

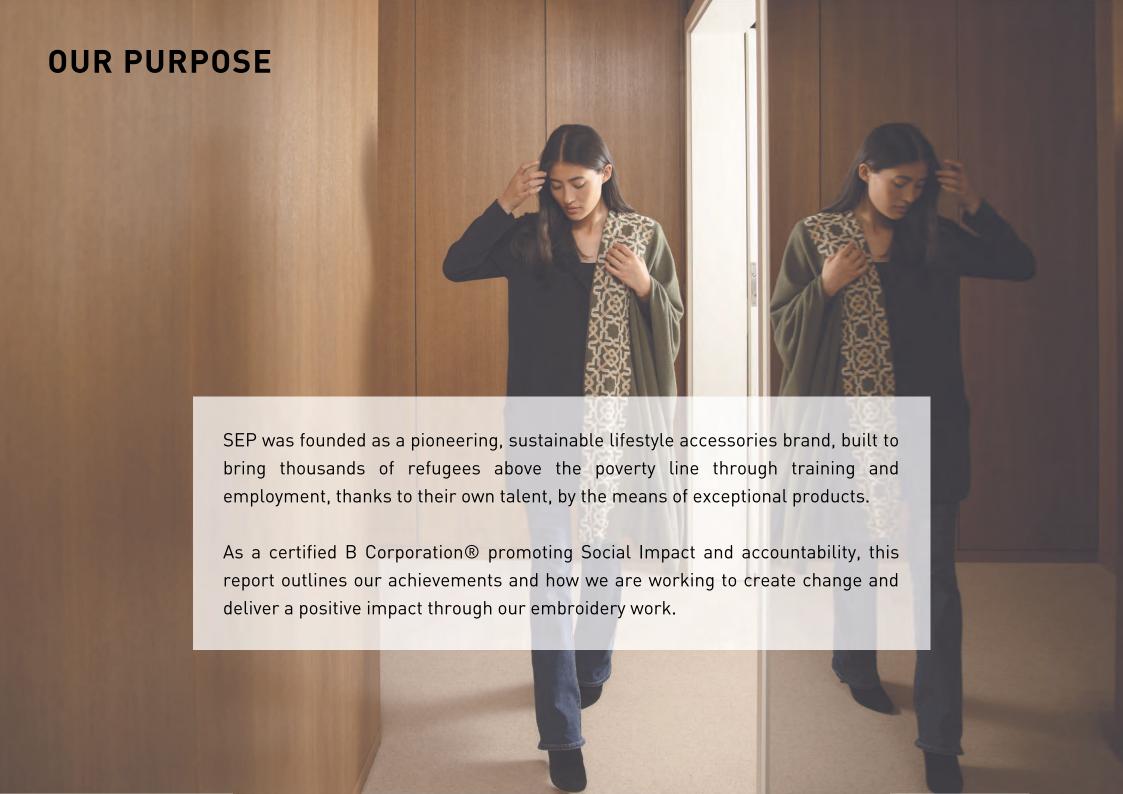
TABLE OF CONTENTS

OUR PURPOSE	5
2021 MILESTONES	15
LIFE IN JERASH CAMP	27
TESTIMONIALS	39
SEP ACTIVITIES	55
IMPACT ON SEP ARTISTS	65
2022 TARGETS	77
SEP SUSTAINABILITY POLICIES	91



"The inspiration behind SEP Jordan was to transform fashion by introducing a brand that sells unique stories. The stories of artists who are refugees and who create the SEP accessories and give them meaning"

Roberta Ventura, SEP Founder Harper's Bazaar Arabia



LETTER FROM THE CEO

Dear Friends,

The Social Enterprise Project (SEP) idea was born in 2013, when I visited Jerash Camp in Jordan. Everywhere I looked I saw people taking impossible strides just to earn the bare minimum.

Everyone I had the opportunity to speak with told stories steeped in history, geography, identity, resilience, and survival. I was inspired by these stories to try to generate a positive social impact within refugee communities.

When SEP Jordan was created in 2014, we were the first private company established in Jerash Camp, working with the camp residents as colleagues, on a peer-to-peer level.

Fast forward to 2022: we have come a long way as a team and can measure clear improvements in the quality of life for over 600 SEP Artists. France5 "Echappées Belles" visited Jerash Camp and interviewed SEP Embroidery Artist Haleema, who shared her compelling story, representing the first time a Jerash Camp success story was featured as part of a mainstream documentary about Jordan. We see this as an important milestone in the process of changing the perception of refugees globally.

The main challenges we faced in 2021 were increasing raw materials and shipping costs, a very slow vaccine pick-up at the Camp, mainstreaming the use of mobile wallets, and the complex red tape that led to a delay in the opening of our Cultural Center. While there is not much we can do in the face of rising costs, we took measures to cope with the other challenges.

- COVID-19 vaccines. As a Jordanian company, we cannot allow any non-vaccinated individual to enter our workshop premises. A series of incentives has been put in place to convince the SEP Artists to get vaccinated and we are starting the year with only 165 vaccinated Artists.
- Mobile wallets. Step 1 of the digitalisation of the local economy was to move all SEP payments to Artists and employees to a mobile wallet. Step 2 is more complicated. In partnership with Orange Money, we are working hard to make it easier for SEP Artists to access and use their wallets.

 The SEP Collins Cultural Center. In 2021, the Center suffered a set-back due to red tape. We are now focused on finding solutions that will allow us to provide services to the Artists' children as soon as possible. Once open, the Center will provide multi-faceted enrichment and learning programs, for example pre-school for under-5's, after-school support for primary and secondary school students, and more.

As always, we will keep a strong focus on becoming a global household brand, with every one of those households taking pride in the difference that they make in the SEP Artists' lives.

With more flagship stores on the horizon, the SEP Jordan community could not be prouder of the impact we're having, and could not be more excited for what we will accomplish in the coming years.

As a B Corporation we will keep using business as a force for good, along with all the other B Corps globally, thanks to you, our Brand Ambassadors!

Wishing You a Happy, Healthy and Serene 2022,

Roberta Ventura, CEO, SEP Jordan



OUR PURPOSE

SEP Jordan works with Palestinian and Syrian refugees, as well as Jordanian embroidery Artists. The Artists live and work in and around the Jerash Camp area, located in the north of Jordan.



The SEP Artists, who embroider each SEP product by hand, are masters of cross-stitching.

Since SEP Jordan's creation in 2013, the brand has grown to work with over 600 female Artists, age 18 to 56.

Through employment, SEP Jordan champions a Social Enterprise business model based on the idea of every employee being essential to the success of the story, working amongst a team to improve the community. The traditional humanitarian aid "donor versus recipient" relationship is not part of the model.





SUSTAINABLE GALS DEVELOPMENT

In addition to being social-impact minded, business focused, and cross-cultural, SEP Jordan is proud to be an eco-mindful brand. SEP Jordan is focused on advancing the UN's Sustainable Development Goals, specifically:















ANNA LAPPE



EVERY SEP PIECE IS UNIQUE, STANDS OUT FROM THE **CROWD AND REMINDS YOU** THAT YOU ARE MAKING A DIFFERENCE

SEP

JORDAN





THE SEP SCENT IDENTITY

SEP designs have always enchanted the eyes and invited a mindful touch. We believe a brand like SEP should also offer an olfactory journey to Jerash Camp which is why we teamed up with Integra Fragrances to create a tailor-made scent identity that embodies our brand's values, imagery, and ethical mission.

In parallel, diving deep into SEP Jordan's universe, philosophy and style, Integra analysed Jordan's scented raw materials and collaborated with SEP artists to get insights into their personal olfactive memories: the smell of coffee, kabsa spices, incense, cumin, and cardamom; the mouth-watering smell of freshly baked bread and the sweet smell of a newborn baby, the smell of dust when it rains and the unique perfume of the SEP workshop. The result:

CUMIN & MYRRH STORIES





18



THE SUSTAINABLE BRAND PLATFORM RATING

SUSTAINABLE BRAND PLATFORM is the sustainable ID card for fashion brands. SBP assists brands as they evaluate and communicate their sustainability performance, guaranteed by blockchain technology. All information provided by brands, suppliers and partners is blocked using the smart contract created by Idee Brand Platform and developed on a private blockchain (Powered by Mangrovia).

We are proud of the 5 out of 6 rating achieved in 2021 and we will keep working to further improve our sustainability profile, with the help of our suppliers and consultants.

#ForAMoreSustainableFashionWorld



READ MORE ≫

19

20

THE ALPINA GSTAAD PARTNERSHIP

The Alpina Gstaad and SEP announced their partnership in 2020 and continued to collaborate in 2021. This partnership further demonstrates the Alpina Gstaad commitment to philanthropy, sustainability and social impact.

With the SEP collaboration, The Alpina Gstaad fully supports 6 out of the 17 Sustainable Development Goals (SDGs) that drive SEP Jordan: from reducing inequality and poverty, to supporting economic growth and responsible consumption.

"We are delighted to partner with SEP Jordan, which further underlines our commitment to supporting companies and individuals who prioritise making a social impact. We are proud that The Alpina Gstaad can act as a platform, which enables us to introduce our guests to new experiences and create an awareness for Social Development projects"

Tim Weiland, The Alpina Gstaad General Manager



B CORP CERTIFICATION ANNIVERSARY

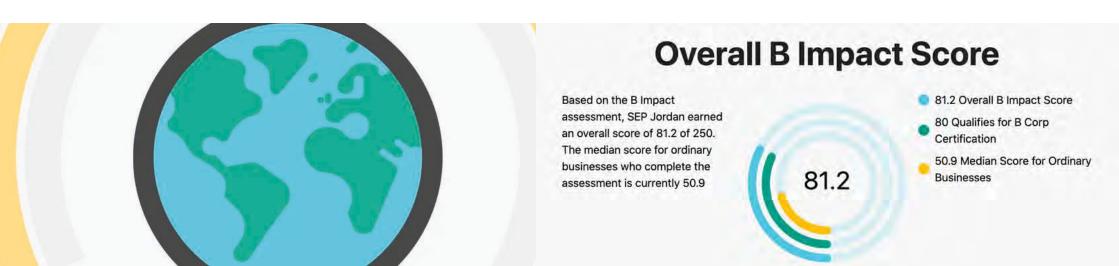
Using business as a force for good.

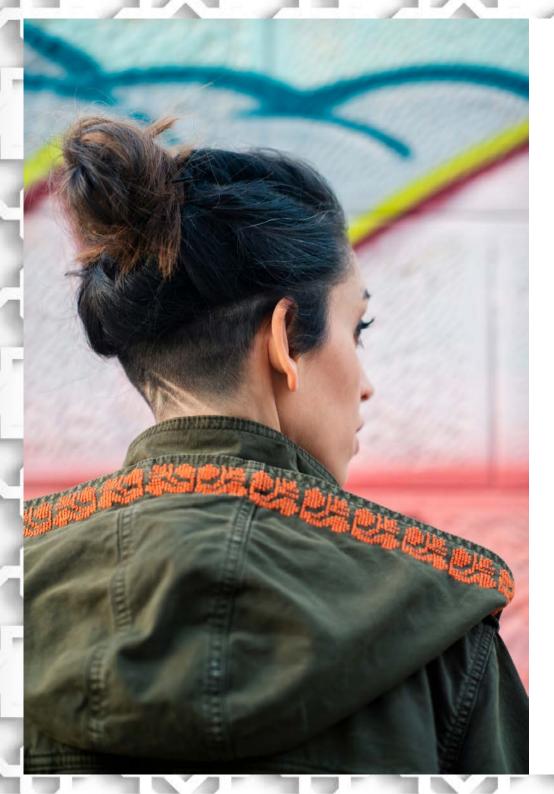
Being a certified B Corporation is a source of pride for us: we are part of a global movement of like-minded businesses pushing for change. Being part of the B Corp community means we are morally and legally committed to prioritising our responsibility to society and the environment, standing shoulder to shoulder with others who share our values, learning from each other and collaborating to do things the right way.

What does the B certification mean to SEP?

- B Corp Certification is a high standard that keeps us accountable to our stated values as a company. It is easy to say we care about social equality, human rights and refugees, but the certification forces us to measure the actual ongoing impact.
- We want our customers to know for which brand they're becoming Brand Ambassadors: we often select the brands we buy based on a sense of shared values, so it's important for people to know what we stand for.
- We hope to see more businesses in the world that balance profit and purpose. In our experience, the best way to catalyse that sort of change is to model it for others to see.







WHAT IF YOUR CLOTHES WERE A STATEMENT?

SEP

JORDAN





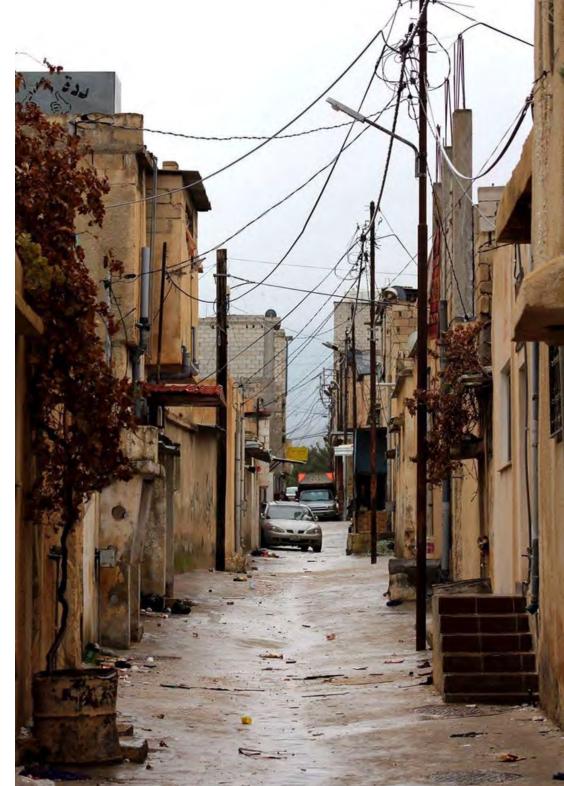
LIFE IN JERASH CAMP

While one can read stories about refugee camps in the news, very few people have any idea what life in a camp actually looks like. Every camp is different but most face similar challenges in meeting basic human needs and rights.

SEP Jordan started operations in 2014 in partnership with the residents of Jerash Camp and in 2018 started a pilot program with Syrian artists in Azraq Camp, with UNHCR's MADE51. By the end of 2021, most of the 600 SEP Artists were Jerash Camp residents.

Jerash Camp, locally known as Gaza Camp, was established in 1968 and was intended as a non-permanent emergency response, following the 1967 war in Gaza. In 1968, 11,500 people moved into Jerash Camp. Today there are over 50,000 refugees living in and around Jerash Camp.

Of the 13 Palestinian refugee camps in Jordan, Jerash Camp is one of the most densely populated and impoverished. At just 6%, it has the lowest percentage of refugees with Jordanian citizenship. The other 94% of residents have no legal citizenship, possessing only two-year, renewable, temporary passports. Consequently, these refugees cannot purchase land, do not qualify for health insurance, and cannot enter public sector employment. There are disparities in many aspects of these refugees' lives from low quality and availability of employment and education to shockingly high rates of clinical depression. (Source: Tiltnes & Zheng, 2014).



LIFE IN JERASH CAMP



HOUSEHOLD

The original camp of 2,000 shelters was built from 1968 to 1971, and although there have been massive improvements, many structures still have corrugated zinc and asbestos sheets - materials known to cause cancer. The United Nations Relief Works Agency (UNRWA) estimates that approximately 75% of the homes that people inhabit in Jerash Camp have serious structural problems that make them unsuitable for habitation. Of these homes in the camp, 81% of residents claim full ownership, but the land the camp is built on is owned or rented by the Jordanian government and does not have any deeds available for refugees. On average, each resident of Jerash Camp has 18 square metres of floor area in their home, only 2.8 rooms, and 17% of households have nine or more members. Households in Jerash Camp often include three generations of a family, fostering a repetitive culture of heavy dependency burden, as relatively young adults are relied upon to care for both children and aging parents. Over half of the population in Jerash Camp is under the age of 19, and many families struggle to provide their children with adequate food and education (Tiltnes & Zhang, 2013). Based on a questionnaire created by Arab Women's Enterprise Fund (AWEF) for 50 SEP Jordan women in 2019, 50% of SEP Jordan Jerash Camp households have six to nine people inhabiting them. Based on the same questionnaire, 86% of SEP Jordan women found it to be "exactly true" that their community "expects women to be responsible for [their] children, even if they work" (Arab Women's Enterprise Fund, 2018).



There are four schools set up in Jerash Camp by UNRWA that run double-shifts of 1,200 students (ages 5-16) each day, with over 45 students in each classroom. Due to overcrowding and lack of resources, most of the students are learning at a level far below their age. It is not atypical in these schools for a classroom of ten-year-old students to have trouble reading and recognising words when written in Arabic. Often, students are forced to drop out once they become teenagers to work and help support their families. Education is only provided for free through age 16 (grade 9), meaning many students never achieve a high school diploma. Because they are not citizens of Jordan, Jerash Camp residents that do manage to apply to university are charged expensive foreigner fees, making higher education a nearly impossible goal. Another consequence of limited educational resources is lack of access to technology. With virtually non-existent computer literacy, few students can expect to succeed in higher education.





EMPLOYMENT

For refugees without citizenship, employment opportunities are limited. Refugees cannot work for the government, Jordan's primary employer. They are also barred from many professions including law, agriculture, engineering, and healthcare, regardless of what level of education they may have received. Residents are allowed to open small businesses of their own within Jerash camp. However, they must have a Jordanian partner to do business outside of the camp. Employment rates, particularly among skilled youth, are low making it very difficult for younger generations to work and support families above the poverty line. There are even fewer employment opportunities for women and disabled people. When women do find employment, they often run into trouble convincing their husbands to allow them to work. Based on AWEF's aforementioned questionnaire: only 40% of SEP Jordan Artists indicated that they "strongly agree" that "a woman has the freedom to choose the type of work she'd like to get involved in".

Around 92% of SEP Jordan Artists said that it was "exactly true" that "when there are important decisions to be made in the family, it is expected that the husband should make the final decision".

Nearly 70% of SEP Jordan Artists agree that "women are expected to be able to work outside the home if [they want] to" (Arab Women's Enterprise Fund, 2018).



Of the 13 Palestinian refugee camps in Jordan, Jerash Camp possesses the highest proportion of refugees without Jordanian citizenship. Due to low citizenship rates, Jerash Camp is the poorest camp with 52.7% of residents earning below the national poverty line. When these refugees interact with the Jordanian government, they are treated as Arab foreigners, as exemplified through their higher tax rates.

Due to the low levels of education and governmental oversight, refugees have easily fallen prey to predatory micro-financing schemes, where they will accept loans to cover immediate debt, which they are later unable to pay off. These schemes have resulted in the jailing of micro-loan recipients, in an attempt to collect the debt owed. Once imprisoned, it becomes even harder for these refugees to work, making it more difficult to pay back predatory loans. This cycle is one of the many factors responsible for systematic poverty within the camps.

The majority of refugees in Jerash Camp cannot receive aid from the Jordanian National Aid Fund, the national poverty support, because they are not Jordanian citizens. Many have become heavily dependent on UNRWA's support. Additionally, UNCHR provides one in five Syrian refugees with cash assistance to cover essential costs.

BEHIND EVERY SEP PIECE IS CULTURE, CIRCUMSTANCE AND ENVIRONMENT.

LIFE IN JERASH CAMP



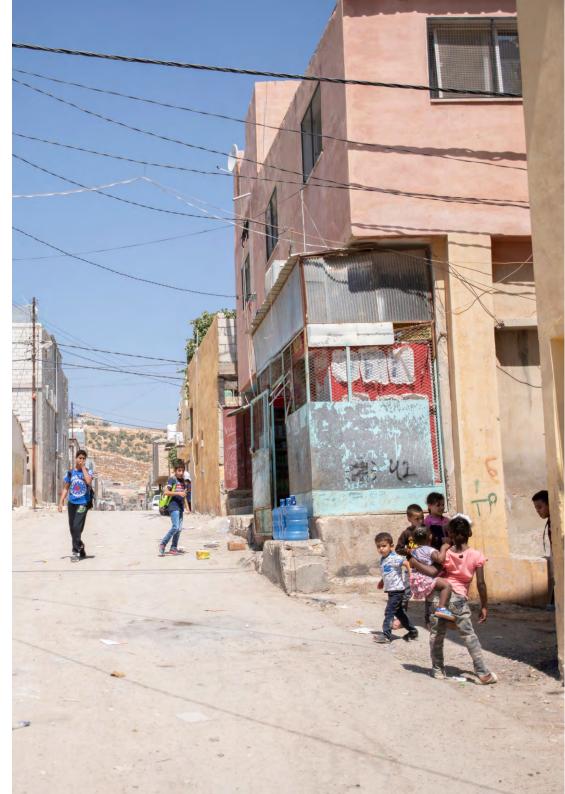
HEALTHCARE

While UNRWA tries to provide healthcare for the Camp, there is currently only one health center providing primary healthcare services. There are no locations or resources providing secondary or tertiary healthcare.

"Of the 13 Palestinian refugee camps, Jerash Camp has the lowest health care coverage, with 88% of refugees uninsured. UNRWA is working to spread health awareness and combat environmental conditions that promote the spread of disease."

Due to the circumstances listed above, clinical depression has become a commonly diagnosed illness, which will be discussed in more detail later in this report.

EVERY SEP PIECE IS UNIQUE, STANDS OUT FROM THE CROWD AND REMINDS YOU THAT YOU ARE MAKING A DIFFERENCE.





WHATEVER YOUR STORY, BEAUTY IS IN WHAT YOU STAND FOR WITHOUT HESITATION

SEP

JORDAN





FRANCE 5 "ÉCHAPPÉES BELLES" IN JERASH CAMP

We find that the best way to express the Social Impact of SEP in Jerash Camp is to listen to Haleema's interview with France5's Échappées Belles, first aired in December 2021. In the 3:50min long visit to the camp (starts min 32:31), you will learn a lot about the Camp and our work there, as well as practice your French...



These 5 amazing interviews by Emmy Plaschy will bring you to Jerash and introduce 5 key members of the SEP Team at the Camp: Asma, Fatima, Hiba, Khadeejeh, Haleema. Hear from them directly as they speak about their lives, worries and hopes for the future.

MEET THE SEP ARTIST SERIES - 1. THE STORY OF ASMA



MEET THE SEP ARTIST SERIES - 2. THE STORY OF FATIMA



MEET THE SEP ARTIST SERIES - 3. THE STORY OF HIBA



MEET THE SEP ARTIST SERIES - 4. THE STORY OF KHADEEJEH



MEET THE SEP ARTIST SERIES - 5. THE STORY OF HALEEMA





MODERN PIECES FROM OVER A THOUSAND YEARS AGO

SEP

JORDAN





SOCIAL IMPACT ACTIVITIES

Every year SEP Jordan offers a variety of social impact activities to SEP Artists and their families.

Programs such as Embroidery Training at the SEP-Tamari Foundation Academy have been ongoing for several years, along with pop-up educational workshops and activities.

SEP is fortunate to partner with many key organizations including the Tamari Foundation, UNICEF, The Little Alchemist and Paramedic Society. Moreover, we work with individuals such as Laurence Collins, Mary Nazzal Batayneh and many others as they share their time, resources and/or expertise to the SEP Jordan community. SEP and our partners host classes in first aid, art, and many other activities. Support for domestic violence survivors is also provided. Activities are not just offered to Artists and their children, but to others within the community as well.

In 2022, we plan to host children's activities at the new Cultural Center, situated in close proximity to the SEP Workshop and the Academy, both already located in the heart of Jerash camp.







SEP-TAMARI ACADEMY EMBROIDERY TRAINING

124 ATTENDEES IN 2021

The SEP Jordan Academy for Embroidery Training Program was founded in Jerash Camp in 2016 in partnership with the Tamari Foundation: over 600 Artists have graduated since its inception. As of 2022, SEP is taking over all costs related to the Academy, so that the Tamari Foundation can focus on new charitable opportunities.

The training program was designed to train hundreds of women in the art of embroidery, up to the highest international standards.

The SEP Academy environment is one where women who are refugees can learn about SEP Jordan's embroidery methods and patterns. SEP Jordan's cross-stitching technique is deeply rooted in the traditional Palestinian heritage, which in 2021 became part of Humanity's Heritage, according to UNESCO. SEP pattern inspiration is derived from Islamic and Moorish art, fashion trends, materials and textures, with an added touch of Italian style. Women in the training program are divided into different classrooms depending on their level of knowledge. Artists must go through in-depth quality control training before they can work on a retail or custom order. Once they graduate from the Academy, women are evaluated across three areas: accuracy, speed, and knowledge of SEP Jordan patterns.

Through the Academy, women who complete the training to become SEP Jordan Artists are then empowered to work their way out of poverty.

Huda and Hana Aradeh are the Academy's Head Teachers and every year they supervise the graduating class of 80 to 100 new SEP Artists. As SEP sales volumes grow, we plan to work with every Artist who has completed the training program.

THE JORDAN PARAMEDICS SOCIETY

11 ATTENDEES IN 2021

There are no hospitals in Jerash Camp and first aid training can make the difference between life and death during an emergency.

In 2021 the Jordan Paramedic Society trained a group of 11 Artists at the SEP-Tamari Academy. We especially value this training, as refugees have no access to healthcare-related careers, leading to a shortage of trained health workers within the community. We normally organise these classes twice per year, but COVID-19 restrictions resulted in the class being offered only once in 2021.



ENGLISH CLASSES

45 ATTENDEES IN 2021

Sumia Ahmad, Camp resident and graduate of the English Language program at the University of Jerash, teaches two groups of 20 children twice per week throughout the year.

She is a caring and qualified teacher and is proud to provide a learning opportunity much more personalised and enjoyable than the one children receive at the public school. The children are learning English through a practical approach, with arts and crafts, as well as watching movies in English on a regular basis.

In 2021 their experience was further elevated, thanks to the donation of 8 tablets by the "Jordan Project" participants at the International School of Geneva.

Interestingly, 15 SEP Artists asked to take part in adult-focused English classes, which were held on a small number of occasions, given the COVID-19 lockdown disruption. This new activity is at the top of our 2022 priorities list, once sanitary measures allow for classes to start again.



61



SOME TRY TO BE RESPONSIBLE

SEP KNOWS NO OTHER WAY

SEP

JORDAN





SEP IMPACTFUL EMPLOYMENT

SEP Jordan understands the need for more than just economic stability for their employees. Safety is also a priority, requiring that each Artist work a maximum of four hours per day to preserve the health of their eyes and hands. Work-life balance is encouraged through employees choosing their own schedule and workload via a work-from-home-welcome policy. During 2021, the Artists have been allowed at the workshop in small numbers, in line with regulations. Artist payments are now executed via mobile wallet, so no cash is handled on the premises.

The Arab Women's Enterprise Fund (AWEF) demonstrated through its survey of 50 SEP Jordan Artists that "financial gain" was the "most encouraging factor for participants" to begin working for the brand (Arab Women's Enterprise Fund, 2018). Employees can earn between \$5 to \$300 in one month, depending on the number and complexity of pieces completed.

Freelance Artists are paid a premium of 50%+ to market wage rates on a weekly basis, which provides flexibility in spending their income to meet other obligations. The Artist is paid as soon as her creation passes quality control, regardless of "if" and "when" the item is sold.

Employees are also registered with Social Security, a rarity for Jerash camp residents. Gaining legal status removes the stigma of statelessness, creates a feeling of belonging and reinforces the sense of community. Besides the economic impact, SEP Jordan is committed to creating a safe, productive, and fulfilling work environment through employment opportunities as well as social impact activities.

AWEF concluded through their qualitative baseline research and findings that the positivity of the SEP Jordan brand motivated the refugees that work with the brand. Similarly, SEP Jordan Artists felt that the brand offered a comfortable, supportive, family-like atmosphere that further elevated the advancement of Jerash Camp (Arab Women's Enterprise Fund, 2018).





ECONOMIC EMPOWERMENT

Due to the isolation of refugee camps, many refugees are unable to find employment. When they do find work, they rarely earn more than minimum wage. By 2021, SEP Jordan had provided gainful work opportunities to more than 600 Artists who happen to be refugees, mainly in Jerash Camp in Jordan. Many of the Artists have been working with SEP Jordan since it was first created in 2013.

As a result of their dedication, leadership, and skill level, long-term employees earn a multiple of minimum wage.

The affirmation and confidence the Artists feel shows itself every day when they proudly share their embroidery skills with other colleagues. The feeling of camaraderie in the workshop is palpable; all of the Artists work together, teaching and inspiring one another. They are able to bring this sense of community and pride home with them, widening the impact of the empowerment each artist feels. SEP Jordan has created an oasis of economic empowerment by allowing employees to generate income based on their own merit, and strives to extend that oasis to the broader Jerash Camp community.

DOES CHANGING THE WORLD SOUND CRAZY TO YOU? IS THAT WHY YOU WANT TO DO IT?

SOCIAL IMPACT KPI'S

From its founding, SEP has strived to meet and surpass a series of Social Impact Targets. Throughout 2020, as a result of COVID-19, SEP missed three of our quantitative and qualitative key performance indicators (KPI) targets. However, by 2021 we were back on track for all but one target. The missed KPI was related to the "minimum 200 attendees to Social Impact Activities," due to the complexity of organising indoor activities in the post-COVID world.

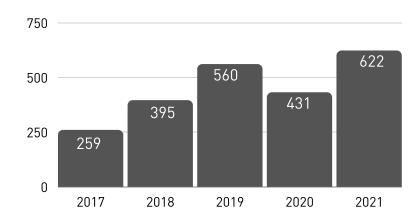
SOCIAL IMPACT TARGETS

QUANTITATIVE TARGETS

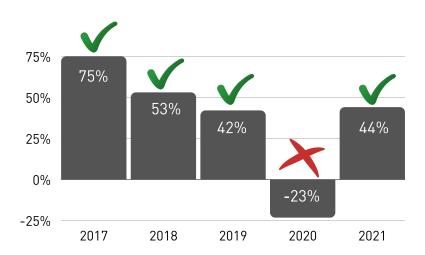
Number of Artists paid Overall amount paid to Artists & camp team Number of new Artists trained Attendees to Impact Activities Growth yoy Growth yoy Min 100 pa Min 200 pa

QUALITATIVE TARGETS

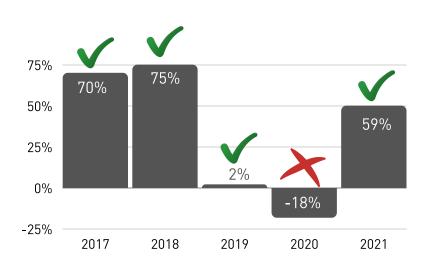
Clinical Depression Survey Reduction in Clinical Depression Symptoms Min 100 responses 70+%



Number of Artists paid



Number of Artists paid: % growth Target: growth yoy



Overall amount paid to Artists & camp team
Target: growth yoy

71 72

QUANTITATIVE KPI'S, CONTINUED



Number of new Artists trained

Target: min 100 pa



Attendees to Social Impact Activities

Target: min 200 pa

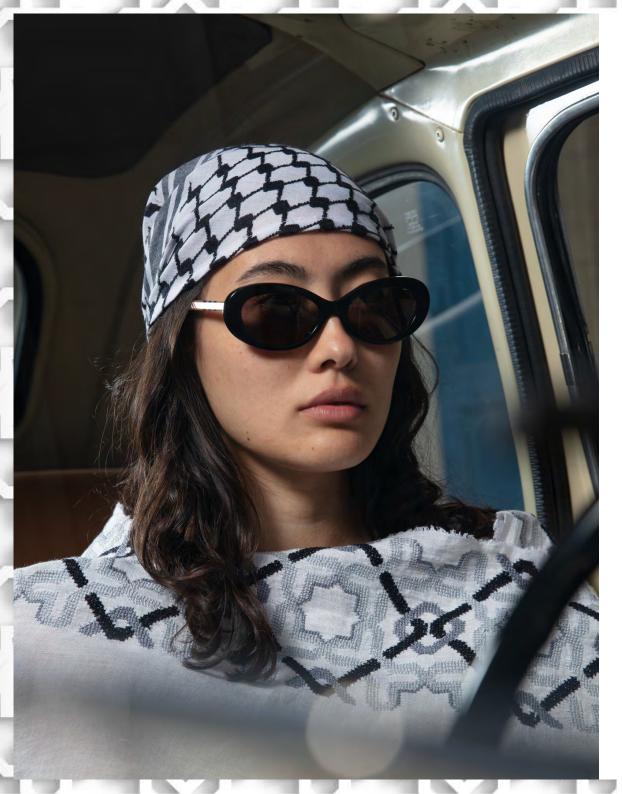
QUALITATIVE KPI'S



Clinical Depression Survey

Target: 100 responses & 70+% reduced symptoms

The regulatory requirements for COVID-19 vaccination, the shift to mobile wallet payments and the strict social distancing rules have made the life of SEP Artists more complicated, but we believe this is all for the better. In 2022, the number of Artists will decrease, due to vaccine hesitancy and resistance. We will continue to train new Artists to offset this trend.



TRADITION IS NOT OLD. TRADITION IS MODERN IDENTITY.

SEP

JORDAN





PRODUCT INNOVATION:

The SEP R&D Team is ready to launch a new version of our best-selling keffiyeh, made out of 100% cotton - it took years of trial and error to develop the perfect, most functional cotton keffiyeh, which can offer desert-climate performance, ie. guaranteed protection from both cold and heat.



NEW SEP STORES:

We are looking for the perfect locations and as soon as we are open in 3 locations during 2022, we will make it an un-missable experience, with a series of piece-unique SEP creations which will be available offline ONLY.



79

EXPANSION OF THE SEP WORKSHOP:

The SEP Workshop in Jerash camp is a place where SEP Artists and management interact, where embroidery work is allocated and quality is controlled. In 2022 we plan to expand our premises, to ensure the workshop moments are even more positive and inspiring.



CULTURAL CENTER:

Geneva-based SEP Ambassadors Laurence and Simon Collins decided to sponsor the opening and running of the first SEP Cultural Center in Jerash camp, driven by their desire to accelerate SEP's impact on the community. The evolution of red tape during 2020 brought about a large delay in the licensing process. We plan to offer SEP Artists' pre-school children engaging play opportunities in 2022, which will allow their mothers to concentrate on their work.





WE TELL OUR STORIES AND HOW YOU WEAR **THEM IS** YOUR **MESSAGE**

SEP

JORDAN





SEP & THE SDGs

In addition to being social-impact minded, business focused, and cross-cultural, SEP Jordan is proud to be an eco-mindful brand. SEP Jordan is proud to advance the UN's Sustainable Development Goals, specifically:













What is an SDG? The Sustainable Development Goals are a "blueprint to achieve a better and more sustainable future for all." They were set in 2015 by the United Nations General Assembly and intended to be achieved by the year 2030. We have 10 years to achieve them: time flies!

The 17 SDGs are integrated — that is, they recognise that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

Through the pledge to Leave No One Behind, countries have committed to fast-track progress for those furthest behind. This is why the SDGs are designed to bring the world to several life-changing 'zeros', including zero poverty, hunger, AIDS and discrimination against women and girls.

SEP Jordan was founded in 2014. It is a beautiful coincidence that our business model was designed to be not only compliant with the SDG's, but to directly advance at least 6 of the 17, with a clear and strong focus on:

SDG 1 No Poverty, SDG 3 Good Health & Wellbeing, and SDG 10 Reduced Inequalities.



SDG1: END POVERTY IN ALL ITS FORMS EVERYWHERE

Eradicating poverty in all its forms remains one of the greatest challenges facing humanity. On a global level, we have witnessed a decline in extreme poverty from 15.7% in 2010 to 10% in 2015. However, the pace of global poverty reduction has been decelerating. UN reports and statistics had estimated that the global poverty rate in 2019 is at 8.2%. However, this estimate was projected before the worldwide COVID-19 health pandemic.

The UN Statistics Report 2020 on the advancements of SDGs goals, states:

- It is evident that women are disproportionately affected by the pandemic.
- Very young workers are more likely to be systematically exposed to poverty than adults. In 2019, 12.8% of workers between the ages of 15 and 24 lived in poverty, compared with 6.3% of workers over the age of 24, with the difference between youth and adult working poverty rates decreasing only marginally since 2000.
- These disparities are likely to be exacerbated by the COVID-19 crisis, which has already led to a sharp increase in unemployment and underemployment, a decline in labour income and job-quality challenges. (UN Report 2020)

SEP & THE SDGs



SDG3 - ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES

We have made great progress against several leading causes of death and disease. Life expectancy has increased dramatically; infant and maternal mortality rates have declined, we've turned the tide on HIV and malaria deaths have halved.

Good health is essential to sustainable development and the 2030 Agenda reflects the complexity and interconnectedness of the two. It takes into account widening economic and social inequalities, rapid urbanization, threats to the climate and the environment, the continuing burden of HIV and other infectious diseases, and emerging challenges such as noncommunicable diseases. Universal health coverage will be integral to achieving SDG 3, ending poverty and reducing inequalities. Emerging global health priorities not explicitly included in the SDGs, including antimicrobial resistance, also demand action. Source: UNDP

But the world is off-track to achieve the health-related SDGs. Progress has been uneven, both between and within countries. There's a 31-year gap between the countries with the shortest and longest life expectancies. And while some countries have made impressive gains, national averages hide that many are being left behind.

SEP & THE SDGs



SDG10 - REDUCED INEQUALITIES

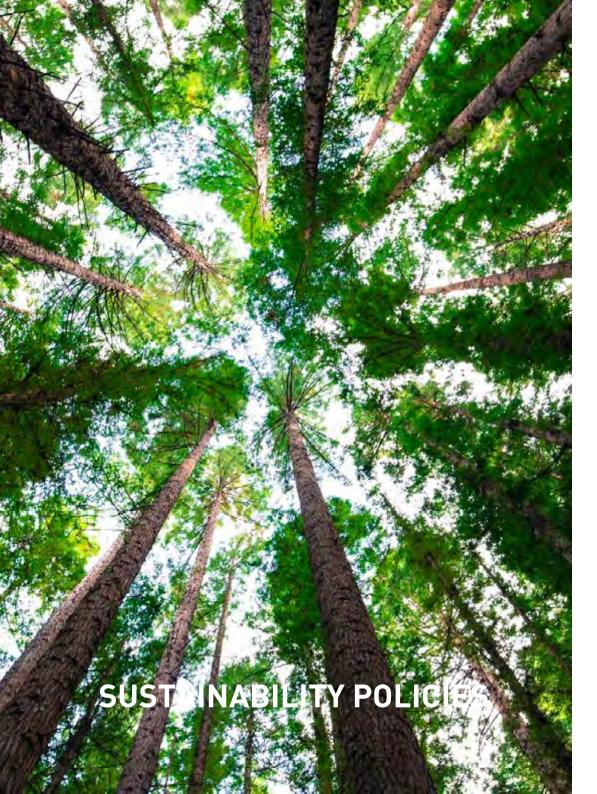
Income inequality is on the rise—the richest 10% have up to 40 percent of global income whereas the poorest 10% earn only between 2-7%. If we take into account population growth in developing countries, inequality has increased by 11%.

Income inequality has increased nearly everywhere in recent decades, but at different speeds. It's lowest in Europe and highest in the Middle East.

These widening disparities require sound policies to empower lower income earners, and to promote economic inclusion of all regardless of sex, race or ethnicity.

Income inequality requires global solutions. This involves improving the regulation and monitoring of financial markets and institutions, encouraging development assistance and foreign direct investment to regions where the need is greatest. Facilitating the safe migration and mobility of people is also key to bridging the widening divide. Source: UNDP





SEP Jordan prides itself on practicing sustainable production methods, wherever possible. The brand's products are hand embroidered and predominately hand assembled, with limited usage of machinery.

SEP Jordan actively promotes recycling and upcycling through our use of recycled-based materials, and through fostering a culture of respect for the environment within the workplace.

Here follows the full content of the current SEP Sustainability Policies:

- SEP JORDAN ENVIRONMENTAL POLICY
- ENVIRONMENTAL AND ETHICAL CONDUCT CHARTER FOR SUPPLIERS
- SEP SOCIAL POLICY

SEP JORDAN ENVIRONMENTAL POLICY

Environmental responsibility is at the core of SEP Jordan's values. Environmental responsibility and reducing environmental impact is of crucial importance for SEP Jordan. SEP Jordan contributes to environmental protection in the communities and countries where we operate.

Environmental management is one of our highest business priorities and we are committed to:

- Conducting our operations in an environmentally sound manner by applying environmental management systems, in all our operations and by applying environmental principles, such as commitment to continual improvement, legal compliance and awareness training of employees
- Promoting environmental responsibility along the value chain by engaging with suppliers that are in line with our Environmental and Social Conduct Charter and by encouraging suppliers and subcontractors to adopt international environmental standards
- Developing our manufacturing processes with a focus on energy and resource efficiency
- Developing products and systems which are resource efficient and facilitate use of renewable energy sources
- Requiring suppliers to have a water management policy, a fossil fuel management policy, and a robust health and safety policy
- Implementing strict recycling and waste reduction measures
- Using recycled or recyclable packaging
- Considering the life-cycle analysis during the development process of a product

The environmental policy is an integral part of SEP Jordan's commitment to environmental responsibility and ethical conduct. The policy is embedded in our strategies, processes and day-to-day business throughout the SEP Jordan organization.

ENVIRONMENTAL AND ETHICAL CONDUCT CHARTER FOR SUPPLIERS

Environmental responsibility and ethical conduct is a key commitment of SEP Jordan. Our suppliers are required to guarantee safe working conditions, treat workers with dignity and respect, act fairly and ethically, and use environmentally responsible practices wherever they produce resources for SEP Jordan. Suppliers are required to operate with respect for the principles incorporated in this Code of Conduct and in compliance with the applicable laws and regulations. As SEP Jordan wants to go beyond compliance with law, this Code of Conduct incorporates the principles included in recognised international standards. The following Code of Conduct incorporates the expectations for each supplier regarding labor and human rights, health and safety, environmental protection, ethics and management practices.

SEP Jordan requires its suppliers' compliance with the following code, and any violations of this Code could harm the business relationship with SEP Jordan, which could lead to termination. This Code of Conduct applies to the SEP Jordan's direct suppliers as well as their subsidiaries, affiliates, and subcontractors providing goods or services to SEP Jordan.

Labour and Human Rights

This code serves to ensure that all workers throughout the supply chain of SEP Jordan are treated in a fair and ethical way. All workers shall be treated with dignity and respect, while respecting human rights to its highest standard.

Anti-Discrimination

Supplier shall not discriminate against any worker based on age, disability, ethnicity, gender, marital status, national origin, political affiliation, race, religion, sexual orientation, or union membership, in hiring and other employment practices. Supplier shall not require pregnancy or medical tests, except where required by applicable laws or regulations or prudent for workplace safety, and shall not improperly discriminate based on test results.

Anti-Harassment and Abuse

Supplier shall commit to a workplace free of harassment and abuse. Supplier shall not threaten workers with, or subject them to, harsh or inhumane treatment.

Prevention of Involuntary Labor and Human Trafficking

Supplier shall ensure that all work is voluntary. Supplier shall not traffic persons or use any form of slave, forced, bonded, indentured, or prison labor. Involuntary labor includes the transportation, harboring, recruitment, transfer, receipt, or employment of persons by means of threat, force, coercion, abduction, fraud, or payments to any person having control over another person for the purpose of exploitation.

Supplier shall not withhold workers' original government-issued identification and travel documents. Supplier shall ensure that workers' contracts clearly convey the conditions of employment in a language understood by the workers. Supplier shall not impose unreasonable restrictions on movement within the workplace or upon entering or exiting company-provided facilities.

Supplier shall ensure that the third-party recruitment agencies it uses are compliant with the provisions of this Code and the law. Suppliers recruiting foreign contract workers either directly or through third party agencies shall be responsible for payment of all fees and expenses in excess of one month of the worker's anticipated net wages.

Prevention of Underage Labour

Supplier shall employ only workers who are at least 15 years of age or the applicable minimum legal age, whichever is higher. Supplier may provide legitimate workplace apprenticeship programs for educational benefit that are consistent with Article 6 of ILO Minimum Age Convention No. 138 or light work consistent with Article 7 of ILO Minimum Age Convention No. 138.

Juvenile Worker Protections

Supplier may employ juveniles who are older than the applicable legal minimum age but are younger than 18 years of age, provided they do not perform work that might jeopardize their health, safety, or morals, consistent with ILO Minimum Age Convention No. 138. Supplier shall not require juvenile workers to work overtime or perform night work.

SUSTAINABILITY POLICIES

Student Worker Protections

Supplier shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable law and regulations. Supplier shall provide appropriate support and training to all student workers.

Working Hours

A workweek shall be restricted to 60 hours, including overtime, and workers shall take at least one day off every seven days except in emergencies or unusual situations. Supplier shall follow all applicable laws and regulations with respect to working hours and days of rest, and all overtime must be voluntary.

Wages and Benefits

Supplier shall ensure that all workers receive at least the legally mandated minimum wages and benefits. Supplier shall offer vacation time, leave periods, and time off for legally recognized holidays.

Supplier shall compensate workers for overtime hours at the legal premium rate. Supplier shall communicate pay structure and pay periods to all workers. Supplier shall pay accurate wages in a timely manner, and wage deductions shall not be used as a disciplinary measure.

Freedom of Association and Collective Bargaining

As legally permitted, Supplier shall freely allow workers to associate with others, form, and join (or refrain from joining) organizations of their choice, and bargain collectively, without interference, discrimination, retaliation, or harassment. In the absence of formal representation, Supplier shall ensure that workers have a mechanism to report grievances and that facilitates open communication between management and workers.

Health and Safety

SEP Jordan puts emphasis on workers' health and safety. Workers shall be guaranteed a safe work environment and the supplier shall integrate robust health and safety management practices.

Workers shall have the right to refuse unsafe work and to report unhealthy working conditions.

Occupational Health, Safety, and Hazard Prevention

Supplier shall identify, evaluate, and manage occupational health and safety hazards through a prioritized process of hazard elimination, engineering controls, and/or administrative controls. Supplier shall provide workers with job-related, appropriately maintained personal protective equipment and instruction on its proper use.

Emergency Prevention, Preparedness, and Response

Supplier shall identify and assess potential emergency situations. For each situation, Supplier shall develop and implement emergency plans and response procedures that minimize harm to life, environment, and property.

Incident Management

Supplier shall have a system for workers to report health and safety incidents and near-misses, as well as a system to investigate, track, and manage such reports. Supplier shall implement corrective action plans to mitigate risks, provide necessary medical treatment, and facilitate workers' return to work.

Ergonomics

Supplier shall identify, evaluate, and control worker exposure to tasks that pose ergonomic risk such as excessive force, improper lifting positions, or repetitiveness. Supplier shall integrate this process into the qualification of all new or modified production lines, equipment, tools, and workstations.

Working and Living Conditions

Supplier shall provide workers with reasonably accessible and clean toilet facilities and potable water. Supplier-provided dining, food preparation, and storage facilities shall be sanitary. Worker dormitories provided by Supplier or a third-party shall be clean and safe and provide reasonable living space.

Health and Safety Communication

Supplier shall provide workers with appropriate workplace health and safety training in their primary language. Health and safety related information shall be clearly posted in the facility.

SUSTAINABILITY POLICIES

Worker Health and Safety Committees

Supplier is encouraged to initiate and support worker health and safety committees to enhance ongoing health and safety education and to encourage worker input on, and participation in, health and safety issues in the workplace.

Environment

Protecting the planet and environmental responsibility is at the core of the values of SEP Jordan. All shall develop, implement, and engage in environmentally responsible business practices.

Hazardous Substance Management and Restriction

Supplier shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle hazardous substances. Supplier shall comply with SEP Jordan's Regulated Substances Specification for all goods it manufactures for and provides to SEP Jordan.

Non-Hazardous Waste Management

Supplier shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle non-hazardous waste.

Wastewater Management

Supplier shall implement a systematic approach to identify, control, and reduce wastewater produced by its operations. Supplier shall conduct routine monitoring of the performance of its wastewater treatment systems.

Storm water Management

Supplier shall implement a systematic approach to prevent contamination of storm water runoff. Supplier shall prevent illegal discharges and spills from entering storm drains.

Air Emissions Management

Supplier shall identify, manage, reduce, and responsibly control air emissions emanating from its operations that pose a hazard to the environment. Supplier shall conduct routine monitoring of the performance of its air emission control systems.

Boundary Noise

Supplier shall identify, control, monitor, and reduce noise generated by the facility that affects boundary noise levels

Environmental Permits and Reporting

Supplier shall obtain, keep current, and comply with all required environmental permits. Supplier shall comply with the reporting requirements of applicable permits and regulations.

Pollution Prevention and Resource Reduction

Supplier shall reduce energy, water, and natural resource consumption by implementing conservation and substitution measures. Supplier shall minimize hazardous substances consumption by implementing reduction and substitution measures.

Ethics

SEP Jordan expects the highest standards of ethical conduct from its suppliers in every aspect of its business, including relationships, practices, sourcing, and operations.

Business Integrity

Supplier shall not engage in corruption, extortion, embezzlement, or bribery to obtain an unfair or improper advantage. Supplier shall abide by all applicable anti-corruption laws and regulations of the countries in which it operates, including the Foreign Corrupt Practices Act (FCPA) and applicable international anti-corruption conventions.

Disclosure of Information

Supplier shall accurately record information regarding its business activities, labor, health and safety, and environmental practices and shall disclose such information, without falsification or misrepresentation, to all appropriate parties.

Protection of Intellectual Property

Supplier shall respect intellectual property rights and safeguard customer information. Supplier shall manage technology and know-how in a manner that protects intellectual property rights.

Anonymous Complaints

Supplier shall provide an anonymous complaint mechanism for managers and workers to report workplace grievances.

Community Engagement

Supplier is encouraged to help foster social and economic development and contribute to the sustainability of the communities in which it operates.

Responsible Sourcing of Minerals

Supplier shall exercise due diligence, in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, on its entire supply chain with respect to the sourcing of all tin, tantalum, tungsten, diamonds and gold contained in its products, to determine whether those metals are from the Democratic Republic of the Congo ("DRC") or any adjoining country and, if so, to determine whether those metals directly or indirectly financed or benefited armed groups that are perpetrators of serious human rights abuses in the DRC or an adjoining country. Countries that adjoin the DRC are Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.

Management Commitment

SEP Jordan believes that a robust management system and commitment lead to enriching the social and environmental well-being of the supply chain. SEP Jordan holds its suppliers accountable to this Code and the supplier shall implement or maintain, as applicable, a management system that facilitates compliance with this Code, while ensuring continuous improvement.

Company Statement

Supplier shall develop a company statement affirming its commitment to high standards of social and environmental responsibility, ethical conduct, and continuous improvement. Supplier shall post this statement in the primary local language at all of its facilities.

Management Accountability and Responsibility

Supplier shall identify company representatives responsible for ensuring implementation and periodic review of its management systems. Supplier shall have a Corporate Social Responsibility (CSR) or Sustainability representative that reports directly to executive management and has the responsibility and authority to manage social and environmental compliance requirements for the business.

Risk Assessment and Management

Supplier shall develop and maintain a process to identify labor and human rights, health and safety, environmental, business ethics, and legal compliance risks associated with its operations; determine the relative significance of each risk; and implement appropriate procedures and controls to control the identified risks.

Performance Objectives with Implementation Plans and Measures

Supplier shall have written standards, performance objectives, targets, and implementation plans, including periodic assessments of the performance against those objectives.

Audits and Assessments

Supplier shall perform periodic evaluations of its facilities and operations, and the facilities and operations of its subcontractors and next-tier suppliers to ensure compliance with this Code and the law.

Documentation and Records

Supplier shall have processes to identify, understand, and implement applicable laws and regulations and requirements of this Code. Suppliers shall maintain documents and records to ensure regulatory compliance.

Training and Communication

Supplier shall develop and maintain management and worker training programs to facilitate proper implementation of its policies and procedures and to fulfill Supplier's continuous improvement objectives.

Supplier shall have a process for communicating clear and accurate information about its performance, practices, policies, and expectations to its workers, next-tier supplier(s), and cus tomers.

Supplier shall have an ongoing process to obtain feedback on its practices related to this Code and to foster continuous improvement.

Corrective Action Process

Supplier shall have a process for timely correction of any deficiencies or violations identified by an internal or external audit, assessment, inspection, investigation, or review.

WE PAY ATTENTION TO DETAIL: THAT IS HOW YOU CREATE ACCESSORIES THAT GET THE WORLD TO PAY ATTENTION.

101

102

SEP JORDAN SUPPLIERS

Mainly based in the Tuscany, Puglia, and Umbria regions of Italy, our suppliers are small businesses, proud to weave exclusive fabrics that serve as the canvas for the skilled SEP Artists.

All our suppliers have implemented Codes of Ethics and we visit them to learn about their production standards, whenever possible.

Cashmere:

SEP work with a family-owned fabric mill, which champion a technique called "Rasato Evanescente" to weave our amazingly soft, fluffy and warm scarves. This weaving technique allows for the fabrics to remain warm, yet lightweight. SEP Jordan Artists masterfully embroider this material while maintaining these fabrics' unique traits, in the full respect of the environment.

Our supplier uses Cariaggi yarns for the SEP scarves. Some of the Cariaggi farms are located in the Marche Region, in the province of Pesaro-Urbino, close to the enchanting Montefeltro area. A historic region, which in ancient times linked Europe and northern Italy with Rome and the Mediterranean, it is an area of vitality, enjoying some of the best weather Italy has to offer and providing fantastic conditions for cashmere goats to live a full and pleasant life.

Bales of raw cashmere fibers, called "flock," are gathered for processing. Cariaggi selects only the finest fibers from the happiest of goats, which translates to incredibly soft and luxurious pieces. In 2015 Cariaggi started the Organic Cashmere project: a farm located in a specific unspoiled area of Inner Mongolia was entrusted to a family of shepherds who take care of a limited group of Hircus Laniger goats that freely graze in the vast surrounding territory.

SUSTAINABILITY POLICIES

The project foresees that the entire life cycle of the animal and the territory where he lives are constantly monitored, documenting the entire process for creating the cashmere fiber, the protection of the territory, and the welfare of animals and shepherds as evidence of the company's ability to safeguard the places of origin of the raw material. In 2006, Cariaggi achieved a series of international standard requirements concerning the company's eco management, reaching the Systema Natvrae® certification. This certification is in line with the spirit of safeguarding and care for the environment which is such an outstanding element of Cariaggi's philosophy. The company maintains a commitment to environmental programs and measures to reduce its impact on the environment, a reduction of about 40% of energy consumption per unit of product produced, a reduction of approximately 10% of water and a reduction of approximately 23% for carbon dioxide (CO2).



103

Keffiyeh scarves:

As of 2022, our cotton keffiyeh will be made in Pakistan by a long-standing keffiyeh manufacturer who signed our Supplier Code of Conduct and who worked with us tirelessly to develop new designs.

The supplier of SEP Jordan's poly & acrylic keffiyeh scarves is one of the last existing Jordan-based manufacturers. They employ refugees and professionals with disabilities and provide them with a safe working environment near Amman. We will work with both suppliers to deliver a high quality fashion product, with superior performance in all seasons.



Hoodies:

Made in Portugal for SEP by one of the suppliers to the world's top fashion brands, our hoodies are made of 100% organic cotton. The comfortable, unisex cut and its sustainable fabric hand-embroidered with love in Jerash camp make this a timeless classic, to be worn all year on all occasions.



Table linens:

We discovered a wonderful Lithuanian company that has a respected tradition of linen growing, weaving, stone-washing and softening linen. From their website: "Growing of flax is a very sustainable process. Flax is grown with far less water and pesticide than cotton. Flax, the plant from which linen fabric is made, is also extremely versatile. Nothing from the plant is wasted. Traditionally, flax has been used to produce linen fabrics, linseed oil, twines, ropes and even briquettes for heating. Flax, if untreated with dye, is fully biodegradable. We are paying tribute to harmless flax cultivating and have created our own "Sustainable production and work policy": The lowest possible CO2 footprint – almost all our fabrics are woven in Lithuania and surrounding countries. Finishing, sewing and other processes are made within 100 km from our warehouse, production facility and head office. It means there is a reduction in CO2 emitted during the production's moving around".

Some of our home linens and of pret-a-porter collections are made in Puglia, by a small, lean and efficient family-owned weaving company.

Jackets:

Made in Turkey for SEP by one of the suppliers to the world's top fashion brands, our jackets shells are made of organically-dyed cotton. The removable lining is made of polyester, to protect the body temperature in cold weather. We designed a long-lasting jacket you will be wearing in spring, autumn and winter alike.





SEP JORDAN SOCIAL POLICY

Through this policy SEP Jordan can ensure that all humans involved in their operations are treated in a dignified and respectful way. This social policy draws on the following sources: the United Nations' Universal Declaration of Human Rights, the International Labor Organization's fundamental principles on rights at work, the OECD Guidelines for Multinational Enterprises.

1. Society

To contribute within the scope of our capabilities to improving economic, environmental and social conditions through open dialogue with stakeholders and through active participation in common efforts.

2. Human rights

To support and respect the protection of internationally proclaimed human rights. Employees and contractors engaged as security personnel shall observe international human rights norms in their work.

3. Children and young workers

To ensure that minors are properly protected; and as a fundamental principle, not to employ children or support the use of child labor, except as part of government-approved youth training schemes (such as work-experience programs).

4. Freedom of engagement

To require that all employees enter into employment with the company of their own free will; and not to apply any coercion when engaging employees or support any form of forced or compulsory labor.

5. Health and safety

To provide a safe and healthy working environment at all sites and facilities and to take adequate steps to prevent accidents and injury to health arising out of the course of work by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

6. Employee consultation and communication

To allow employees to point out areas of concern. To respect the right of all personnel to form and join trade unions of their choice and to bargain collectively. To ensure that representatives of personnel are not the subject of discrimination and that such representatives have access to their members in the workplace. To make sure, in any case of major layoffs, that a social benefits and guidance plan is in place, and already known to employees or their official representatives.

7. Equality of opportunity

To offer equality of opportunity to all employees and not to engage in or support discrimination in hiring, compensation, access to training, promotion, termination or retirement based on ethnic and national origin, caste, religion, disability, sex, age, sexual orientation, union membership, or political affiliation.

8. Harassment and disciplinary practices

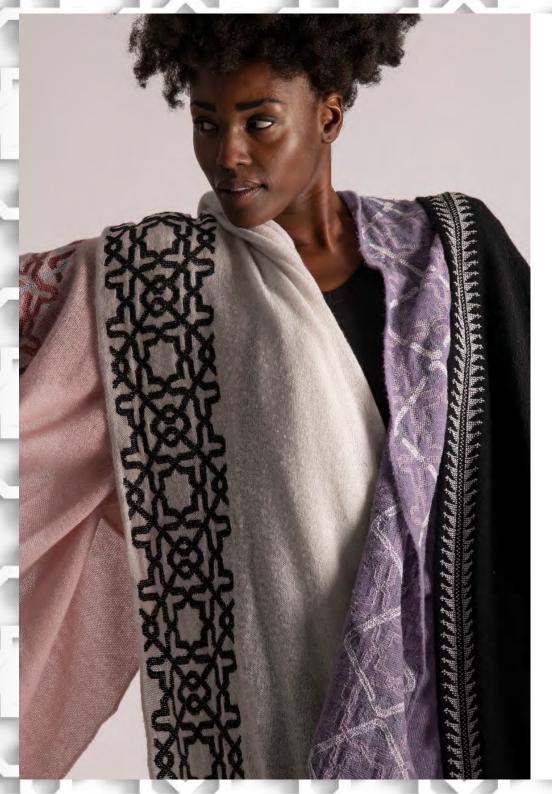
To counteract the use of mental or physical coercion, verbal abuse or corporal/hard-labor punishment; and not to allow behavior, including gestures, language and physical contact, that is sexual, coercive, threatening, abusive or exploitative. To develop and maintain equitable procedures to deal with employee grievances and disciplinary practices.

9. Working hours

To comply with applicable laws and industry standards on working hours, including over-time, which shall not exceed maximum 60 hours per week.

10. Compensation

To ensure that wages paid meet or preferably exceed the legal or industry minimum standards and are always sufficient to meet basic needs of personnel and to provide some discretionary income. To ensure that wage and benefits composition are detailed clearly and regularly for workers, and that compensation is rendered in full compliance with all applicable laws and in a manner convenient to workers. To ensure that labor-only contracting arrangements and false apprenticeship schemes are not used to avoid fulfilling SEP Jordan's obligations under applicable laws pertaining to labor and social security legislation and regulations.



MAKING A DIFFERENCE IS THE BEST WAY TO BE DIFFERENT

SEP

JORDAN



AGAIN IN 2022, WE ARE LOOKING FORWARD TO SHARING THE STORIES OF ARTISTS WHO ARE HEROES, WHO PERSEVERE IN THE FACE OF ADVERSITY AND WHO MAKE SURE THE WORLD TAKES NOTICE OF THEM, ONE STITCH AT A TIME



JORDAN

CONTACTS

Boutique

Rue Vautier 31 1227 Carouge Switzerland Mail

info@sepjordan.com

Phone

+41 78 911 54 27