



RESPONSIBILITY MANIFEST

2022

LAPUAN KANKURIT

weavers from Finland



Valuable work

When we began building the two new production plants in Lapua, in 2021, we could not have guessed the extent to which we would end up appreciating having a new spinning mill as well as a weaving and finishing plant for Finnish lambswool.

The tragic war in Ukraine took Europe by surprise changing the operating environment of our sector with availability issues and increasing costs of raw material and energy.

The war took precedence over the pandemic in casting a shadow and emphasising the importance of security of supply and having own production.

Our new production plants will begin operating during 2022. They have been built in terms of the environment and optimising energy-efficiency: they utilise geothermal energy and heat recovery and there

is designated space for solar panels on the roofs.

These were substantial investments for our family-owned company but now everything is under our control. We have a greater influence on how to make the most rational use of our resources while respecting the environment and saving energy. This also ensures that the production keeps going.

We compiled this manifest to show you what it is that we do for sustainable and responsible production. We are guided by the notion that we weave good life to people all over the world. This will always be close to our heart.

JAANA JA ESKO HJELT
WEAVERS IN FOURTH GENERATION

RESPONSIBILITY MANIFEST

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

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

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

TRAILBLAZER IN SUSTAINABLE DESIGN

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

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

1

LONGEVITY

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

2

MULTI- FUNCTIONALITY

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

3

MATERIAL

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

4

WEAVING ACCORDING TO EXACT MEASUREMENTS

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

5

FINISHING

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



Towards Zero Waste

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

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

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

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

Did you know?

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

LINEN – RESPONSIBILITY FROM FLAX FIELDS TO FABRIC

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

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

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

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

100 PERCENT
OF LINEN FIBRE
AND YARN
FROM EU

100 PERCENT
OF LINEN
DYED IN EU

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

MASTERS OF LINEN – GUARANTEE FOR QUALITY AND TRACEABILITY

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

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

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

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

SPINNING AND DYEING MILLS

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

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

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

Did you know?

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

100%
mulesing
-free wool



WOOL

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

WOOL YARN

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

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

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

New!

FINNISH WOOL

In 2022, we will be manufacturing our first products using the wool of Finnish sheep. We are now in the process of finalising the construction of our finishing plant and spinning mill here in Lapua, western Finland. The facilities will soon be ready for continuous production.

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

1 RESPECT FOR NATURAL RESOURCES

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

2 TRACEABILITY

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

3 RESPONSIBILITY

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

4 CIRCULAR ECONOMY

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

5 ECOLOGICAL PRODUCTION

Our aim is to build the new production plant to be as energy-efficient and water-saving as possible by utilising, for example, geothermal energy and heat recovery.

6 NATURAL PLANT DYE

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

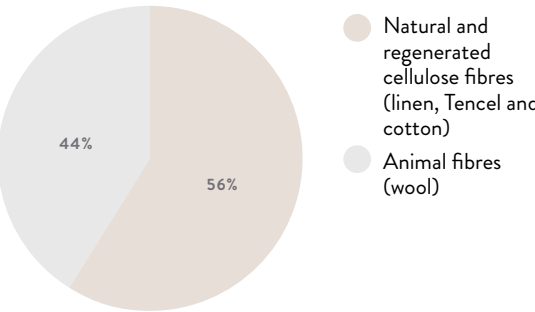
OTHER NATURAL MATERIALS WE USE

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

Did you know?

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

LAPUAN KANKURIT PRODUCT GROUPS 2021



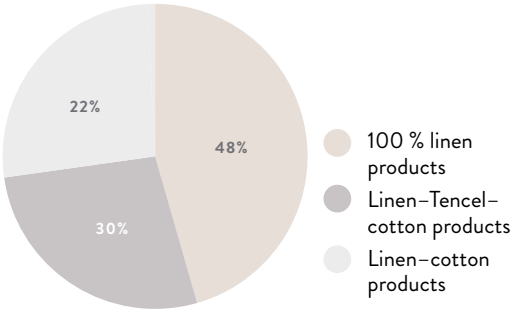
TENCEL

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

COTTON

In 2021, 66% of the cotton we used was certified bio-organic cotton adhering to the Öko-Tex** standard. In 2020, that figure was 74%. This decline was attributable to shortage of supply. We aim to rectify this issue as swiftly as possible. Our objective by 2025 is to use solely certified bio-organic cotton.

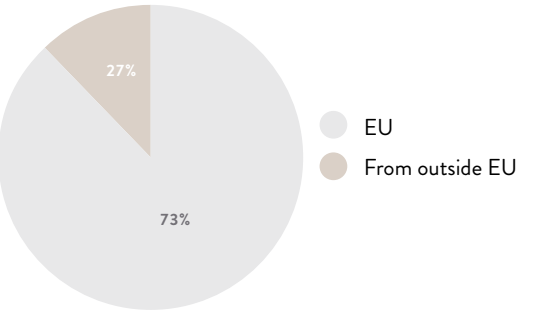
PLANT FIBRES AND OTHER REGENERATED FIBRES IN LAPUAN KANKURIT PRODUCTION IN 2021



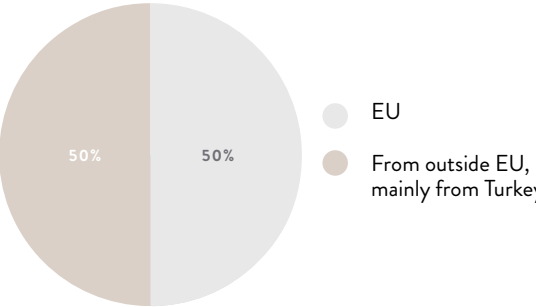
REQUIREMENTS FOR OUR SUPPLIERS

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

SPINNING OF WOOL IN 2021



SPINNING OF COTTON YARN IN 2021



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

WELCOME TO OUR WEAVING MILL IN FINLAND!

We can show you around our factory since we are behind the entire manufacturing process every step of the way from yarn to fabric and the finished product. We aim for complete transparency and are happy to take groups on tour in our factory.

Almost 91%
of products are woven in own weaving mill in Lapua, Finland

9%
of products are woven in a weaving mill we co-own in Kaunas, Lithuania (brushed wool textiles)

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

Made in Lapua and Kaunas

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

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

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

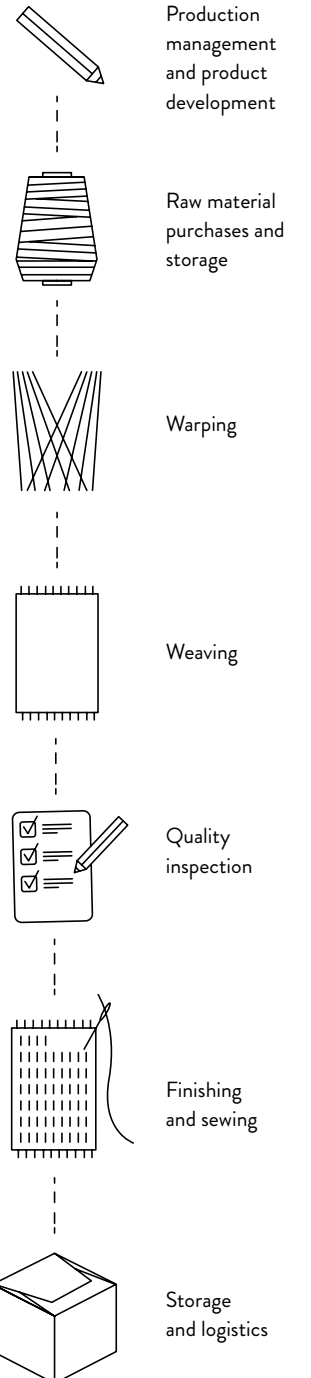
MULTIFACETED EQUIPMENT

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

WE MANUFACTURE ONLY WHAT IS ORDERED

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

WHAT HAPPENS IN OUR FACTORY IN LAPUA



WE MAKE OUR PRODUCTS – NOT SOMEBODY SOMEWHERE



Our employees are like family to us. We want to know everyone in our production chain and we want to treat them fairly. People enjoy it here: longest careers are around 40 years, and there are several employees at the moment with a career spanning over 10–20 years with us at Lapuan Kankurit.

Our beliefs

Everyone needs to receive fair pay for their work.

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

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

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

42

With a new generation of employees, the average age of our staff is now at 42 which is lower than before. 47% of our employees are under the age of 40.

CORPORATE SOCIAL RESPONSIBILITY

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

82 %

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

EMPLOYEE TRAINING

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

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

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

ENVIRONMENT NOW, TOMORROW, FOREVER

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

In 2021, our turnover grew by 35% compared to 2020. The increase in woven metres was as high as 46%. As a consequence, there is increase in import and transportation, and a significant part of our emissions result from transportation of raw material and products.

In 2021, issues with availability of raw material were global and small batches increased transportation activities.

The environmental impact of our production is low consisting mainly of heat production, use of energy and production of process steam to be used by the finishing facility.

USE OF ENERGY

- We have used wind energy throughout the entire year of 2021. With increasing production, carbon dioxide emissions resulting from consumption of electricity increased by 19% to 3809 kg CO₂eq in 2021.
- We utilise geothermal energy in our new production plants. We have also made

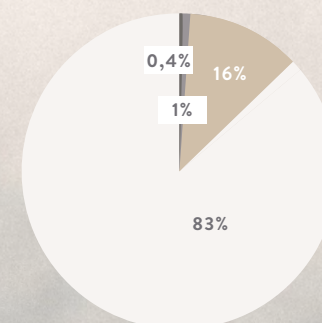
preparations to utilise solar energy.

- Heat energy is produced by a district heating plant utilising mostly woodchip and other by-products from sawmill industry.
- Our production uses a heat recovery system.
- Light fuel oil is used for producing steam needed for finishing of products. Investments were made in the recent years to improve the operating efficiency of steam heat.
- Greenhouse gas emissions from business travel have gone down by 52% due to COVID-19.

USE OF WATER

- In 2021, our use of water per woven metre was 6,93 l/m. There was a slight increase from the 6,17 l/m in 2020. Water is mainly used in the finishing of fabrics.
- We have invested in a new finishing plant, we are developing our finishing processes and we are currently investing to improve the recycling of water in our processes.

CALCULATING THE CARBON FOOTPRINT IN 2021



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

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

RECYCLING

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

USING LESS PACKAGING

- We continue cooperating with RePack in 2022 with our online packaging solutions.
- We recycle our cardboard. With increased pro-

duction in 2021, the use of cardboard increased by 27% and the use of plastic packaging by 49%. We are continuously looking for environmentally friendly packaging alternatives.

- We are members of Finnish Packaging Recycling RINKI. We are actively monitoring our use of packaging materials. We are members of Grüne Punkt in Germany. It helps actively monitor our use of packaging materials with deliveries to Germany as well as ensures our carbon offsetting.

GOALS

- We began creating the environmental managing system, EcoCompass, as part of our business operations. Our goal is to have the certified environmental system ready in 2022.
- We are among the first companies to participate in the 2035 Carbon Neutral Textile Commitment organised by the Finnish Textile & Fashion.
- We will continue monitoring our environmental footprint and instilling targetoriented action throughout the organisation.
- We will continue eco-balance calculations and the development of carbon footprint monitoring as we strive towards becoming a carbon neutral operator. Our focus is on assessing the carbon footprint of yarn producers.
- We monitor and report on amount of waste generated yearly and aim actively to reduce the amount of waste.
- Documentation according to ISO 14001 is part of our company's quality management.



ACTION FOR A BETTER FUTURE

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



Did you know?
Each product comes with the information of where and how it has been manufactured. We are more than happy to answer if you have any questions.

AALLOKKO, designed by Reeta Ek, is our latest product series in the Clean Baltic Sea project. We have for years now cooperated with the John Nurminen Foundation and the Finnish Association for Nature Conservation focusing on the Saimaa ringed seal conservation work and improving the state of the Baltic Sea.

HOW WE TAKE ACTION

EDUCATING YOUNG PEOPLE

We take on the responsibility of keeping the education and training in this field going in Finland. We train weavers and industrial staff using work-based learning and apprenticeship programmes. In 2021, we participated in the sewing and textile processing recruitment programme organised by the Employment and Economic Development Office. We cooperate with Tampere University of Applied Sciences and Teuva adult education centre. Our collaboration with Aalto University includes offering textile students opportunities to learn weaving techniques at our factory.

LOOKING FOR NEW TECHNIQUES AND INNOVATIONS

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

PARTICIPATION IN DEVELOPMENT OF CIRCULAR ECONOMY

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

WE LEAD BY EXAMPLE

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

Let's weave a good life together!

Did you know?

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

 **MASTERS
OF
LINEN®**
100% MADE IN EUROPE



LAPUAN KANKURIT

weavers from Finland

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lapuankankurit.fi/en

Weaving mill: Tervaspuuntie 1, 62100 LAPUA, Finland

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

Lapua outlet: Kulttuurikeskus Vanha Paukku, 62100 LAPUA, Finland