



RESPONSIBILITY MANIFEST

2021

LAPUAN KANKURIT

weavers from Finland



Weaving good life

In this past year, we have been travelling around western Finland visiting farms, getting to know their practices and buying wool. It emerges that up to half of the Finnish sheep wool ends up as waste. We want to make use of this valuable material. In order to make it happen, in 2021 we will be investing millions in the production of Finnish wool, development of finishing processes and weaving machinery. The wool will be washed by our cooperation partners and then spun into yarn. We are currently also developing the use of natural plant dyes for our yarn. Following the dyeing, the yarn is woven in our weaving mill and used in manufacturing of wool blankets.

This project epitomises what Lapuan Kankurit is all about. We want to do our part in leaving a sustainable, lasting legacy to the following generations. With our

development efforts we are striving towards more responsible operation. By utilising Finnish wool we are actually able to trace the raw material to its source. We are rebuilding a production chain that had already disappeared in Finland.

Finnish wool will be part of our selection of high-quality natural materials which are always eco-friendly, certified and manufactured ensuring the wellbeing of both animals as well as people.

We are guided by the notion that we weave good life to people all over the world. We compiled this responsibility manifest to show you what this means in practice.

JAANA AND ESKO HJELT
WEAVERS IN FOURTH GENERATION

RESPONSIBILITY MANIFEST

1 We have our very **own weaving mill** in Lapua, western Finland. That is where we manufacture our products from yarn to a finished product. This enables us to design our products and processes while keeping the ecological footprint as small as possible. We care about our employees the way we care about our family.

2 Our main raw materials, such as linen and wool, are **certified natural materials**. We use 100 percent European linen certified by Masters of Linen.

3 We only manufacture products that are **durable and stand the test of time**. We are constantly developing new techniques and looking for new innovations. We are willing to put effort into making sure weaving skills are preserved to future generations.

TRAILBLAZER IN SUSTAINABLE DESIGN

The longer textile products are used, the better it is for nature. This is why we aim to design and manufacture products that are durable, have great longevity and versatile, multifunctional purposes. We cooperate with talented top designers in developing our products.

The following principles of sustainable design are always taken into consideration when we begin designing our products:

1

LONGEVITY

We prefer to design our colour palette according to the interior decor of our clients instead of going along with fast fashion.

2

MULTI-FUNCTIONALITY

Our aim is to create products and patterns as versatile and multifunctional as possible. A small towel can be used in the kitchen or bathroom, as a small table cloth or as a cover for the computer screen. A large table cloth can be used as a bedspread or as a curtain. A table runner is functional also in the sauna. A large linen towel can act as a blanket during the summer. The only limit is your imagination.

3

MATERIAL

The longevity and durability of a product begin with choosing a fibre. This is why we purchase yarn only from the best spinning mills in Europe. Linen and wool – the products we use most – are eco-friendly choices in use also. You can remove stains from linen by washing it at low temperature of 40 degrees. For wool, airing it outdoors is often enough.

4

WEAVING ACCORDING TO EXACT MEASUREMENTS

The most important thing in product design is utilising the entire width of the fabric. Most of our products are woven using exact measurements in order to avoid producing cutting waste. For example, many of our bathrobes have been designed in a manner where even the fabric edges from the loom are utilised. Those details are actually an essential part of the product's design.

5

FINISHING

Careful finishing treatment affects the durability of the fabric. Almost all of our linen fabrics undergo a finishing treatment. This ensures that the high quality product maintains its shape also after it's been washed at home. Whenever possible, in terms of structure and composition of fabric, we use only water and heat to finish our products. The most important things are quality and a long product lifespan.

Towards Zero Waste

We design most of our products to be made from fabric woven according to exact measurements. This leaves almost no waste.

Some of the products result in leftover fabric which is utilised in making our so called zero waste products, such as bread bags, laundry bags and wash mittens made from linen terry.

If there is leftover fabric still left, it will be sold at our sales events and our factory outlet. We also donate leftover fabric to schools to be used for teaching purposes.

A significant part of the yarn is dyed near our weaving mill in Lappajärvi. This ensures that there are no large amounts of yarn left in storage. If a dye batch is no longer available, the rest of the yarn in that colour is woven and the fabric is sold at our sales events and our factory outlet.

Did you know?

You, too, can make a difference. In terms of product lifespan as well from the environmental point of view, it is crucial that a textile is in use for as long as possible. Products made from natural materials should be taken care of in a correct manner: Wash according to instructions or air them, remove the pilling from wool and mend the holes in the fabric. When the product has reached the end of its use, recycle it.

LINEN – RESPONSIBILITY FROM FLAX FIELDS TO FABRIC

We simply adore linen. The linen we use is long fibred linen that is grown, spun and dyed in Europe. Not only is linen durable and feels pleasant to the touch, it is also one of the most environmentally friendly air-purifying natural fibres.

To find out more about European linen and its qualities, go to [our site](#). Check out also [Masters of Linen](#).

Linen is grown in central Europe using only rain water. There is no need for irrigation nor is there much need for fertilisers either. It also grows fast – in one hundred days it reaches the height of one metre.

Growing flax in Europe absorbs 250 000 tonnes of CO2 emissions per year.

100 percent of the linen can be used. It is also a completely biodegradable material. There is no waste.

100 PERCENT
OF LINEN FIBRE
AND YARN
FROM EU

100 PERCENT
OF LINEN
DYED IN EU

MASTERS OF LINEN – GUARANTEE FOR QUALITY AND TRACEABILITY

We are a proud member of the Masters of Linen family. The Masters of Linen label is granted to linen products manufactured using linen yarn grown and spun in an eco-friendly manner in France, Belgium or the Netherlands.

The linen must meet the strict requirements set for growing, further processing and textile production.

Masters of Linen guarantees that the origin of the linen is 100 percent traceable. Spinning and weaving mills commit to adhere to the strict criteria regarding production and purchases. Yearly inspections are conducted to certified companies to ensure criteria are duly adhered to.

Lapuan Kankurit is committed to using only traceable European linen. We report our use of linen every year to Masters of Linen CELC organisation.

SPINNING AND DYEING MILLS

We prefer working with European spinning and dyeing mills which we know and have visited.

We dye part of our yarn in Finland. We cooperate only with certified operators who share our values, adhere to our Code of Conduct and use materials that are traceable and verifiable.

We are currently examining the possibilities of using natural plant dyes on Finnish wool yarn.

Did you know?

Our linen towels are light because linen is very absorbent. The less material is used, the more natural resources are saved. In addition, energy is saved in both logistics as well as in manufacturing.

WOOL

We have made significant investments in order to be able to produce wool yarn from Finnish sheep. Some of it usually ends up in the landfill. In addition, we purchase wool yarn from carefully chosen certified suppliers.

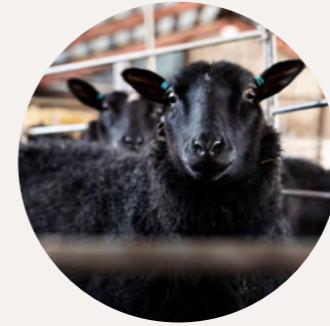
100%
mulesing
-free wool

WOOL YARN

The quality and characteristics of wool vary according to the breed of sheep, their living conditions and natural environment. In order to achieve the best possible result, we acquire our wool from different parts of the world: New Zealand, South America, the Nordic countries and South Africa.

We buy our wool yarn only from spinning mills that purchase wool fibre from certified suppliers and adhere to our Code of Conduct. We aim to focus on using wool fibres that come from countries emphasising the welfare of animals.

We do not condone animal abuse and we procure solely wool that is certified and mulesing-free. Most of our wool yarn is spun in EU.



New!

FINNISH WOOL

In 2021 we will be introducing a Finnish wool batch spun by our own spinning mill. We are in the process of building a finishing plant here in Lapua. Its operation will focus on the finishing of wool products.

The utilisation of Finnish wool comes with considerable advantages in terms of responsibility:

1 RESPECT FOR NATURAL RESOURCES

According to estimates up to half of the Finnish wool ends up in the landfill. We want to utilise this valuable material.

2 TRACEABILITY

We purchase the unprocessed wool from sheep farms situated no further than 200 km from our factory. Our ERP system monitors closely the wool batches keeping track of the origin of different wool batches and their farm of origin.

3 RESPONSIBILITY

The wellbeing of sheep and the people taking care of them is important for us. This is why we have devised a set of strict criteria which we expect our cooperation partners to adhere to.

4 CIRCULAR ECONOMY

With the new investments we are also developing circular economy. In addition to utilising Finnish wool, we are also developing the recycling of our products. Our objective over the next years is to participate in textile refinement projects and to be able to make use of processed fibres in our own spinning operations.

5 ECOLOGICAL PRODUCTION

Our plan is to build the new production plant to be as water-saving and energy-saving as possible.

6 NATURAL PLANT DYE

Since we are the ones pulling the strings, so to speak, we can experiment with natural plant dyes in our own production.

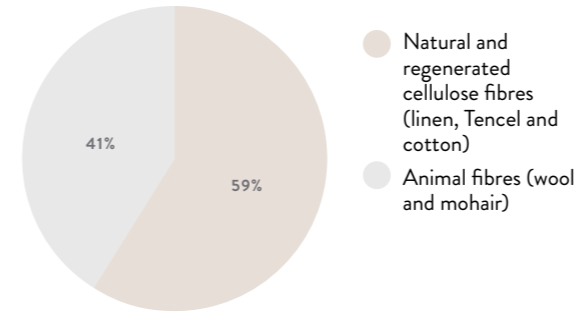
OTHER NATURAL MATERIALS WE USE

We use solely natural materials. In addition to linen, wool and cotton, we use Tencel which is a lyocell fibre made from pulp. We have begun to replace some of the cotton in our production with Tencel. It is a more environmentally friendly alternative to cotton.

Did you know?

Less washing is better for the environment. It's easy to remove stains from linen even in a 40°C wash whereas the best way of cleaning wool is airing it outside in the freezing weather. Airing a garment reduces the need of washing it often.

LAPUAN KANKURIT PRODUCT GROUPS 2020



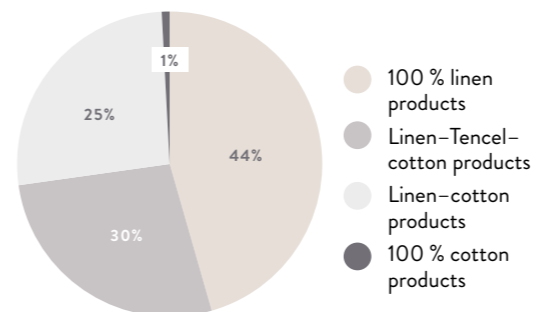
TENCEL

Tencel® is a registered trademark of an Austrian company Lenzing for the lyocell fibre it manufactures. 100 percent of Tencel comes from EU. It is a regenerated cellulose fibre with an environmentally friendly manufacturing process. It is a closed loop process meaning that within the fibre production the same chemicals get used and reused again and again. Tencel is made from pulp. Its production is FSC certified guaranteeing that also the forestry industry related to product manufacturing is responsible.

COTTON

In 2020, 74% of the cotton we used was certified bio-organic cotton adhering to the Öko-Tex**standard. During 2020 we increased the use of certified bio-organic cotton by 16%. Our objective is to use solely certified bio-organic cotton by 2025.

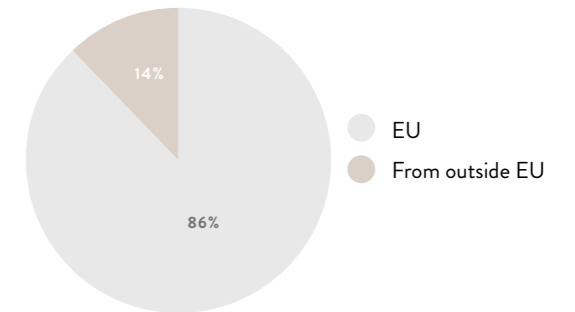
PLANT FIBRES AND OTHER REGENERATED FIBRES IN LAPUAN KANKURIT PRODUCTION IN 2020



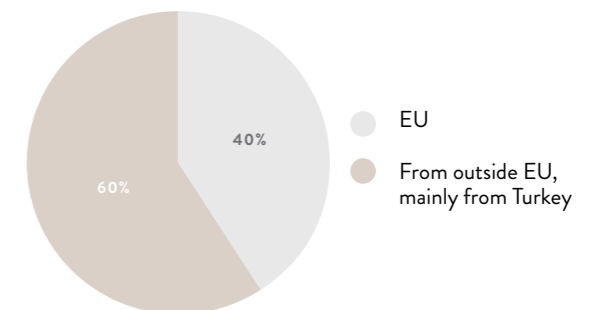
REQUIREMENTS FOR OUR SUPPLIERS

- We require that the yarn and chemicals we purchase have a valid STANDARD 100 by OEKOTEX certification** concerning product safety.
- We require our suppliers to adhere to the requirements concerning materials and raw materials set by EU regulation 1907/2006 (REACH).
- Our Code of Conduct lists all our requirements regarding working conditions and the environment we set our suppliers.

SPINNING OF WOOL AND MOHAIR YARN IN 2020



SPINNING OF COTTON YARN IN 2020



**100% Ökotex STANDARD 100 by OEKOTEX® is an international safety standard for testing and certifying textiles. The label OEKOTEX® means that the yarn is free from harmful levels of chemicals and dyeing agents.

WELCOME TO OUR WEAVING MILL IN FINLAND!

We can show you around our factory since we are behind the entire manufacturing process every step of the way from yarn to fabric and the finished product.

We aim for complete transparency and are happy to take groups on tour in our factory.

Almost 90%
of products are woven in own
weaving mill in Lapua, Finland

10%
of products are woven in
a weaving mill we co-own
in Kaunas, Lithuania
(brushed wool textiles)

<1%
of products bought from
European partners
(hot water bottles inside the covers,
piece-dyed linen textiles)

Made in Lapua ja Kaunas

Most of our products are manufactured in Lapua, in western Finland. It has been so for the last four generations. In recent years we have invested around 2,5 million euros in the development of our weaving and manufacturing processes in Finland. In 2021, we will be investing millions in the production of Finnish lambswool, development of finishing processes and weaving machinery.

On occasions where manufacturing is not possible in Lapua, it takes place in Kaunas, Lithuania. We are co-owners of a weaving mill that produces our brushed wool blankets. Some of the sewing also takes place in our own subsidiary in Lithuania. The same responsibility principles are applied there as are in Finland.

We operate according to Finnish and EU legislation. This means that Lapuan Kankurit adheres to rules and regulation and is, as a manufacturer, responsible for environmental management plans, the wellbeing and healthcare of the personnel, safety of equipment and buildings as well as reports pertaining to these matters.

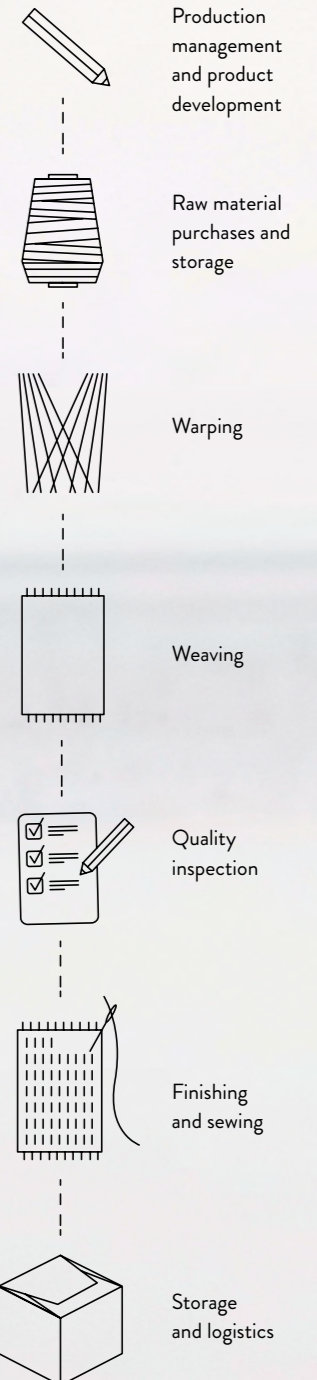
MULTIFACETED EQUIPMENT

- We use the best technology available ensuring our products are durable and of the highest quality. This is also important for health and safety reasons. We follow closely developments in this field and cooperate with machinery and equipment suppliers.
- We use top of the line technology in our fabric production: Karl Mayer warping machine, Dornier weaving looms and electronic Staübli jacquard machines. These are all safe, long-lasting, easy for our staff to use and represent the best in the business in energy efficiency. With weaving technology, too, we find it important to support European production.
- In building projects and equipment maintenance, whenever possible, we choose to work with local operators.

WE MANUFACTURE ONLY WHAT IS ORDERED

For us it is the volume of orders that guides the entire production. We do not manufacture products to end up as surplus. For this to happen, we use MES and ERP systems to improve both quality control and traceability of operations as well as to minimise surplus of products.

WHAT HAPPENS IN OUR FACTORY IN LAPUA



WE MAKE OUR PRODUCTS – NOT SOMEBODY SOMEWHERE



Our employees are like family to us. We want to know everyone in our production chain and we want to treat them fairly. People enjoy it here: longest careers are around 40 years, and there are several employees at the moment with a career spanning over 20 years with us at Lapuan Kankurit.

Our beliefs

Everyone needs to receive fair pay for their work.

Everyone needs to be able to have a say in developing their work and to thrive at work.

To guarantee quality, you need to listen to your employees.

Diversity is an asset: our employees come from different countries and cultures.

44

With a new generation of employees, the average age of our staff is now at 44 which is lower than before. 39% of our employees are under the age of 40.

CORPORATE SOCIAL RESPONSIBILITY

We want to take on social responsibility in the textile industry and employ people in accordance with EU legislation. Our own subsidiary in Kaunas shares the same goals and objectives as we do at our weaving mill in Finland.

85 %

percent of our employees are women. As a female-dominated place of work, we take on social responsibility and support the opportunity for women to balance work and family.

EMPLOYEE TRAINING

We encourage our personnel to boost their personal development and work community. We offer in-house training as well as opportunities to participate in courses organised by equipment manufacturers, Finnish Textile and Fashion and Finland Chamber of Commerce.

We also encourage everyone to join us in creating an atmosphere at work where everyone actively promotes openness and equality to achieve these goals. In the recent years, we have developed our factory's quality control system together with our staff. We have also put effort in developing our working environment and improving safety at work.

We have a personnel of 31 in Finland and 18 employees in Lithuania.

ENVIRONMENT NOW, TOMORROW, FOREVER

Since we make our livelihood from nature, we want to commit to environmentally responsible practices. Our goal is to become a carbon neutral operator and we are constantly working towards that goal.

A significant part of emissions results from transportation of raw material and products. Since our business has grown over the past couple of years and volume of export has increased, there is, of course, increase in number of shipments.

The impact of our own production is small and comes mostly from heat production, energy use as well as production of steam needed for finishing the products.

USE OF ENERGY

- We have been using wind energy over the whole year of 2020. This has decreased energy-related carbon dioxide emissions by 89% compared to 2019.
- In 2021 we will be exploring the possibility of using solar energy in our new investments.
- Heat energy is produced by a district heating

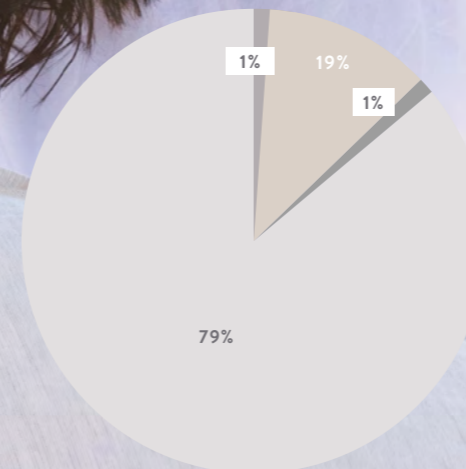
plant utilising mostly woodchip and other by-products from sawmill industry.

- Our production uses a heat recovery system.
- Light fuel oil is used for producing steam needed for finishing of products. Investments were made in the recent years to improve the operating efficiency of steam heat.
- Greenhouse gas emissions from business travel have gone down by 66% due to COVID-19.

USE OF WATER

- Our use of water was 1997 m3 in 2020. It has decreased by 8% from the previous year. Water is used mainly for the finishing of products.
- We are investing in a new finishing plant, developing our finishing processes and we are seeking new ways of reducing the use of water as well as recycling it in our processes.

CALCULATING THE CARBON FOOTPRINT IN 2020



- Greenhouse gas emissions caused by electricity consumption
- Greenhouse gas emissions caused by fossil fuel thermal energy consumption
- Greenhouse gas emissions caused by business travel
- Greenhouse gas emissions caused by transportation of products and raw material

Lapuan Kankurit carried out the calculations using a carbon footprint calculation tool created by the Finnish Environment Institute.

RECYCLING

- We are exploring the recycling of discarded wool as part of our Finnish wool development project
- Some of our developments include the sorting and use of linen waste (e.g. using the material in absorption products). We are also recycling cardboard boxes and the polypropylene used in transportation of yarn reels.
- Our stores receive discarded linen and wool textiles manufactured by our company.

USING LESS PACKAGING

- We continue cooperating with RePack in 2021 with our online packaging solutions.
- We recycle our cardboard. In 2020, the amount of cardboard and carton packages we used has decreased by 4% and our use of plastic packaging has gone down 49%. We are continuously looking for new environmentally friendly packing alternatives.
- We are members of Finnish Packaging Recycling RINKI. We are actively monitoring our use of packaging materials. We are members of Grüne Punkt in Germany. It helps actively monitor our use of packaging materials with deliveries to Germany as well as ensures our carbon offsetting.

GOALS

- In 2021, we began implementing Ekokompassi, an environmental management system, throughout our entire company and its operations. Our goal is to have a complete certified environmental programme by 2022.
- We will continue monitoring our environmental footprint and instilling targetoriented action throughout the organisation.
- We will continue eco-balance calculations and the development of carbon footprint monitoring as we strive towards becoming a carbon neutral operator. Our focus is on assessing the carbon footprint of yarn producers.
- We monitor and report on amount of waste generated yearly and aim actively to reduce the amount of waste.
- Documentation according to ISO 14001 is part of our company's quality management.

ACTION FOR A BETTER FUTURE

We want to maintain and promote local textile expertise and Finnish textile industry in order to preserve the ecological wool and linen traditions. As weavers in fourth generations, we want to pass on our skills to the next generation.

Did you know?

We continue the cooperation we have been part of for years now with John Nurminen Foundation and The Finnish Association for Nature Conservation. The work focuses on protecting the Baltic Sea and the Saimaa Ringed Seal.

Our site provides information about where and how each product has been made. We are more than happy to answer your questions!

HOW WE TAKE ACTION

EDUCATING YOUNG PEOPLE

We take on the responsibility of keeping the education and training in this field going in Finland. We train weavers and industrial staff using work-based learning and apprenticeship programmes. In 2021, we will be collaborating with TE Employment Service in organising a sewing training programme to help recruiting. We cooperate with Tampere University and Teuva adult education centre. Our collaboration with Aalto University includes offering textile students opportunities to learn weaving techniques at our factory.

LOOKING FOR NEW TECHNIQUES AND INNOVATIONS

As our passion is developing the best textiles in the world, we are constantly developing and looking for new techniques and innovations, be it fibres, material or processes. For example, a few years ago we started using Tencel to replace cotton. Weaving it with linen has produced great results.

PARTICIPATION IN DEVELOPMENT OF CIRCULAR ECONOMY

We want to participate in circular economy projects and be part of developing new recycled and wood-based fibres. For example, we have participated in Aalto University's loncell test weaving project as well as in other new innovative fibre projects. We follow actively the development of circular economy through our involvement in Finnish Textile and Fashion, the central organisation in this field. Esko Hjelt, owner of our company, is a member of the board.

WE LEAD BY EXAMPLE

It is our responsibility to act transparently and lead by example by showing that textiles can be manufactured also responsibly.

*Let's weave a good
life together!*



LAPUAN KANKURIT

weavers from Finland

Did you know?

Our stores in Lapua and Helsinki
participate in the Sustainable
Travel Finland programme
concentrating on developing more
sustainable practices.
Welcome to our stores!

LIKE US ON FACEBOOK:

www.facebook.com/lapuankankurit

FOLLOW US ON INSTAGRAM:

[@lapuankankurit](https://www.instagram.com/lapuankankurit)

lapuankankurit.fi

Weaving mill: Tervaspuintie 1, 62100 LAPUA, Finland

Helsinki store&studio: Katariinankatu 2, 00170 HELSINKI, Finland

Lapua outlet: Kulttuurikeskus Vanha Pauku, 62100 LAPUA, Finland