

A man with long hair and sunglasses is sitting on a thick tree branch. He is wearing a light-colored suit jacket, a dark t-shirt, light-colored trousers, and white sneakers. The background is a vast, green mountain landscape under a clear blue sky. The text 'SUITSUPPLY' is written in white, bold, uppercase letters at the top center of the image.

SUITSUPPLY

CARBON REPORT 2020

Introduction

The amount of carbon dioxide in the world's atmosphere is at the highest level seen in 3 million years. Human activities such as burning fossil fuels, clearing forests, and cultivating lands for agricultural use contribute to climate change by emitting carbon dioxide (CO²) and other greenhouse gases (GHGs) rising average temperatures to stronger and more frequent storms, drought, and wildfires. At Suitsupply we recognize that we have an impact on the planet and a responsibility to mitigate and reduce our impact where we possibly can. This report intends to transparently disclose our scopes, organizational and operational boundaries, methodology and procedures.

GHG Protocol Corporate Standard

Suitsupply's GHG inventory has been prepared in accordance with the GHG Protocol Initiative Corporate Standard (from now on referred to as the GHG Protocol), developed and published by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WRI and World

Business Council for Sustainable Development 2004). This method is the most widely used international accounting tool for governments and businesses to identify, quantify, and manage GHG emissions. The GHG Protocol requires accounting for the six "Kyoto Protocol" GHGs: carbon dioxide (CO²), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride, hydrofluorocarbons, and perfluorocarbons, emissions of which are reported in terms of carbon dioxide equivalents (CO₂e).

Reporting period

Suitsupply has selected 2019 the base year and will report annually on a like for like basis. Each year the baseline is re-assessed based on available data and the retail locations in scope. Wherever possible, pre-existing data is taken into account to calculate the GHG-emissions for new locations added or are otherwise concluded based on average m² GHG emissions for similar locations in similar markets.

In order to develop credible GHG emissions reporting the company should present the data in a complete, transparent, consistent and accurate matter.

Suitsupply is, therefore, following the GHG Corporate Accounting and Reporting standard by:

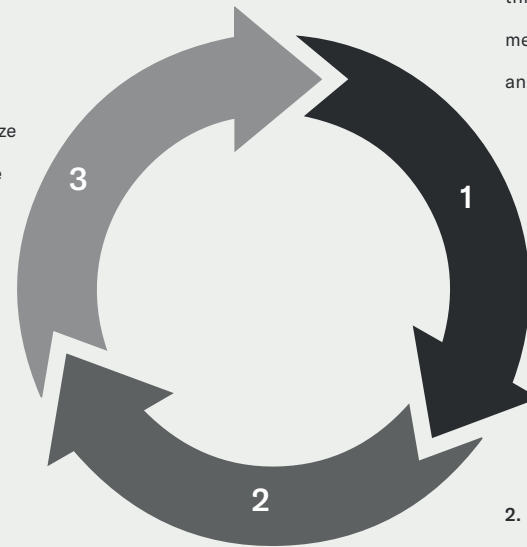
- Presenting the best data available at time of publication
- Being transparent about the organizational & operational boundaries and limitations

For future CO² reporting, Suitsupply will make sure to communicate any material discrepancies identified from previous years.

Suitsupply's Approach to Carbon

3. Offset

Long-term reduction plans go hand-in-hand with immediate offsetting. We only use certified Gold Standard carbon credits, selected with the help of the Carbon Neutral Group, to neutralize the impact we to date are not able to reduce yet.



1. Measure

We've commissioned Sustainalize, an independent and specialized third party, to develop our carbon methodology to effectively measure and collect the data.

2. Reduce

After analyzing the carbon data we make concrete plans to reduce our impact within our organization, our business travel and within our supply chains.

1. Measure

Carbon emissions are grouped into 3 categories called ‘scopes’. We count our emissions from each scope and then add them together to estimate our company’s footprint:

What’s in Suitsupply’s footprint?

A carbon footprint measures the total GHG emissions caused by the direct and indirect activities supporting a company. These emissions are broken into three categories—scope 1, 2, and 3 emissions. Scope 1 emissions come directly from a company’s operations and vehicles¹. Scope 2 emissions come from the generation of purchased energy, like the electricity used to power Suitsupply facilities². Scope 3 emissions include all other activities that take place beyond a company’s direct operations, largely related to the supply chains where Suitsupply products are manufactured.

What practices make Suitsupply different?

- Third-party certifications (Oeko-Tex, Blue sign and similar) for low impact and safe dye practices
- Lower impact, 100% recycled/ certified content & recyclable packaging
- Zero waste to landfill & end-of-life recycling through the Suitsupply recycling rewards program

¹Suitsupply uses the “operational control” approach detailed in the GHG Protocol to define the activities that contribute scope 1 emissions to our footprint.

²Suitsupply reports emissions according to the GHG Protocol’s “market-based” method, which accounts for energy Suitsupply purchases to support its operations.

Responsibilities & Control process

The Corporate Social Responsibility Manager is primarily responsible for setting the scope & boundaries, internal and external data collection, data handling and reporting on the company’s footprint. Footprint calculation and correct conversion factors are a shared responsibility between the CSR Manager and the Head of Finance to ensure accurate data use and calculation at every time of publication. The conversion factors for this first report are set together with Sustainalize. Sources can be found in Appendix B.

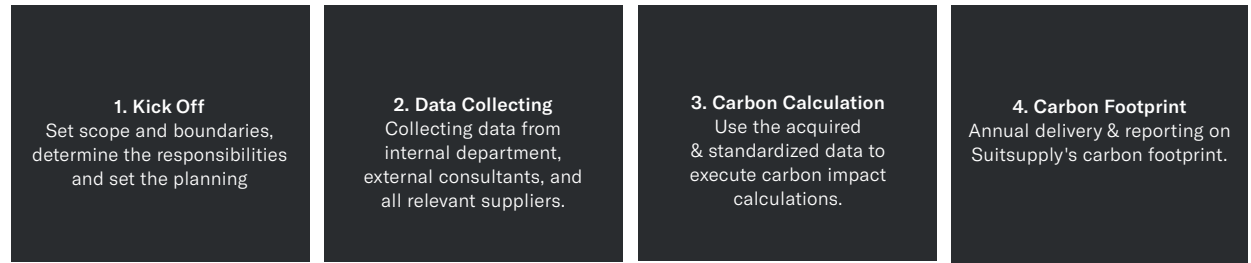


Figure 1: Process Approach Suitsupply

Organizational boundary

By setting organizational boundaries, a company selects an approach for consolidating GHG emissions and then consistently applies the selected approach to define those businesses and operations that constitute the company for the purpose of accounting and reporting GHG emission. The organizational boundary for Suitsupply is set in accordance with the GHG protocol. Suitsupply reports its Scope 1 and Scope 2 emissions (see figure 1 on Scope) via the operational control approach, meaning that Suitsupply accounts for 100% of emissions from operations over which it has operational control. Those are the locations where the company has the full authority to introduce and implement its operating policies. This criterion is consistent with the current accounting and reporting practice of many companies that report on emissions from facilities where they operate. For Suitsupply this involves all global retail locations³ excluding franchisees.

Operational boundary

After a company has determined its organizational boundaries in terms of the operations that it owns or controls, it then sets its operational boundaries. This involves identifying emissions associated with its operations, categorizing them as direct and indirect emissions, and choosing the scope of accounting and reporting for indirect emissions.

³All Suitsupply retail locations can be found [here](#).

Scope 1

In accordance with the greenhouse gas protocol Suitsupply is required to report on scope 1 emissions. These direct GHG emissions occur from sources that are owned or controlled by the company, for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles, and emissions from chemical production in owned or controlled process equipment.

For Suitsupply this relates to:

1. Combustion of natural gas in assets operated
2. Combustion of leased vehicles over which Suitsupply has operational control

The scope, therefore, includes Suitsupply's 'own' operations, namely offices, business travel, stores and business cars. Office supplies are not in the scope of this analysis. Combustion of natural gas is only applicable to a few stores in the Suitsupply portfolio, all located in the Netherlands (Amsterdam, Amsterdam CTTB, Lelystad, Arnhem & Breda).

Scope 2

Nearly 40% of global greenhouse gas emissions can be traced to energy generation, and half of that energy is used by industrial or commercial entities⁴. In accordance with the greenhouse gas protocol Suitsupply is required to report on scope 2 emissions. Scope 2 emissions are indirect emissions from electricity purchased and used by the organization. Emissions are created during the production of the energy, after which it is then used by the company.

For Suitsupply this relates to:

1. Electricity usage by assets over which Suitsupply has operational control.

⁴[Greenhouse Gas Protocol](#), viewed on 29.01.2020.

This excludes Suitsupply's franchise stores but includes shop in shops, next to own stores. So far, no district heating, steam and cooling have been purchased by Suitsupply.

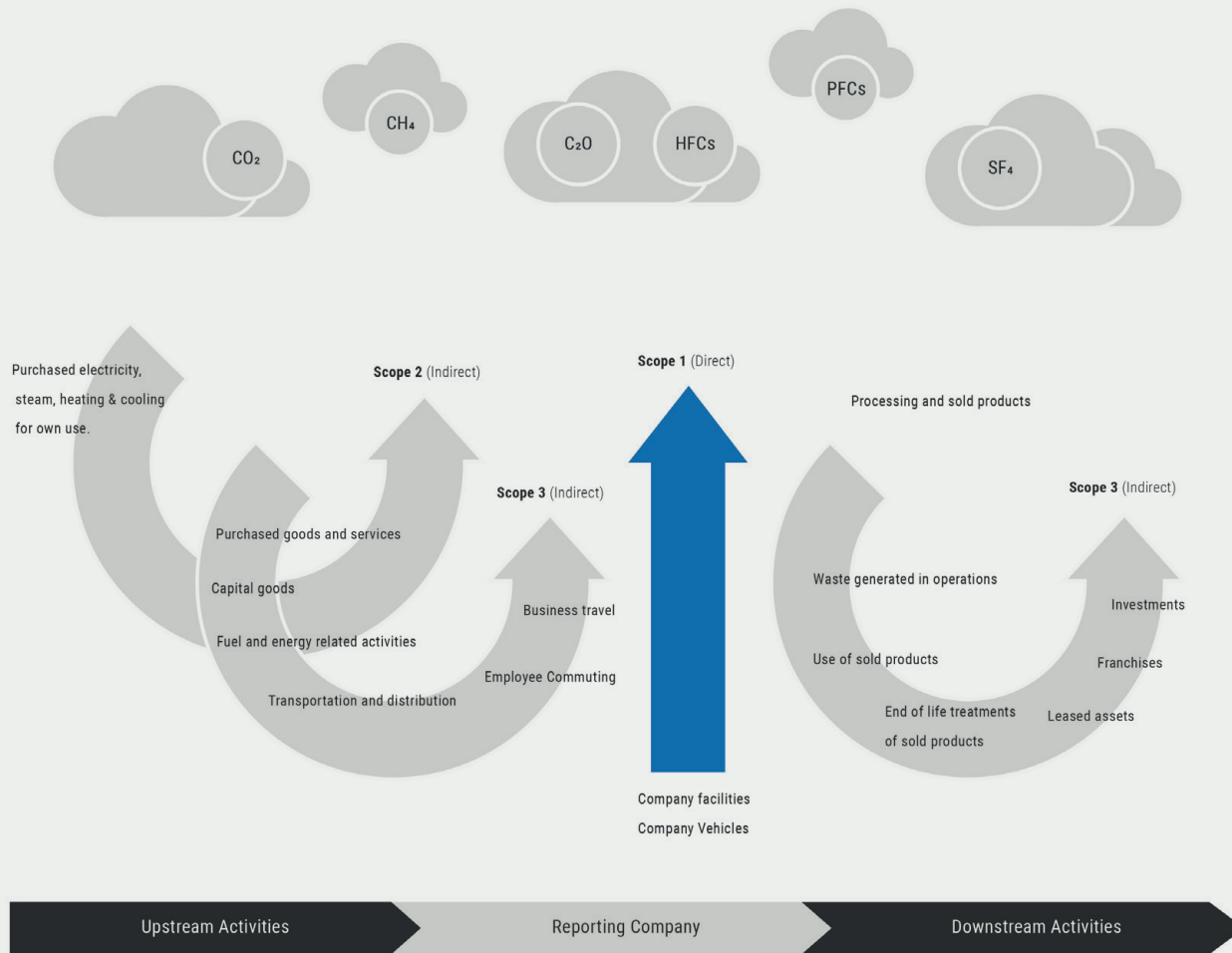


Figure 2: Greenhouse gas protocol scope 1, 2, and 3 visualised

Scope 3

Scope 3 is an optional reporting category that allows for the treatment of all other indirect emissions. Scope 3 emissions are a consequence of the activities of the company but occur from sources not owned or controlled by the company. Some examples of scope 3 activities are extraction of raw materials and manufacturing of purchased goods, transportation of purchased materials and goods, and use of sold products and services.

Suitsupply reports on absolute scope 3 emissions relating to:

1. Business air travel
2. Train journeys
3. CEO private plane use for company purposes

Next to absolute scope 3 emissions, a Life Cycle Analysis was developed to understand and report on relative scope 3 emissions for its 3 most important product categories: suits, shirts and shoes. From raw material sourcing (wool, cotton, leather) to scouring, ginning, spinning, tanning, weaving and product assembly. Suitsupply reports separately on its supply chain transportation emissions in its corporate reporting, but to avoid double counting this data is consolidated in the LCA data- and therefore also not mentioned separately in this report.

As much as possible supplier-specific data was used in order to calculate the carbon impact. When no (supplier) specific data was available, sector and global averages have been used from the Ecoinvent 3.6 database⁵ (a global standard and database on LCA and carbon impact studies).

Due to lack of data, the user phase, packaging and end-of-life of these products are not included in the scope of this analysis.

⁵ A global standard and database on LCA and carbon impact studies.
Read more by clicking [here](#).



Figure3: Selected Boundaries Scope 1, 2, & 3.

Carbon footprint calculation methodology

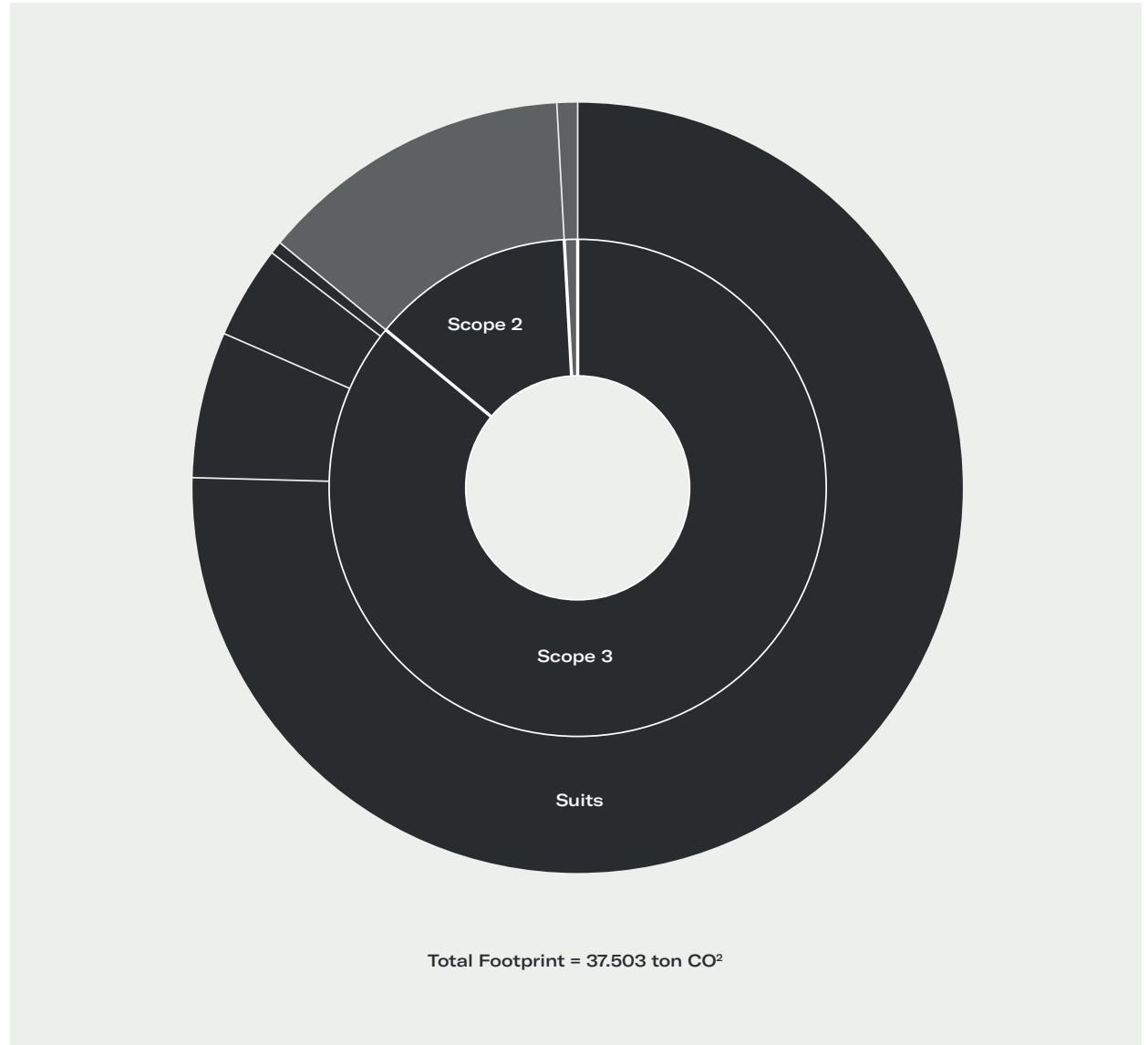
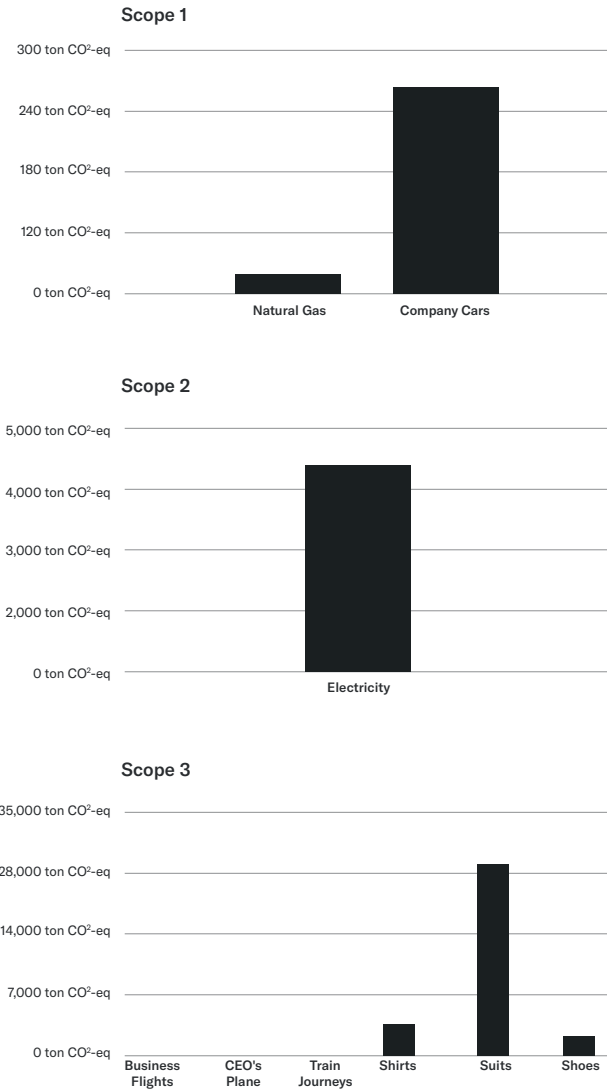
For its first CO² reporting and analysis, Suitsupply commissioned Sustainalize, a third-party sustainability consulting team, to help develop the carbon footprint methodology. The carbon impact is not limited to carbon emissions but includes the global warming impact of all relevant greenhouse gases. The data is reported in ton CO²e and consolidates all GHG emissions.

Scope 1, 2 and 3 emissions are calculated with product or supplier-specific data and with country-specific conversion factors. Wherever possible both market-based approach and a location-based approach are used to calculate the emissions relating to scope 2. If a location is in a market without specific data, then only one scope 2 result is reported, based on the location-based method. If utility usage data for a location is not available Suitsupply concludes the usage from similar retail locations in the same area or market. If only partial invoices are available, the data is calculated to a full year to guarantee like for like reporting.

The calculation methods used for Suitsupply's carbon footprint are listed in appendix A. Sources are disclosed in appendix B.



Suitsupply's Carbon Footprint

Total amount of greenhouse gasses emitted for Scope 1, 2, and 3 is 37.503-ton CO₂e.



Scope 1: Direct Emissions


Sources that are owned or controlled by Suitsupply.

-  **Company Facilities**
-  **Company Vehicles**

266 tCO₂e

Scope 2: Indirect Emissions




Purchased electricity, steam, heating & cooling for Suitsupply's own use.

-  **Electricity For Heating & Cooling**

4,307 tCO₂e

Scope 3: Indirect Emissions

Indirect emissions occurring in the value chain associated with production of the 3 most important Suitsupply products. Top 3 sources include:

-  **Purchased Raw Materials**
-  **Energy Used In Mills and Tanneries**
-  **Energy Used For Shipping & Distribution**

32,930 tCO₂e



61kg CO₂-eq per suit



6kg CO₂-eq per shirt

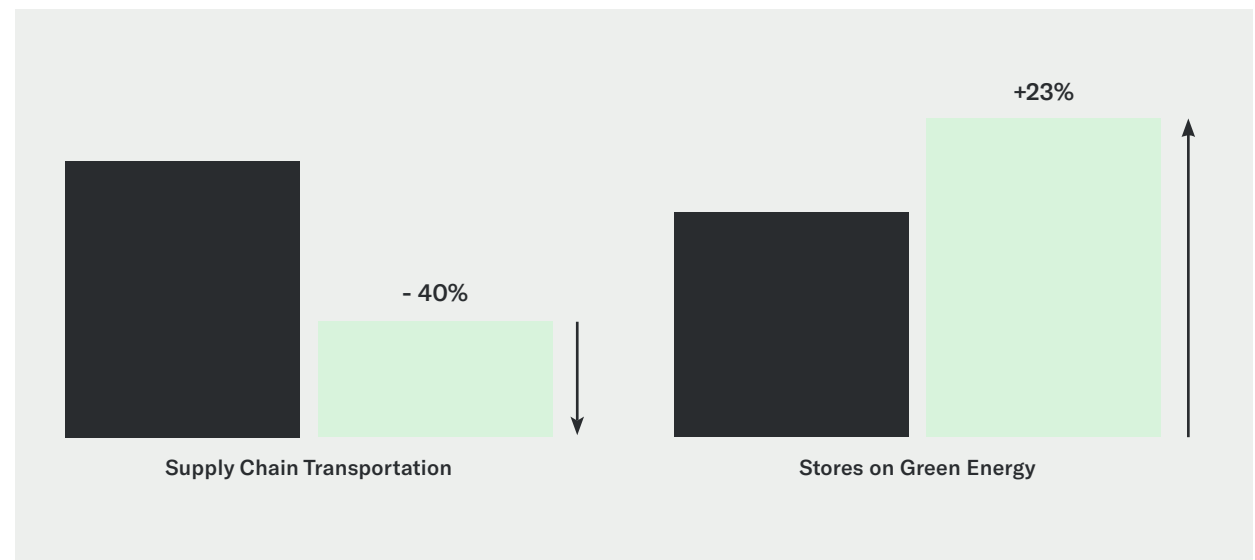


13kg CO₂-eq per one pair of shoes

2. Reduce

In 2019 Suitsupply implemented measures to reduce its supply chain footprint and started to switch its stores to green/renewable energy. This has led to a 40% reduction in its transportation due to focus on low impact shipping, smart consolidation of goods and fewer air shipments. At the same time, the company increased shipments by rail (2-3 shipments in 2018 compared to almost 120 in 2019) as replacement of air, cutting a lot of extra carbon and so far, 23% of Suitsupply's stores have transitioned to green energy⁶.

2019 Emission Reduction Results



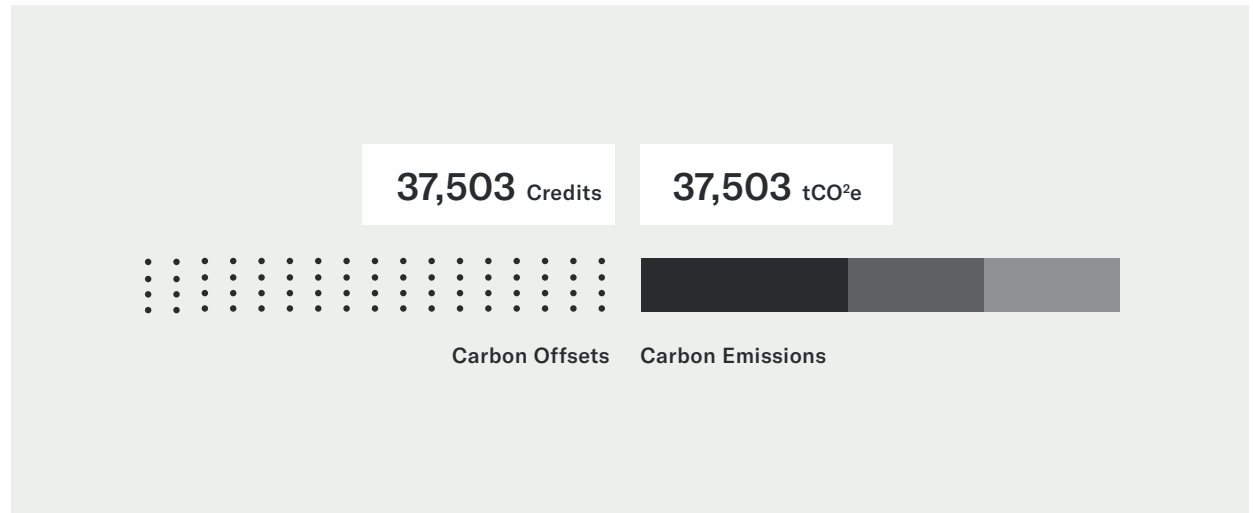
The company is working hard on a full comprehensive reduction plan with concrete GHG targets to be published later in 2020. Setting a GHG target involves making choices among various strategies for defining and achieving a GHG reduction. Business goals, relevant policy context, and stakeholder discussions will all inform this action plan. As a start, two goals to achieve in the nearby future have already been set:

1. Transition all own operated stores to green energy by 2022
2. 50% overall reduction in our shipping by 2021 compared to base year 2018

⁶ Green wind energy from European onshore origin. Purchased via CT Energy.

3. Offset

Where Suitsupply currently cannot reasonably reduce we offset as part of our commitment to be carbon net-zero by 2020. Each carbon credit represents the removal of 1 ton of CO²e.



Offsetting occurs when the emissions that companies are unable to reduce in the near-term are reduced somewhere else through the purchase of carbon credits. Credits can be generated through a variety of projects, ranging from reforestation initiatives that sequester CO², to micro-grid solar projects which substitute fossil fuel-based energy production with reliable clean sources of energy. Suitsupply has chosen to offset all its 37,503 ton CO²e through high-quality Gold Standard solar offsets⁷.

⁷Purchased through the Carbon Neutral Group, learn more [here](#).

Appendix A

Source	Calculation Method
Gas	GHG emissions = \sum m3 gas purchased per annum per country* country specific conversion factor.
Gasoline	GHG emissions = \sum liter of gasoline* country specific conversion factor for combustion 1 liter gasoline.
Electricity (Market Based)	GHG emissions = \sum kWh per annum* conversion factor specified in energy contract.
Electricity (Location Based)	GHG emissions = \sum kWh per annum* country specific conversion factor.
Air travel	GHG emissions = \sum km per type of class and distance range* conversion factor per type of class and distance range.

Appendix B

Footprint Calculation Sources Listed By Scope

Scope 1	Country	Unit	Source
Natural gas	Netherlands	m3	https://www.co2emissiefactoren.nl/
Business cars	Netherlands, USA	--	Emission factors provided by lease agent
Scope 2			
Electricity (Location Based)	France	kWh	Ecoinvent 3.6, electricity, low voltage//FR] market for electricity, low voltage
	Belgium	kWh	Ecoinvent 3.6, electricity, low voltage//[BE] market for electricity, low voltage
	Denmark	kWh	Ecoinvent 3.6, electricity, low voltage//[DK] market for electricity, low voltage
	Germany	kWh	Ecoinvent 3.6, electricity, low voltage//[DE] market for electricity, low voltage
	Finland	kWh	Ecoinvent 3.6, electricity, low voltage//[FI] market for electricity, low voltage
	Netherlands (Green)	kWh	https://www.co2emissiefactoren.nl/
	Netherlands	kWh	https://www.co2emissiefactoren.nl/
	Sweeden	kWh	Ecoinvent 3.6, electricity, low voltage//[SE] market for electricity, low voltage
	United Kingdom	kWh	DEFRA
	Italy	kWh	Ecoinvent 3.6, electricity, low voltage//[IT] market for electricity, low voltage

Appendix B (Ctn'd)

Footprint Calculation Sources Listed By Scope

Scope 2 (Ctn'd)	Country	Unit	Source
Electricity (Location Based)	Spain	kWh	Ecoinvent 3.6, electricity, low voltage//[ES] market for electricity, low voltage
	Switzerland	kWh	Ecoinvent 3.6, electricity, low voltage//[CH] market for electricity, low voltage
	Mexico	kWh	Ecoinvent 3.6, electricity, low voltage//[MX] market for electricity, low voltage
	USA	kWh	Ecoinvent 3.6, electricity, low voltage//[US] market for electricity, low voltage
	Australia	kWh	Ecoinvent 3.6, electricity, low voltage//[AU] market for electricity, low voltage
	Canada	kWh	Ecoinvent 3.6, electricity, low voltage//[CA] market for electricity, low voltage
	China	kWh	Ecoinvent 3.6, electricity, low voltage//[CA] market for electricity, low voltage
	Sweden	kWh	Ecoinvent 3.6, electricity, low voltage//[CN] market for electricity, low voltage
Scope 3	Range	Unit	Source
Air Travel	International	Passenger	Great Seat reporting provided by VCK travel
	International	Passenger	DEFRA, First Class

Appendix B (Ctn'd)

Footprint Calculation Sources Listed By Scope

Scope 3 (Ctn'd)	Country	Unit	Source
Train Travel	Netherlands	Passenger	https://www.co2emissiefactoren.nl/
	Belgium	Passenger	Ecoinvent database
	Germany	Passenger	Ecoinvent database
	France	Passenger	Ecoinvent database
	Switzerland	Passenger	Ecoinvent database
	LU	Passenger	Ecoinvent database
	Italy	Passenger	Ecoinvent database
	United Kingdom	Passenger	DEFRA



Suitsupply gives thanks to our Carbon Partners.

SUITSUPPLY

Contact details:

csr@suitsupply.com

Suitsupply B.V.

H.J.E. Wenckebachweg 210

1096AS Amsterdam