

Communication Of Progress

Tikamoon



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.

tikamoon

CONTINUED SUPPORT

August 16, 2021

To our stakeholders:

I am pleased to confirm that Tikamoon reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours, Arnaud Vanpoperhinge Tikamoon CEO



Summary

- Tikamoon
- Environment
- Labour
- Human rights
- SDG

Tikamoon

At Tikamoon, we've always been green at heart: we've been offering solid wooden furniture that's designed to last since 2008. While many people today claim to be sustainable, sometimes in a vague or unproven way, we remain faithful to our values which we communicate without exaggeration and with complete transparency.

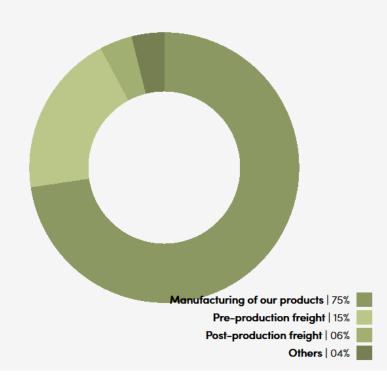
This plan is built on four main principles: Measure, Improve, Certify, and Discuss.

First, measure to know the current state and create a plan based on science and quantifiable steps. Then improve, finding better ways to create furniture and to collaborate is at the core of Tikamoon's employee day to day job. Certify, as having an outsider look and evaluation helps to broader our vision. Lastly but not least, discuss with institutional partners, NGO's, local communities, internally, ... Keep the dialogue flowing to stay in this virtue loop and reach a positive impact.



The actions on the environment need to be set on facts and validated scientifically. The first step was to realize the first carbon footprint of Tikamoon, with Carbone 4, accomplished in 2020.

This Carbon footprint showed us on what we need to work to reduce the impact of Tikamoon on climate change. The result is clear and gives us two major lever: our products and the transport.





Action on products:

With the same mindset, we want to work on real data to direct our efforts on the major area of impacts. The realization of life cycle assessments on our product is the tool giving us these real data, with the multi-steps and multi-impact analysis. In 2020, we realized 30 LCAs on our product. This allowed us to standardized the process in order to do LCAs on all our new development. LCAs are also being realized on all the FSC certified products.

This measurements made possible the implementation of an eco-design process, implemented at the core of our furniture design process. The creation of the process is done, and the results will be visible starting September 2021.

The use duration is key, so we moved up the guarantee from 2 years to 5 years and planning to expand it to 10 years in 2023. A course of action is also in place to help our customer take care and repair the furniture. We aim to create furniture lasting a lifetime.

The LCA showed the importance of the wood origin, it's at the heart of our policy "local wood transformation" where we maximize the use of wood harvested and transformed locally. The origin of the wood being important, we also focused on forests.

At Tikamoon, we are already involved with FSC since 2018 and the COC certification. 2020 saw a step up in this partnership with the membership inside Tikamoon France and Tikamoon International, and more dialogue and projects. We've started 2020 with 15% of our products created with FSC certified wood, and we've set a goal of 50% for 2023. We reached 30% of our products FSC certified in 2021.

The way our products are packaged is also important. In 2020 we've launched a project to remove plastic and reduce the environmental footprint of our packaging. The European production is already in a sustainable packaging, The project is now expanding to our other production areas.



Action on transport:

Measuring is the foundation of our work at Tikamoon. We joined the Fret21 initiative to measure precisely our transport carbon footprint and design actions taking care of the most important areas.

The first action is looking at the amount of furniture we are putting inside a truck in our downstream flow. The study showed the possibility of loading 2.4 times the amount of furniture by switching to bulk loading. This action can divide by at least 2 the number of trucks leaving our warehouse to deliver our products.

The second action is a production located closer. That's why we set a goal of 30% of our production located in Europe by 2023.

We are also involving our transport partners into our improvements. A new requirement is now added into our call for projects, the need to have a sustainable plan and engagements.



Other actions:

We are also working on our electricity consumption and our waste production. We are monitoring our electricity consumption and are working to engage new contracts to supply electricity produced from renewable energy. A project is ongoing to evaluate the potential of renewable energy production on our warehouse lot.

A monitoring of our waste production is also realized. Most of the waste produced is recycled and a specific program is in place to collect it. Regarding our furniture damaged during transport, we've created a repair shop in our secondhand shop to increase the number of furniture put back to stock or to be sold in the specific shop.

We are donating to NGOs furniture: secondhand furniture, and furniture too damaged to be used. For this second category, new objects are created using the materials.

At Tikamoon, we are also working on the pedagogy towards our consumers. A sustainable grade has been created and displayed on our website helping our customer to make an informed choice. This grade is based on qualitative criterion chosen for their high impact on a furniture use time, and material origin.



- KPI followed
 - Carbon footprint and intensity
 - % of FSC certified products
 - % of eco-design furniture
 - % of Ecolabel EU certified furniture
 - % of furniture with a sustainable packaging
 - Transport carbon footprint
 - % of delivery in bulk loading
 - % of furniture produced in Europe
 - Transport attached to an official sustainable plan
 - Electricity consumption
 - Wood waste production
 - Recyclable waste production
 - Other waste production
 - Number of furniture part of the donation program

3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH Ø

10 REDUCED INEQUALITIES

Providing a healthy and positive workplace and work environment is central to Tikamoon. We are working towards this goal internally and with our suppliers.

A committee is in place in Tikamoon allowing a dialogue between employ representative and Tikamoon board representative. Work life and environment as well as issues and conflict can be discussed there.

Inside Tikamoon, the following criteria are monitored: the number of accident at work, the number of training followed by employee, the turnover.

We are also working to have gender equality, and so we are calculating an equality index which will be monitored every year.

An ethical guide is in place at Tikamoon guiding the employee in their day-today work life.



We are also working to uphold high standards at our supplier level regarding their employee and the working environment.

We have created a supplier code of conduct regrouping all the requirement regarding labor and employee treatment. This code is based on the ILO guideline, ensuring employees are treated fairly, without discrimination. In 2020, 40% of our suppliers have signed the code of conduct. Our goal is to reach 100% by the end of the 2021.

To assess the implementation of this code and improve our suppliers' employee condition, we are planning to do social audit in all our rank 1 suppliers. The methodology followed for the social audits is based on the ICS one.

Labour



• KPI followed:

- % of supplier signed the code of conduct
- Nb of accident at work
- Woman/Man Equality Index
- Training
- Turnover
- % of supplier social audit
- Compliance of social audit





Regarding human rights, the code of conduct is also covering this area. Our employee are informed and aware of the non-acceptance policy at Tikamoon for any behavior going against human rights. The social audits will as well assess the compliance of our rank 1 suppliers.

Inside Tikamoon, a harassment internal procedure has been implemented. A point of contact is in place with all the employee informed about it and the confidentiality of all the reports.

An RGPD procedure has been implemented and all the internal processes have been updated to respect the privacy of our customers.

Human rights



• KPI followed:

- Nb of harassment reports
- % of supplier signed the code of conduct
- % of rank1 supplier social audit
- Compliance to the social audit
- RGPD application

• Tikamoon's activities are directly linked to 7 of the 17 UN SDGs. Work has started and an action plan is in place on the 7 SDGs in question.



- We are deeply involved for the SDG 12. We are working to push for sustainable consumption by creating long lasting product, and sustainable production by changing our design process and involving our suppliers in this project. Our commitment to reduce the already sensible impacts of climate change is on SDG 13. We are aiming to reduce the intensity of our carbon footprint with a sensible and scientifically based plan. Our Work with FSC and for sustainably managed forest, is linked to the SDG 15.
- All the work implemented in Tikamoon and for Tikamoon employee, and moreover with the involvement towards our suppliers and the support to improve the working conditions have an impact for the SDGs 3, 5, 8, and 10.
- We are also working for SDG 17, as we are involved in the Net Zero Initiative, in the creation of the French government environmental rating, and as an FSC International member. The other SDGs are also important for Tikamoon. They are not directly in Tikamoon scope because of Tikamoon products and Tikamoon business model but are still monitored to ensure any impacts will be detected, monitored and worked on.