



# MOS MOSH

ESG Report 2021

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This ESG report covers the year 2021 and the legal unit MOS MOSH A/S.  
The report contains the MOS MOSH responsibility report roadmap covering from  
the year 2022 to the year 2030. The report will be revisited annually. The C level of  
MOS MOSH is responsible for the ESG report.

# A letter from our CEO



*David Skjødt, CEO*

MOS MOSH is a fashion brand built upon a strong culture and fundamental values - a brand where we care about each other's well-being, as well as caring about the world we live in. Being part of the fashion industry, we have a strong responsibility towards the planet we pass on to our children and grandchildren. Ever since MOS MOSH was founded, responsibility and fairness have been the cornerstones of our company. From the beginning, the vision was to design innovative products with a long lifespan, in timeless designs, of high quality, and with high comfort, to ensure our unique DNA and attention to details. Furthermore, we have always had the vision to produce most of our garments within Europe, and today that is true for 69% of our production.

It has always been essential for us to do things our way. Our products stand out, and so should the things we do in our company. The goal has always been to deliver more than expected - in every way possible.

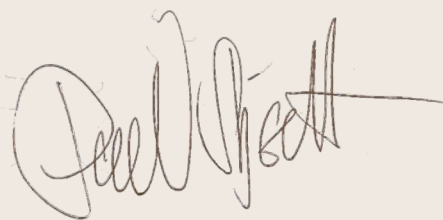
Since the beginning of our journey in 2010, we have taken important steps toward becoming more responsible. This is something we are very proud of. Still, we are fully aware that we are not perfect. Therefore, we have set ambitious goals for 2030, our roadmap. We have a dream of being a company that leads the way, and we are investing in new initiatives and technologies. An important step for MOS MOSH is our certifications. The certificates ensure that our products live up to high standards concerning social responsibility, animal welfare, and the environment. In the years to come, we expect the fashion industry to be held even more accountable. This will be complemented by an increasing number of demands and requirements for the industry. Hopefully, political actions, legislation, and public objectives will make it easier for the common consumer to understand which products that can help reduce our joint impact on the environment.

Our world and expectations are constantly changing. There is no doubt about that. As a company, we must be ready to make the change when needed and be ready to take on new challenges and initiatives to grow. Therefore, MOS MOSH aims to contribute to 'less talk – more action.'

An important goal for MOS MOSH is to produce more responsibly than we already do today. We aim to have a more circular mindset. Recycling has been a part of our agenda since 2021; we have recycled deadstock fabrics by producing pre-consumer fiber fabrics into new designs. We believe in the significance of this initiative and want to intensify similar actions in the following years. In 2022, we will launch our pre-loved project, offering our customers to buy their worn MOS MOSH garments and resell the garments as

secondhand on our platform. This way, we can progress in a more circular direction and help ensure that our products are used and loved by someone new. The clothes we design are made to be worn and loved, not only once but again and again. We do not believe in fast fashion and bad quality.

We are proud of the journey we have taken so far, and we are excited about the path we are following for the future, where MOS MOSH will continue to grow with a responsible mindset.



-David Skjødt, CEO





# We are MOS MOSH

*- with passion, love & heart*

MOS MOSH is the home of two brands, MOS MOSH and MOS MOSH Gallery - A universe of timeless wardrobe pieces with extraordinary details for women and men.

## **MOS MOSH**

The MOS MOSH brand was born in 2010 and founded by Kim Hyldahl. Like a phoenix rising from the ashes, MOS MOSH marked a new beginning for the founder. The first drawings were created from the kitchen counter of his home, and step by step, a small collection of jeans and pants came to life. The signature was clear; well-fitted garments, high quality, and most importantly, designed with a twist in mind.

From the very beginning, MOS MOSH had a goal to reach an international wingspan while staying true to our DNA and principles. Everything we do, we do with passion, love, and heart. We are a small but focused organisation, and we value the relationship between the people involved. Our DNA became an even more important foundation as we began advancing into full-range collections. We were, and are still, not afraid to say that we have a commercial mindset, and this paid off. Women worldwide have embraced the look, and the fit of MOS MOSH jeans, and the brand has established itself as a keeper on the

scene of today's fashion as luxury jeans and tailoring wear. To this day, MOS MOSH accounts for around 93% of our earnings and production.

## **MOS MOSH Gallery**

In 2020, it was time to write a new chapter of the MOS MOSH history and welcome a little brother to the family. A men's line, MOS MOSH Gallery, was born. A high-end fashion brand designed for the modern man who wears himself with confidence and the philosophy of producing timeless garments made to last – and easy to understand.

The inspiration comes from the simple Nordic look combined with sharp Italian finesse. The collections are cut from top-shelf qualities with that little twist and nature in mind, never compromising the fit. The collections are casual and formal, designed with versatile garments that are easy to style up or down depending on the occasion. We showcase a simple wardrobe with multiple styling options with a focus on craftsmanship.

No matter how fast the MOS MOSH train runs, we stay true to our DNA and humble principles.



## MOS MOSH in numbers

48 employees

2 brands

7 yearly collections

1,528,000 pieces sold

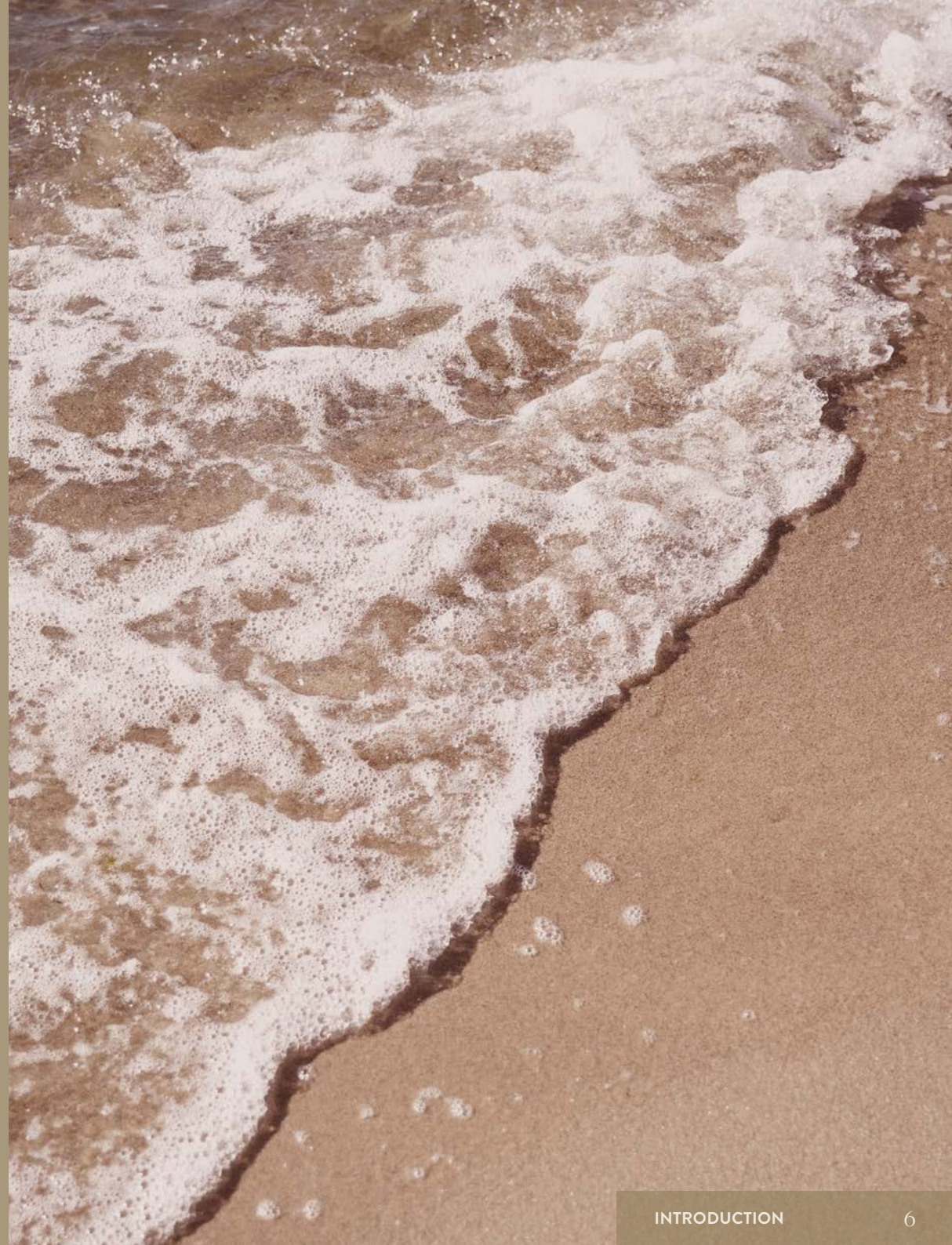
446 million DKK in revenue

221 million DKK in balance

26 suppliers

# 2030 Roadmap

Becoming a more responsible fashion company can feel like navigating through a jungle without a finished map. There are many certifications, initiatives, programs, membership organisations, and other responsible options and solutions. With such a wide range of possibilities, it has become very difficult to deduce which of these many options actually has a significantly positive impact on the environment in the long run. We have therefore developed our MOS MOSH 2030 roadmap. The roadmap will guide us in progressing and further development towards a more responsible future.





# 2030 Roadmap

	2023 GOAL	2025 GOAL	2030 GOAL
<b>FIBRE USE</b>	60% of our fibre use must come from the “Fibres we like” and “Fibres we prefer” categories according to the MOS MOSH fibre tool.	60% of our fibre use must come from the “Fibres we like” and “Fibres we prefer” categories according to the MOS MOSH fibre tool. (We keep 60% as BCI is no longer included).	80% of our fibre use must come from the “Fibres we like” and “Fibres we prefer” categories according to the MOS MOSH fibre tool.
<b>INCREASING TRACEABILITY</b>	20% of all styles, each collection, incl. NOOS, are certified and/or traceable. (RDS, GOTS, RWS, RAS, RMS, GRS, BCI & EcoVero, more will be added).	40% of all styles, each collection, incl. NOOS, are certified and traceable. (RDS, GOTS, RWS, RAS, RMS, GRS & EcoVero, more will be added) By 2025 BCI is phased out as “traceable”.	80% of all styles, each collection, incl. NOOS, are certified and traceable. (RDS, GOTS, RWS, RAS, RMS, GRS & EcoVero, more will be added).
<b>CERTIFICATION, THE SHARE OF TURNOVER</b>	30% of our turnover comes from certified styles.	50% of our turnover comes from certified styles.	80% of our turnover comes from certified styles.
<b>DESIGNING FEWER BUT EVEN BETTER</b>	The total amount of SKU per collection, incl NOOS, cannot be increased by more than 10% in total (compared to the 2021 level).	The total amount of SKU per collection, incl NOOS, cannot be increased by more than 5% in total (compared to the 2023 level).	The total amount of SKU per collection, incl. NOOS, must stay status quo (compared to the 2027 level).
<b>LONGEVITY</b>	Set wearability KPI, including a MOS MOSH criteria for longevity, as well as follow up procedures	Wearability KPI are 100% implemented.	Wearability KPI are 100% implemented.
<b>EXTENDING THE LIFE-CYCLE OF GARMENTS</b>	Launch resell platform, our pre-loved styles are re-sold via the platform.	20% of our pre-loved styles are re-sold via the platform.	40% of our pre-loved styles are re-sold via the platform.
<b>DESIGN FOR RECYCLABILITY</b>	Set “Design for recyclability” KPI. Investigate how we can design in order for the garment to be more easily recyclable.	“Design for recyclability” KPI are 100% implemented.	N/A

# 2030 Roadmap

	2023 GOAL	2025 GOAL	2030 GOAL
<b>REMAKE &amp; REPAIR</b>	Set “Remake & repair” KPIs. MOS MOSH wishes to encourage our customers to wear their garments longer. We will help them by providing tools.	“Remake & Repair” KPI are 100% implemented.	N/A
<b>RESPONSIBLE DENIM APPROACH</b>	Set KPI for “EIM score, low impact or similar.”	25% of our denim styles to be included.	75% of our denim styles to be included.
<b>CIRCULAR PARTNERSHIPS</b>	Establish partnership with, e.g., “Fashion for good,” “NewRetex”, or similar. Support projects with fabrics made from post-consumer garments.	Yet to be evaluated.	Yet to be evaluated.
<b>DEADSTOCK</b>	Garment deadstock, fabric deadstock and samples will never be destroyed, they will be either sold for outlets or recycled as pre-consumer recycled fibers.	Yet to be evaluated.	Yet to be evaluated.
<b>GARMENT SUPPLIER PARTNERSHIPS</b>	Set “garment supplier 2030 roadmap” KPI. We will communicate our expectations for environmentally responsible production, certifications and social due diligence.	“Garment supplier 2030 roadmap” 100% implemented.	Revisit our “garment supplier roadmap,” to expand the scope.
<b>PACKING</b>	Launch new MOS MOSH packaging, designed following the principles of our packaging strategy.	Phased out all single-use virgin plastic wherever possible in packaging. All packaging will be reusable, recyclable, or compostable.	Revisit our packaging strategy goals to expand the scope.



# People

No success should ever come at the expense of others. And as a growing business, we have a responsibility to the people who dedicate so much time and energy to make MOS MOSH the amazing company it is. The least we can do is create a workplace where our employees feel valued, happy, and have a sense of belonging.

# Human capital

At MOS MOSH, our employees are our greatest asset. Without their dedication, creativity, and a deep sense of responsibility, we wouldn't be who or where we are today. We want to be a workplace where employees bring their unique personality traits with them and let our shared values guide them. We strive to create a healthy and fair working environment that is advantageous for current employees and attractive for possible future employees.

Employees at MOS MOSH		New hires in 2021		Average employee seniority
Full time	44	Existing positions	5	3,8 years
Part time	4	New positions	14	
Total	48	Total	19	

We employ 48 people in total. 44 of them full-time and 4 of them part-time. In 2021 we expanded our staff with 19 new employees, 5 employees replacing existing positions, and 14 employees in brand new positions. This also affected our employee seniority, reducing it to 3,8 years.

## NEW, BRIGHT MINDS

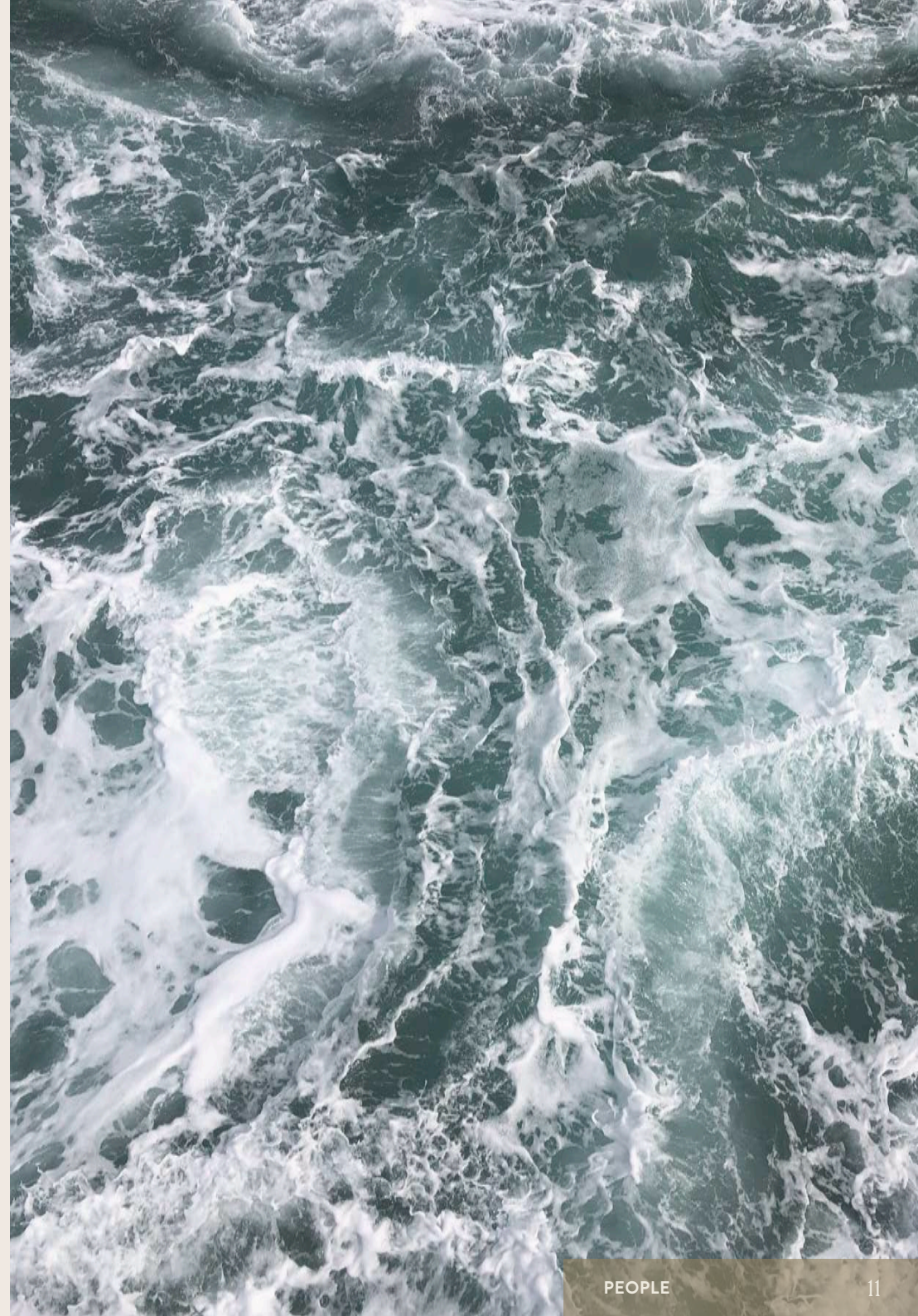
MOS MOSH wishes to take responsibility for preparing more young people for the labour market. We, therefore, hire multiple trainees, especially within sales and purchasing. Every year we have an average of four interns, mainly distributed among the design and marketing departments, but all departments are free to take on interns as they may see fit.

# Employee health

Our average sick leave was 2,82% in 2021, which is slightly higher than the Danish average of 2,6%.

All MOS MOSH employees are covered by Topdanmark health insurance, covering most diseases. On top of that, we subscribe to an assistance and consultancy service with Topdanmark, making us equipped to prevent stress-related illnesses in our organisation. We also offer employees access to massage services.

Our most fundamental initiative to reduce work-related sick leave is the high level of flexibility and the equally high level of influence employees have on the planning and scheduling of their work.



# Diversity

At MOS MOSH, everyone has the opportunity to progress and prosper. We value a diverse organisation and the wider scope it brings and its positive effect on work satisfaction and efficiency. We enjoy our age diversity and strive to maintain it. We offer flexible working hours for young workers with new families and older employees who wish to decrease working hours gradually.

At MOS MOSH, it is not a fixed aim to have a 50/50 distribution among the genders, but we strive to have all genders represented in all departments. 50% of the management staff with personnel responsibilities identify as female.

We wish to increase the share of women on the board of directors, but since the size of the board of directors is so small, we do not wish to set specific objectives for gender distribution. Still, when we use recruitment agencies to recruit new members of the board of directors, it is a requirement that all genders are represented among the candidates.

## Gender diversity full organisation

Female	41
Male	7
Total	48

## Age diversity

Employees > 50 years	10
Employees < 25 years	8
Average age	39

## Gender diversity management level

Female	3
Male	6
Total	9

## Gender diversity middle managers

Female	3
Male	0
Total	3

## Gender diversity Board of Directors

Female	0
Male	3
Total	3

# Wages

At MOS MOSH, we know that money is not the primary determinant of job satisfaction. Still, we deem it very important that our employees are properly paid for the time and efforts they put into their work. Therefore, our average gross salary per full-time employee is 3,2% above the average for the industry defined as “Wholesale of clothing, industry code 464210.”

These numbers are based on data from 1,280 companies with 9,708 employees.





## A word with Dorthe Tørngren

*CSR Responsible*

“I spend a lot of my time monitoring that MOS MOSH is updated on new EU initiatives and incoming legislation. Another important part of my work with ESG is our certified styles. Most of my time is spent communicating with suppliers agreeing on timeframes and responsibilities. I also facilitate third-party audits, making sure MOS MOSH meets the requirements of the standards we are certified against.

In 2022 and in the years to come, I will be working on securing new certifications, e.g., Organic Content Standard (OCS) and The Good Cashmere Standard (GCS), which will take up a big part of my working hours. The journey is as challenging as it is important and exciting.”







# Products

While it's important to celebrate progress, we are still not perfect. The journey from linear to circular is complicated. Nevertheless, each day we take important steps toward a more responsible garment production. Because a sustainable garment involves every stage of a lifecycle, MOS MOSH, by early 2022, decided to escalate our journey, setting our ambitious goals.

Our products are the core of MOS MOSH, and naturally, we focus on reducing their impact on the environment. That includes ensuring high quality and increased longevity.

At MOS MOSH, we believe we have an obligation to make our initiatives transparent and easily understandable for the consumer. Therefore, we have invested a huge effort in certified products, chemical testing limiting hazardous chemicals, and defining our fiber tool, helping us pick the best raw materials.

We wish to focus our responsible effort on the primary part of our garment production, being defined as cotton, wool, viscose, polyester, and down.

# Chemical policy

Our Chemical Policy applies to both the SVHC “substances of very high concern” list and the European Union REACH Regulation. When suppliers sign our chemical policy, they agree to test requested styles before shipment. If a test should fail and non-conformities should be found, the supplier will be held responsible. The testing procedure was developed in the fall of 2021. 15 of our 26 suppliers have signed our Chemical Policy; MOS MOSH is working to secure signatures from all suppliers on our Chemical Policy and have them all commit to its content. We expect to have collected all signatures in the second quarter of 2022.

## Chemical tests performed in 2021

In 2021 we initiated chemical testing on 23 styles, which gives us a test share of 3,15% of all styles produced. Of these 23 styles, three non-conformities were discovered, meaning that the pass share was 86,96%, and 13,04% failed. We do not consider order volume when calculating the pass/fail rate, only on style level.

Since the test was performed in 2021, MOS MOSH started implementing our chemical test plan based on risk assessment. Alongside most of our suppliers have signed our new Chemical policy. In the future, we will closely monitor our supplier’s chemical performance. We will be gathering data enabling us to pinpoint areas for improvement and helping us identify materials struggling in terms of compliance. This way, we can be even more proactive in addressing problems and finding proper solutions with our suppliers.

CHEMICAL TESTS PERFORMED		
	Tests	Share
Styles tested	23	3,15%
Pass	20	86,96%
Non-conformities	3	13,04%

We will increase our test share to 4-5% as we implement our new chemical testing program in 2022.

### **OUR NEW CHEMICAL TESTING PROGRAM**

In 2021, we developed the new MOS MOSH chemical testing program. We expect it to be fully implemented in 2022.

Based on an analysis using our chemical risk assessment tool, we select 4-5% of our styles per collection for testing to inspect whether they meet the requirements of our Chemical Policy.

The chemical risk assessment tool considers risks related to the country of origin, the product type, the materials, and the type of trim. A style receives a rating from 1-4 in each category. The highest-scoring products are sent for testing before shipment. All tests are carried out by the accredited testing institute TÜV Rheinland. They have facilities in India, Turkey, and China.

We are testing products randomly for correct pH levels, azo-dyes, APEO, chlorinated paraffins, other disperse/forbidden dyes, formaldehyde, heavy metals, nickel, PHOAs, PAHs, VOCs, phthalates, and other selected harmful and restricted substances.

We will log all tests and results in the MOS MOSH test program overview to keep track of failures and recurring issues.



# MOS MOSH fibre tool

We have developed our fibre tool to help us make more mindful and responsible decisions. The tool is based on desk research and a holistic approach to sustainability and will be updated regularly.

	FIBRES WE TRY TO LIMIT	FIBRES WE LIKE	FIBRES WE PREFER
REGENERATED CELLULOSE	<ul style="list-style-type: none"> <li>Modal</li> <li>Viscose</li> <li>Cupro</li> <li>Acetate</li> <li>Lyocell</li> </ul>	<ul style="list-style-type: none"> <li>TENCEL™ Modal</li> <li>Viscose (FSC or PEFC)</li> <li>TENCEL™ Lyocell</li> </ul>	<ul style="list-style-type: none"> <li>LENZING™ ECOVERO™ Viscose</li> <li>CanopyStyle green or dark green rated viscose</li> <li>TENCEL™ x REFIBRA™</li> </ul>
NATURAL	<ul style="list-style-type: none"> <li>Linen</li> <li>Hemp</li> <li>Cotton</li> </ul>	<ul style="list-style-type: none"> <li>Linen (organic or in-conversion)</li> <li>Hemp (organic or in-conversion)</li> <li>Cotton (organic or in-conversion)</li> <li>BCI Cotton</li> </ul>	<ul style="list-style-type: none"> <li>Linen (recycled)</li> <li>Hemp (recycled)</li> <li>Cotton (recycled)</li> </ul>
SYNTHETIC	<ul style="list-style-type: none"> <li>Polyester</li> <li>Polyamide/Nylon</li> <li>Acrylic</li> <li>Elastane</li> </ul>	<ul style="list-style-type: none"> <li>Recycled Polyester (pre-consumer)</li> <li>Recycled Polyamide / Nylon (pre-consumer)</li> <li>Recycled Acrylic (pre-consumer)</li> <li>Recycled Elastane (pre-consumer)</li> </ul>	<ul style="list-style-type: none"> <li>Recycled Polyester (post-consumer)</li> <li>Recycled Polyamide / Nylon (post-consumer)</li> <li>Recycled Acrylic (post-consumer)</li> <li>Recycled Elastane (post-consumer)</li> </ul>
ANIMAL BASED	<ul style="list-style-type: none"> <li>Wool</li> <li>Mohair</li> <li>Alpaca</li> <li>Cashmere</li> <li>Down</li> <li>Leather</li> <li>Silk</li> </ul>	<ul style="list-style-type: none"> <li>Wool (RWS and/or organic)</li> <li>Mohair (RMS and/or organic)</li> <li>Alpaca (RAS and/or organic)</li> <li>Cashmere (responsible and/or organic)</li> <li>Down (RDS and/or organic)</li> <li>Leather (responsible and/or organic)</li> <li>Peace silk</li> </ul>	<ul style="list-style-type: none"> <li>Recycled Wool</li> <li>Recycled Mohair</li> <li>Recycled Alpaca</li> <li>Recycled Cashmere</li> <li>Recycled Down</li> <li>Vegan leather</li> <li>Recycled Silk</li> </ul>



# Fibre usage

We have mapped our fibre usage to keep track of our progress and identify any need for further action.

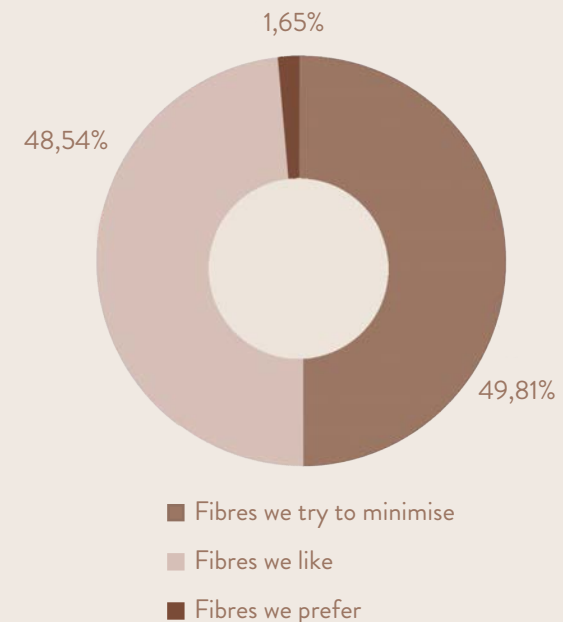
FIBRE USAGE AMONG FIBRE TOOL CATEGORIES						
Fibre Tool Categories	Total (kg)	Share	MOS MOSH (kg)	Share	MOSH MOSH Gallery (kg)	Share
Fibres we try to minimise	252,642.070	49,81%	251,990.811	51,61%	651.259	3,43%
Fibres we like	246,170.692	48,54%	227,854.212	46,67%	18,316.48	96,57%
Fibres we prefer	8,373.454	1,65%	8,373.454	1,72%	0	0,00%

We are proud to say that almost half of our used fibres in 2021 belonged in the “Fibres we like” category in our fibre tool. In total, they accounted for 48,54% of our fibre usage. Whereas only 1,65 % were in the “Fibres we prefer” category. 49,81% of our fibres were categorised as the “Fibres we try to minimise” category.

The reason for this is our strict demands for fibres that are allowed into the “Fibres we like” and “Fibres we prefer” categories. At MOS MOSH, we would rather have ambitious than easily achievable goals. Therefore, the fibres included in the category must be the best alternative within their fibre category, both environmentally, ethically, and socially. Most of the fibres have a limited supply globally, correspondingly higher prices and increasing demand. Simply put, they are not easily included in our collections.

Still, MOS MOSH wishes to improve the share of fibres we prefer and love significantly in the coming years and collections, reaching 80% by 2030. To do this, we will be using our fibre tool more actively to develop our new styles.

FIBRE TOOL DISTRIBUTION



FIBRE USAGE AMONG FIBRE CATEGORIES						
Fibre Categories	Total (kg)	Share	MOS MOSH (kg)	Share	MOSH MOSH Gallery (kg)	Share
Regenerated Cellulose	72,522.54	14%	69,663.82	14%	2,858.717	15%
Synthetic	149,458.96	29,27%	146,179.80	30%	3,279.161	17%
Natural	239,369.57	46,87%	227,408.64	46%	11,960.935	63%
Animal	47,656.75	9,16%	46,780.71	10%	876.046	5%

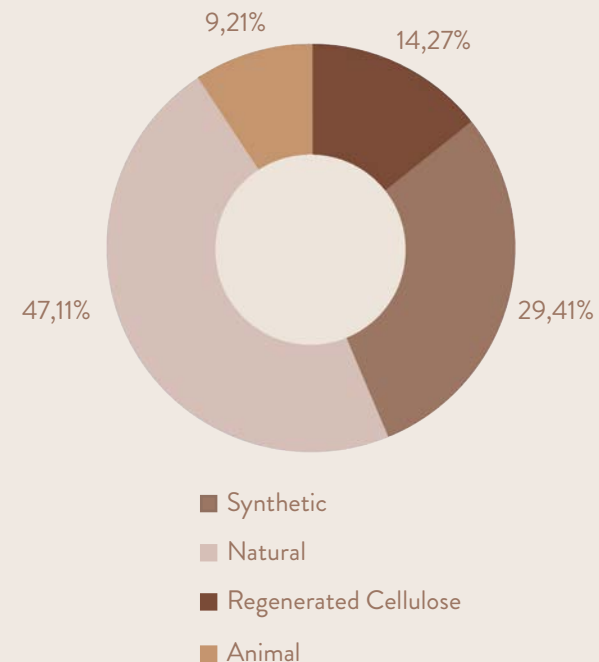
In 2021, our largest fibre category was by far the natural category. It accounted for 46,87% of our total fibre usage, with synthetic fibres being the second-largest posting with 29,27%. Regenerated cellulose fibres accounted for 14%, whereas the smallest posting was animal fibres with just 9,16%.

As jeans are a core MOS MOSH product, it is to be expected that the natural fibres category would be the largest fibre category.

We do not have specific objectives for the shares of the fibre categories. But we are working on securing that the fibres within the categories are increasingly part of the categories “Fibres we like” and “Fibres we prefer.”

Alongside, we wish to increase products made with mono-fibres or fibres combinations that are suitable for recycling.

FIBRE CATEGORY DISTRIBUTION







## A word with Loise Læborg Madsen

*Head of Design*

“We never stand still regarding sustainability; we are continually moving in the right direction. The most challenging thing is balance, not compromising the quality of our products when making them more responsible.

We are constantly thinking about using more responsible fibres when designing. But it is difficult, as we also need these styles to sell. The future designer will still, like today, focus on various areas – sales, the current market, and trends. But they will also need an extra focus; responsibility, and it will probably be the central focus in the future.”

# Recycling

## THE LOOP PROJECT

In 2021, we developed our denim capsule collection for the MOS MOSH brand. We named it The Loop Project.

THE LOOP PROJECT	
Input/output	Amount
Recycled jeans	732 pairs
New fabric produced	2,300 metre
New jeans produced	1,200 pairs
Leftover fabric	800 metre

The collection consisted of two jeans styles made from recycled fabric-deadstock. The fabric was cut up, and the pre-consumer fibres were shredded, blended, and mixed with elastane and organic cotton to ensure the stability of the new material. The recycled pre-consumer fibres account for 25 % of the new fabric.

## DISPOSAL OF GARMENT-DEADSTOCK

MOS MOSH is excited that we, in general, have a low number of garment-deadstock. For that reason, we, by 2021, only sold 0,83% of our production via outlet. The only way MOS MOSH can dispose of garment-deadstock is through outlet. We never burn garment-deadstock or dispose of it in any other way.



# Certifications and branded fibres

In 2021, MOS MOSH obtained four certificates as a strategic step in our aim for transparency. The certificates have the potential to cover up to 80% of the styles in the MOS MOSH collections.

Today, we are proud certificate holders of GOTS (Global Organic Textile Standard), RWS (Responsible Wool Standard), GRS (Global Recycle Standard), and RDS (Responsible Down Standard). On top of that, by early 2022, we added two further certificates, RAS (Responsible Alpaca Standard) and RMS (Responsible Mohair Standard).

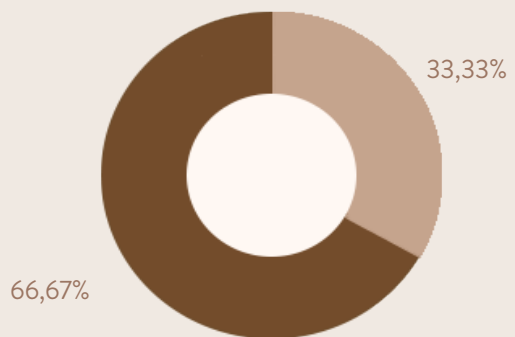
CERTIFIED SUPPLIERS				
	GRS	GOTS	RWS	RDS
Fibre category	All	Cotton	Wool	Down
Suppliers in category	26	21	4	1
Certified suppliers	9	7	1	1
Certified share	35%	33%	20%	100%

Right now, the certifications only cover women's apparel and therefore do not include MOS MOSH Gallery. We will change that in 2022.

While the certifications have environmental and social advantages related to the specific fibre content, they are also powerful governance tools, providing increased transparency and traceability in our supply chain.

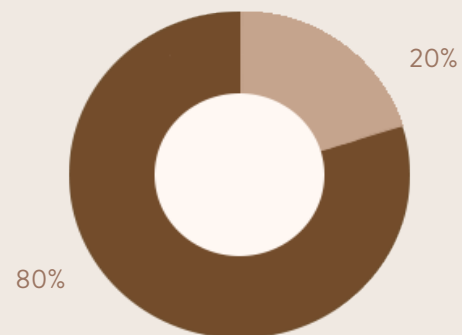
All certifications follow a chain of custody certification approach, meaning that all links in the supply chain must be audited and certified. We have developed a procedure manual for handling certified goods, and all relevant employees have received training in its content.

GOTS CERTIFIED COTTON SUPPLIERS



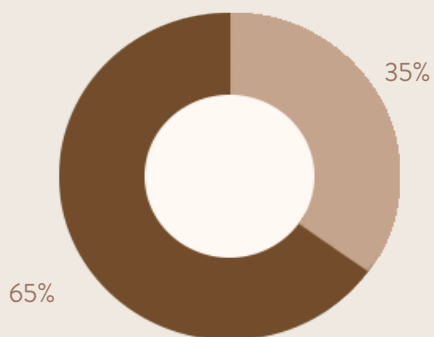
■ GOTS certified suppliers  
■ Non-certified suppliers

RWS CERTIFIED WOOL SUPPLIERS



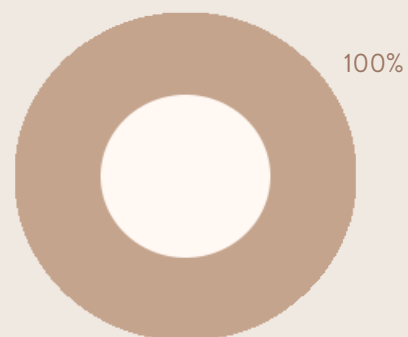
■ RWS certified suppliers  
■ Non-certified suppliers

GRS CERTIFIED SUPPLIERS



■ GRS certified suppliers  
■ Non-certified suppliers

RDS CERTIFIED DOWN SUPPLIERS



■ RDS certified suppliers

CERTIFIED MOS MOSH PRODUCTS DEVELOPED IN 2021					
	Total	Cotton (GOTS)	Down (RDS)	Wool (RWS)	Recycled (GRS)
Styles incl. NOOS	664	442	10	58	154
Certifiable styles incl. NOOS	393	284	10	58	41
Share of certifiable styles in category	59,19%	64,25%	100,00%	100,00%	26,62%
Certified styles incl. NOOS	47	16	7	17	7
Share of category certified	7,08%	3,62%	70,00%	29,31%	4,55%
Share of certifiable styles certified	11,96%	5,63%	70,00%	29,31%	17,07%

Fibre content requirements for certifiable styles marked certification logo.

RDS: Garment must contain at least 5% down

GOTS: Garment must contain at least 70% organic content

RWS: Garment must contain at least 5% wool

GRS: Garment must contain at least 50% recycled content

Of all 664 MOS MOSH styles developed in 2021, in the different categories, cotton, down, wool, and recycled, 393, equivalent to 59,19%, were certifiable because they met the fibre content requirements included in the certification standards. Of these 393 certifiable styles, 47, equivalent to 11,96%, were indeed certified. Out of the 664 styles in the categories, this number is just 7,08%.

We expect to increase these numbers significantly in 2022. First and foremost, we will be focusing on increasing the share of certifiable styles. That is a task for the design team. Second, we must ensure that as many orders as possible are placed at certified suppliers. This is a task for the purchasing department. We will especially be focusing on the cotton styles and the styles with recycled content, as these have been the categories with the lowest share of certified styles.



### RESPONSIBLE DOWN STANDARD

RDS is a global standard for animal welfare in water-fowl farming. The RDS is a certification that ensures that the down comes from birds that have been raised with respect to the five animal freedoms.

Live-plucking and force-feeding are prohibited.

RDS ensures traceability to the farm.



### RESPONSIBLE WOOL STANDARD

RWS is a global standard for animal welfare in sheep farming. The RWS is a certification that ensures the wool comes from sheep that have been raised with respect to the five animal freedoms. Mulesing is prohibited. RWS ensures traceability to the farm.



### RESPONSIBLE ALPACA STANDARD

RAS is a global standard for animal welfare in sheep farming. The RAS is a certification that ensures the wool comes from sheep that have been raised with respect to the five animal freedoms. In addition, RAS ensures traceability to the farm criteria.



### RESPONSIBLE MOHAIR STANDARD

RMS is a global standard for animal welfare in sheep farming. The RMS is a certification that ensures the wool comes from sheep that have been raised with respect to the five animal freedoms. In addition, RMS ensures traceability to the farm.



### GLOBAL ORGANIC TEXTILE STANDARD

The GOTS certification guarantees the organic status of fibres. In addition, the certification also holds strict social criteria. Finally, GOTS ensures traceability to the farm.



### GLOBAL RECYCLE STANDARD

GRS is a global standard for recycled materials. The GRS certification ensures the traceability of recycled materials through all production stages, from collection to final garment.

## THE BETTER COTTON INITIATIVE (BCI)

MOS MOSH is a proud member of the Better Cotton Initiative. Consumers support cotton production through BCI by choosing BCI cotton products from MOS MOSH. BCI is sourced via a system of Mass Balance System. The BCI farmers use water efficiently, and they care for the health of the soil and natural habitats. They reduce the use of harmful chemicals and care about the rights and well-being of the farmers. We commit to increasing our sourcing of BCI cotton every year, hence increasing our financial contribution as well. A downside of BCI is that it is not traceable. That means we cannot guarantee that our styles contain BCI fibres, but we are allowed to mark a share of our cotton products, corresponding to the share of better cotton we have sourced.

Based on reports from our suppliers, we are responsible for sourcing 177,838 kg of BCI cotton in 2021, accounting for 77.95 % of our total cotton consumption that year. Combined with recycled and organic cotton, 86,36% of our sourced cotton in 2021 is a better alternative.

In the collections developed in 2021, marked 251 styles with BCI, accounting for 56,79% of our cotton styles and 63,38% of the applicable styles. As we grow more accustomed to working with our certifications, we expect the share of GOTS and GRS-certified cotton styles to increase and the share of BCI styles to decrease accordingly. This is to increase traceability and ensure adherence with standard procedures.

**NB!** For a style to qualify for a BCI mark, cotton must be the primary fiber in the composition, which means the styles must contain more cotton than any other fiber.

BCI RECORDS FOR 2021	
Cotton levels 2021	Total
Organic cotton	15,321.13 kg
Recycled cotton	3,873.89 kg
Conventional cotton	208,954.77 kg
<b>Total cotton consumption</b>	<b>22,146.77 kg</b>
Reported BCI cotton	177,838.00 kg
<b>BCI share of total</b>	<b>77,95%</b>
BCI, organic and recycled cotton	197,033.02 kg
<b>Share of total</b>	<b>86,36%</b>

BCI MARKED STYLES 2021	
Cotton styles developed in 2021	Total
Styles incl. NOOS	442
BCI applicable styles incl. NOOS	396
Share of applicable styles in the category	89,59%
BCI marked styles incl. NOOS	251
Share of category marked	56,79%
Share of applicable styles marked	63,38%

**LENZING™ REGENERATED CELLULOSE FIBRES**

LENZING™ is an Austrian fabric manufacturer focusing on decreasing the environmental impact of regenerated cellulose fibres by using innovative production methods and strict sourcing policies. Two of their most popular materials are LENZING™ ECOVERO™ Viscose and TENCEL™ Lyocell, two materials we have categorized as “Fibres we prefer” and “Fibres we like,” respectively.

Not only do the fibres have environmental benefits, but they are also helpful tools in ensuring transparency, as both are fully traceable throughout the supply chain. A powerful aid in our governance and due diligence work.

We aim to increase our share of branded fibres in the regenerated cellulose fibre category continuously in the future, to increase transparency in our supply chain and have access to data on our fibres’ environmental impact.

In 2021, we developed 218 viscose styles for our women’s brand, MOS MOSH. 177 of them had a fibre composition with at least 30% viscose, meaning they met the second requirement of a potential LENZING™ ECOVERO™ Viscose mark, besides, of course, containing LENZING™ ECOVERO™ Viscose. This means 81,19% of our viscose styles could have contained LENZING™ ECOVERO™ viscose. However, only 45 did, accounting for 20,64% of the total viscose category that year, and 25,42% of the styles met the requirements. We plan to increase these shares in 2022.

Our system does currently not allow us to differentiate between conventional lyocell and TENCEL™ Lyocell. It is, therefore, not possible to calculate the shares in this category.

LENZING™ ECOVERO™ VISCOSE MARKED STYLES IN 2021	
Viscose styles developed in 2021	Total
Viscose styles	218
Products with +30% viscose	177
<b>Share of potential LENZING™ ECOVERO™ Viscose styles</b>	<b>81,19%</b>
LENZING™ ECOVERO™ Viscose styles	45
<b>Share of category</b>	<b>20,64%</b>
<b>Share of potential</b>	<b>25,42%</b>





## Environmental footprint

MOS MOSH takes responsibility for our emissions and consumption. It is important to us that we minimize the impacts of our emissions as much as possible, and we constantly strive to find ways to decrease the company's emissions impact in total.

While we currently work towards this by making improvements in the areas of energy consumption, use of water, travel, electricity, heat, packaging, waste sorting, and transport, we also need to have an improved understanding of our emissions in all areas as a whole.

In this section, we gathered an account of those corporate activities that can be seen as an indication of our impact and emissions.

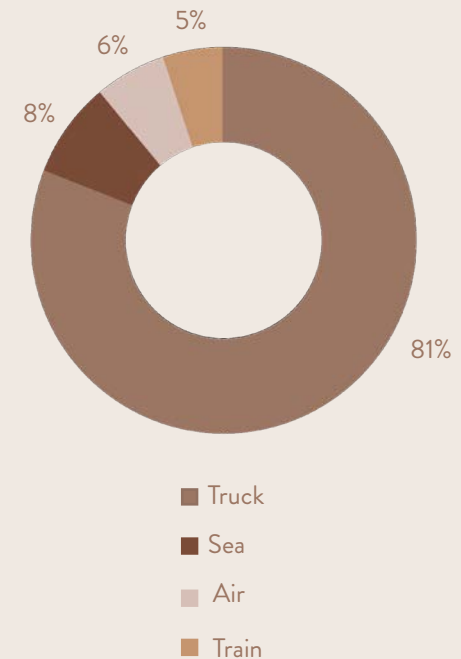
# Transportation

81% of our inbound transportation is done via truck. This is mainly because a significant share of our suppliers is in Europe, from where it does not make sense to use sea freight. However, we use sea freight when transporting garments from Asia to our warehouse.

Our total carbon footprint from inbound transport of goods is 189.7t. Almost 94 % of our goods are shipped by either sea, train, or truck. Sea is the most efficient in respect of carbon emission, but trains and trucks are also means of transportation with considerably lower carbon emissions than air freight. The focus in the transport industry is primarily to introduce new technologies to reduce the use of fossil fuels. Where possible, we will support this development by moving shipments to ships and trucks driven by non-fossil fuel. The remaining 6 % is primarily samples used in the design process and our sales collections. We will continuously work on new initiatives to reduce the need for shipping samples by courier. It goes for both the design and the sale process. An important part of this is incorporating digital tools into all processes.

From the warehouse to our customers and consumers, all outbound transportation was done using a truck. We primarily use GLS for all outbound transportation. They are certified in accordance with ISO 9001:2015 and ISO 14001:2015.

TRANSPORTATION INBOUND



# Packaging

Packaging is a necessary evil. While we would love to avoid it altogether to save plastic and paper, our priority will always be to protect our garments during storage and transportation. If not, we risk a brand-new product being destroyed before it even reaches its first wardrobe.

In 2021, we used approximately 19,900 kilos of paper and cardboard on our products. That includes hangtags, top cards, shoe boxes, and similar. For our polybags and similar, we used approximately 21,200 kilos of plastic.

We continuously work with our suppliers and warehouse provider on lowering the use of packaging. So far, we have not yet been able to find a substitute for the use of plastic polybags. In Germany, we are working with the Der Grüne Punkt on lowering the environmental impact of our packaging.

All packaging used to ship our products to our customers is made from FSC-certified cardboard. In 2021, we used a total of 70,841.4 kilos of cardboard for the packaging of our products for shipping. We are continuously working on increasing the number of units per box to reduce the amount of packaging used.

## PACKAGING FOR PRODUCTS PRIOR TO WAREHOUSE

Packaging Type	Kilos
Paper and cardboard	approx. 19,900
Plastic	approx. 21,200
Other materials	approx. 2,600

## CARDBOARD PRODUCTS USED AT WAREHOUSE

Cardboard product	Pieces	Weight a piece (kg)	Total
For hanging garments	434	1,65	716,1
80x50x50 cm	4,555	1,75	7,971.25
80x50x30 cm	10,307	1,15	11,853.05
60x40x40 cm	35,955	0,9	32.359.5
60x40x20 cm	28,088	0,5	14,044
40x30x20 cm	9,719	0,25	2,429.75
Flip lid box	5,871	0,25	1,467.75
<b>Total</b>	<b>94,929</b>		<b>70,841.4</b>

**BY 2023 MOS MOSH WILL LAUNCH OUR NEW PACKAGING, DESIGNED ON THE FOLLOWING PRINCIPLES:**

1. Prioritising recycled or mono-materials to support a higher recycling quality of raw materials.
2. Prioritising packaging designed for reusability.
3. Prioritising a reduction of total packaging consumption by up to 50 % per garment measured in weight.
4. Prioritising that all wood-based fiber packaging, such as hangtags, cardboard, boxes, etc., must be FSC or similar certified.
5. Prioritising that all plastic-based packing must be made from recycled plastic.
6. Prioritising that all packaging materials should be separable, when possible, for easy recyclability.

By 2025, MOS MOSH will have phased out all single-use virgin plastic wherever possible.

By 2025, all MOS MOSH packaging will be reusable, recyclable, or compostable.

Every other year we will revisit our packaging strategy goals to expand the scope.

The strategy applies to all inbound and outbound packages sent to consumers, suppliers, customers, or our warehouse.

# Resource use at headquarters

## HEAT

We used approximately 125 MWh to heat our offices in 2021. Our offices are heated using district heating supplied by TREFOR Varme. TREFOR Varme discloses that 1/3 of the heat comes from residual heat, 1/3 is from waste incineration, and 1/3 is from biomass incineration. A section of our offices has recently been renovated and optimised for energy efficiency. Another section is planned to have the roof renovated to increase energy efficiency. However, this has yet to be approved by the owner of the facilities.

## ELECTRICITY

Our offices used 35,000 kWh of electricity in 2021. As we do not have electric heating, the electricity use is solely related to lighting and the powering of workstations. The average electricity use of our employees was 729 kWh per employee. We aim to lower the average use per employee by 5% by 2023 and another 5% by 2024. We are expecting to move into a new domicile in 2025, which will be optimised for premium energy efficiency using the available technology.

## WATER

We use a relatively small amount of water at our headquarters, mainly for drinking, cleaning and toilet facilities. Therefore, we do not have any optimisation initiatives planned in this area.

RESOURCE USE AT HEADQUARTERS		
Resource	Usage	Unit
Heat	125	Mwh
Electricity	35,000	Kwh
Water	130	m <sup>3</sup>

# Waste at headquarters

In 2021, we sorted our waste into two categories: paper/cardboard and residual waste.

We disposed approximately of 1,600 kilos of paper/cardboard waste in 2021. We had an additional 7,400 kilos of residual waste. In 2022 we will expand the sorting categories to include biowaste, plastic, and metal. This is to reduce the amount of residual waste by 25% by 2023.

WASTE AT HEADQUARTERS	
Waste type	Kilos
Paper/cardboard	1,600
Residual waste	7,400
<b>Total</b>	<b>9,000</b>



# Company vehicles

At MOS MOSH, we had 11 company vehicles in 2021. Six cars for private use and 5 vans for practical purposes. Of the six private vehicles, four are hybrid, and a fifth is planned to be switched to an electric car in 2022.

We aim only to purchase electric company vehicles as long as the circumstances surrounding the intended use allow it. To help this along, we are planning to install charging stations at the parking lot of our headquarters.

# Travelling

In 2021, employees at MOS MOSH made 32 roundtrips by airplane on behalf of the company. All trips were within Europe. This totalled 73,586 kilometres covered by plane. Approximately 2/3 of the trips were to suppliers and 1/3 to customers.

We do not expect to reduce these numbers in 2022, as they are low compared to regular levels because of the travelling complications related to the COVID-19 pandemic.

MOS MOSH has the ambition to offset 100% of the emissions related to our travels by air in 2022. This is either at the point of purchase at the respective carrier or through payment to carbon offsetting schemes. To enable this, we will be conducting detailed calculations of the emissions related to company air travel.

## COMPANY VEHICLES

Vehicle	For private use	Company use
Hybrid	4	0
Electric	0	0
Fossil-fuelled	2	5
<b>Total</b>	<b>6</b>	<b>5</b>

## TRAVELS BY AIR IN 2021

Travelling	Amount
Roundtrips	32
Kilometres	73,586



# Governance

Good governance is a keystone to successful responsibility management. A proactive and well-structured effort is a determinant factor in our continuous improvement and development. With the right people, the right knowledge, due diligence, and transparent and respectful cooperation with our suppliers, we take responsibility for our impact every day.



# Working with sustainability

To MOS MOSH, it is not a goal to increase the size of our ESG team. Instead, we wish that all employees implement ESG measures in their work, directly and indirectly. This is to be achieved by continuous training and influence on culture, values, and DNA.



Our CSR Responsible, Dorthe Tørngren, is responsible for developing and implementing all ESG policies.

CEO, David Skjødt, and CFO, Anders Mølgaard, are directly involved in the process and ensure that the strategy and policies are embedded in the board of directors' work.

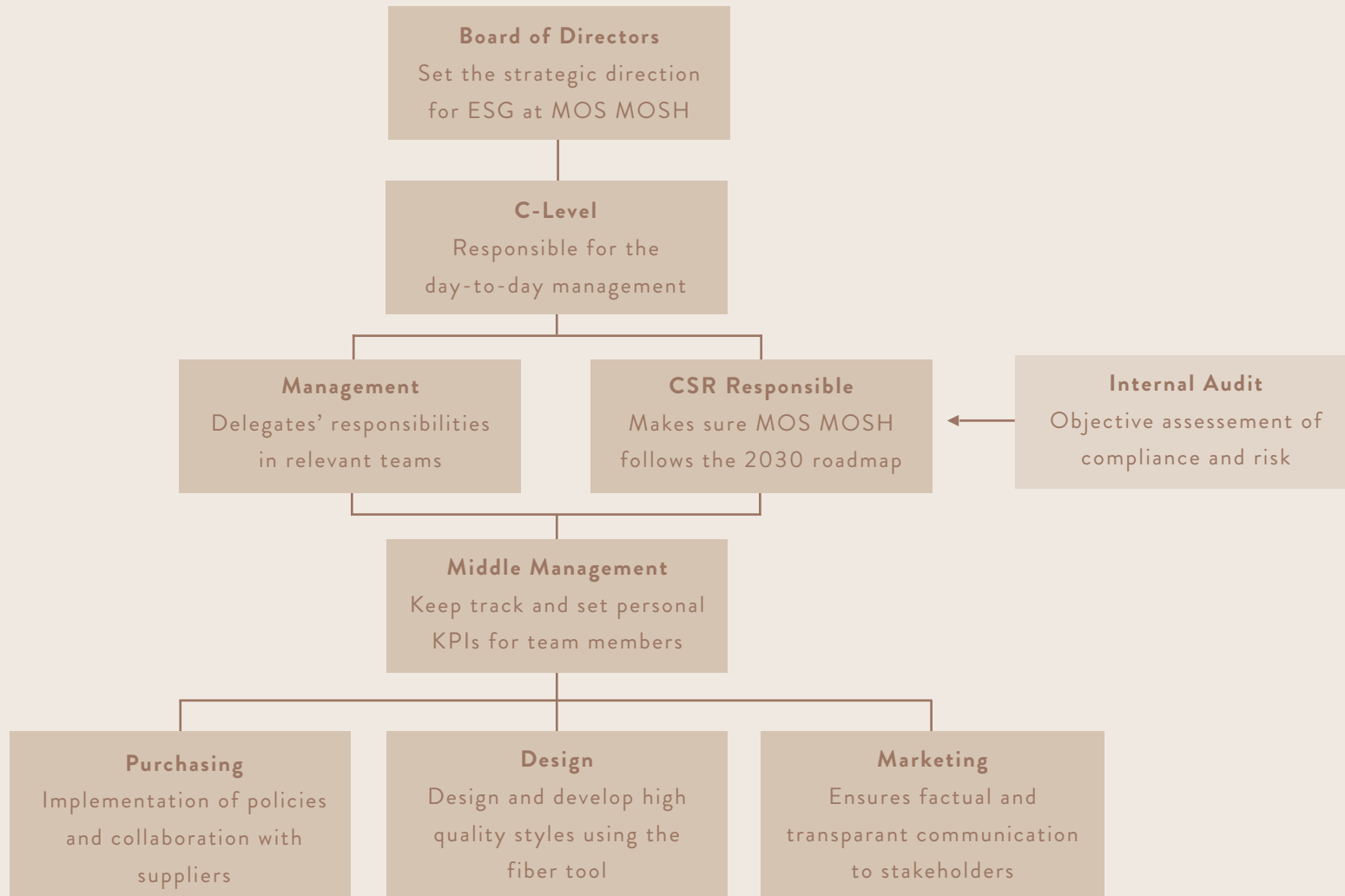
The Head of Design, Loise Læborg Madsen, is responsible for implementing the policies in the design process.

## SUSTAINABILITY TRAINING

As an organisation certified according to GOTS, GRS, RWS, RAS, RMS, and RDS, we have procedures and standards that must be upheld.

In the spring of 2021, the most relevant employees received training in these procedures. In spring 2022, all internal employees at our headquarters, as well as our external sales team, will receive training in the work with certified styles and how the certification relates to their specific line of responsibilities.

# Governance model



# Whistle-blower policy

Properness is a core value at MOS MOSH. If employees experience conditions that conflict with propriety, they are encouraged to talk to their immediate manager or the management. Issues include, but are not limited to, discrimination based on gender, skin color, religion, nationality, age, or otherwise. It can also be fraud, sexual harassment, discrimination, corruption, or bullying.

If employees want anonymity, they can use the MOS MOSH whistle-blower scheme by handing in a letter in the company's mailbox addressed to "CEO David Skjødt" - marked "CONFIDENTIAL." Hereafter, the issue will be handled by relevant parties.

If employees want to bypass the MOS MOSH management, we encourage our employees to contact "Datatilsynet" via "whistleblower.dk". Alternatively, the employees can contact their Union. If this is not an option, we suggest that employees contact "Arbejdstilsynets" hotline. "Arbejdstilsynet's" hotline provides advice and guidance on discrimination, bullying, and harassment in the workplace. Employees can contact the hotline on tel. 7022 1280. When employees contact the hotline, they are anonymous.

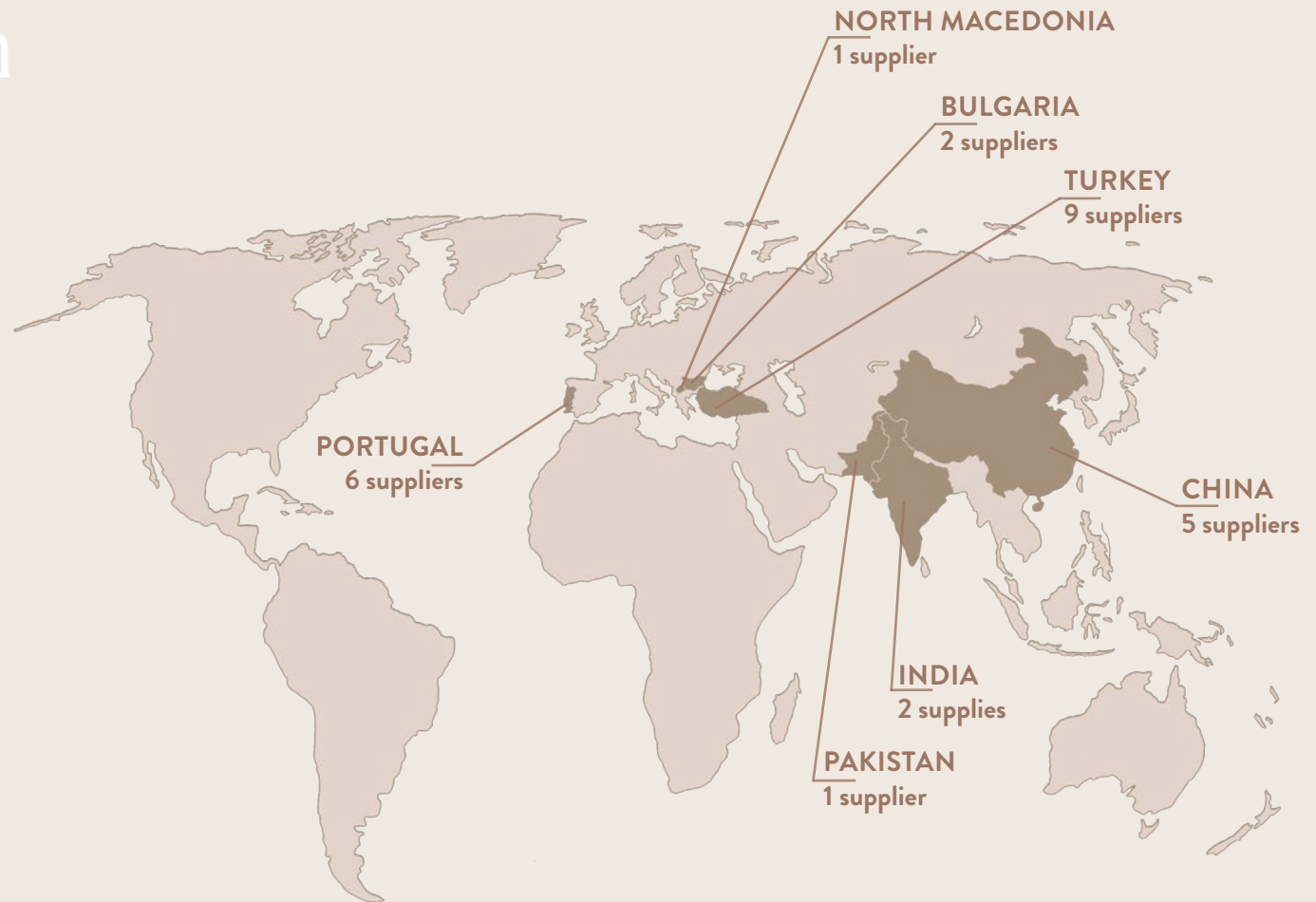


# Supply chain

Our suppliers are key partners in our success in becoming a more responsible company. Our business is their business, and their business is our business. So, it has always been extremely important that we carefully select our suppliers and maintain healthy and close relationships with them, characterized by respect, transparency, and shared values.

We are proud to have such a big part of our products produced in Europe. It reduces our emissions to transport and makes it easier for us to visit suppliers and inspect their facilities.

Today, 69% of our suppliers are located in Europe, with Turkey and Portugal being our largest and second-largest production countries, respectively. The remaining 31% of our suppliers are located in Asia.



EUROPE	ASIA
69%	31%

## A word with Tina Fuglsang-Poulsen

*Purchasing Manager*

“Sustainability efforts can often be small changes, such as using responsible yarn without being able to announce it on a hangtag because we believe small steps also make a difference. When we develop certified garments, the purchasing department is responsible for ensuring that all necessary certification documentation is correct.

We currently face challenges in delivery time and minimum quantities, which are very high due to huge demands from the market. Therefore, we try to make several styles from the same fiber to achieve the minimum order quantity. On top of that, the certified yarn has a higher price than the conventional equivalent. Nevertheless, we work hard to overcome the challenges every day as we wish to become a more responsible version of our business.”



# Due diligence

As a fashion company, we are part of a long value chain. We directly and indirectly, influence social and environmental conditions throughout the value chain. These influences may be positive as well as negative.

Our due diligence process is the combination of our systematic processes and procedures set out to take responsibility for any risks of adverse impacts and the potential consequences if these risks turn into reality.

Through our due diligence process, we identify these risks and take action to prevent and remediate them wherever necessary and possible.

Our due diligence process was developed in 2021 but is set to be fully implemented in 2022.



# Policies

To minimise negative impact, we implement numerous policies in our organisation and supply chain. We require all suppliers to read and sign them. If there is any content in the policies they do not understand, we make ourselves available for further explanation.

## MOS MOSH HAS THE FOLLOWING EXTERNAL POLICIES:

- Code of Conduct
- Chemical Policy
- Animal Welfare Policy
- Child Labour Policy
- Anti-Corruption Policy
- Ethical Sourcing Requirements

We have still yet to collect the final signatures on our social and chemical policies from 11 and 8 suppliers, respectively. We expect to have all policies signed by all suppliers in the second quarter of 2022.

POLICIES SIGNED BY SUPPLIERS		
Policy	Suppliers signed	Share of total
Code of Conduct	18	69%
Chemical Policy	15	58%
Animal Welfare Policy	18	69%
Child Labour Policy	18	69%
Anti-Corruption Policy	18	69%
Ethical Sourcing Requirements	18	69%

# Segmentation of suppliers

We have segmented our 26 tier 1 suppliers based on their importance to us.

In 2021 we had 26 active tier 1 suppliers. 8 of these were A-suppliers, meaning they are our most important suppliers. 6 were B-suppliers, and 12 were C-suppliers.

SUPPLIER SEGMENTATION	
Segment	Suppliers
A	8
B	6
C	12

# Risk assessment

Based on the segmentation, we conducted a risk assessment. Our risk assessment shows us how we should prioritize our efforts and attention among our tier 1 suppliers.

When we conduct a risk assessment, we take these five aspects into consideration:

1. Their segmentation
2. Their country of production and issues in that country
3. The product type they produce for us
4. Any CSR related efforts such as a certification or membership of BSCI or similar
5. Organisational proximity, i.e., whether we work with them directly or through an agent

Based on the most recently conducted risk assessment, we will be focusing on our high-risk A-suppliers and see what we can do to move them into the medium and low-risk categories. Second, we will be looking into our high-risk C-suppliers and see what we can do to help move them to a lower risk category and, if not, whether they should be replaced or removed from our supply chain altogether.

SUPPLIER RISK ASSESSMENT			
Risk Category	A-Suppliers	B-Suppliers	C-Suppliers
High risk	37,50%	16,67%	41,67%
Medium risk	37,50%	50,00%	25,00%
Low risk	25,00%	33,33%	33,33%



# Audit Program

In 2021 we relied on the audit reports conducted by third-party organisations concerning our suppliers' different certifications.

In 2022 our new audit program will be implemented.

## A-SUPPLIERS

- MOS MOSH expects all our A-suppliers to provide us with a copy of the report from their social audit performed by a third-party institute.
- The social audit can be performed by SMETA, BSCI, or similar.
- MOS MOSH expects a social audit to be performed annually.
- All A-suppliers must sign the MOS MOSH Code of Conduct.

## B-SUPPLIERS

- MOS MOSH prefers all B-suppliers to provide us with a copy of the report from their social audit performed by a third-party institute (see A-suppliers for more info).
- Alternatively, B-suppliers must perform a self-assessment on an annual basis. The self-assessment must comply with the MOS MOSH Code of Conduct /CoC. Annually, immediately after the self-assessment, B-suppliers must send a copy of the report to the CSR Responsible at MOS MOSH. The report must include pictures.
- All B-suppliers must sign the MOS MOSH Code of Conduct.

## C-SUPPLIERS

- MOS MOSH prefers all C-suppliers to provide us with a copy of the report from their social audit performed by a third-party institute (see A-suppliers for more info).
- All C-suppliers must sign the MOS MOSH Code of Conduct.

## ALTERNATIVES:

- Every second year MOS MOSH HQ aims to visit all C-suppliers to perform a social audit in accordance with the MOS MOSH Code of Conduct / CoC.
- Years when MOS MOSH does not perform an audit, all C-suppliers must perform a self-assessment. The self-assessment must comply with the MOS MOSH Code of Conduct. Annually, immediately after the self-assessment, C-suppliers must send a copy of the report to the CSR Responsible at MOS MOSH. The report must include pictures.
- C-suppliers represented by an agent: the agent will do an annual audit.



## Remediation

We did not witness any breaches of our social policies in 2021, and there was no need for any remediation. Yet, factories audited against a certification standard were given a limited time frame to correct any non-compliances found during the audit.

## Follow up

We have not had the opportunity to follow up on our policies and remediation in person because of COVID-19. We expect to do this in the second quarter of 2022. All factories with non-conformities during an audit in relation to their certification received a follow-up from the certification body.

Thank you for reading the MOS MOSH 2021 ESG report

We welcome any feedback.

If you wish to stay updated on our ESG efforts, follow us on social media.

To learn more about our products, visit [mosmosh.com](https://mosmosh.com).

**MOS MOSH**