

marimekko

Sustainability Review 2017

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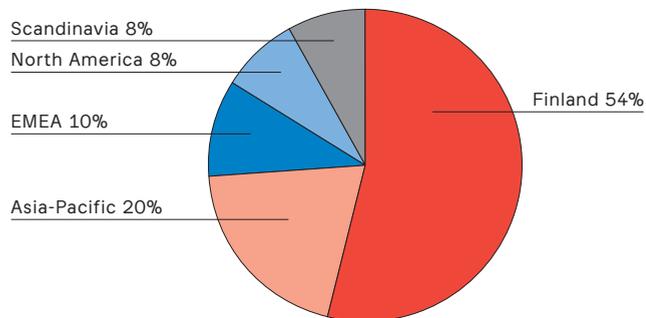
Marimekko in brief

Marimekko is a Finnish lifestyle design company whose original prints and colours have brought joy to people's everyday lives since 1951. Our product portfolio includes high-quality clothing, bags and accessories as well as home décor items ranging from textiles to tableware. Timelessness, quality and functionality are the cornerstones on which our recognisable design has always been built.

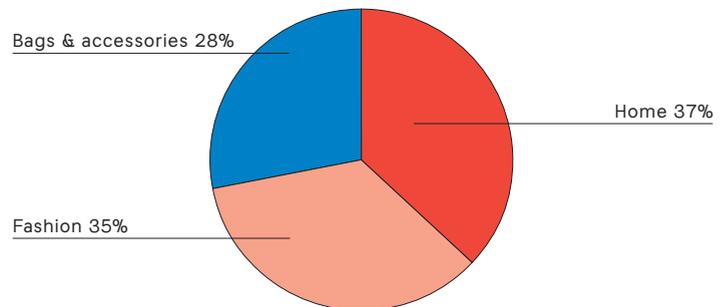
Our vision is to be the world's most inspiring lifestyle design brand renowned for bold prints. Our products are sold in about 40 countries, and roughly 160 Marimekko stores serve customers around the globe. Our key markets are Northern Europe, North America and the Asia-Pacific region.

In 2017, our net sales were 102 million euros.

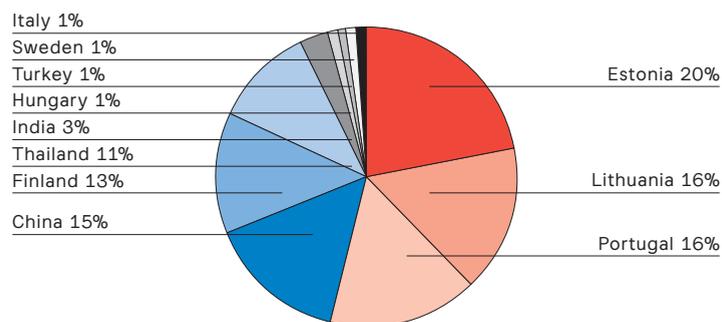
Net sales by market area
2017



Net sales by product line
2017



Manufacturing countries 2017



Purpose

Empower people to be happy as they are and bring joy to their everyday lives through bold prints and colours.

Vision

To be the world's most inspiring lifestyle design brand renowned for bold prints.

Our values

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 Marimekko's sustainability thinking. We treat people fairly, and we create products that bring joy for a long time with minimal impacts on the environment.

Highlights of our sustainability work in 2017

Share of Better Cotton increased further

Of the cotton we procured in 2017, 53 (50) per cent was more sustainably produced Better Cotton. We seek to increase the share of Better Cotton every year, and our goal is to raise it to 65 per cent in 2018.

53%

Printing tests on biodegradable fabric continued

Since 2013, we have been part of a research project led by Aalto University and the University of Helsinki developing the Ioncell F method, by which birch cellulose can be used to manufacture a biodegradable textile fibre. In 2017, we continued to test the printing properties of the fabric made out of fibres produced with the Ioncell F method at our printing factory.

Longer life for Marimekko garments through collaboration

We continued collaboration with the second-hand online store We Started This (WST). During the year, we arranged several collection events at our stores, and WST set up a pop-up shop in the Marimekko store in the Forum shopping centre for the Helsinki Design Week in September. Customers could also bring their Marimekko clothes and accessories directly into the pop-up for resale.



New cooperation initiative to develop wood-based textiles

In November 2017, we began cooperation with the Finnish fibre technology company Spinnova. The cooperation aims at developing and commercialising new, wood-based textiles. Spinnova has developed a technology that enables spinning pulp into textile fibre without chemical processing. The method is considerably less of a strain on the environment than viscose or cotton production, for example, and a fabric made with Spinnova fibre can be reused, recycled or composted.

Mari Meter survey provides information about employees' views and opinions

We carried out our Mari Meter personnel survey during the second half of 2017. Interesting jobs, the possibility to participate in developing the company's operations, fair treatment and the strong Marimekko spirit were mentioned as Marimekko's strengths. The results were discussed in teams and every team made a plan on how to maintain team strengths and develop the areas with greater room for improvement. We also put together a company-wide action plan, the implementation of which is monitored regularly.

Stories from the supply chain

We took part in the annual Fashion Revolution campaign by publishing articles on the people making our products in Estonia, Lithuania and Finland. The purpose of the campaign is to commemorate the workers who died or were injured in the collapse of the Rana Plaza factory building in Bangladesh in 2013.

From the President and CEO

”We believe in the power of doing things together
– collaboration by various actors facilitates resolving
the challenges in our sector.”

More and more consumers are increasingly aware of the impact of their consumption on the world around them and they want to make responsible choices. The circular economy offers our sector a great deal of opportunities, and I believe that we will see a range of innovations and new solutions in this area in the near future. For Marimekko, timelessness has been the cornerstone of our design since the foundation of the company, and we strive to provide our customers with products that are long-lived and which they will not want to throw away. Our products are not discarded when new fashion trends arise and in best cases they are passed on to next generations. Due to their popularity in the second-hand market they are also easily recycled. We have, during the past two years, cooperated successfully with We Started This (WST), an online retailer of second-hand clothing and accessories. During the Helsinki Design Week in September, we organised a pop-up event together with WST in our store in Forum mall in central Helsinki, where customers could give their used Marimekko garments a second life and find precious vintage pieces. The event was very successful and attracted a lot of interest, which we feel is a concrete example of an ongoing change in consumer values.

Material choices play a key role in product design, as they have an impact on the durability of the product and its care. The manufacture of materials has social and environmental impacts that we aim as much as possible to take into account in our choices. There are a number of interesting development projects underway in our industry, and we follow with interest especially initiatives which focus on new, renewable and recyclable fibres. In November 2017, we communicated the start of collaboration between Marimekko and the Finnish fibre technology company Spinnova that focuses on the development and commercialisation of new wood-based textiles. Fabrics made of Spinnova’s fibre can be reused, recycled or composted. The first industrially woven fabric samples have been successful. Material development projects typically take time, but naturally we hope to get products made of this fibre available to consumers.

We at Marimekko aim at telling our customers more and more about the materials used in our products, and we are committed to step-by-step increasing our supply chain’s transparency towards the raw material production. Cotton is the world’s most widely used natural fibre and almost all of us use it daily. Today, cotton is also the most extensively used raw material for Marimekko. We are a Member of the Better Cotton Initiative (BCI) that promotes sustainable cotton cultivation and we want to continuously increase the share of Better Cotton in our products. Of the cotton we purchased in 2017, 53 per cent was Better Cotton, and our target for 2018 is 65 per cent. In November 2017, we took part in a BCI field trip to India, where some 20 actors from our sector had the opportunity to learn more about sustainable cotton cultivation.

One of Marimekko’s most popular classics was born in 1968, when Annika Rimala designed the Tasaraita collection for people of any age or gender. In honour of the 50th anniversary of this symbol of equality, we started a partnership with the children’s rights organisation Plan International to promote equality. Equality issues differ around the globe, but they are very important and topical in every part of the world. Equality is an integral part of the Marimekko culture, and we believe that everyone should have equal rights to make decisions about their own lives. One of the best ways to support the development of societies and promote equality is to help girls to get an education. This is why we want to support Plan’s work in developing countries.

We believe that cooperation between the various actors is the best way to help solve the challenges in our sector, and for us it is important to be involved in different partnering projects. No one can solve the challenges alone.

Tiina Alahuhta-Kasko



Our value chain

Marimekko is a lifestyle design company that designs, manufactures and sources products and sells them in its own stores and through retailers around the world. Our value chain is broad and diverse, as is typical of consumer product companies, and it embraces many different partners. Our influence at different stages of the value chain varies depending on the product and the work phase; the greatest possibilities for exercising influence lie within our own

operations, such as design, material choices and fabric printing, as well as our cooperation with our suppliers and logistics partners.

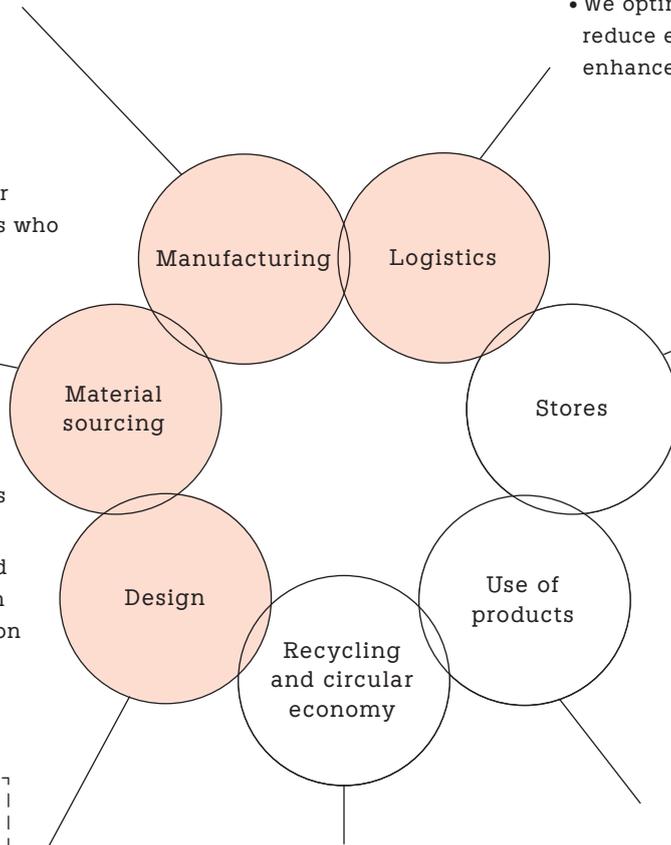
We work persistently to secure sustainable ways of working at all stages in our value chain and to provide our customers with even more information than before on our products. This is a challenging job, but we believe that collaboration with our suppliers and other industry players will take us forward, one design at a time.

- In-house fabric printing mill and partner suppliers
- Ensuring sustainability throughout the supply chain, e.g. working conditions in production and respecting human rights
- Careful supplier selection
- Supplier Code of Conduct
- Audits and factory visits
- Resource and material efficiency in our own operations

- The modes of transport we use are road, marine and air transport.
- A significant part of the environmental impact of our operations is due to transportation.
- We optimise our logistics in order to reduce environmental impacts and enhance efficiency.

- We source the materials used in our products from our partner suppliers who source raw materials globally.
- Our partners are committed to promoting sustainable operations in their own supply chain.
- We require our suppliers to report the origin of leather and down. In addition, we require our most significant cotton product suppliers to report the origin of cotton.
- In 2017, more sustainably produced BCI (Better Cotton Initiative) cotton accounted for 53% of our total cotton sourcing.

- Our store personnel plays a key role in providing product information to our customers and instructing them how to take care of the products properly.
- We continuously aim to offer our customers more information on our products and their proper care.



Important choices in terms of the impacts during the product's entire life cycle

Product care is of great significance in terms of environmental impacts

- Timeless design
- Sustainable and durable materials
- Smart use of materials
- Product and material testing

- Our products have a good resale value.
- Re-using textiles in their existing form is the best alternative for the environment.
- The target is that products stay in circulation as long as possible.
- We are constantly on the lookout for alternatives for extending product life cycles.

- Proper care helps to prolong product life and to reduce environmental stress.



Sustainability at Marimekko

Our value "fairness to everyone and everything" crystallises our sustainability thinking. We treat people fairly and create products that bring joy for a long time with minimal impacts on the environment. We are true to our word and require the same of all our partners. We are a fair employer and a trustworthy partner to our customers and suppliers.

Sustainability management

For Marimekko, sustainability is in everything we do and it is a part of day-to-day management and business development. Ultimate responsibility for sustainability management lies with the President and CEO. Setting sustainability targets and monitoring the attainment of targets are part of the work of the Management Group, where the implementation of the sustainability strategy is monitored quarterly. The different business units and functions, supported by the Sustainability Manager, are individually responsible for the targets and actions for their own area.

Sustainability strategy 2020

Marimekko's sustainability strategy extending to 2020 was published in 2016. The strategy comprises five commitments, with focus on sustainable design and sustainability in the supply chain. Resource efficiency and the environment, stakeholder engagement as well as taking care of the personnel each also have their own commitments. These commitments have been defined as the most important areas of Marimekko's sustainability work. Targets and criteria to measure attainment of the targets were assigned for all the commitments. To serve as the basis for the sustainability strategy, we analysed overall industry trends, megatrends and consumer trends and carried out customer surveys as well as interviews of Marimekko's major stakeholders such as investors and NGOs.

During 2017 we evaluated the targets set and chose the most relevant ones from among them.

Sustainability commitments



Commitment 1: We design timeless, long-lasting and functional products

Target	Criteria for achievement	In 2017	Status 2017	Section
We offer durable, high-quality and functional products.	Share of products subject to claims 0.5% of products sold	The share of products subject to claims was 0.3% (0.6).		Sustainable and timeless design
We increase the share of sustainable cotton in our products.	Increasing the share of Better Cotton of the cotton annually sourced in the supply chain	The share of Better Cotton was 53% (50).		Sustainable supply chain
We increase the share of other more sustainable raw materials used in our products and packaging.	Supporting research projects related to developing new more sustainable materials and continuously evaluating opportunities to use more sustainable materials	We participated in the loncell F project developing a method to make biodegradable fabric from birch cellulose. We also took part in a project focusing on commercialisation of the method. We started cooperation with the fibre technology company Spinnova with the aim of developing and bringing to market new, wood-based textiles.		Highlights of our sustainability work
We contribute to the circular economy with related projects and services.	Participation in projects which support the circular economy	We continued collaboration with the We Started This (WST) second-hand online store. WST also had a pop-up shop in one Marimekko store in Helsinki in September.		Sustainable and timeless design

Commitment 2: We inspire and engage our customers and staff

Target	Criteria for achievement	In 2017	Status 2017	Section
We provide our employees with continuous training in sustainability matters and engage them in developing operations.	Continuous training in sustainability matters for the personnel	We organised training about sustainability topics for store personnel, presented the sustainability strategy at staff events, discussed the targets in team meetings and organised raw material training for design and sourcing.		An inspiring and responsible workplace
We offer more information on our products, their proper care, and ways to prolong product life.	Increasing the product information available for customers	We increased the amount of information about materials and product care available in our online store and provided related information to our store personnel.		An inspiring and responsible workplace
We maintain an active dialogue with our stakeholders and engage in joint initiatives within the industry to innovate and promote sustainable design and production.	Participation in projects promoting innovations in sustainable design and production	We participated in the loncell F project led by Aalto University and the University of Helsinki as well as started cooperation with the fibre technology company Spinnova.		Highlights of our sustainability work
We collaborate, in particular, with NGOs and charities whose work relates to creativity and supporting women and children.	Supporting NGOs and charities whose work focuses on support for women and children and on creativity	As part of Finland's centenary celebrations, we arranged a workshop for young people in collaboration with the Finnish Children and Youth Foundation and Museum of Contemporary Art Kiasma, encouraging creativity and bold self-expression. For each Tasaraita shirt sold in the USA between 18 January and 28 February, we donated 10 dollars to Equality Now, an organisation supporting women's and girls' rights.		Stakeholder engagement

Annual target not achieved
 Progress made
 Progressing according to plan

Commitment 3: We promote responsible practices throughout our supply chain

Target	Criteria for achievement	In 2017	Status 2017	Section
We build transparency in supply chain towards raw materials.	Constantly increasing the information available on our supply chain	A list of our main supplier partners was available on our website. We started using a more comprehensive system which will help us improve supplier data management as well as supplier evaluation. We took part again in the Fashion Revolution campaign by publishing articles on our website about people working in our supply chain.		Sustainable supply chain Highlights of our sustainability work
We select our suppliers carefully, taking account of human rights and environmental protection.	Constantly improving the sustainability evaluation of our suppliers	97% of product purchases from non-EU countries were covered by audits according to amfori BSCI or other social responsibility systems. Marimekko employees regularly visited our suppliers' factories.		Sustainable supply chain
We promote human rights, a living wage, worker empowerment and safe working conditions in our supply chain through dialogue, audits and training.	Evaluating the human rights impacts of our supply chain in more depth and engaging our suppliers	A number of Marimekko employees took part in human rights training. Remuneration, working hours and safety matters were discussed during plant visits by Marimekko personnel.		Sustainable supply chain

Commitment 4: We are resource efficient and care for the environment

Target	Criteria for achievement	In 2017	Status 2017	Section
We continuously reduce the carbon footprint of our operations by using renewable energy sources and optimising logistics.	Increasing usage of renewable energy in our own operations, optimising logistics routing, and carbon offsetting	The electricity used by our fabric printing mill and head office was generated from wind power. We continued using biogas in our printing factory. In addition to all transport in Finland, the carbon dioxide emissions from our online store deliveries elsewhere in Europe were also offset.		Resource efficiency and the environment
We continuously improve material, energy and water efficiency in our own operations.	Improving energy and water efficiency per metre of output	A comprehensive energy survey of our factory and office building in Helsinki was conducted. A plan of actions to enhance energy efficiency was made based on the survey.		Resource efficiency and the environment
No landfill waste will be generated by our own operations.	Our own operations do not generate landfill waste	In 2017, 99% of the waste generated was reused in energy production or as recycled material.		Resource efficiency and the environment
We ensure high standards of chemical restrictions in the production of our products and look for greener chemistry whenever possible.	Replacing defined substances (such as PVC and PFCs) with more environmentally friendly alternatives	Acrylic coating instead of PVC coating was used in some of our oilcloth.		Sustainable and timeless design

Commitment 5: We offer an inspiring and responsible workplace

Target	Criteria for achievement	In 2017	Status 2017	Section
We support the personal and professional growth of our employees by training and building competence.	Developing practices supporting employees' professional and personal development to be even more systematic	We planned our new performance management model and piloted it in our retail stores. We defined the key competence descriptions for our personnel.	● ● ●	An inspiring and responsible workplace
We foster the Marimekko spirit that emphasises equality, diversity, creativity and teamwork.	Making equality and diversity an even stronger part Marimekko's culture and operations	We conducted the Mari Meter personnel survey and drew up an equality plan for Marimekko.	● ● ●	An inspiring and responsible workplace
We will be the preferred employer in our sector	High ranking in selected surveys measuring employer image	We worked on a plan on how to develop our employer image. Our ranking in a survey carried out by Universum on the most popular employers among Finnish university students improved from last year.	● ● ●	An inspiring and responsible workplace
We are committed to responsible and ethical business practices.	Acting in accordance with the law and ethical and responsible business principles	78% of Marimekko employees had completed the Code of Conduct e-training by the end of 2017.	● ● ●	An inspiring and responsible workplace

Marimekko's business strategy

Read about Marimekko's business strategy on our website at company.marimekko.com/about-marimekko/objectives-strategy





Stakeholder engagement

Listening and taking part in discussions are important for us and we strive to have an open dialogue with our stakeholders. We take the feedback we receive into account as much as possible when we develop our operations.

Our stakeholders are very diverse, which is why we also communicate with them in a variety of ways. We get feedback on our operations from our stakeholders as customer feedback, in meetings with representatives of various stakeholder groups, and through both traditional and social media. The main themes raised by our stakeholders in 2017 were similar to the topics discussed in 2016 and included production in Finland, manufacturing conditions, supply chain transparency, sustainability of cotton production, recyclable materials and the chemicals used in products.

Cooperation strengthens our sustainability work

We believe that collaboration between various actors in our sector is the best way to promote sustainable practices, for which reason we are involved in many collaborative initiatives of the textile and fashion industry. Since 2011, we have been a member of amfori BSCI (previously Business Social Compliance Initiative), an international initiative which promotes the monitoring and improvement of working conditions in global supply chains. In 2013, we joined the Better Cotton Initiative (BCI), whose mission is to improve the sustainability of cotton production by training farmers and increasing the demand for more sustainably produced cotton. We also participate in the activities of textile and fashion industry organisations in Finland.

Bold patterns in celebration of the centenary of Finland's independence

We take part annually in selected charity projects, through which our support is mainly channelled to women and children. Each year, we also make smaller, individual product donations, for example to children's day care centres near our head office.

In 2017, we arranged a workshop together with the Finnish Children and Youth Foundation and Kiasma Museum of Contemporary Art, with the purpose of encouraging creativity and bold self-expression in young people in different life situations. The youngsters also had the possibility to get to know Marimekko during a special inspiration day. The workshop was part of Finland's centenary programme.

Our most important stakeholders

- consumers, partners and retailers
- personnel
- shareholders and investors
- partner manufacturers
- media
- organisations, such as NGOs and charities
- universities and research institutes



Tony Vaccaro

We are not about trendy fashion.

**Sustainable and
timeless design**

Sustainability commitment 2020: we design timeless, long-lasting and functional products.

Marimekko products are designed to stand up to time and use. Timeless product design is the core of our business and the mainstay of our sustainability philosophy. We want to offer our customers products that they will love for a long time.

We believe that a well-designed, timeless, high-quality and functional product will give its users long-lasting joy and is therefore a sustainable choice. For our part, we lengthen product life cycles through product development and quality control, and we encourage our customers to take good care of the products they purchase to extend their life cycle to the maximum.

Checklist for sustainable design

- ✓ timelessness and multiple use
- ✓ quality and durability
- ✓ materials and finishing
- ✓ patterns and material consumption
- ✓ structural solutions and product care
- ✓ recyclability

Sustainability starts with the design

Our designers are supported in their work by a checklist for sustainable design, in which we have put together the main sustainability aspects to be taken into account in design. For example the amount of cutting waste can be reduced as early as during print design by considering the likely use of the print pattern and its positioning on the fabric. At the cutting stage, software is used to place the pattern pieces so that waste is kept to a minimum. Material choices can also have a direct effect on the environmental impacts of a product's life cycle, as the material partly determines things like the durability of the product and the amount of energy and detergent needed to take care of it. We aim to increase the share of more sustainable cotton and other more sustainable materials in our products. In addition, we take part in initiatives to research and develop new, more sustainable materials.

Promoting reuse – circulating joy

The circular economy offers our business sector many opportunities. The timelessness of Marimekko products makes them popular in the second-hand market, for example in online stores specialising in pre-owned products. Since 2015, we have cooperated with the second-hand online store We Started This (WST). Several garment collection events were held at our stores in 2017, which yielded products from which WST put together popular Marimekko collections for its webstore. For the Helsinki Design Week in September, WST set up a pop-up shop in the Marimekko store in the Forum shopping centre, and customers could also bring their Marimekko garments directly into the pop-up for resale. Our aim for the future is to deepen the partnership with WST and to offer our customers more information about the right kind of care to prolong the life of our products and the possibilities for reselling them. In 2017 we, for example, increased the amount of information about materials and product care available in our online store. We are also constantly looking for potential projects, by which we could promote the circular economy together with other players in our industry.

Product safety and quality control

We want to offer our customers quality products that last a long time and are safe to use in all circumstances. In addition to our in-house quality team and suppliers, third-party testing laboratories control the quality of our products. Our products are also tested in normal use so that we can be assured of their functionality and durability.

We measure the success of our quality control, for example, through the number of products subject to claims. Our ongoing long-term target is to get the share of products subject to claims to less than 0.5 percent of the products sold per year. In 2017, the figure was 0.3 (0.6) per cent. During the year, we focused on providing more information to our retail store personnel and customers about materials and product care, and continued collaborating closely with our suppliers and visiting the factories manufacturing our products.

We continuously look for alternatives that are better for the environment and people

The majority of materials printed at our Helsinki fabric printing factory are Öko-Tex 100 certified, which guarantees that they have been proven not to contain harmful chemicals. In 2017, 85 (77) per cent of the fabrics printed by our factory were covered by Öko-Tex certification. Öko-Tex labelling can also be found on the towels and bed linen made under contract for Marimekko.

We seek to replace chemicals used in the manufacture of our products with alternatives which are better for the environment and for people. We use acrylic coating for some of our oilcloth instead of PVC coating, and we are phasing out PVC in other products as well. We have also already given up the oil-repellent treatment for the upholstery and bag fabrics printed at our printing factory, thanks to which environmentally harmful perfluorinated hydrocarbons are not used in the finishing processes.



The summer collection displayed an impressive encounter between past and present

Since the very beginning, Marimekko's products have been designed to stand up to time and use. We seek inspiration from the prints and styles in our archives and reinterpret them for today. All new designs are also stored in the archive, which already holds more than 3,600 patterns.

Good practical examples of the timelessness of Marimekko's design are the favourites from the summer 2017 collection: designs from the 1960's and 1970's that were brought to life alongside new designs. The Monrepos, Linjaviitta, Liidokki and Korppi dresses, as well as the Kentauri skirt are all very recognisable Marimekko styles characterised by a playful and skilful use of the print in relation to the silhouette of the garment.

On their own path

Throughout its history, Marimekko has encouraged women to be themselves and walk their own path. Our spring/summer 2017 collection was dedicated to courageous women, and in that context we brought together two Finnish women known for their courage and strong professional integrity: photographer Meeri Koutaniemi and artist Paula Vesala. Through the lens of Koutaniemi, they showed us their joint portrayal of the Marimekko woman, and they also shared their personal reflections on courage with us.

”Courage to me means being
honest with yourself.
Admitting what you really want.”

– Paula Vesala

”Courage is the ability to be intuitive.
Intuition tells us when something makes
us nervous or is frightening or exciting.”

– Meeri Koutaniemi



A photograph of a room interior. On the left, a curtain with a large floral pattern in shades of pink, orange, and yellow hangs. In the center, a stack of pillows with the same floral pattern is visible. The background wall is made of vertical wooden slats. The floor is light-colored wood. The text "Sustainable design all the way" is overlaid in white at the top, and "Sustainable supply chain" is overlaid in black on a white rectangular background in the lower center.

Sustainable design all the way

**Sustainable
supply chain**

Sustainability commitment 2020: we promote responsible practices throughout our supply chain.

The sustainability of our supply chain is an important subject for us, as bringing joy to everyday life through prints and colours must not be at the expense of others. Marimekko has its own textile printing factory in Helsinki, in addition to which our products are made by our partner suppliers in Europe and Asia. We require sustainability not only of our own operations but also of our suppliers, who are committed to operating in compliance with our sustainability requirements.

A comprehensive and carefully selected supplier network

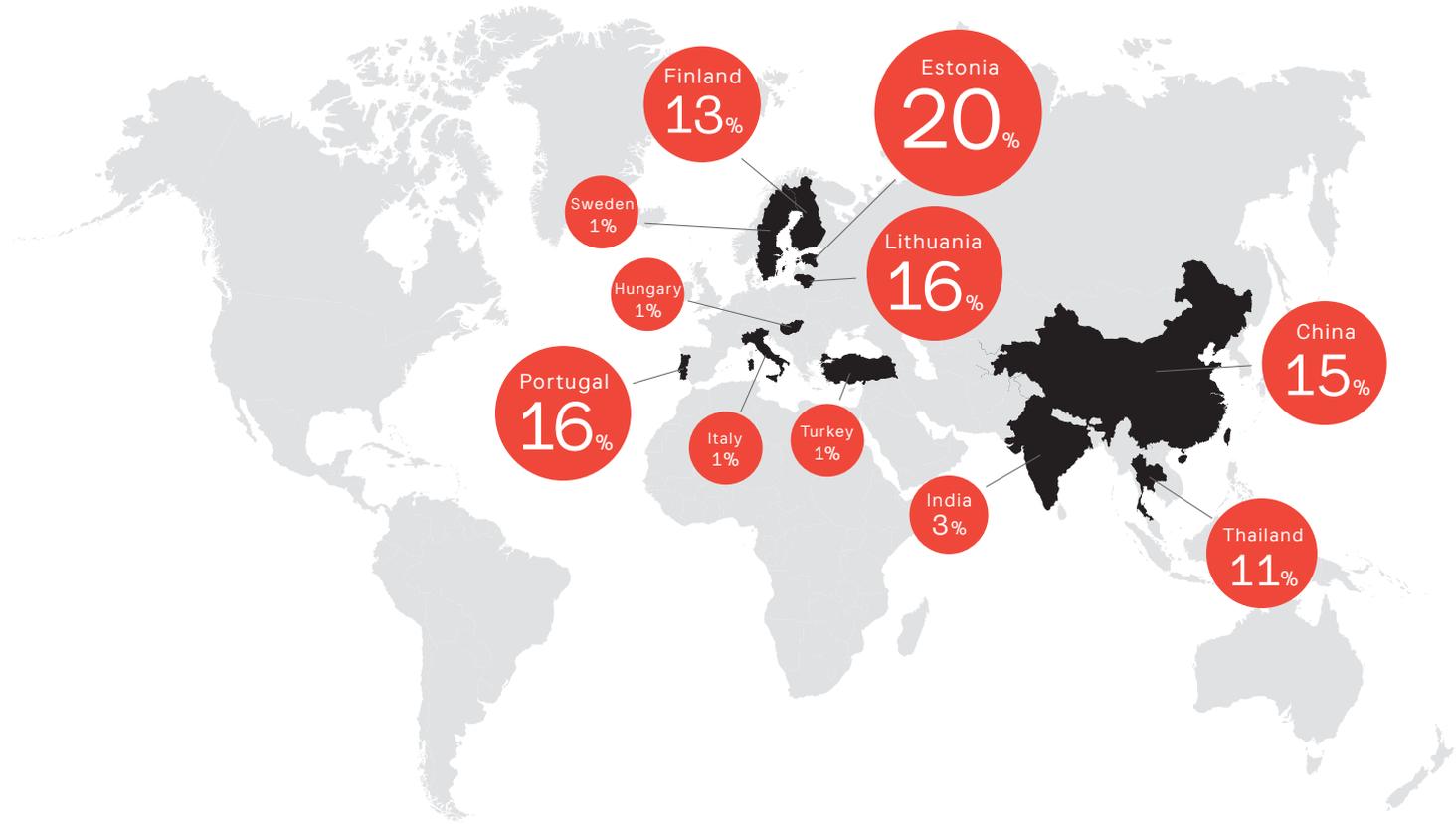
Marimekko's product range is wide and varied, so the manufacture of our products requires a comprehensive, diverse partner supplier network. Our objective is to always find the best manufacturing place for each product category. For example, our silk products are made in China, which is renowned for its expertise in silk.

Regardless of where our products are made, we want to ensure that they are manufactured in accordance with our values, respecting people and the environment. We choose our suppliers carefully and in our selection, in addition to commercial terms, we pay attention to sustainability matters, such as working conditions, safety and remuneration. In 2017, our products were manufactured by around 70 partners at roughly 120 factories in Europe and Asia.

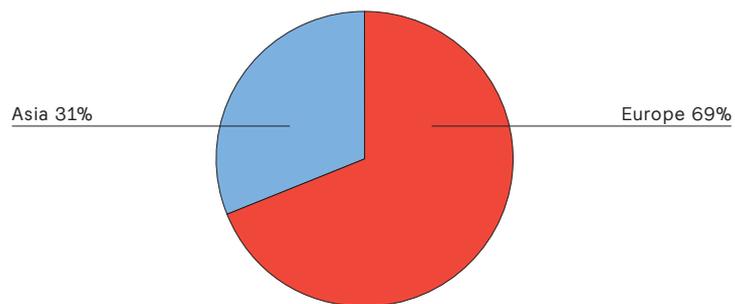


Tony Vaccaro

Manufacturing countries for Marimekko products



Distribution of manufacturing 2017



Ensuring sustainability in our supply chain

Careful supplier selection

- Evaluation where, in addition to commercial terms, sustainability aspects such as working conditions, safety practices, possible social and environmental certifications and audit results are taken into account.
- When selecting suppliers operating in non-EU countries, we require that the supplier has already gone through an amfori BSCI audit or SA8000 certification, or starts an audit or certification process. On a case-by-case basis, we accept suppliers that are covered by other social compliance audits.

Supplier Code of Conduct

- Our suppliers are committed to our sustainability requirements according to amfori BSCI embodied in our Supplier Code of Conduct, which include, for example, a prohibition on the use of child and forced labour.
- Purchasing agreements bind the suppliers to comply with the International Labour Organisation (ILO) conventions and the Supplier Code of Conduct.

Audits and factory visits

- Third-party experts carry out amfori BSCI or other similar social responsibility audits at our partner suppliers' facilities, particularly in risk countries. Marimekko personnel also visit the factories that manufacture our products.

Industry collaboration initiatives

We are members of the following international collaborative networks, among others:

- amfori BSCI – an initiative promoting the monitoring and improvement of working conditions in global supply chains
- Better Cotton Initiative (BCI) – an initiative aiming to promote sustainable cotton production by training farmers and boosting demand for more sustainably produced cotton.

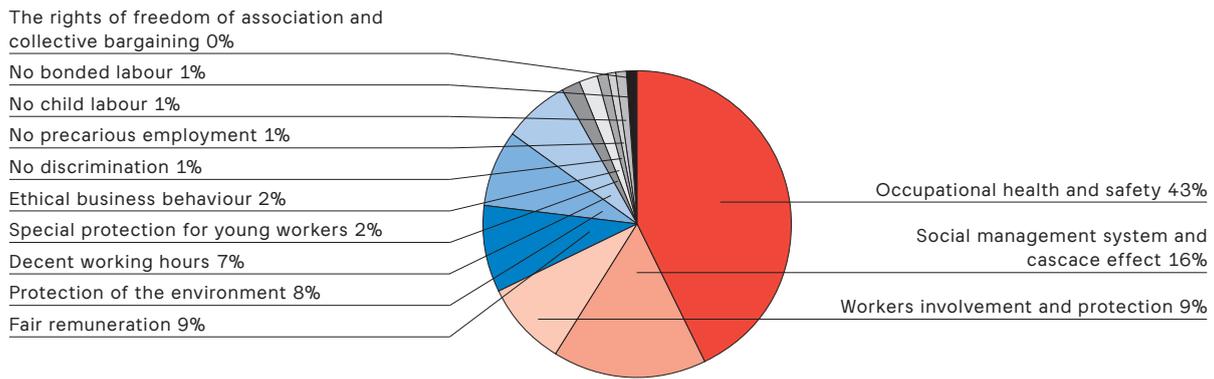
Health and safety and management systems are the main areas for improvement in factories

Our suppliers' operations and compliance with our sustainability requirements are monitored regularly with audits by external specialists as well as factory visits by Marimekko staff. Audits are for the most part carried out at factories of our partners operating outside the EU. In 2017, 78 (78) per cent of our non-EU product purchases were covered by amfori BSCI audits and 97 (97) per cent were covered by amfori BSCI audits and other, similar social compliance audits, such as SA8000 or Sedex.

A total of 14 (17) amfori BSCI audits were carried out in 2017

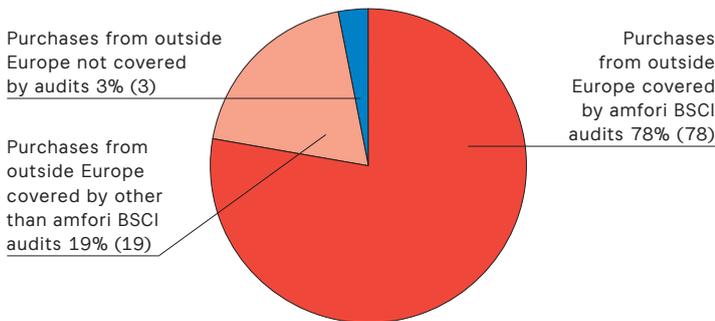
at the factories of our direct manufacturing partners. During the year, 71 (71) per cent of our amfori BSCI audited suppliers passed the audit with acceptable result. The audits almost invariably identify areas for improvement, which is typical of manufacturing. In terms of operational development, the most important thing is to go through the areas for improvement with the factory management and to agree on remedial action, the fulfilment of which is monitored. Most of the findings made in the audits in 2017 concerned health and safety (43%), management systems (16%), worker involvement and protection (9%), and fair remuneration (9%). None of the audits carried out during the year identified any zero-tolerance findings, such as indications of child labour or forced labour, or imminent and significant risks to workers' health.

amfori BSCI audit findings by area

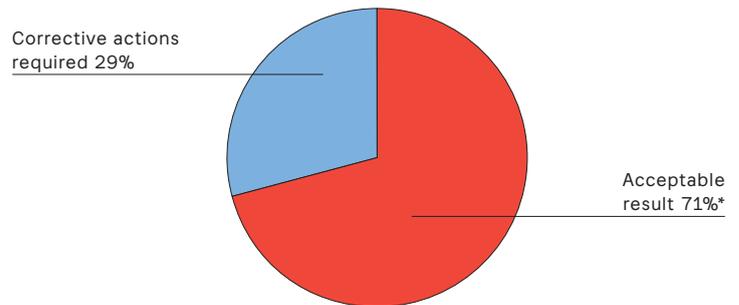


The finding related to the prohibition of forced labour concerned the terms of disciplinary action not being known to all workers. The findings related to the prohibition of child labour concerned the absence of a written remedial policy in case children were to be found working, and some missing elements in the factory's age-verification system (insufficient information about the educational background of some workers). These were not zero-tolerance findings and no forced labour, abuse of workers or child labour was found at the factories.

Audit status



amfori BSCI audit results of the audited factories



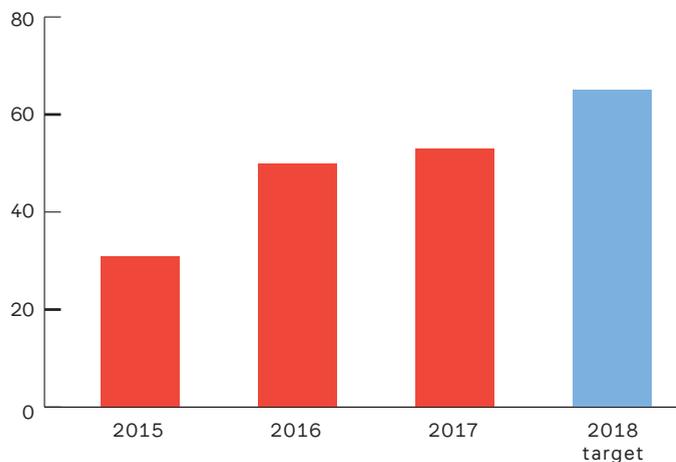
* Acceptable result is A, B or C in the amfori BSCI audit methodology.

Continuous efforts to enhance the transparency of the supply chain

The effects of our operations are not limited only to suppliers with whom Marimekko has a direct contractual relationship. We procure the materials we use from our supplier partners and we are therefore not in direct contact with the growers of raw materials, for instance. Value chains in the textile industry are complex, involving many different players, for which reason tracing the raw materials we use in our products back to their source is challenging and demands patient work, both within our company and in cooperation with other actors in the sector. For example, in the case of leather, we require information from our suppliers both on its origin and on where it was tanned, and for cotton materials we ask our suppliers about the raw material’s country of origin.

It is our goal to increase transparency in our supply chain, extending towards the procurement of raw materials, and in the future to provide our customers with more information on the materials used in our products and their origin. In 2017, we started using a more comprehensive system which will help us improve supplier data management and supplier evaluation as well as increase the amount of information available about the supply chain. In addition, we took part in a field trip organised by Better Cotton Initiative to visit cotton cultivation sites. We publish a list of our main partner suppliers annually on our website: company.marimekko.com/en/sustainability/manufacturing/.

Share of Better Cotton, %



Our commitments

Marimekko is committed to the following initiatives:

- amfori BSCI
- Better Cotton Initiative (BCI)
- Responsible Down Standard
- Uzbek Cotton Pledge Against Forced Labor

Increasing the share of more sustainable cotton

Material choices can have a direct effect on the environmental impacts of a product’s life cycle, as the material partly determines things like the durability of the product and the amount of energy and detergent consumed to take care of it. The production of materials also has social and environmental impacts, and our aim is to take this into account in our choices as much as possible.

Cotton is the world’s most used natural fibre and also Marimekko’s most used raw material. We aim to increase the share of more sustainable cotton and other more sustainable materials in our products and packaging. For cotton, to Marimekko the more sustainable alternative is mainly Better Cotton, or organic or recycled cotton on a seasonal basis. In 2017, we procured about 425 (480) tonnes of Better Cotton, comprising 53 (50) per cent of the cotton sourced by us during the year. We joined the international Better Cotton Initiative (BCI) promoting sustainable cotton cultivation in 2013 and since then we have consistently expanded our procurement of Better Cotton. Our objective is to increase the share of Better Cotton to 65 per cent in 2018.

Due to human rights violations related to cotton production in Uzbekistan, we do not currently accept Uzbek cotton in our products. In 2012, we signed the Uzbek Cotton Pledge organised by Responsible Sourcing Network (RSN) with the aim of pressuring Uzbekistan’s government to end the use of child and forced labour on its cotton plantations.

Human rights in the supply chain

We respect the human rights laid down in the UN's Universal Declaration of Human Rights in all our operations and we require the same of our suppliers. Respect for human rights is included in our Supplier Code of Conduct. We monitor compliance with human rights in the procurement chain through third-party audits and site visits by our own personnel.

We assess the risks of human rights violations in our supply chain based on, for example, the country of origin of the product or material sourced and the type of production process. The greatest risks to human rights we have recognised are the use of child and forced labour in cotton production as well as working conditions in production, such as remuneration inadequate for basic needs, unreasonable working hours, and unhealthy working methods. The risks apply primarily to indirect suppliers and the highest-risk countries. During 2017, we did not detect any violations of the prohibition of child or forced labour in our supply chain.



amfori BSCI principles included in the Supplier Code of Conduct

We are a member of the international amfori BSCI initiative, the aim of which is to promote the monitoring and improvement of working conditions in global supply chains. The amfori BSCI members are committed to promoting these 11 principles in their supply chains:

- the rights of freedom of association and collective bargaining
- no discrimination
- fair remuneration
- decent working hours
- occupational health and safety
- no child labour
- special protection for young workers
- no precarious employment
- no bonded labour
- protection of the environment
- ethical business behaviour

Read more:

www.amfori.org/content/amfori-bsci

A tour of more sustainable cotton cultivation in India

Our Quality Manager Leena Tarvainen joined more than 20 people from our industry on a Better Cotton Initiative (BCI) field trip in India, where more sustainable cotton cultivation sites were visited.

BCI is an organisation promoting cotton cultivation practices that are better for the people producing it and for the environment. The goal is to reduce the use of pesticides and chemical fertilisers and to replace them with natural substances. This is good for nature, harvest productivity, and farmers' health alike. The farmers are also trained on how to use their farm area efficiently. For example, plants placed on the periphery of the farm can be used to influence pests as well as the annual income of farmers, if other crops such as corn or wheat are chosen as peripheral plants.

The group visited the village of Gadaghat, where most of the villagers earn their living by growing cotton. The village has some 140 cotton farmers in all, and 115 of them are already part of BCI. On average, the farms are very small, only 1–2 acres (one acre is about 4,000 square metres). The cotton yield per acre is 400–500 kg of raw cotton, of which the fibres that can be used to spin yarn and further to weave or knit fabrics represent about 35 per cent. The remaining 65 per cent is seed cotton that can be used, for example, as a fuel or as feed for livestock.

BCI trains the farmers on the fields together with its partners. To help in reaching all the farmers, BCI has an extensive team of trainers who coach smallish groups of about 10 farmers at a time. In the Gadaghat village, the group was told in detail about the training and were shown various materials used to educate the cultivators, some of whom were illiterate.



A visit to a bag factory in India

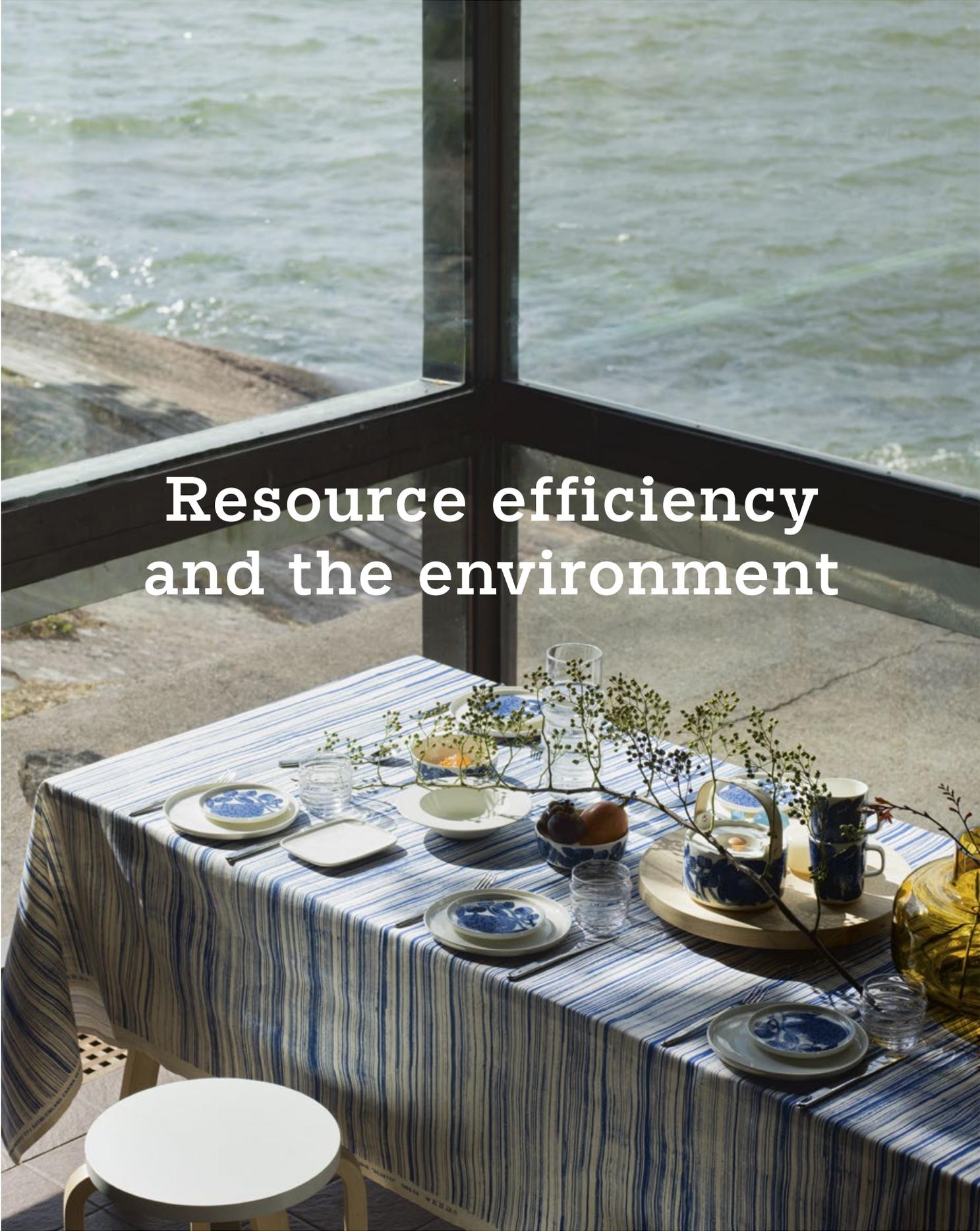
Marimekko employees pay regular visits to our manufacturing partners' factories. In November 2017, it was time to visit the Samik factory in Delhi, India, which makes leather bags for Marimekko.

The plant has some 280 employees from different states, who live near the factory and visit their home towns from time to time.

Navrej Khan (28) has worked for Samik for 10 years. Navrej, who comes from the state of Bihar, is a sewing machine operator, currently sewing zippers. Navrej has a family in Bihar, with a wife and a 3-year-old daughter. He aims to work by the time he is 40, when it is his dream to open a shop in his home district.

Ali Ul Khari (23) sews bags, and currently he works on the finishing stage. Born in Kolkata, Ali has worked for Samik for five years. He says he enjoys his work and hopes one day to become a foreman in the factory. A devout Muslim, Ali appreciates his employer allowing all the factory's Muslim employees a prayer break each Friday. Ali has just got married, and in the future he hopes to have children and for them to enjoy a good education and health.



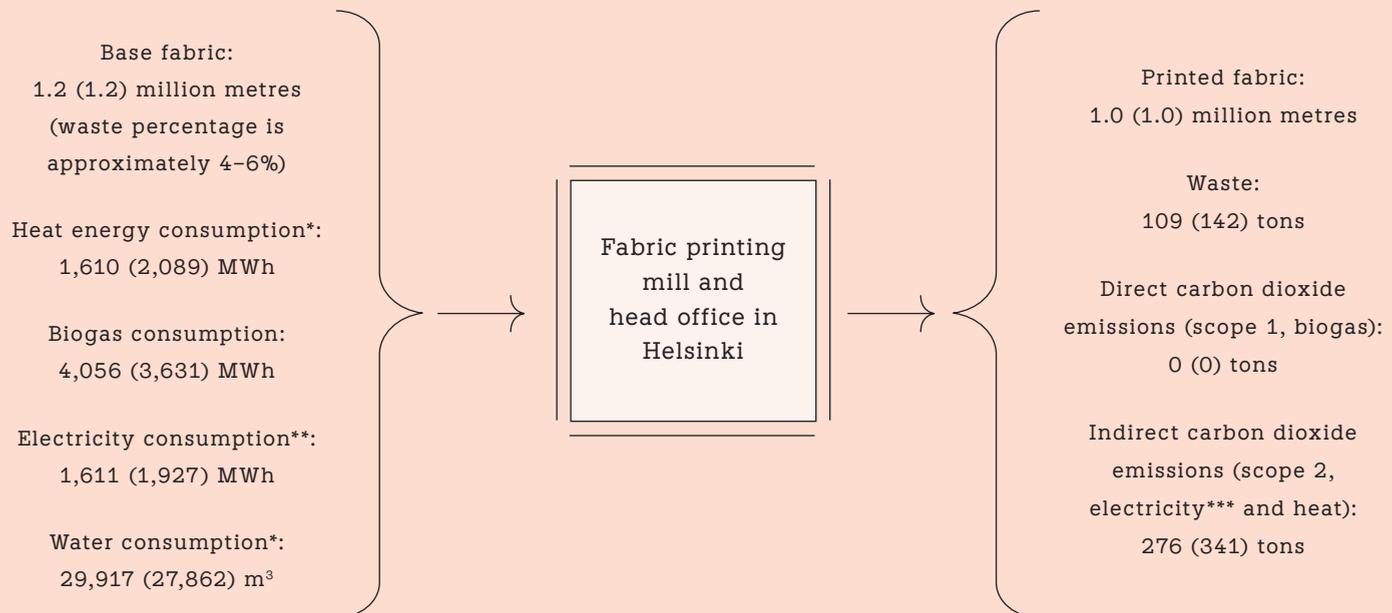


Resource efficiency and the environment

Sustainability commitment 2020: we are resource efficient and care for the environment.

Nature is an important source of inspiration for us, and we want to treat it with respect to keep it healthy. Our goal is to constantly reduce our environmental impacts and to improve our resource efficiency. The environmental impacts related to Marimekko's own production result mainly from the operations of the Helsinki fabric printing factory. Roughly one million metres of fabric are printed at the factory each year.

Environmental impacts of in-house production



* Applies to the Helsinki fabric printing factory and head office.

** Applies to the Helsinki fabric printing factory and office building, as well as the factory facilities in Kitee and Sulkava.

*** Electricity produced with wind power.

Marimekko's environmental targets 2020

- continual reduction in energy consumption
- generation of electricity from renewable energy sources, such as wind and hydropower
- reducing carbon dioxide emissions by 50 per cent
- reducing waste resulting from operations by 20 per cent
- reducing water consumption relative to output by 20 per cent

The targets are for the company's own operations and the baseline year for reduction targets is 2010.

Biogas has reduced direct carbon dioxide emissions close to zero

Our fabric printing factory in Helsinki went over from natural gas to the more environmentally friendly biogas at the beginning of 2016. The biogas is produced in Finland from the biological wastes of agriculture, the food industry, retail and households. Introducing biogas has meant that our direct carbon dioxide emissions from fuel consumption (scope 1) have fallen practically to zero and we have attained our target of halving the carbon dioxide emissions from our in-house operations by 2020 ahead of schedule. In 2017 our consumption of biogas per metre of output grew by 14 per cent compared to the previous year and was 4.0 (3.5) kWh. Production run lengths were the main factor behind the increase; shorter runs require more energy in relation to output.

Consumption of electricity and heat energy declined

Our electrical energy consumption in 2017 decreased by 16 per cent compared to the previous year and was 1.6 (1.9) GWh. The electricity we purchased was generated carbon-free from renewable wind power, which reduced our indirect carbon dioxide emissions from purchased electricity (scope 2). In 2017, the Helsinki fabric printing factory and head office used 1.6 (2.1) GWh of heating energy. Our goal is to continuously reduce our total energy consumption (biogas, electricity and heating combined) and in 2017 it was 24 per cent lower than the comparison level in 2010.

In 2017, we conducted a comprehensive energy survey of our factory and office building in Helsinki. Based on the survey, we made an action plan on how to enhance energy efficiency at the site. The actions to be completed during 2018 include, for example, improvements in the air-conditioning and heat-recovery systems.





Water consumption increased due to shorter production runs

Marimekko's fabric printing factory mostly uses water for washing printing screens, fixing fabric colours by steaming, and the final wash for fabrics.

In 2017, our fabric printing factory's absolute water consumption increased and was 29,917 (27,862) cubic metres. Water consumption per metre of output also rose and was 28 (26) litres per metre. The increase in water consumption was due to shorter production runs.

The waste water from the fabric printing factory goes to the municipal waste water treatment plant in Helsinki for purification.

Almost 100 per cent of waste is reused

We constantly monitor the waste quantity at our fabric printing factory and head office in Helsinki and seek to promote the recycling of waste. In 2017, a total of 109 (142) tonnes of waste was generated, which was 23 percent less than in 2016.

It is our aim that all wastes generated by our fabric printing factory and head office are sorted for recycling. In 2017, 99 (98) per cent of the waste generated was reused in energy production or as recycled material. We constantly explore possibilities to reduce the waste generated by our operations, for example, by rationalising our operating methods.

Cutting carbon dioxide emissions from logistics by optimising transportation

In addition to cutting the carbon dioxide emissions from our in-house production, we also seek to reduce the carbon footprint of our operations by optimising logistics. Among the chief means of reducing carbon dioxide emissions from logistics are offsetting emissions from transport and optimising transportation routes. In 2017, we offset the carbon dioxide emissions from all our transport in Finland (store and e-commerce deliveries) as well as from our e-commerce deliveries in the rest of Europe. The carbon dioxide emissions offset from these deliveries amounted to 74 (118, including only transport in Finland) tonnes and their emission impact was offset within the framework of climate projects financed by Posti (Finnish post).

Material efficiency

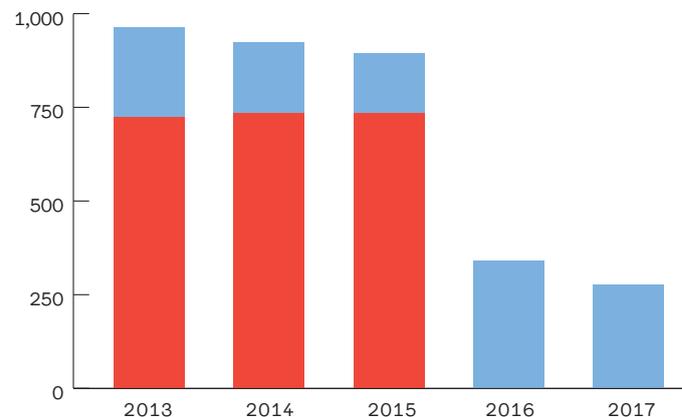
The printing process and manufacture of fabric products almost invariably generate waste material, which we constantly strive to minimise. Cutting waste can be reduced at the design stage by considering the likely use of the product and by positioning the print on the fabric in such a way as to minimise wastage.

The quality of our fabrics is of key importance to us, and in rare cases our printed fabrics do not meet our first-class quality criteria. However, such materials are not thrown away but are used to make bags, among others. If, for some reason, material remains from fabrics purchased for our collections, we try to use the leftover materials for example as special products for our friendship sales. We also sell the leftover fabrics in our outlet stores.

Phasing out plastic bags

We have decided to phase out plastic bags. Instead of plastic bags, since early 2016 products in our stores have been mainly placed in paper bags of a material certified by the Forest Stewardship Council (FSC). The bags are totally recyclable.

Carbon dioxide emissions, tonnes*



- Indirect carbon dioxide emissions from purchased electricity and heat
- Direct carbon dioxide emissions from fuel (bio gas, natural gas prior to 2016)

* Applies to the fabric printing mill and building in Herttoniemi, Helsinki.



A woman with short brown hair is captured in a dynamic pose against a clear blue sky. She is wearing a bright yellow, long-sleeved blouse with a ruffled collar and a black and white patterned skirt. Her right arm is raised and extended upwards, while her left hand is held near her waist. The overall mood is one of inspiration and creativity.

**An inspired mind generates
original ideas.**

**An inspiring and
responsible workplace**

Sustainability commitment 2020: we provide an inspiring and responsible workplace.

Marimekko has always believed in fairness, courage and doing things together. We believe that doing things together generates an open and trusting atmosphere, which is a prerequisite to boldness, creativity and business success.

Shared Code of Conduct guides everyday work

We want to operate according to the same principles around the world, complying with local law and Marimekko's values. We have therefore drawn up a Code of Conduct for our company. Marimekko's Management Group and Board of Directors approved the Code of Conduct in 2015, and in 2016 the Code's rollout began with in-house training. In early 2017, we launched related online training, which by the end of the year had been completed by 78 per cent of Marimekko employees. By having a shared Code of Conduct, we aim to ensure fair and equal treatment in the workplace and to manage the risks of everyday work.

Good leadership is at the heart of everything at Marimekko

In 2017, we began to plan the leadership and management framework model for future performance. We piloted the performance management model in Marimekko stores during the summer – with good results. Shifting from the assessment of results more to assessing ways of working was especially welcomed. We believe that our way of working is a significant factor in success, and therefore we have defined key competence descriptions both for managers and for specialists. The descriptions are used in our performance management model "Maripeople", together with Marimekko's value descriptions, to formulate expectations for the way of working. At the end of 2017, we concentrated on preparing the deployment of the new way of setting targets and improving skills at the all-Marimekko level. Our performance management model is based to a large extent on dialogue between the manager and the team member, and we hope that we will thus also build a stronger feedback culture.

We also continued the Art of Selling retail training programme which we started in 2015. The aim of the training is to improve sales management and the progress of sales personnel in their work. The programme includes training tailored to managers – Art of Leading

Marimekko employees

Average age:

38 (34) years

Gender ratio, women:

92% (91)

Women in Management Group:

88% (100)

Employees with regular
employment (Finland):

82% (83)

Full-time employees
(Finland):

49% (48)

Personnel at the end of 2017:

446 (431)

Personnel working outside
Finland at the end of 2017:

122 (111)

Sales – which supports team leadership by our store managers for better results. Specific key competence descriptions were also defined for store personnel, with tasks described on four different levels. These tools have promoted the development of Marimekko's store personnel considerably.

A model for early support

Marimekko makes every effort to improve personnel well-being by promoting employees' health as well as working and functional capacity and by developing the working atmosphere. A close cooperation between occupational healthcare, human resources and the workplace safety organisation helps strengthen the personnel's working capacity and well-being.

Our approach to supporting employee well-being and working capacity is preventive. Marimekko uses an early intervention model which serves as a tool for the detection and resolution of problems at the earliest possible stage. We seek to prevent problems for example by monitoring sick leaves and collaborating closely with occupational healthcare specialists.



Marimekko employees celebrated Finland's centenary together

The theme for celebrating the centenary of Finland's independence in 2017 was "Together". In line with the theme, work places and different communities were encouraged to organise a common coffee break on Independence Day eve. Marimekko took on the challenge, and employees at the head office in Helsinki, as well as in offices and Marimekko stores around the world took a moment to share a coffee with their colleagues and customers.

Enhancing personnel commitment

The employee engagement survey "Mari meter" normally carried out in alternate years is a key yardstick for employee well-being and commitment as well as an important tool for development in the building of tomorrow's Marimekko. In the survey carried out in autumn 2017, the overall result was 70.6 on a scale of 0-100 (70.6 in 2014). The results of the survey were reviewed in a new and markedly more thoroughgoing way than before. A workshop was arranged in all Marimekko teams worldwide to enhance the team's operations. Employees considered together how each one could do their part to influence and improve the working community's functionality from different perspectives.

A safe work environment is a basic right for everyone at Marimekko

A safe work environment is a basic right for every Marimekko employee, whether they work in a store, in production or in an office. We aim to secure a safe work environment by preventing accidents and by recognising and avoiding hazards and near misses. We monitor reported near misses and occupational accidents on an annual basis. In 2017, Marimekko employees had 14 (16) accidents, 4 (9) of which occurred in the workplace and 10 (7) while commuting or otherwise off-site.

In order to recognise risks and avoid accidents, we carry out annual risk assessments in stores, the fabric printing factory and office environment as well as provide safety-related training to employees.





Key figures

Key figures for financial responsibility

	2017	2016	2015
Net sales, EUR 1,000	102,324	99,614	95,652
Profit before taxes, EUR 1,000	7,130	5,170	1,294
Return on investment (ROI), %	21.6	15.8	4.5
Dividends paid, EUR 1,000	3,236	2,831	2,831
Gross investments, EUR 1,000	1,210	2,721	3,591
Equity ratio, %	65.2	58.5	59.0
Salaries, wages and bonuses paid, EUR 1,000	19,366	19,807	20,399
Pension and other indirect social expenditure, EUR 1,000	5,244	5,834	5,833
Income taxes, EUR 1,000	1,470	1,138	491
Purchases from suppliers of goods and services ¹ , EUR 1,000	36,714	40,333	53,496

¹ Including materials, supplies and other operating expenses excluding leases.

Key figures for environmental responsibility

	2017	2016	2015
Fabric printing factory output, million metres	1.0	1.0	1.1
Electricity consumption ¹ , MWh	1,611	1,927	1,944
Heating energy consumption ² , MWh	1,610	2,089	1,729
Bio gas consumption ² , MWh	4,056	3,631	3,719
Bio gas consumption relative to output ² , kWh	4	3.5	3.4
Direct carbon dioxide emissions (scope 1), tons (bio gas)	0	0	736
Indirect carbon dioxide emissions (scope 2), tonnes (electricity and heating)	276	341	159
Direct carbon dioxide emissions (scope 1) relative to output, tonnes (bio gas)	0	0	0
Water consumption ² , m ³	29,917	27,862	27,929
Water consumption relative to output, liters per meter	28	26	24
Waste generated from operations ¹ , tons	109	142	127
Waste utilization rate ³ , %	99	98	98
Share of waste sent to landfill, %	1	1	1
Share of textile products made with more sustainable materials ⁴ , %	6	8	6
Sourced Better Cotton ⁵ , tons	425	480	252
Share of Better Cotton from total cotton sourcing ⁶ , %	53	50	31
Share of Öko-tex certified fabrics printed in own printing mill, %	85	77	78

¹ Applies to Herttoniemi textile printing factory and properties in Kitee and Sulkava.

² Applies to Herttoniemi textile printing factory and property. Bio gas in use from year 2016.

³ Utilization as energy or recycled material.

⁴ Calculated from sales to retailers and own stores in terms of euros. 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.

⁵ 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.

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

Employee key figures

	2017	2016	2015
Average number of employees ¹	425	441	460
Employees at year end ¹	446	431	476
New employees	38	56	60
Leavers ²	55	69	44
Leaving turnover rate, %	21	16	9
Average age of employees, years	38	34	37
Employee gender ratio, women/men, %	92/8	91/9	94/6
Share of women in Board of Directors, %	57	40	29
Share of women in Management Board, %	88	100	83
Sick leave absences ³ , %	2.9	2.6	2.5
Work and commuting accidents	14	16	11
Healthcare expenses/ person ³ , EUR	907	781	984
Overall result of personnel survey, scale 1-100	70.6	-	-
Result of personnel survey regarding sustainability, scale 1-5 ⁴	3.4	-	-

¹ Personnel converted to full-time employees (FTE).

² Including voluntary leavers and pensions. Not including ended fixed term employments or layoffs in Finland due to production-related or financial reasons.

³ Calculated on theoretical regular working hours. Applies to employees in Finland.

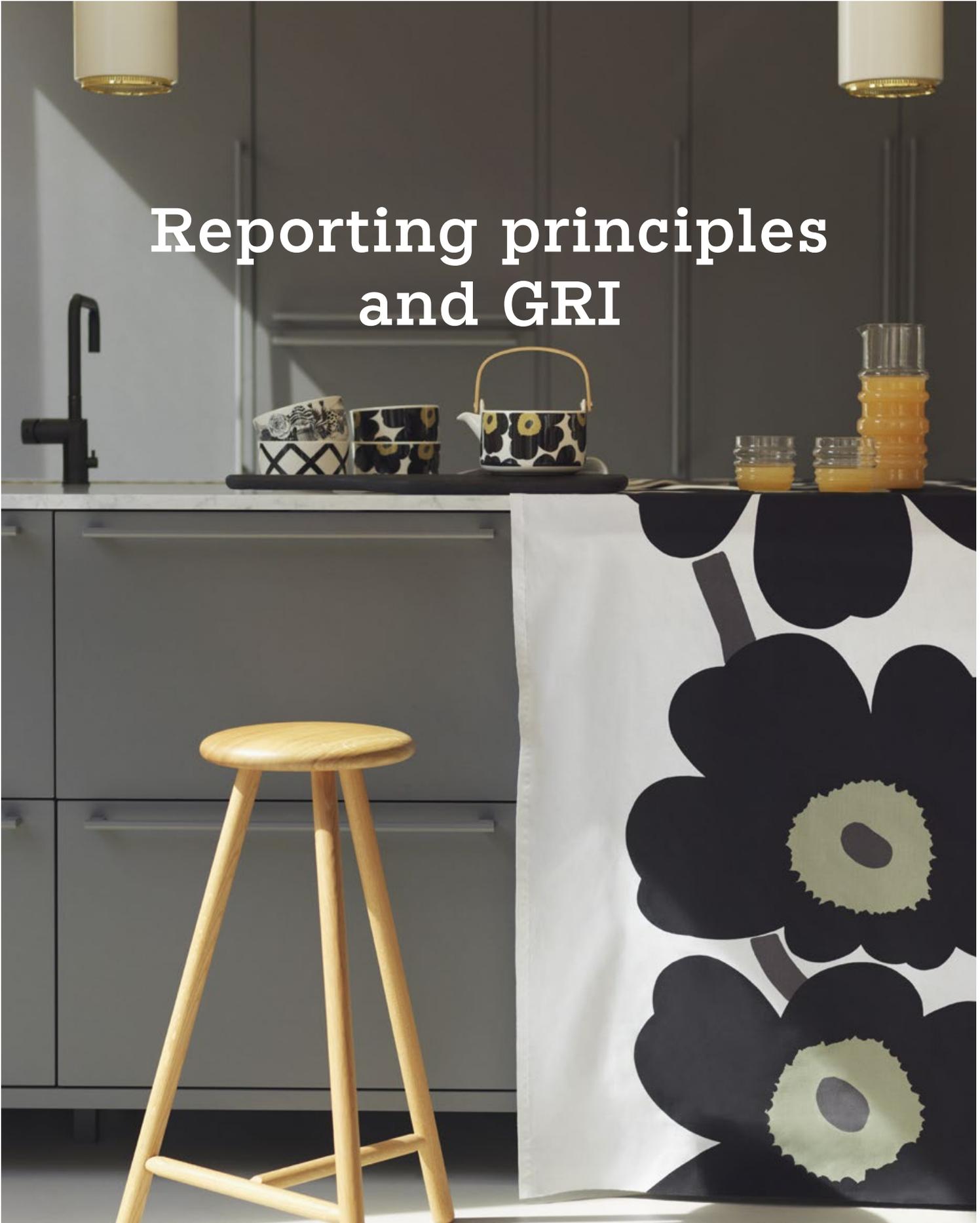
⁴ Question in 2017: I know what sustainability means in our company's operations

Key figures for responsible sourcing

	2017	2016	2015
Manufacturing in the EU, % of sales	69	67	70
amfori BSCI audited suppliers	19	19	21
Share of product purchases from amfori BSCI audited suppliers			
in non-EU countries, %	78	78	68
Share of product purchases from other audited suppliers			
in non-EU countries, %	19	19	24
Share of amfori BSCI audited suppliers with an acceptable result ¹	71	71	88
Violations to Code of Conduct related to use of child labour	0	0	0

¹ According to amfori BSCI's audit methodology an acceptable result is A, B or C.

Reporting principles and GRI



This is Marimekko's fifth sustainability review that applies GRI G4 sustainability reporting guidelines. The report is based on GRI G4 reporting guidelines and contains Standard Disclosures from the GRI Sustainability Reporting Guidelines but has not been prepared in accordance with either the GRI G4 level "core" or "comprehensive". This means that all GRI's indicator protocols have not been applied in a detailed level.

Calculating principles

The 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 Marimekko's own 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 2013–2017. 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 providers or measured consumption.

Scope 1 and scope 2 categorisation of carbon dioxide emissions has been derived from the Greenhouse Gas Protocol calculation method scoping.

Information on personnel 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 sales of units sold. 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 can be found in section "Sustainability at Marimekko" (pages 12-15) that presents our sustainability strategy. 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 or contact us:

Saara Azbel
Sustainability Manager
saara.azbel@marimekko.com



GRI content index

2017

GENERAL STANDARD DISCLOSURES

Disclosure	Included	Section/additional information
Strategy and analysis		
G4-1 Statement from the most senior decision maker of the organization	Yes	From the President and CEO
G4-2 Description of key impacts, risks and opportunities	Yes	http://company.marimekko.com/sustainability/managing-sustainability/risks-and-opportunities
Organisational profile		
G4-3-10	Yes	Marimekko in brief, Key figures, An inspiring and responsible workplace, Financial Statements 2017 (https://company.marimekko.com/en/releases-publications/annual-reports/)
G4-11 Percentage of total employees covered by collective bargaining agreements	Partly	At the end of 2017, 79 % of Marimekko employees in Finland were covered with collective bargaining agreements. Due to a change in the calculation method, the figure is not comparable with the 2016 figure.
G4-12 Description of the organisation's supply chain	Yes	Our value chain
G4-13 Significant changes regarding the organisation's size, structure, ownership, or its supply chain	Yes	No significant changes during reporting period.
G4-14 Whether and how the precautionary approach or principle is addressed by the organisation	Partly	Sustainability at Marimekko
G4-15 Externally developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribes or endorses	Yes	Sustainable supply chain
G4-16 Memberships in associations	Yes	Stakeholder engagement
Identified Material Aspects and Boundaries		
G4-17-23	Partly	Reporting principles and GRI
Stakeholder engagement		
G4-24-27	Yes	Stakeholder engagement
Report profile		
G4-28 Reporting period	Yes	Reporting period is from 1st of January to 31st of December, 2017.
G4-29 Date of the most recent report	Yes	The previous review was published in July 2017.
G4-30 Reporting cycle	Yes	The review is published annually.
G4-31 Contact information	Yes	Reporting principles and GRI
G4-32 GRI content index	Yes	Reporting principles and GRI This report is based on GRI G4 reporting guidelines but is not in accordance with either Core or Comprehensive level.
G4-33 Policy and current practice regarding external assurance	Yes	Reporting principles and GRI
Governance		
G4-34 Governance structure	Yes	http://company.marimekko.com/investors/management/board-of-directors
Ethics and Integrity		
G4-56 The organisation's values, principles, standards and norms of behavior	Yes	Marimekko in brief https://company.marimekko.com/en/about-marimekko/core-values/ https://company.marimekko.com/wp-content/uploads/2017/12/Marimekko-Code-of-Conduct.pdf

SPECIFIC STANDARD DISCLOSURES

Aspects & Indicators	Included	Section/additional information
G4-DMA Disclosure on management approach	Yes	Sustainability at Marimekko
ECONOMIC		
G4-EC1 Direct economic value generated and distributed	Partly	Key figures
ENVIRONMENTAL		
Materials		
Marimekko's indicator: Share of more sustainable raw material used in products	Partly	Key figures
Energy		
G4-EN3 Energy consumption within the organisation	Yes	Key figures, Resource efficiency and the environment
G4-EN6 Reduction of energy consumption	Partly	Key figures, Resource efficiency and the environment
Water		
G4-EN8 Total water withdrawal by source	Partly	Key figures, Resource efficiency and the environment Only total amount reported.
Emissions		
G4-EN15 Direct CO2 emissions (scope 1)	Partly	Key figures, Resource efficiency and the environment
G4-EN16 Indirect CO2 emissions (scope 2)	Partly	Key figures, Resource efficiency and the environment
Effluents and Waste		
G4-EN23 Total weight of waste by type and disposal method	Partly	Key figures, Resource efficiency and the environment
Products and Services		
G4-EN27 Extent of impact mitigation of environmental impacts of products and services	Partly	Key figures, Resource efficiency and the environment

SOCIAL

Aspects & Indicators	Included	Section/additional information
SUBCATEGORY: LABOUR PRACTICES AND DECENT WORK		
Training and Education		
G4-LA10 Programs for skills management and lifelong learning	Partly	An inspiring and responsible workplace
G4-LA11 Percentage of employees receiving regular performance and career development reviews	Partly	Development discussions are held twice a year with each Marimekko employee.
Diversity and Equal Opportunity		
G4-LA12 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity	Partly	http://company.marimekko.com/investors/of-employees-per-employee-category-according-to-gender, management/board-of-directors
Equal Remuneration		
G4-LA13 Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	No	Aspect has been identified as material, but the ratio has not been reported due to lack of data.
Supplier Assessment for Labor Practices		
G4-LA15 Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	Partly	Sustainable supply chain Third-party amfori BSCI audits are conducted in the majority of the facilities of our partner suppliers located in risk-countries. Also our own personnel visit our partner suppliers' facilities.
SUBCATEGORY: HUMAN RIGHTS		
Freedom of Association and Collective Bargaining		
G4-HR4 Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	Yes	No violations or threats related to this issue in our supply chain came into our attention during the reporting period. The amfori BSCI principles included in our Supplier Code of Conduct include the requirement for respecting the worker's right of freedom of association and collective bargaining.
Child Labor		
G4-HR5 Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Partly	No incidents of using child labor have been reported in the operation of Marimekko's direct suppliers during the reporting period. The amfori BSCI principles included in Marimekko's Supplier Code of Conduct include the prohibition of using child labour.
Forced or Compulsory Labor		
G4-HR6 Operations and suppliers identified as having significant Operations and suppliers identified as having significant to contribute to the elimination of all forms of forced or compulsory labor.	Partly	No incidents of using forced or compulsory labor have been reported in the operation of Marimekko's direct suppliers during the reporting period. The amfori BSCI principles included in Marimekko's Supplier Code of Conduct include the prohibition of forced or compulsory labour.
Supplier Human Rights Assessment		
G4-HR11 Significant actual and potential negative human rights impacts in the supply chain and actions taken	Partly	We acknowledge that there are potential negative human rights impacts in our supply chain. Human rights issues are included in the amfori BSCI principles and they are taken into account in the amfori BSCI audits. If any violations come into our attention, we react to them immediately.

Aspects & Indicators	Included	Section/additional information
SUBCATEGORY: SOCIETY		
Anti-corruption		
G4-SO4 Communication and training on anti-corruption policies and procedures	Partly	The principles are included in Marimekko Code of Conduct. 78 per cent of Marimekko employees had completed the Code of Conduct e-training by the end of 2017.
Compliance		
G4-SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulation	Yes	No such fines or sanctions during the reporting period.
SUBCATEGORY: PRODUCT RESPONSIBILITY		
Customer Health and Safety		
G4-PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by types of outcomes	Yes	No such incidents during the reporting period.
Marketing Communication		
G4-PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	Yes	No such incidents during the reporting period.

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