

# Sustainability report Arion 2021

Sustainability is at  
the core of what we do:

Make impact every day



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## A note from the Strategic Project Manager - Sustainability

What a year it was! 2020 was the year in which everybody worldwide had to face a new reality due to the COVID-19 pandemic. This required flexibility and agility of all people and business across the globe. The COVID-19 pandemic also affected Arion, especially because the need for hygiene in health care became even more urgent than before. The need for hygiene sometimes can go at the expense of sustainability. That is, many products that are designed to deliver optimal hygiene are not always the most sustainable. At Arion, we are proud that Swash® can meet both hygiene and sustainability needs. Based on our LCA, we know that Swash® is less harmful for the environment compared to the traditional way of bathing.

Sustainability is the first corporate value of Arion. We define sustainability as the responsibility for the impact that our organization exerts on its surroundings, in business, environmental and social terms. Furthermore, sustainability is focused on the future and the viability of Arion and at the same time on the balance between need for resources of current and future generations. This means that we continuously need to look for ways to make our activities, operations and products more sustainable. In other words, we cannot rest on our loins knowing that Swash® has a relatively low ecological footprint. We still need to explore other - possibly more sustainable - materials for Swash®, look for options to make our other products (e.g. our Arion Slide Solutions) as sustainable as possible, and explore opportunities to improve our operations from a sustainable perspective. Only then, we can live up to our SMILE and be true “**Sustainable Makers creating Impact through Leadership and Energy**”.

## “SMILE: Sustainable Makers creating Impact through Leadership and Energy”

With this report, we want to inform people that have an interest in Arion – as a patient, nurse or a relative, as a supplier, a business relation or as a member of the public – about our actions and efforts aimed at sustainability. The main text presents some of the developments and projects that took place in 2020 to improve our sustainable performance. In the appendix, more elaborate information is provided for readers who like to know more about the details.

We do not only report successes in this sustainability report but will also pay attention to our challenges in the area of sustainability. The reason why we do this is that we want and need your help to improve the sustainability performance of Arion and of our supply chain. Hopefully, some of you (readers) will look at this report as an invitation to get engaged in sustainability and together with us contribute to a better and more sustainable world; starting with a more sustainable health care system.

I’m looking forward to meet you to talk about your sustainable ideas!  
Best regards,



Fabian Groven  
Strategic Project Manager – Sustainability at Arion  
[f.groven@arion-group.com](mailto:f.groven@arion-group.com)

## Sustainability at Arion – Who we are

Arion's mission is:

*It is our core business to improve comfort in healthcare by introducing new standards in care.*

Our Arion Slide Solution products make it possible for stocking wearers to put on and pull off their stockings in a more easy and convenient way, and therefore gives back the freedom and flexibility to many people by offering them the possibility to put on their compressing stockings themselves. These products also make the process of putting on and pulling off stockings less burdensome for nurses.

Next to our Arion Slide Solution products, also Swash® products improve the lives of thousands of caregivers and care recipients, every day across the globe. For care recipients, Swash® offers the possibility to have a comfortable and hygienic bed bath. For caregivers, Swash® is less burdensome than the bed bath with water and soap. Not only care recipients and caregivers benefit from the use of Swash®; also the well-being of communities in developing countries increases because of our collaboration with Made Blue. For every Swash® product that we sell, we contribute – together with our customers – to one liter of clean drinking water in developing countries.



Still, we see plenty of opportunities to improve the level of happiness of our stakeholders even further; now and in the future.

With respect to sustainability, we defined a CSR mission that goes hand in hand with our corporate mission:

### Our CSR mission:

“We strive to continuously improve the level of happiness of our stakeholders, today and tomorrow.”

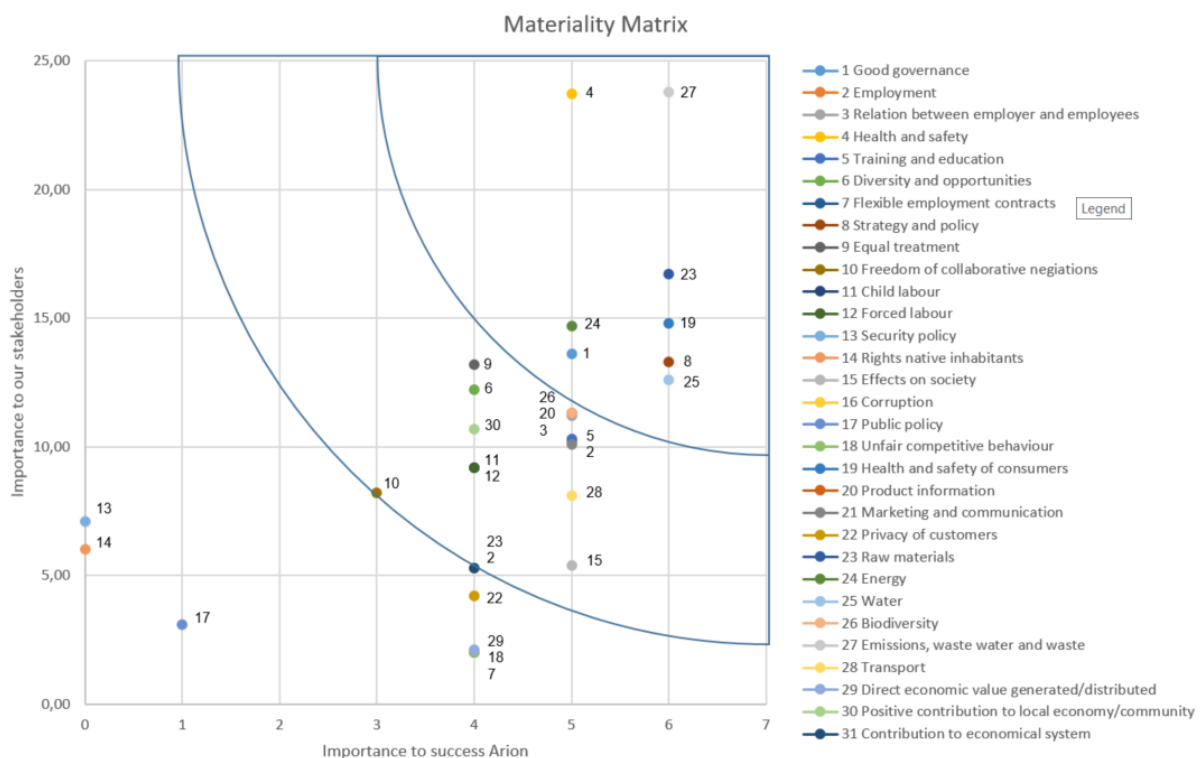
## How sustainable we are

Swash® is increasingly used in health care in Europe and in other parts of the world. Through our distributor network, more and more people worldwide benefit from the advantages of our Swash® concept. In addition, Arion has already been the market leader in the global market of donning and doffing aids for compression stockings for many years. We want to maintain and use our market positions in a sustainable way to contribute to the happiness of our stakeholders.

Next to our customers (people involved in care) we invest in the happiness of employees, suppliers, the common public and other important stakeholders of Arion; always with a focus on continuous improvement with respect to people, planet and profit.

Although all sustainability topics are important to us, we cannot contribute equally to all topics. Based on a materiality assessment, we have selected sustainability topics that are most important for us to focus on. These sustainability topics are selected based on their importance for the future of Arion and based on their importance to our stakeholders. The most important sustainability themes (called material themes) as shown in the upper right circle of the figure below, are:

- Good governance - Adhering to regulations and business ethics
- Health and safety of employees - Taking care of healthy working environment
- Strategy and policy - Protecting human rights
- Consumer health and safety - Assuring health and safety of end users
- Raw materials - Increase use of recycled raw materials
- Energy - Decrease use of (unsustainable) energy
- Water - Decrease use of (unsustainable) water
- Emissions, waste water and waste - Decrease emissions, waste, and waste water



Materiality matrix with the most important indicators (for Arion) in the upper right circle.

Good governance is an overarching theme that is related to the general adherence to regulations and business ethics related to our products, activities and business processes. All other material themes are specifically related to people (social responsibility) or planet (environmental responsibility). These themes will be discussed further in the following chapters in which we will also make the link to the Sustainable Development Goals (SDG) of the UN.

### UN Sustainable Development Goals

The SDGs represent the global challenges that we are facing today. They guide people and companies like ours to contribute to a world in which no one is left behind. At Arion, we think all 17 goals are important. However, we focus on three SDGs in particular: SDG 3 – good health and well-being, SDG 6 – clean water and sanitation, and SDG 12 – responsible consumption and production. The focus on these three SDGs does not mean that we do not contribute to the other goals as well, as will also be visible in this sustainability report. Furthermore, we discuss the importance of all SDGs with our suppliers and distributors to explore new possibilities to contribute to the goals.



For more information about the UN SDGs, visit: [www.un.org/sustainabledevelopment/](http://www.un.org/sustainabledevelopment/).

## People

### SDG 3 – Good health and well-being

We want to improve the quality of life of end users by offering valuable health care solutions and consequently “ensure healthy lives and promote well-being for all at all ages” as laid down in SDG 3.

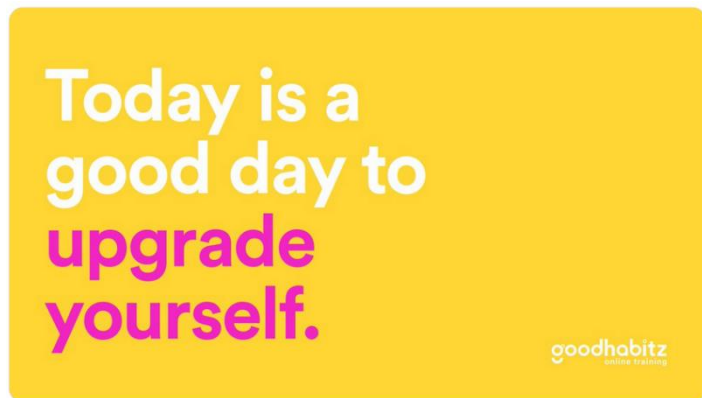


The advantages of our Swash® and Arion Slide Solution products with respect to caregivers’ and caretakers’ well-being are recognized and experienced by an increasing number of end users. These products can make a difference in many people’s lives. Because of our donning and doffing aids (Arion Slide Solutions), many stocking wearers can independently put on their stockings, which offers them freedom and flexibility. For caregivers, these products make the task of putting on stockings much easier and much more convenient. Our Swash® products contribute to a comfortable and easy, yet hygienic and skin treating bed bath. These advantages are also increasingly substantiated by data that we obtain from customers, and even by scientific research. Arion sponsored a scientific research to the experiences with washing without water. To conclude, Arion contributes to the health and well-being of many people, every day and we will do so (even more) in the future.

### Employees’ personal development

In the sustainability report of 2020, we reported about our initiatives to contribute to the vitality of our employees. We continued undertaking initiatives to increase employees’ physical and mental well-being, which became even more important during the COVID-19 pandemic.

In 2021, more attention has been paid to the personal development of our employees. This attention pays off if we look at our sustainability KPI’s related to training and education. Not only the yearly expenditures on training and education increased, but also employees’ satisfaction accordingly.



We will continuously invest in the knowledge and skills of our employees, amongst others by offering access to the e-learning platform GoodHabitiz. We do this because not only vital, but also skilled employees are good employees.

### Other topics related to “people”

There is more to the “P” of “people” than health and well-being. This component of sustainability also includes respecting human rights and conducting fair business practices. These topics are also important for Arion and an important area of attention in our collaborations with supply chain partners.

The sustainability topics related to people that were determined to be the most important for Arion in our materiality matrix were:

- Health and safety of employees - Taking care of healthy working environments
- Strategy and policy - Protecting human rights
- Consumer health and safety - Assuring health and safety of end users

For these (and other) sustainability topics, several KPI’s and objectives have been set up to set continuous improvements in motion. The KPI’s, objectives and results are presented in appendix II.

## Planet

### SDG 12 – Responsible production and consumption

Sustainability of course is also about taking care of our planet and making sure that our products, activities and operations have the lowest ecological impact as possible. We strive to meet the needs of current stakeholders without jeopardizing the fulfillment of future generations' needs. One way to do so, is to “ensure sustainable consumption and production patterns”, as laid down in SDG 12 “Responsible consumption and production”.



Also in 2020 (and the beginning of 2021), initiatives have been started and finished to increase the responsible production and consumption of our Swash® products and of our Arion Slide Solutions products.

#### Swash®

In the previous sustainability report, we already reported about the Life Cycle Assessment (LCA) that shows that the total ecological impact of Swash® (the global warming potential) is 74% lower compared to the bed bath with water and soap. One of the biggest differences between the two bed bathing methods is reflected in the water savings over the complete lifecycle of Swash® compared to the traditional bed bath. Per bed bath, Swash® saves more than 250 liter of water over its complete lifecycle!

We do not rest on our loins knowing that Swash® has a lower ecological footprint compared to the traditional bed bath and therefore contributes to the sustainability of health care. We are convinced that we can and should continue our efforts to make Swash® even more sustainable. Therefore, we participate in several research projects, amongst others the Wonderful.stream project (EU Interreg project) in which students, business developers and designers explore possibilities to make products more circular.

## We are convinced that we can and should continue our efforts to make Swash® even more sustainable.

Finally, we see it as our duty to properly inform Swash® customers and other stakeholders about sustainability and about possible paths to more circular (health care) products. Therefore, we participated in the Week of the circular economy in February 2021 by launching a social media campaign about circularity. During this week, we posted informative messages on LinkedIn, including videos about the usefulness of plastics (also from a sustainable perspective) and about the sustainability of alternative raw materials, such as bioplastics or biodegradable plastics.



Impression of our Circular Economy week campaign in February 2021

Our objective for Swash® is that it should always be the most sustainable product for a comfortable bed bath. We will continuously search for improvements together with supply chain partners and proactively and reactively ask our stakeholders for help and suggestions.

### *Arion Slide Solutions*

Much focus has been paid to the sustainability of Swash®. However, the sustainability of our Arion Slide Solutions products is equally important. Also for these products, we closely collaborate with suppliers to explore more sustainable alternatives. In the previous sustainability report, we mentioned our intention to study circular business models. In 2020, we started a research to study circular possibilities. A student of Fontys Hogeschool (university of applied science) studied the possibilities for collecting used Arion Slide Solutions products for recycling or reuse. He involved several supply chain partners, including the manufacturers of the products, and the fabrics, and customers. Furthermore, specific product components, such as the magnets of the Magnide® were investigated in terms of its ecological impact and sustainable alternatives. The outcomes of the research show that there are no short-term opportunities to recycle or reuse used products that could contribute to sustainability. However, some recommendations are interesting to dive into, like the development of a new packaging made of more sustainable materials.



### **Other topics related to “planet”**

The “planet” component of sustainability includes more themes. The sustainability topics related to planet that were determined to be the most important for Arion in our materiality matrix were:

- Raw materials
- Energy
- Water - Decrease use of (unsustainable) water
- Emissions, waste water and waste

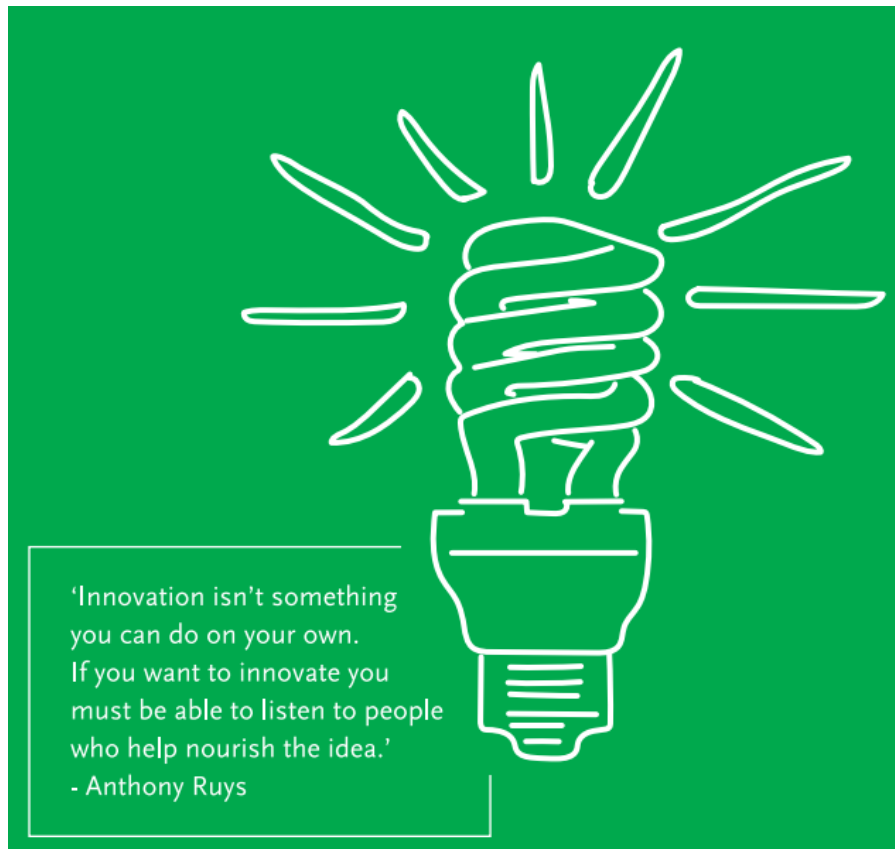
For these (and other) sustainability topics, several KPI's and objectives have been set up to set continuous improvements in motion. The KPI's, objectives and results are presented in appendix II.

## Profit and Partnerships

The 17<sup>th</sup> and last Sustainable Development Goal of the UN is about partnerships. Partnerships are important to contribute to the 16 other SDGs because the challenges we face are too big for one person, company or country to solve. Also for us, it is important to partner up to become more sustainable. Our partnerships also lead to financial sustainability of both Arion and our partners, which are local if possible to contribute to the local economy as well. In addition to project-based collaborations with other companies in- and outside our supply chain, we also are member of EDANA, the non-wovens association.



Partnerships are important for financial sustainability and for contributing to the SDGs. This report already explained our contribution to SDG 3 “Good health and Well-being” and SDG 12 “Responsible consumption and production. Additionally, our partnership with Made Blue clearly shows how we contribute to SDG 6 “Clean water and sanitation”, which will be presented next.



**Arion contribution to SDG 6 – Clean water and sanitation**

At Arion, we are proud of the positive effects of our Swash® products on the access to water and sanitation for all, which is what SDG 6 is all about.



Although water is basic life necessity, still many people lack access to clean drinking water. For these people, the lack of access to clean water not only affects their health and hygiene, but also their economic chances. For example, many children do not have the time to go to school if they need to walk miles and spend many hours to get clean water.

To make sure that more and more people get access to clean drinking water, we are a partner of Made Blue. In Arion's case, this means that for every Swash® package that we sell, 1 liter of clean drinking water is made available in communities that previously lacked access to clean drinking water. Based on the number of Swash® packages sold, we make a yearly donation to Made Blue. With these donations, Made Blue invests in drinking water projects. Because of our strong partnership, we can guarantee that 1 liter of clean drinking water per Swash® package is made available. Throughout our partnership with Made Blue, we already contributed to almost 38.000.000 liters of clean drinking water!



More information about Made Blue can be found [here](#).



*Water project of Made Blue in Ethiopia that was visited by our CEO*

Our contribution to clean drinking water is not our only link to water. Swash® indirectly contributes to clean drinking water but also leads to heavy water savings.

Health care institutions that use Swash® directly save at least 10 liters of water per bed bath, based on two washbasins of each 5 liter of water. In reality, even more water is used per bed bath to clean towels and washing towels. In addition, the Life Cycle Assessment of Swash® shows that one bed bath with Swash® saves more than 250 liters of water compared to the traditional bed bath with water and soap over the complete lifecycle – from raw materials to waste. That is a lot of water per health care institution per year!

## **Are you our new partner in sustainability?**

We are not nearly finished improving our sustainable performance, nor will we be tomorrow. Sustainable challenges can only be faced by showing endurance and by offering support and getting help from others. When you read this sustainable report, you are probably an important stakeholder to us, are interested in sustainability or even better, are both. In any case, we would like to hear about your ideas that could help us improve our sustainable performance. Vice versa, we are more than willing to help you in case you face sustainable challenges. One way in which we try to increase awareness about sustainability is by giving presentations about sustainability for which we can always be contacted.

To be able to share ideas, it can be helpful to know more about our current sustainable performance. Appendix II shows the sustainability KPI's and objectives for 2020 and the years ahead. These KPI's and objectives all relate to the sustainability themes provided in the Performance Ladder standard. The certificate that we obtained for meeting the requirements of level 4 of this standard is provided in appendix I. We are curious to hear about your opinion and expectations concerning these KPI's and objectives. For example, let us know if you think important sustainability themes or objectives are missing.

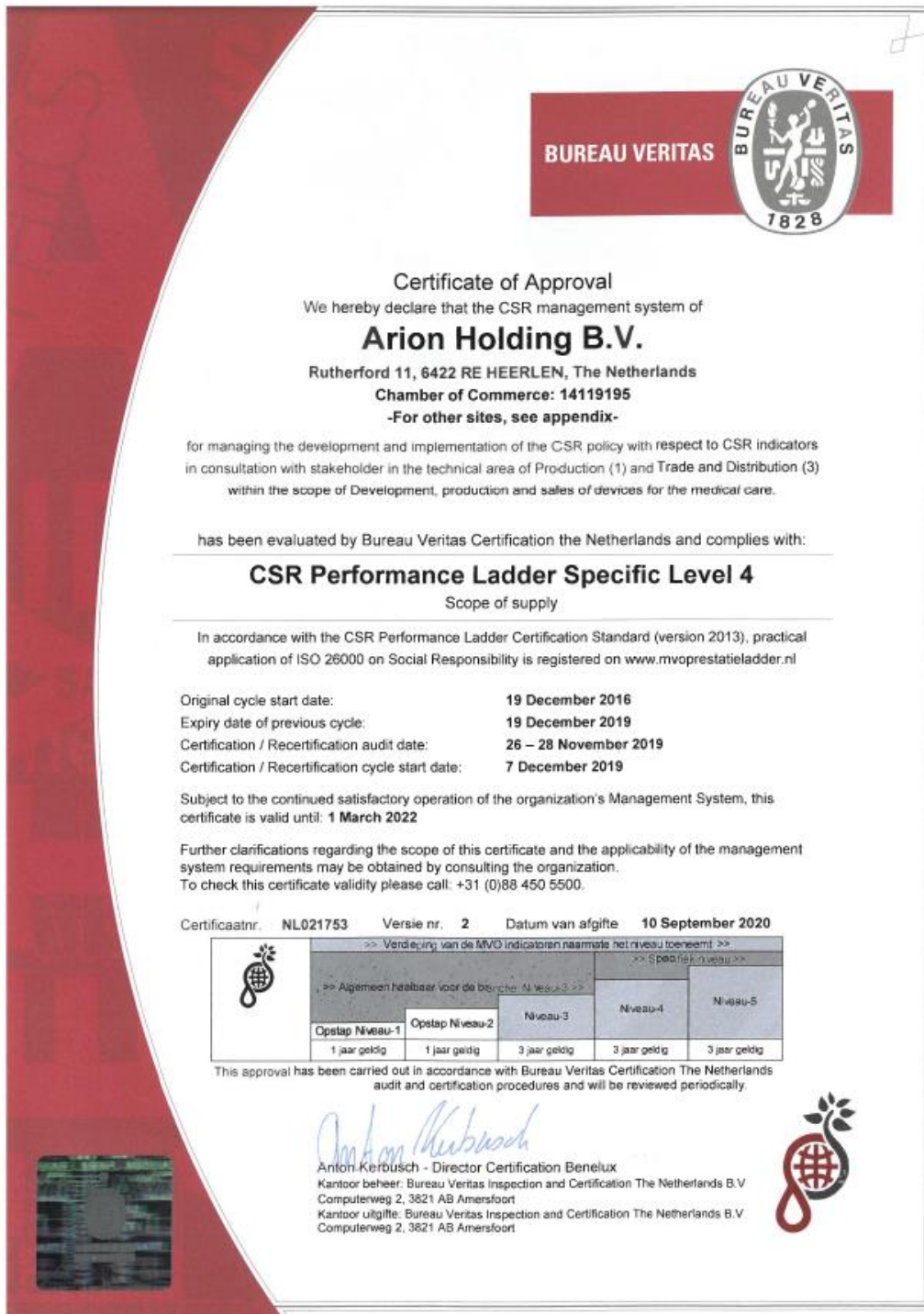
Appendix III presents the stakeholder/sustainability themes matrix indicating our most important stakeholders and sustainability themes and their relationships. Feel free to comment about this overview as well.

Comments, expectations, recommendations, questions, tips and tricks can be shared with our Strategic Project Manager – Sustainability, Fabian Groven by mail ([f.groven@arion-group.com](mailto:f.groven@arion-group.com)). He can also share more details or information about our sustainability (CSR) management system, such as information about the measurement methods and units, our policy to identify and adhere to regulations, and information about CSR tasks at Arion.

## Appendix I: CSR management system Arion

Our current and future sustainable impact is managed in a CSR management system that meets the requirements of the Performance Ladder standard (based on ISO 26000). In 2019, this system was certified for level 4, which means we outperform the general attainable level of CSR in our industry. In 2020, we succeeded to maintain this certificate.

Arion's CSR management system structurally embeds CSR in our operations and activities. The CSR management system's aim for continuous improvement has a positive effect on our sustainable performance. Finally, the CSR Performance Ladder standard helps us maintaining a strong CSR management system that incorporates all important CSR themes. For each of the CSR themes, we determined KPI's and objectives (see appendix II).



## Appendix II: overview of all our CSR KPI's, goals and performance

### 1. Good governance (material indicator for Arion)

- Objective: Arion should not be successfully sued for violating regulations.

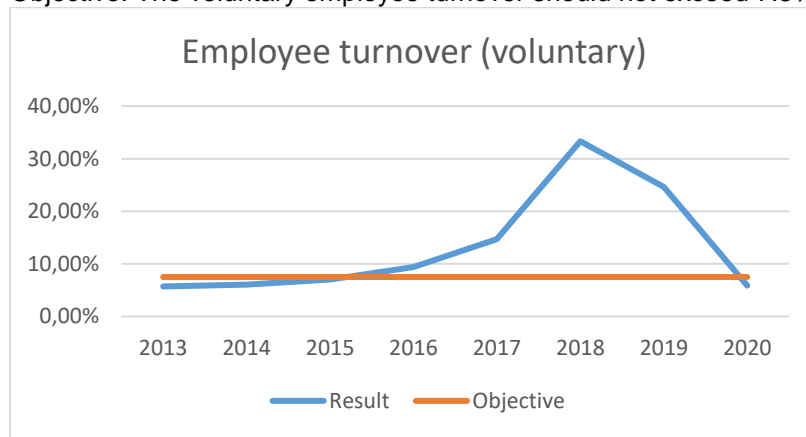
Arion has not been rightfully sued in 2020, nor in the years before.



## PEOPLE

### 2. Employment

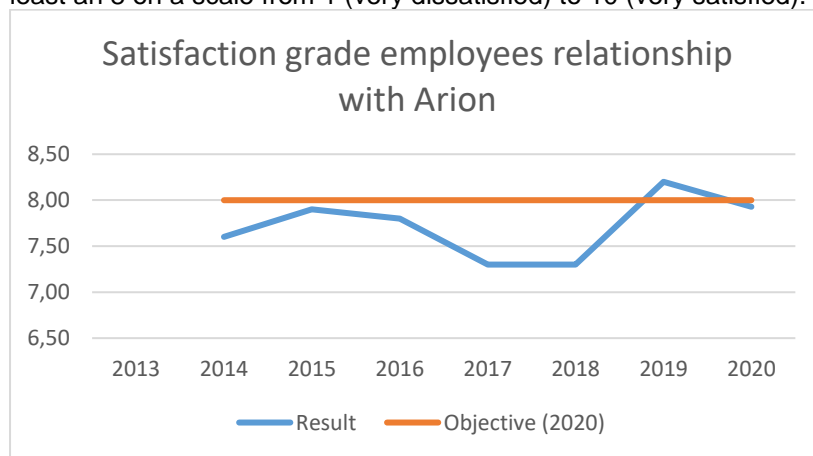
- Objective: The voluntary employee turnover should not exceed 7.5%.



After years of relatively high voluntary employee turnover (employees that voluntarily leave Arion), the voluntary employee turnover dropped below the objective in 2020. Probably, this can partly be explained by investments in training and development and improvements in working conditions (like an increase in vacation leave days), as well as by the COVID-19 pandemic in which not many employees switch jobs.

### 3. Relation between employer and employees

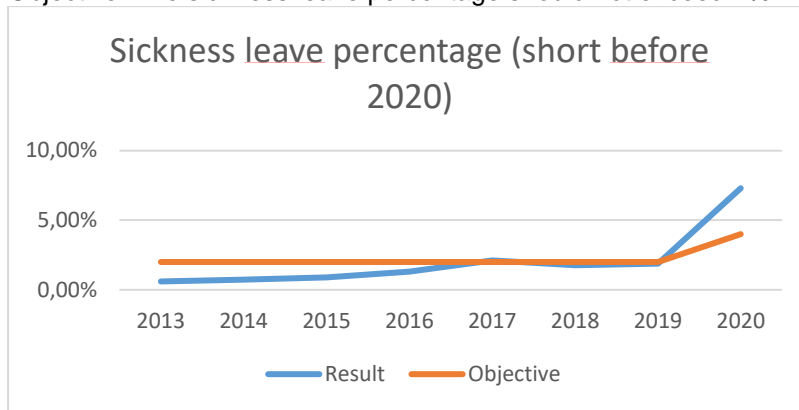
- Objective: The average overall satisfaction grade among our employees should be at least an 8 on a scale from 1 (very dissatisfied) to 10 (very satisfied).



In 2020, the average grade that Arion employees gave for their relationship with Arion was 7.93, which is just below the objective. Although, the satisfaction grade is lower compared to 2019, it is still higher compared to the years before 2019. The results of next year will be important to see if we can increase satisfaction again or if a decreasing trend is occurring.

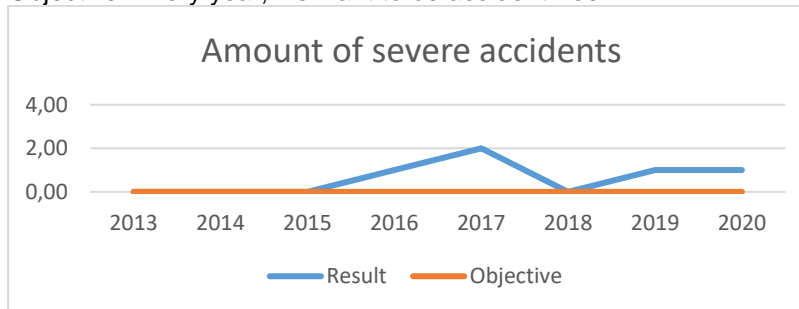
4. Health and safety of employees (material indicator for Arion)

- Objective: The sickness leave percentage should not exceed 4%



This KPI changed in 2020 from short sickness leave (only sickness leaves that did not last longer than 2 weeks were included, which needed to be below 2%) to total sickness leave to be able to compare our performance to the industry. The objective for the total sickness leave is to stay below 4%, which we did not reach. However, sickness leave was likely high due to COVID-19, and is expected to decrease if the pandemic is over.

- Objective: Every year, we want to be accident free.



Unfortunately, 1 cutting accident has been reported in 2020, for which preventive measures have been implemented after its occurrence. The objective will remain unchanged. In addition to this KPI, we will also measure and report the Lost Time Injury / 1,000,000 man hours from next year on, which can be compared to the industry.

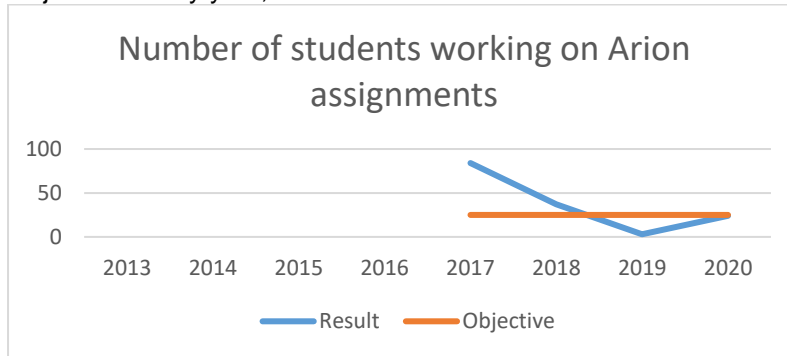
5. Training and education

- Objective: The yearly expenditures on training and development should at least be 1.6% of the total salary costs.



For the first time in years, the yearly training expenditures exceeded the objective. Although this is of course a positive result, we decided to change the KPI to “absolute average training expenditures per employee”, which we will report from 2022 (results over 2021) onwards. The reason to change the KPI is to allow comparison to the industry. The objective for the new KPI will be set to €1,000,- per employee.

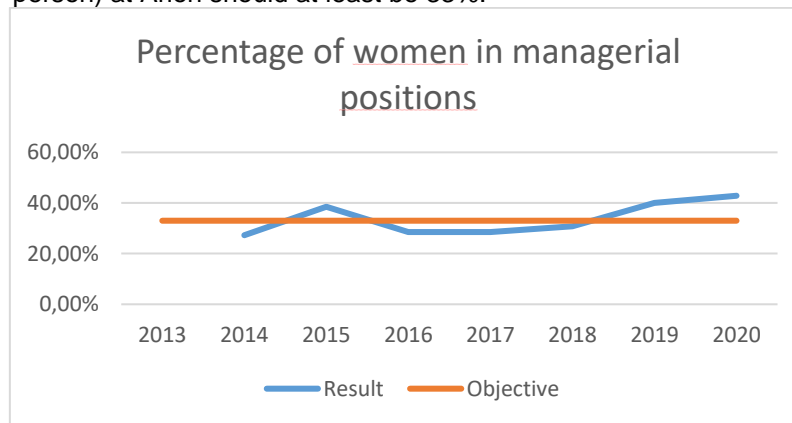
- Objective: Every year, at least 25 students worked on an Arion assignment



The number of students that worked on an Arion assignment increased heavily compared to 2019 (24 students in 2020 compared to 3 in 2019). Still, we just did not reach our objective. However, the upward trend is expected to continue as in 2021 many new assignments were started already.

6. Diversity and opportunities

- Objective: The percentage of women in managerial positions (managing at least 1 other person) at Arion should at least be 33%.



For the second year in a row, the percentage of women in managerial positions exceeded the objective. In 2020 (42.9%) this percentage was even higher compared to 2019 (40%).

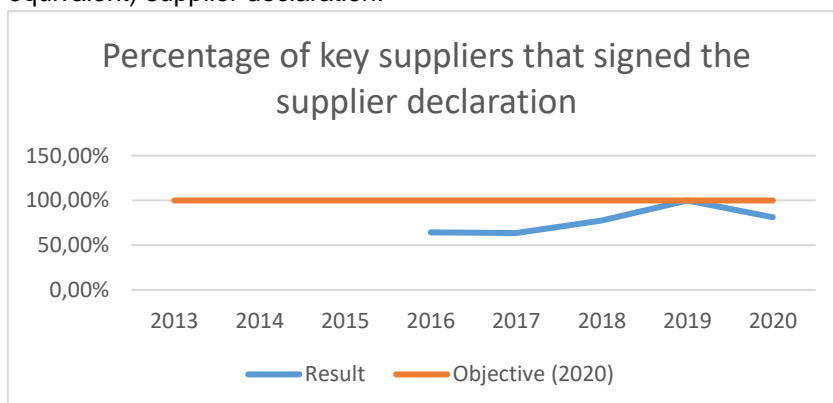
In addition to this KPI, we will also measure and report the number of nationalities working for Arion, for the first time in 2022 (over 2021).

7. Flexible employment contracts

- This is a new sustainability indicator for which we still need to determine a KPI and objective before the end of 2021.

8. Strategy and policy (material indicator for Arion)

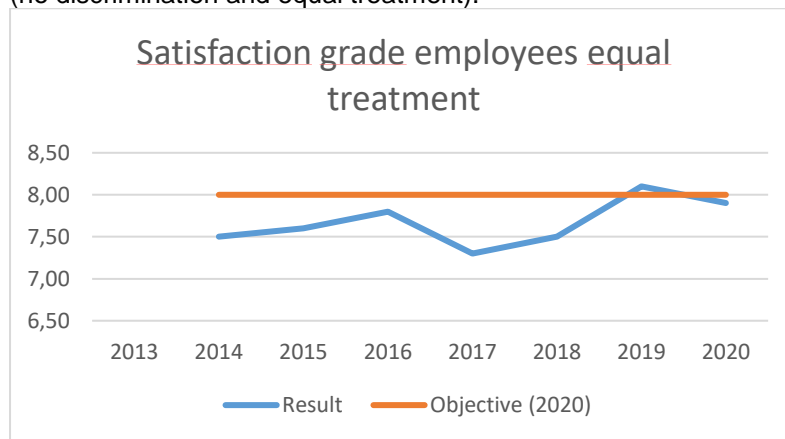
- Objective: 100% of our key suppliers should have signed our (or an alternative equivalent) supplier declaration.



Due to some changes in the list of key suppliers (at which we bought for at least €100.000,-), some new entrants in the list have not signed our supplier declaration yet. The supplier declaration has been updated in 2021 and also the new suppliers who have not signed our supplier declaration yet, have been informed about the supplier declaration and have been requested to sign it. In addition, a meeting will be planned with each key supplier in 2021 to discuss sustainability and identify possible points of improvement with respect to sustainability. We expect that all key suppliers have signed the supplier declaration before the end of 2021.

9. Equal treatment

- Objective: The average satisfaction grade for equal treatment among our employees should be at least an 8 on a scale from 1 (discrimination and unequal treatment) to 10 (no discrimination and equal treatment).



In 2020, the average satisfaction grade was 7.9, which is below our objective but still higher compared to the years before 2019. We have to make sure that everyone at Arion feels treated equally. The fact that we did not reach our objective is a mark that we have to continue paying attention to this.

10. Freedom of collaborative negotiations

- Objective: We should get 0 complaints about the freedom to unite or to engage in collective labor negotiations.



This objective has been met as we did not receive a single complaint in the time period between 2013 and 2020. Arion has a workers representation body.

11. Child Labor

See CSR topic 8 “Strategy and policy”. The supplier declaration that is mentioned at theme 8 also includes clauses about child labour. Therefore, the same KPI is used for this theme as well. Some new key suppliers have not signed our supplier declaration yet. The supplier declaration has been updated in 2021 and also the new suppliers who have not signed our supplier declaration yet, have been informed about the supplier declaration and have been requested to sign it. We expect that all key suppliers have signed the supplier declaration before the end of 2021.



12. Forced labor

See CSR topic 8 “Strategy and policy”. The supplier declaration that is mentioned at theme 8 also includes clauses about forced labour. Therefore, the same KPI is used for this theme as well. Some new key suppliers have not signed our supplier declaration yet. The supplier declaration has been updated in 2021 and also the new suppliers who have not signed our supplier declaration yet, have been informed about the supplier declaration and have been requested to sign it. We expect that all key suppliers have signed the supplier declaration before the end of 2021.



13. Security policy

This CSR topic is about security personnel respecting human rights. This topic is not applicable to Arion as we don't have security personnel.

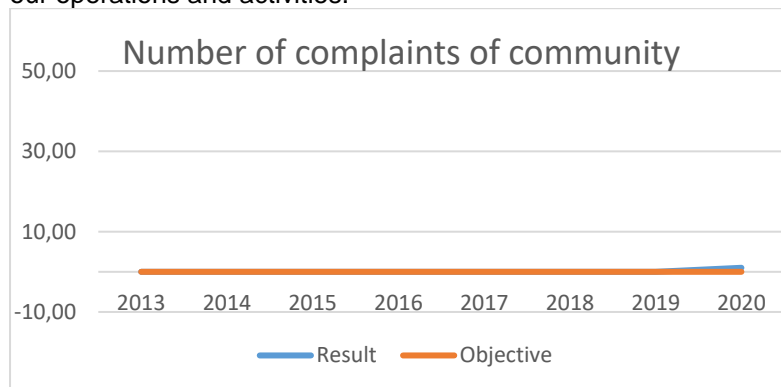
14. Rights native inhabitants

See CSR topic 8 "Strategy and policy". The supplier declaration that is mentioned at theme 8 also includes clauses about respecting rights of native inhabitants. Therefore, the same KPI is used for this theme as well. Some new key suppliers have not signed our supplier declaration yet. The supplier declaration has been updated in 2021 and also the new suppliers who have not signed our supplier declaration yet, have been informed about the supplier declaration and have been requested to sign it. We expect that all key suppliers have signed the supplier declaration before the end of 2021.



15. Effects on society

- Objective: We should get 0 complaints from the community about negative effects of our operations and activities.



In 2020, we received one complaint from a citizen about wet wipes polluting a local river. To solve this issue, we wanted to obtain more information about the wipes found, which unfortunately was not provided by the person who filed the complaint. Therefore, we still do not know if the wet wipes are ours. We actually think that it is very unlikely that the wet wipes are ours because the products that are used in healthcare are burned and not disposed in nature. Still we report this complaint.

An additional KPI will be determined related to our contribution to Made Blue before the end of 2021.

16. Corruption

- Objective: We should be involved in 0 corruption incidents.

This objective has been met as we were not involved in corruption incidents in the time period between 2013 and 2020 (years in which we measured this).



17. Public policy

- Objective: Every year we make an overview of our memberships in (political) networks and our contribution to these networks.

This overview has been completed for 2020 as well and can be requested by sending an e-mail to: [f.groven@arion-group.com](mailto:f.groven@arion-group.com).



18. Unfair competitive behavior

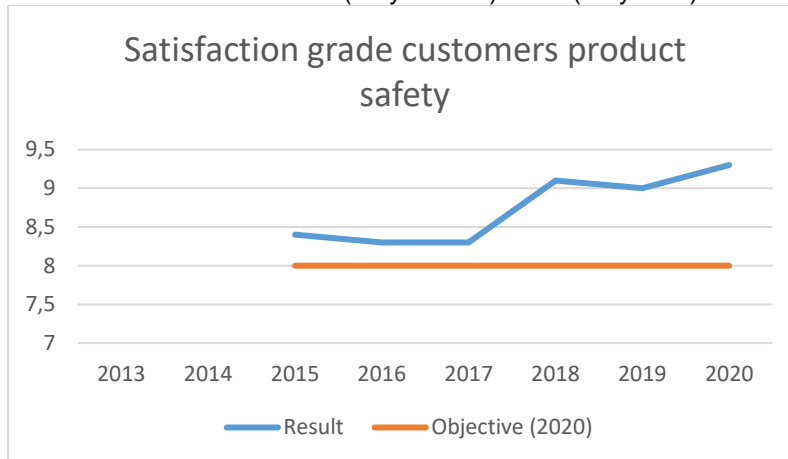
- Objective: Number of notifications of third parties of unfair competitive activities (should be 0).

In 2020, we were not notified of being engaged in any unfair competitive behavior or activities.



19. Health and safety of consumers (material indicator for Arion)

- Objective: The average grade for product safety across our customers should be at least an 8 on a scale from 1 (very unsafe) to 10 (very safe).



The average grade with respect to product safety was 9.3 in 2020, which exceeds our objective. It is important to note though that it is tough to obtain answers from customers, which is why the sample is small (6 customers).

Because we do have data about customer satisfaction from more than 1,000 Swash® customers, we will determine a new KPI based on the statements used in the evaluation forms. Also for Arion Slide Solutions customers, we will determine a KPI.

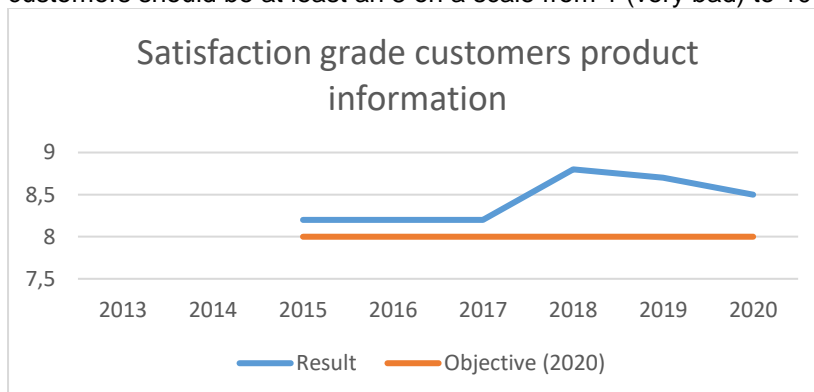
- Objective: Our products should not cause any accident.

This objective has been met as our products did not cause a single accident in the time period between 2013 and 2020 (years in which we measured this). This is closely monitored as part of the obligatory post market surveillance.



20. Product information

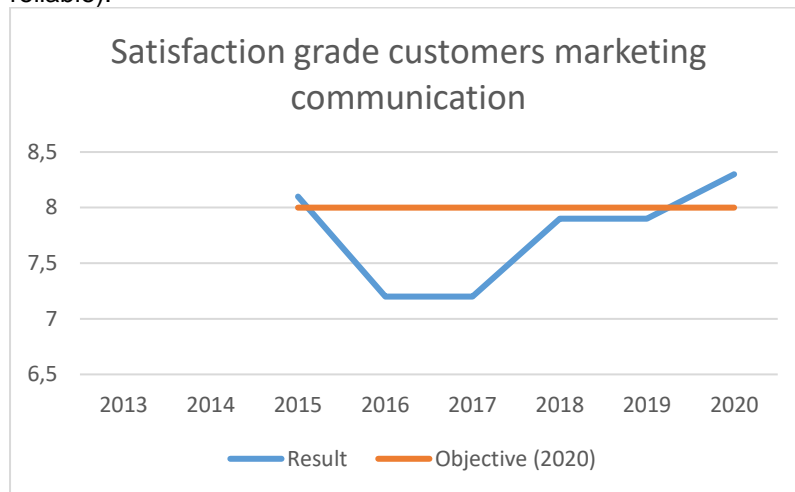
- Objective: The average grade for the product information that we present across our customers should be at least an 8 on a scale from 1 (very bad) to 10 (very good).



The average grade with respect to product information was 8.5 in 2020, which exceeds our objective. It is important to note though that it is tough to obtain answers from customers, which is why the sample is small (6 customers).

21. Marketing and communication

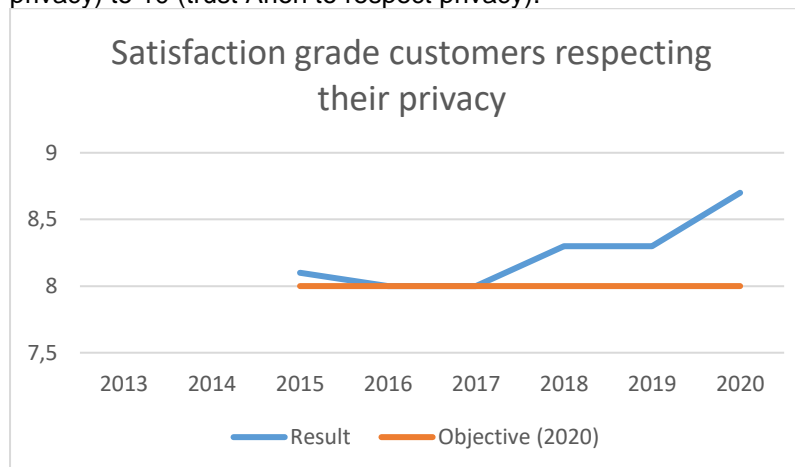
- Objective: The average grade for our marketing communications across our customers should be at least an 8 on a scale from 1 (very bad and unreliable) to 10 (very good and reliable).



The average grade with respect to product information was 8.3 in 2020, which exceeds our objective. It is important to note though that it is tough to obtain answers from customers, which is why the sample is small (6 customers). We will consider other KPI's for the future related to our messages on social media.

22. Privacy of customers

- Objective: The average grade across our customers for how they perceive us to handle customers' privacy should be at least an 8 on a scale from 1 (don't trust Arion to respect privacy) to 10 (trust Arion to respect privacy).

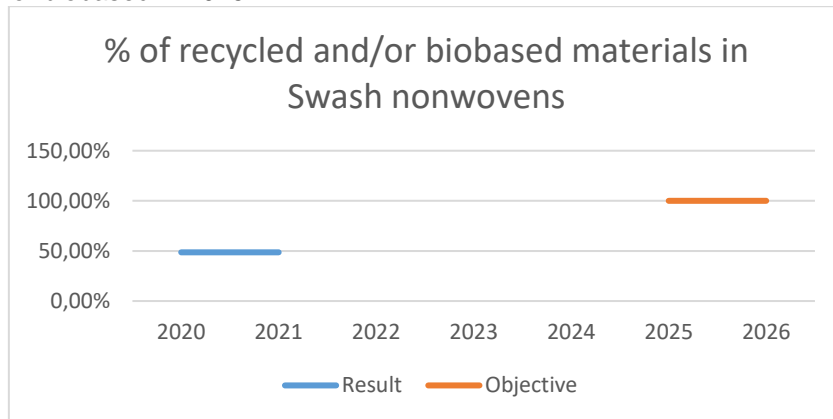


The average grade with respect to respecting customer privacy was 8.7 in 2020, which exceeds our objective. It is important to note though that it is tough to obtain answers from customers, which is why the sample is small (4 customers). However, this result is in line with our privacy policy which we strictly adhere to.

**PLANET**

23. Raw materials (material indicator for Arion)

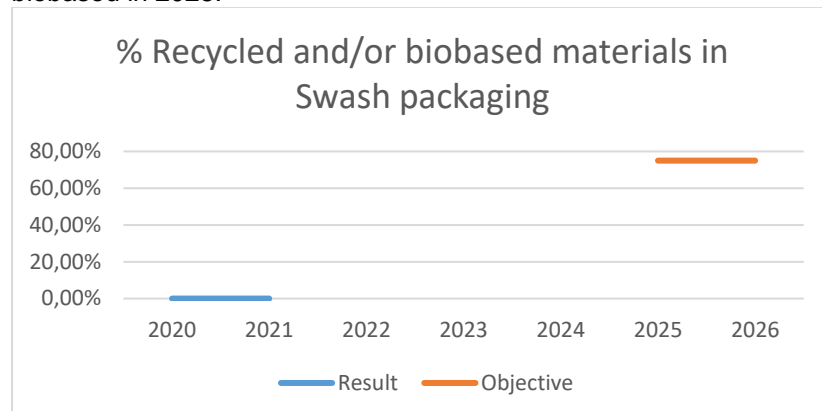
- Objective: 100% of the materials used for our Swash® nonwovens need to be recycled or biobased in 2025.



In 2020, 48,60% of the materials in Swash® nonwovens was recycled or biobased. Biobased means that materials are made from naturally renewable sources (and for example not made from fossil sources). This results shows that we need to invest in R&D to achieve our objective for 2025.

In addition, a KPI for Arion Slide Solution products still need to be determined, which will be done before the end of 2021.

- Objective: 75% of the materials used for our Swash® packaging need to be recycled or biobased in 2025.

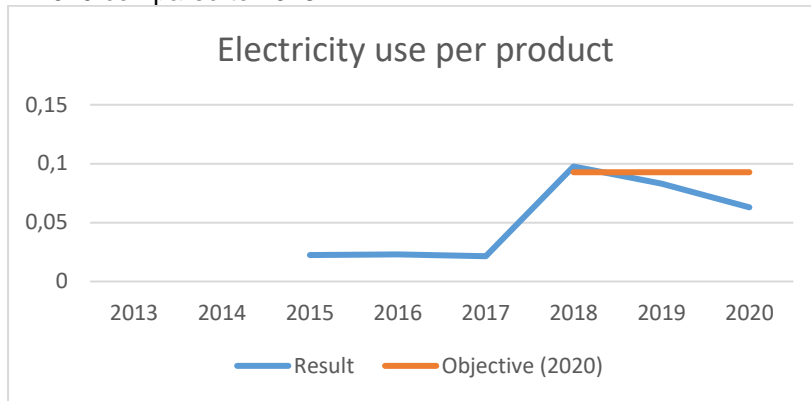


In 2020, 0% of the materials in Swash® packaging was recycled or biobased. Biobased means that materials are made from naturally renewable sources (and for example not made from fossil sources). This results shows that we need to invest heavily in R&D to achieve our objective for 2025.

In addition, a KPI for Arion Slide Solution products still need to be determined, which will be done before the end of 2021.

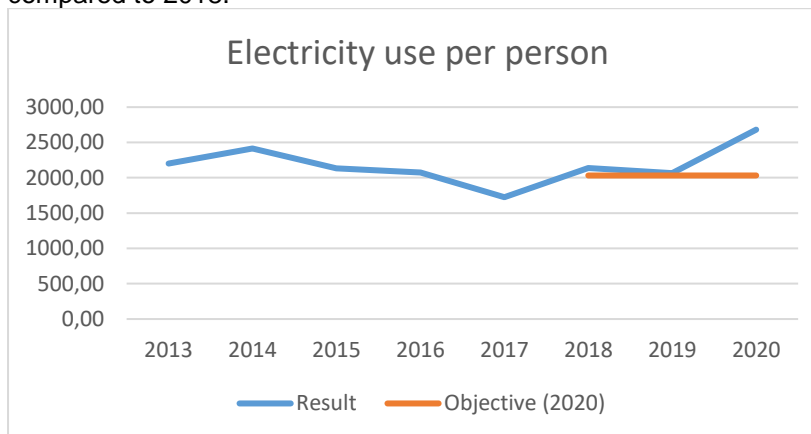
24. Energy (material indicator for Arion)

- Objective: The electricity use per Swash® product produced should be reduced by 5% in 2020 compared to 2018.



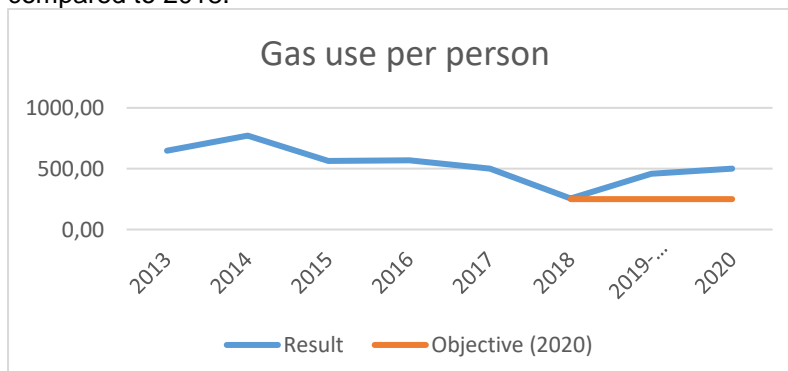
The objective (indicated by the red line) is achieved as the electricity use per product (in production facilities) is below the objective. For the years ahead, a new KPI will be used: energy productivity (revenues / energy use). Energy use includes both gas and electricity use of both the office and production. The objective for this KPI will be determined before the end of 2021.

- Objective: The electricity use per person at the office should be reduced by 5% in 2020 compared to 2018.



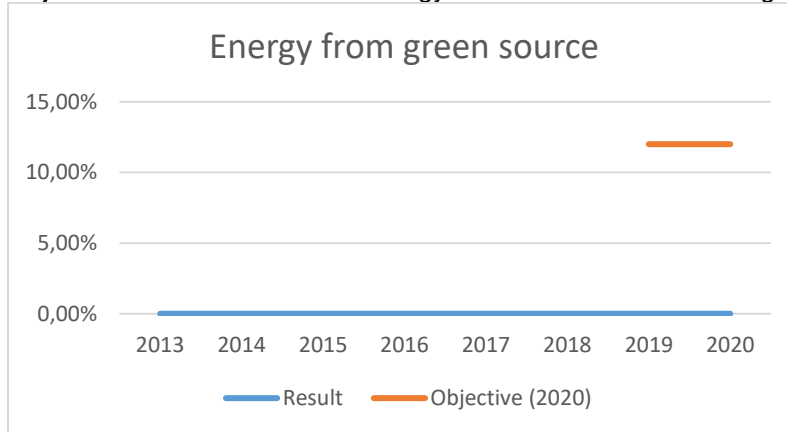
The objective (indicated by the red line) is not achieved as the electricity use per person is above the objective. It is not clear yet why it increased as we expected a decrease because many employees worked from home during the COVID-19 pandemic. This will be studied to take measures to reduce the electricity use. For the years ahead, a new KPI will be used: energy productivity (revenues / energy use). Energy use includes both gas and electricity use of both the office and production. The objective for this KPI will be determined before the end of 2021.

- Objective: The gas use per person at the office should be reduced by 2% in 2020 compared to 2018.



The objective (indicated by the red line) is not achieved as the gas use per person is above the objective and even further increased. It is not clear yet why it increased as we expected a decrease because many employees worked from home during the COVID-19 pandemic. This will be studied to take measures to reduce the gas use. For the years ahead, a new KPI will be used: energy productivity (revenues / energy use). Energy use includes both gas and electricity use of both the office and production. The objective for this KPI will be determined before the end of 2021.

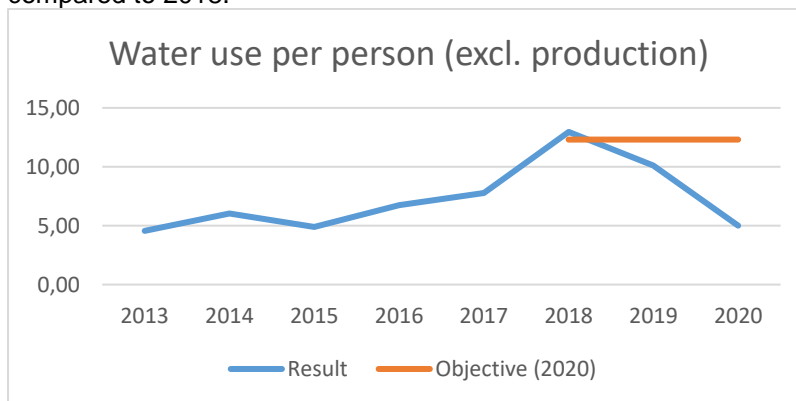
- Objective: At least 12% of the energy used should come from a green source in 2020.



We did not reach the objective. In the last years, we explored several options to increase the share of green electricity in our electricity use. However, measures have not been implemented. The new objective for the coming years is that in 2025 we should have installed at least 300 solar panels (75 solar panels per year).

## 25. Water (material indicator for Arion)

- Objective: The water use per person at the office should be reduced by 5% in 2020 compared to 2018.



The objective (indicated by the red line) is achieved as the water consumption (excluding the water needed to produce Swash®) is below the objective. For the years ahead, a new objective will be set to further reduce the water consumption per person. The KPI will remain the same but the objective will be determined before the end of 2021.

## 26. Biodiversity

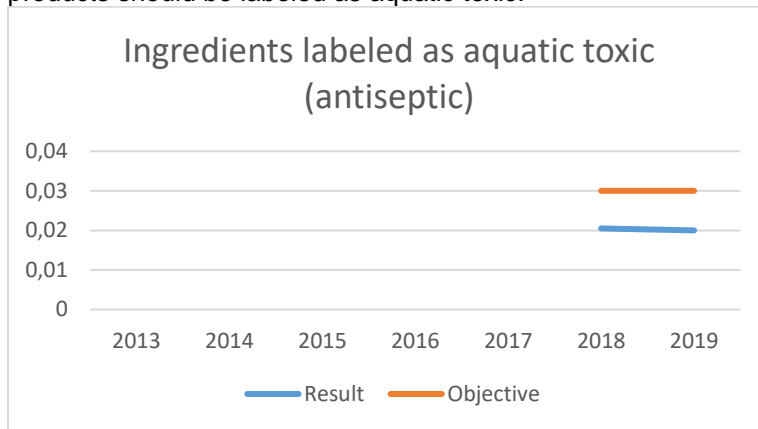
- Objective: 0% of the ingredients used in the lotions for our Swash® *bathing* products should be labeled as aquatic toxic.

This objective has been met as none of the ingredients used in the Swash® *bathing* products is labeled as such.



This KPI (as well as the next KPI) will be replaced by a new KPI related to contributing to the bee population on our industrial site and in the environment surrounding our headquarters. The objective will be determined before the end of 2021.

- Objective: Less than 3% of the ingredients used in the lotions for our Swash® antiseptic products should be labeled as aquatic toxic.

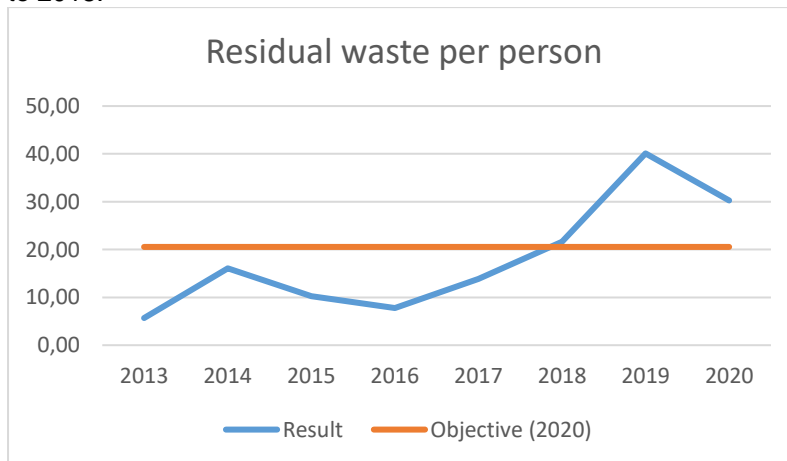


This objective has been met as 2% of the ingredients used for the antiseptic products are labeled as such, which is required for these products to be effective.

This KPI (as well as the previous KPI) will be replaced by a new KPI related to contributing to the bee population on our industrial site and in the environment surrounding our headquarters. The objective will be determined before the end of 2021.

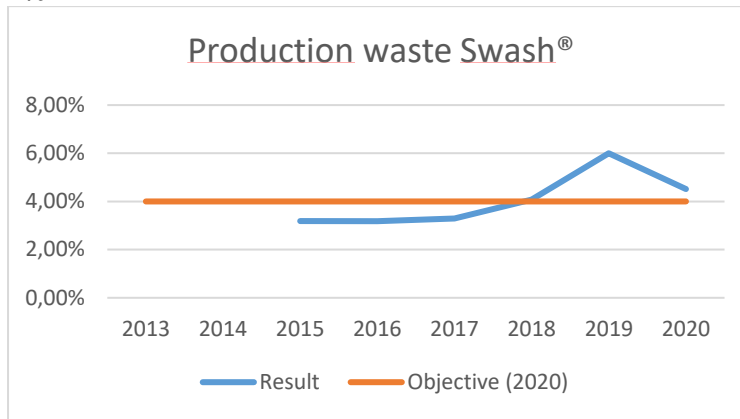
27. Emissions, waste water and waste (material indicator for Arion)

- Objective: The residual waste per person should be reduced by 5% in 2020 compared to 2018.



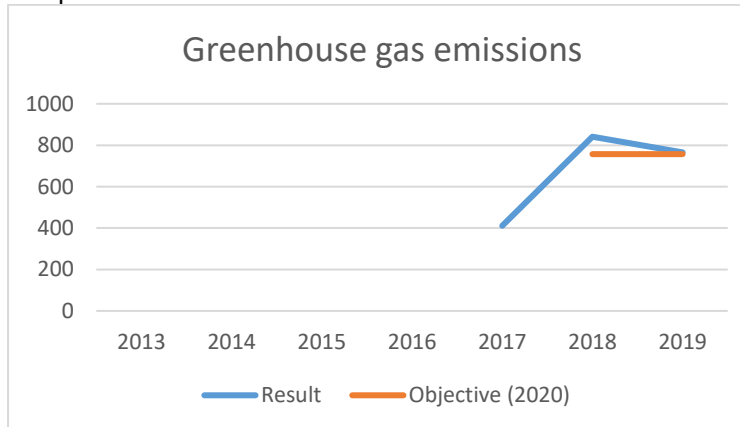
After a steep increase in residual waste per person in 2019, the average residual waste per person decreased again in 2020. This decrease is largely explained by the high number of employees that worked from home during the COVID-19 pandemic. Unfortunately, the residual waste did not decrease enough to reach our objective. From 2021 on, a new KPI will be used: waste productivity (revenues / waste). The objective will be determined before the end of 2021.

- Objective: The percentage of rejects in the production of Swash® should not exceed 4%.



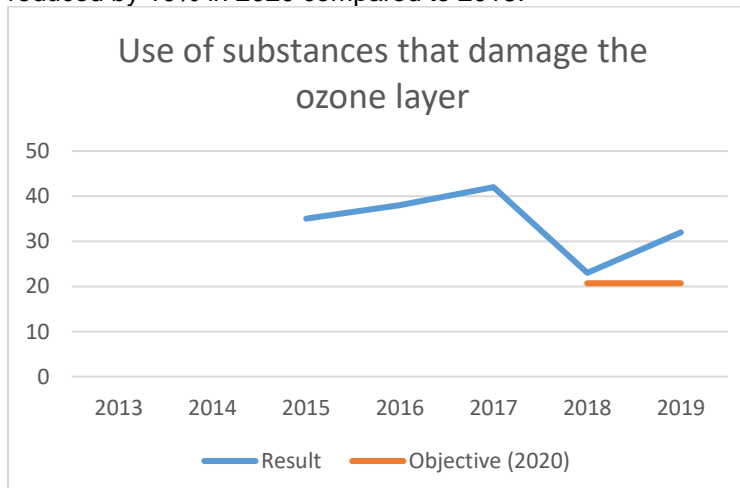
The percentage of production waste decreased in 2020 (4.52%) compared to 2019 (6%). Unfortunately, the objective was not reached in 2020. We will study the peak in 2019 and what changed in 2020 that led to the decrease to identify possibilities to reduce the production waste below the objective.

- Objective: The emissions of greenhouse gasses should be reduced by 10% in 2020 compared to 2018.



The last measurement was completed for 2019. Unfortunately, we do not know the results yet for 2020, which is why we do not know yet whether we reached the objective. Next year, a new KPI will be used: greenhouse gas emissions productivity (revenues / greenhouse gas emissions).

- Objective: The use of substances that are known to damage the ozone layer should be reduced by 10% in 2020 compared to 2018.



The last measurement was completed for 2019. Unfortunately, we do not know the results yet for 2020, which is why we do not know yet whether we reached the objective. A new objective will be set for the end of 2021.

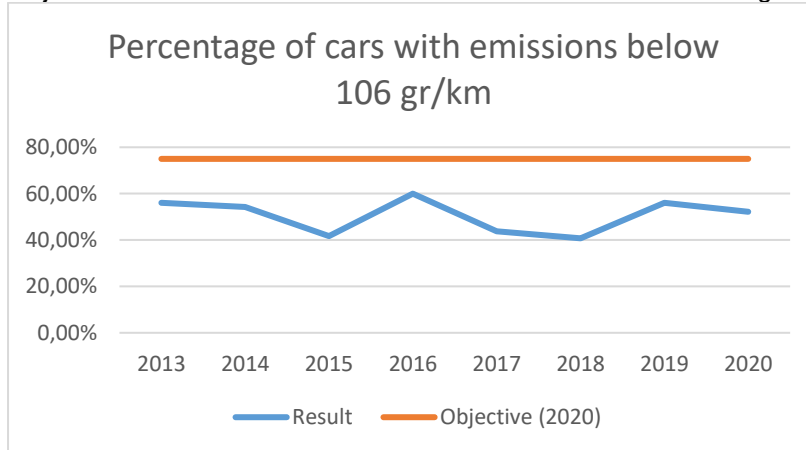
- Objective: we should have 0 discharges in water (of chemical substances).



The objective has been reached because we did not discharge chemical substances in water in the time period between 2013 and 2020 (the years in which we measured this). To stay alert on this, the KPI and objective will remain unchanged.

## 28. Transport

- Objective: 75% of Arion cars should have emissions below 106 gr/km.



Although investments were made in new Tesla cars, we did not reach the objective. This KPI will be replaced by a new KPI: the percentage of kilometers driven in electric or fossil free cars (of total kilometers driven in company cars). The objective will be determined before the end of 2021.

## PROFIT

### 29. Direct economic value generated/distributed

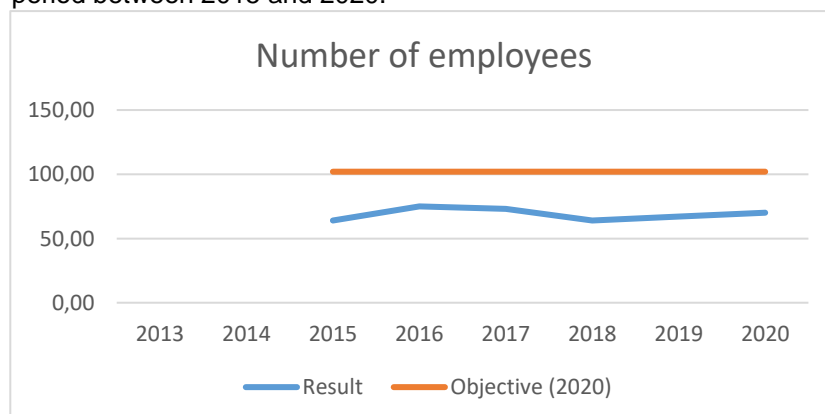
- Objective: Every year Arion will set-up financial statements and overviews.



Arion has made financial statements and overviews for 2020.

### 30. Positive contribution to local economy/community

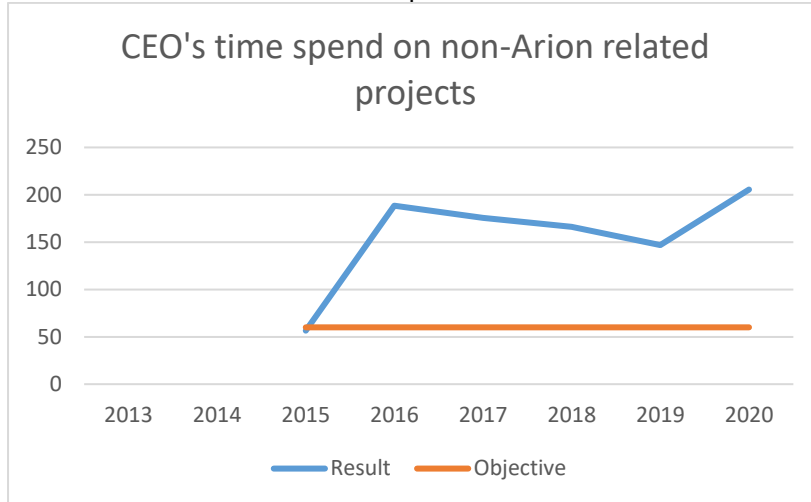
- Objective: The amount of employees working for Arion will increase by 60% in the period between 2015 and 2020.



Due to several business decisions, including the switch to a distributor model, the number of employees did not rise fast enough to reach the objective. This KPI will be replaced by a new KPI related to local purchasing. The KPI and objective will be determined before the end of 2021.

31. Contribution to economic system

- Objective: The CEO will spend at least 60 hours per year on projects that will not directly contribute to the success of Arion pro bono.



In 2020, our CEO spend 205 hours on non-Arion related projects, which includes giving lectures for knowledge institutions or coaching start-ups and other entrepreneurs in growing their business. The results exceeded our objective for 5 years in a row, which is why the new objective will be at least 150 hours each year.

### Appendix III: Indicator – stakeholder overview

	Very relevant stakeholders							Less relevant stakeholders								
	Board/shareholders	Employees	Suppliers	Customers	Financial institutions	Branch organization	Owner of the building	Distributors	Board/shareholders	Employees	Suppliers	Customers	Financial institutions	Branch organization	Owner of the building	Distributors
Employment	x	x			x			x								
Relation between employer and employees	x	x														
Training and education		x						x								
Diversity and opportunities	x	x						x								
Flexible employment contracts		x						x								
Equal treatment	x	x						x								
Freedom of collaborative negotiations	x	x						x								
Child labour	x	x				x		x								
Forced labour	x	x				x		x								
Security policy																
Rights native inhabitants																
Effects on society	x					x	x									
Corruption	x		x	x	x	x	x	x								
Public policy	x				x	x		x								
Unfair competitive behaviour	x			x	x	x		x								
Product information				x		x		x								
Marketing and communication	x			x		x		x								
Privacy of customers				x				x								
Biodiversity			x	x		x		x								
Transport			x	x		x		x								
Direct economic value generated/distributed	x	x	x	x	x	x	x	x								
Positive contribution to local economy					x											
Contribution to economical system	x				x											
Employment	x			x	x			x	x					x	x	x
Relation between employer and employees					x									x		
Training and education				x	x									x		
Diversity and opportunities					x			x	x							
Flexible employment contracts					x											
Equal treatment	x	x						x	x					x	x	
Freedom of collaborative negotiations	x	x												x	x	
Child labour	x	x												x	x	
Forced labour	x	x												x	x	
Security policy																
Rights native inhabitants						x										
Effects on society	x	x	x		x	x		x	x							
Corruption	x	x			x	x		x								
Public policy	x	x				x		x								
Unfair competitive behaviour	x	x						x								
Product information	x		x		x											
Marketing and communication	x	x	x		x	x	x									
Privacy of customers	x							x								
Biodiversity	x	x		x	x			x	x							
Transport	x		x		x	x		x	x							
Direct economic value generated/distributed		x	x		x			x	x							
Positive contribution to local economy		x			x	x	x	x	x							
Contribution to economical system		x			x	x	x	x	x							