

SACK^{it}®

Responsibility Report 2020

Contents

- Introduction
- About SACKit
- Product and packaging
- Supply chain
- Workplace
- Moving forward



**#sustainability #ethical #ecofriendly
#positiveimpact #carbonfootprints
#corporateresponsibility**

Buzzwords like these are being thrown around by companies taking a stand on social and environmental issues – and rightly so.

But let's be real.

Words won't save the world. At SACKit, we too acknowledge the consequences of our actions, and we take our responsibility very seriously. But we also acknowledge that sustainable and ethical progress takes time and hard work. We are by no means perfect, and like any other company in our industry we face ever-changing humanitarian and environmental challenges that will not be solved by a report or a fancy marketing campaign.



Dare to be honest

In our view, our biggest responsibility is to be open and honest about these challenges. And to recognize that what appears sustainable in one aspect might prove to be unsustainable in the bigger picture. Thus, we take a critical approach to CSR and will continue to ask ourselves what we can do better – and recognize that there will always be room for improvement.

In this report we share some of the steps we are taking towards becoming a healthier and more sustainable business. For clarity we have divided the content into three major focus areas:

Product & Packaging
Supply Chain
Workplace

Happy reading.

Kristoffer Glerup and Peter Ramussen
Owners of SACKit

“We see too many brands use sustainability as a tool to sell more products. We would rather sell one product with a high lifespan than sell 100 products that people only buy because it’s labeled ‘sustainable’”.

Kristoffer Glerup
Founder, SACKit

SACKit sustainable development goals

UN's sustainable development goals (SDG) help us focus our efforts towards a healthier and more sustainable future. Instead of using a scattergun approach we put emphasis to the areas in which we can actually make a difference, which is why we have chosen to highlight three specific goals.

We work with these three goals in a number of ways which you can read about in further detail on the following pages. Throughout the report the SDG icons will indicate the areas in which we are using the specific SDGs as guidelines.



Decent work and economic growth

The objective of SDG 8 is to create inclusive and sustainable economic growth in order to drive progress, create decent jobs and improve living standards. At SACKit we support this by working closely with our suppliers to improve working conditions and educate them in terms of responsible production.



Responsible consumption and production

The objective of SDG 12 is to ensure sustainable consumption and production patterns. At SACKit this means a longevity-centered approach to product design that promotes more conscious consumption and reduces waste as well as a focus on sustainable innovation.



Climate action

SDG 13 encourages urgent action to combat climate change and its impacts. At SACKit we are very aware of our environmental footprint and are working actively towards reducing our negative impact. This includes a focus on optimizing freight practices, minimizing material waste and supporting initiatives that work to combat climate change.



About SACKit

SACKit was founded in Aalborg, Denmark 2012 by Kristoffer Glerup, who wanted to reinvent the bean bag chair. He created the now-a-classic RETROit, an exclusive, chemical-free bean bag chair with a simple, modern design. The Danes welcomed the bean bag with open arms, and SACKit has since grown into a global brand specializing in modern and functional lifestyle products for the whole family.

At the heart of SACKit is a no-BS approach to doing business. This characterizes the way we communicate with customers and stakeholders, the atmosphere we strive to create in the workplace and the way we design our products. We only want to create durable designs that add value to our customers' lives – and continue to do so for many years.

Today, the majority of SACKit is owned by Kristoffer Glerup and Peter Rasmussen. We still reside in our hometown Aalborg, where we employ 15 passionate people with a shared love of great sound and design.

PRODUCT & PACKAGING _

Made to last

We believe that one of the ways in which we can reduce our negative impact and support sustainability is by making durable, high-quality products with a high average life span. You will never see us give in to the latest fashion fad. Instead we adhere to a simple design philosophy that allows us to create functional and long-lasting products:

High-quality materials

Quality starts with material choice. We are very picky about all our materials, from wood and textiles to technology, and we only choose the ones that we know to be solid and durable.

Timeless design

We always keep our designs simple and classic. Not just because we love the minimalist Scandinavian aesthetic but because we know that simplicity lasts longer. We want to make products that don't go out of style so that our customers will want to keep them for many years.





Sustainable innovation

We consider it our obligation to constantly rethink the way we use materials and design our products. Together with our suppliers and partners we are in the process of exploring more sustainable alternatives to some of our designs and processes as a way to reduce our footprint. There is still a long way to go, but we are proud to introduce some of our bestsellers in special editions that in each their way support sustainable development.

RETHINKit

The RETROit bean bag chair was our first product and remains one of our most popular designs. We are constantly exploring new ways of designing, manufacturing, and packaging our bean bags to reduce their negative impact.



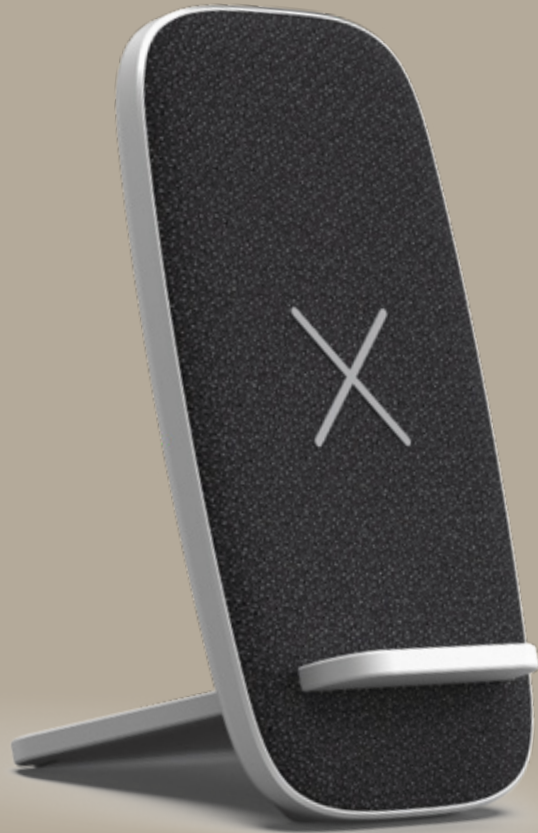
RETROit Compressed

RETROit Compressed is filled with 100 % waste material from a furniture factory. Waste foam that would have normally been discarded is shredded and used as filling in the bean bag instead of traditional plastic filling.



RETROit Cura

The RETROit Cura bean bag chair is a more sustainable version of our classic RETROit bean bag. It is made from 98% post-consumer recycled polyester from the Danish fabric supplier Gabriel, whose production is a 100 % CO₂ neutral. The bean bag is filled with 50 % foam and 50 % EPS beans that consist of 98 % air and are 100 % recyclable.



CHARGEit Care series

This year we are proud to present a range of wireless chargers made with thought on the environment and with a collaboration with the environmental organization Plastic Change. Plastic Change are working to break the exponential growth of plastic pollution on a global scale, and CHARGEit Care is our way of supporting this important cause.

Through each sale of the products in the collection we donate 25 Euro cents to Plastic Change.



25 Euro cents to the environmental organization Plastic Change every time a product from the CHARGEit Care series is sold.



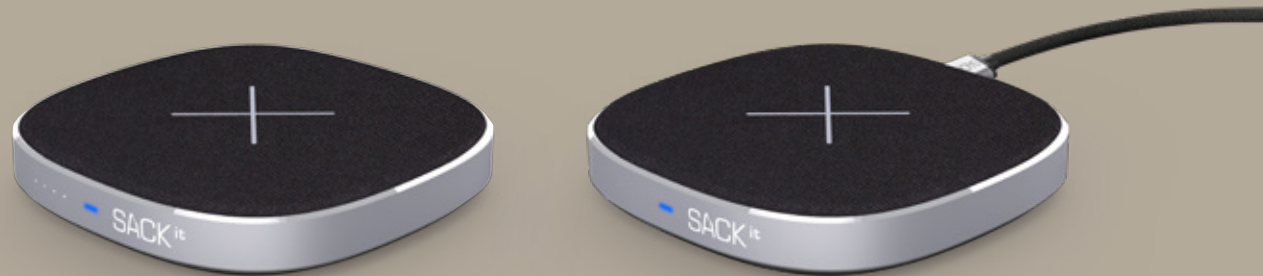
The CHARGEit Care series is covered in fabric made of 100% reused plastic bottles, and packaging is 100% plastic free.



Packaging in the CHARGEit Care series is made without Plastic and of FSC® certified cardboard.



The CHARGEit Care Series



Less packaging is more

When it comes to packaging, we adhere to the principle that less is more – even if “less” means less visually appealing. That means we choose materials with care and always use as little packaging as possible.

Plastic

We use as little plastic in our packaging as possible, and many of our products now come entirely without plastic. We are working towards only using 100 % recycled plastic.

Paper and cardboard

When it comes to paper and cardboard we strive to always find the most sustainable option. In some cases this means using 100 % FSC® certified paper, which means that the material comes from FSC ®-approved and well-managed forests. In other cases we choose to re-use cardboard from our warehouse, for instance when re-shipping a product that has been repaired.

“We constantly look into new ways of designing our packaging, and what is the most sustainable solution for one product might not be the most sustainable solution for another product. It’s not always straightforward, and we always ask ourselves if there is a better way to do things”.

Carina
Marketing Director, SACKit

Reducing waste

As a manufacturer of electronics we adhere to the Danish Producer Responsibility System, which means that we live up to a set of standards that administer producers' handling of electrical and electronic equipment and batteries. In addition we are committed to reducing waste in general and promoting reuse whenever possible.

Handling e-waste with GreenMind

In order to reduce our electronic waste we have teamed with GreenMind, who specialize in prolonging the service life of electronic equipment. All defect electronic parts are sent to GreenMind, who repair and then resell them in their own shop with a three-year warranty.

Resale of demo products

We strive to never discard products and to always find a home for used or damaged goods. As an example we sell all demo products used at trade shows e.g. at a lower price on days like Black Friday. This way we can promote reuse and minimize our waste-related footprint.

SUPPLY CHAIN _

Responsible supply chain management

SACKit's products are manufactured around the world in countries such as Denmark, China and Lithuania. An international supply chain gives us a number of advantages, but it also involves complexities and challenges in terms ensuring ethically and environmentally responsible practices throughout the entire value chain.



BSCI code of conduct

To manage the conditions at our production facilities we use the BSCI code of conduct. BSCI stands for Business Social Compliance Initiative, and it helps companies like us improve social performance and tackle the challenges of an international supply chain.

The BSCI code of conduct is based on international labor standards such as the International Labor Organization's conventions and declarations and the United Nations' Guiding Principles on Business and Human Rights.

You can read the BSCI code of conduct here.

READ



Improving conditions together

To ensure that all our suppliers maintain a healthy and safe work environment we require that they apply and comply with the BSCI code of conduct – and that they push their suppliers to do the same.

If a supplier does not comply with the BSCI code of conduct we work closely with them on making the improvements necessary to bring the factory up to standard. We believe that training the factories and educating them in terms of sustainability and safe and healthy practices is an important way in which we can make a positive difference.

“I wish we could say that we are in total control of everything that happens throughout our entire supply chain, but that’s just not the reality. It’s not enough to give suppliers a code of conduct and then expect everything to be peachy keen. We are aware of that, and we will continue to work on improving transparency and push our suppliers to do better”.

Kristoffer
Founder of SACKit

Optimizing freight practices

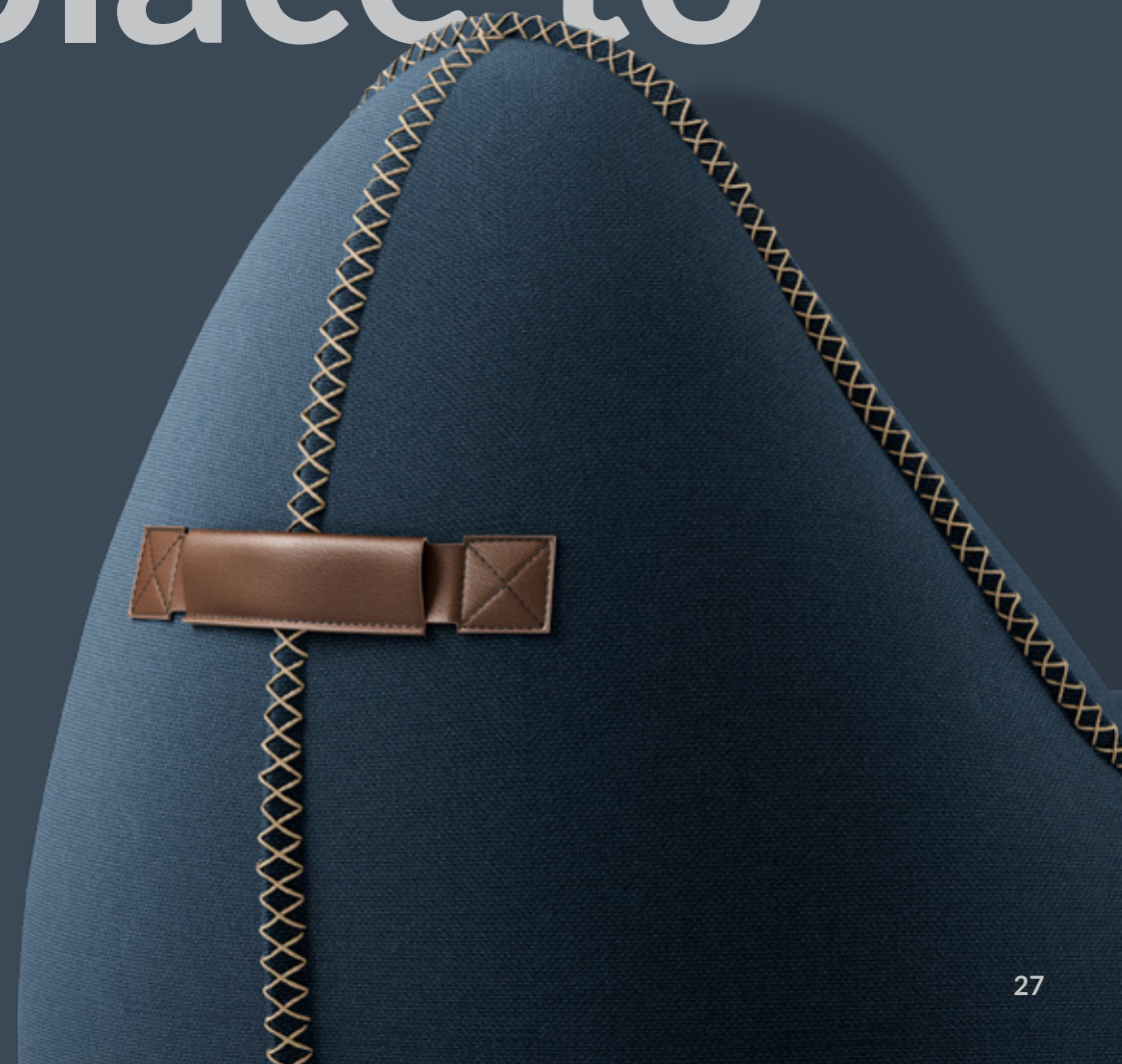
With an international supply chain and customers all over the world, we transport a large amount of goods across long distances. We recognize that international freight transportation is a major contributor to air pollution, which is why we are continuously assessing our freight process and working on ways to reduce emissions related to transportation.

At the time of writing we are working with the organization Danish Transport Optimization to streamline transportation throughout our entire supply chain. This includes minimizing air freight, implementing new transport procedures, and minimizing box and order sizes.

WORKPLACE_

A good place to work

Being a responsible employer that treats everyone with equal respect is an integral part of who we are and the way we do things. We would not be where we are today without the hard work and commitment of our employees, and their wellbeing and job satisfaction is of vital importance.



The SACKit culture

Our no-BS approach to things also characterizes our work culture, which is open, straightforward and welcoming.

Flat organization

One of the ways in which we foster well-being and job satisfaction is by maintaining a flat organizational structure and an informal work environment. Being a relatively small company allows us to work closely together in an open office space, where everyone can communicate across job titles and functions. At SACKit, everyone is treated equal, and everyone is considered an important part of the company.

Togetherness

We prioritize frequent social events where we can truly get to know each other and bond over things outside of work. These events are often frequented by former SACKit employees, which we see as a testament to the welcoming and easy-going atmosphere that characterizes SACKit as a workplace.



Interns and trainees

We continuously take in trainees and interns from different educational institutions and programs, such as Aalborg University and University College Nordjylland.

When employing interns it is paramount to us that we can offer the best possible terms for growth and an internship that aligns with the student's goals and ambitions. At SACKit, interns are not used for fetching coffee but are offered the opportunity to be a part of our company on equal terms as everyone else.

Moving Forward

We hope this report has given you an understanding of our approach to CSR and to tackling environmental and humanitarian challenges. We realize that in spite of several initiatives and projects, we still have a long way to go. Moreover, as we are growing as a company, new challenges and issues will continue to emerge, and we cannot solve them all at once.

Moving forward we will continue to put sustainable innovation and transparency at the heart of our business, focusing mainly on responsible supply chain management, product design, and material use. We aim to further minimize and ultimately phase out the use of plastic in our packaging, and we are working on ways to further reduce our products' negative impact across their entire lifecycle.



But.

Our main goal will always be to make products that last. Because we believe that promoting quality over quantity is one of the most important ways we can support sustainability and actually make a difference. To us, it's not just about PR but about long-term efforts and pushing behavioral changes.

We look forward to seeing what the next years will bring, and we hope you will join us on the ride.

Thank you
for reading.