17 |
| Work environment policy | 3 | 4,5,8,10,16 |
| Alcohol and drugs policy | 3 | 8 |
| Whistleblowing policy | 2,3,4 | 5,8,10,12 |
| Ethical guidelines policy | 2,3,4 | 5,8,10,12,16 |
| Warranty policy | 1,2,3 | 12 |
| Purchasing policy | 2,3 | 12 |
| Quality policy | 2,3 | 12 |
| Travel policy | 3 | 7,12 |
| Customs policy | 3 | 12 |
| Privacy policy | 3 | 12 |

Focus area: 1 - Sustainable protection, 2 - Sustainable product development, 3 - Sustainable operations, 4 - Sustainable society
SDGs - see page 18



We are continuing to drive sustainable development in the right direction

Sustainability efforts at Tranemo are an integral part of every process and are based on the company's environmental strategy. As Sustainability Manager at Tranemo, Nieke Sarink pursues important sustainability issues to create positive change in the short and long term.

What progress has Tranemo made in the past year?

We are following our environmental strategy and continuing to drive sustainable development in the right direction. We took several big steps in 2021, including the launch of our first fluorocarbon-free collection – Cantex WS; certification of our tricot garments and accessories to the OEKO-TEX® standard 100; switching some of Tranemo's operations to renewable energy sources; and the ongoing optimisation and reduction of packaging materials. We have also come a long way with our "Preconsumer waste recycling" project, which is very encouraging.

Sustainability challenges over the past year?

At Tranemo we always base our decision-making processes on a scientific foundation. Right now there are many research initiatives focusing on sustainability in the textile industry, but there are only a handful of methods that can be applied to areas that are important to us. One of our priority goals is to achieve circularity in product development. Our vision is to be able to recycle our materials to make new products. At present, technologies for recycling contaminated garments are not sufficiently developed to enable us to create a closed product cycle. But we are very hopeful for the future, as many interesting innovation projects will lead to proven methods.

What about upcoming goals - plans for taking sustainability to the next level?

Sustainable development involves tackling sustainability from several different perspectives. Our main goal is to minimise our own climate footprint in line with the latest research. By using energy more efficiently in the value chain we can achieve positive change. We are therefore focusing on reducing energy use in the value chain and encouraging the use of fossil-free energy. We will also continue to focus on the conclusions of risk analysis in our sustainability efforts. By doing this we will create several benefits, for the environment and for user safety. We also want to gradually increase the proportion of garments that are certified to the OEKO-TEX® standard 100. Phasing out PFAS is one of our priority areas. By launching Cantex WS, which is completely fluorocarbon-free, we will gradually minimise the use of PFAS in our products.



OUR KEY SUSTAINABILITY GOALS 2025

Tranemo has been committed to environmental measures as part of the business model for several years. We develop our protective clothing to protect our users, who often work in harsh environments where workwear has to be durable and hard-wearing.

This naturally means that long-lasting products and materials are an essential part of our business. At the same time we also need to meet our primary goal of making work places safer by creating innovative protective solutions.

Many of Tranemo ranges must fulfil PPE standards and requirements in order to achieve the right safety at places of work with no exceptions allowed. The garments must be safe and provide the levels of protection that they are designed to offer - which in some cases can give limitations to possible environmental benefits.

CLIMATE ACTIONS THROUGH TECHNOLOGY

Nevertheless, our goal is to develop advanced protection solutions in a sustainable way through active implementation of our environmental measures - Tranemo Climate Actions. Through the Tranemo Climate Actions we are aimed to achieve our goals to ensure that we further reduce our footprint on the earth and take our responsibility in addressing the global climate crisis.

Longer product life cycle

- Claims < 0,1% per year
- Repaired claims > 50% per year
- Disposed garments < 0,05% per year

Reduced energy use

■ 50% in CO₂ saving from heat and electricity in Tranemo

Better production technology and less use of chemicals

- 100% of all suppliers fulfilling REACH
- OEKO-TEX® in fabrics: > 99% of sold flame retardant fabrics
- OEKO-TEX® on garments: > 75% of sold flame retardant garments

More sustainable materials

- Double the use of viscose, modal or lyocell in fabrics (or other fabrics replacing cotton)
- Introduce responsibly cultivated cotton fabrics for the product range
- Launch a report of comparable environmental impact for flame retardant fibres

Lower the impact of transport and packaging

■ 50% in CO₂ saving from transports and packaging

Reduced use of natural resources

- Double the use of fabrics with recycled fibres
- Double the amount of collected and recycled pre-consumer waste
- Economically and environmentally sustainable set-up for recycling of post-consumer garments

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THE SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) are developed by the United Nations and define global sustainable development priorities for 2030.

The goals set by the United Nations General Assembly in 2015 for the year 2030 determine that ending poverty must go together with strategies that build economic growth and address the global challenges including education, health, social protection and job opportunities, while protecting the environment.

OUR CONTRIBUTION TO THE SDGs

Sustainable development is at the heart of our business strategy. Tranemo considers the SDGs as an important initiative for a sustainable society. We contribute to achieving the SDGs through our main focus areas with an ambition to create environmental, social and economic value as part of our business strategy. By doing so, we strive to reduce our environmental and social impact through promoting decent working conditions as well as ensuring responsible product development.

In particular, our activities support nine of the SDGs to which we can make significant contribution.



- 4.1 Education for all
- 4.3 Access to higher education
- 4.4 Relevant skills for employmentTraining for customers, suppliers
- Training and possibilities for competence developing education for Tranemo employees



- 5.1 End all forms of discrimination
- 5.2 End violence
- Tranemo ethical guidelines policy
- Tranemo Code of Conduct



- 6.2 Access to adequate and equitable sanitation and hygiene for all6.5 Water management6.6 Protect ecosystems
- Tranemo encourages suppliers to invest in technologies to reduce water waste
- Tranemo works with cotton alternatives as well recycled cotton



- 7.2 Renewable energy
- Use of an energy mix consisting of 100% fossil free sources including
- 49% renewable energy
- Increase of renewable energy sources in Tranemo's own facilities to 2025



- 8.5 Full and productive employment and decent work
- 8.7 Eradicate forced labour, end modern slavery and all forms of child labour
- Tranemo ethical guidelines policy
- Tranemo Code of Conduct



- 10.3 Ensure equal opportunities and reduce inequality
- Tranemo ethical guidelines policy
- Tranemo Code of Conduct



- 12.2 Use of natural resources
- 12.4 Management of chemicals
- 12.5 Reduce waste
- Recycled cotton
- Reuse of packaging
- Tranemo is a member of the Swedish chemicals group
- Design for a longer product life including the ability to repair garments
- Optimised operational processes



- 16.2 End abuse, exploitation, all forms of violence against children 16.5 Substantially reduce corruption and bribery
- Tranemo ethical guidelines policy
- Tranemo Code of Conduct



- 17.6 Enhance the global partnership for sustainable development 17.17 Encourage and promote effective public partnerships
- TexChain 3 Project1
- No to PFAS movement²
- Local society engagement

https://wargoninnovation.se/texchain3/
https://chemsec.org/pfas/ TRANEMO | SUSTAINABILITY REPORT 2020/21



ENVIRONMENTAL STRATEGY

Our environmental efforts are an important part of our daily work, in which we set high standards for durability, safety and quality.

The starting point for our environmental efforts is our business concept. We take responsibility for reducing climate impact and at the same time lead the development of advanced flame retardant solutions to prevent injury and protect lives.

Specific regulations currently apply to personal protective equipment (PPE), to meet the growing demands for health and safety at work. With these regulations in mind, personal protection is a key element of our environmental strategy.

We consider the environmental impact of our products over their entire life cycle, not just during production. This creates opportunities for more sustainable products and solutions that have less impact on the environment during use.

OUR FOCUS AREAS

We must help to preserve a sustainable environment for future generations. Tranemo strives to produce world-class protective clothing while also minimising our environmental impact, acting in an ethically responsible way and having a positive influence in the communities and locations in which we operate.

We have for many years worked steadily to reduce our environmental impact and to take actions to advance broader societal goals in our own operations and within the supply chain. Our strategy for sustainable development comprises four areas that together cover the most important parts in our entire process chain from an environmental impact and stakeholder perspective.

SUSTAINABLE PROTECTION

SUSTAINABLE **PRODUCT DEVELOPMENT**

RESPONSIBLE **OPERATIONS**

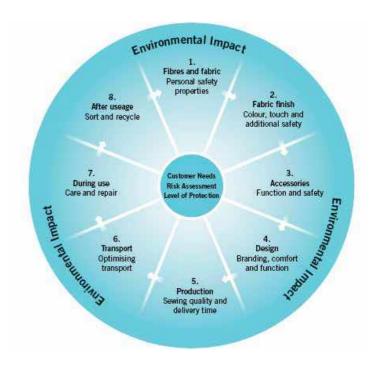
SUSTAINABLE

In each area, priority goals and key activities are formulated. In 2020/21 our focus was to continue to drive our strategy in these areas. This included the development of innovative protective solutions in a more sustainable way and contributing to building a harmonious society by active engagement in communities where we operate.

TRANEMO ENVIRONMENTAL EYE

Tranemo Environmental Eye helps us to assess environmental and climate impact at every stage in the product life cycle, right from the product development stage.

Based on our customers' risk assessments and user requirements, we strive to minimise environmental and climate impact throughout the life of the product until a garment is worn out.



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NO ONE SHOULD BE SERIOUSLY INJURED IN AN ACCIDENT

Tranemo has a simple vision that no one should be seriously injured in an accident where the correct work clothing could have prevented the injury, or helped to reduce the consequences of it.

Always wearing the right clothing is insurance for the user if an accident happens. This is why the fit, ergonomic design and comfort of protective clothing are so vitally important. Workwear that is uncomfortable or has a poor ergonomic design could mean that the wrong type of protective clothing is worn. This can also lead to negative consequences from both a safety and environmental perspective.

For that reason, our starting point for sustainable development is ensuring customers end up with the most environmentally-friendly product and the correct level of protection. All of our collections are sustainably designed as systems for specific industries and their associated risks.

100 % INHERENT FLAME RETARDANT

Tranemo only manufactures inherent flame retardant workwear which guarantees lifelong protection for the wearer. The flame retardant properties lie in the molecular structure of the fibres and cannot be washed or worn out. Other benefits include comfort, durability and the use of lightweight fabrics, in addition to offering permanent flame retardant protection. Tranemo works closely with fibre manufacturers and we are always ready for new innovations and more sustainable development.

CLOSE COLLABORATION WITH OUR CUSTOMERS

In collaboration with major customers, Tranemo undertake extensive wearer trials to ensure that all necessary functions are featured on the garment and that it offers comfort and performance in the workplace.

TEXTILE SERVICE

Industrial laundering of our garments is often recommended to ensure that they are clean and safe to wear. A managed Textile Service programme is one of the most sustainable ways of laundering garments, making it possible to clean the safety clothing without loss of quality and functionality. After wearer test and laundry, we check that the garments still maintain the highest performance. Tranemo also performs in-house quality tests before each production to ensure that we maintain the highest performance on fabrics.

RISK ASSESSMENT FOR IDENTIFYING THE USE OF PROTECTIVE WEAR

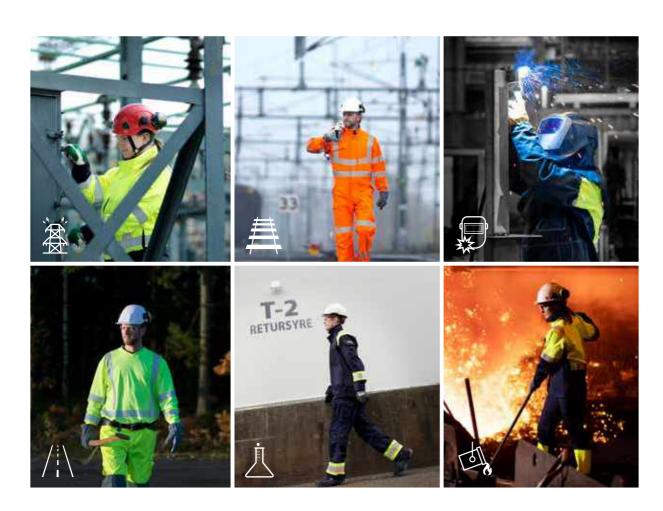
Beginning with a risk assessment, we analyse the environment in which the clothing will be used, the demands it will be exposed to and other important variables.

From this, we can ensure that the customer is supplied with the correct level of protection.

We do not believe in a multi-norm concept - that one garment would be enough for all risks and industries. Instead we develop unique solutions with high functionality for each risk assessment — without compromising on safety and the environment.

By carrying out the risk assessment and identifying exactly what the garments will be used for, we can avoid creating and treating textiles unnecessarily. By doing this, we can reduce our environmental footprint by using less chemicals, dyes, water, electricity and other resources that may not be required.

Industry sectors: Electricity & Energy, Railway, Welding, Petrochemical, Smelters & Foundries, Mining, Electric car industry, Explosive environments, Traffic etc.





TRANEMO SAFETY ACADEMY - BRIDGING THE GAP BETWEEN THEORY AND PRACTICE

Knowledge retention is important for Tranemo and is built into the company's culture.

We also see as our duty to research and innovate to provide the market with the best advice on how to protect against various workplace risks such as heat, flame, electric arc, molten metal, chemicals and the risk of explosion.

Since 2007, we have consolidated our expertise and safety awareness initiatives within the framework of Tranemo Safety Academy which provides tailored training courses and the best advice on how to protect against various risks at work. The aim is to obtain, educate and share the knowledge based on the current safety regulations, requirements and many years of our own experience.

Tranemo Safety Academy is a significant part of our sustainability efforts as it involves our customers in dialogue around safety and sustainable development. Moreover, it strengthens our knowledge management and increases expertise.

During 2021 we completed 60 training courses within the Tranemo Safety Academy for our customers in Sweden. Each month we offer a training course for Tranemo co-workers to improve the skills in various relevant areas. Due to the Covid-19 pandemic we have transitioned to training via digital platforms.



Empowering women

THE IMPORTANCE OF WELL-FITTED PROTECTIVE CLOTHING

Today's ever changing workplace shows that more women are working in former male-dominated environments. In addition, many large companies are striving harder for a more equal workplace. We believe that everyone has the right to have comfortable, well-fitted protective clothing as well as the best levels of protection available – so they will always be protected should an accident ever occur.

The primary purpose of protective clothing is to prevent an injury. Often comfort and ergonomic issues are reasons cited for inappropriate wearing of protective clothing such as not wearing garments correctly or at all. The biggest demand from women who are required to wear protective workwear in the workplace is an appropriate fit. By meeting this demand we can ensure that our female users are supplied with the correct level of protection.

EQUAL OPPORTUNITIES FOR EVERYONE

Sanna Orava - a welder at Compia (Storuman, Sweden, has worked with welding for almost four years and mostly with MIG/MAG and MMA (pin welding) in thick steel. It requires good knowledge and skills, but also apropriate protective clothing that can perform under tough conditions.

Among the twelve welders at the company, only two are women, Sanna and a colleague of hers.

- Women may not want to enter the welding industry because it is a predominantly male industry. Hopefully the negative trend will not be persistent as the more girls apply for the welding profession.

Sanna knows from her own personal experience that optimal fit in workwear is not a top priority issue in some workplaces.

- In the past I have tried workwear that was aimed especially for men. The clothing was too heavy and large for me. Sometimes I even had to use non-flame retardant workwear to get the right fit.

Physically demanding work in high temperatures sets special demands on the flame retardant properties of the protective garment. Comfort

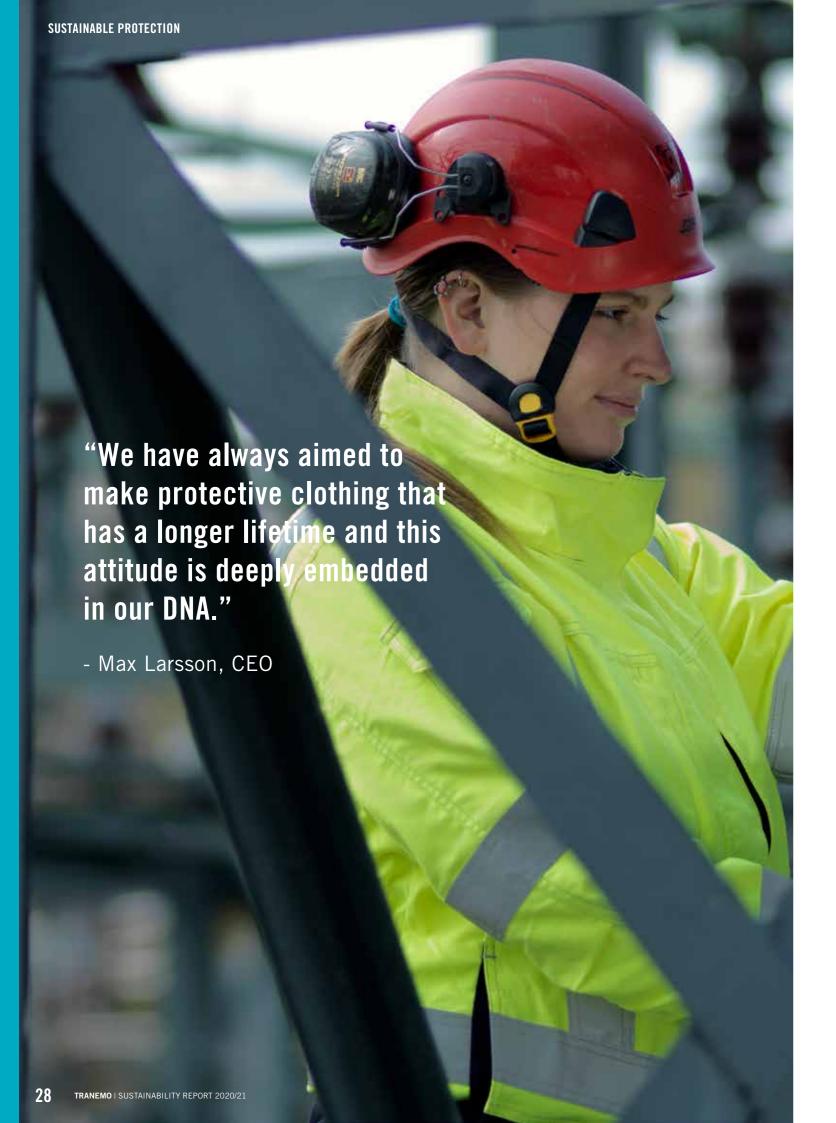
and freedom of movement are other factors that contribute to how efficiently welders can perform their tasks.

- Most important is that protective garments do protect well against welding sparks and hot spatter. In addition to the flame retardant properties, the workwear must be durable, comfortable, stylish and well-fitting. Personally for me, the good fit is very important as I am quite small.

Sanna also emphasises that the protective clothing must provide high level of protection against potential risks in the workplace.

- There are always risks that welding sparks and spatter can stick to the garment, or that you get a hot metal drop on the shoes. Welding burns on the skin can also occur through contact with hot material.





PRODUCTS THAT LAST ARE VITAL FOR THE CLIMATE

At Tranemo, we take environmental and climate impact into account at every stage of the product life cycle, right from the product development phase.

The latest research report¹ from Research Institutes of Sweden (RISE) shows that the most effective way to reduce the environmental impact of clothing is to increase the useful life of garments. If we prolong the active lifetime of a garment by a factor of two, its carbon footprint is reduced by 49%. This also means less waste and less demand on resources.

Creating protective clothing, whilst also improving sustainability, is a demanding process. Tranemo's goal is to ensure that users get the most environmentally friendly products that also provide the right level of protection.

By identifying the customer's needs right from the start, Tranemo begins with a risk assessment to analyse the environment that protective clothing will be used in, the hazards it may be exposed to and other important variables. This risk assessment provides the foundation that Tranemo then uses to make well-judged decisions on protection level and sustainability factors.

Tranemo makes garments that are designed to have the longest possible life, through smart design, material selection and optimisation for industrial washing. But it is also important to know how to care for a garment and make sure

that it is handled correctly.

Tranemo has one of the most experienced and competent teams in the industry who are always ready to help customers make the most of every unique detail. This alone can make a significant contribution to sustainability.

Another important sustainability factor is that protective clothing from Tranemo is easy to repair. If needed, Tranemo can provide a suitable repair kit and instructions to enable a protective garment to be repaired correctly. This means that the customer gets a garment that lasts longer, has lower total cost of ownership and has minimal impact on the environment.

As well as taking proactive steps to maximise the life of its products, Tranemo strives to prevent and reduce environmental impact through other climate measures set out in its environmental strategy. Our environmental efforts include various projects that aim to reduce energy use and environmental impact during transport and to improve production processes so that we use less chemicals and natural resources.







DEVELOPMENT FOR SUSTAINABILITY

Science, technology and product innovation are central to our plans to keep leading the development of advanced flame retardant solutions in a sustainable way.

At the same time, we are committed to our heritage and craftsmanship as we have been developing and manufacturing safety clothing since 1934. Today we combine innovation with our reliable knowledge and expertise. It helps us to bring greater value to our customers and to contribute to a positive climate effect. Every safety garment we produce is carefully designed, crafted and tested to ensure high quality and conformity to safety standards.

WITH FOCUS ON ENVIRONMENTAL IMPACT

Pro-actively reducing our environmental impact is a key component of Tranemo's sustainability work. The first stage in our product development process is a deep analysis based on a risk assessment, environmental impact and life cycle perspective. By doing so we ensure environmental improvements throughout the entire value chain.

Design and construction of our garments are based on high utilisation and low fabric waste rate, good possibilities to repair and enhancing the longevity of the product life cycle.



We consider environmental and climate impact at every stage in the product life cycle, right from the product development stage. Our aim is to minimise environmental and climate impact throughout the life of the product until a garment is worn out.







LESS CHEMICALS

We aim to ensure that our garments do not include any harmful, prohibited or restricted chemicals. By signing Tranemo Acceptance Document, our suppliers are obliged to follow the requirements and restrictions accordingly.

Use of chemicals is sometimes necessary in our product development. Our main purpose is to protect our users from serious flame related injuries and to develop the best protective solution in a sustainable way. Therefore, chemicals must be handled carefully to ensure our products are safe for consumers and for the environment.

REACH

Tranemo products are made from fabrics and accessories that meet the requirements of REACH. REACH is an EU regulation on chemicals legislation and the abbreviation stands for: Registration, Evaluation, Authorisation and restriction of Chemicals. ECHA is the European Chemicals Agency and in Sweden the Swedish Chemicals Agency has primary responsibility for applying the REACH regulation.

OEKO-TEX®

OEKO-TEX® is an independent third-party certification process that ensures control of harmful or hazardous chemicals. In addition, most of the fabrics and accessories that TRANEMO uses are certified to class 2 of the OEKO-TEX® standard 100¹. By using Standard 100 by OEKO-TEX® we increase the product safety and mitigate the risk of misusing harmful chemicals in our OEKO-TEX® 100 certified garments.

RESTRICTED SUBSTANCES LIST (RSL)

To ensure that our products meet all the requirements of REACH, we use a Restricted Substances List (RSL) which all our suppliers must sign and comply with. The TRANEMO RSL is a list of all substances and the requirements and limit values under European legislation.

In addition to REACH, Tranemo uses its RSL to comply with all current EU regulations, such as the Persistent Organic Pollutants Regulation (POPs) and the Biocides Regulation. The TRANEMO RSL also allows

us to ensure that our suppliers comply with the Candidate List for substances of very high concern (SVHCs).

PFAS

Per- and polyfluoroalkyl substances (PFAS) are a diverse group of human-made chemicals used in a wide range of consumer and industrial products. PFAS are resistant to grease, oil, water and heat. Some PFAS have been more widely used and studied than others.

Tranemo has recently launched a new flame retardant collection Cantex WS with a PFAS-free treatment. This creates further opportunities for the implementation of fluorcarbon-free alternatives in other Tranemo products. The aim is to gradually phase out the use of PFAS in all of the products.

We also see the need for a strict chemicals legislation to minimise and eventually end the use of PFAS. In 2021 we have joined Chemsec's Corporate PFAS Movement - "No to PFAS" to influence the way chemicals legislations are implemented in practice.

THE SWEDISH CHEMICALS GROUP

Tranemo is a member of the Chemicals Group at RISE IVF, which means we can keep up to date with the latest developments in research and legislation. In collaboration with RISE, the Tranemo RSL is updated twice a year to ensure that we comply with restrictions and updated legislation as recommended by the Chemicals Group.

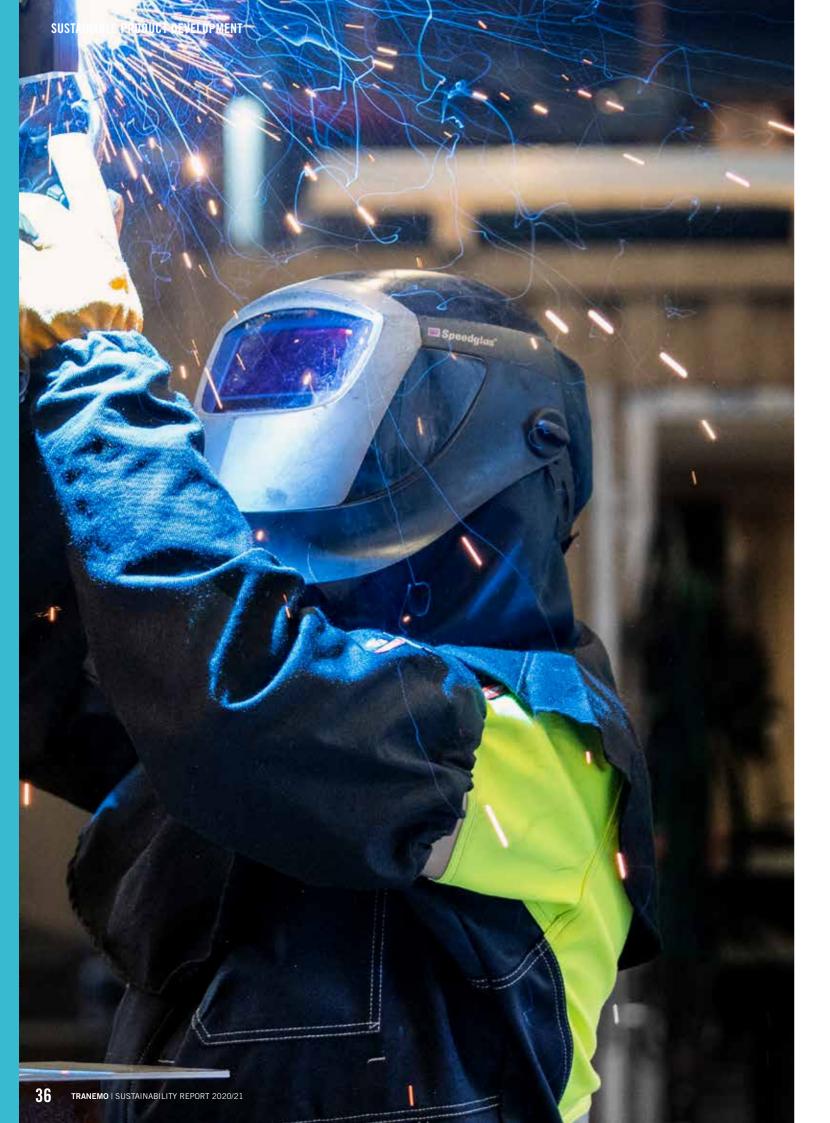
New chemicals added to our RSL:

Dioctyltin dilaurate
Bisphenol B
Orthoboric acid
Isopropylated phenyl phosphate
Glutaral

WE ARE MEMBERS OF:

- TEKO's Environmental Group
- The Swedish Chemicals Group
- "NO TO PFAS" movement

Tranemo OEKO-TEX® certification number 2176-340



FIRST IN THE WORLD TO OFFER PFAS-FREE FLAME RETARDANT CLOTHING WITH CHEMICAL PROTECTION

Tranemo launched Cantex Weld Stretch (WS), the world's first inherently flame retardant collection that provides chemical protection to EN 13034 and is completely PFAS-free. The collection offers the highest level of protection against splashes of molten metal and exceeds the requirements for heavy welding according EN ISO 11611 class 2.

Since being founded in 1934, Tranemo has been managed with a clear focus on sustainability and creating protective clothing that is designed to last. The launch of Cantex WS with a fluorocarbon-free treatment is another important milestone in Tranemo's commitment to innovative and sustainable product development.

"This is a step in the right direction and it opens up new opportunities for us. We have been actively working to find a fluorocarbon-free alternative that meets our high standards of safety and environmental performance for several years. Cantex WS is a result of that work and we are proud to announce it today," says Max Larsson, CEO of Tranemo.

The innovative Cantex WS is a new generation of inherently flame retardant Cantex garments for the metal working industry. In Cantex WS, Tranemo has combined advanced material technology that is totally free from fluorocarbons, with properties that have become synonymous with Tranemo – outstanding safety features and long service life.

"This is more about evolution than revolution. With the new Cantex WS collection we have refined and enhanced many features that are important to users, whilst maximising environmental performance at the same time.

Cantex WS brings us a step closer to our

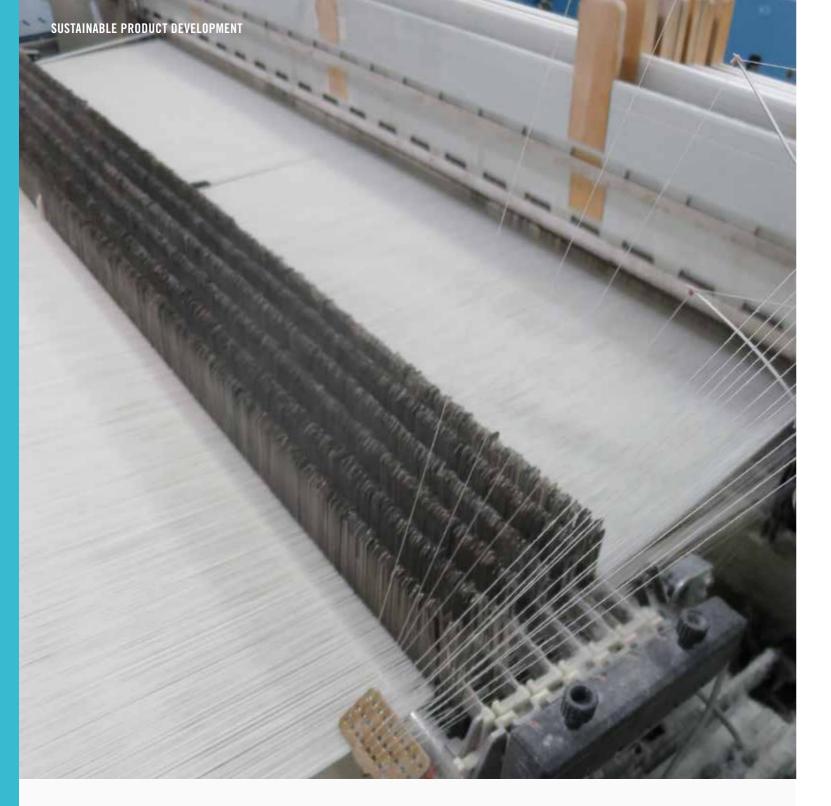
ambition to reduce the use of PFAS in our products," says Max Larsson.

Perfluoroalkyl substances (PFAS) have been used in the textile industry for a long time to protect textiles from moisture, grease and dirt. However, these substances break down extremely slowly and therefore have negative effects on the environment and health.

Tranemo sees great potential in the newly developed technology, which eliminates the need for treatment with fluorocarbons without affecting the overall level of protection of garments. This makes the collection a pioneering commitment to innovation and the first of its kind on the market.

"We have already completed all the necessary tests, with promising results. The next step is to monitor how the collection performs in real-life applications. This will provide us with valuable feedback for implementing the technology in our other products," says Max Larsson.

"With the launch of Cantex WS we are taking our sustainability efforts to the next level. It feels inspiring to come up with innovative solutions that have less impact on the environment without compromising on the level of protection. Cantex WS takes us closer to our goal of gradually phasing out fluorocarbons from our products," says Nieke Sarink, Sustainability Manager at Tranemo.



MATERIALS AND TECHNOLOGIES

We consider environmental and climate impact at every stage in the product life cycle, right from the product development stage.

Our aim is to minimise environmental and climate impact throughout the life of the product until a garment is worn out and ready for recycling. Therefore, we focus on integration of more sustainable materials and technologies to reduce the climate impact.

CLIMATE SAVING SOLUTION DYEING

One of our main goals is to use better production technologies in order to reduce negative impact on environment.

We strive to apply solution dyeing for the products that are suitable for this dyeing technique. Traditional dyeing requires a two-step process. In the first step, fibres are produced without colouring. In the second step, colour is applied to the fibre.

With solution dyeing, one step is eliminated. It is based on a process of adding pigments to the spinning solution. The solution dyeing technology significantly reduces water use in the dyeing process and reduces energy use and subsequent greenhouse gas emissions.

Replacing synthetic piece dyed fabrics with solution dyed fabrics, can result in a reduction of 16% in total climate impact.¹

Positive environmental effects of solution dyeing:

- Helps to reduce water consumption during production
- Helps to reduce the chemical pollution of our planet
- Helps to reduce CO₂ emissions

Sold dope-dyed Tranemo fabrics

| | 2019/20 | 2020/21 |
|----------------|---------|---------|
| Meter (m) | 9801 | 14214 |
| Total increase | | + 45% |





Recycling

RECYCLING OF PRE-CONSUMER WASTE

By recycling the pre-consumer waste, including excess and waste that occurs during production, we can also create new possibilities for prolonging life-cycle of textiles.

Together with our main fabric supplier we have started a project with an effort to recycle the fabric production waste. The aim is to reduce the amount of virgin material used, but also the amount of the total waste generated from production. According to calculations, recycling of the weaving waste can save up to 29,400 kg of our production waste each year.

The recycling of pre-consumer waste is an advanced procedure that starts with the recycling fabric waste already created in the weaving stage. In this process, we collect the waste produced in our garment production and send the waste material to our supplier for recycling. The next step in the project is to develop fabrics that contain the optimal amount of recycled content without affecting the performance of the end product.

During 2020-21 we saved 7877 kg of pre-consumer waste from different suppliers.

RECYCLED FIBRES

There are many factors to take into account when you assess the overall environmental impact of a garment. We see a good potential in using recycled fibres in our garments, as long as it doesn't affect long-term product durability.

The latest research report¹ from Research Institutes of Sweden (RISE) shows that the most effective way to reduce the environmental impact of clothing is to increase the useful life of garments. At Tranemo we are always aiming to produce protective clothing that has the longest possible life, through smart design, material selection and making garments that are optimised for industrial washing. We also focus on a variety of environmental measures to reduce climate impact. These measures include using recycled fibres in our garments.

RECYCLED COTTON

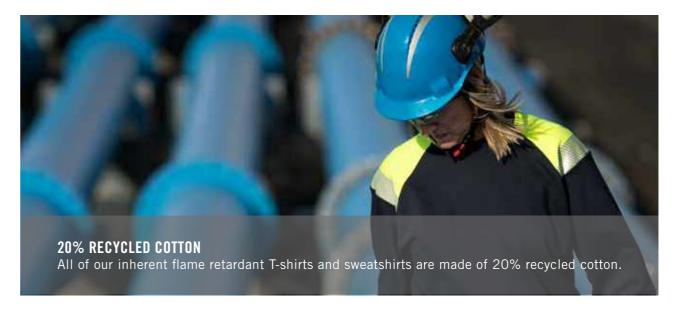
Recycling cotton fibre has significant benefits in tackling issues that are specific to cotton cultivation - such as the release of toxins into soil and water which lead to over-fertilisation and subsequent toxic effects on the environment. By using recycled cotton in our garments, we reduce the amount of new cotton that has to be grown. And by using cotton that is already in circulation, we reduce the strain on nature's resources. A certain amount of new cotton is still needed to ensure that the fabric remains strong and its strength is not compromised. Tranemo therefore uses a mix of virgin and recycled cotton fibres.

RECYCLED POLYESTER

In 2021 we have introduced recycled polyester in our quilted winter garments in our non-flame retardant garments. The quilt contains about 45% recycled fibres, depending on the construction. Recycled polyester is made from post-consumer PET, and is certified recycled.

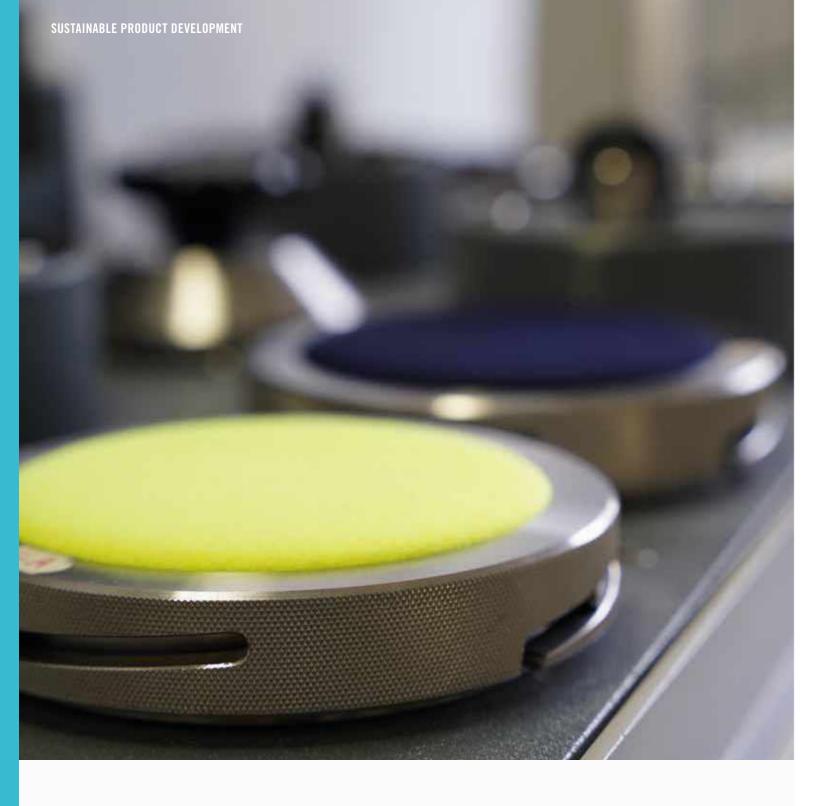
Recycled fibres in Tranemo fabrics

| | 2019/21 | 2020/21 |
|----------------|---------|---------|
| Meter (m) | 22936 | 27490 |
| Total increase | | + 20% |



TRANEMO | SUSTAINABILITY REPORT 2020/21

TRANEMO | SUSTAINABILITY REPORT 2020/21



DEVELOPMENT THROUGH QUALITY

Quality is an important part of our day-to-day work at Tranemo. The purpose of our quality efforts is to safeguard the sustainable development of products and main processes through continuous improvement.

Tranemo has a quality management system that fulfils the requirements of standards ISO 14001 and ISO 9001.

By using durable and hard-wearing materials, we develop protective clothing that lasts

Our Fabric Quality Manager Anna Larsson ensures that all the materials we use in production are of high quality and meet our specific requirements.

How do we ensure quality at Tranemo?

We have a well-developed quality process that covers production and the development of new fabrics. We test and check textiles in our laboratory, with an emphasis on properties such as wash-ability, shrinkage, colour-fastness, tear strength and abrasion. Quality control tests of our inherent flame retardant fabrics consider other important properties, such as flammability and the ability to repel water and chemicals.

Ensuring that each fabric is tested and approved before production is an important base point for our quality work. It leads to fewer complaints, as it can even eliminate some problems before we start production.

What progress has been made in the quality sphere at Tranemo over the past year?

In spring 2021, we launched our new Cantex Weld Stretch (WS) collection, with a completely fluorocarbon-free formulation that meets chemical standard EN 13034 for acids and alkalis. Cantex WS also has improved fabric durability, garment flame retardancy and service life.

How important is Tranemo's quality work for the world around us?



Through textile innovation we can further improve the protective properties of our flame retardant clothing. This means greater safety and security for our users. We also recognise the importance of sustainability in every detail and are able to offer sustainable protective clothing that does not compromise on user safety.

How does this work benefit sustainable development in the short term and long term?

Continuous quality improvement is vital to maintain the high standard of the materials we use. By using durable and hard-wearing materials, we produce sustainable, long-lasting clothing that withstands frequent washing and hard use.

What is Tranemo's future vision for quality?

We will continue to focus on the sustainability of the materials we use, from selection of the most suitable fibre to projects that focus on fabric recycling. At present, for example, there is a lack of research on certain fibres that could be of interest for our future product development. Better access to fundamental information could give us better opportunities to create the most sustainable protection solutions and ensure the safety of users.



Quality assurance

We work with several ISO standards and continuously strive to find new and better ways to work more sustainably. This is a part of our values, our vision and our internal processes.

TRANEMO QUALITY MANAGEMENT SYSTEM

Our quality management system has for several years been certified in accordance with the standards ISO 14001 and ISO 9001. This involves systematic environmental work with an aim to improve and further develop important processes in our quality management system. The certifications are proof of our efforts and commitment to continuously improve our operations for more sustainable development.

Before a finished product is approved, it has to pass the following tests:

- Before manufacturing begins, we specify and approve all materials that will be used in the product.
- All fabrics and reflective stripes / details are tested in our laboratory. Various properties are tested, depending on how the fabric will be used and what purpose it will serve. Key properties can include shrinkage, strength, colour-fastness, pilling and combustibility.
- Products and fabrics are only certified after extensive testing by certified external
- The quality control process also includes incoming inspection of finished garments.

TESTING LABORATORY

We also use our own test laboratory in our product development, where we test different materials and key properties so we can continue to manufacture products with the best possible quality. For extensive testing we use certified external laboratories.

WEARER TEST

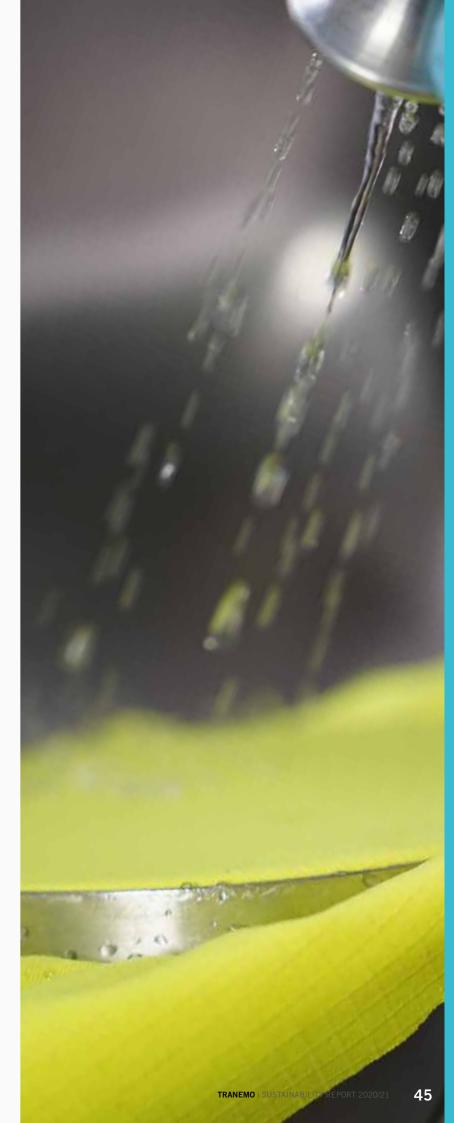
In collaboration with major customers, Tranemo undertakes extensive wearer trials to ensure that all necessary functions are featured on the garment and that it offers comfort and performance in the workplace.

Comfort and ergonomic issues are reasons often cited for the inappropriate wearing of protective clothing, i.e. not wearing garments correctly or not wearing them at all.

INDUSTRIAL LAUNDERING

Industrial laundering of FR garments is often recommended to ensure that they are clean and safe to wear. To achieve the best results, we also always recommend that a customer test washes the specific garment first, in line with our washing instructions.

Tranemo performs fabric tests after several industrial laundry washes according to EN ISO 15797 including: EN ISO 11612 A1 Surface Ignition, EN ISO 20471 High Visibility and EN 1149-3 Anti-Static.





LOGISTICS AND DISTRIBUTION

To successfully contribute to reducing our total carbon footprint, we take measures to streamline our logistics and distribution flows.

This requires close co-operation through the entire supply value chain - from purchasing to delivery. We apply forecast driven planning through the sales and procurement phase before proceeding to logistics. This helps us to avoid surplus stock and thus contribute to more sustainable distribution.

PRODUCT TRANSPORTATION

Transportation of our products includes all transport between suppliers in our supply chain, incoming transport from main suppliers to our warehouse and outgoing transports from our warehouse to customers. Our aim is to reduce the greenhouse gas emissions from transport activities contributing to climate change. By selecting the right mode of transport, we can achieve lower emissions. Therefore, we prioritise sea transport as it is considerably more climate and environment friendly than road transport. Through careful logistics planning and use of co-freight possibilities, we can minimise the environmental impact of transportation of our products.

EFFECTIVE WAREHOUSE SYSTEM

By adopting sustainable warehouse logistic strategies, we try to achieve a significant reduction of time and costs required to perform logistics activities and to increase the environmental performances of our logistics systems.

We use automated order picking and integrated digital solutions for more precise deliveries. This results in a reduction in returns which reduces our transport footprint.



Plastic is an extremely versatile material that has contributed to numerous product innovations and convenience in everyday life. However, plastic consumption is growing at an alarming rate, generating huge amounts of plastic waste every year.

Reducing the environmental impact of packaging

Today plastic recycling in Europe has some limitations and most of the collected plastic goes to incineration with energy recovery. To increase recycling opportunities, plastic must be able to be sorted with help of the near-infrared (NIR) spectroscopy. Black, dark coloured or laminated plastics and stickers are not detectable by the NIR sensors and thus almost impossible to recycle. However, there is a great potential to recycle LDPE (low-density polyethylene) plastic as most recycling programmes accept it.

In our environmental strategy we have identified plastic recycling and reuse as one of our goals. With a focus on plastic packaging we try to find new sustainable opportunities for its usage and to rethink the role of plastics in our operations.

PLASTIC REUSE

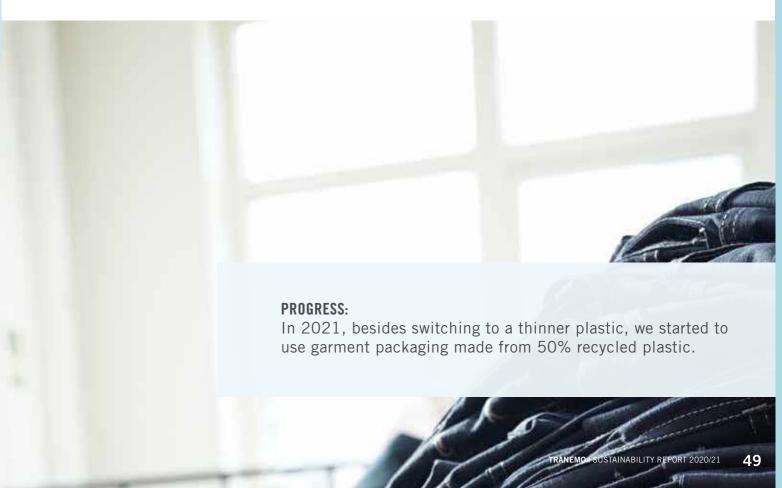
There are two major streams of plastic packaging used within Tranemo - plastic bags for garments and plastic packaging for transport materials. Plastic wrapping used in transport has been considered necessary from a safety point of view. Our ambition is to use different types of plastic, that are suitable for further recycling.

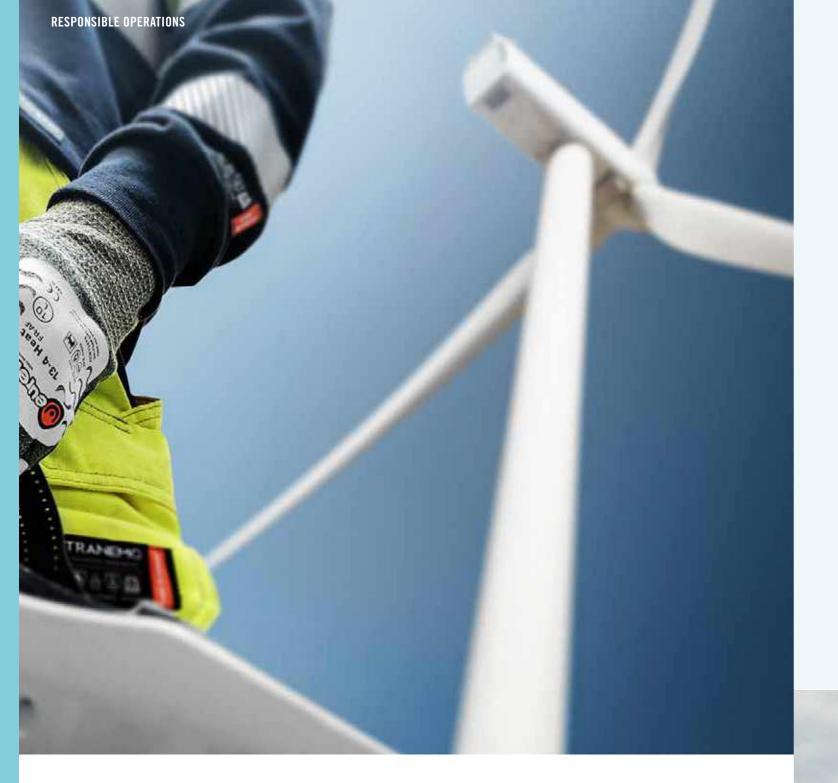
Due to the good recycling possibilities, we use LDPE (low density polyethylene) plastic in our own operations in Sweden. We also see it as our duty to carefully inform our suppliers about our requirements for plastic packaging. We have different suppliers using plastic bags in the garment packaging. The overwhelming majority of them use LDPE plastic, preferably without adhesive stripes, prints or other details in accordance with our specifications.

By investigating our plastic use in CMT (Cut, Make & Trim) operations, we detected that we can save about 221.5 kg CO_2 per year by switching to a thinner plastic and the transition process has been started; furthermore, plastic waste created during garment assembly processes can be avoided. As a necessary measure we implemented a process for the reuse of plastic by collecting plastic bags and reusing them at CMT production. According to our calculations, this can lead to a CO_2 saving of 420 kg per year.

USE OF RECYCLED LDPE PLASTIC

In 2021 we started to use plastic bags with 50% recycled content for garments produced in our own production facility and CMT production. These bags will suggestively replace the 100% virgin LDPE garment bags. Virgin LDPE is made from oil which is not a renewable source. By switching to partly recycled packaging we can reduce the need to use virgin materials.





ENHANCE THE ENERGY EFFICIENCY

We aim to reduce our energy use, both in our own operations but also across our supply chain. Through energy optimisation and transition to fossil-free and low-carbon energy solutions we can reduce our energy use.

We have taken action to reduce energy use as part of our continuous efforts to enhance the energy efficiency:

- Use more sustainable energy sources within our operations
- Invest in CO₂ reduction initiatives
- Choose suppliers with better energy sources
- Encourage suppliers to use more sustainable energy sources

Heating premises and the use of electricity account for the largest share of energy use in our operations.

Target 2025: 50% CO₂ savings from heating and electricity in our own operations.

MORE SUSTAINABLE ENERGY

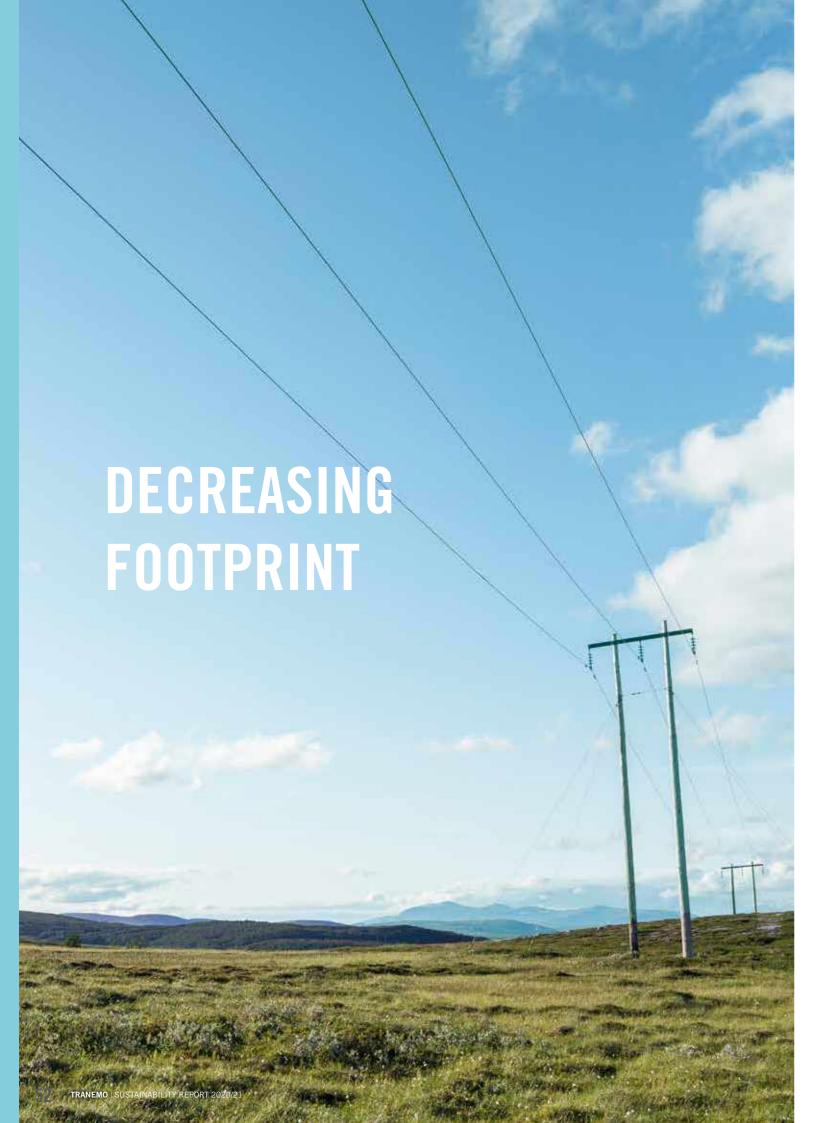
We are actively looking for ways to reduce the environmental impact of our own operations through energy use. A large focus is put on energy efficiency measures and increasing our renewable energy usage.

Renewable energy sources, including wind, solar and hydro-power, are the most sustainable. Today in our operations in Sweden we use an energy mix consisting of 100% fossil free sources including 49% renewable energy.

Towards 100% renewable energy

During 2020-21, Tranemo Benelux achieved 100% renewable electricity in their operations.

Our facility site in Bulgaria is implementing solar energy as a mainstream energy.



EVERY TON OF CARBON COUNTS

When it comes to climate action, every ton of carbon counts.

That is why we have thoroughly measured our greenhouse gas footprint to figure out where our emissions come from and target our efforts on our journey to sustainable operations.

HOW WE MEASURE OUR GREENHOUSE GAS EMISSIONS

We calculate the carbon footprint that our organisation generates by collecting data on CO₂ emissions that we leave through our electricity consumption, use of packaging and transportation. The carbon footprint is measured in tons of CO₂ equivalent. The results we obtain help us to reduce our greenhouse emissions and identify potential improvements that minimise our CO₂ footprint.

Goal: Reduce CO₂ emissions from transport

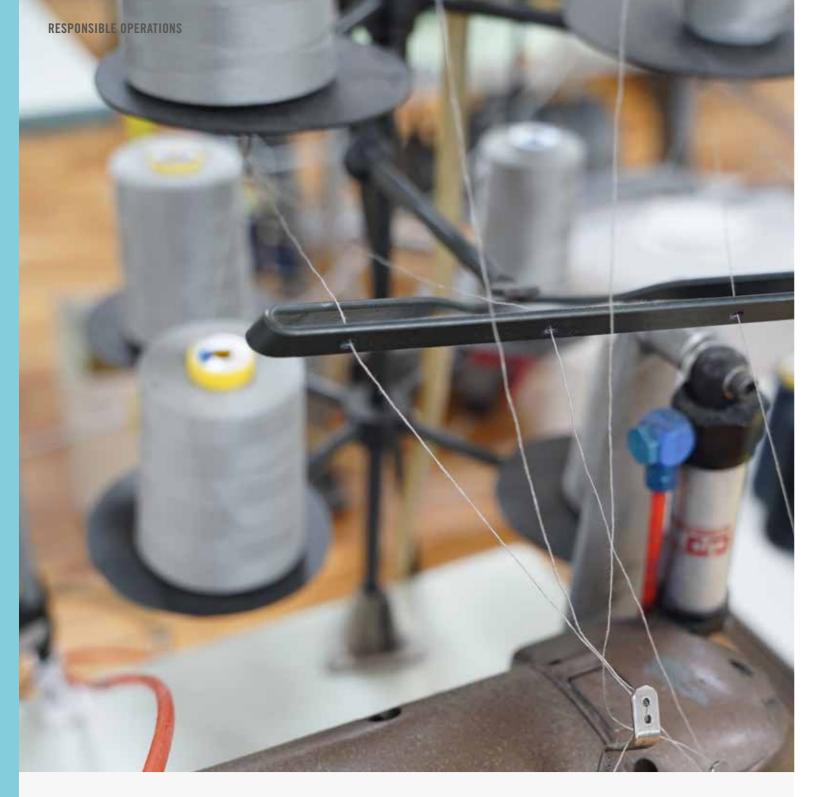
| Ton CO ₂ e | 2019/20 | 2020/21 |
|-----------------------|----------|----------|
| Air | 25,35 | 17,38 |
| Boat | 46,4 | 32,21 |
| Road | 72,35 | 58,84 |
| Rail | 0,03 | - |
| Total | 144,1 | 122,08 |
| Result | - 22,67% | - 15,20% |

Goal: Reduce CO₂ emissions from energy use

| Ton CO ₂ e | 2019/20 | 2020/21 |
|-----------------------------------|---------|---------|
| Heating ton CO ₂ e | 5 | 5,2 |
| Electricity ton CO ₂ e | 28 | 27,8 |
| Total | 33,11 | 32,98 |
| Result | + 5,73% | -0,4% |

Goal: Reduce CO₂ emissions from packaging

| Ton CO ₂ e | 2019/20 | 2020/21 |
|--------------------------|---------|---------|
| Reused plastic packaging | 0,1 | 0,47 |



RESPONSIBLE PRODUCTION

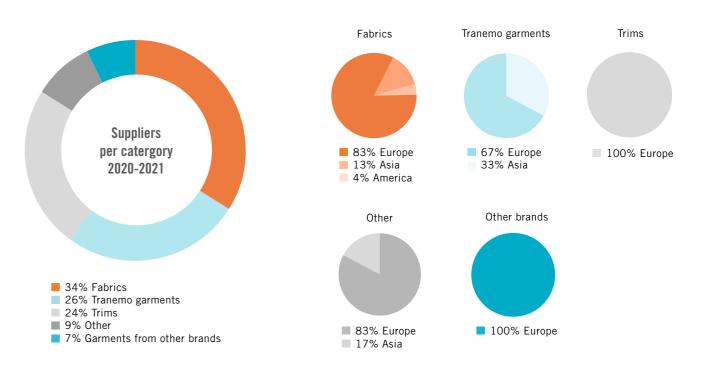
As we integrate sustainable development into our business activities, our supply chain plays a significant role. By developing our own facilities and continuously improving our co-operation with our selected suppliers, we can provide quality products while increasing our productivity.

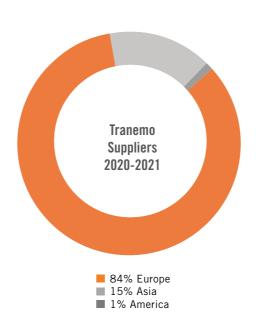
SUPPLY CHAIN MANAGEMENT

Tranemo plays an active part in improving the working situations of people who work further along the supply chain. Our supplier agreements cover a wide scope and set requirements in areas such as the environment, ethics and working conditions.

We own a production facility in Bulgaria which enables us to produce large volumes of garments to keep up with the ever increasing demand.

Besides our own production, our way of working today includes relationships with selected qualified partners located in Europe and Asia. The majority of our garments are produced in Europe.





We set clear and specific requirements and targets for our suppliers in the following areas:

- Working environment and safety
- Working conditions and opportunities for financial growth
- Providing the right conditions for paying fair wages
- Equality and respect
- Environmental awareness



Securing dignified working conditions

We strive to build long-term partnerships with suppliers, which is an important aspect of our goal. We regularly carry out audits on our suppliers' premises to ensure they meet requirements for a safe and secure work place.

SUPPLIER RELATIONSHIPS

Visiting our suppliers also gives us an opportunity to discuss, safeguard and develop the values that form the basis for Tranemo's Code of Conduct.

In order to qualify and also remain a supplier to Tranemo, our suppliers must accept and follow the requirements and guidelines set out in our Code of Conduct.

The items we check during the audits include:

- Fire alarms and fire-fighting equipment
- Safety equipment for hazardous work
- Emergency exits and clear signs on premises
- First aid kits
- Fire drills and training of employees in safety and health issues
- Employee facilities for hygiene and meals
- Examination of other documents to ensure compliance with our Code of Conduct

TRANEMO CODE OF CONDUCT

In order to qualify and also remain a supplier to Tranemo, our suppliers must accept and follow the requirements and guidelines set out in Tranemo's Code of Conduct. Tranemo makes continuous visits to its suppliers to review and ensure that set requirements are complied with.

OVERVIEW OF AUDIT STATISTICS 2020-2021

Number of active suppliers: 68 Main suppliers: 20

Percentage of suppliers covered by the code of conduct: 100 %

Number of reported code of conduct violations: 0

WHISTLEBLOWER REPORTING

Integrity and compliance with laws and regulations are our priorities. To detect potential irregularities, Tranemo has a whistleblowing system that allows employees and other stakeholders to safely report serious irregularities and misconduct. The whistleblowing system is based on fundamental principles such as protection of the whistleblower and the whistleblower's right to anonymity. Reports received via the whistleblowing system will be proceeded with the highest level of confidentiality.

According to national legislation, the whistleblowing process should only be used to report irregularities and misconduct relating to company management and other key persons.

Number of reports received during 2020-2021: 0

Benefits with own production facility

In our own production facility in Plovidy, Bulgaria we strive to create sustainable and efficient operations with a good working environment.





Production of garments

Europe Asia



ENSURING A HEALTHY AND SAFE WORKING ENVIRONMENT

Ou production facility should enhance the daily working life of employees and ensure that it is a great place to work. In our facility in Plovdiv we try to create good working conditions. The factory is equipped by ergonomic workplace furniture for more comfortable and healthy manufacturing space.

For a better quality of the work environment, the facility is operated according to LEAN 5S methodology. In addition, we have implemented concrete health and safety improvements to ensure safe conduct in the workplace. Worker accommodation is maintained safe, and provided with necessary emergency access, hot water, heat and ventilation and adequate personal space. By providing healthy lunch options we can keep our employees feeling energised and motivated.

SUSTAINABLE SOCIETY

COMMUNITY ENGAGEMENT

At Tranemo, we have a deep respect and commitment to the community in which our company was founded. We have a long tradition of strong local presence and close involvement with a variety of social contribution activities.

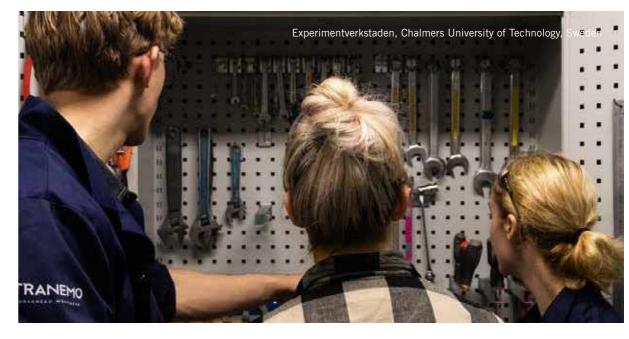
Through membership in a non-profit local association "Tillväxt Tranemo" we can help to safeguard and develop the Tranemo municipality by supporting associations and the business community. We hope that our engagement will contribute to organic growth of the Tranemo municipality and create good conditions for people and companies to work and collaborate.

By supporting local cultural associations, we help to organise festivals, theatre performances and concerts. In addition, because wellness is close to our hearts we not only sponsor sports events for our own employees, but also local clubs in activities such as skiing, orienteering, gymnastics, ice hockey and football.

SUPPORTING EDUCATION AND INNOVATION

Science and innovation is at the heart of everything we do. By engaging with schools, colleges and community groups, we help young people to learn new skills, and access opportunities. We are involved in different projects where we support high school students from the local community. We also provide internships at the Swedish School of Textiles and Textile Academy in Borås, Sweden.

For many years we have been supporting young engineers from Chalmers University of Technology in Gothenburg in their experimental projects in the frame of the engineering competition - Chalmers Formula Student. During these projects students have an opportunity to bridge the gap between engineering education and industry.



SUPPORTING YOUTH ENTREPRENEURS

Youth entrepreneurship is important as it benefits economic growth by creating job opportunities and increasing competitiveness. We support young people in promoting their own business ideas.



SUPPORTING SPORT

Sport is good for us and teaches us to lead healthier and more active lives. Positive health outcomes are one of the major benefits of youth sports participation. Sport activities are committed to supporting partnerships between local organisations and sports. At Tranemo we support different sport activities by sponsoring local community sports organisations.





EMPOWERING WOMEN TO THRIVE THROUGH SPONSORSHIP

Tranemo Workwear AS Norway has for several years been a loyal partner for LSK Women FK. In 2021, the collaboration was extended by another two years.

Marketing manager Frank Melbye emphasises that it is important for Tranemo to support LSK Women FK and women's football. He is also proud to have supported them for 10 years.

- This year we have chosen to increase our support for LSK Women FK so they can quickly return to the throne.

Frank Melbye is satisfied with the collaboration and looks forward to new projects together with LSK Women FK.

- In the future, I envisage that we can achieve a lot of good together.

GRI INDEX

This report has been developed inspired by the standards of the international sustainability reporting organisation Global Reporting Initiative (GRI). The data presented in this report has been collected over the financial year 2020/21.

For further information regarding the Sustainability Report, please see pages 2 and 66.

| GRI DISCLOSURE | GENERAL DISCLOSURES | PAGE | NOTES |
|----------------|--|------------------|-------------------|
| 102-1 | Name of the organisation | see note | Tranemo Textil AB |
| 102-2 | Activities, brands, products and services | p. 6-11 | |
| 102-3 | Location of headquarters | p. 7 | |
| 102-4 | Location of operations | p. 7 | |
| 102-5 | Ownership | p. 6 | |
| 102-6 | Markets served | p. 6 | |
| 102-7 | Scale of the organisation | p. 6-7 | |
| 102-8 | Information on employees and other workers | p. 12-13 | |
| 102-9 | Supply chain | p. 54-59 | |
| 102-10 | Significant changes to the organization and its supply chain | p. 4-5, 8-9 | |
| 102-11 | Precautionary Principle or approach | p. 21 | |
| 102-12 | External initiatives | p. 35, 61-63 | |
| 102-13 | Membership of associations | p. 35 | |
| 102-14 | Statement from senior decision-maker | p. 4-5 | |
| 102-15 | Key impacts, risks, and opportunities | p. 17, 21 | |
| 102-16 | Values, principles, standards, and norms of behaviour | p. 10, 14, 56-57 | |
| 102-17 | Mechanisms for advice and concerns about ethics | p. 56-57 | |
| 102-18 | Governance structure | p. 14 | |
| 102-40 | List of stakeholder groups | p. 11 | |
| 102-42 | Identifying and selecting stakeholders | p. 11 | |
| 102-43 | Approach to stakeholder engagement | p. 11 | |
| 102-44 | Key topics and concerns raised | p. 16-17, 20-21 | |
| 102-47 | List of material topics | p. 13 | |
| 102-49 | Changes in reporting | p. 2 | |
| 102-50 | Reporting period | p. 2 | |
| 102-51 | Date of most recent report | p. 2 | |
| 102-52 | Reporting cycle | p. 2 | |
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