

# PAPU

## SUSTAINABILITY PEEK



2019-2020

# NICE TO MEET YOU!



Before the first Papu collection was launched and the idea of the whole Papu lifestyle was founded, the mission was clear: we wanted to make the best choices possible. At that time in 2012, there weren't that many clothing brands to follow sustainable philosophy. On that demand Papu was born and took its first steps towards more sustainable clothing for children and women.

Our aim is not only to create nature-inspired clothing - rather we find nature so dear to us that it is our passion to treat it well. We want to dive into clean woods, see the hale animals and to breathe fresh air whether walking in the woods or in the city. That's one of the reasons we want to try our best to do things

as sustainable as possible. Papu has quickly grown from a little baby bean (Papu means a bean in Finnish) to an independent child that explores, enjoys and values the nature. From a sustainability point of view we have already faced many challenges when growing up to a bigger brand that is sold in bigger markets.

We still are working as a part of clothing industry as a small actor. That means that our work to make more sustainable choices is something that depends on others. The more we grow the better chances we'll have to choose the best options within this industry. To find the best solutions we will work on our goals to be a forerunner in sustainability among clothing brands worldwide.

With love,  
Papu Crew

# CLOTHING



## EFFICIENT USE OF FABRICS

We generally aim to calculate the fabric amount really carefully so we won't end up in trouble with the leftover material. Our production leftover fabrics are usually cut and made into new desirable products that are just as good quality as all of our products are. Some leftovers are also sold to our customers. Some of our factories are sending their leftover materials to car repair shops to be used as oil-soaked rags.

Did you know that for example one of our most wanted items Patch leggings is sometimes made out of production surplus fabrics? The good example is

our BON BON collection in Autumn 2017. The collection awoke a lot of interest with its unique color combinations and our customers loved it! After that we have continuously used our production surplus materials for sample production and some little collections similar to BON BON.

We have also made pillows, pillow covers, purses and bags out of our leftover material. Our aim is not to have any leftovers in our stock. We are constantly searching for solutions to utilize the pre-consumer waste, meaning the cutting waste that comes in our production processes.



## THE PHILOSOPHY BEHIND THE PAPU ITEM

We want to create a story as long as possible for each Papu item. That's why we are designing items that last from child to child and from woman to another. That is possible to achieve by following a timeless design and good quality in materials and sewing. As children grow really fast, we have adjustable sizes to make a garment last as long as possible in one person's use. In our design process, we aim to design items that inspire both the children and their parents.

## SAFETY FIRST

Since we are creating children's wear we must consider all the standards and technical details really carefully. We design our products with children's actions in mind. The product must be safe for a kid that is always able to find new ways to play and even explore the clothing. In Papu items you can trust that they are safe for the kids. We receive feedback from our customers with pleasure and try our best to take that into consideration in the design process.



## PAPU CARES

We have updated a Papu Cares manual<sup>1</sup> to our website to guide our customers for responsible clothing care. Did you know that how you treat your garment plays a significant role in elongating the product's lifespan? The use phase of a garment is scientifically proved to cause the greatest impacts on the environment during its whole life cycle! That is the reason we aim to share information about how you can be part of elongating your Papu product.

## ENCOURAGING TO REUSE

During Child Fair 2018 (Lapsi-messut) we had a take-back concept for used clothing in collaboration with Emmy Secondhand Marketplace. We collected the pre-owned clothing during the whole fair weekend. We have also planned same kind of happening for the year 2020.

<sup>1</sup> [PAPU CARES](#) clothing care manual



By organising this kind of collaborational concepts together with Second hand markets we want to encourage our customers for thoughtful reuse and responsible discard of their old clothes. We also want to encourage people to reuse their Papu items and we know that Papu's items are already being re-sold in several online flea markets.

Have you noticed, that on the care label of each Papu item, there is room to write up to three names? This is our way to make sure that the Papu items stay longer in use from child to another. We do believe that our products could have more than three users, but the care label can't be any longer than this....

# MADE IN

The production happening in Europe makes it easy for us to ensure the good working conditions in our factories. We aim to keep long-term relationships to our factories, and we visit our suppliers annually while producing each season's main collection. The manufacturer is chosen to achieve the best possible quality for certain product type. Choosing the manufacturer depends on each factory's capacity to produce certain kinds of products. That is the reason why our manufacturers and their location varies on the different product or material types.

Here is the list of our main suppliers in the year 2019:

## BALTIC COUNTRIES

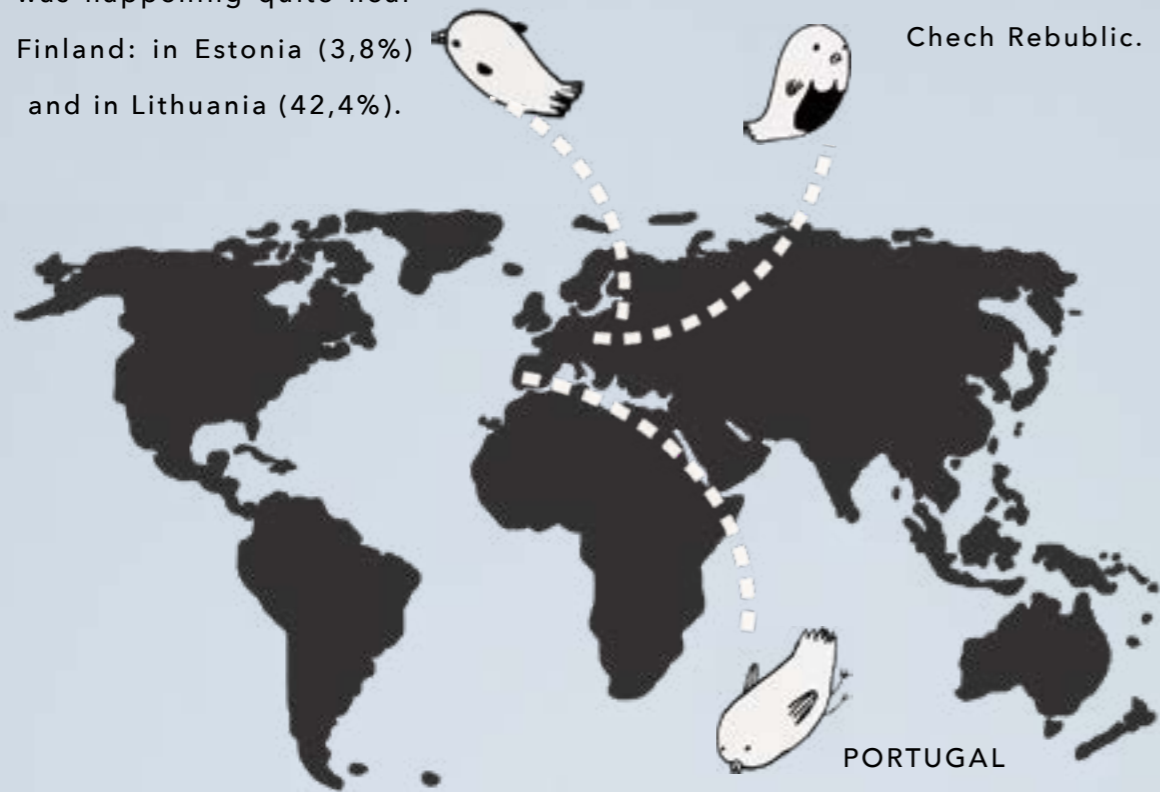
46,2% of our production\* was happening quite near Finland: in Estonia (3,8%) and in Lithuania (42,4%).

## CZECH REPUBLIC

0,5% of our production\* was located in Czech Republic.

## PORTUGAL

53,3% of our production\* was located in Porto, Portugal.



\*percentage of the sourcing purchase volume in the year 2019

We are always willing to build a longterm relationship with our suppliers. For example, our trusted manufacturer Alec has been our main supplier since the year 2016 and we hope that our cooperation will last for good - as well as with the other carefully selected suppliers. As our business and product selection have expanded very fast in the past years, we have had need for new suppliers as well. Here's the list of our clothing manufacturers in 2019:

LITHUANIA: TINDRA

Algirdo G. 54, 50157 Kaunas

LITHUANIA: GIJA

Erdvilo G. 3, 47181 Kaunas

LITHUANIA: JSC KNITAS

Pievu G. 74, 96105 Kaunas

LITHUANIA: TEBESA

Neries kr.16,48402, Kaunas

PORTUGAL: ALEC

Rua Da Industria, 324, Porto

PORTUGAL: ETFOR

Av. Margarida Queiroz 301,  
4740-438 Forjães

CZECH REPUBLIC: TONAK

Zborovska 823, Nový Jičín

ESTONIA: SOCKMANN GROUP

Akadeemia tee 33, 12618 Tallinn

ESTONIA: GEVATEX

Rannamõisa Tee 4, 13516 Tallinn



# MATERIALS

## ENVIRONMENTALLY PREFERRED FIBERS

We are using mainly organic cotton but also other sustainable materials such as recycled polyester, wool and linen. We are constantly sourcing new, innovative and sustainable fabrics. Through the careful material selections and sourcing, we aim to achieve functional and quality products with a long lifespan - with as less environmental impacts as possible.

## ORGANIC COTTON

The biggest part of our products is made out of organic cotton. In the growing of organic cotton, no chemicals are used. Growing does not damage the soil, has less impact on the air, and uses less water and energy compared

to conventional cotton. The organic cotton yarn used in our products is GOTS certified and it is dyed due to the OEKO-TEX® 100 Standard requirements. In jersey products we add 5% elastane with organic cotton to make a soft feeling to the fabric and make Papu products more comfortable to wear. Our cotton knitwears are made from 100% organic cotton.

## RECYCLED ORGANIC COTTON

In our AW19 collection we had a wonderful blend of 25% recycled cotton and 75% organic cotton. The recycled cotton is made out of pre-consumer organic cotton waste, which means the leftover yarns of the textile industry.

By using recycled cotton, we aim to reduce our use of virgin cotton, in which way we lower the environmental impacts of farming virgin cotton. Recycled organic cotton is mixed with the virgin organic cotton to get a stronger fiber. The feel of this high-class cotton blend is soft in use.

## LINEN

Flax plant grows quite fast and well even in rough circumstances. Compared to cotton flax cultivation doesn't require that much fertilizers, pesticides and irrigation. Linen is a breathable and absorbent material that dries fast. It is a strong, antibacterial, antistatic and dirt repellent natural fiber. Linen is a perfect choice for year-round use: in hot weather linen keeps you cool and in a chilly weather it keeps you warm. Linen wrinkles quite easily because of its strong and inflexible fibers.

## RECYCLED POLYESTER

We designed a unique tracksuit for kids and grown-ups made out of 89% recycled polyester and 11% elastane blend. Recycled polyester is made out of the used PET bottles. In use recycled polyester is similar to virgin polyester with a good technical performance - it is a durable, quick drying and moisture-wicking material. Compared to virgin polyester the manufacturing process is still way more environmentally friendly, since it doesn't require nonrenewable raw materials (as petroleum) and is made out of used bottles (or in some cases, out of old polyester textiles). Elastane adds stretchy function to this material.

# MATERIALS

## LYOCELL

Lyocell is a cellulose-based fiber manufactured from wood pulp. As a material it is similar to viscose, but with more environmentally friendly manufacturing process requiring less energy and no such harmful chemicals. The manufacturing process happens in a closed loop system, meaning that all the chemicals used can be used over and over again. Lyocell is a strong and durable fiber. When dry, it is the strongest cellulosic fiber - even stronger than cotton or linen! In the use, lyocell feels soft on the skin, is absorbent and remains fresh much longer than cotton - several wears are possible. That means fewer washings and that way saving water and energy.

## MERINO WOOL

Most of our beanies and mittens are made from a mulesing free merino wool. Merino is naturally anti-bacterial and it doesn't stink easily, so you don't have to wash merino products so often. Drying and airing it out is usually enough. As a natural fiber, merino wool will break down to its natural base elements and therefore not pollute the oceans and waterways when being washed or discarded. You can even compost your merino garment when it will come to the end of its lifetime.



Here are the percentages calculated from our total sourcing purchase volume of the year 2019:

- **65%** Organic Cotton (95%) / Elastane (5%) blend
- **15%** Organic Cotton
- **8%** Organic Cotton (80%) / Wool (20%) blend
- **4%** Linen
- **2%** Merino wool
- **1,5%** Organic Cotton (70%) / Polyamide (28%) / Elastane (2%) blend
- **1%** Organic Cotton (75%) / Recycled Cotton (25%) blend
- **1%** Surplus Cotton (95%) / Elastane (5%) blend
- **1%** Recycled Polyester
- **0,5%** Polyester
- **0,5%** Cotton
- **0,5%** Wool



# MATERIALS

## STANDARDS

We require the OEKO-TEX® 100 Class 1 standard for most of our products always when possible. In 2019 100% of our products were made regarding the OEKO-TEX® 100 Class 1 standard<sup>1</sup>. In the rest of our items at least the Oeko-tex 100 Class 2 standard is required. The OEKO-TEX® tests for harmful substances are based on the purpose of the textiles and materials. Clothing with the intensive skin contact require the strict human-ecological requirements.<sup>1</sup>

The OEKO-TEX® standard has four product classes, in which we only approve the first two for our products. Product class I consists of articles for babies and toddlers up to 3 years of age Product class II contains articles that are worn close to the skin.<sup>2</sup>

<sup>1</sup> [STANDARD 100 by OEKO-TEX®](#)

<sup>2</sup> [STANDARD 100 by OEKO-TEX®](#)

## NO SUSPECT CHEMICALS

Papu items don't contain suspect chemicals such as phthalates. According to the OEKO-TEX® testing the approved amount of phthalates is not higher than <0.1 w-%. Papu doesn't have any products that could contain even this little amount of phthalates, since they are commonly used only in coated articles, plastisol prints, flexible foams, and accessories made from plastics<sup>3</sup> - none of them Papu is not having in its products. All of our products with placement prints and digi prints have the OEKO-TEX® 100 Class 1 standard ensuring they don't contain phthalates.

Furthermore, Papu products don't contain any Perfluorinated chemicals (PFCs) that usually appear in stain, water and grease repellent chemicals. Papu doesn't have any clothing in its collections having these

<sup>3</sup> [STANDARD 100 by OEKO-TEX®: Limit values and fastness](#)

kinds of finishings. We're searching for environmentally friendly options for the outerwear, but haven't found one yet. That is the main reason, why Papu doesn't produce any outerwear at the moment.

The STANDARD 100 by OEKO-TEX® takes account of:

- Important legal regulations (banned Azo colourants, formaldehyde, pentachlorophenol, cad-mium, nickel, etc.
- Numerous harmful chemicals, even those not legally regulated.
- Requirements of Annexes XVII and XIV of the REACH<sup>4</sup> as well as of the ECHA SVHC Candidate List insofar as they are assessed by expert groups of the OEKO-TEX® Association to be relevant for fabrics, textiles, garments or accessories.

<sup>4</sup> European Chemicals Regulation

- Requirements from the US Consumer Product Safety Improvement Act (CPSIA) regarding lead.
- Numerous also environmentally relevant substance classes.<sup>5</sup>

<sup>5</sup> [STANDARD 100 by OEKO-TEX®](#)





# SUPPLY CHAIN MANAGEMENT



## MATERIAL MANUFACTURERS

We source our materials with our trusted and long-term partners always aiming to reach the best sustainable options. Papu has direct contact to 85% of its fabric suppliers further down the supply chain (the percentage due to the purchase volume of the year 2019).

Over 50% of our suppliers have the Global Organic Textile Standard (GOTS) certified factories. This standard sets requirements throughout the supply chain for both ecology and labour conditions in textile and apparel manufacturing using organically produced raw materials.<sup>1</sup>

<sup>1</sup> [GLOBAL ORGANIC TEXTILE STANDARD](#)

We aim to limit the number of factories we produce our clothing in. As a young company, we don't have yet that long relations with our suppliers. We still value long-term partnerships what it comes to production. We have now worked with our main suppliers for three years.

## CODE OF CONDUCT

Each of our supplier has to comply with our Code of Conduct, which defines the minimum requirements considering our clothing supply chain.

The principles set out in the

## THE LIST OF OUR FABRIC SUPPLIERS (GOTS certified suppliers marked:

LITHUANIA: TEBESA  
Neries kr.16, Kaunas 48402

PORTUGAL: ALEC (GOTS)  
Rua da Industria, 324  
4755-522 Barcelos

PORTUGAL: ACATEL (GOTS)  
Rua do Barreiro, 310 - Gilmonde  
4754-909 Barcelos

PORTUGAL: EFOR (GOTS)  
Av. Margarida Queiroz 301,  
4740-438 Forjães

PORTUGAL: A. SAMPAIO & FILHOS (GOTS)  
Rua S. Bento da Batalha, 76,  
Santo Tirso

PORTUGAL: ADALBERTO PINTO DA SILVA, S A  
R. Adalberto Pinto Da Silva, 28  
4795-177 Rebordões

## THE LIST OF OUR YARN SUPPLIERS

ITALY: FILIVIVI SRL  
Viale Trieste, 62  
36075 Alte Ceccato Montecchio Maggiore

FRANCE: UNION TEXTILE DE TOURCOING  
96 Rue Du Pont Rompu - BP440  
59203 Tourcoing Cedex

GERMANY: GEBRUEDER OTTO GMBH & CO KG  
Koenigstrasse 34,  
89165 Dietenheim

ITALY: COTONIFICIO OLCESE FERRARI S.P.A.  
Via Vittorio Veneto, 44,  
25052 Piancogno

Code of Conduct represent minimum expectations that Papu have for their suppliers and other subcontractors.

These minimum standards are integrated to our sourcing strategies and to how we monitor our suppliers factory performance. They act as a baseline for determining the suppliers we'll work with as we grow our business. In the 2019 we haven't got any concerns about misconducts in our supply chain.

Our suppliers are all situated in the low-risk countries such as Portugal, Baltic countries and Czech Republic ([Amfori BSCI 2019](#)). However, we are aware that we need to set target to establish our suppliers commitment to payment of living wages.

You can take a look into Papu's Code of Conduct behind [this link](#).

OVER 50% OF OUR  
SUPPLIERS HAVE  
THE GLOBAL  
ORGANIC TEXTILE  
STANDARD (GOTS)  
CERTIFICATION.





#### LABELS AND TAGS

Labels and tags are a cherry on top of our products and we want to express our values and aesthetics through them. Our brand labels and size labels are currently made in Spain, from 100% recycled polyester. Also the hangtags are made in Spain from recycled cardboard and they have the Global Recycled Standard, PEFC and FSC certifications. The seal of the label is biodegradable and compostable. In some of our accessories, beanies for example, we have faux leather labels that are made in Portugal.

All of our care labels are made in Europe depending on which factory we are producing the clothing at - we aim to produce the labels as near the clothing manufacturer as possible.

#### HANGERS

Our Papu logo hangers are made out of recycled plastic from the old household appliances. We use the hangers at our flagshipstore, retailers, showroom, fairs and all other sales events. The hangers are made in Spain.

#### BOXES AND CLOTHES RACKS

Our plywood boxes and clothes racks are made locally in Finland by a small family-owned company. The wood materials come from local suppliers near by. The boxes are made with a minimal waste method. We also use some second-hand clothes racks in our pop up stores.

#### PACKAGING MATERIALS

We send all Papu's webstore orders wrapped in compostable silk paper and put in the nonbleached paper bag made out of recyclable FSC -certified paper from Finnish woods. Both are made in Helsinki, Finland. To protect our sensitive products in warehouses, the products are delivered to us from the production packed in single plastic bags.



2019 our Packaging materials divided by weight as following: 11% recycled plastic (0,84t), 16% virgin plastic (1,26t) and 73% FSC certified paper or cardboard (5,8t). In the year 2019 we required our suppliers to use recycled plastic for packaging. Today over 65% of our suppliers delivers our products in recycled plastic bags which is 65% more than in the year 2018 and thanks to that we have reduced usage of virgin plastic over 40%. We are continually working to increase the share of recycled plastic or certified renewable materials and reduce the amount of packaging materials used.

Our wonderful Papu titled packing tape is made out of nonbleached recycled paper and is printed with natural dyes. It also has natural rubber adhesive. The production happens in Lempäälä, Finland.



During collection launches, we sometimes send a postcard or a sticker to customers who have purchased a Papu item from our webstore. The cards and stickers are made in Tampere, Finland. The postcards have the ISO14001, ECF and FSC Mixed Credit certificates. The printing ink of our paper materials follow the regulations of EY no 1907/2006 (REACH).

#### OUR PREMISES

Our office moved from Nokia to the heart of Tampere in the end of 2019 and the new office lies inside the old factory area: Finlayson. The office and showroom space is 177 m<sup>2</sup> and there are usually from 5 up to 10 persons working daily. Electricity to our office comes from Tampereen Sähkölaitos. Almost all of their electricity to small business customers is produced from renewable energy sources. About 90% was

produced by either water, wind or wood-based fuels. The rest, about 10%, was produced from mixed waste at Tammervoima waste incineration plant.

In addition, our PAPU store is situated in Helsinki, Pohjois-Esplanad. The store is 144 m<sup>2</sup> and it is workplace for 4 to 5 persons. The store's electricity comes from Helen and the electricity is free from CO<sub>2</sub>. Fossil fuels are not used in power generation and it causes a minimum amount of carbon dioxide emissions. The origin of CO<sub>2</sub> free electricity is nuclear and renewable energy sources. The proportions of these may vary.



#### CARBON FOOTPRINT

This year we took a great leap in our carbon footprint calculations as we calculated carbon emissions of our own operations for the years 2018 and 2019. Carbon emission calculations are done according to Clonet Oy footprint calculation tools. (<https://www.ilmastobisnes.fi/paastolaskuri/>). Although our business volume and turnover increased over 34% from 2018 to 2019, the emissions of our own operations decreased 8% from 23,1tkg CO<sub>2</sub>e (2018) to 21,3tkg CO<sub>2</sub>e (2019). We will disclose the annual absolute climate footprint of our supply chain in the near future.

#### 2018

Total amount of emissions tkg CO<sub>2</sub>e, own operations Scope1 and Scope2 was **23,1 tkg CO<sub>2</sub>e**

Consisting:

Car: 0,6 tkg CO<sub>2</sub>e

Taxi: 0,1 tkg CO<sub>2</sub>e

Flights: 6,6 tkg CO<sub>2</sub>e

Store: 2,9 tkg CO<sub>2</sub>e (half year)

Office and warehouse: 12,9 CO<sub>2</sub>e

#### 2019

Total amount of emissions tkg CO<sub>2</sub>e, own operations Scope1 and Scope2 was **21,3 tkg CO<sub>2</sub>e**

Consisting:

Car: 0,9 tkg CO<sub>2</sub>e

Taxi: 0,1 tkg CO<sub>2</sub>e

Flights: 7,4 tkg CO<sub>2</sub>e

Store: 5,8 tkg CO<sub>2</sub>e (complete year)

Office and warehouse: 7,1 CO<sub>2</sub>e



Our target is to be fully climate neutral by the year 2030 by reducing travelling and increasing virtual meetings and remote working and using more virtual sales tools. Packaging of the products will be reduced and packaging materials will be made fully from certified or recycled materials. We are also continuously searching for new sustainable materials to our products.

In the future the energy used in the company's own operations will be fully certified green energy from renewable resources and we will encourage our supply chain to follow our example. In the end, Papu will eliminate rest of the CO2 emissions by acquiring emission allowances from the EU Emission Trading System (EU ETS).



# NOW

From a sustainable point of view, everything starts from the company's values and through sustainable design management. Our wonderful Papu crew is an inspired, active and effective bunch of professionals. We manage our employees with respect and loyalty. We are working mostly by office hours and have a good team spirit inside the firm. We do believe that happy Papu people are the best capital the company can have.

As we avoid fast fashion trends and aim to design timeless products with good quality, we need to be up to date and constantly improve our product development and other aspects considering sustainability.



# TOMORROW

We have created a three-year Sustainability plan to ensure our improvements towards sustainability in the future. As this brochure is only a small peek into our work on sustainability, Our aim is to create a proper Sustainability report in the near future. In the beginning of the year 2019 we have created our first official Code of Conduct to guide us and our partners to work for the sustainable future.

The biggest challenges in our sustainability work lay on reporting our actions properly. Starting from the beginning of the year 2018 we started to educate our whole crew towards more sustainable principles in each team's and person's everyday work. The first educational workshop was held in February 2018.

We also have some detailed goals to make better choices and decisions. To find out more check out the table about our principles and goals towards more holistic sustainability on the next page.

WE DO BELIEVE THAT  
HAPPY PAPU PEOPLE  
ARE THE BEST  
CAPITAL  
THE COMPANY  
CAN HAVE.



	<b>NO!</b>	<b>NOW</b>	<b>TOMORROW</b>
PRODUCT DESIGN	Fast Fashion trends Poor material Overstock Strict gender allocation Products for marginal niche	High quality materials Adjustable sizes Unisex products Timeless design Meaningful products – stories Functionality	Innovative product solutions Eco-efficient design process Long lasting decisions Top-notch details Improvements to functionality
RAW MATERIALS	Illegal chemicals Supply from sweatshops Cheap synthetic fibres Genetically modified plant fibres	Mainly natural fibres Organic cotton (Oeko-tex class 1) Recycled raw materials Resource efficiency Search for new innovative materials Material testing	Sourcing new and innovative (yet environmental) raw materials GOTS certified organic cotton Supply chain transparency Manufacturing RSL Sustainable material education
PRODUCTION	Unknown production conditions Inefficient material use Child labour Poor quality in sewing Exorbitant material consumption	Transparency inside the company Leftover material's utilization Fair working conditions Professional sewing Efficient pattern cutting	Keep up the good partnerships to familiar suppliers Transparent communication Minimize the use of water and energy Eco-efficient production
LOGISTICS	Unnecessary shipment Preferring public transport while way to work	Logistic partners committed to sustainable values Well planned logistics Preferring land and sea transport inside Europe	REpack packaging Research on sustainability practises and emissions of the logistic partners
USE & CARE	Materials needing special care (for example dry cleaning)	Comprehensive care instructions Easy washing Easy maintenance	Customer education in sustainability Care & repair kit for customers
REUSE & RECYCLING	Out of date products Bad quality	Desirable design that encourages to recycle Products that can easily be fixed or repaired Collaborations with second hand markets	Use of materials that can be recycled or reused Papu Second hand service Customer education on recycling
WASTE MANAGEMENT	Dumping waste into landfill Indifference towards recycling	Waste recycling at the office and in production facilities Use of materials that can be composted, recycled or used as energy waste  Part of Finnish Packaging Recycling RINKI Ltd	Minimize the use of plastic or using recycled plastic (no new plastics in the future)  Textile waste management improvements
CARBON EMISSIONS	Using energy from nonrenewable resources	We use energy only on renewable or CO2 Neutral resources in our own operations. We have two business premises: the head office in Tampere which uses mainly renewable energy sources and the flagshipstore PAPU Store in Helsinki with CO2 neutral energy.	Papu has set a target to be fully climate neutral by the year 2030 by reducing travelling and increasing virtual meetings, virtual sales channels and remote working. Packaging of the products will be reduced and packaging materials will be made fully from certified or recycled materials. In the future the energy used in the company's own operations will be certified green energy from renewable resources. Papu will eliminate rest of the CO2 emissions by acquiring emission allowances from the EU Emission Trading System (EU ETS).





**PAPU**

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