SUSTAINABILITY REPORT 2019-20

Statutory Statement on CSR,
cf. the Financial Statements Act, section 99 a

Gabriel®

Fabric: Morph

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Reporting period: 01.10.2019 – 30.09.2020

For the sake of the environment, the Sustainability Report is only available online and cannot be printed.

Please refer to the Annual Report 2019/2020 and www.gabriel.dk for further information about the Gabriel Group.

The Sustainability Report is a part of the management's review and complies with the Statutory Statement on CSR, cf. the Financial Statements Act, section 99 a.

For further information

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Kurt Nedergaard
Director of CSR and Quality in the Gabriel Group (Gabriel Holding A/S) with overall responsibility for all companies in the fields of CSR, quality and production of upholstery fabrics.

Rikke Lyhne Jensen
Sustainability Manager in the Gabriel Group with responsibility for all companies in the fields of sustainability and CSR in cooperation with the Director of CSR and Quality and top management.

The Sustainability Manager position has just recently been created, and Rikke Lyhne Jensen began her appointment November 2020. The purpose of the newly created position is to ensure an increased and continued focus on supporting Gabriel's customers in their efforts to achieve sustainable development.

Rikke has a Master of Science in Engineering in Supply Chain Management and joined the Quality, Environment and Production department at Gabriel in 2014. She will continue to work in this department and contribute to the development of sustainability in relation to customers, product development and suppliers.

Sustainability is achieved in cooperation with customers

For customers, users, shareholders, employees, business partners and other interested parties.

The past year has been marked by the Coronavirus pandemic (Covid-19) and the immense global challenges following in its wake. In this new and altered reality, Gabriel's mission, vision, strategy and policies are important management tools and beacons that help us stay on track and ensure a continued, determined effort to achieve sustainability throughout our supply chains.

Development in Gabriel is based on a successful key account strategy, where all products and services are developed in close cooperation with internationally market-leading manufacturers and users of upholstered furniture, seats and other upholstered surfaces. The same close cooperation and partnerships form the basis of Gabriel's sustainable development, and all parties in the value chain share a strong commitment to creating sustainable change. There is no doubt that sustainability is a fundamental prerequisite in the industry today for creating improved products and services and for generating growth in the companies involved.

Over a period of years, Gabriel has managed to establish a market-leading position as a strong developer and supplier of sustainable products, systems and competencies. In other words, this means that Gabriel is able to efficiently identify and meet customer demands for and requirements to sustainable solutions. This includes for example the basic properties of products and services but also documentation, certifications, product labelling, and contractual obligations.

In 2020, the demand for sustainability is higher than ever before and continues to grow. Gabriel is committed to proactively contributing to this development, and there is no doubt that Gabriel both can and will meet the rising demands.

At Gabriel, it is our experience that a demand for sustainable solutions spreads rapidly between market segments, and that there is significant need for knowledge sharing in the supply chain. As a manufacturer with a strong focus on supply chain management, it is possible for Gabriel to meet demands throughout the chain – from raw materials to upholstery fabrics and to complete furniture solutions from our business unit FurnMaster.

In addition to daily dialogue and feedback, Gabriel offers customers consultancy services through Gabriel Academy in relation to their development of sustainability strategies, definition of focus areas and solutions.

Gabriel's sustainability report documents the company's effort to create new and healthy products, our climate actions as a CO_2 neutral company, circular economy initiatives as well as other relevant sustainability actions.

We hope you will enjoy reading the report.

Anders Hedegaard Petersen
CEO

Claus Møller
CCO

Kurt Nederggard
Director of CSR & Quality

Rikke Lyhne Jensen
Sustainability manager

About Gabriel Group

Guiding Principles
Innovation and value-adding partnerships are keywords in Gabriel's Guiding Principles.

Gabriel is a niche company which, in the entire value chain from concept to furniture user, develops, manufactures and sells upholstery fabrics, components, upholstered surfaces and related products and services. Gabriel develops its services to be used in fields of application where product features, design and logistics have to meet invariable requirements, and where quality and environmental management must be documented.

Vision
Gabriel is to be the preferred development partner and supplier to selected leading international manufacturers and major users of upholstered furniture, seats and upholstered surfaces.

Gabriel will achieve Blue Ocean status through an innovative business concept, patents, licences, exclusivity agreements or similar rights.

Gabriel will have the status of an attractive workplace and partner company for competent employees and companies.

Strategy
Gabriel is growing with the largest market participants. Gabriel's growth is based on close development partnerships and trading with approximately 70 selected market-leading major customers in a global strategy.

It is Gabriel's goal to obtain the largest possible share of the selected strategic customers' purchase of furniture fabrics, other components and services in the value chain. The FurnMaster business unit realises the commercial potential of the links of the value chain deriving from furniture fabrics, e.g. cutting, sewing and upholstering of furniture components.

Corporate model
Gabriel's corporate model requires a process-oriented approach which has been implemented in the organisation over the course of several years. The Group's core processes are carefully selected to ensure that employee skills are continually utilised to create the exact value that our customers request.

Please refer to the Annual Report for further information on Gabriel Group companies.

Sustainability and risk evaluation
Through ISO 14001 environmental certification, ISO 9001 quality certification and consistent use of product labelling, Gabriel ensures that there are no environmental risks associated with Gabriel products and activities.

Furthermore, the purpose of Gabriel's Sustainability Policy is to prevent e.g. environmental accidents and to ensure that Gabriel products do not contain harmful substances.

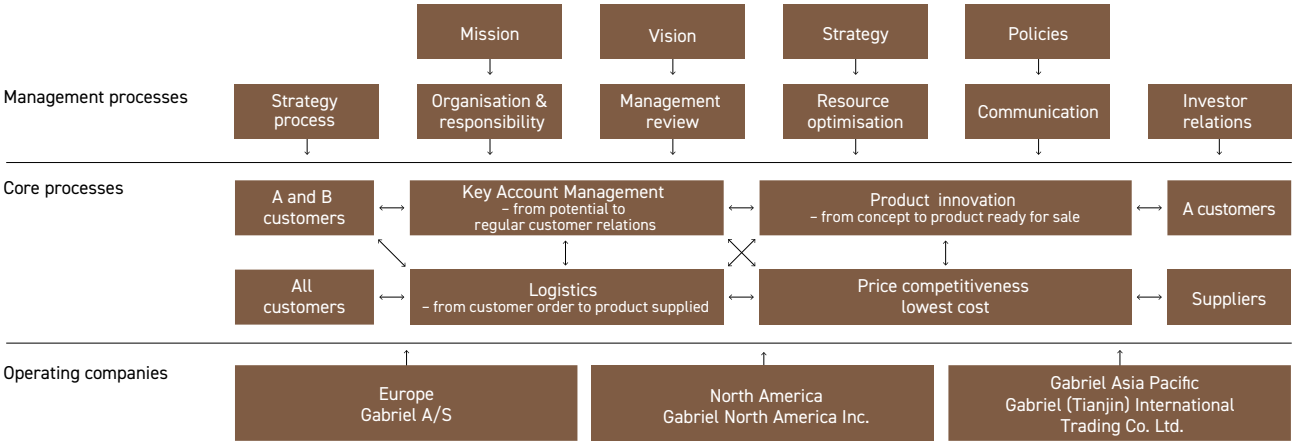
At Gabriel, health, safety and employee well-being have always been key priorities. In the years to come, the focus will be on risks in relation to occupational health and safety as the growing number of Gabriel Group employees entails an increased risk.

For several years, Gabriel has worked to minimise risks in relation to human rights, anti-corruption and bribery. To continue this work, we will focus on the new guidelines of Danish Fashion and Textile in our Code of Conduct. There have been registered no breaches of Gabriel's Code of Conduct.

See page 23 for further information on targets, results and environmental data in relation to sustainability.

Please refer to the section "Special risks" in Gabriel's Annual Report.

Corporate model



Gabriel's locations

Gabriel Europe

Head office, Denmark

Sales offices
Gabriel GmbH, Germany
Gabriel Sweden AB, Sweden
Gabriel France, France
Gabriel UK, United Kingdom
Gabriel Iberica S. L., Spain
Gabriel Italy, Italy

Gabriel North America Inc.

Sales and representative office
Grand Rapids, Michigan, USA

Gabriel Asia Pacific

Sales and representative offices
Beijing
Shanghai
Guangzhou
Chengdu
Shenzhen
Bangkok
Singapore
Hong Kong

Distribution centres

Lithuania
United Kingdom
USA
China

FurnMaster production

United Kingdom
Lithuania
Poland
USA
Mexico

SampleMaster production

Lithuania

Screen Solutions

United Kingdom
USA

Fabrics production

Gabriel Textiles, Lithuania
Scandye, Lithuania

An active choice and responsibility

At Gabriel, sustainability is about ensuring good living conditions and a clean, healthy environment – not only today but also for future generations.

The Gabriel Group continuously develops and improves its sustainable practices, and designs products that contribute to healthy and comfortable indoor climates – each product manufactured with respect for user health and safety as well as for the environment.

Sustainable business practices

At Gabriel sustainability is, however, not only about how products are manufactured, but also about how we do business in general. Sustainability is about ethical business conduct, and about treating customers, suppliers, employees, communities, and animals with decency and integrity. Integrity is deeply ingrained in Gabriel's company culture and is absolutely fundamental to the running of the company.

Stronger together

Only by joining forces across nations and businesses, it is possible to make a lasting impact that truly matters to the world and future generations. Consequently, Gabriel is committed to contributing to UN's Sustainable Development Goals. Gabriel continuously considers the company's ability to make an impact on each of the 17 goals but work determinedly with the ones, where the company can make the biggest difference.

Risk factors

Gabriel is aware of various risk factors including the risk of work-related accidents, skills shortage and product health issues. To systematically reduce risks, Gabriel uses certified management systems and relies on its Code of Conduct and sustainability policies

UN's Sustainable Development Goals

UN's 17 Sustainable Development Goals (SDGs) were defined in 2015 as a call-to-action to change our world to a better place by 2030. The SDG's deal with objectives such as for example ending poverty, promoting prosperity and protecting the planet. The goals are defined in the UN § 51 resolution no. A/RES/70/1.

Strategic focus areas

Gabriel's approach to sustainability is based on a targeted effort in selected key focus areas, where the company's actions are expected to have the biggest impact. The key focus areas have been selected based on careful considerations about how Gabriel can reduce its environmental impact, support the UN Sustainable Development Goals, and make a difference in cooperation with customers.

Material selection

Gabriel continually researches new and more sustainable materials and technologies. This means that material selection always is based on a thorough evaluation process, and that only materials that are confirmed more sustainable will be used for Gabriel products.

In the 1980s, Gabriel was the first fabric manufacturer in the industry to introduce dyes without heavy metals. Since then, Gabriel has implemented even stricter requirements to avoid harmful substances and ensure an environmentally friendly production. To ensure a high degree of credibility, Gabriel uses product labelling and certifications.

Healthy and eco-friendly products are part of Gabriel's DNA, and it is not only the company's Fabrics division which is implementing continuous improvements. FurnMaster is also continuously improving its supply chain and ability to deliver certified environmentally friendly and healthy components as well as its ability to advise customers on sustainable choices , for example FSC certified wood.

Design and circular economy

In addition to strict requirements concerning materials and chemicals, Gabriel is also working determinedly with circular economy and is challenging the linear use-and-throw-away-model.

All new fabric designs are evaluated in accordance with a range of criteria for sustainable design. The evaluation criteria deal with for example reduction of material consumption, use of recycled materials and natural materials, lifespan, recycling options and environmental impact throughout the product life cycle.

Responsible production and supplier management

Responsible production and a determined effort to further reduce the company's environmental footprint and climate impact are key priorities at Gabriel.

Consequently, Gabriel is committed to increase its use of renewable energy throughout all companies and has, in addition, a strong focus on influencing suppliers to also implement renewable energy solutions. All Gabriel production facilities and offices have switched to renewable energy, and Gabriel is continuously working to reduce its total energy consumption even further.

Customer cooperation

Gabriel takes part in several customer projects concerning sustainability and offers advice and dialogue at any time to help customers choose the right materials for their specific projects and requirements.

Values and culture

Gabriel is committed to comply unequivocally with the highest standards of integrity and to be a trustworthy and reliable supplier and business partner. Consequently, we continuously work to build and maintain a strong ethical business culture throughout the entire Group.

Gabriel's collection of eco-labelled upholstery fabrics continues to grow. In 2019/2020, 97 % of all Gabriel fabrics are STANDARD 100 by OEKO-TEX® certified, while 61 % are EU Ecolabel certified.

Fabric: Passion

Gabriel's collection includes fabrics made of wool from New Zealand. Wool is nature's own material offering superior comfort, excellent durability and a beautiful patina over time.

All Gabriel companies use renewable energy.

Gabriel cooperates with selected suppliers that comply with the company's high standards for ethical business conduct and animal welfare.

Gabriel's key focus areas have been selected based on careful considerations about how Gabriel can reduce its environmental impact, support the UN Sustainable Development Goals, and make an impact in cooperation with customers.

The majority of Gabriel companies are ISO 9001 and ISO 14001 certified, and Gabriel continues to reduce energy consumption, air emissions, waste water, and use of raw materials.

Fabric: Rondo

Gabriel fabrics made of recycled plastic bottles are growing in numbers. Polyester fabrics are recyclable.

Sustainability Policy

- Gabriel endorses the principles embodied in the UN Global Compact.
- Gabriel is committed to meet and implement the UN Sustainable Development Goals.
- Gabriel develops and manufactures products and services with user health and safety in mind. Through the entire production process, we strive to ensure animal welfare and to reduce our environmental and climate impact.
- Gabriel ensures a good and safe working environment throughout the supply chain in compliance with country specific laws and Gabriel's internal requirements. These requirements comprise detailed technical specifications and the content of Gabriel's Code of Conduct.
- Continuous employee development and skills upgrading are high priorities.
- Gabriel supports students by providing practical training. Gabriel participates in training projects, which benefit both the students and the company.
- Gabriel maintains its position as first mover within the industry by continuously implementing new initiatives to improve our sustainable performance and strengthen our profile as a responsible company.
- Gabriel considers all product life cycle stages and focuses the environmental effort on the areas, where we have the strongest influence and can make the biggest impact.
- Gabriel encourages sustainable consumption and promotes user health and safety by using product labels. Gabriel works with recognisable and established product labels with a high level of consumer trust.
- Gabriel advises customers and users on significant environmental factors related to the use, recycling and disposal of the company's products. Company employees in customer contact positions must be able to provide correct information on the Group's environmental objectives and policies. This information is furthermore available at our company website.
- Gabriel selects suppliers on their ability to fulfil environmental requirements and standards and their willingness to enter into an open and detailed partnership to achieve environmental improvements. Gabriel expects partners throughout the supply chain to regularly introduce new and cleaner technology, green energy solutions and continuous environmental improvements, paying due heed to the technical and financial implications. Gabriel does not use dyes with heavy metals or other harmful substances that pose a health risk.
- Gabriel applies internationally recognised standards such as ISO 9001 for Quality Management Systems, ISO 14001 for Environmental Management Systems, and meets the requirements of ISO 45001 for Occupational Health and Safety Management and ISO 50001 for Energy Management.
- Gabriel conducts an open and detailed dialogue with the authorities on sustainability and environmental requirements and consistently opposes unlawful acts.
- Gabriel communicates openly about sustainability efforts and support sustainability as a company-wide managerial activity.
- Gabriel renews sustainability objectives annually and prepares action plans to ensure continuous improvements and an ongoing reduction of our environmental impact. The company's sustainability objectives must be integrated into the internal business plan and must be communicated to all employees. The annual Sustainability Report is required to supply an overview of the company's sustainability efforts and results and is published with the Annual Report.

Material selection

Gabriel has a material selection strategy which ensures the use of sustainable materials in the development of new fabrics. The overall purpose of the strategy is to reduce the company's environmental footprint and ensure value-adding, sustainable fabrics for our customers.

Gabriel continually researches new and more sustainable materials and technologies. This means that all materials used have undergone a thorough evaluation process, and that only materials that are confirmed more sustainable will be implemented. The overall purpose is to minimise the company's environmental impact and provide alternatives that create further value for our customers.

In addition, "Gabriel's General Requirements" include material and product requirements, and serve as a guide for material selection. The requirements defined in "Gabriel's General Requirements" are stricter than the law requires and include for example quality standards as well as guidelines for the chemical contents of materials. Gabriel has also formed a material council which continually evaluates new materials and market demands.

Materials
Gabriel primarily uses wool and polyester for the production of fabrics.

Natural fibres
Wool is Gabriel's preferred natural fibre as it offers a range of unique aesthetic and functional properties that other natural fibres do not possess. Wool is for example heat and moisture regulating and offers superior seating comfort. It is, furthermore, an extremely durable material with a long lifespan retaining both its colour and beautiful expression over time.

It is of fundamental importance that the sheep providing the wool for Gabriel fabrics are well cared for. This is important not only from an animal welfare perspective, but also because the well-being of the sheep affects the quality of the wool. Consequently, all wool used in the production of Gabriel fabrics come from New Zealand, where the living conditions of the sheep are a top priority. See page 16 for further information.

Breeze Fusion offers all the unique properties of wool. The fabric is naturally dirt repellent, extremely durable and retains its colour and beautiful expression over time.

Synthetic fibres
Gabriel's preferred synthetic fibre is polyester. It is a very functional and usable fibre with an extensive range of technical properties that make it highly suitable for upholstery.

Polyester is for instance a very durable and lightfast material that retains its colour, shape and beautiful expression over time regardless of wear and tear. It offers excellent stretch and upholstery properties, a high degree of tactile comfort, is easy to work with and suitable for a variety of designs, shapes and applications. In addition, polyester is a very versatile material with a multitude of expressions. It can imitate the texture and look of natural fibres such as wool, cotton or silk but it can also be given a more high-tech look.

Recycled materials
Gabriel is increasingly using recycled polyester. The production of recycled polyester leaves a smaller carbon footprint and requires fewer resources than the production of virgin polyester. Moreover, recycled polyester offers the same excellent technical properties as virgin polyester and does not impair neither the aesthetic nor the functional qualities of the product.

Sustainable wood
Several FurnMaster units offer FSC certified wood – wood from sustainable sources.

FSC is short for Forest Stewardship Council – an international certification system for wood and paper. FSC certified wood comes from sustainable forests managed with consideration for the environment, wildlife and nature as well as for the forest workers.

Furthermore, FurnMaster supports customers in the selection of eco-friendly materials.

Bond is made of post-consumer recycled polyester. Recycled polyester possesses the same technical properties as virgin polyester and does not impair neither the aesthetic nor the functional qualities of the product.

Design and circular economy

The main idea of the circular economy model is to reduce waste to a minimum and recycle materials instead of increasing the consumption of new resources.

Furthermore, the model distinguishes between two different cycles: the biological cycle and the technical cycle. The biological cycle covers biodegradable materials, such as wool, which at the end of its service life can be safely returned to nature and re-enter nature's own cycle.

The technical cycle encompasses non-compostable materials, such as for example polyester. These materials cannot be returned to nature, but can instead be recycled, and by doing so what was considered waste becomes a valuable new resource. As an example, all Gabriel polyester upholstery fabrics are recyclable and can – at the end of their service life – be removed from the furniture and reused for new polyester products.

Circular thinking is not new to Gabriel, but has on the contrary been a natural and integral part of the company's mindset and production processes for years.

Gabriel designs and manufactures upholstery fabrics without the use of harmful chemicals and continuously works to reduce the products' environmental footprint throughout all life cycle phases. Gabriel products offer a long lifespan, and are made of raw materials and components that are safe for people to use as well as for the environment.

Despite numerous initiatives to support the development of a circular economy, Gabriel cannot ensure a complete transition alone. It is a goal that can only be reached, if companies and governments come together on a global scale. In accordance with UN Sustainable Development Goal no. 17 (Partnerships for the Goals), Gabriel works closely with customers and suppliers to promote circular thinking and to facilitate the development of circular systems.

With a strong focus on circular economy, Gabriel supports the following UN Sustainable Development Goals:

Capture is made of wool from New Zealand. Wool from New Zealand meets the highest environmental standards, is biodegradable, and can safely be returned to nature at the end of its service life.

Sustainability through all product life cycle phases
It all begins with great design. Design is, however, not all about great looks but also about functional and environmental properties. In the very beginning of the design phase, crucial decisions are made that define the product's environmental profile, and which product labels the fabric will be able to achieve.

Gabriel works hard to ensure that the raw materials and components used for Gabriel fabrics always meet the company's strict quality and environmental requirements. Gabriel's environmental requirements exceed applicable laws, and the company's environmental standards comply with both international product label standards as well as market demands.

Since Gabriel first started using recycled materials in the beginning of the 90's, our selection of post-consumer recycled polyester fabrics has grown significantly. The same applies to Gabriel's collection of EU Ecolabel and Cradle to Cradle Certified™ fabrics.

The majority of Gabriel companies are certified in accordance with ISO 9001 and ISO 14001, and energy consumption, emissions of air pollutants, waste water, and use of raw materials are continuously reduced.

Before investments in new technology are made, Gabriel always carefully evaluates the potential impact on the environment, the work environment, and product properties.

Gabriel designs and manufactures quality fabrics and offers detailed care and maintenance recommendations that will extend the product's lifespan.

Gabriel's website contains comprehensive product specifications including information on the type of materials used for the fabrics as well as information on product recyclability.

Connect is a sustainable and environmentally friendly choice combining nature's own material wool and post-consumer recycled polyester. Furthermore, the fabric's unique construction requires a minimum amount of material.

Labels for safe and eco-friendly products

With the largest selection of eco-labelled upholstery fabrics on the market, Gabriel makes it easy for customers to make sustainable choices.

The product labels offer customers a documented guarantee that Gabriel fabrics meet stringent health and environmental requirements.

Setting the bar high

97% of all Gabriel fabrics are STANDARD 100 by OEKO- TEX® certified, while 61% carry the EU Ecolabel. The STANDARD 100 by OEKO-TEX® and EU Ecolabel requirements are incorporated in Gabriel's minimum standards and help to ensure that Gabriel is able to provide customers with sustainable, safe and eco-friendly upholstery fabrics. Furthermore, Gabriel also offers a large selection of Cradle to Cradle Certified™ upholstery fabrics.

Life cycle-based labels

Like the EU Ecolabel, Cradle to Cradle Certified™ (C2C) is an extensive life cycle-based standard. This means that in order to obtain a certification, products must meet a strict set of criteria covering all product life cycle phases – from the extraction of raw materials, to production, packaging, transport, disposal, and recycling.

Sustainable wood

FSC is a global forest certification system, and the FSC label guarantees that the wood in question comes from forests managed with consideration for people, wildlife, and the environment. FSC labelled products support responsible forestry and contribute to the protection of the world's forests.

Global standards

As a supplier of fabrics to customers world-wide, Gabriel is aware that environmental requirements, standards and legislation vary significantly across different markets. Consequently, Gabriel is always available to answer questions regarding sustainability and environmental issues to help our customers meet market specific standards and various certification requirements.

Need to know more?

If you would like to know more about Gabriel's product labels, and how our customers benefit from them, please feel free to contact us.

Complying with the standards of various certification and labelling programmes, Gabriel mainly supports the following UN Sustainable Development Goals:

The STANDARD 100 by Oeko-Tex® and EU Ecolabel requirements are incorporated in Gabriel's minimum standards and help to ensure that Gabriel is able to provide customers with sustainable, safe and eco-friendly upholstery fabrics.

Documentation

Management systems: ISO 9001, ISO 14001

ISO 9001 and ISO 14001 are standards for quality and environmental management respectively, and companies can choose to become certified to these standards. Both standards are based on the principle of making continuous improvements by implementing a fixed cycle: evaluate the current situation; set goals and formulate policies; implement the required actions; and, finally, measure the result. Based on the result, an assessment is made of whether actions and goals are adequate, or whether to make improvements and set new goals. ISO 9001 focuses on parameters of significance for a company's quality performance, while ISO 14001 concerns matters of significance for the company's environmental performance. An important tool in this is the audit, which assesses whether the systems are functioning as planned.

www.iso.org

Oeko-Tex

Oeko-Tex is the world's leading health label for textiles. The label certifies that the item has been tested and approved according to the requirements set by the international Oeko-Tex Association. These requirements concern the content of chemicals which pose – or are suspected of posing – a health risk. The substances in question include, for example: formaldehyde, chemical residues with an acidic or basic action, pesticides, phenols, heavy metals, special dyes and phthalates. The requirements are divided into four classes, depending on the textile's use (the level of skin exposure). The label's requirements go further than the law.

www.oeko-tex.com

EU Ecolabel

The EU Ecolabel (the Flower) is the European Union's environmental label. The label covers environmental issues throughout the product's life cycle with a focus on energy, water and chemicals, and focuses on reducing the most significant environmental impacts of a given product. For textiles this means focusing on the quantity of pesticide residues in the raw material, the scouring of the raw wool, the use and emissions of hazardous chemicals in production, and the quantity of harmful substances and heavy metals in the finished product. The EU Ecolabel also sets requirements concerning the product's quality to ensure that the product carrying the environmental label is at least of the same quality as the non-labelled alternative.

www.ec.europa.eu/environment/ecolabel/

Cradle to Cradle Certified™

Cradle to Cradle Certified™ challenges the way we use our resources and the linear use-and-throw-away-model. The philosophy behind the label is to eliminate waste and use waste as a new resource, that continually creates value in a closed loop of either technical or biological nutrients. The Cradle to Cradle Certified™ concept was formulated by Michael Braungart and William McDonough in 2002, and since then its popularity and influence have continued to spread. A Cradle to Cradle Certified™ certification process involves an assessment of the product on five counts: renewable energy, water consumption, material health properties, social responsibility, and recycling. The result is a certification at one of five levels. The scheme is administered by The Cradle to Cradle Products Innovation Institute.

www.epea.com **www.c2ccertified.org** **www.mbdc.com**

FSC

FSC is a global non-profit forest certification system promoting the responsible management of the world's forests – and protecting them for future generations. The organisation works against deforestation, protects animals and plants and ensures that foresters receive decent wages, proper training and safety equipment. The FSC operates in more than 100 markets, and the label is respected around the world.

www.ic.fsc.org

Gabriel: Ten-year guarantee

Gabriel provides a ten-year guarantee against wear-through on all furniture fabrics in the price list. The guarantee covers damages that may occur as a result of normal office or home usage, regular maintenance and appropriate upholstering. The label is designed by Gabriel. Gabriel also provides a comprehensive spot removal guide with detailed instructions on how to clean and maintain Gabriel fabrics.

www.gabriel.dk/en/fabrics/product-standards/10-year-guarantee/

Möbelfakta

Möbelfakta is a complete reference and labelling system for furniture, which covers both technical, environmental and production requirements.

www.mobelfakta.se

Other standards

Gabriel helps customers meet various industry standards such as LEED, BIFMA Level, Well, Healthier Hospitals Initiative, Greenguard, BREEAM, Nordic Swan Ecolabel as well as various legal requirements.

Responsible production and supplier management

Responsible production is a key focus area at Gabriel, and an immense effort has been made to reduce the company's environmental impact throughout the complete life cycle. The majority of all Gabriel companies are ISO 9001 and ISO 14001 certified, and energy consumption, air and waste water emissions, and raw material consumption are all factors that are constantly monitored.

Gabriel's suppliers and business partners are carefully selected, and the company only cooperates with suppliers and business partners who share Gabriel's vision and commitment to sustainability.

Animal welfare

To ensure the high quality of our woollen fabrics, Gabriel only uses wool from New Zealand, where the sheep are well cared for and wander freely in the great outdoors. Gabriel sets high standards for the quality of the wool and consequently only cooperates with suppliers who are committed to the welfare of their animals and employees. Wool used for Gabriel fabrics complies with EU Ecolabel requirements which e.g. means that the wool is free from pesticides.

New Zealand has some of the highest animal welfare standards in the world and has integrated the Five Freedoms for animals into their animal welfare legislation. The Five Freedoms affirm animals' right to a decent life and recognise that animals are able to experience physical and psychological pain.

The Five Freedoms for animals are:
Freedom from hunger, thirst and malnutrition
- Freedom from discomfort
- Freedom from pain, injury, and disease
- Freedom from fear and distress
- Freedom to express normal behaviour

With a strong commitment to ethical business conduct, Gabriel mainly supports the following UN Sustainable Development Goals:

Gabriel sets high standards for the quality of the wool used in the production, and only uses suppliers who are committed to the welfare of their animals and employees.

Renewable energy and CO_2 neutrality

From the beginning of the business year 2019/20, the Gabriel Group became carbon neutral in accordance with scope 1 and scope 2 of the GHG protocol and reached an important milestone in relation to minimising our environmental impact. The carbon neutrality encompasses all Gabriel companies as well as our part-owned dye house Scandye. Through close cooperation with a carefully selected energy partner, Gabriel ensures that all electricity used is generated by e.g. wind power. Gabriel also supports projects that compensate for CO_2 emissions and the consumption of for example natural gas.

Gabriel complies with the GHG protocol, which is the world's most widely used greenhouse gas accounting standards providing a framework for businesses to measure, manage and report emissions.

The GHG protocol defines three categories – or so-called scopes (scope 1, scope 2 and scope 3) – for GHG accounting and reporting purposes. Companies shall separately account for and report on scopes 1 and 2 as a minimum.

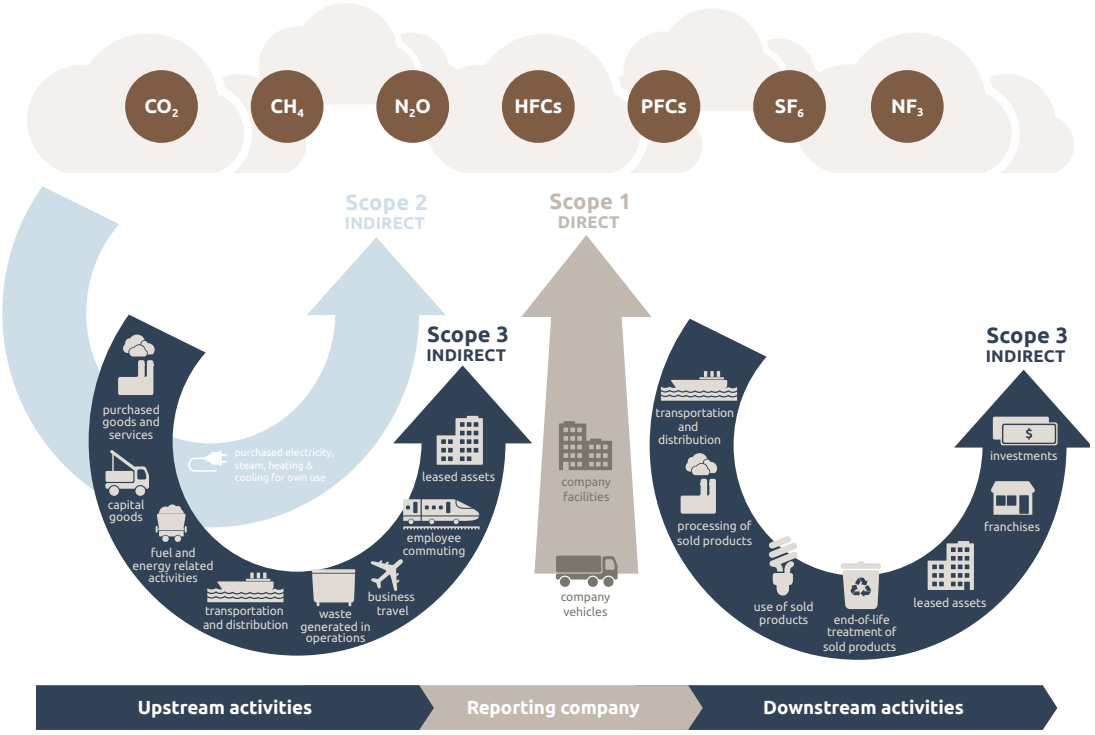
Scope 1 concerns direct GHG emissions that occur from sources that are owned or controlled by the company, for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles or emissions from chemical production in owned or controlled process equipment.

Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by a company. Purchased electricity is defined as electricity that is purchased or otherwise brought into the organisational boundary of the company. Scope 2 emissions physically occur at the facility where electricity is generated. Gabriel has bought Guarantees of Origin as documentation for the electricity consumed allowing us to achieve zero carbon emissions under scope 2.

Scope 3 is an optional reporting category that concerns all other indirect emissions. Scope 3 emissions cover, for example, carbon emissions resulting from the production of purchased materials. Gabriel expects all suppliers to systematically implement measures to reduce carbon emissions.

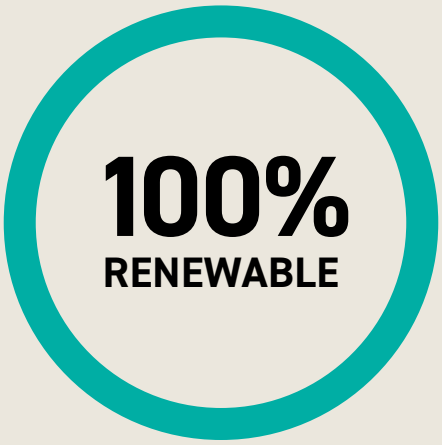
A sustainable strategy for reducing carbon emissions in the most cost-effective way is a key priority at Gabriel. Carbon neutrality means that a net zero carbon dioxide emission is obtained by balancing carbon emissions with carbon removal, often through carbon offsetting. In practice, this means that Gabriel supports new projects that remove carbon dioxides from the atmosphere to make up for emissions from, for example, the natural gas-fired boilers at our dye house. Furthermore, Gabriel of course continues its efforts to reduce energy consumption through efficient energy management and by implementing new technology.

For more information:
www.trackmyelectricity.com/customers/gabriel
www.gabriel.dk/media/1680664/Gabriel-Carbon-Neutral-2020.pdf



Overview of GHG Protocol scopes and emissions across the value chain. Source: Green House Gas Protocol – www.ghgprotocol.org

RENEWABLE ENERGY 2020 STATUS



Electricity – sourcing

Gabriel sources 100 % renewable energy – all of it made in Scandinavia. One third comes from wind farms in Denmark, another third from Danish biomass, and the last third from Norwegian hydro plants.

Lemvig Biogas in Denmark utilises waste and residual products (for example organic household waste) to generate energy and heat.

Denmark has been a pioneer in developing commercial wind power and currently has the highest proportion of wind power in the world.

GREENHOUSE GAS PROTOCOL

The production of electricity is certified in accordance with European Energy Certificate System and complies with the standards of the GHG protocol, scope 2.

Sarp Hydro plant harnesses energy from the powerful drop of Sarpsfossen waterfall in Norway.

Textile dyeing is an energy intensive process, and by generating energy on-site at the dye house, the company is one step closer to alleviating this challenge.

Electricity – own production

With the establishment of a solar cell park at the Gabriel-owned dye house, Scandye, in Lithuania, Gabriel takes an important step in a continued effort to improve energy performance and maintain our position as a carbon neutral company.

Regardless of easy and convenient access to solar energy, the effort to reduce the overall energy consumption at Scandye of course continues.

Gas & fuels

To compensate for the consumption of gas and other fossil fuels, Gabriel supports Beluguppa wind farm in India.

The wind farm supports a transition to renewable energy in the region as well as various socio-economic projects.

India's fast-growing population has led to an increased demand for energy. The largest share of electricity still comes from fossil fuels.

Values and culture

Gabriel is committed to comply unequivocally with the highest standards of integrity and business ethics.

Sustainability is not only about products and services, but also about the way we do business. At Gabriel, integrity is a key value, and the company continuously works to build and maintain a strong ethical business culture throughout the entire Group.

In addition to integrity, pride is also deeply ingrained in our company culture, and it is a common objective that all employees across the organisation feel a strong sense of pride for everything Gabriel stands for, for the way we conduct business, and for the products and careful craftsmanship, the company delivers.

Code of Conduct

Unwavering ethical standards and integrity build trust and ensure that our customers, business partners and stakeholders perceive Gabriel as a trustworthy and reliable supplier and partner.

Gabriel's Code of Conduct sets standards for the way we do business and incorporates the internationally accepted UN practices and standards. It covers the entire supply chain and includes topics such as animal welfare, anti-corruption, and anti-bribery.

The UN Global Compact defines labour standards that aim to achieve decent and humane working conditions. The Gabriel Group is committed to uphold UN's practices and standards – throughout the entire supply chain. By endorsing the ten principles of the UN Global Compact, Gabriel is committed to continuously strengthening its social responsibility and to contribute to the UN Sustainable Development Goals. Consequently, Gabriel Group's suppliers and other business partners are carefully selected and are expected to treat workers respectfully and to comply with all relevant and applicable laws.

All Gabriel employees and business partners are to be treated equally and with respect, and Gabriel upholds a zero-tolerance policy for discrimination and harassment of any kind. Furthermore, whistleblowing procedures have been established to allow employees to pass on information regarding any wrongdoing. A working environment committee also continuously works to ensure and maintain a safe and secure work environment.

Gabriel ensures compliance with ethical guidelines through audits and by continuously encouraging best practice. In the past year, Gabriel has not registered any violations of the Code of Conduct or of local legal requirements by any of our supply chain partners.

At Gabriel, integrity is a key value, and a strong ethical business culture is maintained throughout the organisation.

Employee development and well-being
Gabriel's uncompromising ethical standards of integrity and decency also apply to the way employees are treated, and employee well-being and positive work climates are always top priorities.

Consequently, great importance is attached to building safe, developing and positive workplaces, where every single employee is given the opportunity to use his or her strengths and to learn new skills.

Through communication, training and dialogue, Gabriel ensures that all employees work towards the same goals and know their areas of responsibility, obligations and development opportunities. Initiatives that support employee well-being and job satisfaction are continuously implemented including for example regular employee development interviews, training and education, development programmes, employee benefits as well as various health and welfare initiatives.

Knowledge builds trust and drives progress
Gabriel is a knowledge-driven company and depends on the latest research and technological advances to remain at the absolute forefront. Consequently, Gabriel cooperates with a range of external partners such as international universities, authorities, certification and labelling organisations, and the industry association Danish Fashion and Textile.

Gabriel also cooperates closely with customers and suppliers to get inside knowledge on market and consumer demands. Tapping into their knowhow and expertise ensures that Gabriel products and services continue to meet and reflect the requirements of an ever-changing marketplace.

Gabriel's determined commitment to ethical business conduct supports the following UN Sustainable Development Goals:

Gabriel Group's suppliers and business partners are carefully selected and are expected to meet all UN standards and practices and not least to treat all employees with respect.

Progress in numbers

SUSTAINABILITY – RESULTS AND TARGETS				
Focus areas	Targets 2020/21	**Results 2019/20**	Results 2018/19	Results 2017/18
Gabriel Group – Management systems				
ISO 9001 (Number of certificates)	17	**16**	16	13
ISO 14001 (Number of certificates)	8	**7**	7	6
FSC (Number of certificates)	2	**2**	2	1
OHSAS 18001 and ISO 45001 (Number of certificates)	1	**1**	1	1
SA8000 (Number of certificates)	1	**1**	1	1
FISP (Number of certificates)	1	**1**	1	1
IIP (Number of certificates)	1	**1**	1	1
ISO 50001 (Number of certificates)	1	**1**	1	0
Gabriel Group – Fabric labels				
Proportion STANDARD 100 by Oeko-Tex® (%)	97	**97**	96	95
Proportion EU Ecolabel (%)	64	**61**	57	61
Proportion Cradle to Cradle Certified™ (%)	17	**17**	20	13
Gabriel Group – Gender balance				
Average number of employees		**1151**	855	517
Board of directors (% women)	See annual report	**25**	25	25
Top management (% women)	See annual report	**0**	0	0
Middle management (% women)	See annual report	**32**	32	36
All employees (% women)		**60**	50	60

SUSTAINABILITY OBJECTIVES – TARGETS AND RESULTS

Topic	Targets 2019/20	Actions and results 2019/20	Targets 2020/21
Customer cooperation	-	-	Increased cooperation with customers on projects that promote sustainability, including Gabriel Academy.
Customer cooperation	-	-	An increased focus on internal training of key account and field sales managers in topics relating to sustainability.
Sustainable materials – FurnMaster	-	-	Intensification of the cooperation between FurnMaster and its key suppliers to increase FurnMaster's ability to deliver sustainable materials to customers.
Sustainable materials – Fabrics	-	-	Systematic assessment of all incoming raw material components with regard to meeting standards such as e.g. Greenguard, WELL, LEED etc.
Sustainable design	-	-	Further clarification of Gabriel's criteria for sustainable design within the business area Fabrics, and development of designs in accordance with these criteria.
Circular economy	Increased focus on the products' environmental impact through all life cycle phases in cooperation with customers.	Mapping environmental impacts in FurnMaster and Fabrics in cooperation with customers.This task includes a focus on various product label systems.	Intensification of activities as a result of an increased customer interest. Continue to support customer projects that promote circular economy.
Responsible production	Optimisation of energy consumption in Gabriel's dye house.	Carbon offsets are purchased to make up for energy and gas consumption, while maintaining a continued focus on reducing heat loss and on finding alternative energy sources.	Opening of Scandye solar cell park in November 2020. Conduct an analysis of options for energy optimisation involving the use of waste heat from waste water at Scandye.
Responsible production	-	Gabriel compensates for energy consumption cf. the GHG protocol Scope 1 and 2 (see page 19).	Focus on the use of renewable energy at Gabriel's suppliers with reference to the GHG protocol, Scope 3.
Responsible production	-		Mapping and selection of improvement opportunities in relation to goods transportation.
Responsible production	Implementation of ISO 45001 concerning occupational health and safety.	Preventative work environment improvements have been implemented at e.g. FurnMaster's facilities in Lithuania and Poland.	Consolidation of work environment policies throughout the entire Group as a foundation for further certification activities. ISO 45001 is maintained and further developed at Scandye.
Responsible production	-	-	Research new technologies with the potential to improve Gabriel's performance in relation to sustainability, including consumption.
Culture and values	Gabriel's management systems will be updated in order to meet the ISO 37001 standards regarding anti-bribery.	The goal has been changed, and Gabriel focuses on an elaboration of the Code of Conduct as well as on internal training.	Elaboration of Gabriel's Code of Conduct and an increased focus on internal training.

ENVIRONMENTAL DATA – PRODUCTION

Note	Focus area	2019/20	2018/19	2017/18
	Gabriel Group – Fabrics production			
	Consumption of raw materials (tons)	**2.041**	2.291	2.136
2	Consumption of wool (tons)	**586**	696	801
	Consumption of polyester (tons)	**1.250**	1.432	1.205
	Consumption of post-consumer recycled polyester (tons)	**131**	99	72
3	Consumption of polyamide	**32**	26	24
	Consumption of other materials (tons)	**41**	37	33
4	Transport by sea (%)	**97**	98	97
	UAB Scandye			
	Electricity consumption (MWh), 100% renewable energy	**1.991**	2.280	2.347
	Electricity consumption (KWh/kg), 100% renewable energy	**1,22**	1,22	1,29
	Water consumption (m^3)	**200.340**	231.908	232.972
	Water consumption (l/kg)	**123**	124	128
	Heat and processes, gas (MWh)	**14.185**	15.479	16.437
	Heat and processes, gas (KWh/kg)	**8,69**	8,90	9,02
	Fatal work injuries (number)	**0**	0	-
	Major work injuries, more than three weeks absence (number)	**0**	0	-
	Minor work injuries, less than three weeks absence (number)	**0**	0	-
	UAB FurnMaster			
	Electricity consumption (MWh)	**324**	291	226
	Electricity consumption (KWh/m^2)	**23**	26	30
	Heat (MWh)	**447**	380	407
	Heat (KWh/m^2)	**31**	35	54
	Glue consumption, not water based (kg)	**0**	-	-
	Glue consumption, water based (kg)	**31.600**	27.326	24.835
	Fatal work injuries (number)	**0**	0	0
	Major work injuries, more than three weeks absence (number)	**2**	5	0
	Minor work injuries, less than three weeks absence (number)	**0**	1	3
	FurnMaster Sp. z o.o			
	Electricity consumption (MWh)	**414**	314	395
	Electricity consumption (KWh/m^2)	**26**	22	49
	Heat (MWh)	**820**	911	1.132
	Heat (KWh/m^2)	**51**	65	142
	Glue consumption, not water based (kg)	**999**	1.065	1.450
	Glue consumption, water based (kg)	**6.820**	5.100	5.500
	Fatal work injuries (number)	**0**	0	0
	Major work injuries, more than three weeks absence (number)	**0**	2	6
	Minor work injuries, less than three weeks absence (number)	**2**	4	5
	FurnMaster, Gabriel North America Inc.			
	Electricity consumption (MWh)	**122**	132	94
	Electricity consumption (KWh/m^2)	**42**	45	34
	Heat (MWh)	**255**	223	308
	Heat (KWh/m^2)	**88**	77	115
	Glue consumption, not water based (kg)	**0**	27	32
	Glue consumption, water based (kg)	**305**	600	1.140
	Fatal work injuries (number)	**0**	0	0
	Major work injuries, more than three weeks absence (number)	**0**	0	0
	Minor work injuries, less than three weeks absence (number)	**0**	3	5

ENVIRONMENTAL DATA – PRODUCTION

Note	Focus area	2019/20	2018/19	2017/18
	Screen Solutions Ltd.			
	Electricity consumption (MWh)	**203**	**357**	263
	Electricity consumption (KWh/m^2)	**76**	**134**	81
	Heat and processes, gas (MWh)	**331**	**607**	768
	Heat and processes, gas (KWh/m^2)	**47**	**228**	236
	Glue consumption, not water based (kg)	**665**	**1.411**	999
	Glue consumption, water based (kg)	**2.255**	**4.045**	4.804
	Fatal work injuries (number)	**0**	**0**	0
	Major work injuries, more than three weeks absence (number)	**0**	**0**	2
	Minor work injuries, less than three weeks absence (number)	**17**	**32**	38
5	**UAB Gabriel Textiles**			
	Electricity consumption (MWh)	**1.035**	1.038	-
	Electricity consumption (KWh/kg)	**0,81**	0,97	-
	Heat and processes, gas (MWh)	**584**	692	-
	Heat and processes, gas (KWh/kg)	**0,46**	0,64	-
	Fatal work injuries (number)	**0**	0	-
	Major work injuries, more than three weeks absence (number)	**1**	1	-
	Minor work injuries, less than three weeks absence (number)	**0**	0	-
6	**FurnMaster Mexico (Grupo RyL S.A. de C.V.)**			
	Electricity consumption (MWh)	**423**	198	-
	Electricity consumption (KWh/m^2)	**28**	20	-
	Heat and processes, gas (MWh)	**-**	-	-
	Heat and processes, gas (KWh/kg) Melting glue consumption (kg)	**-**	-	-
	Glue consumption, water based (kg)	**15.105**	10.200	-
	Fatal work injuries (number)	**1.195**	400	-
	Major work injuries, more than three weeks absence (number)	**0**	**0**	-
	Minor work injuries, less than three weeks absence (number)	**0**	**0**	-
	Mindre væsentlige ulykker, mindre end tre ugers fravær (antal)	**3**	**4**	-
	Work injuries – consolidated			
	Fatal work injuries (number)	**0**	**0**	-
	Major work injuries, more than three weeks absence (number)	**3**	**8**	7
	Minor work injuries, less than three weeks absence (number)	**22**	**46**	7

The above covers all Gabriel-owned companies including the dye house Scandye.
Reporting period: From 01-10-2019 to 30-09-2020.

Notes

Note	
1	Data on raw material consumption cover the business area Fabrics and Gabriel's dye house, Scandye. In addition, the data include information on significant consumption in Gabriel-owned production companies.
2	The consumption of polyamide has been reported separately and not as part of the wool consumption in the 2019/20 statement. Therefore, the numbers concerning the consumption of wool have been adjusted accordingly for 2017/18 and 2018/19.
3	Polyamide is used in Shapeknit products, which became a part of the product portfolio in 2019/20. Consequently, the consumption of polyamide is expected to increase in the coming years.
4	This does not include distribution of finished goods that are mainly distributed by truck.
5	In December 2018, Gabriel took over the company UAB Baltijos Tekstilė. Data cover the full business year 2018-2019.
6	In April 2019, Gabriel took over the company Grupo RYL S. A. de C. V. Data cover the period April to September in the business year 2018-2019.

Gabriel®

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MANAGEMENT SYSTEM CERTIFICATION
DNV·GL
ISO 9001 ISO 14001
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