

Sustainability report Arion 2022



Arion
September
2022

ARION
simply smile

Making steps from 'less harmful' to 'not harmful'

Sustainability is a top priority for Arion for many years now. For several years in a row, we showed to be a frontrunner in sustainability in our industry, which is confirmed by our level-4 certificate of the Performance Ladder Standard you will read more about in this sustainability report.

We build a solid sustainability base for making the next steps in sustainability in everything we do and with respect to every product that we sell. In terms of products, we take next steps to reduce the ecological impact of the production and consumption of our products. How we do so (e.g., more sustainable packaging for Arion Slide Solution products, or initiating a supply chain meeting for Swash®), you can read in this report as well. In terms of how we conduct business, we will discuss how we can step from a 'sustainability strategy' that is not fully integrated with the corporate strategy, to a 'strategy that is sustainable' in itself.

Collaboration is crucial to make steps in sustainability. Alone you can go faster perhaps, but together, we can make bigger steps. Also in 2021 (and the first half of 2022), we collaborated with our stakeholders a lot, including supply chain partners and knowledge institutions. By sharing our sustainability achievements, ambitions, and challenges with you in this report, hopefully, we can also collaborate with you to take the next steps in sustainability. Only together, we can contribute to a more sustainable world, ecologically, socially, or financially. So please, contact me if you can help us!

IT'S TIME FOR THE NEXT STEPS! WILL YOU WALK WITH US?



Fabian Groven
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Sustainability at Arion

This sustainability report will present the current status of sustainability at Arion and highlight some of the key initiatives in sustainability in 2021 and the first half year of 2022. To understand the importance of sustainability at Arion, it is important to share our definition of sustainability first: 'the responsibility for the impact that Arion exerts on its surroundings, in social, environmental, and business terms.'

In social terms (people), our biggest sustainable contribution is made by the products that we offer. Both donning and doffing aids and washing without water products are actually mentioned by Gupta as important existing technologies that could compensate for the increasing shortage of health care workers, and consequently could ensure future quality of care. Arion Slide Solution (our donning and doffing aids) add to the comfort of nurses and stocking wearers by easing the process of putting on and pulling off stockings. Swash® (washing without water) products contribute to nurse and patient well-being in multiple ways, such as contributing to patient comfort, improving the condition of the skin, and unburdening nurses. In the chapter "People" of this sustainability report, you will read more about our social contribution to customers (people involved in care) as well as to other stakeholders of Arion, including our employees, the common public, and society.

In environmental terms (planet), one of our contributions is related to water, perhaps the most important sustainable indicator for Arion. We know from the Life Cycle Assessment (LCA) for Swash®, that more than 250 liter of water is saved per bed bath over the complete lifecycle, if Swash® is used for the bed bath instead of water and soap. Overall, the total ecological impact of Swash® is 74% lower compared to the bed bath with water and soap, which for a big part is caused by the huge water savings. These water savings are becoming increasingly relevant due to global challenges in water supplies.

In the chapter "Planet" of this sustainability report, you will read more about our environmental contribution and activities.

Finally, in business terms (profit), we contribute to the economic system, for example by collaborating with knowledge institutions and thereby offering students a chance to gain practical experience.

In the chapter "Profit" of this sustainability report, you will read more about this and other sustainable business contributions. One of our contributions you can read more about, is our collaboration with Made Blue, through which we donate 1 liter of clean drinking water in a developing country for every Swash® bathing product sold.

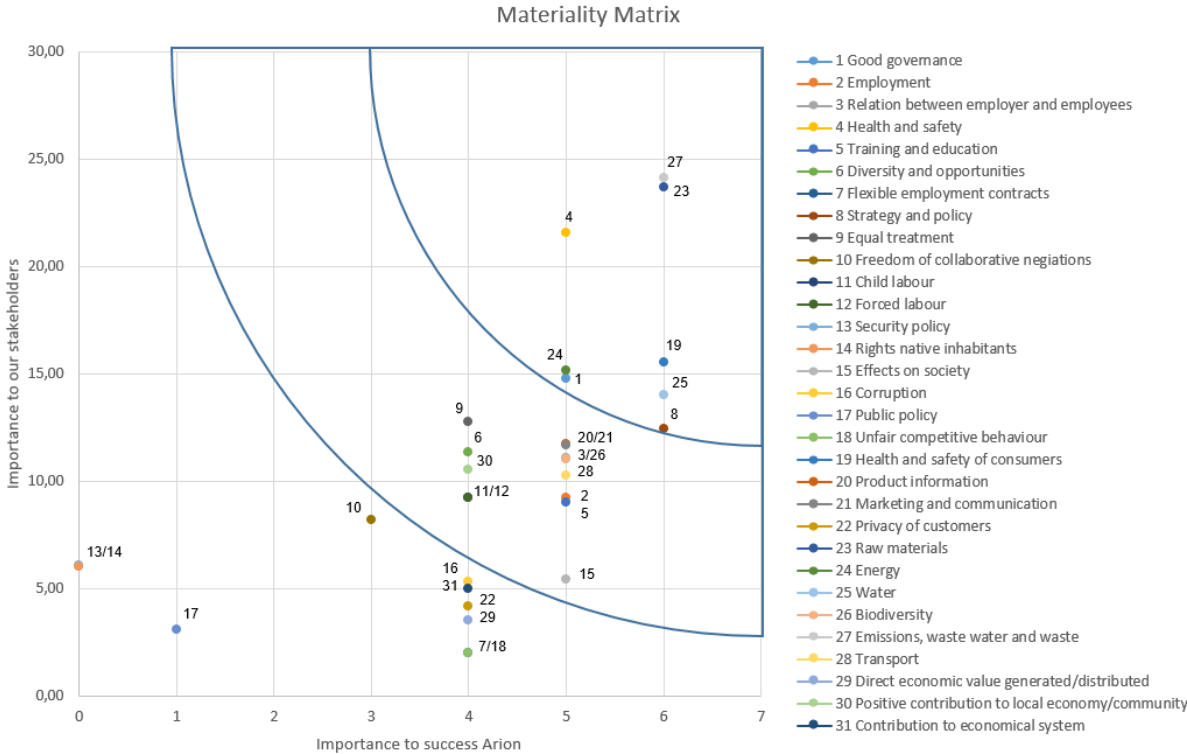
Before the People, Planet, and Profit chapters begin, three particular topics are important to mention first: The materiality matrix, our support for global/national sustainability agendas, and setting up a strategy that is sustainable.

Materiality matrix

Many sustainability topics can be defined for “people”, “planet”, and “profit” and almost every topic is important to some extent to Arion. However, we cannot contribute equally to all topics and therefore, made a selection of the topics that are most important to us based on a materiality assessment. In the materiality assessment, which was updated in 2021, all sustainability topics are assessed on their importance for the future of Arion and on their importance to our stakeholders. The most important sustainability themes (called material themes) as shown in the upper right circle of the figure on the next page 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 showing the most important sustainability themes on the top right (indicating that these themes are most important for the future of Arion and are most important for our stakeholders).

Our support to sustainability agendas

There are many international and national sustainability agendas that aim to increase attention and activation towards making a contribution to a more sustainable world. Two of these agendas that are relevant to Arion are the Sustainable Development Goals (SDGs) and the European Green Deal 2.0.

UN Sustainable Development Goals (SDGs)

At Arion, all 17 SDGs are important as these represent the global challenges that we are facing today. 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. We also use the SDGs as a discussion topic in our meetings with suppliers and distributors.



For more information about the UN SDGs, visit: www.un.org/sustainabledevelopment/.

The Green Deal (EU)

The EU introduced the Green Deal to activate member states to aim for 0-emissions in 2050 and a reduction of 55% in emissions in 2030. The Green Deal also focuses on the development of a circular economy in which waste is prevented or used again as raw materials. Under the umbrella of the European Green Deal, many 'sub-Green Deals' were introduced, including the Dutch "Green Deal Duurzame Zorg 2.0" (i.e., green deal sustainable care). Although Arion applauds the existence of the Green Deal Duurzame Zorg 2.0, we have not explicitly endorsed it because of the lack of SMART objectives. Also without officially endorsing the green deal, we made important steps in becoming more sustainable. At the time of writing this report, the new "Green Deal Duurzame Zorg 3.0" is being prepared and the first signals indicate the introduction of SMART objectives. As soon as the new Green Deal is published, Arion will reconsider possible steps to show our support.



**A ‘sustainability
strategy’ or a
‘strategy that is
sustainable’?**



A strategy that is sustainable

For years, we presented the importance of sustainability at Arion in our sustainability report. In the sustainability report of 2021, two missions were presented.

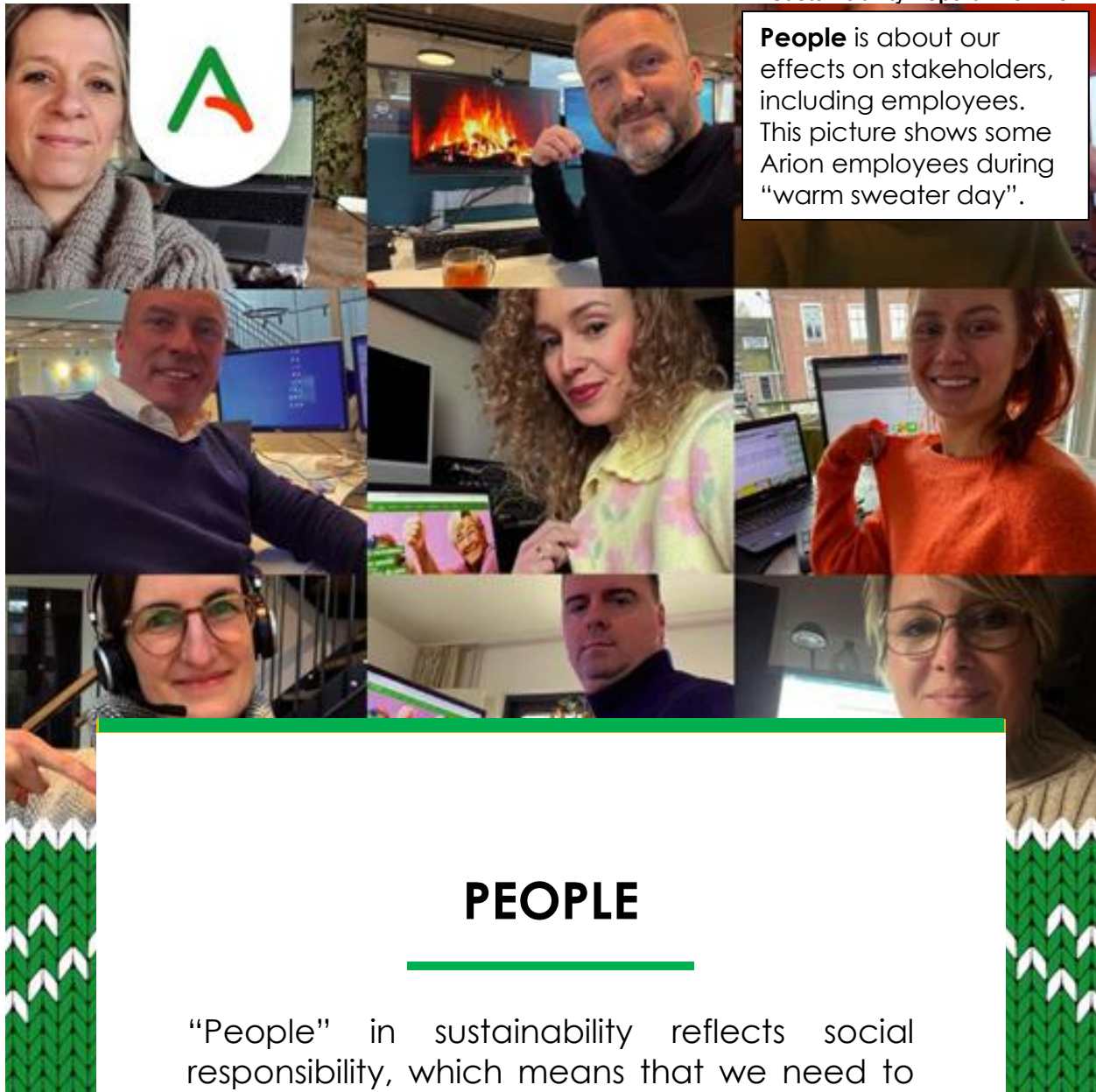
Arion's Corporate mission:

“we are dedicated to offering innovative solutions, which make the people in healthcare simply smile”

Arion's sustainability mission:

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

Although the corporate mission statement can also be related to sustainability (i.e., making people smile reflects our contribution to well-being, which is part of social responsibility), it still not incorporated all our sustainability ambitions, which is why we need a separate sustainability mission. Having two mission statements indicates that our sustainability strategy is not yet fully integrated in our corporate strategy. Because of the increasing importance of sustainability, not only for Arion but actually for every living creature on this planet, we will explore possibilities to make our corporate strategy inherently sustainable.



People is about our effects on stakeholders, including employees. This picture shows some Arion employees during “warm sweater day”.

PEOPLE

“People” in sustainability reflects social responsibility, which means that we need to do business in a way that ensures and contributes to people well-being. In the following pages, we will present two examples of how we contribute to well-being:

- The SMILE agenda
- Contributing to quality of care, now and in the future

The SMILE Agenda

Sustainability is the first of our corporate SMILE values, which reflects its importance to Arion. SMILE stands for **Sustainable Makers** creating **Impact** through **Leadership** and **Energy**.

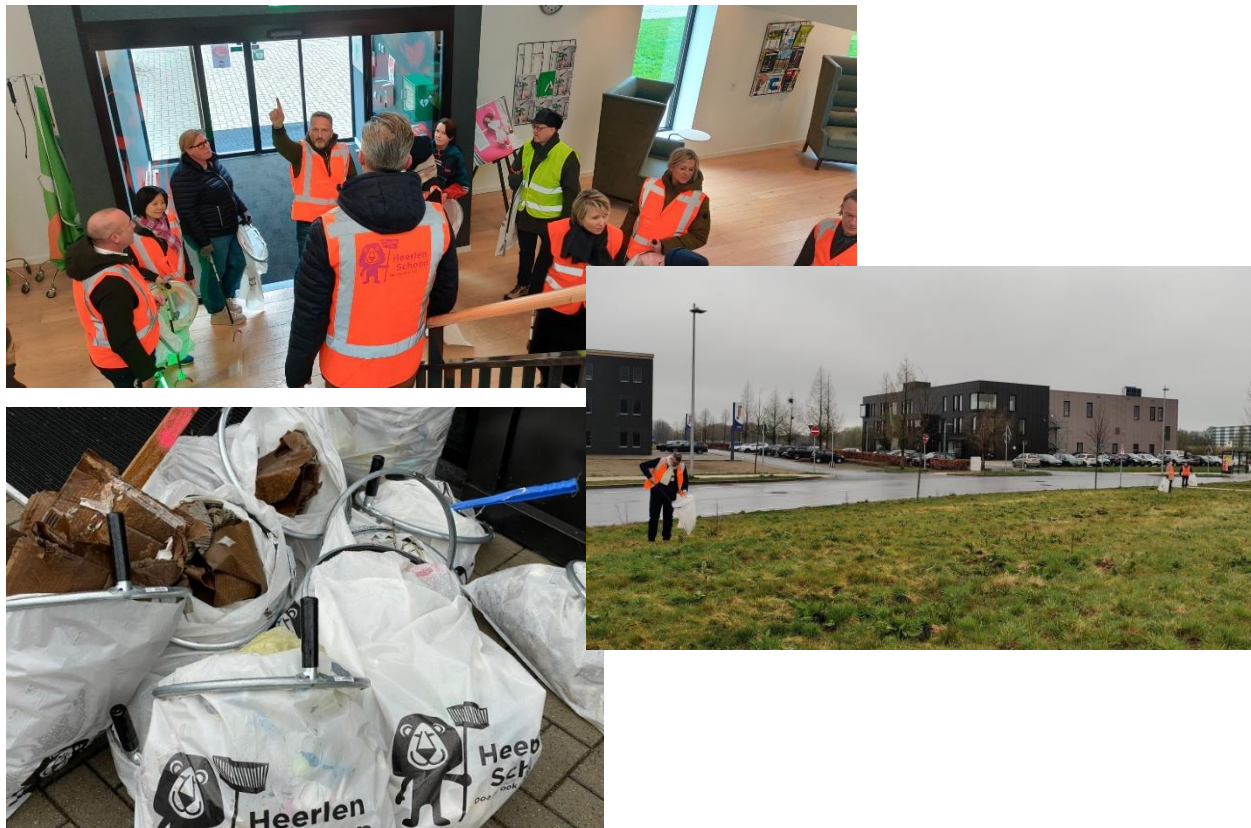
SMILE also refers to our mission to contribute to the well-being and happiness of our stakeholders, including our personnel.

To offer our employees the possibility to work on their own well-being and to increase the awareness of our SMILE values, we introduced the SMILE agenda in 2021. For this project, we made mixed teams of Arion employees from different departments to represent each corporate value. Every two months (except the summer months July and August), we focus on one particular SMILE value and two new teams are invited to work on ideas for activities and projects related to their team's value.

In January and February (and a bit of March) of 2021, 'Sustainability' was the corporate value of focus and the teams came up with different sustainable activities. In February, we had a Sustainable Tombola with 2nd-hand unused objects brought from home by some colleagues. Through this activity, the objects got a chance to have a second life with someone else.

In March, we organized a Clean-up activity in the surroundings of our headquarters, in Avantis Business Park. Many colleagues and even some people from the neighborly companies participated and cleaned up the surroundings of our headquarters. Together, we collected almost a full big waste container in less than an hour!

Because of the success of the clean-up project, we decided to organize such an event each year (this is also included in our KPI and objective overview in appendix II). We think this is an excellent way to literally 'walk the talk' about Sustainability! Moreover, because employees are empowered to organize activities themselves, we contribute to their empowerment and well-being as well.



How we contribute to quality of care; now and in the future

Our products are developed to contribute to quality of care and the well-being of people in health care: care recipients as well as health care workers.

Our Arion Slide Solution products enable many stockings wearers worldwide to put on their stockings independently in a more comfortable and easy way. Stockings wearers that can put on these stockings themselves, have more flexibility and autonomy during the day. If stockings wearers still need assistance in putting on or pulling off their stockings, Arion Slide Solution products make this task easier and less straining for the health care worker.

Our Swash® bathing products contribute to a comfortable and easy, yet hygienic and skin treating bed bath. The Swash® specials (such as the Perineum products for incontinence care and the antiseptic products) offer additional advantages for particular health care activities.

Consequently, our products contribute to quality of care and are much needed to ensure quality of care in the future as well.

In health care, quality of care is increasingly jeopardized by the increasing shortage of nurses. Without taking action, it will be impossible to offer the same (quality of) care to all patients as patients receive currently. In the Netherlands alone, a shortage of 67.000 elderly care workers and 31.000 hospital health care workers is expected in 2031. Even nowadays, some care activities are already skipped in times of high workloads; for example during the summer season.

According to a recent research report of [Gupta](#), technology can be part of the solution to compensate for (parts of) this shortage if it is properly implemented. This report argues that much of the health care workers shortage can be offset by a better implementation of already existing technologies that make the health care process more efficient. Both donning and doffing aids (such as our Arion Slide Solution products) and washing without water products (such as our Swash® products) are mentioned in this report as technologies that would help to offset health care workers shortages.

In other words our products ensure quality and accessibility of care not only now but also in the future! In terms of the SDGs, this means that our products contribute to SDG 3 “Good health and well-being” both now and in the future.

Appendix II of this sustainability report, provides an overview of all our sustainability KPI's, objectives, and achievements, including those related to “People”. Arion's material “People” indicators (that is, the most important indicators for Arion) are all related to SDG 3 “Good health and well-being” and are:

- Health and safety of employees;
- Strategy and policy (for protecting human rights); and
- Consumer health and safety.





PLANET

“Planet” in sustainability reflects environmental responsibility, which means that we need to do business in a way that minimizes negative effects on the environment or even has positive effects on the environment. Examples of how Arion acts environmentally responsible that will be presented next are:

- The supply chain meeting for Swash®
- The energy, water and emissions metrics per Swash® product
- Working on a new packaging for the Arion Slide Solutions products

Supply chain meeting

Arion is the specialist in the washing without water concept. As a specialist, we also need to be on top of the sustainability aspects of the concept. Some health care workers are concerned about the impact of the use of (disposable) Swash® products on the environment. The Life Cycle Assessment (LCA) that was conducted for Swash® shows that the total ecological impact of a bed bath with Swash® is actually 74% lower compared to the traditional bed bath with water and soap. In other words, it shows that Swash® is less harmful for the environment. Less harmful is good but how nice would it be to be not harmful at all!?



Whether it will be actually possible to offer Swash® products without an ecological impact at all in the future, remains unclear for now. However, in May 2022, we started to explore possibilities to reduce the ecological impact of Swash® together with our supply chain partners. In a two-day program that was organized by Arion, representatives of the producer of the raw materials, the producer of the nonwovens, a hospital, a nursing home, a waste processor, Arion and several circular experts discussed different options to make Swash® more sustainable. Several projects have been determined, which will be executed by the different supply chain partners in the years ahead. These projects include the mapping of waste streams along the supply chain to identify possibilities for reuse or recycling, testing the use of mono-materials, and rethinking our product concepts.



The supply chain meeting was facilitated by moderators of the Wonderful Stream project (Interreg project V_A Euregio Meuse-Rhine programme SME's full Stream Ahead) and shows Arion's goal to be the specialist in washing without water, also when it comes to sustainability!



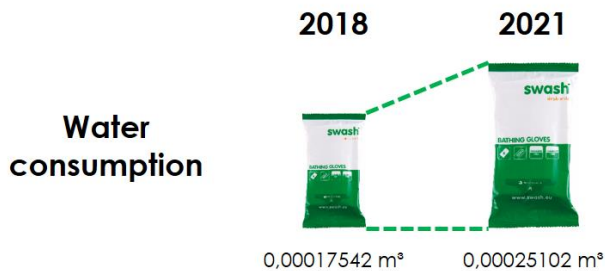
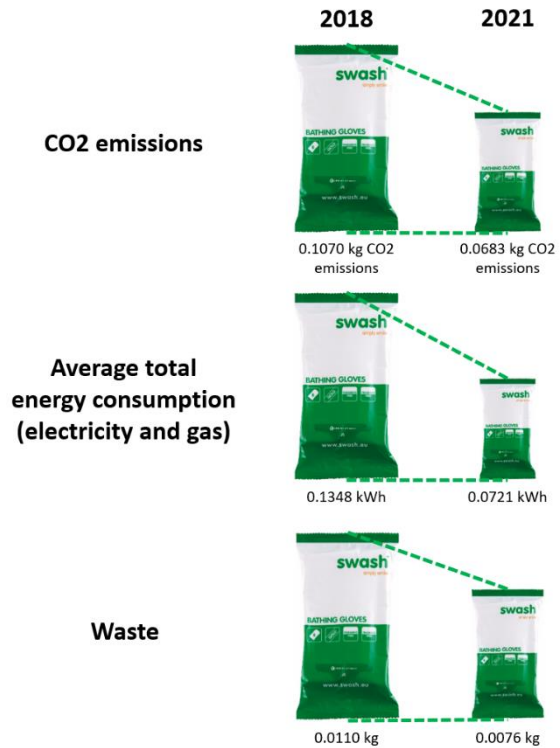
The energy, water and emissions metrics per product of Swash® produced

For the production of our Swash® products, energy and water are required as resources. Furthermore, emissions and waste are created by our production and office facilities. Because of economies of scale, the energy and water consumption, and the emissions per product produced should decrease every year. The figure on the right shows the CO2 emissions, energy use, and the waste produced per Swash® product in 2021 compared to 2018.¹

As can be seen from the picture, indeed we emitted less CO2 per product produced between 2018 and 2021. Furthermore, less waste is produced per product in 2021 compared to 2018. Also we needed less energy per product.

Unfortunately, the water consumption per product did not decrease but actually increased between 2018 and 2021 as can be seen from the picture below. There are explanations for this. First of all, we do not want to make compromises in the use of water in our Swash® products. Quality is the foremost important requirement for our products and therefore, we will not use less water in our products if this will affect the quality. Secondly, a reason for the increase in water consumption per product is the implementation of quality processes with respect to cleaning our facilities. To ensure a high quality of our Swash® products, these products need to be produced in a clean environment. For that reason, Swash® is produced in a clean room and strict cleaning procedures that require water could be the reason for the increase in water consumption per product produced. Although that these cleaning procedures were in place in 2018 as well, the increase could be explained by the increasing number of different Swash® products that are produced as cleaning needs to be done in between the production of different products.

Still, we will closely examine how to improve the water consumption per product produced because water is one of the material sustainability topics for Arion. Finally, it is good to realize that despite our water consumption, the production and use of Swash® still requires much less water compared to the bed bath with water and soap according to the LCA.



¹ The numbers presented on this page are different from the productivity KPI's which are presented in appendix II. The numbers on this page show the resources used or waste/emissions created, expressed per package of Swash®, whereas the productivity KPI's show the revenues per unit of energy, waste or emissions. Furthermore, the CO2 emissions do include scope 1 and 2 emissions and some scope 3 emissions (i.e. visitor traffic, employee commuting, and business travel). Finally, the emissions per package presented for 2018, exclude emissions of our company cars, which were first included in the calculation in 2020 due to an adaptation in the calculation that we use.

Working on a new packaging for the Arion Slide Solutions products

Much of the sustainability initiatives are related to our Swash® products, amongst others because these products are produced by ourselves and therefore, we have more direct control over its sustainability effects. However, this does not mean that we cannot make sustainability contributions with our Arion Slide Solution products (donning and doffing aids).

In 2020, we explored possibilities for making Arion Slide Solution products more sustainable. Amongst others, possibilities for collecting and recycling used donning and doffing aids were studied. Unfortunately, not many opportunities were identified. Still, one project started in 2021 in which the aim is to lower the ecological impact of the Arion Slide Solutions packaging. Based on several talks with the value chain (that is, talks with stockings wearers, medical device stores, nurses and manufacturers), alternative packaging options and materials will be considered. Currently, the packaging is made of plastics and the objective is to introduce a new and more sustainable packaging in 2023.

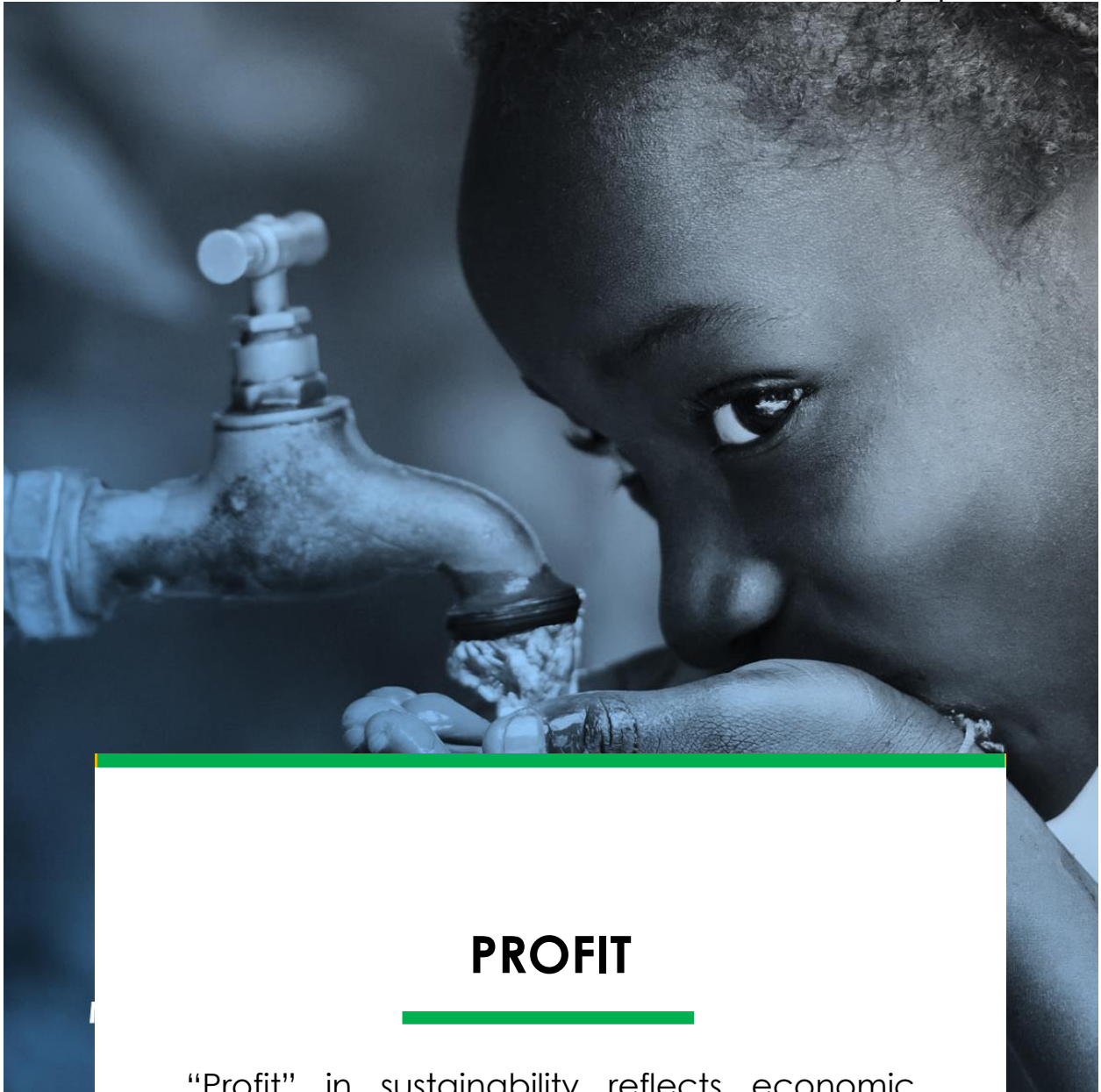


The new package will be a good step in lowering the ecological footprint of the Arion Slide Solutions. We will stay in close contact with the supply chain, to continue exploring other possibilities aiming for even bigger sustainable steps in the future.

Appendix II of this sustainability report, provides an overview of all our sustainability KPI's, objectives, and achievements, including those related to "Planet". Arion's material "Planet" indicators (that is, the most important indicators for Arion) are:

- Raw materials;
- Energy;
- Water; and
- Emissions, waste water and waste.

All of these material indicators are related to SDG 12 "Responsible consumption and production", whereas the material indicator "water" is related to SDG 6 "Water and sanitation" as well.



PROFIT

“Profit” in sustainability reflects economic responsibility, which means that we need to do business in a financial sustainable way that contributes to the economic system. Examples of Arion's economic responsibility that are presented next are:

- 50.000.000 Made Blue liters
- Working with knowledge institutions

Swash® + Made Blue >50.000.000 liters of clean drinking water!

For many years, Arion has a partnership with Made Blue to contribute to clean drinking water in developing countries. We are one of Made Blue's first partners because we believe in the cause they are fighting for: access to clean drinking water for everyone.

In 2022, we had a good reason to celebrate! On World Water Day (March 22nd, 2022), Machiel van Dooren (co-founder and director of Made Blue) visited Arion to hand over a certificate with the magnificent number of 50.597.750 on it. This means that over our partnership we have donated more than 50.000.000 liters of clean drinking water in developing countries with the sales of Swash® bathing products. This donation is enough to give 685 persons permanent access to clean drinking water, which is a huge impact. People with access to clean drinking water have more opportunities in terms of work and education and have a higher level of well-being.



This donation also has a significant indirect effect on the environment. Because more people have direct access to clean drinking water, less plastic disposable bottles and packages are used to transport the water. Based on the number of liters that we donated, 25.000.000 plastic disposable packages have been saved as well as 350 ton CO2 emissions!

Because of the positive impact we make with our partnership with Made Blue, we decided to intensify our collaboration. First of all, we installed a Made Blue water tap at our office, which makes our collaboration with Made Blue more visible and by which we donated an additional 1.000.000 liters of clean drinking water. Secondly, we defined a new KPI and objective related to our donation of clean drinking water. The objective, which is also presented in appendix II, is that we should donate at least +20% clean drinking water based on the preceding year, every year.



Working with knowledge institutions

Many sustainability challenges are complex. We can face these challenges alone, but prefer to collaborate with others. In some cases, collaboration is a necessity to make sustainable steps. Therefore, we collaborate with stakeholders, partners and knowledge institutions as much as we can.

The supply chain meeting presented earlier in this report, is a good example of how we cooperate with partners. A good example of our collaboration with knowledge institutions is the assignment that we submitted for the Global Innovation Challenge organized by the Maastricht University.

Assignment Global Innovation Challenge 2022

“How to go from a sustainability strategy to a corporate strategy that is sustainable?”. That is a question that we ask ourselves more often at Arion and the question that we asked students of 7 universities across the world to help us with. These students participated in the Global Innovation Challenge organized by Maastricht University.

After a short presentation about Arion and the assignment, the students had 8 hours to prepare an advice to Arion, which they presented the day after. Each presentation was assessed by a jury in which our colleagues Davy Fuchs (Marketing Manager Swash®) and Fabian Groven (Strategic Project Manager Sustainability) participated. Although only one team could be the winner, all groups presented valuable recommendations that can be used in future strategic discussions.

This project proved once again the relevance of working closely together with knowledge institutions!

Next to the Global Innovation Challenge, we participated in many more student projects, including a sustainability assignment at the Maastricht School of Management (MSM) in which a diverse group of international students looked into different generic options to make our Swash® products more sustainable, being: biobased plastics, recycled plastics, recycling of Swash® waste and biodegradable materials.

Appendix II of this sustainability report, provides an overview of all our sustainability KPI's, objectives, and achievements, including those related to “Profit”. One of Arion's material indicators (that is, the most important indicators for Arion) that can be related to profit is:

- Good governance that ensures adherence to regulations and business ethics.

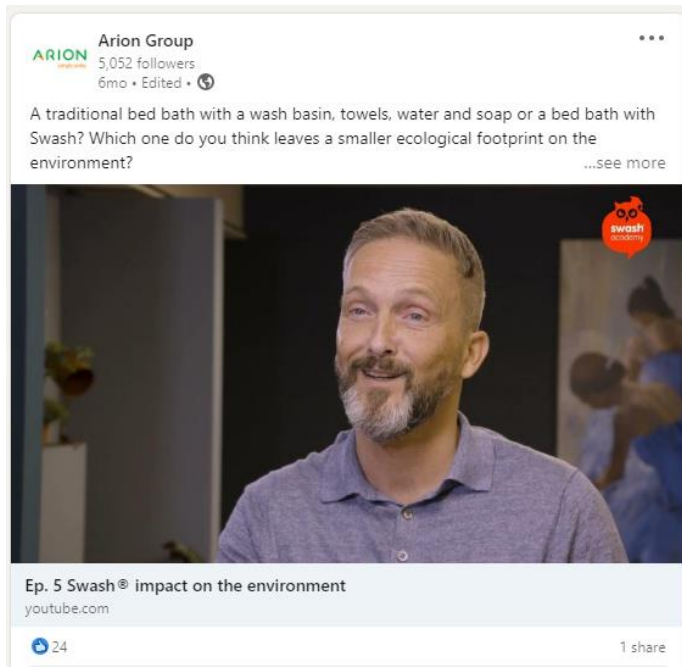


Sustainability is the responsibility for the impact that Arion exerts on its surroundings, in social, environmental, and business terms



Communication about sustainability

An important part of our sustainability efforts, is the communication about sustainability. To build awareness about sustainability in general, and the sustainable challenges at Arion, it is important to communicate openly, transparently and comprehensively about our sustainable ambitions, achievements, objectives, and challenges. This sustainability report is only one communication tool that we use to increase awareness and to inform our stakeholders about sustainability. One other important tool to communicate about sustainability are our social media accounts. For example, on LinkedIn and Facebook, we regularly pay attention to sustainability as can be seen from the selection of posts below.



Real impact is achieved through contribution and by joining forces for a good cause.

Thanks [Woonzorggroep Samen](#) for choosing products that create impact for people here and people situated thousands km away from here.

By using our products, you have donated 56.020 liters of clean drinking water in a developing country on top of our annual contribution related to the sales of [#Swash](#)! Thank you.

Made Blue Foundation
#madeimpact #ArionSimplySmile
See translation



nd 1 other

2 comments · 1 share


Comment Share Send

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 2021, 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).

Bureau Veritas Certification



Certificaat van Goedkeuring
Hiermede wordt verklaard dat het MVO managementsysteem van
Arion Holding B.V.
Rutherford 11, 6422 RE Heerlen, Nederland
Kamer van Koophandel: 14119195

voor het managen van de ontwikkeling en de invoering van het MVO beleid op MVO-thema's in samenspraak met stakeholders in de technical area Productie (1) en Handel en Distributie (3)
vanwege scope Ontwikkelen, produceren en verkopen van hulpmiddelen voor de zorgsector.
door Bureau Veritas Certification is geëvalueerd en voldoet aan:

MVO Prestatieladder Niveau 4

conform MVO Prestatieladder Certificatienorm (versie 3.0), praktische toepassing van ISO 26000 voor Maatschappelijk Verantwoord Ondernemen en is geregistreerd op www.mvoprestatieladder.nl


Initiële goedkeuringdatum:	19-12-2016
Vervaldatum vorige cyclus:	19-12-2019
Certificaat/Herocertificatie audit datum:	9-12-2021
Certificaat/Herocertificatie start datum:	28-02-2022

Behoudens een voortdurende effectieve werking van het managementsysteem van de genoemde organisatie, is dit certificaat geldig tot: 19-12-2022

Verdere toelichting met betrekking tot de scope van dit certificaat en de toepasbaarheid van de managementsysteem staat, kan worden verkregen door contact op te nemen met de gecertificeerde organisatie.

Om de geldigheid van dit certificaat te controleren kunt u bellen naar: +31 (0) 86 450 5500.


Certificaatnummer: **NL021753** Versie: 2 Revalidatiedatum: 10-06-2022



Deze goedkeuring is uitgevoerd in overeenstemming met Bureau Veritas Certification Nederland audit- en certificatie-procedures en zal periodiek worden beoordeeld.

Anton Verbusch
Anton Verbusch – Director Certification Benelux

Kantoor beheer: Bureau Veritas Inspection and Certification The Netherlands B.V., Plattenweg 38, 3821 BB Amersfoort
Kantoor uitgifte: Bureau Veritas Inspection and Certification The Netherlands B.V., Plattenweg 38, 3821 BB Amersfoort



Appendix II – Overview of CSR KPI's, Goals and performance

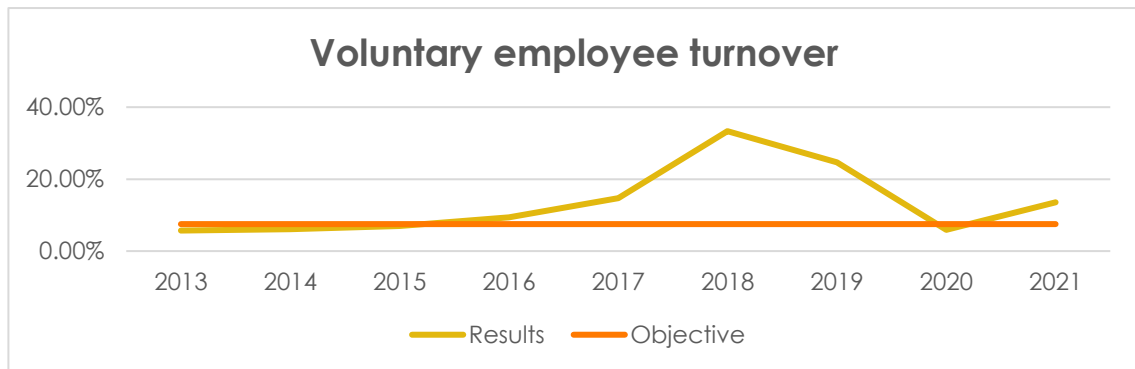
1. Good governance (material indicator)

- Arion being successfully sued for violating regulations
Objective: Arion should not be sued for violating regulations.
Results: Arion has not been sued in 2021, nor the preceding years.

PEOPLE

2. Employment

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



Results: In 2021, the voluntary employee turnover rose above the 7.5% threshold to 13.56%. We will closely monitor developments in employee turnover to take measures if necessary.

3. Relationship between employer and employees

- Overall employee satisfaction grade
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).

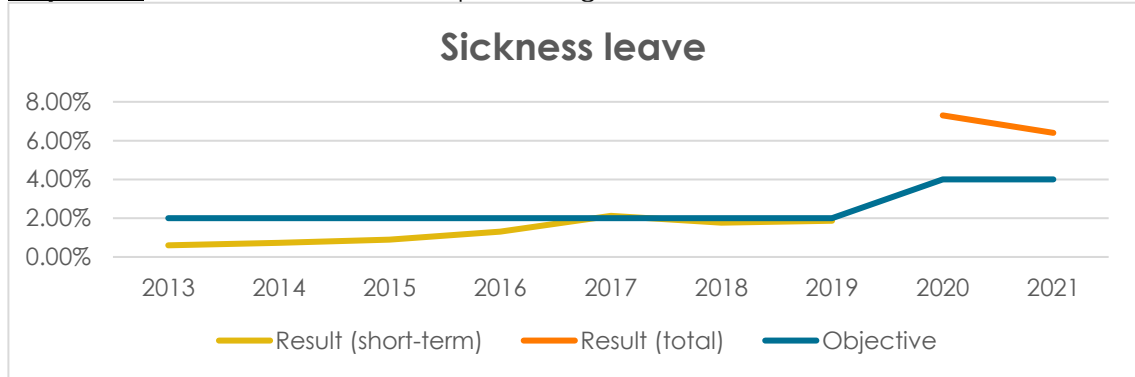


Results: The average satisfaction grade was 7.7 in 2021, which is a decrease compared to 2020 and also below our objective. The employee engagement survey results will be discussed in detail with the board to determine measures to increase the satisfaction grade again.

4. Health and safety of employees (material indicator)

- Sickness leave percentage (total)

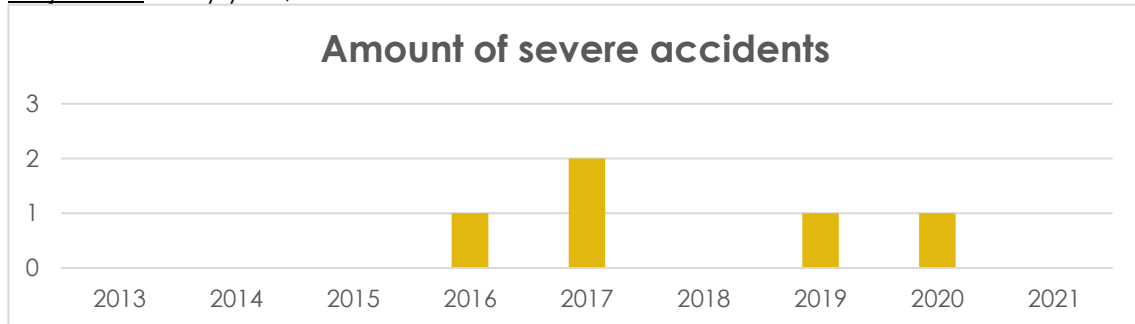
Objective: The total sickness leave percentage should not exceed 4%.



Results: The total sickness leave was 6.4% in 2021 (7.3% in 2020), which is higher than the objective. This could be caused by COVID-19 as especially our production employees cannot work when they need to go in quarantine. For the time period 2013-2019, we only measured short-term sickness leave (up to 2 weeks) because our objective in these years was to have a short-term sickness leave percentage below 2%. To enable an easy comparison with the sickness leave of other companies, we decided to change the KPI and objective and make it relate to the total sickness leave in 2020.

- Amount of severe accidents

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



Results: No accidents were recorded in 2021 and therefore we reached the objective.

- Lost Time Injury Frequency rate (10.000.000 MH)

Objective: The LTIFR should be 0.

Results: The LTIFR was 0 in 2021 because no accidents occurred.

5. Training and education

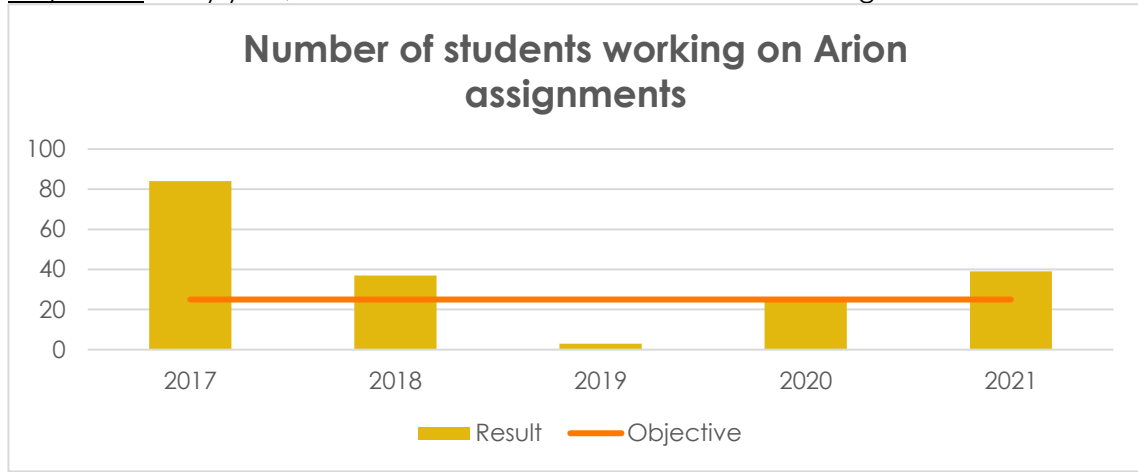
- Yearly training expenditures per employee

Objective: The yearly expenditures on training and development per employee should at least be €1,000,-.

Results: This KPI has been introduced in 2021 and therefore, we cannot show a trend line. However, we did measure the average training and development expenditures per employee in 2021, which was €1,562.19 and therefore exceeds the objective. Before

2021, the objective was to spend at least 1.6% of the total salary costs on training and development. Also this objective was reached in 2020, in which we spend 3.22% of the total salary costs on training and development.

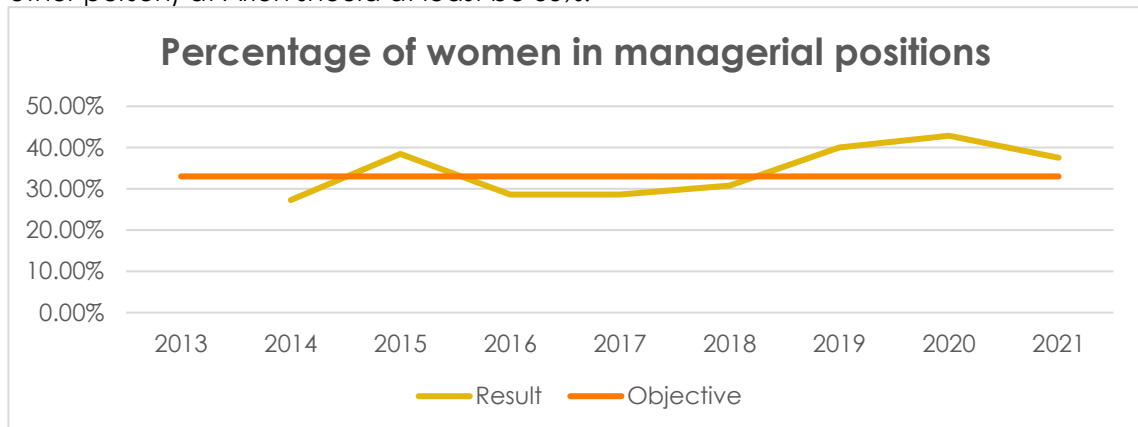
- Students working on Arion assignments
Objective: Every year, at least 25 students worked on an Arion assignment.



Results: 39 students worked on an Arion assignment in 2021, which is above the objective and higher compared to 2020 when we just did not reach the objective. In 2022, we participated in many student assignments and expect to reach the objective again.

6. Diversity and opportunities

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

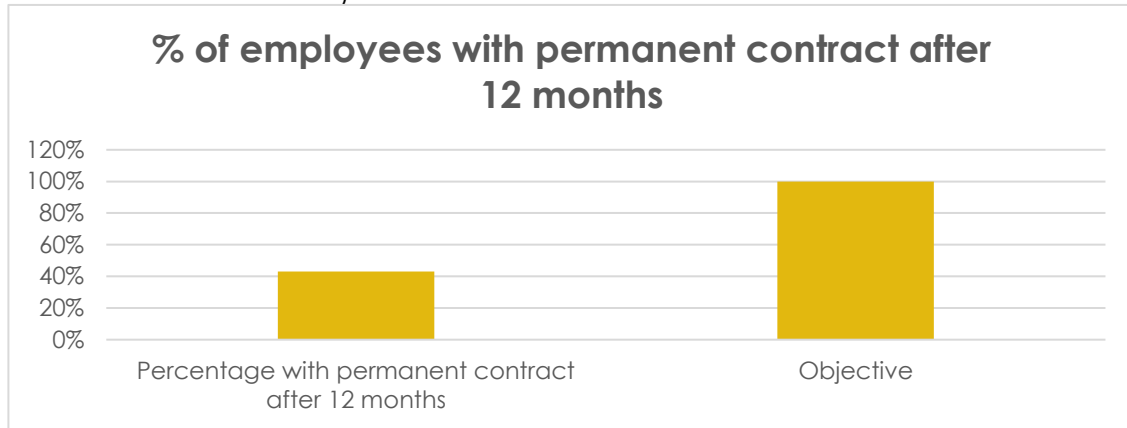


Results: 37.5% of the managers at Arion were women in 2021. This is still above our objective although, it is a slight decrease compared to 2020 (42.86% in 2020).

- Number of nationalities in workforce
Objective: Arion should employ people from at least 11 nationalities.
Results: 2021 was the first year this KPI was measured so we cannot share a trend line. However, we did exceed the objective as we employed employees of 12 different nationalities in 2021.

7. Flexible employment contracts

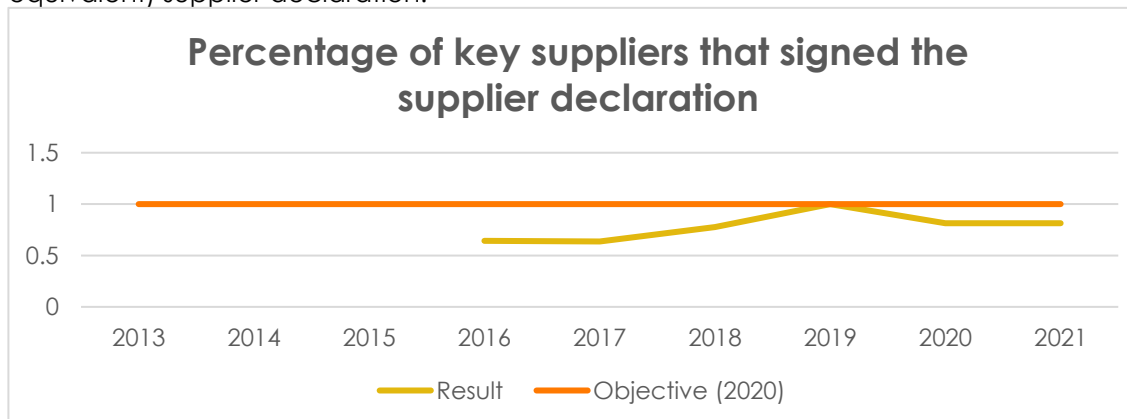
- Employees with permanent contract after 12 months
Objective: All employees that started from an employment agency or started with a temporary contract should have a permanent contract after 12 months (in case they continue to work for Arion).



Results: With respect to the topic “Flexible employment contracts” we defined a new KPI related to the percentage of employees that started with a temporary contract (whether from Arion or of an employment agency) and that continued to work for Arion after the temporary contract terminated under a permanent contract. For the calculation for 2021, we inventoried all employees that started in 2020 of whom the temporary contract ended in 2021 and who continued to work for us after their temporary contract terminated. Subsequently, the numbers of those employees that received a permanent contract after 12 months were counted and expressed as a percentage of the total. In 2021, 43% of the employees that started with a temporary contract and that continued to work for Arion after its termination, received a permanent contract after 12 months. The objective is to reach 100%, meaning that every employee who starts with a temporary contract and who can continue their work after its termination, get a permanent contract after 12 months.

8. Strategy and policy (material indicator)

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



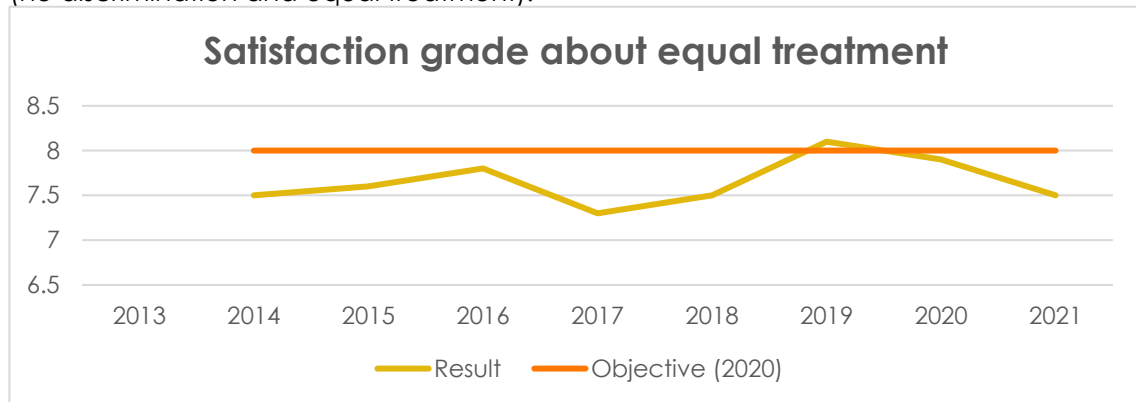
Results: Unfortunately, not all key suppliers signed the supplier declaration (3 did not resulting in a percentage of 81.25%). In fact, compared to 2020, the same percentage of key suppliers signed the declaration in 2021. As a result, we started discussions with the particular suppliers to identify the reasons for not signing the declaration and we

found that these suppliers are not harming the principles in our declaration. In 2022, we will try to reach an agreement with the particular suppliers.

9. Equal treatment

- Employee satisfaction about 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).



Results: The average satisfaction grade regarding equal treatment was 7.5 in 2021 compared to 7.9 in 2020. Not only did we not reach our objective, the results also show a decreasing trend. Arion takes these concerns very serious and will discuss the results of the employee engagement survey in depth to take appropriate measures. Arion has a confidant person who was not notified in 2021 for cases of unequal treatment.

10. Freedom of collaborative negotiations

- Complaints about freedom to unite

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

Results: Ever since the introduction of this KPI in 2013, we did not get a single complaint about influencing the freedom to unite or the engagement in collective labor negotiations.

11. Child labor

- Percentage of key suppliers that signed the supplier declaration

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

Results: See CSR topic 8 "Strategy and policy" on page 25. The supplier declaration that is mentioned at topic 8 also includes clauses about child labor. Therefore, the same KPI is used for this theme as well.

12. Forced labor

- Percentage of key suppliers that signed the supplier declaration

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

Results: See CSR topic 8 “Strategy and policy” on page 25. The supplier declaration that is mentioned at topic 8 also includes clauses about forced labor. Therefore, the same KPI is used for this theme as well.

13. Security policy (not applicable to Arion)

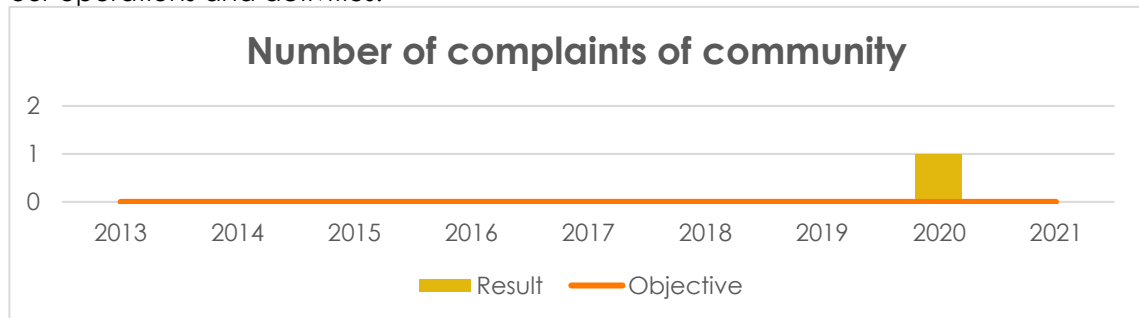
This CSR topic is about security personnel respecting human rights. This topic is not applicable to Arion as we don't have security personnel.

14. Rights native inhabitants

- Percentage of key suppliers that signed the supplier declaration
Objective: 100% of our key suppliers should have signed our (or an alternative equivalent) supplier declaration.
Results: See CSR topic 8 “Strategy and policy” on page 25. The supplier declaration that is mentioned at topic 8 also includes clauses about the rights of native inhabitants. Therefore, the same KPI is used for this theme as well.

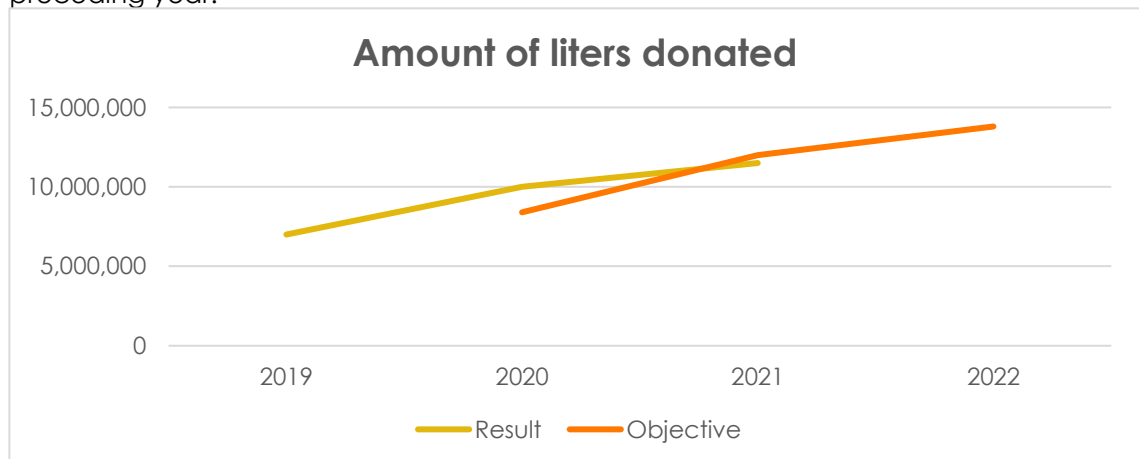
15. Effects on society

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



Results: We did not receive any complaint from society in 2021.

- Amount of liters of clean drinking water contributed to Made Blue
Objective: Every year, we donate +20% of clean water to Made Blue based on the preceding year.



Results: 11,500,000 liters of clean drinking water were donated in 2021, which was not enough to reach the objective of 12,000,000 liters (+20% compared to the liters donated

in 2020). We did intensify our partnership with Made Blue and expect to reach the objective in 2022.

16. Corruption

- Notification of corruption incidents

Objective: We should be involved in 0 corruption incidents.

Results: Also in 2021, as in all the previous years, we have received no notification of being involved in corruption incidents. In 2022, we started to actively ask our stakeholders if they have reasons to believe that Arion (or its supply chain) is involved in corruption. We will report on this from next year onwards.

17. Public policy

- Membership overview political parties and networks

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

Results: This overview has been completed for 2021 as well and can be requested by sending an e-mail to: f.groven@arion-group.com.

18. Unfair competitive behavior

- Notifications of unfair competitive behavior

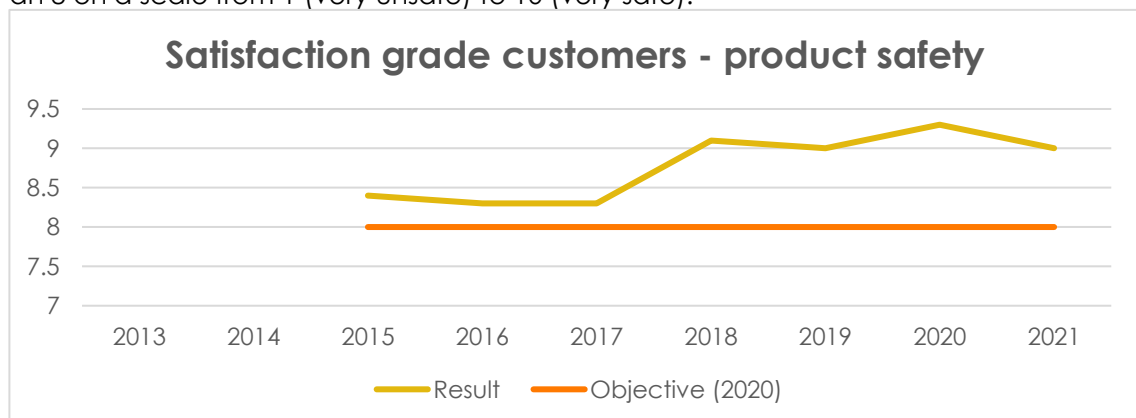
Objective: Number of notifications of third parties of unfair competitive activities (should be 0).

Results: Also in 2021, as in all the previous years, we have received no notification of being involved in unfair competitive behaviors. In 2022, we started to actively ask our stakeholders if they have reasons to believe that Arion (or its supply chain) is involved in unfair competitive activities. We will report on this from next year onwards.

19. Health and safety of consumers (material indicator)

- Customer satisfaction about product safety

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).

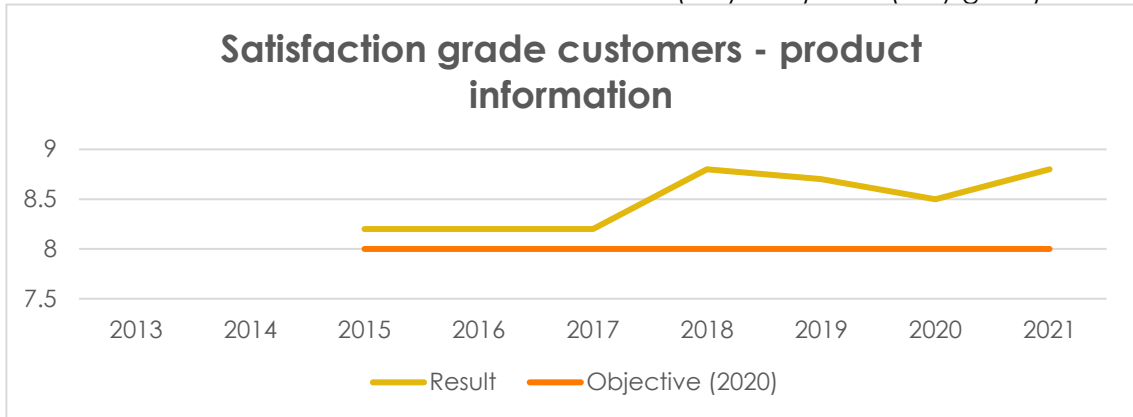


Results: The average satisfaction grade was 9.0 in 2021 compared to a 9.3 in 2020. Although the results are based on a small sample, we outreached the objective every year.

- Accidents caused by our products
Objective: Our products should not cause any accident.
Results: Also in 2021, as in all the previous years, no accidents have been caused by our products. An accident is defined as any incident that directly or indirectly led, might have led, or might lead to 1) the death of a patient, user, or other person; 2) the temporary or permanent serious deterioration of a patient's, user's, or other person's state of health; or 3) a serious public threat.

20. Product information

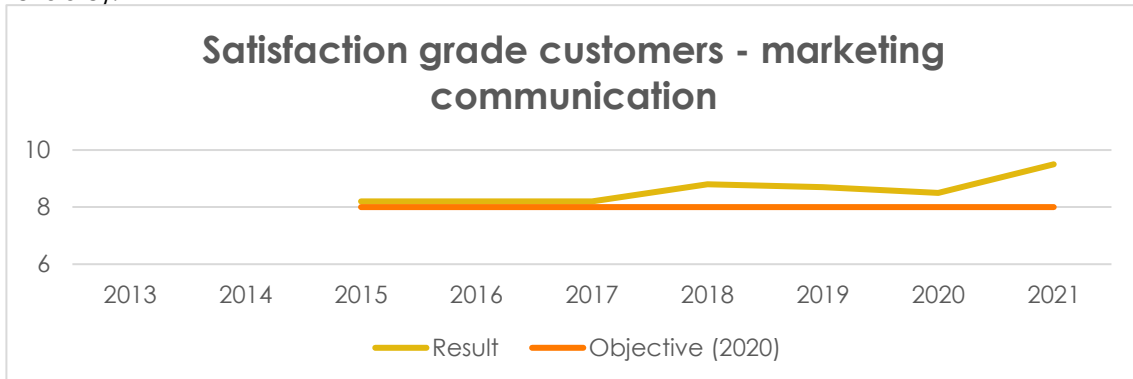
- Customer satisfaction about product information
Objective: The average grade for the product information that we present across our customers should be at least an 8 on a scale from 1 (very bad) to 10 (very good).



Results: The average satisfaction grade was 8.8 in 2021 compared to a 8.5 in 2020. Although the results are based on a small sample, we outreached the objective every year.

21. Marketing and communication

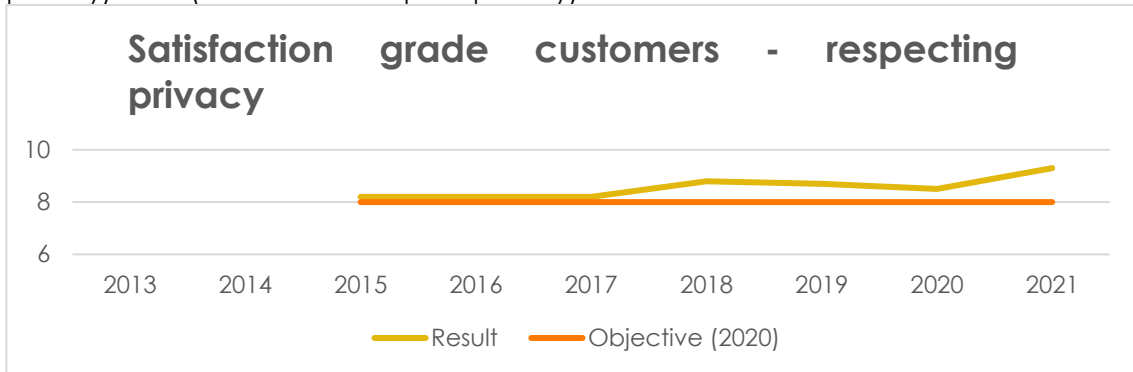
- Customer satisfaction about marketing communication
Objective: The average grade for our marketing communications across our customers should be at least an 8 on a scale from 1 (very bad and unreliable) to 10 (very good and reliable).



Results: The average satisfaction grade was 9.5 in 2021 compared to a 8.5 in 2020. Although the results are based on a small sample, we outreached the objective every year.

22. Privacy of customers

- Customer satisfaction about respecting customer privacy
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).

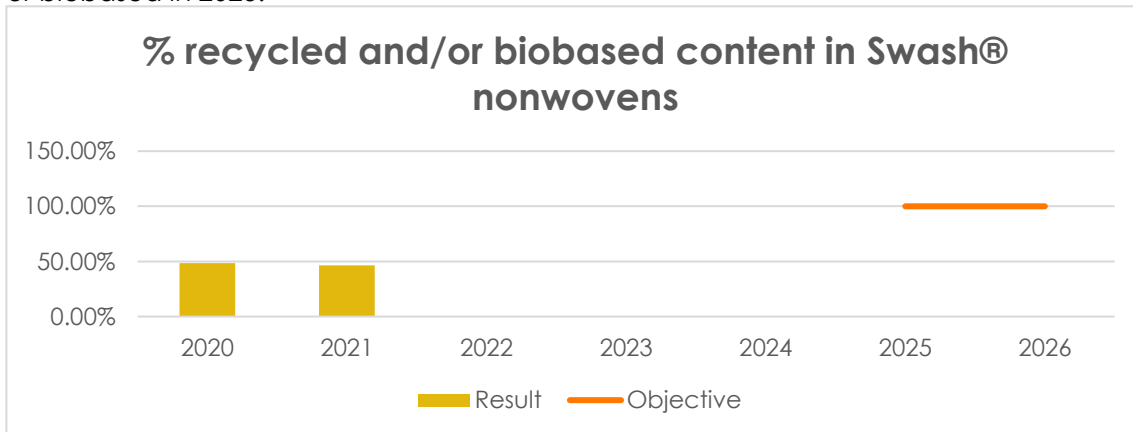


Results: The average satisfaction grade was 9.3 in 2021 compared to an 8.5 in 2020. Although the results are based on a small sample, we outreached the objective every year.

PLANET

23. Raw materials (material indicator)

- Percentage of recycled and/or biobased materials in Swash® packaging
Objective: 75% of the materials used for our Swash® packaging need to be recycled or biobased in 2025.
Results: In 2021, unfortunately 0% of our Swash® packaging materials was recycled and/or biobased. However, we are looking into promising packaging materials that can lead to huge improvements that still make it possible to reach our objective for 2025.
- Percentage of recycled and/or biobased materials in Swash® nonwovens
Objective: 100% of the materials used for our Swash® nonwovens need to be recycled or biobased in 2025.



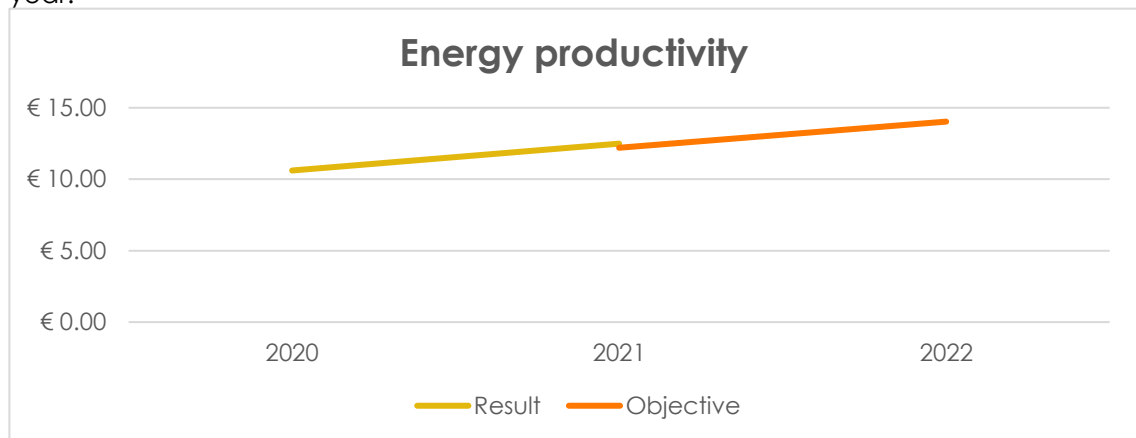
Results: The percentage of recycled or biobased materials in our Swash® nonwovens dropped to 46.53% in 2021 (compared to 48.60% in 2022). The reason for this drop is the change in sales of the product mix. Swash® products that are made of needlepunch nonwovens consist for 100% of biobased and recycled materials. Swash® products that are made of spunlace nonwovens consist for 37% of biobased and recycled materials. These materials were the same in 2020 and in 2021 but in 2021 relatively less

needlepunch products were sold. Despite the drop, we still believe that the objective could be feasible and therefore, we are working on improvements for the spunlace nonwovens.

- Percentage of recycled and/or biobased materials in Arion Slide Solutions packaging
Objective: 100% of packaging materials for Arion Slide Solutions must be made of recycled and/or biobased content in 2025.
Results: In 2021, the packages of the Arion Slide Solution products consisted for around 8% of recycled material, which means that we still need to make a lot of progress. In 2022, a project started to replace the plastic packages with packages made of recycled and/or biobased materials. The first results are expected in 2023 and we are confident to meet the objective for 2025.

24. Energy (material indicator)

- Energy productivity (revenues / energy use; energy use = total electricity + total gas consumption)
Objective: The Energy productivity needs to increase by 15% compared to the previous year.

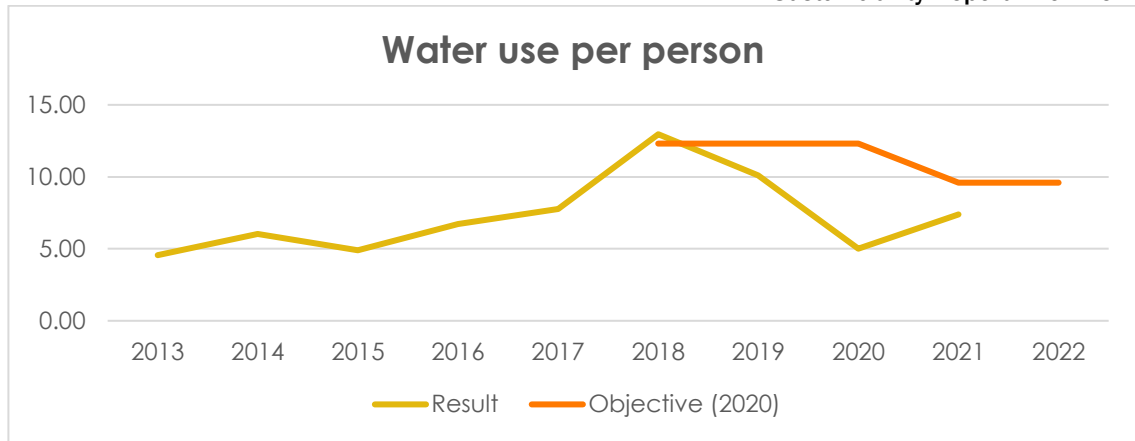


Results: The energy productivity shows how much value is produced per energy unit and therefore the higher the value, the better (the more value is created per energy unit). The energy productivity in 2021 was €12.49, which is higher than the objective of €12,-. The objective will be reviewed each year but is set on an increase of 15% in 2022 compared to 2021.

- Solar panels installed at HQ
Objective: At least 300 solar panels need to be installed in 2025.
Results: In 2021, no solar panels were installed yet but we are looking into this and keep the objective for 2025.

25. Water (material indicator)

- Water use per person
Objective: The water use per person should decrease by 5% in 2022 compared to 2019 (last pre-COVID19 year).



Results: In 2021, the water consumption per person working for Arion was 7.38 m³, which is much lower compared to the objective of 9.6 m³ per person. The objective is based on a 5% decrease in water consumption per person with 2019 as base year because this was the last pre-COVID year and therefore the best comparator for 2022 in which we returned to the office.

26. Biodiversity

- Engage in clean-up projects

Objective: Each year, Arion will organize and/or participate in clean-up project.

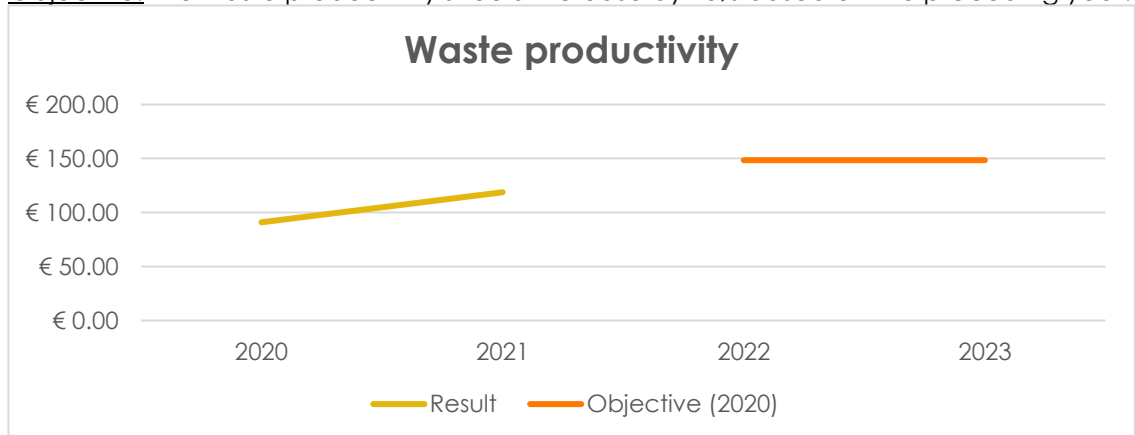
Results: In 2021, Arion organized a clean-up project to clean the surroundings of the Arion headquarters at the Avantis industrial site. Because of the success of this clean-up project in terms of waste collected and participants' enthusiasm, we decided to have the objective to organize and/or participate such an event every year.

This objective will replace our intended objectives of contributing to the bee population in the surroundings of our headquarters because we found out that we cannot make a relevant contribution in this area.

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

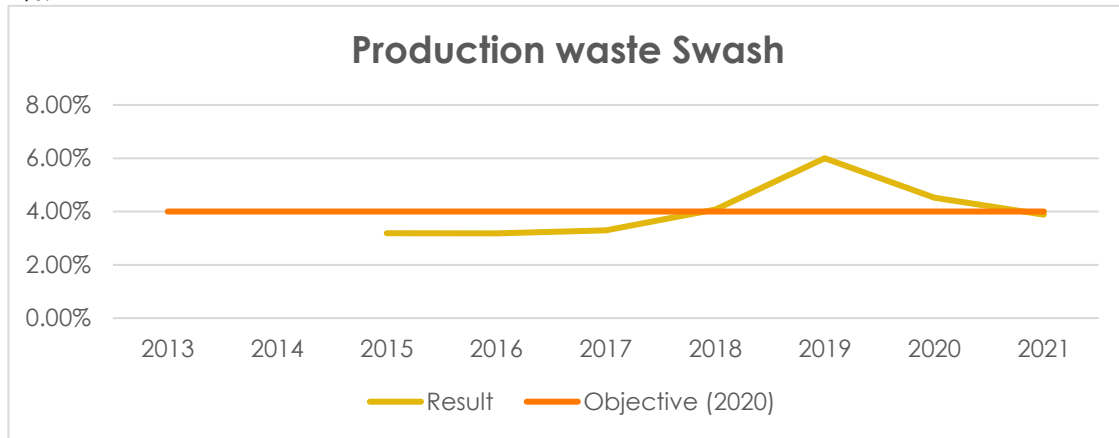
- Waste productivity (revenues / waste)

Objective: The waste productivity should increase by 25% based on the preceding year.



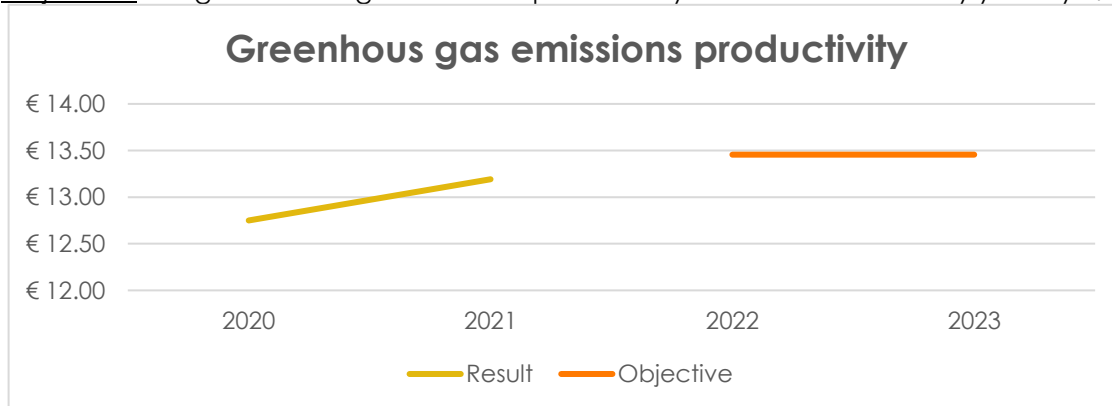
Results: The waste productivity shows how much value is produced per waste unit and therefore the higher the value, the better (the more value is created per waste unit). The waste productivity was €118.77 in 2021 and the objective (which will be reviewed each year) is set on an increase of 25% in 2022 compared to 2021.

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



Results: The weighted average percentage of production waste in 2021 was 3.88% which is below the objective of 4%. For three years in a row, we had more production waste than the objective but in 2021, we managed to reduce the production waste, even with an increasing number of different products. With the continued investments in industry 4.0 we expect that we can stay below the 4% objective in the coming years. This will be challenging though because of the expected increase in new products. Therefore, we will keep the objective of 4% for 2022.

- Greenhouse gas emissions productivity (revenues / emissions)
Objective: The greenhouse gas emissions productivity should increase every year by 2%.

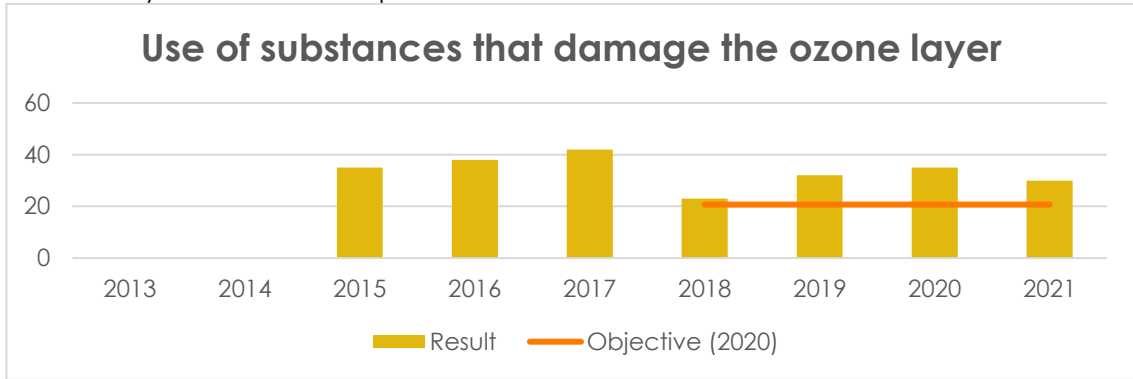


Results²: The greenhouse gas emissions productivity shows how much value is produced per greenhouse gas emission unit and therefore the higher the value, the better (the more value is created per greenhouse gas emission unit). The greenhouse gas emissions productivity was €13.19 in 2021 and the objective (which will be reviewed each year) is set on an increase of 2% in 2022 compared to 2021.

These numbers include emissions of scope 1 and 2 but also of scope 3 (i.e., employee commuting, business travel, and travel of visitors). In 2022, we aim to inventory only our scope 1 and 2 emissions more specifically. A plan will be determined for scope 3.

² In an earlier version of this sustainability report, different numbers have been reported, which have not been correct because of a measurement error, which was discovered during an audit in October 2022. The measurement error related to the calculation of the scope 3 emissions related to outbound transport of goods. Because we still need to determine a new measurement method for this part of scope 3 emissions, we decided to exclude emissions related to transport of outbound goods from the numbers. The emissions included in the figure of this updated sustainability report include: scope 1 and scope 2 emissions, and of scope 3 emissions: Visitor travel, employee commuting, and business travel.

- Use of substances that damage the ozone layer
Objective: The use of substances that are known to damage the ozone layer should be reduced by 10% in 2022 compared to 2018.

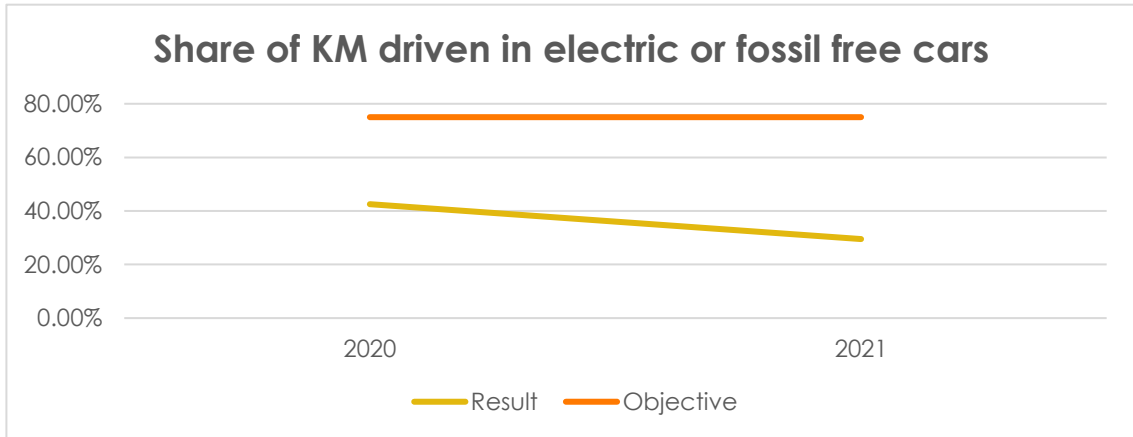


Results: In 2021, the use of substances that damage the ozone layer decrease to 30, which is still above the objective of 20.7 (-10% compared to 2018). However, if we related the use of these substances to the number of Swash® products produced, the use of these substances per product decreased by almost 36% between 2018 and 2021. Hence, we will reconsider this objective but for 2022 still strive to decrease the absolute use of these substances to 20.7.

- Discharges of chemical substances in water
Objective: We should have 0 discharges in water (of chemical substances).
Results: Also in 2021, we did not have any discharge of chemical substances in water.

28. Transport

- Percentage of KM driven in electric or fossil free cars
Objective: At least 75% of the KM driven in Arion company cars should be electric or fossil free.



Results: In 2021, we did not reach our objective, which means that less than 75% (actual result was 29.5%) of the kilometers driven in Arion company cars were driven in electric and/or fossil free cars. However, we expect a huge improvement in 2022 because many fossil company cars have by now been replaced by electric cars.

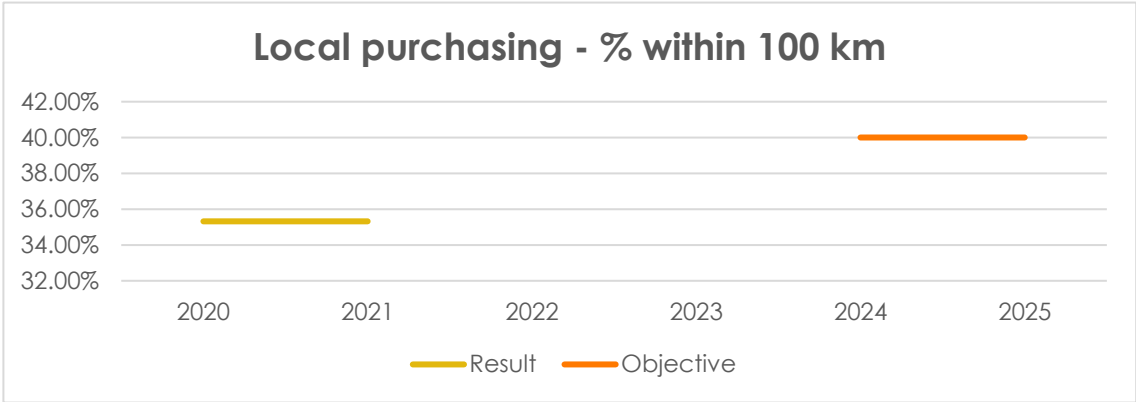
PROFIT

29. Direct economic value generated/distributed

- Yearly financial reporting
Objective: very year Arion will set-up financial statements and overviews.
Results: Arion has made financial statements and overviews for 2020.

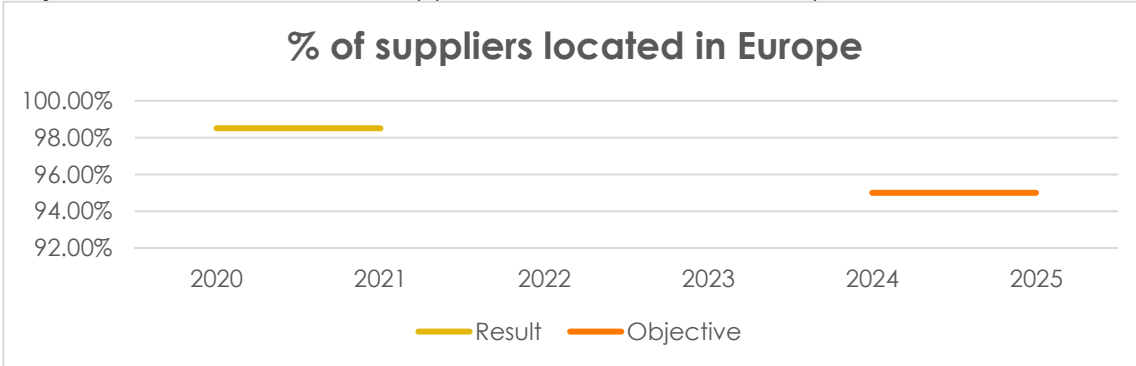
30. Positive contribution to local economy/community

- Suppliers within radius of 100 km from HQ
Objective: At least 40% of our suppliers must be located within a radius of 100km from our HQ in 2025.



Results: 35.32% of our suppliers (unweighted) were located within a radius of 100 KM from our headquarters in 2021. The objective is to have at least 40% of our suppliers coming from within this radius in 2025.

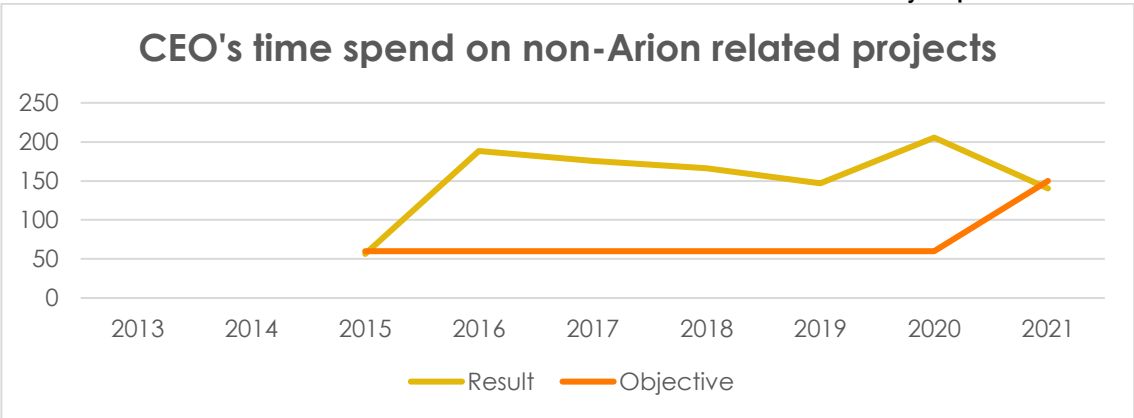
- Suppliers within Europe
Objective: At least 95% of our suppliers must be located in Europe.



Results: 98.51% of our suppliers (unweighted) were located in Europe in 2021. The objective is to have at least 95% of our suppliers being located in Europe in 2025, which we reached already but must maintain in the years ahead.

31. Contribution to economic system

- CEO's time on non-Arion related projects
Objective: The CEO will spend at least 150 hours per year on projects that will not directly contribute to the success of Arion pro bono.



Results: Our CEO spend 140.5 hours on “non-Arion related projects” in 2021, which is below the new objective of 150 hours (which was set higher because the objective was exceeded much in the preceding years). Such projects include, lectures to knowledge institutions and coaching start-ups. For 2022, we will maintain the objective of at least 150 hours, which we expect to reach (or exceed) in 2022.

Appendix III – Indicator/stakeholder overview

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