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Introduction

In 2020, we have developed a sustainability strategy that contains ambitions and concrete goals for how we will become an even more sustainable company in the future. As part of this strategy, we will communicate our sustainability journey through targets, actions, and measurements of outcomes in our Communication on Progress (COP) report to the UN Global Compact on a yearly basis.

For the first time, our report covers the entire Kentaur Group which consist of Kentaur A/S, Kentaur Norge AS and our own production units in Poland and Serbia. In addition, we have chosen to change our COP reporting period to follow our annual financial report. Thus, the reporting period in the present COP report covers January 1, 2020 to December 31, 2020.

We have changed the structure of our COP report to fit our updated sustainability strategy. It means that we report based on the three main areas on which our sustainability strategy is built: Social responsibility, Responsible products & Responsible resource consumption, and Climate responsibility. In these three main areas, we report on our social and environmental actions to comply with and do our due diligence in protection of human rights, labor rights, the environment, and anti-corruption. Our specific actions are prioritized based on risk assessments of our own operations as well as of our supply chain.

It is important for us to point out that the quantitative data in the present report have not been verified by a third party. However, we put a lot of effort into verifying the figures internally in the different departments.

Questions about the report can be directed to Textile and CSR Responsible Line Nygaard Jensen: Inj@kentaur.com





This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

CFO Statement



In a world with ever-increasing social and environmental challenges, I am glad to notice an emerging awareness across our business to help making a difference. Kentaur A/S has been a member of the UN Global Compact since 2011 and has ever since been working to refine our local, social and environmental effort across our value chain. Our work is based on the UN Global Compact's 10 principles for corporate sustainability and responsibility. These principles act as framework for our CSR activities and include the four general areas:

- · Human rights
- · Labour conditions
- Environment
- · Anti-corruption

In recent time we have further focused our effort through the context of the 17 UN Sustainable Develop ment Goals where we have chosen to apply:

- 8 Decent Work and Economic Growth
- 12 Responsible Consumption and Production
- 13 Climate Action

We dedicate our effort to specific sub-goals where we can make the biggest impact given the nature of our business. Thus, we focus on Decent Work for all Women and Men (8.5), Labour Rights and Promote Safe and Secure Working Environments (8.8) Sustainable Management and Efficient use of Natural Resources (12.2) and Climate Change (13.2). We have outlined target areas and defined specific, measurable goals which we will track over time to drive progress and improvement.

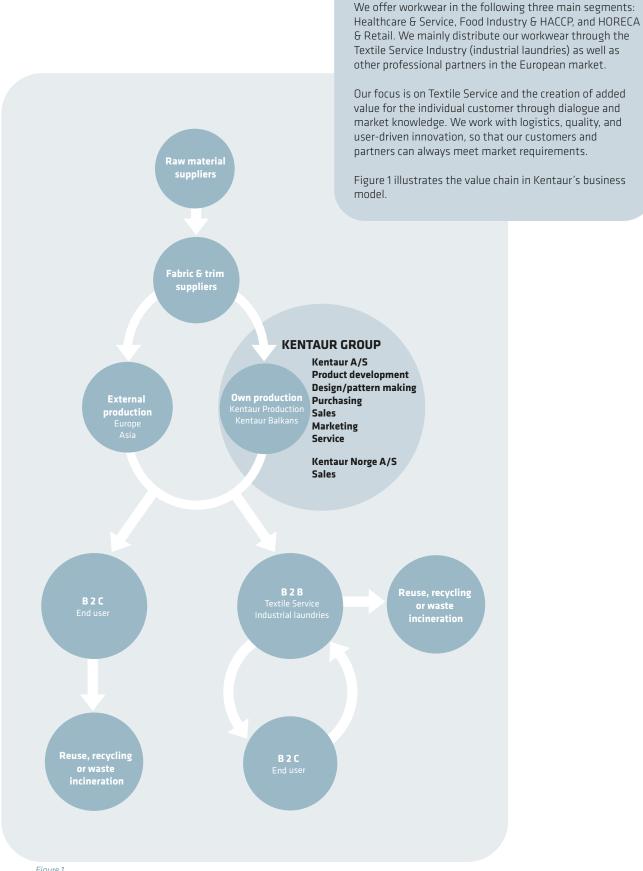
Our work is based on basic respect for fundamental human rights and labour conditions which we strive to integrate into our organization. Furthermore, we influence our suppliers and partners to live up to the same obligations and integrate them into their sphere of influence. Therefore, we are member amfori BSCI because we take responsibility for human rights and the local labour conditions. Lastly, we believe that environmental challenges are important and will encourage and influence our factories and suppliers to minimize environmental impact through the value chain by applying environmentally friendly manufacturing processes.

Through well-designed products produced in long lifespan materials, we reduce environmental impact. Preference for environmentally friendly materials and manufacturing processes is integrated into our core product development process.

We are mindful of the fact that the choices we make today will impact the world of tomorrow - as a corporate citizen of the world, Kentaur A/S will take part and play its role responsibly.

Bo Ensted Danielsen, CEO

Kentaur's business model



Kentaur is primarily a B2B enterprise designing and producing professional workwear for industrial laundries.

WEAR WEAR & CARE

At Kentaur, we take responsibility every day. It is part of our sustainability strategy, which is called Work.Wear&Care. We want to take responsibility for the industry we are part of, and our ambition is to be among the most sustainable suppliers of workwear to the Textile Service industry. We want to make sustainable and climate-friendly workwear available to everyone in everyday life, as a natural and responsible choice.

We define sustainable and climate-friendly workwear as follows:

- · High quality.
- Durable/long lifespan.
- Produced of materials with sustainability aspects (recycled polyester, TENCEL™ Lyocell, Fairtrade® cotton and cotton sourced as Better Cotton through BCI)
- · Produced socially responsible.
- Produced with the least possible carbon footprint with constant improvements.

Work.Wear&Care also includes sustainable labels and certifications that help to improve more environmentally friendly production methods and equalize and improve social and economic living conditions in the textile industry worldwide.

When we think of sustainability, we do not think of the product solely. We work holistically, which means that we pay attention to the whole supply- and value chain on both social and environmental aspects. That is why the UN's 17 Sustainable Development Goals (SDGs) are also a natural part of our sustainability strategy Work.Wear&Care. We want to minimize our negative impacts and improve our positive impacts in areas where we can make a concrete and measurable difference. Kentaur's sustainability strategy covers three main areas where the following SDGs and targets are prioritized together with Kentaur's ambitions for the coming years and until 2030+. These SDGs have been selected based on an assessment concluding that we can make the greatest difference here given our structure and resources available.

Actions and measurements of outcomes are elaborated in the present report.





Social Responsibility

Target 8.5: Achieve full and productive employment and decent work with equal pay.

Target 8.8: Protect labor rights and promote safe and secure working environments.



Ambitions:

- Reduce sickness absence by 25%
- Zero work accidents
- 2022: amfori BSCI audit with min. B rating on all production sites
- All our fabric and trim suppliers must be audited or certified for social compliance according to a recognized standard like amfori BSCI or STeP by OEKO-TEX. (Alternatively e.g., SA8000, FLA, FWF or WRAP)
- We employ employees based on competences and want a balanced gender distribution at board- and management level in the Kentaur Group.
- We want to create financial opportunities locally 100% of the employees at our production sites must earn a living wage as minimum after 6 months seniority.

Responsible products & Responsible resource consumption



Target 12.2: Achieve sustainable management and efficient use of natural resources.

Ambitions:

- We work towards 100% sustainable material inputs that are renewable, recyclable, or reusable:
- 2025: 75% of Kentaur's self-produced goods sold are products labeled with Sustainable Kentaur
- 2025: Sourcing 50% of our cotton as Better Cotton through BCI.
- Our fabric cutting waste must be reduced, used and/or recycled.
- We want to help ensure that our products are recycled by the end of their service life.

Climate Responsibility



Target 13.2: Integrate climate change measures into policies, strategies, and planning.

Ambitions:

- 2030: 50% reduction of energy consumption
- 2030: CO2 neutrality in scope 1 and 2



Social responsibility



Kentaur is an international company with a global supply chain which means that we support and respect the protection of internationally declared human and labor rights and at the same time we must ensure that we do not contribute to violations of these. Kentaur believes that social responsibility not only includes being responsible for activities within the Kentaur Group, but also includes activities in our global supply chain. Kentaur's policies on protection of human and labor rights are documented in the company's Code and Ethics. Through our membership of amfori BSCI, it can be ensured impartially that the above rights are also respected and complied with by our partners.

Reduced sickness absence

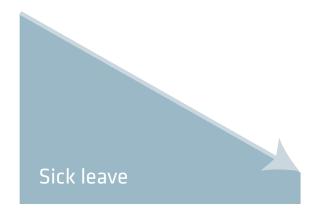
Sick leave can have major negative consequences for both employee and the workplace. Therefore, we have an ambition to reduce sickness absence by 25% in the Kentaur Group. A reduction of 25% must be realized based on sickness absence measured in 2020.

We systematically register sick leave at each location in the Kentaur Group. We want to have employees who thrive and feel good in their workplace with both the manager and colleagues.

Table 1 shows the sick leave in 2020 per location:

Location	Sick leave
Kentaur A/S	2,26 %
Kentaur Production (PL)	11,05 %
Kentaur Balkans (SRB)	11,73 %

Table 1



We have been affected by COVID-19 throughout the Kentaur Group. This is evident in the sickness absence in 2020 especially for Kentaur Production and Kentaur Balkans. The current situation makes it unlikely that we can minimize sickness absence at present. However, sickness absence in Denmark has decreased from 4.32% in 2019 to 2.26% in 2020. No data are available on sick leave at Kentaur Production and Kentaur Balkans in 2019, as the opening of the two production sites was in March 2020 and September 2019, respectively.



Zero work accidents

A large part of a company's social responsibility lies in ensuring that all employees have a safe and secure work environment to perform their work in. Kentaur's ambition is and has always been zero work accidents. This ambition has not become less relevant after we started up our two own production sites in Serbia and Poland.

At the head office in Denmark, we have accidents at work and near-accidents on the agenda on all meetings held by the working environment committee. We prevent work accidents from occurring again and prevent near-accidents becoming work accidents. Offices and corridors are kept tidy to minimize the risk of falls. Employees operating machines are instructed in operating them. Kentaur has gone from being a trading company to a manufacturing company, which diverts risks of new types of work accidents. All employees at our production units in Poland and Serbia are trained in working environment and safety. The production units also have working environment committees consisting of both managers and production staff. The committee holds monthly meetings where safety and working environment are discussed in order to optimizing these.

Table 2 shows the number of work accidents in 2020 per location and in total:

Location:	Number of work accidents
Kentaur A/S	1
Kentaur Production (PL)	0
Kentaur Balkans (SRB)	4
Total	5

Table 2

The five work accidents in 2020 have been dealt with in the working environment committees and it has been ensured that the necessary actions to minimize the risk of those accidents recurring have been taken.



amfori BSCI-auditing

Third party auditing of our own production units as well as our tier 1 producers is an important part of taking social responsibility for the value chain in which we operate as a company. Kentaur requires that all own as well as tier 1 production sites sign and comply with amfori BSCI Code of Conduct. We want to make a positive contribution to our global social responsibility and therefore our goal is that all production sites must carry out a BSCI audit rated B at least in 2022 regardless of whether they are located in Europe or Asia. See Annex I for a description of the rating system in amfori BSCI.

Kentaur ensures that the production sites we use comply with human rights, labor rights and anti-corruption and protect the environment. All production sites have signed that they comply with the amfori BSCI Code of Conduct. In order to guarantee that the Code of Conduct is also implemented at the production sites, all must be audited according to the 11 principles in the Code of Conduct which constitute the 13 Performance Areas (PAs) in amfori BSCI. Annex II shows the list of the 13 PAs. We are in ongoing dialogue with our own and external production sites to ensure continuous improvements on all parameters in the BSCI Code of Conduct. If an audit is performed at a production site where the manufacturer has not complied with Kentaur's requirements, a corrective action plan is prepared by the manufacturer with a deadline for when the requirement will be met.

amfori BSCI rating by volume produced amfori BSCI rating by volume produced

Α

Figure 3

Figure 2 shows the distribution of the latest BSCI audit ratings for own and external production sites throughout 2020, while Figure 3 shows the BSCI ratings weighted by production volume. This means that 57% of our products were produced in factories with a B rating at least in 2020. We have a special focus on our dialogue with the 28% of production sites, which in their most recent audit received a rating lower than B, because the reasons for the low rating vary from producer to producer. The main reasons stated in the audit reports are: (1) that the auditor has not been able to assess the decent working conditions adequately due to inconsistent statements about the right to a rest day on Sunday, overtime, and payment thereof. (2) that the auditor has not been able to assess whether there has been precarious employment and fair remuneration as employee contracts, pay slips and time registration statements were not available during the audit, because the HR manager was not present. (3) lack of decent working environment and safety in the form of lack of documentation on building safety of newly renovated building, lack of control of new electrical installations and lack of installation of fire detection system in some departments.

B< <B In process Not audited

Figure 2

The producers in question have all provided a corrective action plan stating which actions will be taken to correct the specified points and ensure a B rating at minimum at their next audit in 2021

In process Not audited

Production sites without a BSCI audit in 2020 accounted for 14% and these accounted for 6% of our total production volume. This is a decrease from 2019 where 43% of the production sites we used were not audited and those production sites accounted for 33% of our total production volume. However, it is essential to emphasize that all production sites have signed the BSCI Code of Conduct and are visited by us regardless of whether they have had a BSCI audit performed or not.

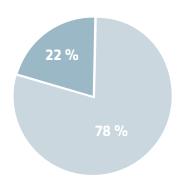
The 29% of the production sites listed "in process" should have had their first BSCI audits by the end of 2020, but due to COVID-19, these audits have been postponed to Q1 2021.



Social auditing of suppliers

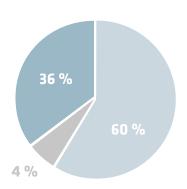
Kentaur's social responsibility covers more than producers in tier 1 as described above. We have also set ambitions for our social responsibility further upstream in the value chain. All fabric and trim suppliers must have a valid audit that includes social conditions according to a standard controlled by a third party. Kentaur demands that all new and primary suppliers must have a STeP by OEKO-TEX certification which controls both social and environmental conditions and we strongly encourage all our remaining suppliers to have the same. The most important thing for Kentaur is that all our suppliers have independent documentation documenting that they work to secure and control social conditions. Therefore, we recognize if the supplier works with other standards that ensure social conditions. Annex III shows our list of currently recognized standards.

Suppliers signed COC



amfori BSCI Equivalent
Figure 4

Social audit/certification



No audit/ certification Figure 5 In process Social audit/ certification



We issue our amfori BSCI Code of Conduct (COC) to all our suppliers and request them to sign that they, as well as their suppliers upstream in the supply chain, comply with the principles therein. As illustrated in Figure 4, our BSCI COC is signed by 78% of our fabric and trim suppliers today. The remaining 22% comply with their own COCs, which contains similar requirements to our amfori BSCI COC.

We are not present with our suppliers all the time and therefore we are dependent on them being able to document that they comply with our COC in practice. We work actively to obtain documentation on the independent social audits from our suppliers. Figure 5 shows that by the end of 2020, 60% of our fabric and trim suppliers could submit valid reports and/or certificates documenting their social responsibility. However, 100% of our fabric and trim suppliers have a social audit or certification controlled by third party, if we only consider the proportion of suppliers where we have a buying value of more than 1%.

Even though all fabric and trim suppliers have signed their compliance to our amfori BSCI COC or equivalent, not everyone can document their compliance based on independent audits currently. In order to contribute to a more socially responsible textile industry on a global level, we do not want to replace our suppliers who are not currently social compliance audited or certified. Instead, we make an effort and encourage these suppliers to be audited by a third party if it makes sense.



Balanced gender distribution

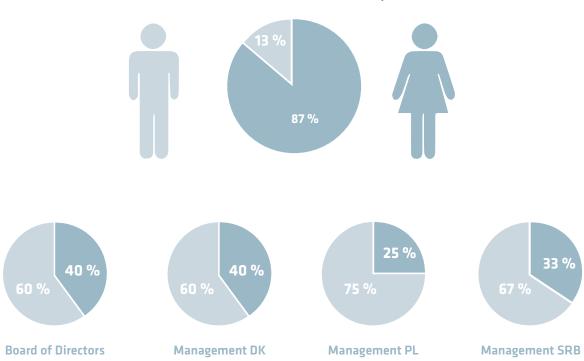
Our ambition is to have a balanced gender distribution at boardand management level in the Kentaur Group.

Kentaur is a modern company that employs employees based on competencies and wants competent women to be represented at all levels in the organization, regardless of our location in Denmark, Poland, or Serbia. Diversity is important for Kentaur in general, therefore we also offer work trials to people who need employment with special conditions to get back into the labor market

The pie charts below show the gender distribution in the entire Kentaur Group, the Board of Directors and the management in Denmark, Poland, and Serbia by the end of 2020, respectively.

Overall, the proportion of women in the Kentaur Group has increased from 77% by the end of 2019 to 87% by the end of 2020. This is mainly due to employment with Kentaur Production and Kentaur Balkans. The proportion of women on the board has increased from 20% to 40% from 2019 to 2020. In Serbia, the proportion of women in management remains unchanged from 2019 to 2020. The proportion of women in management in Denmark has increased but at the same time decreased in Poland from 2019 to 2020. Reason being that a male manager has changed position from Denmark to Poland in 2020

Gender distribution Kentaur Group



Living wage

Kentaur has an ambition to create economic opportunities and stability locally in Poland and Serbia where our production sites are located. Kentaur will contribute to decent work with equal pay (cf. SDG target 8.5) by focusing on providing equal pay for work of the same value and living wage as minimum after 6 months seniority to all employees at the production units in Poland and Serbia.

Kentaur never pays less than the statutory minimum wage in Poland and Serbia, but an ambition to create economic opportunities will not be realized by paying minimum wage. In Serbia, a salary system has been implemented which ensures that the employees' competencies and efficiency are rewarded, and that the salary always is adjusted to the value of the work.

.We intend to implement a similar salary system in Poland. These salary systems, together with a determination of the living wage in Poland and Serbia respectively must ensure that all employees at our production sites earn a living wage after 6 months seniority. The determination of the living wage in Poland and Serbia is prepared according to the Anker methodology by an external independent party. We will initiate data collection during 2021 when the living wage has been determined and therefore, we will not be able to report on results in this COP report.

Responsible products & responsible resource consumption



Kentaur develops workwear that cannot be produced without the use of natural resources. That is why we have a special responsibility to ensure that the products we bring to the world do not harm the environment. As part of the global textile- and clothing industry, we have a strong focus on the environment and take responsibility by setting requirements to materials and certifications. Kentaur's environmental protection policies are documented in the company's Code of Ethics.

Sustainable materials

Kentaur has an overall ambition to work towards 100% sustainable material inputs that are renewable, recyclable and/or reusable. Our sub-ambition to achieve this goal is that 75% of Kentaur's self-produced goods sold must be products labeled with Sustainable Kentaur in 2025 and we will source 50% of our cotton as Better Cotton in the same year.

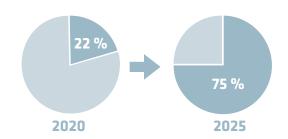
Sustainable materials are essential at Kentaur and we strive to use only fabrics made of more sustainable materials in all new product developments. With one exception, however, is our new pique line, where we have chosen to stick to conventional polyester and cotton in the pique fabric. Reason being that it has not yet been possible to maintain the quality requirements for industrial laundering in more sustainable alternatives. However, we are constantly working to address this issue to be able to offer pique fabrics in more sustainable materials without compromising on quality.

The list of more sustainable materials at Kentaur is constantly evolving as more sustainable and innovative alternatives enter the market. At present, we use more sustainable materials such as recycled polyester, TENCEL™ Lyocell, Fairtrade cotton and source Better Cotton through our membership of the Better Cotton Initiative (BCI). Products where these materials are sourced for or used in are referred to as Sustainable Kentaur products as they constitute a more responsible product compared to our remaining products.

In 2020, sales of Sustainable Kentaur products accounted for 22% of total sales of own goods. This share must grow to 75% in 2025 by choosing more sustainable materials for all new product developments as well as replacing materials in existing products. In 2020, we even sourced 16% of all our cotton as Better Cotton and recycled 2,950,000 PET bottles in our sold goods.

2020 2.950.000 bottles

Sustainable Kentaur products





Certifications

Kentaur has an ambition to achieve more certifications to ensure, control and document that we make a sustainable difference in both product and production. The ambition is to achieve STeP by OEKO-TEX certification at our two production units in Poland and Serbia by 2021. STeP stands for Sustainable Textile & Leather Production and is an internationally recognized certification that ensures production under sustainable conditions. In 2021, we also have a goal of becoming Grüner Knopf and EU Ecolabel certified because these certification schemes have both environmental and social requirements which our customers as well as Kentaur prioritize.

Fabric cutting waste

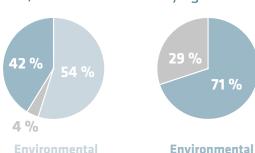




Our production units in Poland and Serbia are both preparing for the STeP by OEKO-TEX certification. However, preparations have been postponed due to the postponed BSCI audits. Additionally, our external producer in Vietnam is also working on the STeP by OEKO-TEX certification and expects to be audited in Q1 2021. On material level, we are Fairtrade certified and offer 6 different standard models with Fairtrade Cotton. currently. In addition, we ensure that our products do not contain chemicals in concentrations which are harmful to human health by being STANDARD 100 by OEKO-TEX certified. Our actions to protect the environment go beyond our own operations. We want our suppliers to be able to document their work with environmental protection through audits or certifications and are constantly seeking to uncover more actors in our supply chain. Figure 6 shows the proportion of our fabric and trim suppliers who have been audited or certified according to a standard that sets requirements for environmental protection. Annex IV shows the list of standards that Kentaur recognize currently.

> **OEKO-TEX**® STeP (GRÜNER 2020 2021

Suppliers -Environmental audit/certification buying value > 1%



Environmental audit/certification

In process

No audit/ certification

Figure 6

audit/certification

No audit/ certification

Figure 7

According to Figure 6, 54% of our fabric and trim suppliers have an environmental audit or certification. This share increases to 71% if we consider the suppliers where our buying value is above 1% (see Figure 7). We use the same approach in this context as with social audits/certifications of our suppliers; we require all new and primary suppliers to have a STeP by OEKO-TEX certification, while all our suppliers must be audited by a third party, if it makes sense.

It is important for a green circular transition that fabric cutting waste from production are not considered as waste that is disposed of by landfill or incineration without energy recovery. Therefore, Kentaur has set a goal that our fabric cutting waste from our own and external production sites must be reduced, reused and/or recycled.

In production, we are constantly working on optimizing so we produce as little fabric cutting waste as possible. Today we have a small production of tote bags which are mainly made from fabric cutting waste from the production of aprons. In 2020, we produced 5,040 tote bags which means we have upcycled almost 0.5 tonnes of textile that would previously have been discarded as waste. In 2020, our production units in Poland and Serbia have started sorting the fabric cutting waste separately in a container which is picked up by waste management companies. This initiative means that we can collect more accurate data as well as increase the traceability of our fabric waste volumes in the future. As part of our participation in the national project Grøn Cirkulær Omstilling (GCO) which is funded by the European Regional Development Fund, we have identified an opportunity for our fabric cutting waste to be recycled into new textile fibers. This possibility is being explored and developed through a pilot project in 2021 in collaboration with relevant partners.

Packaging materials

We have a goal of replacing all our packaging materials with more sustainable materials.

In 2021, we will find a more sustainable alternative to our current cardboard packaging material. In addition to cardboard, we also use polybags for the products that are produced and shipped from Asia. We do this due to the differences in humidity, but instead of packing the items separately in polybags, we pack 10-20 items per polybag. In 2021, we will also work on replacing these polybags with polybags made of recycled plastic.

Fnd of life

Creating a sustainable textile industry that affects the environment as little as possible requires a circular solution to the product end-of-life phase. We feel obligated to take responsibility for the products that we develop and put into the world and therefore we want to participate in the process of securing that our products are reused and/or recycled after the end of life.

This is a huge challenge which Kentaur cannot solve alone and we will in the coming years actively participate in networks and projects which promote the possibilities and solutions for recycling textile products after the phase which is defined as end of life today. In 2021, we initiate a pilot project in collaboration with one of our customers which will investigate the possibilities for a take-back solution of end-of-life products which will be recycled into new textile fibers.

Climate responsibility



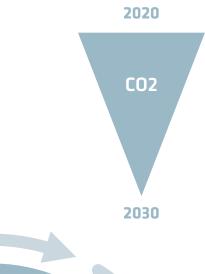
Climate change is a reality and as a product-producing company operating globally, we have a co-responsibility when it comes to the climate. Kentaur takes this responsibility seriously, as the consequences of not taking targeted actions are serious for everyone's future.

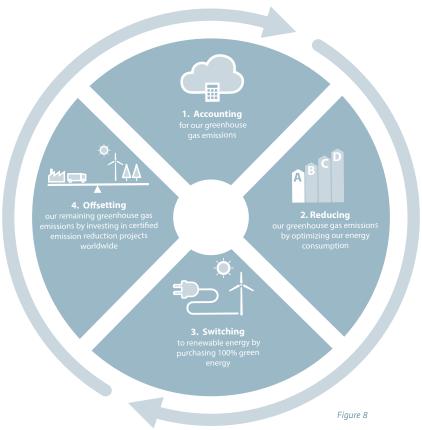
CO2 accounting

Kentaur wants to be a climate-friendly company and has set a goal, as part of the new sustainability strategy from 2020, to reduce energy consumption in the Kentaur Group by 50% and to be CO2 neutral in 2030. Initially, we are working on becoming CO2 neutral in scope 1 and 2.

CO2 accounting is a new sustainability journey that Kentaur embarks. In 2021, we will identify our carbon footprint for 2020, which will be our baseline year. Our carbon footprint accounts will be settled in accordance with the Greenhouse Gas Protocol (GHG protocol). Our overall process for achieving our goal of reducing our energy consumption as well as being CO2 neutral by 2030 is illustrated in Figure 8. We work continuously on optimizing our energy consumption throughout the Kentaur Group. In Denmark and Poland, we buy certified green energy coming from renewable energy sources. In Serbia, we use wood pellets and heat pumps as well as solar water heaters to heat water. Forward-looking efforts to reduce our greenhouse gas emissions will be defined based on the results of our baseline accounts.

We will report on our current CO2 accounts for the first time in our COP report for 2021, where there will be both carbon footprints for the baseline year 2020 and for 2021.







Corruption, extortion, and bribery are unethical business practices that hamper sustainable development. At Kentaur, we must perform openness, honesty, and justice in all business matters and therefore all forms of corruption, extortion, and bribery are strictly prohibited. It also applies to Kentaur's partners and suppliers that they do not engage in such behavior.

Our Code of Ethics and our anti-corruption policy create the foundation for the Kentaur Group to conduct business in an open and honest manner. In our daily operations, the focus is on ensuring that no forms of corruption, extortion or bribery take place through our work with BSCI COC. By use of risk analyses, we identify where there is a risk that corruption may occur.

Our partners and suppliers have committed themselves to not engage in corruption or the like (cf. PA13 in BSCI COC) by signing and complying with our amfori BSCI COC. Additionally, our anti-corruption policy is sent out to our partners and suppliers with an accompanying notice that they must familiarize themselves with the content and its criteria. In the section "amfori BSCI-auditing", it was presented that all own and tier 1 production sites have signed our BSCI COC and are audited accordingly. In the section "Social auditing of suppliers" it was also presented that all fabric and trim suppliers have signed amfori BSCI COC or equivalent own COCs. Kentaur is not aware of any corruption related to our activities in 2020.



Overall measurements of outcomes

Cool	- a l		Res	ult	Related SDG
Goal	Action 2021	KPI	2020	2019	target
	Socia	al responsibility			
Reduce sickness absence by	Focus on employees with	Sick leave			
25%	less than 30 days of sick	Kentaur A/S	2.26%	4.32%	
	leave	Kentaur Production	11.05%	N/A	
		Kentaur Balkans	11.73%	N/A	
Zero work accidents	Continue the work with	Number of work accidents			
	working environment	Kentaur A/S	1	2	±
	committees in Denmark as	Kentaur Production	0	0	<u>§</u> / \
	well as at the production	Kentaur Balkans	4	3	
	sites	Total	5	5	8.8
2022: amfori BSCI audit with	Dialogue with production	Proportion of production			
min. B rating on all production	sites and preparation of CAP	sites with min. B rating	29%	14%	
sites		BSCI rating by volume			
		produced			
		Α	3%	3%	
		В	54%		
		С		59%	
		D	13%	5%	
		l proces	24%		
		ikke auditeret	6%	33%	8.8
All our fabric and trim	Dialogue with suppliers to	Proportion of fabric and trim			
suppliers must be audited or	call for an external social	suppliers who have a social			
certified for social compliance	compliance	compliance			
'	audit/certification	audit/certification controlled			
		by a third party	60%	N/A*	
		Proportion of fabric and trim	0070	IN/A	+
		suppliers, who exceed 1% of			_
		our buying value, with a			
		social audit/certification			
		controlled by a third party	100%	N/A*	8.8
Balanced gender distribution	Recruitment must continue	Proportion of women:	100 /0	11/ /	0.5
Januaricea Seriaci alburibation	on the basis of competencies		40%	20%	
	on the basis of competencies		40%	36%	• ^ •
		Management DK			
		Management PL	25%	33%	百百
		Management SRB Total	33% 87%	33%	5.5
All ampleyons at arra	Dotormino and weekfulths	* * * *	8/%	77%	5.5
All employees at our	Determine and verify the	Proportion of employees at			
production sites earn a living	living wage in Poland and	our production sites with			Mâ
wage as minimum after 6	' '	more than 6 months			#\\(\tau\)\!
months seniority	comply with this at the	seniority who earn a living	N1 / N * Y	N1 / A ¥ ×	0.5
Ì	production sites	wage	N/A**	N/A**	8.5

^{*}New KPI introduced in the updated sustainability strategy in 2020.
**New KPI introduced in the updated sustainability strategy in 2020. Actions in this area will be conducted in 2021 and onwards.

Goal	Action 2021	I/DI	1 2021 KPI Result		ult	Related SDG	
Goal Action 2021 KPI	2020	2019	target				
R	esponsible products &	responsible resource co	nsumpti	on			
2025: 75% of Kentaur's self- produced goods sold are products labelled with Sustainable Kentaur	Continue sourcing of more sustainable fabrics for all new products as well as switching to more sustainable fabrics on existing products	Proportion of goods sold labeled <i>Sustainable Kentaur</i>	22%	11%	12.2		
2025: Sourcing 50% of our cotton as Better Cotton through BCI	Sourcing of Better Cotton on all new fabrics containing cotton as well as switching to sourcing of Better Cotton on selected existing fabrics	Proportion of cotton sourced as Better Cotton	16%	N/A*	12.2		
Increase the use of recycled polyester	Sourcing of recycled polyester on all new fabrics containing polyester and switching to recycled polyester on selected existing fabrics	Number of PET bottles recycled in self-produced goods sold	2,950,000	N/A	12.2		
2021: Achieve four new certifications that promote sustainability	Preparation in Poland and Serbia for STeP by OEKO-TEX certification. Preparation in Denmark for Grüner Knopf and EU Ecolabel certification.	Number of certifications that support sustainable development	2	2	12.2		
Increase the proportion of fabric and trim suppliers with an environmental audit/certification	Dialogue with suppliers to call for an external environmental audit/certification	Proportion of fabric and trim suppliers who have an environmental audit/certification controlled by a third party Proportion of fabric and trim suppliers, who exceed 1% of our buying value, with an environmental audit/certification controlled by a third party	54% 71%	N/A* N/A*	12.2		
Goal	Action 2021	KPI	Res	ult 2019	Related SDG		
	Clima	te responsibility	2020	2019	target		
2030: CO2 neutrality	Baseline for carbon footprint is calculated for 2020 according to GHG Protocol	Scope 1 Scope 2 Scope 3	N/A**	N/A**	13.2		

Annex I

In the amfori BSCI system, the auditee is audited in 13 Performance Areas (PAs) where each PA is assigned a score from A to E. The overall rating is then determined based on the assigned scores in the individual PAs. The table below shows the rating system:

Rating	Conditions of attribution
Α	Minimum 7 PAs rated A
Very good	No PAs rated C, D or E
В	Maximum 3 PAs rated C
Good	No PAs rated D or E
С	Maximum 2 PAs rated D
Acceptable	No PAs rated E
D	Maximum 6 PAs rated E
Insufficient	
E	Maximum 7 PAs rated E
Unacceptable	
Zero tolerance	If a Zero Tolerance issue is identified the audit is terminated immediately and action must be taken in accordance with the BSCI Zero Tolerance Protocol

Annex III

Below is the list of standards containing social requirements that Kentaur recognizes:

amfori BSCI Bluesign® Cradle to Cradle Certified™ Der Grüne Knopf EU Ecolabel

Fairtrade Cotton

Fairtrade Textile Production

Fair Labour Association (FLA)

Fair Wear Foundation (FWF)

Global Organic Textile Standard (GOTS)

Global Recycled Standard (GRS)

SA8000 - Social Accountability International (SAI)

Sedex Members Ethical Trade Audit (SMETA)

STeP by OEKO-TEX

Worldwide Responsible Accredited Production (WRAP) General third-party auditing of social compliance

Annex II

amfori BSCI comprises the following 13 PAs for which requirements are made:

- PA1: Social management system and cascade effects
- PA2: Workers involvement and protection
- PA3: The rights of freedom of association and collective bargaining
- PA4: No discrimination
- PA5: Fair remuneration
- PA6: Decent working hours
- PA7: Occupational health and safety
- PA8: No child labor
- PA9: Special protection for young workers
- PA10: No precarious employment
- PA11: No bonded labor
- PA12: Protection of the environment
- PA13: Ethical business behavior

Annex IV

Below is the list of standards containing environmental requirements that Kentaur recognizes:

amfori BEPI

amfori BSCI

Bluesign®

Cradle to Cradle Certified™

Der Grüne Knopf

Eco-Management and Audit Scheme (EMAS)

EU Ecolabel

Fairtrade Textile Production

ISO 14001

STeP by OEKO-TEX

Sedex Members Ethical Trade Audit (SMETA)

General third-party auditing of environmental

protection

Sustainable initiatives

It is a part of our sustainability journey to participate in various initiatives that help to continuously provide us with new knowledge and improve our work with sustainability.

Memberships:







Certifications:









Grøn Cirkulær Omstilling funded by the European Regional Development Fund

Partnerships projects networking groups:



CSR-partnership in Zambia with Foreningen eventure and Kilden



Chemistry and sustainability in the textile industry



