

**postery**

***Sustainability Report  
2022***

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1.

# *Purpose of the report*

We are delighted to present the second Postery sustainability report. From now on, Postery will publish a report each year to show the goals we reached in the past 12 months, the challenges we faced, and what remains to be achieved in terms of sustainability. In our Sustainability Report 2022, we highlight our efforts made in the past year to promote responsible consumption and production, ensure fair working conditions in our supply chain, and reduce our impact on the environment. The 2022 Postery Sustainability Report summarises the year 2022 from a sustainability perspective.

Transparency means a lot at Postery, so we decided to publish sustainability reports. We want to be more transparent to our customers and main stakeholders for everyone to understand better our work and our product's overall supply chain.

This report has been prepared by the Sustainability and Creative Team and validated by our CEO and COO. No external party has validated this report or been part of its creation. Postery takes full responsibility for the content of this report.

If you have any questions about this report, please, contact us at [sustainability@postery.com](mailto:sustainability@postery.com).

2.

## *Words from the CEO*

Dear readers,

I am writing to you today with transparency and honesty, as I know our commitment to sustainability is an important priority for all of us. This past year has been challenging for our company, as we faced numerous financial obstacles and had to make difficult decisions to maintain our business operations.

In light of these challenges, we recognise that our sustainability efforts may have taken a backseat in some areas. However, I want to assure you that our commitment to sustainability remains unwavering. While we may have had to prioritise financial stability in the short term, we remain steadfast in our long-term sustainability goals and objectives.

We understand that sustainability is not just a buzzword or a passing trend, but a critical aspect of our business that impacts our stakeholders, the environment, and future generations. That is why we will continue to strive towards sustainability in all areas of our operations, even during these challenging times.

We thank you for your continued support and understanding and look forward to working together towards a sustainable future.

**Sebastian Johansson**  
*Founder & CEO*

3.

## Who We Are

### 2022 at a glance

20

Employees between the head office and the warehouse.

50%

Women and 50% men when combining the head office and warehouse workforce.

45

Number of markets we sold our products in.

5

Number of countries where our tier one suppliers are located.

350 000

Number of products we sold.

Germany,  
The United State,  
and Sweden.

Our top 3 markets.

97%

Of our products were produced in Europe.

43%

Of our packaging was FSC® certified.

92%

Of the purchasing value was from suppliers that have signed the Postery Code of Conduct.

## About Us

Postery is a Swedish brand bringing you carefully designed and unique art prints. As a curious and creative team based in Gothenburg, Sweden, we believe in diversity, value and quality. Our love for the arts unites us. We are passionate about current trends, contemporary art and art history, interiors and design, and everything that inspires our customers to create that personal space. With a focus on sustainability, craftsmanship and Scandinavian design heritage, our posters, frames, and hanging accessories are made to stand the test of time and as staples of a modern home.

We are committed to having minimal impacts on the environment while human rights and social principles are respected. As a young company, we know we still have a long journey when it comes to sustainability. However, we love challenges and want to be at the forefront of sustainability in our industry, so we are doing our best to offer responsibly made products.

For Postery, sustainability means “buy better, keep forever”. In other words, we want to offer responsible products with the highest quality for customers to keep them for a long time.

## Our Purpose

Our mission is to have a minimal impact on the environment while workers in our supply chain are fairly paid and work under conditions aligned with the different conventions of the International Labour Organization (ILO) and the Universal Declaration of Human Rights.

Postery's mission is to increase transparency and traceability throughout the entire supply chain. We are committed to disclosing every part of our supply chain to everyone to show how and where our products are produced and their journey to the consumers.

We are aware of the importance of offering sustainably made products sourced from sustainable materials. For us, this means products that are certified with highly recognised certificates, such as the FSC® certificate, which aligns with our standard requirements.

4.

## *2022 Highlights*

Despite the challenges faced in 2022, we are pleased to have achieved several significant milestones towards our goals. While the year was marked by the ongoing impact of COVID-19 on some parts of our supply chain, we were also impacted by the war in Ukraine, which had a more significant effect on our operations than anticipated. Despite these setbacks, we remain committed to transparency and have outlined our main achievements below.

### **1. Reduced by 89% our production in China.**

By 2025, we would like all our factories to be located in Europe. Reducing our products manufactured in China by 89% compared to 2021 is a huge milestone of which we are particularly proud. We value having our supply chain located in Europe as we know the environmental impact of transporting the products from China to our warehouse in Sweden is high. We also know that social laws are more regulated in Europe.

### **2. Created the first Postery Self-assessment.**

We created our first self-assessment that we sent to our most important suppliers. We wanted to learn more about the sustainability work our leading tier-one suppliers are doing, which is why we created our self-assessment with questions related to the production of our core products.

### **3. Updated the Postery Code of Conduct with the living wage and major environmental criteria.**

We are proud to have updated our code of conduct from the minimum wage to the living wage. By earning a living wage, we ensure all workers in our supply chain earn a wage that enables them to cover their basic needs, such as food, accommodation, and medicine and this for their whole family,

### **4. Calculated our scope 1 and 2 emissions and started with scope 3.**

In 2022, we calculated and monitored our scope 1 and 2 emissions with the help of the Worl favour CO2 calculator. We also started calculating our scope 3. Scope 1 refers to direct emissions Postery is responsible for, while scope 2 refers to indirect emissions from electricity or heating.

**5. Added the FSC® logo at the back of our prints.**

We added the FSC® logo of our supplier at the back of our prints to show our customers which certificate our prints have. By adding the logo, our customers can now track our supplier with the registration number. We also participated in the FSC® week in September to incentivise our customers and followers about what FSC® does.

**6. Non-discrimination document**

We are committed to a work environment at the head office, warehouse and throughout the whole supply chain where all individuals are treated equally, which is why we wrote and implemented a non-discrimination document for everyone working at Postery.



5.

# *Our Ambitions*

Our ambitions are still aligned with the ones we listed in our 2021 report. We have achieved some of our ambitions, such as updating our code of conduct from the minimum wage to the living wage, but most are still ongoing, and it will take some years to achieve them.

**1. Have 95% of our products with the FSC® certificate.**

Since wood and paper are our main materials, having most of our products with an FSC® certificate is our top goal. FSC® is dedicated to the promotion of responsible forest management worldwide.

**2. Calculate our scope 3 emissions.**

In 2022, we started calculating our scopes 1 and 2, which are the easiest to calculate. By 2025, we would like to calculate our scope 3 as they average about 70% of a company's emissions.

**3. Move our production to Europe.**

Even if only 3% of the products we bought in 2022 were produced in China, by 2025, we would like to have our entire value chain located in Europe. This is not only to reduce our CO2 emissions but also to ensure highly regulated working laws.

**4. Conduct a Life Cycle Assessment (LCA) of our main products.**

By conducting an LCA on our posters and frames, we could measure the environmental impact associated with all stages of our product's life cycle, from raw material extraction to end-of-life.

**5. Better know our value chain.**

By 2025, we strive to know all our tier 2 and 3 suppliers for our frames and prints. By doing so, we would better know our supply chain and where all parts of our core products are produced. Tier 1 suppliers produce directly for us, while tier 2 and tier 3 suppliers are involved further down the supply chain.

**6. Work on specific Sustainable Development Goals (SDGs).**

The SDGs were adopted by the United Nations in 2015 as a framework for companies and other identities to achieve a more sustainable future for all. There are 17 SDGs, all targeting different parts of

sustainability, such as ending poverty, hunger, and discrimination or achieving responsible consumption and production. By 2025, we would like to have a clear roadmap on how to target and work on different SDGs we believe are essential for Postery to focus on.

**7. Work on the economic pillar of sustainability.**

Our sustainability strategy is mainly focused on the environmental and social pillars of sustainability. By 2025, we would like to also work on the economic pillar, which is just as important.

6.

## *Supply Chain Practices*

A large part of Postery's success relies on having the right supply chain partners who share our value toward a more transparent and sustainable supply chain. We strive to maintain long-term relationships with our leading suppliers in order to commit to our main goal towards a more responsible and ethical supply chain.

Postery does not own any factory. Instead, we work with a network of around 15 factories across five countries. All our products are shipped to our warehouse in Sweden and from there are sent worldwide to our customers.

We have installed some tools in our supply chain management system when starting a partnership with a supplier and throughout the whole partnership. We ask all our main suppliers to:

- Sign the Postery Code of Conduct, which has been updated with the living wage (previously, we had minimum wage) and additional environmental criteria.
- Give us basic information about the factory (ies), such as the number of employees (women/men), vacation days, etc.
- Fill out our own Postery Self-Assessment to know more about their sustainability commitment.

As part of our transparency strategy, in 2022, we started publishing a Product Background under most of our products. For example, for all our posters, our customers can get information about the factory where our prints are produced. We publish main facts such as location, number of employees, vacation days, and the certificates the factory has. And also, a small text describing the supplier. We believe transparency is at the core of sustainability and want to lead our industry by sharing as much information as we have with our customers and other main stakeholders.

In our 2021 Sustainability Report, we published the main information about our suppliers. We decided to summarise the main information in this report as most information has stayed the same. Please, refer to our 2021 Sustainability Report if you want to learn more details about our suppliers.

## Production countries

One of our main goals for 2022 was to decrease the share of products manufactured in China. The main reason was to reduce our CO2 emissions from transportation from China to our warehouse in Sweden. Furthermore, even though all our suppliers in China have signed our code of conduct, European regulations are stricter, ensuring a more regulated production environment.

We are proud to have purchased only 3% of our total purchasing order value from China in 2022. The 97% remaining was produced in Europe. Compared to 2021, when we purchased 28% of our total purchasing value in China, it represents a significant decrease. Indeed, it represents an 89% decrease compared to 2021.

In 2022, our main production countries were Estonia and Sweden, representing about 85% of our purchasing value. Our main products, frames and prints, are produced in these two countries.

In March 2022, we visited one of our frames factories in Estonia, where we saw the process of producing our frames. Even if we communicate daily with the office in Estonia, it was valuable to meet with most workers and see the factory where most of our frames are produced. Our goal is to visit our factories more often to better communicate with the workers and follow the production process.

# 97%

Of our products were  
produced in Europe.

## Our tier one suppliers

Below, we have summarised the information regarding the location and workforce of our leading suppliers. This information represents 99% of our suppliers in terms of order value for 2022.

## Postery tier one suppliers:

Total workers: 499

Total women: 71\*

Total men: 128\*

Percentage female: 36%\*

Percentage male: 64%\*



### Sweden

Number of suppliers: 2

Number of factories: 2

Total workers: 96

### Estonia

Number of suppliers: 1

Number of factory: 1

Total workers: 53

### Germany

Number of suppliers: 1

Number of factory: 1

Total workers: 300

### China

Number of suppliers: 1

Number of factories: 1

Total workers: 40

### Lithuania

Number of suppliers: 1

Number of factory: 1

Total workers: 10

\*One supplier did not give us the share of women/men, so they have been excluded from the total women, men and percentage.

7.

# *Our products*

## **Quality**

The most effective way to reduce the overall environmental footprints of our products is to ensure our customers can use them as long as possible. This is why we aim to create and offer high-quality, premium products and make them accessible globally to our customers. Our art directors thoughtfully curate each poster collection while the frames have been designed in collaboration with our suppliers. We select suppliers that can offer excellent quality while respecting fair working conditions and the environment.

We perform quality checks of our products and keep close communication with our suppliers whenever we get concerns from our customers to ensure we maintain the highest quality.

We aim to offer products that last for a long time. Therefore, we offer the possibility to replace the glass that is included in our frames as it can break. By providing the possibility to replace a part of the frames, we minimise the use of raw materials and ensure a longer lifespan for all our frames.

By 2025, we would like to perform a Life Cycle Assessment (LCA) of our main products to understand better their impact through the whole supply chain to the end use. An LCA would help us understand where the most significant environmental impact lies in the production process of our prints and frames. With the data gathered, we would increase resource-use efficiency and decrease liabilities. We are in contact with a third party to start analysing our prints and our most popular frames.

## **Material**

Even if we have not yet conducted an LCA, the most significant part of a product's environmental footprint usually comes from producing and extracting the raw material. Therefore, making sure our raw materials come from responsible sources is crucial for us.

Since our most popular products come from forest-based raw materials, we highly value the FSC® certification. The FSC® label means that the materials used have been responsibly sourced. In 2021, we received our license number to promote our FSC® certified products correctly. In 2022, we participated in the FSC® week with several other companies worldwide. We shared information about the value of forests and how choosing sustainably sourced products can help create resilient forests for the future.

The Forest Stewardship Council® (FSC®) is a global, not-for-profit organisation that promotes responsible forest management worldwide. FSC® defines standards based on agreed principles for responsible forest stewardship supported by environmental, social, and economic stakeholders. FSC® is dedicated to the promotion of responsible forest management worldwide. (To learn more, visit [www.fsc.org](http://www.fsc.org))

In 2022, all our posters were printed by our poster supplier, located only a few kilometres from our warehouse. We use MultiDesign® paper, a high white premium wood-free paper. This wood-free paper contains bleached wood pulp, which prevents yellow lignin. The paper is sourced from wood, but a part of the wood has been removed during the production process, making this paper to be classed as wood-free.

The paper we used in 2022 for all our prints is 240g/m2 to offer high-quality and durable print results. In addition, all our prints are FSC® MIX certified, have the EU Ecolabel and the Nordic Swan Ecolabel, and are Elemental Chlorine Free.

Another core product in our assortment is our wooden frame. Our regular range of wooden frames has no FSC® certification. For 2022, we aimed to source our wood from responsible production such as FSC® certified wood. However, due to several factors, we had to postpone this project. We aim that by 2025, 95% of our products will be FSC® certified to ensure that most of our assortment comes from responsibly sourced production.



# The Postery Material Tool

In 2021, we created a material tool to guide the Postery team in developing to reach our goal of working with mainly sustainably sourced material. We have not updated our material tool since last year but aim to update it if needed.

The Postery Material Tool is divided into sustainable and non-sustainable materials. The sustainable material category is divided into two classes. Class 1 refers to the materials we consider the most sustainable as they are from either recycled or 100% sustainable certified materials. Class 2 refers to mixed components materials, with the most significant part being sustainably certified. The non-sustainable material category represents the material we want to remove from our production in the near future as they are not sustainably certified.

Sustainable Materials		Non Sustainable Materials
FSC® 100%	FSC® MIX	Non certified paper
FSC® Recycled	PEFC Certified	Non certified wood
PEFC Recycled		Leather



## Packaging

Packaging is essential to our product as it ensures that our consumers receive orders in the best possible conditions. Our goal in the coming years is only to use recyclable or compostable packaging to minimise the impact on the environment of our packaging.

In 2022, we changed our packaging when sending only posters from plastic bags to cardboard boxes. We took this decision because it is easier to stack boxes than tubes making transportation more efficient and reducing the plastic used in our packaging. Most of our packages are made of cardboard or paper so we want to incentivise our customers to sort packages correctly according to their countries' recommendations. In 2022, we could not remove all our plastic as we have fragile products, such as our frames, that need to be wrapped in plastic to protect the corners (corner protections are in cardboard). However, we will look at better solutions with our suppliers in order to reduce the plastic used in our packaging.

We also changed our tubes supplier to have only FSC® certified tubes. By making this change, we increased our share of FSC® certified packaging. In 2022, we had 43% of our packaging that was FSC certified. In the near future, we want all our packaging to be FSC® certified.

# 43%

Of our packaging  
was FSC® certified.

8.

## *Calculating our GHG emissions*

Calculating our CO<sub>2</sub> emissions is an essential first step in fulfilling our commitments under the Paris Agreement. By understanding our carbon footprint, we can identify the areas where we need to make changes to reduce our emissions. The Paris Agreement is a legally binding international treaty on climate change signed by the majority of countries around the world. Its main goal is to limit the temperature increase to 1.5°C above pre-industrial levels.

Before working on targets related to our CO<sub>2</sub> emissions, we want to monitor our emissions to understand where we can improve and reduce our emissions. Therefore, our ambition for 2022 was to start calculating our GHG emissions scopes 1 and 2. Before showing the results, we included a small summary of what CO<sub>2</sub> emissions are and why there is a need for everyone and every company to start monitoring their emissions and set specific targets to reduce these.

Greenhouse gases (GHGs) are gases in the Earth's atmosphere that create the greenhouse effect by trapping heat. Without these greenhouse gas, we could not live on planet Earth as they make our planet habitable. However, due to massive human activities such as burning fuels and farming, the amount of GHGs in the atmosphere increases and results in global warming, thus changing the climate. There are four main GHGs, with carbon dioxide (CO<sub>2</sub>) being the most well-known. CO<sub>2</sub> is released mainly from the burning of fossil fuels. The energy, transport and manufacturing sectors are the main responsible sectors. CO<sub>2</sub> stays in the atmosphere for hundreds of years.

Because of the massive impact on the climate, there is a need to reduce GHG emissions and, thus, CO<sub>2</sub>. There is a need at the individual and company levels to mitigate these emissions. Still, it has been shown that the company level is more impactful, which is why we, at Postery, want to take responsibility for our emissions.

The first step is to start calculating the emissions to understand where we stand and what targets we can work on. To facilitate calculating a company's emissions, emissions have been split into three categories, scope 1, 2 and 3. These categories were defined by the Greenhouse Gas Protocol (GHGP), an organisation that established a standardised framework to manage GHG.

By dividing our emissions into these three categories, it helps us understand which area emits the most. Scope 1 and 2 refer to emissions a company should be able to control, while scope 3 relates to indirect emissions. More into detail, scope 1 emissions refer to direct emissions a company is responsible for. According to the GHGP, direct emissions refer to emissions from sources that are owned or controlled by the reporting entity. Scope 2 refers to GHG emitted from the generation of electricity and other powers that the company buys. Scope 3, which accounts for the most significant part of a company's GHG emissions, refers to all indirect emissions. The last category is the most important to monitor but also the most difficult one as it relates to many different emissions from before producing the goods until after the consumer buys the product.

## **Calculating scope 1 and 2 emissions**

To calculate our scope 1 and 2 emissions, we used the newly created Worldfavor CO2 Emission Calculator. We want to thank them for creating an easy tool accessible at no cost. This calculator is still in a beta version, but since scope 1 and 2 emissions are emissions relatively accessible, we decided to trust this calculator fully. The CO2 Emission Calculator automatically converts all business activities into GHG emissions.

### **Scope 1**

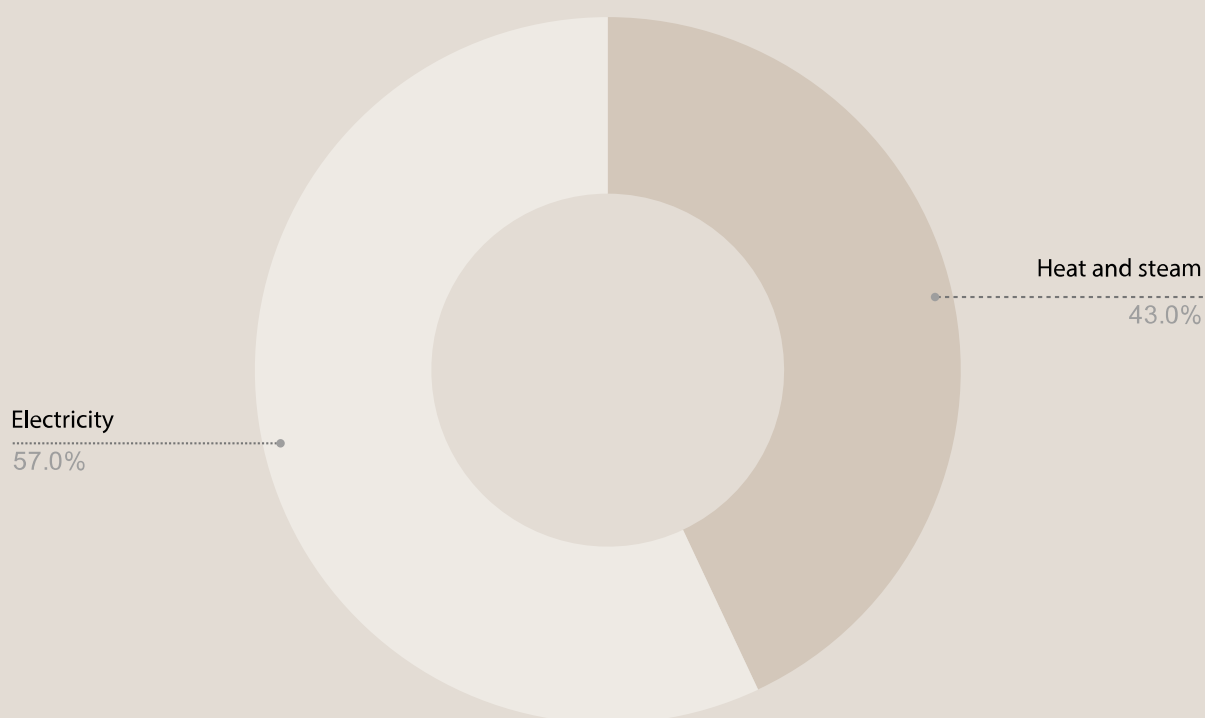
Scope 1 refers to direct emissions from company-owned vehicles. As a small company, we have one company-owned vehicle. We do not own any delivery vehicles or any other vehicles. Since our only vehicle is an electric car with an emission factor of zero, we do not emit any scope 1 emission.

### **Scope 2**

As written above, scope 2 emissions are the GHG emitted from the creation of electricity and other kinds of power that the company purchases. The easiest way to calculate these emissions is by looking at the company's electricity usage. To measure our scope 2 emissions, we calculated our

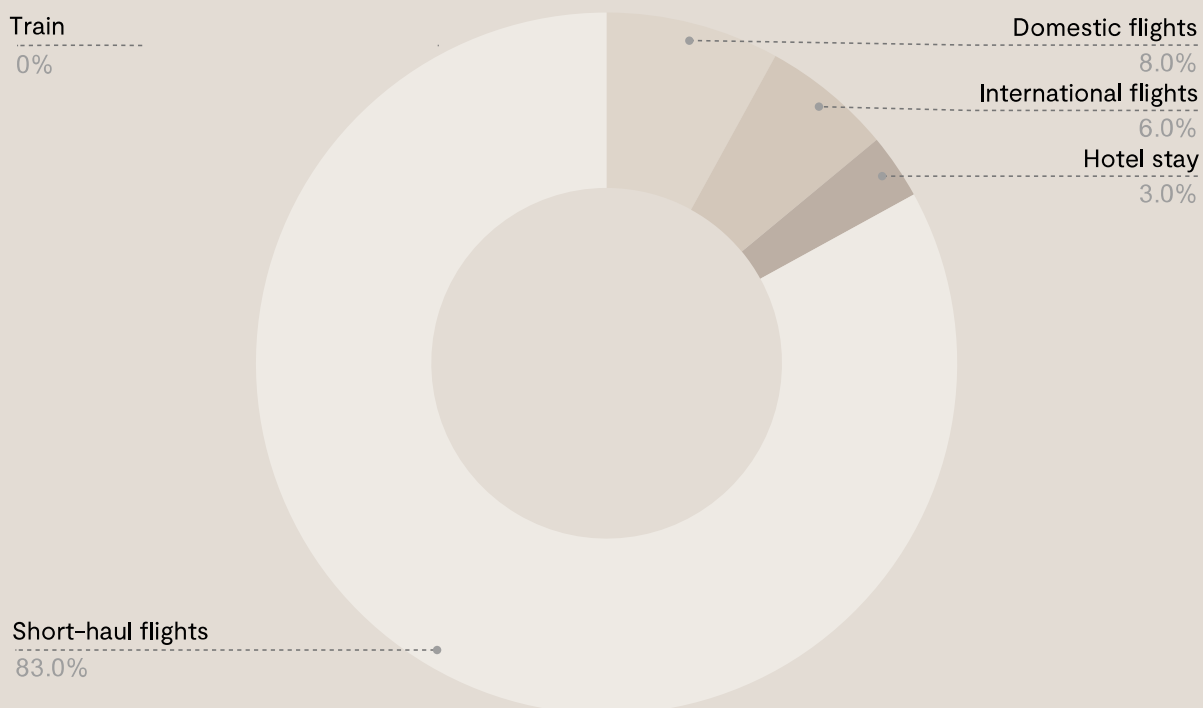
electricity and heat used for the head office and our warehouse. Our total scope 2 emissions for 2022 were 4 578 kg of CO<sub>2</sub>. Below is a breakdown of our two primary sources of emissions for scope 2.

In the section related to our office, you can see our monthly electricity usage at the office and warehouse.



### Scope 3

Scope 3 is the most difficult to calculate but also the most important to understand as they account for about 70% of a company's total emissions. As a small company, we do not have the resources yet to fully calculate our scope 3 emissions. For 2022, we calculated our emissions related to business travel Postery employees did, mainly to visit our suppliers and meet with new partners. The total emissions from business travel were 7 401 kg CO<sub>2</sub>. Short-haul flights had the most significant impact representing 83% of our emissions for business travel.



## Transportation emissions

We started by asking our logistics partners to give us the data for the orders we sent with them in 2022. Some shared the information, but others asked for a high fee to access this data. As a small company with few resources, we could not afford these fees.

Our leading partner for our European markets gave us the data for 2022. The orders we sent with them accounted for 55% of our total orders. The total emissions emitted by sending the orders with this partner accounted for 91 091 kg of CO<sub>2</sub>. We can see that compared to our scope 1 and 2 emissions, it is already much higher, which shows the importance of calculating scope 3 emissions. This number does not account for all our inbound transportation from our suppliers to our warehouse, which are emissions we would like to start looking at in the coming years.

Even if we have not calculated all our scope 3 emissions, we still included a graph with all our emissions divided by scopes. The graph shows that even if we have not calculated all our scope 3 emissions, they already account for more than 90%.

**Scope 1**

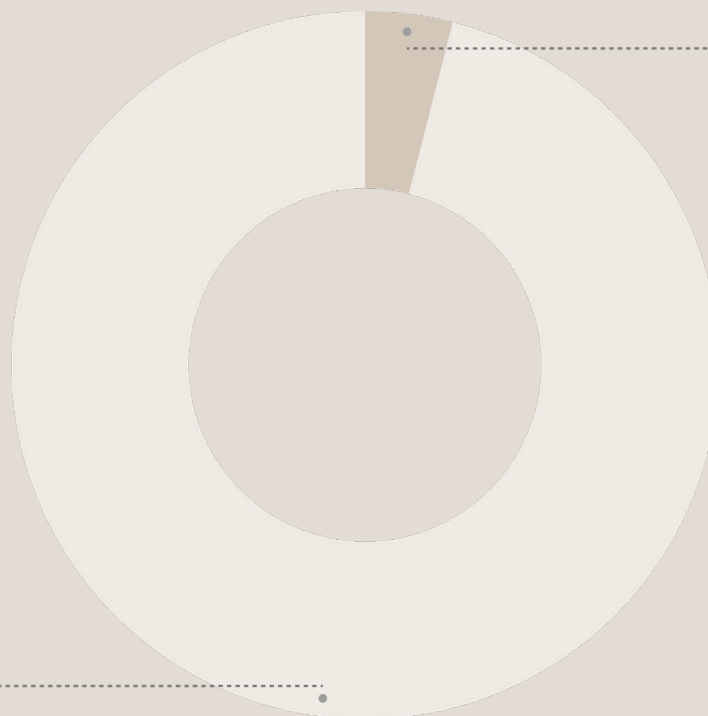
0%

**Scope 2**

4.0%

**Scope 3**

96.0%



The above graph shows how important it is for us at Postery to prioritise calculating and reporting our CO2 emissions, significantly our scope 3. By knowing our scope 3 emissions better, we will be able to target specific areas of improvement and set goals for the coming years. We will do our best to calculate most or all of our scope 3 emissions by the end of 2025.

9.

# *Social Actions*

## **Postery Code of Conduct**

In 2021, we created and implemented the first Postery Code of Conduct to ensure our products are produced under fair working conditions. We based our code of conduct on well-known conventions regarding human rights, such as the International Labour Organization conventions, the Universal Declaration of Human Rights, and the UN Guiding Principles on Business and Human Rights.

The Postery Code of Conduct aims to define minimum sustainability requirements that all business partners working with Postery must meet and agree to. This code of conduct shows Postery's commitment to striving to be recognised as a sustainable, open, and trusted company throughout the whole supply chain of Postery's products. This code of conduct sets the basis for our approach when deciding to achieve responsible sourcing of our products.

When creating the Postery Code of Conduct, the most significant social risks we identified relate to working conditions. In 2021, the Postery Code of Conduct included 11 principles. One of our goals for 2022 was to update our code of conduct from the minimum wage to the living wage. Even though most of our production factories are in Europe, where strict human rights laws apply, we felt the need to ensure all the employees producing goods for Postery earned a living wage.

In some parts of the world, earning the minimum wage does not necessarily mean the workers can pay for their basic needs. "Basic needs" refers to including costs like housing, nutrition, clothing, healthcare, education, drinking water, childcare, transport, and savings in the salary calculation.

By changing from a minimum to a living wage, we ensure that all the workers in our supply chain can cover their basic needs. This is also in accordance with the ILO Conventions 26 and 131, where it is written that salary shall meet the basic needs of workers and their families and provide discretionary income.

Since we updated our code of conduct with the living wage, we decided to add five new principles regarding environment management at the factory level. We added:

- Water management and wastewater
- Waste management
- Chemical management
- Energy management
- Responsible use of raw material

92% of the purchasing value in 2022 came from suppliers that have signed the Postery Code of Conduct.

We now have 16 principles in our code of conduct, which are summarised below:

## The Postery Code of Conduct

### 1. No child labour.

We do not tolerate child labour in any production sites manufacturing goods.

### 2. Employment is freely chosen.

All employees manufacturing goods for Postery must have chosen their work freely.

### 3. Legally binding employment relationship.

All suppliers must ensure legally binding employment relationships with their employees established under national law and industry standards.

### 4. Transparency.

All suppliers must be transparent and willing to share documents related to the production of the goods, such as the employees' working hours and wages.

### 5. Decent working hours.

Workers manufacturing products for us shall not work more than 48 hours per week and shall have at least one day off every seven days.



**6. No discrimination.**

Postery does not tolerate suppliers discriminating during recruitment, wage policy, admittance to training programs, employee promotion policy, policies of employment termination, and retirement.

**7. Fair remuneration.**

All suppliers must pay their employees the living wage applicable to national and industry standards.

**8. Freedom of association and the right to collective bargaining.**

All suppliers must let and recognise their employees to form, join or not join trade unions, bargain collectively, seek representation and join workers' councils per the national law, industry standards, and international conventions.

**9. No corruption.**

Postery does not tolerate any supplier engaging in or endorsing any form of corruption, directly or indirectly.

**10. Health & Safety.**

All suppliers working for Postery must provide their employees with a safe and hygienic working environment and promote the best occupational health and safety practices according to the industry and any specific hazards.

**11. Water and wastewater management.**

All suppliers must have a wastewater management system in place in accordance with local regulations and industry standards. The water used for producing Postery's products shall be used efficiently and responsibly.

**12. Waste management.**

All suppliers must have a waste management system in place in accordance with local regulations. Suppliers shall monitor, track, and document the waste created during the production process and of the packaging of the products produced for Postery.

**13. Chemical management.**

All suppliers must comply with European legislation and chemical regulations, whether in or outside Europe. Suppliers need to have material safety data sheets for the chemical they use.

**14. Energy management.**

All suppliers must monitor, track, and document the energy consumption in the factory(ies) producing goods for Postery to identify opportunities for improvement and minimise consumption.

#### **15. Responsible use of raw materials.**

All suppliers must optimise the use of raw materials and consider resource efficiency aspects. Since wood is a core raw material to produce Postery's goods, all suppliers must ensure the wood does not come from primary forests or other similar ecosystems and does not cause deforestation and human-induced degradation.

#### **16. Managing environmental issues.**

All suppliers shall implement and maintain an environmental management system to minimise environmental impacts. The supplier shall take adequate measures to reduce adverse effects on the environment.

# 92%

of the purchasing value was from suppliers that have signed the Postery Code of Conduct.

## **The Postery Supplier Self-Assessment**

In 2022, we created the Postery Supplier Self-Assessment to better understand our tier 1 suppliers. Instead of looking further into the tiers, we decided first to understand our most important suppliers. This self-assessment focuses on sustainability work at the supplier level.

By having our own self-assessment, we now have a better understanding of our suppliers' sustainability work. The aim is to update this assessment every year with more detailed questions to understand further how our suppliers target specific goals at the social or environmental pillar of sustainability.

In February 2023, we asked our main suppliers to answer around 100 questions about their company, factory, social and environmental management in 2022. The self-assessment consists of five main categories to understand the sustainability strategy and work at the factories producing goods for Postery. The five categories of our first self-assessment are:

- Company information
- Factory information
- General management
- Social sustainability
- Environmental sustainability

For 2022, the assessment has been filled out by a responsible person at the factory or company level. There has not been any check from a third party or the Postery team if the answers were correct. However, we have an excellent relationship with our suppliers and trust the answers they sent us. In the near future, we would like to conduct audits of our suppliers through certified companies in order to have more accurate data. In addition, we would like to work on detailed action plans to reach specific targets aligned with Postery's strategy.

The suppliers that have filled out the Postery Self-Assessment for 2022 represent 92% of the total purchasing value (in 2022). In the coming years, we would like all our suppliers, including the smaller ones, to fill out the assessment.

## **Main takeaways**

The suppliers who have answered the questions manufacture different products for us, from our frames, posters and also our packaging, as it is a core part of Postery's impact on the environment, and we want to ensure our packaging is made ethically.

### **Company information**

Even though we already had most of the company information from our suppliers, we asked further questions regarding their sustainability management at the company level. We found out that all our suppliers have a management representative to ensure compliance with environmental laws and regulations. They also all have a management representative to ensure compliance with labour, health, and safety laws and regulations. The representative can either be a specific role related to sustainability, but for one of the suppliers, it was the CEO for the social part and the Production Manager for the environmental part.

### **Factory information**

Last year, we required our most important suppliers to answer basic questions about their factories. These questions were also asked in the

self-assessment to have updated information. You can find the information for our core products under the product background on our website.

For 2022, 36% of women and 64% of men were working in the factories producing goods for Postery. All employees worked 8 hours per day and had an average of 24.6 days of vacation per year.

### **General management**

The third part of our self-assessment looked at general management regarding sustainability work. All the suppliers who filled out the assessment have also signed the Postery Code of Conduct, which means they all comply with national laws and regulations.

60% of the suppliers actively contributed to one or more Sustainable Development Goals. The suppliers that worked on a specific SDG in 2022 wrote that it was related to reducing their CO2 emissions which relates to SDG 13 – Climate Action.

We also asked questions related to the factory's employees' well-being, such as if they were offered specific training sessions to enhance their understanding of social and environmental sustainability. 80% of suppliers replied positively. Furthermore, all suppliers have a mechanism for employees to fill out complaints. In 2022, no complaints were raised.

For the following part, one of the suppliers has many sub-suppliers from which they buy the products we buy from them. They have not conducted any audits in their sub-suppliers, so the questions were unanswered. Therefore, we have removed this supplier from the following two parts of the assessment. The rest of the assessment still represents 72% of our purchasing value for 2022.

### **Social sustainability**

All suppliers have a written social responsibility policy or statement or commitment defining their approach to labour, health, and safety standards. They also have policies prohibiting forced labour and child labour. We asked them if the following areas were mentioned in their document, and all said yes:

- Human rights
- Fair working conditions
- Wages and benefits
- Health & Safety
- No discrimination
- Gender quality
- Freedom of association
- Harassment and abuse

These areas are also mentioned in the Postery Code of Conduct. All suppliers answered that they have a management system to monitor the abovementioned areas.

Moreover, 75% of the factories have been audited by an official company in the past two years. We have not asked to have access to these audits; however, it is part of our strategy for the coming years.

#### **Environmental sustainability**

In 2022, all suppliers had a management system in place to assess environmental risks associated with the production of the goods sold to Postery. They also all have a policy document that covers the following areas:

- Energy consumption / GHG emissions
- Water usage
- Hazardous emissions to air, water and soil
- Waste management
- Soil degradation
- Deforestation and other forms of conversion of natural habitat
- Other impacts on biodiversity

We asked the suppliers whether they had established environmental targets and goals to improve environmental performance. All replied that they had. However, when we asked which target they had, the answer was that it was in progress. Only one had a specific target for 2040. Even if only one supplier had a particular target, all review their environmental performance annually. When it comes to CO2 emissions, only 25% of the suppliers measured their emissions for 2022.

Lastly, half of the suppliers were audited by a certified company in 2022 regarding their environmental performance. As for the social part, we have not asked to have access to their audits, but it is part of our strategy for the coming years.

10.

# *Our Workspace*

## **Postery's head office**

At Postery, employees are considered one of our most valuable assets. Postery's employees are at the core of the company's future. The Postery HQ is located in central Gothenburg, the second-largest city in Sweden. Most functions of the business operate from there. From creating our prints and marketing materials by our Art Directors, taking care of our customers by the Customer Care team, to supervising the supply chains. All while incorporating sustainability into our everyday work and long-term goals.

In 2021, we implemented the "Postery Office Stewardship" to encourage employees to apply best practices for sustainability. This document shows employees what practices to implement to reduce Postery's environmental impact. This document states how to recycle at the Postery head office, minimise water (such as not allowing single-use water bottles) and paper use, and reduce energy consumption.

In 2022, we implemented the "Postery Non-Discrimination Policy". We are committed to a work environment at the head office and our warehouse where all individuals are treated equally. The Postery Non-Discrimination Policy has been written to ensure all employees work under equal employment opportunities and ban unlawful discrimination practices, discrimination, or harassment. The document's purpose is to ensure that Postery applies a non-discrimination policy from the hiring process to when working for Postery. Postery prohibits discrimination during the recruiting process, wage policy, employee promotion policy, employment termination and retirement policies.

# 60%

Female employees  
at the HQ.

## Postery's warehouse

An indispensable part of Postery is our warehouse and the warehouse team. All the employees working there are crucial for Postery's success, and without them, our customers would not receive their orders. Employees at the warehouse are responsible for managing all the orders we receive from our suppliers, such as frames and prints. This job requires great attention as it must reflect what we have on our website.

Another essential part is packing and sending all orders we receive as soon as possible to meet our customers' expectations. All orders are carefully packed manually by our employees at the warehouse. We are proud to have our warehouse located only a few kilometres from our print supplier and HQ.

# 40%

Female employees  
at the warehouse.

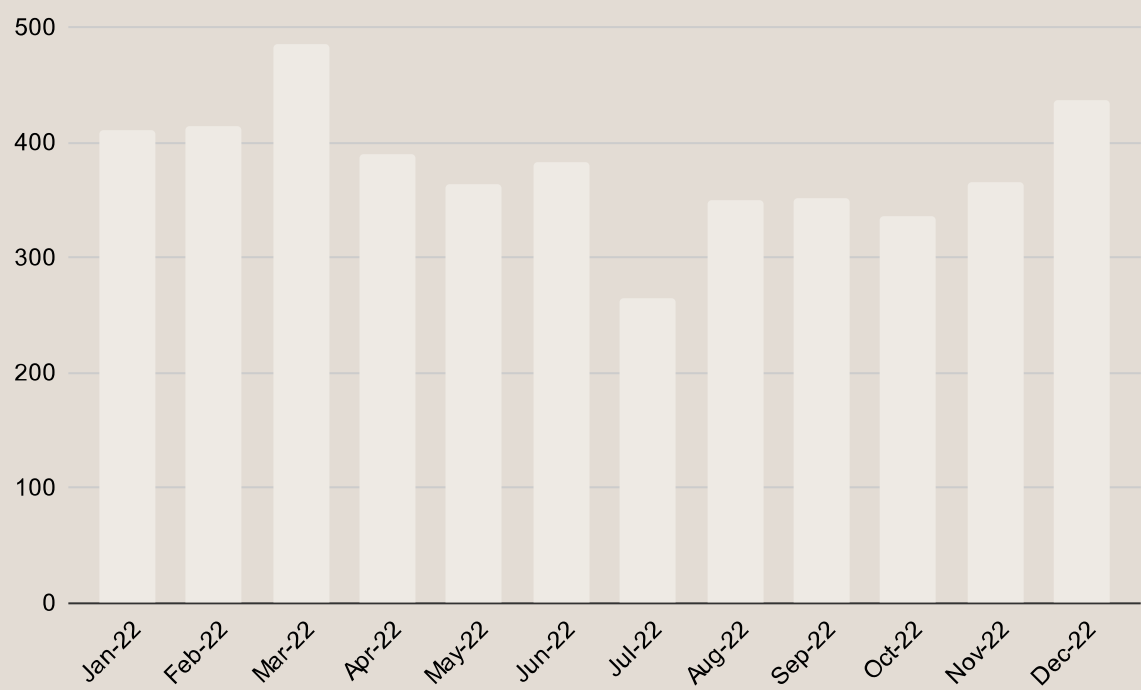
## Postery's energy use

In 2021, we started monitoring our energy use at the office. In 2022, we continued monitoring our energy use and added, from April 2022, our warehouse energy use. The energy used at our head office comes from renewable energy, more precisely from hydropower. We implemented a few steps to ensure we do not use electricity unnecessarily. For example, we have a central light switch to turn off all lights when the last person leaves the office, ensuring that no unnecessary lights are left on overnight. All employees are also required to turn off their screens before leaving.

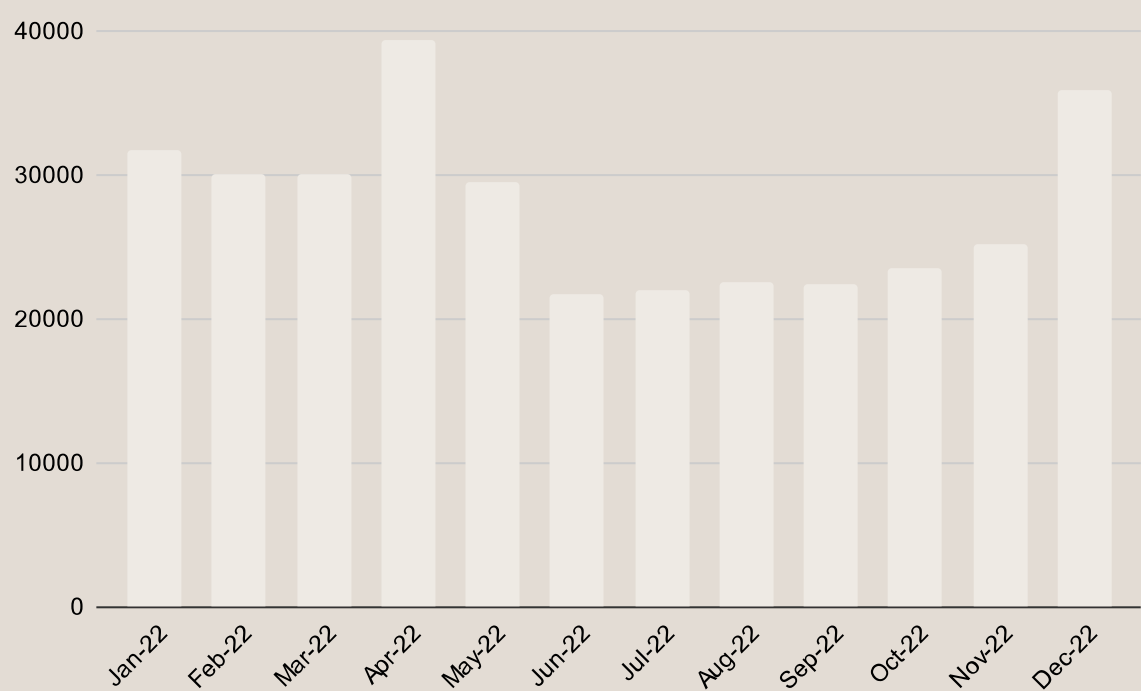
Our warehouse is much bigger than our office, which explains why we consumed almost 100 times what we did at the head office.



2022 - Energy use (kWh) at the Postery head office



2022- Energy use (kWh) at the Postery warehouse



11.

## *See you next year!*

Despite the ups and downs we faced in 2022, we are proud to share the progress we made in the past year towards becoming a more sustainable and responsible business. We recognise that, as a company, we have a responsibility to protect the environment and respect the worker's rights in our supply chain.

We updated our code of conduct to ensure that we adhere to the highest ethical standards. We also asked our main suppliers to fill out our self-assessment, which helped us better understand their sustainability practices and identify areas for improvement. This is an essential step towards building a more sustainable supply chain that reflects our values and commitments.

We are also proud to have added the FSC® logo to our prints. This certification ensures that our products with the FSC® label are sourced responsibly from well-managed forests that provide environmental, social, and economic benefits.

Looking ahead, we recognise that much work still needs to be done. We are committed to continuing to improve our sustainability practices and to working towards a more sustainable future for all. We will continue to set ambitious targets and work closely with our stakeholders to achieve our goals.

Thank you for reading our 2022 Sustainability Report. If you have any questions, comments, or feedback, we are happy to answer you. Just email us at [sustainability@postery.com](mailto:sustainability@postery.com), and our Head of Sustainability will get in touch with you.

**Océane Klink**  
*Head of Sustainability*

