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## Marimekko in brief

Marimekko is a Finnish design company renowned first and foremost for its original prints and colours. The company's product portfolio includes high-quality clothing, bags and accessories as well as home decor items ranging from textiles to tableware. Marimekko's interior fabrics sold by the metre are printed by the company's own fabric printing factory in Finland; all other products are manufactured by subcontractors in Europe and Asia.

When Marimekko was founded in 1951, its unparalleled printed fabrics gave it a strong and unique identity. Today Marimekko products are sold in about 40 countries. In 2015, brand sales of the products worldwide amounted to EUR 186 million and the company's net sales were EUR 96 million. More than 150 Marimekko stores serve customers around the globe. The key markets are Northern Europe, North America and the Asia-Pacific region. Marimekko employs about 500 people. The company's share is quoted on Nasdaq Helsinki Ltd. The Marimekko Group has subsidiaries in Finland, Sweden, Germany, the United Kingdom, the United States and Australia.

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# From the President & CEO

## **2015 – a year of renewal**

For Marimekko, the year 2015 was a year of renewal, both in business and in sustainability. Our fall and winter collections already bore the mark of our new Creative Director, we made our debut at Paris Fashion Week, and we upgraded our online store as well as our bricks-and-mortar store concept. We also drew up a new sustainability strategy for our company.

Along with the renewal, we have talked a great deal about the history and heritage of Marimekko: about strong women who went their own way as well as long-lasting, timeless products and patterns. The things that make Marimekko – today and tomorrow. These themes can also be found at the core of our sustainability strategy leading up to 2020. Sustainability means different things to different people, which is why we commissioned a survey of our customers regarding the topic. The themes that emerged in the survey ranged from local production to ecological materials, and we aimed to take the feedback we received into account in the new sustainability strategy as much as possible.

## **Sustainability targets are achieved through collaboration**

In 2015, sustainable development and climate change featured widely in discussions both in Finland and abroad. For example, the United Nations launched its new sustainable development goals for 2030, and in December the COP21 climate conference in Paris led to the signing of a global climate treaty. The new targets and agreements also increasingly affect companies, directly or indirectly. Companies are expected, for example, to deliver sustainable economic growth, provide decent work, promote responsible consumption and, of course, broadly respect environmental considerations in their business – things that we at Marimekko have long been working for. Greater systematic cooperation and information sharing between the various stakeholders are needed in order to achieve international targets.

Marimekko's sustainability strategy extending to 2020 has been prepared guided by these ideas and listening to our stakeholders. We have already made a good start, for example, on the sourcing of Better Cotton, supply chain transparency, and the use of renewable energy at our

Helsinki fabric printing factory. However, there is still work to do on things like extending our supply chain transparency all the way to the production of raw materials and bringing our sustainability work closer to customers by providing them with relevant information, in our stores as well as online. Safe working conditions, reasonable working hours and living wages continue to be major challenges for the industry. We collaborate with manufacturers and on joint industry initiatives to help employees know their rights and to ensure that these rights are respected.

In the future, we will focus even more on ensuring the quality and longevity of our products. The circular economy offers a lot of opportunities in our sector as well, and I am pleased that Marimekko products are popular, for example, in online second-hand stores. We can contribute to prolonging the life cycle of products on our part, and I also expect a lot from textile waste recycling opportunities in the future.

## **Long-term work for sustainability and the beauty of everyday life**

I started in the role of Marimekko's President about a year ago. The year has been both wonderful and challenging. Financially, we succeeded in 2015 in growing our net sales in difficult market conditions, but our profitability declined significantly. In early 2016, we unfortunately had to announce measures to improve efficiency in our operations and cost structure. This year, we are focusing not only on streamlining our operations to improve our profitability and international competitiveness but also on creating even more attractive collections.

We live in constant change, but there are also things that don't change, like our mission to bring joy to people's everyday lives with beautiful and long-lasting products. For Marimekko, I promise that we work step by step with determination for our operations to have as much positive impact on people and society as possible – now and in the future. It is of utmost importance to us that our products are manufactured responsibly and in accordance with our values, so that our customers can buy them with a good conscience and enjoy beauty in their everyday lives.

Tiina Alahuhta-Kasko



# A chat with the Creative Director

Anna Teurnell joined Marimekko as its new Creative Director in 2014, and in the autumn of 2015, the first Marimekko collection designed completely under her direction – the spring and summer 2016 collection – premiered at Paris Fashion Week. For Anna, lasting design and sustainability are important values linked to design work. We talked with Anna about sustainability and responsible everyday choices.

## **What do sustainable design and responsibility mean to you in your work and everyday life?**

“Throughout my work, good everyday design, timelessness and functionality serve as a guideline. I value environmentally sustainable materials such as organic cotton and recycled materials, and the durability and longevity of products are also important values for me. I follow the ongoing research and development of materials with great interest, and I look forward to new innovations in environmentally friendly processes or product recyclability. I strongly believe in recycling, innovations and that in the future we will be able to utilise the resources available to us more efficiently.

In my own everyday life, I appreciate, for example, organic and local food, because cooking is close to my heart. Marimekko has always appealed to me for its from-one-generation-to-the-next philosophy, of which I also have personal experience: I still have and wear a vintage Marimekko dress dating from the 1960s.”

## **The flip side of the fashion world – the use of natural resources, disposable culture and low-paid textile workers and their working conditions – is constantly in the headlines. How do you think the industry should change in order to be more sustainable?**

“It is true that our industry still faces a lot of challenges, the solutions to which require long-term work and collaboration between the various actors. Although change in a more

sustainable direction is sometimes frustratingly slow, the fashion business is still a huge employer in the world and provides many workers in developing countries with a regular income and a chance to support their families. I think the industry needs more transparency, information sharing and collaboration. For example, the Better Cotton Initiative, of which Marimekko is a member, is a fine initiative that has brought together players ranging from farmers to brands to jointly develop a more sustainable industry. It is important to give consumers a lot of information on products, materials and how to care for them, and thus help people become attached to and take good care of the items they buy. I myself hugely appreciate high-quality materials and the carefully thought-out details that make a product special. Aesthetics in everyday life is important to me, and well-designed products really make a difference here. I hope that consumers can appreciate this special feature of Marimekko products.”

## **How do you see the role of designers and Marimekko as promoters of sustainable development?**

“Designers have always been at the forefront of innovation and thinking of new ways of doing things. I also believe in designers’ ability to contribute to sustainable design in many ways. A well-designed product rewards its user and brings delight every time it is used.”

## **What kinds of materials interest you at the moment and why?**

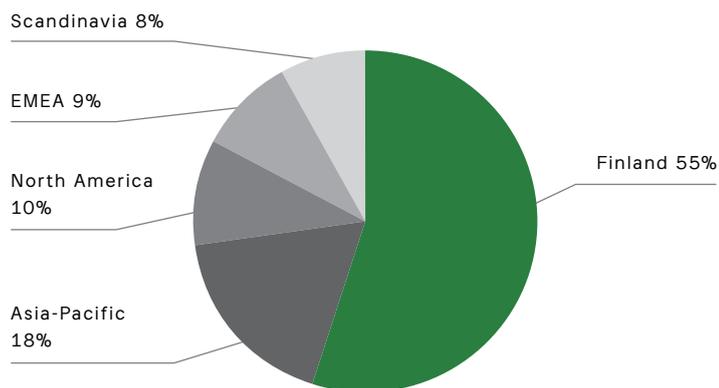
“I’m inspired by many kinds of materials. The feel of the material and ease of use are important for me as well as a certain naturalness. Currently, I’m working with my team on the collections for next spring. I cannot reveal more about the 2017 collections at this point, but I promise that new and interesting materials will be available to Marimekko’s fans in the future as well.”



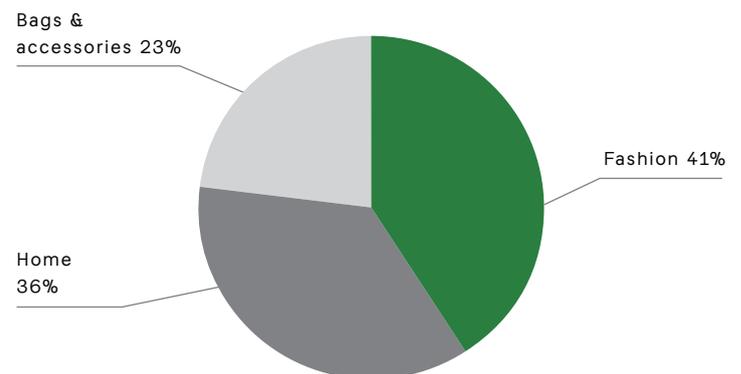
# 2015 in figures

- Net sales of EUR 96 million
- Brand sales of Marimekko products worldwide of approximately EUR 186 million
- 153 Marimekko stores at the year end, of which 55 were company-owned
- Products sold in approximately 40 countries
- Employs an average of 500 people

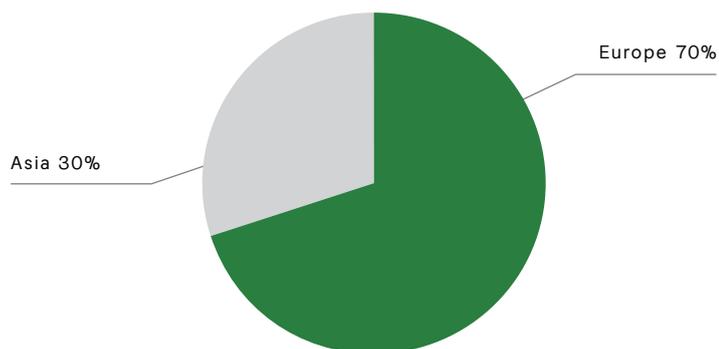
Net sales by market area  
2015



Net sales by product line  
2015



Manufacturing  
in 2015



Largest manufacturing  
countries 2015





## Sustainability highlights of the year

- We drafted a new sustainability strategy
- We sourced a total of 252 tonnes of more sustainable Better Cotton which accounts for approximately 31 percent of our annual cotton usage
- We designed a jersey series made with recycled cotton and a bag line with vegetable tanned leather into our collections
- We increased the transparency of our supply chain by publishing a list of our contract manufacturers
- We decided to shift to using biogas in our fabric printing factory
- We reached our energy saving goal
- We reached a waste utilisation rate of 98 percent
- We decided to gradually shift from using plastic bags to using FSC certified paper bags in our stores

# Sustainability at Marimekko

**For Marimekko, sustainability means respecting people and the environment in everything we do. We bring joy to everyday life with our colourful and long-lasting products and we are a fair employer and a reliable partner both to our customers and to our suppliers.**

## **Mission, vision and values**

Marimekko's mission is to bring joy to everyday life with original patterns and colours. Our vision is to be the world's most renowned pattern designer and one of the most inspiring design brands. Leadership at Marimekko is based on shared values that we hold to be important and by which we live and work every day. Six basic values inspire and motivate us, guide our choices and help us to achieve our vision:

- Living, not pretending
- Fairness to everyone and everything
- Common sense
- Getting things done – together
- Courage, even at the risk of failure
- Joy.

Our value "fairness to everyone and everything" crystallises the core of Marimekko's sustainability thinking. We treat other people fairly, and we create products that bring joy for a long time with minimal environmental impacts.

## **Clarity to common ground rules**

Marimekko's growth and internationalisation emphasise the importance of clear, common ground rules. In 2015, Marimekko's Management Group and Board of Directors approved common, more detailed operating principles for our personnel. This year, the principles, Marimekko Code of Conduct, will be deployed across the entire organisation and training will be provided for the personnel on what compliance with the principles means in practice. The Code of Conduct will also help to convey our message to external stakeholders as to how important ethical behaviour is to Marimekko.

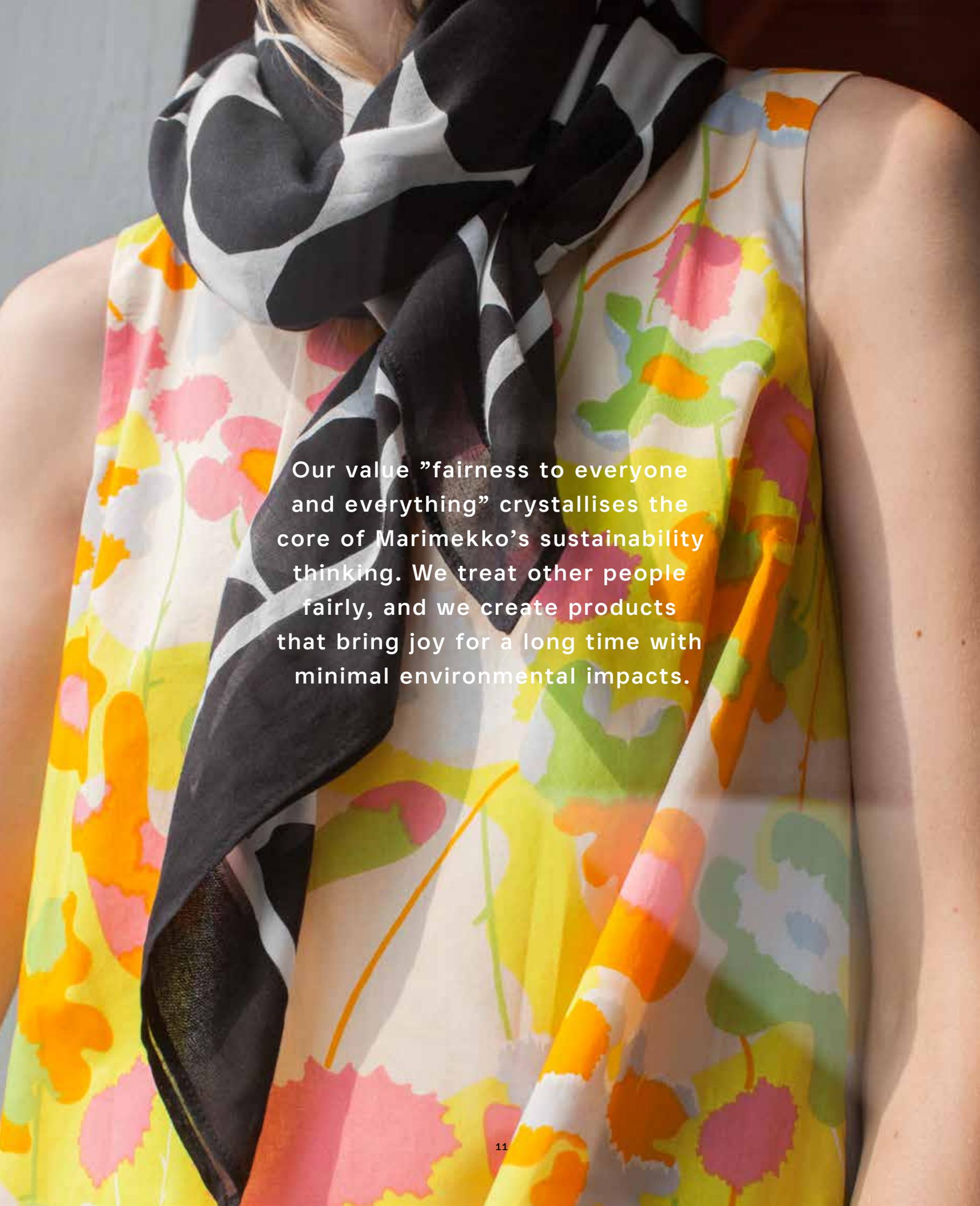
## **Business strategy**

Marimekko has a long-term international growth strategy and our goal is to grow and succeed in the international arena as a Finnish design company that has a strong identity. In business development, we focus on controlled growth in Finland and selected export markets. The key markets are Northern Europe, North America and the Asia-Pacific region. We are in a phase of our strategy, the main thrusts of which are:

- expanding from a "niche design cult brand" to a much broader appeal for selected target customers
- fashion as lifestyle brand spearhead and clarified brand direction
- stronger profitability through recent growth and improved efficiency
- continuing growth with partner-led retail with special focus on Asia
- digital as driver of future growth.

## **Managing sustainability**

Regarding sustainability, we have been developing our operations on a long-term basis. Sustainability management for Marimekko is part of everyday management and development. The ultimate responsibility for management lies with the President and CEO. The Sustainability Steering Group plans the sustainability work, assesses the performance against the targets, sets new targets, and monitors projects to promote sustainability. The Steering Group is comprised of the Sustainability Manager, Chief Supply Chain Officer, Chief Marketing Officer, Chief Sales Officer, and Head of Communications. The different business units and functions are individually responsible for the targets and actions for their own area of responsibility.

A close-up photograph of a person's upper body. They are wearing a sleeveless dress with a vibrant, multi-colored floral pattern in shades of yellow, pink, orange, and green on a light background. A black and white striped scarf is draped around their neck, partially covering the dress. The lighting is bright, creating soft shadows on the person's skin.

Our value "fairness to everyone and everything" crystallises the core of Marimekko's sustainability thinking. We treat other people fairly, and we create products that bring joy for a long time with minimal environmental impacts.

## Sustainability strategy 2011–2015

The main objective of Marimekko's sustainability strategy for 2011–2015 was to make sustainability based on common values and goals an even more systematic part of everything we do. We attained some of the objectives stated, but much work still lies ahead.

Area	Target	Status	
<b>Sustainable design</b>	The share of more sustainable materials in the collections 20 percent by the end of 2015*	Reached 	In 2015, we significantly increased the sourcing of more sustainable cotton. Sourcing of Better Cotton amounted to a total of 252 tonnes, which corresponds to approximately 31 percent of the annual cotton consumption of Marimekko. Among other than cotton products, more sustainable materials accounted for 20 percent of the textile products sold.
<b>Responsible sourcing</b>	Assessment of suppliers from sustainability perspective and eliciting their commitment for developing their sustainability; strategic suppliers in risk countries covered by Business Social Compliance Initiative audits by the end of 2015	Partly reached 	At the end of 2015, of Marimekko's purchases from non-EU manufacturers, 68 percent was BSCI-audited and 92 percent was within the scope of BSCI or equivalent social responsibility audits. The assessment and commitment of suppliers will be continued in the years ahead.
<b>Environmental impacts of own production</b>	The continuous reduction of the environmental impacts of in-house manufacturing and the Helsinki head office in proportion to the volume of business; taking environmental aspects into account in machinery and equipment investments; regular environmental training for the personnel	Reached 	Electrical energy consumption at Marimekko's Herttoniemi fabric printing factory and head office fell by 4 percent, heating energy consumption by 11 percent and water consumption by 3 percent compared to last year. The purchased electricity was generated by renewable, carbon dioxide-free hydropower. In addition, the Herttoniemi production plant went over to domestic, renewable biogas from the beginning of 2016.
<b>Wellbeing and expertise of employees</b>	Better personnel survey results compared to similar companies and a good standard of overall results; training the personnel in sustainability-related matters	Partly reached 	Personnel survey is conducted every other year and the next survey will be carried out in 2016. In the course of the year, sustainability info sessions were held for Marimekko personnel, at which information was provided on matters related to sustainability and sourcing.
<b>Responsible business practices</b>	Securing profitable growth; the Group's annual net sales growth over 10 percent, operating profit margin 10 percent, return on equity over 15 percent, equity ratio 60 percent	Not reached 	Marimekko's net sales grew by 2 percent on the previous year. Operating profit margin was 1.6 percent. Return on equity was 2.9 percent and equity ratio was 59 percent.

\* A product made from more sustainable material is defined based on MADE BY organisation's fibre classification and materials containing 45 percent or more of fibre in classes A–C are considered more sustainable. E.g. organic cotton, linen and lyocell and blends of these are included in these categories. Also included in the definition are products containing silk, triacetate and acetate.

## Material sustainability themes

### Sustainable design

- Timeless, high quality, functional products
- Sustainable and durable design and continuous product development
- Design integrity
- More sustainable materials and fairly produced raw materials
- Use and disposal of products

### Responsible sourcing

- Responsible business partners
- Working conditions in manufacturing
- Product safety
- Human rights in supply chain
- Environmental impacts of production and distribution in supply chain

### Environmental impacts of production

- Climate change mitigation and energy efficiency
- Material efficiency
- Chemicals
- Water use

### Employee wellbeing and expertise

- Fair employer and responsible employment
- Capacity building
- Wellbeing at work
- Health and safety

### Responsible business practices

- Financial profitability, controlled growth and internationalisation
- Good corporate governance and risk management
- Stakeholder engagement
- Charity and donations

## **Sustainability strategy 2016–2020 – taking into account stakeholders’ expectations**

In 2015, we drew up an action plan and targets for sustainability extending to the year 2020. The background work was already started in 2014; we collected data on general trends, megatrends and consumer trends in the sector and performed a peer analysis to see how we are performing on sustainability issues relative to other players in the sector. We also interviewed representatives of stakeholders important to Marimekko, such as investors and non-governmental organisations. In 2015, we carried out surveys addressed to broader stakeholders such as retailers and consumer customers. The results of stakeholder work, together with other background research, laid the foundation for the strategy, targets and action plans for the coming years.

### **Megatrends**

Our sector of business is affected by many present-day megatrends: climate change, urbanisation, population growth, digitisation and technological progress, the scarcity of resources and an increasing transparency. The current business environment requires us to better prepare for the risks occasioned by megatrends on the one hand and on the other to grasp the opportunities that arise. We have taken into consideration the megatrends and their potential impact when planning our sustainability work.

### **Material sustainability themes and our commitments**

On the basis of the background work done in 2014–2015, we updated the material themes of our sustainability work and crystallised them into five commitments leading up to 2020. Sustainable design and responsible supply chain are still central. In addition to these, we made commitments related to resource efficiency and environment, inspiring and engaging with stakeholders and our personnel. Targets and indicators were defined for each commitment.

**Providing customers with additional information on products, materials and manufacturing is one tangible and important development area for us.**

## **Case: Customers expect quality, timelessness and openness from Marimekko**

As part of the background work for the sustainability strategy, we commissioned a customer survey among the members of Marimekko’s customer programme in Finland, Sweden, the United States, Germany, and Australia. Nearly 800 customers responded to the survey.

On the basis of the survey, our customers expect in particular quality and timelessness of our products as well as colours and patterns. Finnish design, the in-house fabric printing factory, and a significant share of local production were also felt to be important. From the sustainability perspective, our customers named the most important factors as being the durability and quality of the product, as well as fair working conditions in manufacturing. Also, better chemicals for the environment, transparency and the importance of environmentally friendly manufacturing were emphasised. Recycled materials and the recyclability of the materials were considered less important aspects.

We also received feedback to improving customer service and reducing packaging. All in all, many of the respondents felt that the assessment of the company’s sustainability work was challenging in the light of current knowledge.

## **Case: A living wage and transparency are important themes to NGOs**

For the sustainability strategy work, we interviewed specialists from six organisations: Finnwatch, Pro Ethical Trade Finland, the Clean Clothes campaign, the Trade Union Solidarity Centre of Finland, WWF, and Save the Children Finland association, as well as the International Labour Organisation ILO. The NGOs’ expectations focused in particular on working conditions in the supply chain, reporting on the audit results, commitment to living wage, and the rights of contract manufacturers’ employees to organise and engage in collective bargaining. Marimekko is also expected to report on the assessment process related to risks to human rights.

All the interviewees considered product quality and durability as well as commitment to long-term supplier partnerships to be Marimekko’s strengths.

NGOs’ expectations play an important role in planning our sustainability work, as the organisations provide us with important perspectives on matters such as the workers’ everyday life and local communities.

## Our commitments and targets for 2020

### We design timeless, long-lasting and functional products

- We offer durable, high-quality and functional products.
- We increase the share of sustainable cotton and other more sustainable materials in our products and packaging.
- We develop products and services which have a reduced environmental impact throughout their life cycle.
- We contribute to circular economy with related projects and services.

### We inspire and engage our customers and staff

- We provide our employees with continuous training in sustainability matters and engage them in developing operations.
- We offer more information on our products, their proper care, and ways to prolong product life.
- We maintain an active dialogue with our stakeholders and engage in joint initiatives within the industry in order to innovate and inspire sustainable design and production.
- We collaborate, in particular, with NGOs and charities whose work relates to creativity and supporting women and children.

### We promote responsible practices throughout our supply chain

- We build transparency in supply chain extending to raw materials.
- We select our suppliers carefully with high priority to fair working conditions and environmental protection.
- We actively promote human rights, a living wage, worker empowerment and safe working conditions in our supply chain through audits and training.

### We are resource efficient and care for the environment

- We continuously reduce the carbon footprint of our operations by using renewable energy sources and optimising logistics.
- We continuously improve material, energy and water efficiency in our own operations.
- No landfill waste will be generated by our own operations.
- We ensure high standards of chemical restrictions in the production of our products and look for greener chemistry whenever possible.

### We offer an inspiring and responsible workplace

- We support the personal and professional growth of our employees by training and building competence.
- We foster diversity, creativity and teamwork.
- We will be the preferred employer in our sector.
- We are committed to responsible and ethical business practices.

## Stakeholder engagement

Marimekko's principal stakeholders that might have a significant impact on Marimekko's business are the customers, personnel, shareholders, suppliers and the media. Also, many non-governmental organisations (NGOs) are interested in our activities, especially the manufacturing conditions of products and the origin of raw materials, and we want to maintain an active dialogue with the NGOs also in the future.

In 2015, the issues raised by our stakeholders were, for example, the circular economy, working conditions at our supplier factories in China and Thailand, quality of audits, animal rights, and domestic production. Other prominent issues include chemicals used in production, supply chain transparency, and living wages in the manufacturing countries.

**Marimekko's principal stakeholders are the customers, personnel, shareholders, suppliers and the media.**



## Value chain and impacts of operations

Marimekko is a design house that designs, manufactures and sources products and sells them in its own Marimekko stores and through retailers around the world. Our value chain is broad and diverse, as in many consumer product companies.

Marimekko is a small actor in the global market, but the overall impacts of the industry on stakeholders, society and the environment are significant. The global textile industry is a major employer, especially for women. Despite the progress of technology and the automation of production, the majority of apparel and home furnishing products are still sewn with machines operated manually by individual seamstresses. Working conditions and human rights in production, the right of free association, adequate pay and safe working conditions for example are important aspects of social responsibility in the global supply chain, both in manufacturing and in the production of raw materials, such as cotton. The environmental impacts of the textile industry relate in particular to energy and water consumption, material efficiency and the chemicals used in production.

As a company with a strong brand we can promote more sustainable consumption and help our customers reduce their environmental impact by designing durable products from sustainable raw materials and educating the customers about the environmental impacts that occur during the use of a product. Marimekko's influence at different stages of the value chain varies depending on the product and the work phase. Therefore, collaboration with suppliers and other actors in the industry is of utmost importance.

# Our value chain

## Design & materials



In design, important choices are made in terms of product lifecycle. With the help of timeless and responsible design, materials manufactured with respect for the environment and people, we can promote more sustainable consumption and help our customers reduce their own environmental impact.

## Sourcing & production



Our in-house fabric printing factory and careful choice of partners support responsible manufacturing. In the global supply chain, there are still challenges, for example, in relation to working conditions and human rights, and we are working with these issues actively. From the environmental viewpoint, we focus on resource efficiency both in our entire supply chain.

## Logistics



A significant part of the environmental impact of our operations is due to transportation of our products from place to place - from manufacturers to the logistics centre and onward to the stores or online store and to the customer. The modes of transport used are road, sea and air transport, and route optimisation aims not only for cost-effectiveness but also for the environmentally optimal routing.

## Stores



Inspiring and experiential stores are the place where we meet and serve our customers. Our store staff and our webstore have key roles in providing customers with as much information as possible about us and our products, including the sustainability aspect. The stores also focus on reducing the environmental footprint, for example, with energy-efficient LED lighting.

## Use & care of products



Our products also have environmental impacts after they have left our stores, for example when they are washed. We encourage the customers to take good care of the products in a way that promotes long life and environmentally benign care.

## Recycling & end-of-life



The customer has a great influence on what happens to the product after it is no longer used. Marimekko products have a good resale value, and our objective is for the products to remain in circulation for a long time, from one user to another. We cooperate with a second-hand online store, and we are constantly analysing other alternatives for longer product circulation.



Sustainable  
and timeless  
design

**Marimekko products are designed to stand the test of time. When properly cared for, they will stay beautiful and bring joy for a long time. Product design is the core of Marimekko's business and one of the most important aspects of sustainable development for Marimekko.**

The choices made in design and product development have a significant impact on the product's use and life-cycle environmental impacts. A well-designed, timeless, high-quality and fit-for-purpose product brings its user joy for a long time and is therefore a sustainable choice. We extend our products' life cycles through product development and quality control, but each product must also have that special something – the Marimekko magic which makes the user fall in love with the product and to take good care of it.

The Marimekko archives contain thousands of patterns and product designs, and our goal is to provide in our collections both, treasures from archive and new products and patterns that reflect the spirit of the times. For us it is important also to spotlight new, young designers. The classics of tomorrow may be born today.

A checklist for sustainable design has been drafted to support Marimekko designers in their work.

### **Influencing through material choices**

The choice of materials affects directly the product's lifecycle environmental impacts. The material largely determines the durability of the product and the consumption of energy and detergent needed for product care. A wide range of materials is used for Marimekko products and the choice of these is strongly guided by the use of the product and the feel and other properties of the material.

We continuously aim to increase the share of more sustainable materials in the collections. For cotton this means in practice an increase in the procurement of Better cotton, organic cotton and recycled cotton.

In 2015, we purchased 252 tonnes of Better Cotton, accounting for roughly 31 percent of our annual cotton consumption. In addition, 77 percent of products manufactured in 2015 were made from renewable raw materials.

We actively follow the results of research and development related to new materials. For example, we are engaged in research project related to further development of wood cellulose-based Ioncell fibre, and we hope in the future

### **Checklist for sustainable design**

- ✓ Timelessness and multiple use of the product
- ✓ Quality and durability
- ✓ Materials and finishing
- ✓ Patterns and material consumption
- ✓ Structural solutions and product care
- ✓ Recyclability

to have products made from Finnish birch included in the Marimekko collection.

### **Material efficiency**

Material efficiency has a central role to play in preventing and minimising waste generated in Marimekko's production. Off-cut waste is reduced already in the print design stage by taking into account the end-use of the pattern and it's positioning on the fabric. The patterns are laid with the help of software, which keeps the waste to a minimum. Sometimes the generation of cutting waste is unavoidable, but in such cases the use of off-cuts for example as material for another product can also be considered as early as in the initial design phase.

### **Wise use of fabric and reuse of waste off-cuts**

Marimekko's design and product development teams closely monitor the percentage of off-cut waste. The continuing target for a loss rate is less than 20 percent, but the utilisation rate is always also dependent on the pattern and

## We aim to increase the share of more sustainable materials in the collections.

the product. Minimising waste is in everyone's interest and it is also economically beneficial. Our printed fabrics undergo a rigorous inspection before they continue their journey to the store. Second quality fabrics are used to make popular shopping bags, for example.

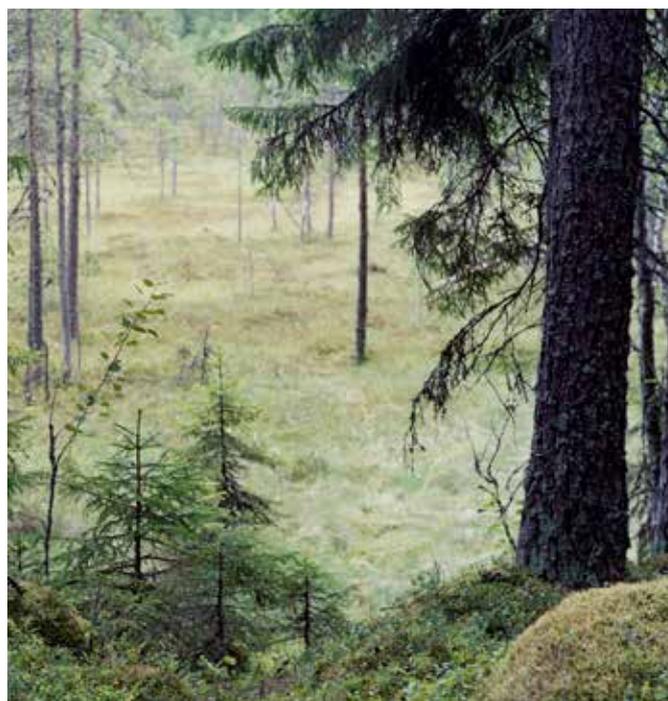
It sometimes happens for one reason or another that fabrics are left over from a clothing collection, for example. These leftovers are usually used to make special products for our biannual Friendship Sale or to reproduce popular items. Leftover fabrics are also sold in our outlet stores to people who like to sew, and sometimes they are donated for example to nearby schools and kindergartens for children's arts and crafts.

### Product safety and quality control

We want to guarantee the quality and user safety of our products in all conditions, which is why our quality team as well as external and testing laboratories and Marimekko's suppliers monitor quality continuously. We keep ourselves up to date with product safety requirements in the different customer markets.

The success of quality assurance is monitored, for example, with claim reporting. The key indicator used is the proportion of products subject to claims relative to all items purchased. Our ongoing target is to keep claims to less than 0.5 percent of the products sold. In 2015, the percentage subject to claims was 0.42 percent (2014: 0.42) of products sold. The most common claims are related to manufacturing and material defects such as sewing errors, burst seams, broken mechanisms or colour defects.

In 2015, we continued to develop in-house quality control tools and to engage in an active dialogue with our contract manufacturers on quality issues.



## Case: Wood-based fibres – does the future of the textile industry grow on trees?

Marimekko's homeland, Finland, is a heavily forested country. Almost 80 percent of Finland's total area is covered by forests and the forest industry has always been an important industrial sector in Finland. A downturn in paper consumption due to digitisation and the subsequent shakeout in the forest industry has driven forest companies to think about what wood could be used for in addition to paper.

In the textile industry, wood fibre has been used as a raw material for decades. Viscose-fibre rayon, which is made from wood pulp, is used in Marimekko collections, as are lyocell, modal and acetate. Research and development on production processes for newer more sustainable wood-based textile materials is active both in Finland and abroad.

Marimekko is engaged in a Finnish research project related to the further development of wood cellulose loncell F fibre. Marimekko's Allu dress, made of this fibre, was unveiled in March 2014 at a fashion show held in Helsinki, and now in 2016 a research project on a new prototype product is under way.



## Case: A new life for yarn waste: jersey clothing made of recycled yarn

We follow the research and development of materials made from recycled materials with great interest and we also encourage our designers to explore different recycling options while looking for new materials. Our continuous goal is to increase the share of more sustainable materials in our collections, and recycled materials are one way to promote this goal.

Marimekko's summer 2016 collection includes the Stripe jersey series made with yarn from textile industry waste. The raw materials are sourced from areas where significant amounts of textile waste is generated. In production, the different coloured yarn and fabric waste is sorted, carded, blended and re-spun into yarn together with virgin fibres. Virgin fibres improve the quality and durability of the yarn. The yarn is knitted into jersey by the Tessuti & Tessuti knitwear factory in Italy, before taking a trip to be sewn at Marimekko's contract manufacturer in Lithuania.

Designer Mai Ohta fell in love with the jersey fabric made from recycled yarn and chose it for the collection not just for its environmental aspects but also for the feel and good looks of the material. "I wanted to bring a new kind of material in the collection, and I fell in love with the fabric's rough and dry, slightly linen-style feel, which immediately brought summer to mind. Although environmentally friendly materials can sometimes be challenging from the perspective of quality, I was glad that the recycled material performed very well in tests."

## Case: Marimekko x WST

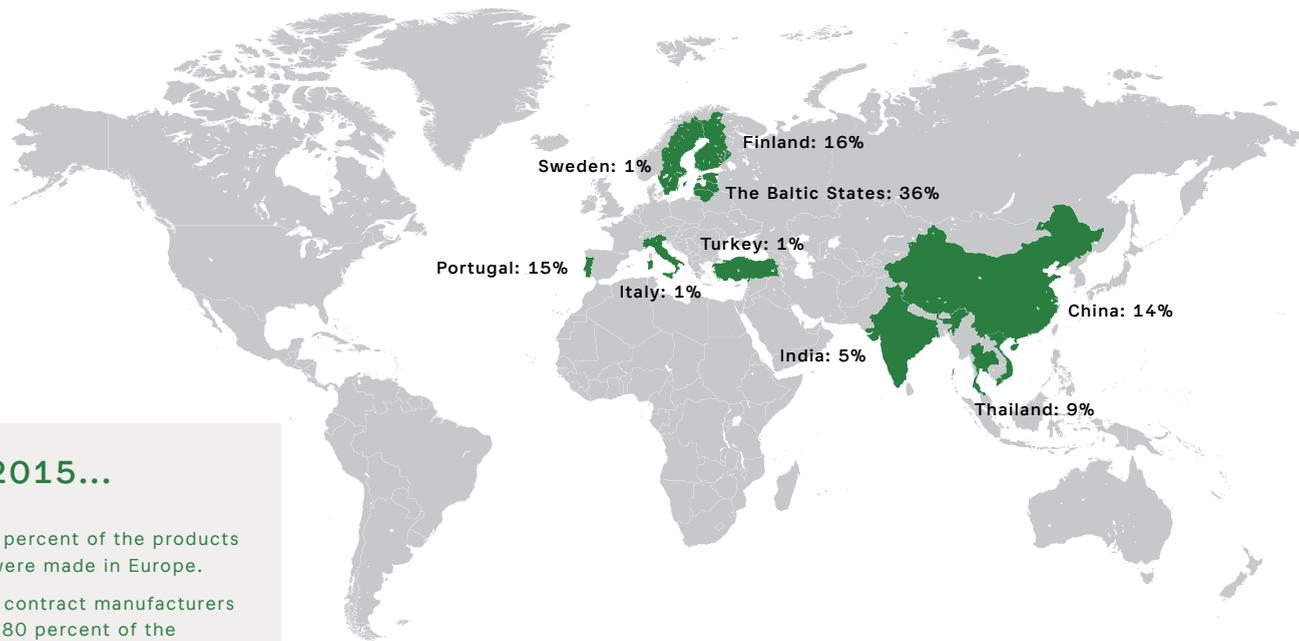
The year 2015 turned out to be pivotal for the circular economy, which is already being tipped for the next global megatrend. We at Marimekko also think a great deal about the circular economy and how we could help Marimekko products to see a longer life. One solution we found was the We Started This second-hand online store, started in 2013, with whom we decided to pilot cooperation. We collected slightly used clothing and accessories from Marimekko's own personnel for sale in WST's online store. The WST x Marimekko collection went on sale in November 2015, and it was a great success. Many products found a new owner during the first week on sale.

We collected feedback on the basis of the pilot, and we will further develop the Marimekko products re-selling concept in the year ahead. Today's Marimekko products may be tomorrow's second-hand treasures, and we hope that new products will also remain in circulation for a long time.

# Responsible sourcing

Marimekko has its own fabric printing factory in Helsinki. In addition, Marimekko's products are also manufactured by contract manufacturers in Europe and Asia. We aim to have long-term partnerships with manufacturers and we are careful about the working conditions of their employees. For us it is important that our products are manufactured in accordance with our values, respecting workers and the environment.





**In 2015...**

... 70 percent of the products sold were made in Europe.

... 30 contract manufacturers made 80 percent of the products.

... Base fabrics for the Helsinki printing factory were sourced from Germany, Turkey, Peru, and the Baltic States.

● Manufacturing countries of Marimekko products

You can read more about manufacturing on our company website at [company.marimekko.com/sustainability](http://company.marimekko.com/sustainability) under Manufacturing

The majority of Marimekko products are manufactured in Europe and about a third outside Europe. With the help of a skilful and diverse supply chain we can offer our customers a wide, high-quality product range. Regardless of where the products are made, special attention is paid to the manufacturing conditions. Our responsible sourcing is guided by the Principles of Responsible Sourcing and Code of Conduct for suppliers. Marimekko is also a member of the international Business Social Compliance Initiative (BSCI), which aims at promoting monitoring and developing working conditions in global supply chains.

**Diverse network of partners**

Marimekko products are manufactured by about 70 contract manufacturers in 80 factories in Europe and Asia, and we purchase fabrics from about 20 fabric producers. 80 percent of our products are made by 30 partners.

The range of partners is as varied as Marimekko’s product range - each product category requires its own kind of know-how. For example, the majority of woven fabric garments are manufactured in Lithuania, high-quality woven fabrics are sourced from Italy, Portuguese partners specialise in towels among others, India is noted for its scarves, and China has strong know-how expertise in silk.

**80 percent of our products are made by 30 partners.**



**We achieved our target,  
that by the end of 2015,  
90 percent of non-EU  
purchases and all strategic  
contract manufacturers would  
be covered by audits.**

#### Careful selection of partners

Many of the contract manufacturers we use are long-term partners. With many of them, the partnerships have lasted for more than ten years. On average, partnerships have lasted six years. We select our partners carefully, and when choosing a new supplier we perform a comprehensive evaluation taking into account the supplier's expertise and quality, production capacity, delivery times and manufacturing costs. Sustainability aspects considered include working conditions, safety practices and possible social or environmental certifications and audits, among other things.

When screening new suppliers in non-EU countries, Marimekko prefers SA8000 certified or BSCI audited suppliers. On a case-by-case basis, suppliers audited within other social audit systems may also be accepted.

For us, it's important to be transparent about our supply chain, which is why we have published a list of our significant contract manufacturers on our website. The list is updated on an annual basis.

#### Sourcing principles

Marimekko's sourcing is guided by quality and competence. In addition, Marimekko's buyers have been provided with guidelines for assessing sustainability aspects when selecting new suppliers. Purchase agreements signed with the suppliers bind the supplier to comply with the International Labour Organisation Conventions and BSCI Code of Conduct. Adherence to the principles is enforced with Marimekko's own factory visits, and outside Europe, also by independent auditors specialised in factory audits.

#### BSCI Code of Conduct

- The rights of freedom of association and the right to collective bargaining
- No discrimination
- Fair remuneration
- Decent working hours
- Occupational health and safety
- No child labour
- Special protection to young workers
- No precarious employment
- No forced labour
- Protection of the environment
- Ethical business behaviour

The BSCI Code of Conduct refers to international conventions such as the Universal Declaration of Human Rights, the Children's Rights and Business Principles, UN Guiding Principles for Business and Human Rights, OECD Guidelines, UN Global Compact and International Labour Organisation (ILO) Conventions and Recommendations relevant to improve working conditions in the supply chain.

#### Audits and results

A total of ten BSCI social compliance audits were carried out at the production facilities of Marimekko's contract manufacturers in 2015. As a result of the audits in 2015 68 percent of Marimekko's product purchases from non-EU countries were covered by BSCI audits and overall 92

percent were covered by BSCI audits and other similar social compliance audits. We achieved our target, that by the end of 2015, 90 percent of non-EU purchases and all strategic contract manufacturers would be covered by audits. At the end of 2015, 88 percent of Marimekko's BSCI-audited suppliers had passed the audit acceptably. In the previous year, the corresponding proportion was 87 percent. For a few factories, the audit results were affected by BSCI's updated auditing methodology based on the renewed Code of Conduct launched in 2014. In addition, in 2015, one plant was audited for the first time in accordance with the BSCI methodology, and some of the findings related to the implementation of BSCI policies at the plant.

### Factory monitoring to support audits

A new element introduced in 2015 was factory monitoring carried out by an external specialist before the actual audit or between audits. Monitoring gives us an overview of the plant's capabilities ahead of undergoing the BSCI audit, and additionally, it enables us to identify any training needs prior to the audit. During the past year, two monitoring visits were made at contract manufacturers' plants in China. Both visits revealed items for improvement with respect to health and safety, working hours and, wages. A plan of corrective action has been drawn up for the factories, the implementation of which is being monitored regularly and follow-up visits will be conducted in spring 2016.

The BSCI audits of Marimekko's contract manufacturers have not identified any zero-tolerance findings as defined by BSCI, such as evidence of child labour or forced labour,

unethical behaviour or imminent and significant risks to workers' health.

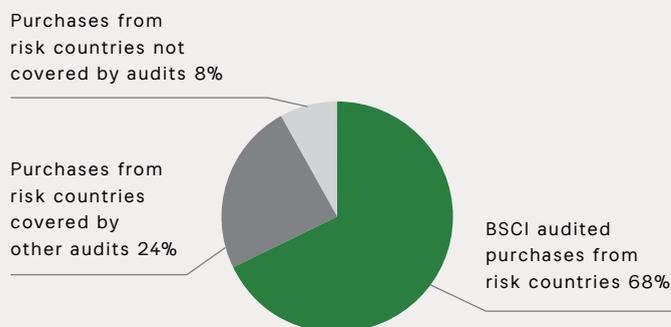
### Challenges

The audits almost always identify specific items for improvement in the factories, which is typical in manufacturing operations. Challenges vary by region and by production plant. The important thing is to go through the improvement needs with the factory management and to agree together on follow-up measures.

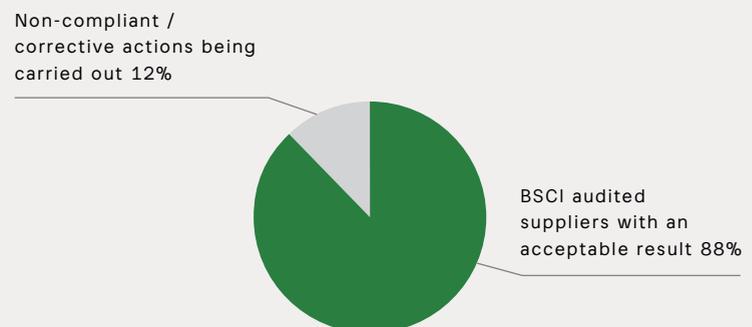
### Voluntary overtime as a challenge in China

Of the actual audits carried out in 2015, the findings were related, for example, to deficiencies in documentation, health and safety, excessive overtime, and wages. For example, continuing but voluntary overtime in China is a challenge for which there is no easy solution, but we encourage plants struggling with this challenge towards better production planning and we require compliance with statutory limits on working hours. In respect of wages, a monitoring visit of one Chinese plant revealed that employees did not fully understand how their wages are calculated and therefore were not able to assess their accuracy. On the basis of this finding, guidelines were drawn up for employees concerning the transparency of the wage calculation method. At a few Chinese plants, deficiencies were found in social insurance coverage, and not all workers were covered by statutory insurance. Factories have been recommended to improve the insurance coverage.

**Audit status 2015**



**BSCI audit results**



**Living wage is a vital objective and it should also be the aim in respect of statutory minimum wage in all countries.**

**The most room for improvement found in occupational safety and management systems**

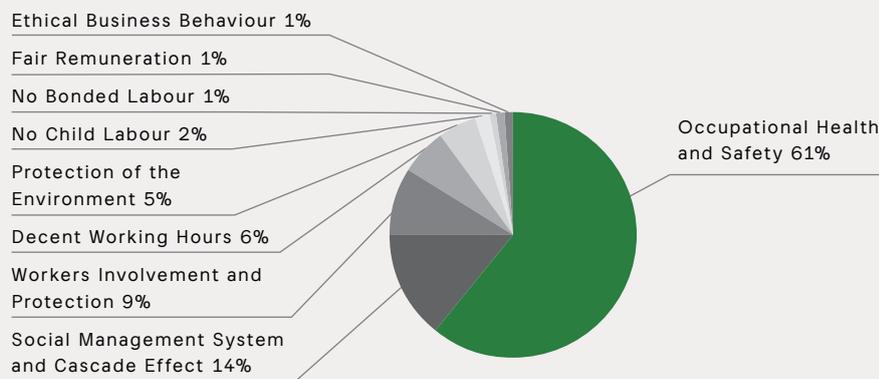
BSCI’s audit methodology, updated in 2014, requires auditors to pay closer attention to how plants are managed and comply with BSCI’s guidelines in practice. The plant’s social responsibility management system should include clearly defined persons in charge and an operational model to ensure the implementation of guidelines. Many factories are still accustomed to operating under the old auditing methodology’s checklist-focused audits, and they have not necessarily had time to develop their operations to comply better with the updated requirements. Typical audit findings under the new methodology concern health and safety in addition to the management system and workers’ participation. For example, one plant used by Marimekko did not pass the BSCI audit under the new methodology

because the plant had not documented meetings between management and workers and had not completed the required risk assessments or adequate training in occupational safety. However, the plant demonstrated its activity in relation to remedial measures, and the implementation of the improvement plan will be monitored during the spring of 2016 before follow-up audits.

**Case: Visit to China by President & CEO Tiina Alahuhta-Kasko**

Customers are interested in the origin of Marimekko’s products. In summer 2015, President & CEO Tiina Alahuhta-Kasko visited plants making Marimekko products near Shanghai, China. Although the vast majority of Marimekko products are manufactured in Europe, manufacturing in China is particularly interesting to customers. Tiina wanted to meet local management and employees of factories in person and see the manufacturing with her own eyes. ”I found it really inspiring to see the people who are proud of their skills and work making our products on the other side of the world – to meet them and talk with them. It was also important to see first-hand the most recent production conditions and context. The trip confirmed my impression that good partners can be found all over the world. A lot of specialist know-how can be found – Marimekko aims to find the best producer for each product. In addition, the open discussion was very good and important thing”, Tiina Alahuhta-Kasko says. You can read more about her thoughts on the visit on our website: [company.marimekko.fi/sustainability/news](http://company.marimekko.fi/sustainability/news)

**BSCI audit findings by area**



Findings related to child labour concerned the absence of a written policy against the use of child labour. An observation relating to the prohibition on forced labour at the plant concerned a system used for leaving the workstation.

During 2016, we are investigating new operating models in parallel with the audits for the continuous improvement of working conditions in cooperation with the manufacturers. We are, for example, examining ways to train workers in their rights, as they play a key role in the improvement of working conditions



## Case: Glass factory passed the follow-up audit with good results

The Finnish NGO Finnwatch carried out a study in 2013 of working conditions at Marimekko's glass product partner in Thailand. The study found needs for improvement, for example, in occupational safety and practices relating to the payment of wages.

As a result of the BSCI audit and the Finnwatch study, a number of corrective measures were carried out at the factory, including health checks for workers and occupational safety training, to improve practices during 2014. In addition, elections were held at the factory to elect a representative of the Myanmar migrant workers to the employee's committee. In August 2014 the factory passed the BSCI follow-up audit with good results. In early 2015, Finnwatch also conducted a follow-up visit to the factory. On the basis of the follow-up report, Finnwatch was pleased with the improvements made at the factory, and both Marimekko and the factory management were commended for their commitment to improving conditions. Items for improvement at the plant mentioned were again the wage, as being at the local minimum wage level, temperatures at the plant, and the glass factory's own monitoring of its suppliers.

In December 2015, we attended a round-table discussion held by Finnwatch in Helsinki on working conditions in Thailand. The most significant factors for the improvement of the working conditions of migrant workers in Thailand were identified as the training of workers in their rights and promoting social dialogue between workers and employers.

## Case: Reasonable working hours and a living wage – challenges with no quick fixes

Constant overtime is a common challenge for the textile industry in many manufacturing countries, including some of Marimekko's contract manufacturers in China. The underlying causes are complex, involving both the availability of labour and production planning. It also concerns the livelihood of a large number of employees and their ability to support relatives living elsewhere by working overtime. Instead of the manufacturers trying to cover up the real working hours, for example, by faking working time records, it is important to us that the factory is transparent in terms of actual working hours so that overtime is done on a voluntary basis and with appropriate compensation. During the past year, we have discussed the overtime situation with a number of suppliers and raised the issue of possibilities to reduce overtime worked.

A living wage is equally a matter which has no easy or quick solution. We require suppliers to pay at least the statutory minimum wage or the wage specified in the collective agreement in accordance with the BSCI policies. We believe that a living wage is a vital objective, and this should also be the aim in respect of the statutory minimum wage in all countries.

Brand companies like Marimekko do not pay the supplier's workers wages directly, so this issue is discussed with the factory management. We hope to arrive at a situation in which the workers and management negotiate wages in cooperation. However, this is still some way off.

Wage levels, like many other issues, is a matter in which clothing companies achieve more together. That is why for us it is important that BSCI is active in questions of wages. BSCI is, for example, included in the ILO's Fair Wages Network. The aim is to develop the pay and working conditions of workers comprehensively together with the stakeholders. In addition, the calculation of a living wage is part of the BSCI's updated auditing methodology, as a result of which the adequacy of wages can be taken up with the factory management during the audits.

## The aim is that by 2020 a larger share of the cotton sourced for our products will be better for the environment and people – Better Cotton, organic cotton or recycled cotton.

### Building worker capacity

The training provided for workers at the factories is an important way to improve working conditions in the long-term. Training for the plants' representatives provides them with practical tools for improving operations. Training also helps the factories in the planning and practical implementation of corrective measures based on audit findings. The audits themselves also provide a lot of new information. After each individual audit, we go through the findings together with the factory and consider potential improvement needs and actions. In 2015, we invited three contract manufacturers to attend BSCI-arranged classroom and online training courses in China and Vietnam. One of the training courses familiarised the manufacturer of the BSCI system, two training sessions dealt with working hours and remuneration, and one concerned the preparation of an action plan following an audit.

### Origin of raw materials

In addition to Marimekko's contract manufacturers, our operations have an impact beyond the supply chain - all the way to the production of raw materials. We are often only

in indirect contact with, for instance, cotton farmers, forest owners or sheep farmers, but we have drawn up product policies to support responsible raw material sourcing. It is important for us to know the origin of the raw materials we use and to choose more responsible alternatives when they are available.

### Better Cotton

Cotton is Marimekko's most widely used material – about 80 percent of our textile products include cotton.

For cotton, we have been the first Finnish company to be a member of the international Better Cotton Initiative (BCI), since 2013. BCI aims to make global cotton production more sustainable and more responsible by training cotton farmers and by creating demand for better cotton through the supply chain. In 2015, we sourced approximately 252 tonnes of Better Cotton product through our suppliers from Ivory Coast, Pakistan, the United States and India for example. This amounts to roughly 31 percent of the annual consumption of cotton in our products. The aim is that by 2020 a larger share of the cotton sourced for our products will be better for the environment and people – Better Cotton, organic cotton or recycled cotton.





### **Leather – food industry’s by-product turns into design**

Marimekko’s leather products are produced by using leather obtained from cows, sheep and goats as a food industry by-product. The designer chooses the best suitable type of leather for the product, and the quality and feel of the leather are important criteria for this selection. Leather production associated with the meat processing industry and leather tanning have significant environmental impacts in terms of deforestation and chemical contamination from the manufacturing, for example. We require all our suppliers to report us about the origin of leather products and the leather tanning location. In respect of tanning, we find it important that the wastewater from the process is treated and purified properly and that workers are trained to take the chemical health risks of manufacturing into account.

Both chrome-tanned leather and unfinished, vegetable-tanned vachetta leather are used in Marimekko collections. Different leather tannings create a different look and feel. All of Marimekko’s leather products are tested by an external testing laboratory for hexavalent chromium harmful to the environment.

### **Certified and traceable**

The journey of animal-based raw materials, such as down, wool, and mohair from the farm to the store is long and complex, so ensuring the welfare of the animals at the beginning of the value chain may be challenging. To ensure responsible production of raw materials, common, certified traceability and responsibility standards have been developed in the sector.

The production chain of the duck down used in Marimekko’s down coats is certified according to the international Responsible Down Standard, reaching all the way from the farm to the processing of the down and feathers. In addition, the manufacturer has a Downpass certificate guaranteeing that the down use has not, in accordance with Marimekko’s product policies, been plucked from living birds.



### Case: At the source of the raw materials

Increasing the transparency of the supply chain is not limited to the contract manufacturers with which Marimekko has a direct contractual relationship. In order to ensure the origin of the materials used in our products, vigilance must be extended further into the supply chain – to fabric printing factories, weaving mills and yarn spinning mills. Only in this way can we get information about the origin of the fibres used in individual yarns.

In 2015, we also started to systematically collect information about the origin of the main materials and base fabrics, so that in the future we can also provide this information to our customers, for example, in our online store.

For animal-derived raw materials, it is particularly important to know the origin, because we do not accept animal abuse under any circumstances. We have compiled our own product policies, which are communicated as guidelines to contract manufacturers, and we require them to take these requirements further down into their own supply chains.

For example, with respect to merino wool, we favour mulesing-free wool. South Africa was one of the countries providing the wool used in the 2015 collection’s merino knits.



### Case: Better Cotton Initiative – towards the mainstream

As the 2015–2016 cotton farming season progresses, the initiative continues to grow strongly towards making Better Cotton mainstream. Marimekko has been a BCI member since 2013, and in 2015, Marimekko procured 252 tonnes of Better Cotton for its products.

In 2014, 1.2 million cotton farmers took part in the Better Cotton Initiative cultivation programme, which was 78 percent more than in 2013. The BCI farmers produced two million metric tonnes of Better Cotton product, 118 percent more than in the previous year. As a result, the Better Cotton share of global cotton production rose to 7.6 percent (3.7 percent in 2013). The goal is to reach 30 percent by 2020.

Good country-specific results have been achieved, for example, in Pakistan, where in 2014, Better Cotton growers used 15 percent less pesticides, 19 percent less fertilisers, 18 percent less water, and at the same time their financial results grew by 46 percent compared to the peer group.

Results from 2014 in different countries confirmed the functionality of BCI’s approach: improved yields were achieved with fewer resources, such as plant protection and pesticides, allowing better financial returns for farmers.

## Human rights in the supply chain

We are committed to respecting human rights in all our operations. Our approach to human rights is based on the United Nations Guiding Principles on Business and Human Rights (UNGPs), according to which, in addition, that the governments have the obligation to protect human rights, companies have a responsibility to respect human rights and to avoid the violation of human rights in all its operations.

Respect for human rights is included in Marimekko's Supplier Code of Conduct which includes principles, for example, for against child labour and forced labour, the right for the workers to organise and the right to equal treatment. We monitor the realisation of human rights in the supply chain both ourselves and with the help of third party BSCI audits. We also recognise that the risks of human rights violations in our supply chain extend from the contract suppliers to raw material producers. We assess the risks of human rights violations in our value chain based on, for example, product or material to be sourced, country of origin and type of production process.

### Thorough supplier assessments support risk identification

In 2015, we continued to develop the human rights risk assessment model. We have categorised our own suppliers and main materials according to the risk level of human rights abuses in each supplier's operating country, production processes or raw materials. Actions for responding to the identified risks are, for example, thorough evaluation of suppliers on a due-diligence basis before initiating collaboration and supplier audits which monitor compliance with the requirements set. We have identified child and forced labour in cotton production as well as working conditions in production, such as unreasonable working hours, inadequate pay for basic needs, and working methods harmful to health, throughout the supply chain as the biggest risks of human rights abuses in our own value chain. The risks apply primarily to indirect suppliers and to the highest-risk countries.



### Case: Principles for better work introduced to cotton farmers in Senegal

In 2015, Marimekko supported training for 200 female cotton farmers in Kolda, Senegal. The aim of the NGO Solidaridad's Better Cotton Senegal project is to familiarise farmers in the region with the Better Cotton cultivation principles. The area is home mostly to small farmers who grow cotton irrigated with rain water. Farming costs are increasing due to the necessary pesticides and fertilisers, as well as indebtedness due to a situation in which the vast majority of farmers are illiterate and have poor access to services. Working conditions often have room for improvement, and employees may not necessarily use the necessary protective equipment when applying pesticides to crops. Female farmers are under-represented in producer organisations and their needs are not always taken into account.

With the Solidaridad project, training guidelines on the working conditions have been drawn up for the farmers, with which the local producers' association SODEFITEX trains both trainers and female farmers. Training provided during the year reached a total of 9,000 farmers, of whom 1,800 were women. In addition, within the framework of the programme, a local radio broadcast is produced to increase awareness of improvements in working conditions and of the risks of child labour.

Marimekko is continuing to support the project in 2016.



# Resource efficiency and environment

Taking care of the environment is one of the basic pillars of Marimekko's operations. Our aim is continuous reduction of our environmental impacts and improving resource efficiency. Results are obtained through close collaboration between design, product development, and manufacturing.

The most significant environmental aspects of Marimekko's in-house manufacturing relate to the operations of the Helsinki fabric printing factory. We mitigate climate change with the help of energy efficiency and the use of renewable energy sources, by reducing water consumption and minimising, recycling and reusing waste.

### Energy and emissions

The heating energy used for the production at the Helsinki fabric printing factory was generated with natural gas in 2015. Gas consumption remained at the same level as in the previous year. Consumption per metre of output depends on the lengths of production runs, among other factors. Longer production runs help to reduce consumption per metre of output.

### Energy target for fabric printing factory attained

In 2015, electricity consumption in Marimekko's own premises declined by 4 percent and amounted to 1,944 MWh. The purchased electricity was generated with carbon dioxide-free, renewable hydropower. The heat energy consumption of the Herttoniemi property fell by 11 percent compared to the 2010 level. Combined electricity and heating energy consumption has decreased by 36 percent. Combined with the consumption of natural gas tied to production volumes, the total energy consumption of the Helsinki fabric printing factory and the office spaces has been reduced by 23 percent compared to 2010, meaning that in 2015, we exceeded our 20 percent reduction target. During the same period, carbon dioxide emissions were reduced by 36 percent due to the use of renewable energy sources.

Towards the end of 2015, Marimekko decided to shift to using domestic biogas instead of natural gas in its fabric printing factory, which will reduce the factory's carbon dioxide emissions further in the future.

**The total energy consumption of the Helsinki fabric printing factory and the office spaces has been reduced by 23 percent.**

### Marimekko's environmental targets by 2020

- continuously reducing energy consumption and generating electricity by renewable energy sources
- reducing carbon dioxide emissions by 50% \*
- reducing waste generated by operations by 20% \*
- zero waste to landfill
- reducing water consumption relative to output by 20% \*

\* of the 2010 level in own production.

In late 2015, an energy audit was carried out in Marimekko's Helsinki property. The audit examined the current status of the building's HVAC, steam, compressed air and electrical systems, as well as possibilities to reduce the building's heating, steam, compressed air, electricity and water consumption, and also to further trim costs. The results of the review will be taken into account when drawing up future plans for the building.



**Thanks to the introduction of biogas in our fabric printing factory's production process, carbon dioxide emissions will in practice be reduced to zero.**

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### **Case: Domestic biogas for the fabric printing factory**

In recent years, we at Marimekko have taken a number of steps to mitigate climate change. We procure renewable energy, constantly strive to improve energy efficiency in our operations, and we are committed to halving carbon emissions from our own operations by 2020.

In November 2015, we decided to start using biogas, a Finnish, environmentally friendly energy source made from renewable raw materials, instead of natural gas from the beginning of 2016. Thanks to the introduction of biogas in our fabric printing factory's production process, carbon dioxide emissions will in practice be reduced to zero.

Biogas is made in Finland from waste from farming, the food processing industry, trade and household bio waste. In Finland, biogas is also true closed-loop local energy as production utilises local waste as raw material.

### Energy efficiency for stores with the help of LED lighting

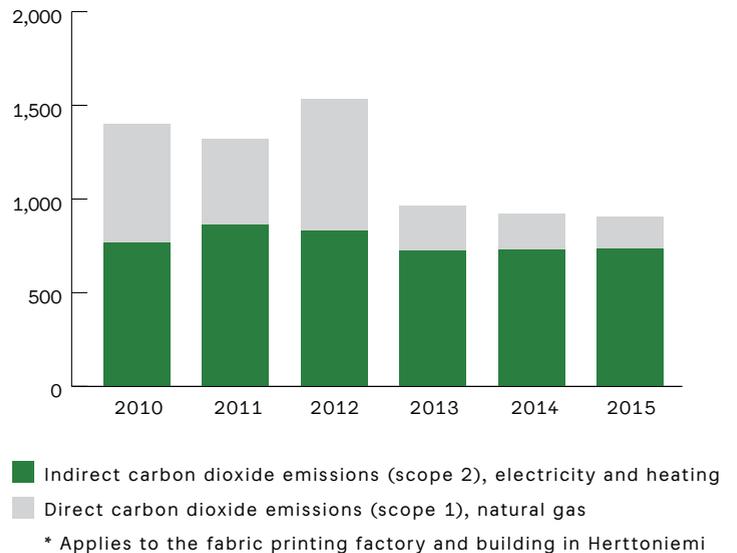
One way we can improve Marimekko stores' energy efficiency is through lighting. More than half of the light bulbs used in Marimekko's own shops have been replaced with LED lamps, which can be as much as 30-40 percent more energy-efficient than the previous lamps. All of Marimekko's new stores installed LED lamps from the beginning.

### Carbon-neutral logistics in online retailing

In 2015, we examined for the first time Marimekko's logistics emissions together with our Finnish logistics partner Posti (Finnish Post). The examination covers deliveries to stores and the online store customers from Posti's logistics centre in Vantaa. The carbon dioxide emissions of the transport of mail and parcel products, as well as freight transport for the year 2015 amounted to a total of 167 tonnes. The Posti Green programme provided by Posti made it possible to offset these emissions in climate projects funded by Posti.

In the course of 2016, we will expand the study of our logistics environmental footprint to include also our international transportation.

Carbon dioxide emissions, tons \*

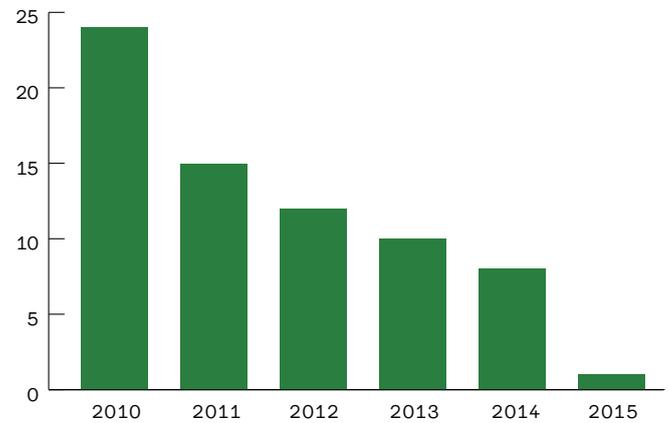


\* Applies to the fabric printing factory and building in Herttoniemi



**Up to 98 percent of the waste generated in Herttoniemi was utilised in energy production or as recycled material.**

Share of waste sent to landfill, % \*



\* Applies to the fabric printing factory and building in Herttoniemi

### Material efficiency and waste

The Marimekko fabric printing factory in Helsinki prints around one million metres of fabric per year. When printing new patterns, and at the beginning and end of the printing process and when changing the base fabric or changing the printing screens, some waste material is always generated. Material efficiency plays a key role in prevention and minimising waste creation in Marimekko's production. Some of the waste material is sold in the outlet stores by the kilo and some pieces are utilised in the production process.

### Waste recovery rate further improved

The generation of waste, recycling and sorting are monitored regularly in our own fabric printing factory and the amount of mixed waste is minimised by recycling. A continuous target for our fabric printing factory and head office has been set that no landfill waste will be generated at all, and all waste can be sorted for recycling.

The waste recycling rate has been improving year by year. In 2015, the waste generated was 34 percent less than in 2014 and up to 98 percent of the waste generated in Herttoniemi was utilised in energy production or as recycled material. The proportion of final waste ending in landfills was only 1 percent of the total waste generated.



## Water consumption

Water plays a significant role at Marimekko's fabric printing factory in Helsinki. Every year, dozens of prints – new and old – make their way from the designers sketching board through the artwork studio to the printing process. Most of the patterns are printed in several colours. For each fabric, 1–12 printing screens are used, depending on the number of colours in the pattern – one is needed for each colour. Printing screens are washed after printing so just washing the screens consumes a lot of water. In addition, water is used for finishing the printed fabric – for example, dyes are attached with hot water vapour, and in the final stages of the process the fabric is washed once more.

### New wash line improves water efficiency

In 2015, the absolute water consumption by Marimekko's fabric printing factory fell by 3 percent compared to the previous year. Since 2010, the fabric printing factory's water consumption has been made 10 percent more efficient. In late 2015, Marimekko's Board of Directors approved a washing line investment for the fabric printing factory. The new washing line will be installed during the summer of 2016 and the printing process's water efficiency will be enhanced even further by up to 20 percent thanks to the investment.

The fabric printing factory's wastewater is piped to the local municipal wastewater treatment plant in Helsinki for purification.



**Since 2010, the fabric printing factory's water consumption has been made 10 percent more efficient.**

## Chemicals

In textile manufacturing processes such as bleaching, dyeing, printing and finishing chemicals are used, which are important for the appearance and properties of the textiles. Apart from finishing treatments, the majority of the chemicals are washed off after the dyeing or printing. It is Marimekko's responsibility to ensure that all Marimekko products – produced in Europe and outside Europe – comply with chemical requirements of both European legislation and the legislation and regulation in Marimekko's other customer markets. Marimekko's suppliers are obliged to comply with chemical legislation in purchase agreements.

### Certified and safe fabrics

Majority of the fabrics printed at Marimekko's own fabric printing factory are Öko-Tex 100 certified, which means that the fabric does not contain harmful chemicals. In 2015, the majority (78 percent) of Marimekko's own fabric printing factory's fabrics were Öko-Tex certified. Our customers can find the Öko-Tex label also on our towels and bed linen manufactured by subcontractors.

As part of our aim to replace some of the chemicals used with alternatives that are better for the environment and people, in 2015 we tested acrylic coatings on oil cloth to replace phthalate-free PVC coating, and testing will continue in 2016. In addition, we have given up oil-repellent treatment for upholstery and bag fabrics in our fabric printing factory, so the finishing process no longer uses environmentally harmful perfluorinated hydrocarbons.

## Product and transport packaging

In order for our products to be transported from the manufacturing factories to the stores for customers in good quality and condition, it is important that the products are packed well and appropriately for the transportation. Regarding packaging materials imported to Finland, Marimekko takes care of the recovery and utilisation of the packaging according to the EU Packaging Directive.

### Recycled fibre used in transport packaging

Special attention to ecological aspects is paid in Marimekko product packages. The logo-bearing cardboard boxes used for Marimekko's online store deliveries are sourced from European manufacturers, and the pulp used is partly recycled European fibre and partly virgin FSC (Forest Stewardship Council) certified fibre. The cardboard boxes used for store deliveries and export are acquired from Finland. The boxes are made from European recycled fibre.

We also have an environmental policy regarding materials used in communications and marketing. All paper products must be printed on either FSC or PEFC certified paper.



**With the packaging reform Marimekko will gradually give up the use of plastic bags used in stores and replace them with FSC certified paper bags.**

### **Case: Packaging supplies upgrade takes into account the environment**

We updated Marimekko's packaging concept in 2015, and customers saw the change in January 2016 when the new paper bags arrived in Marimekko stores.

One of the first policies for the reform was the decision to gradually phase out plastic bags. Although the plastic bags used by Marimekko were made partly from recycled material, traditional plastic is an environmentally challenging material – it is made from non-renewable natural resource, oil, and plastic is not biodegradable.

In the future, Marimekko products will be packed by stores in totally recyclable and biodegradable paper bags made from wood fibre originating from sustainably managed forests and certified by the Forest Stewardship Council.

## Environmental impacts of the supply chain

Marimekko takes care of energy, water and material efficiency of its own production and reuse and recycling of waste. In addition to that, it is also important that environmental impacts are also reduced in the supply chain. The environmental impacts of our sourcing are greater than in Marimekko's own production. Marimekko is often only one of a supplier's many customers. Therefore the impacts of the suppliers are a part of a number of customer companies supply chain.

We require our suppliers to comply with local environmental regulations, and to have appropriate environmental permits, and waste management organised according to local laws and regulations. Adherence to laws and regulations is monitored for example in connection with the BSCI audits. In assessing new potential suppliers, attention is also paid to whether the supplier has set targets to reducing energy consumption, and if the supplier uses renewable energy sources.

## Energy efficiency

From the perspective of climate change and carbon dioxide emissions, the fabric and glass factories are the most critical parts of Marimekko's value chain. Energy efficiency is important to manufacturers economically as well as environmentally. In some manufacturing countries, for example, the potential for using renewable energy is limited, but several manufacturers have already started using more energy efficient lighting such as LED lamps, for example.

The main supplier of base fabric for our fabric printing factory has an ISO 50001 certified energy efficiency management system in operation. Of the energy used by the plant, over a third is generated with renewable energy such as hydropower and solar power, and the plant has its own heat-recovery system and boiler plant where wood waste from raw cotton processing is incinerated in the form of compressed pellets. Practically all the textile waste from the plant's processes is sold as a raw material to local industry. With the help of its in-house energy efficiency programme, the plant has successfully reduced energy consumption in 2010–2015 by 10 percent relative to production.

We monitor our supply chain's environmental responsibility practices continuously, for example in connection with factory visits and separate surveys. This way we will get an even better understanding of the environmental challenges of our suppliers and their measures to respond to these challenges.



## Case: Ceramics manufacturer cares for its personnel

Marimekko's ceramic tableware contract manufacturer, Crown Ceramics, is one of the biggest ceramic tableware manufacturers in Southeast Asia. The plant is located in Ban Pong district a few hours' drive from Bangkok, Thailand. It employs about 1,500 people.

Crown Ceramics has been a manufacturer for Marimekko since 2009, producing Marimekko's Oiva tableware. Crown has strong social and environmental principles and taking care of its employees is important. The company has a long history with Western clients, and due to this factory inspections concerning social responsibility and working conditions are familiar for the factory. The most recent BSCI factory audit was carried out in 2014. Workers are provided with free shuttle buses to work, and the plant operates its own grocery store where employees can make purchases at discounted prices. In addition, arrangements are made for the employees to take care of other errands such as paying bills and banking, at the factory.

The plant has its own environmental management system and the aim is, for example, to recycle as much as possible of the white clay used as raw material. In 2014, the plant calculated its carbon footprint for the first time, allowing future monitoring of energy efficiency from the climate perspective.

# Our people

At Marimekko we have always believed in being genuine, fair and courageous, and getting things done together. Marimekko's personnel are skilled, creative and very committed. These ingredients create a strong corporate culture and team spirit which are important pillars in the company's strategy.



## Marimekko employees

Average age

**37**

Gender ratio,  
women:

**94%**

Women in  
management team:

**83%**

Employees with  
regular employment:

**80%**

(in Finland)

Full-time  
employees:

**55%**

(in Finland)

## **International and versatile opportunities**

A staff of about 480 professionals work at Marimekko. The vast majority of employees still work in Finland; 126 employees worked abroad at the end of 2015.

Marimekko offers a wide variety of positions in design, product development, production, supply chain, sales, marketing and administration. Marimekko's advantage in the job market is strong, attractive brand. Our goal is to be the most desirable employer of our sector.

## **Fair and high-quality management work**

Management and leadership at Marimekko strongly rely on the company's values, fairness and equality. Good leadership and management work are the foundation of the company's success. Managers are continuously trained at Marimekko. The long-term training programme for managers in Finland, which was started in 2012, continued in 2015. There was also investment in the development of managers at Marimekko subsidiaries in different parts of the world with the arrangement of the international training programme Global Marimekko with Local Leaders.

The development of sales and sales management continued during the year with the help of the Art of Selling training programme. In addition to that, store managers were trained, for example, in a retail supervisors' management training group, and many retail sales staff gained a qualification in sales. Store managers were also trained in sustainability issues in 2015, including questions related to the value creation, product origin, and responsible sourcing.

## **Healthy and safe working environment**

All Marimekko employees – in stores, at the office, in production – have the right to a healthy and safe working environment. Ensuring a safe working environment means the prevention of injuries and identification and avoidance of near-misses and hazardous situations. For preventing hazardous situations, employees are trained in safety-related issues and safety risks are regularly reviewed.

Occupational safety in Marimekko is guided with common operational guidelines, set objectives and measured indicators. For example, safety and first aid training is organised for employees on a regular basis. Injuries and accidents are recorded according to agreed procedures. In 2015, Marimekko employees had 11 accidents, 5 of which occurred in the workplace and 6 while commuting.

## **Consultative negotiations and reorganisation**

In spring 2016, consultative negotiations involving 195 people took place at Marimekko head office. The negotiations applied

to all Marimekko operations in Finland with the exception of retail stores personnel. At the start of the negotiations, the total reduction need was estimated at 55 jobs. Negotiations ended with being able to restructure with less layoffs than initially estimated. Operational reorganisation and the streamlining ultimately led to the termination of 35 positions. In addition the company offered new posts for 15 persons and 5 posts were eliminated through other internal structuring. The personnel affected by the negotiations were provided, during the negotiations and thereafter, with broad-based support together with occupational healthcare. Those who lost their jobs were also given training in seeking new employment. The actions carried out are intended to boost Marimekko's competitiveness in the long term and to develop operations so that we are able to better respond to the challenges of a changing business climate.

## **Continuous development of employee well-being**

At Marimekko, well-being is supported by promoting the employees' health, ability and functional capacity to work and the quality of working atmosphere in different ways. We work closely with the health care service provider and occupational health and safety organisation to develop employee's well-being. Among other things, the continued development of managerial work, supporting the work-family life balance, recreational activities, and encouraging staff to sporting activities contribute to employee well-being and satisfaction in the workplace.

Marimekko has implemented an early intervention model, a tool for detecting problems, talking about them and finding a resolution. The model aims to promote wellbeing at work, ability to work and well-being in the workplace. We work for example on identifying the reasons for absences due to illness, and strive to prevent them.

A biennial employee survey is a key benchmark and development tool for the management of employee wellbeing. The previous employee survey was carried out in 2014, when the results fell slightly from the previous survey. The response rate for the survey was 84 percent, and the overall result was good, 70.6/100. The results were on average better than those for comparable organisations. The most praise was given for supervisors' recognition of good performance. The respondents also felt that Marimekko's values and mission were worthy of attaining. The respondents found most potential for improvements of tools, in the clarity of spheres of responsibility, and in decision-making. Managers review the results of the survey together with the personnell and the results are taking into account when making the units' development plans.

# Responsible business practices

**Marimekko is one of the largest textile and clothing companies in Finland. For us it is important that we are able to promote Finnish design know-how's journey to the world and create a profitable business at the same time. The task is not easy in the middle of a difficult market situation with intensifying global competition, but we believe that we are on the right track. International growth enables us to build a more profitable and attractive company.**

Financial profitability is a prerequisite for companies' responsible and sustainable business, and that also applies to Marimekko. By taking care of its financial performance, Marimekko is able to provide its shareholders with steady returns and to fulfil its obligations as a responsible company and employer. For us, profitability is a part of responsible business.

## **Financial profitability**

The year 2015 was overshadowed by the uncertain state of the global economy and Finland's difficult retail environment. However, Marimekko managed to increase its net sales more than had been forecast. Marimekko's retail sales in Finland increased by 6 percent, while at the same time, the entire Finnish fashion industry sales fell by almost 8 percent. International retail sales fell by one percent but wholesale sales rose by three percent. The company's operating profit, however, fell in line with expectations. For Marimekko, 2016 is a year for building the new and for improving efficiency. We will continue our long-term brand renewal and to develop even more attractive products. We are streamlining our operations in order to strengthen our international competitiveness and secure long-term profitable growth in Marimekko stores. In addition to an extensive cost analysis,

we are developing and optimising our product assortments for the different markets and distribution channels.

## **Controlled growth and internationalisation**

Over the past five years, Marimekko has invested in internationalisation. In 2015, we continued our expansion in accordance with our internationalisation strategy, especially in the Asia-Pacific region. New markets were opened in Bangkok and Singapore, as well as Dubai in the Middle East. In the autumn, we renewed both our bricks-and-mortar store concept and our online store, which at the same time expanded in Europe and now reaches customers in 13 countries.

We will continue our expansion with the main thrust on retailer-owned Marimekko store openings. The aim is to open roughly 10–20 new Marimekko stores and shop-in-shops. Of these, 1–2 would be company-owned stores. In 2016, we are focusing strongly on improving the profitability of existing Marimekko stores.

For further information on our financial targets and how they were attained, see our financial statements, which can be read on our website at [www.company.marimekko.com](http://www.company.marimekko.com) under Releases and publications / Interim reports and financial statements

### **Economic well-being for stakeholders**

Marimekko employs, directly and indirectly through resellers and the supply chain a large number of people and generates economic wellbeing for many stakeholders, in Finland and abroad. Although Marimekko has become more international in recent years, the majority of Marimekko employees, over 70 percent, still work in Finland.

### **Good corporate governance and risk management**

Marimekko is a public limited liability company which applies the Finnish Companies Act, other regulations concerning public listed companies and Marimekko Corporation's Articles of Association and Nasdaq Helsinki Ltd's rules and regulations in its decision-making and administration. Marimekko Corporation also complies with the Finnish Corporate Governance Code for listed companies, effective as of 1 October 2010, in accordance with the 'comply or explain' principle.

Marimekko's risk management is based on the risk management policy confirmed by the company's Board of Directors, which defines the principles, objectives and responsibilities of risk management, as well as the organisation and control of the risk management process.

A more detailed description of Marimekko's risk management process can be found on our website at [company.marimekko.com](http://company.marimekko.com) under Investors / Management / Risk management and risks.

### **Charity and donations**

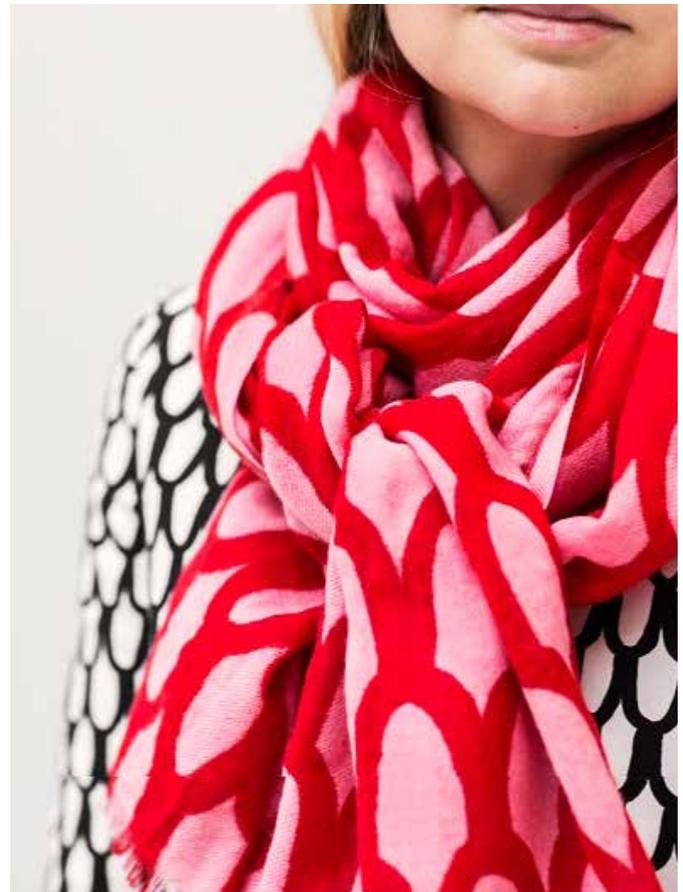
Marimekko participates annually in selected charitable projects. Traditionally, women and children have been at the centre of our charity work. Also, the refugee crisis in 2015 which took the whole of Europe by surprise affected us as well.

We made a donation to the Finnish Red Cross Disaster Relief Fund, and we donated bedding and interior fabrics to the Finnish reception centres. In addition, we arranged a clothing collection among Marimekko personnel for asylum seekers.

Once again we took part in the Cancer Society of Finland's Pink Ribbon campaign, this time with Pikku Suomu scarves, half of the sales of which were donated to the Cancer Society of Finland in aid of breast cancer research. The Pink Ribbon product in the United States was the Galleria scarf, from which 25 dollars of the proceeds of each scarf sold was donated to the local cancer foundation.

In addition, Marimekko makes individual product donations for example to neighbouring kindergartens. In 2015, Marimekko participated again in a campaign organised by the Junior Chamber International Finland to collect Christmas presents for children and young people under 18 years under child welfare services in Helsinki.

**We made a donation to the Finnish Red Cross Disaster Relief Fund, and we donated bedding and interior fabrics to the Finnish reception centres.**



# Key figures

## Key figures for responsible sourcing

	2015	2014	2013
Manufacturing in the EU, % of sales	70	72	77
ISO 14001 certified suppliers	12	16	17
SA 8000 certified suppliers	3	3	4
BSCI audited suppliers <sup>1</sup>	21	25	22
Share of purchases from BSCI audited suppliers in non-EU countries,%	68	72	60
Share of purchases from other audited suppliers in non-EU countries,%	24	11	23
Share of BSCI audited suppliers with an acceptable result <sup>1</sup> ,%	88	87	72
Violations of Code of Conduct relating to use of child labour, nr	0	0	0

<sup>1</sup> Old audit methodology audit result "Good" or "Improvements needed" or new methodology result A, B or C.

## Key environmental figures

	2015	2014	2013
Fabric printing factory output, million metres	1.1	1.1	1.3
Electricity consumption <sup>1</sup> , MWh	1,944	2,017	2,184
Heating energy consumption <sup>2</sup> , MWh	1,729	1,954	2,370
Natural gas consumption <sup>2</sup> , MWh	3,719	3,712	3,672
Natural gas consumption <sup>2</sup> , kWh / metre of fabric printed	3.4	3.4	2.9
Direct carbon dioxide emissions (scope 1), tonnes (natural gas)	736	735	727
Indirect carbon dioxide emissions (scope 2), tonnes (electricity and heating)	159	188	256
Direct carbon dioxide emissions (scope 1), kg / metre of fabric printed (natural gas)	0.68	0.67	0.58
Water consumption <sup>2</sup> , m <sup>3</sup>	27,929	28,661	35,195
Water consumption, litres / metre of fabric printed	24	26	28
Waste generated from operations <sup>2</sup> , tonnes	127	191	162
Waste utilisation <sup>3</sup> ,%	98	90	85
Share of waste sent to landfill from waste generated, %	1	8	10
Share of textile products made with more sustainable materials <sup>4</sup> ,%	6	11	10
Better Cotton sourced <sup>5</sup> , tonnes	252		
Share of Better Cotton from total cotton use <sup>6</sup> ,%	31		

<sup>1</sup> Applies to the Helsinki fabric printing factory and office building as well as the factories in Kitee and Sulkava.

<sup>2</sup> Applies to the Helsinki fabric printing factory and head office.

<sup>3</sup> Utilisation as energy or recycled material.

<sup>4</sup> Calculated from sales in terms of units sold. A product made from more sustainable material is defined based on MADE BY organisation's fibre classification where materials containing 45 percent or more of fibre in classes A-C are considered more sustainable. E.g. organic cotton, linen and lyocell and blends of these are included in these categories. In addition silk, triacetate and acetate products are included in the definition.

<sup>5</sup> Includes Better Cotton Claim Units (BCCU's) declared in the Better Cotton Initiative's Cotton Tracer system. One kilogram of raw cotton lint equals to one BCCU.

<sup>6</sup> Calculated from the total weight of cotton products sourced added with an estimation of the cotton lost in the production process.

## Employee key figures

	2015	2014	2013
Average number of employees <sup>1</sup>	460	473	526
Employees at year end <sup>1</sup>	476	479	502
New employees	60	86	71
Leavers <sup>2</sup>	44	62	52
Leaving turnover rate,%	9	13	10
Average age of employees, years	37	36	37
Employee gender ratio, women/men,%	94/6	91/9	91/9
Women in Board of Directors,%	29	33	17
Women in Management Group,%	83	67	67
Sick leave absence rate <sup>3</sup> ,%	2.5	3.7	3.4
Work and commuting accidents, nr	11	19	26
Healthcare expenses / person <sup>3</sup> , EUR	984	905	902
Overall result of personnel survey, scale 0–100 <sup>4</sup>	-	71	-
Result of personnel survey regarding sustainability, scale 1–5 <sup>5</sup>	-	3.1	-

<sup>1</sup> FTE, full time equivalent.

<sup>2</sup> Including voluntary leavers and retirements. Not including ended fixed-term employment or layoffs in Finland due to production-related or financial reasons.

<sup>3</sup> Calculated based on theoretical regular working hours. Applies to Marimekko employees in Finland.

<sup>4</sup> In the survey conducted in 2012, the scale was 1–5.

<sup>5</sup> The question: Our company operates very responsibly in environmental and social responsibility issues.

## Key figures, financial responsibility

	2015	2014	2013
Net sales, EUR 1,000	95,652	94,150	94,007
Result before taxes, EUR 1,000	1 294	5 485	-804
Return on investment,%	4.5	15.6	-1.1
Dividends paid, EUR 1,000	2,831	2,831	2,022
Gross investments, EUR 1,000	3,171	2,063	2,353
Equity ratio,%	59.0	61.6	55.5
Salaries, wages and bonuses paid, EUR 1,000	20,399	19,431	21,411
Pension and other indirect social expenditure, EUR 1,000	5,833	6,112	5,649
Income taxes, EUR 1,000	491	1 370	151
Purchases from suppliers of goods and services <sup>1</sup> , EUR 1,000	53,496	48,983	52,233

<sup>1</sup> Including materials, supplies and other operating expenses excluding leases.

# Reporting principles and GRI

This is Marimekko's third sustainability review that applies GRI G4 sustainability reporting guidelines. The review is based on the G4 guidelines reporting level "Core" and the most relevant indicators for Marimekko's operations have been selected for the review to the extent that information has been available. The review has not been prepared fully in accordance with the GRI G4 Guidelines, which means that all GRI's indicator protocols have not been applied in a detailed level. Access to information such as environmental impacts of our supply chain is still limited, and therefore reporting is currently focusing mainly on Marimekko Corporation's own operations.

The environmental data given in the review is mainly related to Helsinki fabric printing factory. For electricity consumption, the consumption data for the production facilities in Kitee and Sulkava closed in summer 2013 is included in the figures for the period 2013–2015. Electricity consumption data excludes consumption data for Marimekko stores in Finland and abroad. Energy consumption of Marimekko stores in Finland or abroad is not included in the figures. Environmental key figures have been calculated based on information provided by the service provides or measured consumption. Scope 1 and scope 2 categorisation of carbon dioxide emissions has been derived from the Greenhouse Gas Protocol calculation method scoping.

Personnel related information for Finland is derived from an HR data and information system. Separate data collection has been conducted for international organisations.

Financial data is derived from Marimekko's audited financial statements complying with the IFRS standards and from internal accounting.

The shares of manufacturing by countries are calculated based on the sales of products in euros by country of origin.

The share of products made from more sustainable materials is calculated based on the number of sold products.

The share of Better Cotton of total cotton consumption is calculated as a share of Better Cotton sourced in relation to estimated total cotton consumption.

Any changes to previously reported information has been specified with the reported information.

## Boundaries of material issues

The material issues relevant to Marimekko's sustainability are presented in the table on page 13. From the aspects of G4 reporting guidelines, we have identified all aspects at the "Core" level relevant. Some of the aspects concern Marimekko's own operations and some have been identified relevant, for example, at particular stage of Marimekko's supply chain, or only for certain activities or in certain countries. Aspects concerning only certain suppliers, functions, or operating countries are detailed in with the reported indicator or in the comments of the GRI content index.

## Assurance practices

This sustainability review has not been assured by a third party. The information based on the statutory financial statements have been audited by PricewaterhouseCoopers Oy.

## Feedback and contact information

We hope to receive feedback from all our stakeholders regarding our sustainability communications and reporting to be able to develop it further. Please send us feedback at [sustainability@marimekko.com](mailto:sustainability@marimekko.com) or contact us:

Asta Halme  
Head of Communications  
[asta.halme@marimekko.com](mailto:asta.halme@marimekko.com)



Below you can find the GRI content and indicators fully or partially included in this sustainability review. Some of the aspects that have been defined as material are reported in narrative and measurable performance indicators have not been reported for all aspects. In addition some of the GRI content is reported in the comments field of the more detailed GRI content index. Reporting is based on the GRI G4 “Core” level.

### Do you need more information?

You can read a more detailed GRI content index on our website at [company.marimekko.com](http://company.marimekko.com) under Sustainability / Sustainability review.

#### GRI content index

Section	GRI content	Included	Page/ section
Strategy and analysis	G4-1, G4-2	Yes	4, 10 / From the President, Sustainability at Marimekko
Organisational profile	G4-3-11, 12-13, 15-16	Yes	2, 8 / 2015 in figures
Report profile	G4-17-27	Yes	47, 10 / Reporting principles, Sustainability in Marimekko
Governance, commitments, stakeholder engagement, ethics and integrity	G4-34, G4-56	Yes	10 / Sustainability in Marimekko
Economic responsibility	DMA, G4-EC1-2, EC8-9	Partly	42 / Responsible business practises
Environment	DMA, G4-EN1, EN3, EN5-6, EN8, EN15-16, EN-18, EN23, EN27-29, EN33	Partly	32 / Resource efficiency and environment
Social responsibility	DMA, G4-LA1, LA4, LA6, LA10-12, LA15, HR1, HR3-6, HR9, HR11, SO2, SO4, SO8, SO10, PR2, PR5, PR7	Partly	22-31, 40 / Responsible sourcing, Personnel
Apparel and footwear sector supplement contents	DMA, AF1-3, AF5-6, AF8, AF9-10, AF12-17, AF20-21, EN26	Partly	22-31 / Responsible sourcing

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