

SUSTAINABILITY REPORT 2020 - 2021 MANAGEMENT SUMMARY





'It's fantastic to see that we are already addressing many things effectively, but we can do even better'

Letter from our CEO

'As we look back on 2021 and 2020, it is impossible to do so without immediately mentioning the pandemic. The coronavirus pandemic dominated everyone's lives in those years and therefore ours too. Our initial reaction was above all to be scared: we closed our stores to keep everyone safe — unquestionably a huge challenge for a company that, up until then, had leaned heavily on its stores. Thankfully, when our stores in the Netherlands were able to open again, we noted that a new equilibrium emerged quite quickly.

Driven by the motto 'Never waste a good crisis', we looked for our own equilibrium and we made use of the 'quiet' time to take a variety of steps. We set to work on our retail business, opened a new distribution centre and made great progress in terms of IT. But more importantly, we used our renewed energy to closely examine our own sustainability performance. Since Dille & Kamille was founded in 1974, sustainability has been one of our core values. Our great company was set up by Freek Kamerling in response to the escalating

throw-away society which was increasingly defining the retail industry. Freek wanted Dille & Kamille to be a dissenting voice. 'Natural simplicity' was the name he gave to his philosophy: simplicity in its products, taking nature as its inspiration. Less waste, no plastic, away with our hectic, hurried lives — replacing them with purposeful lives, led in simplicity and harmony. This has become our core concept. The essence of our philosophy is that our stores contribute to a world in which people live in harmony — with nature and with each other.

Even though sustainability has been important to Dille & Kamille from the very beginning, we started looking at it very critically in the last two years. At its heart, retail is simply about selling products, something which cannot ever be completely sustainable. Borrowing or buying second-hand is more sustainable, but if you do decide to buy something 'new', we want to be the best place to do that. You buy something at Dille & Kamille that will last for a long time and, as a customer, you can be assured that the most sustainable decisions have always been made in every area, from the way in which a product is made to how it is transported. We carried out a study to document our impact on people and the environment. We embraced and translated its results and now we are looking at ways of improving our performance in each category. You can read the details and results in this report.

We made great progress in 2020 and 2021. We now know how things stand, we are able to measure them, and step by step we are trying to do things better. It's fantastic to see that we are already addressing many things effectively, but we can do even better. So that's what we're going to do. Last year, we decided to use the time to apply for B Corp certification*. This certificate is an important instrument: it helps us to make everything that is already sustainable measurable, and it shows which progress Dille & Kamille can still make.

My personal motto is: 'good can always be improved'. If you do something well, you are only satisfied with it if you can reflect on it and see that nothing about it can be improved — only then is it good enough. Our team and our partners will continue to build our world in harmony. I am full of confidence about the time to come.'

Hans Geels Chief Executive Officer (CEO)

^{*}B Corp stands for Benefit Corporation. The B Corp label is a certificate for profit companies following assessment of their social and environmental impact by a neutral third party. The B Corporation certification is a globally recognised performance standard for companies which meet the standards of social sustainability and environmental performance.



What we are proud of at Dille & Kamille

100% carbon-neutral transport by sea with our partner, Goodshipping.

100% green electricity in stores and offices.

New sustainable distribution centre

(gas-free, heat pump, underfloor heating, solar panels and rainwater collection).

100,000 euros donated to good causes.

25% of transport from DC to stores is by hybrid vehicles.



Goal for 2024: 80%

85% of our cotton carries a sustainability certificate (organic, GOTS).



Goal for 2024: 90%

Every year, we donate at least 5% of our net profit to social & environmental projects 100% of carbon emissions from 2020 and 2021 in scopes 1, 2 and 3A will be compensated by our partner Trees for All.



Goal for 2024: net zero for scopes 1, 2 and 3A

About this report

This report documents Dille & Kamille's performance in 2020 and 2021 with respect to its environmental and social impact. It is furthermore our first publication about our broader impact strategy which will serve as our guideline up to the end of 2024.

This is our first published annual report which specifically focuses on our impact. From now on, we will publish a Dille & Kamille sustainability report every year. This report has been written in line with the reporting principles of the Global Reporting Initiative Standards (GRI).

About Dille & Kamille

Dille & Kamille was founded in 1974 by Freek Kamerling as a dissenting voice in a retail landscape in which plastic and 'throwaway' were fast on the rise. The first store was in a wharf cellar in Utrecht: simple, with a market-stall look and a wide range of products for homes, gardens and kitchens. Everything was made of natural materials: practical, well-designed and unadorned. Since then, Dille & Kamille has grown to become a chain of 41 stores (2022) in the Netherlands, Belgium and Germany, and our online presence means we operate worldwide.

TRANSACTIONS

2020 2,560,019

2021 2,967,448

STAFF

2020 527

2021 636

STORES

2020

36 - five of which are franchise stores

2021

39 - five of which are franchise stores

MALE/FEMALE RATIO

2020

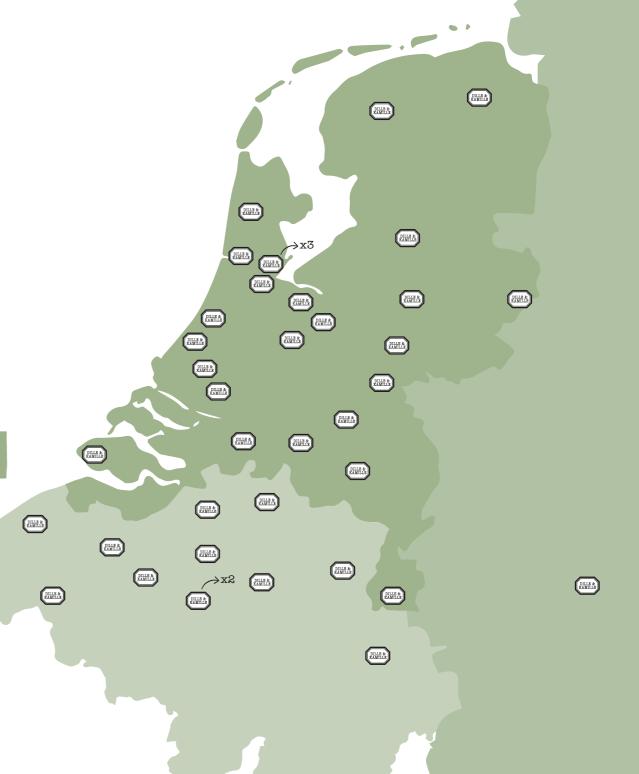
86.5% female / 13.5% male

2021

88% female / 12% male

Differentiating between our own stores and franchise stores

Several numbers are mentioned throughout the report. The numbers mentioned refer to our own stores only, unless stated otherwise.



Dille & Kamille's vision

Dille & Kamille was founded in 1974 from the desire to add something valuable to our society. We feel a strong connection to nature and to our fellow men and women. This leads to our desire to contribute to a better world. It inspires us to 'do good', to bear responsibility and to take it.

At Dille & Kamille we believe in the power of connection. We believe that connection — with each other, with nature, but also with ourselves — can make the world more beautiful and more harmonious. We preserve and look after the things we feel a connection to and which are precious to us. This is more topical than ever in our current, hectic society where we seem to have lost genuine consideration for each other and our connection with nature.

Dille & Kamille's mission

Based on our conviction that connection makes the world a better place, we want to inspire as many people as possible to live purposefully and in harmony with each other and with nature.

Dille & Kamille wants to be a 'guide': we want to help people to connect with each other more and with nature. And with themselves, because that's where it all starts. We want to inspire people to live more in the here and now and to enjoy the beauty of everyday things. We are convinced that everything starts 'small': with yourself and your immediate surroundings. That it's often the little things which bring about the big, wonderful changes. And that 'doing good' can be fun too!



DILLE & KAMILLE AND SUSTAINABILITY

SUSTAINABILITY PRINCIPLES

We treat the environment and our fellow men and women with respect and care as much as we can. Not because this is a good slogan, but because we believe in it and have done so for 48 years. Our **ten sustainability principles** guarantee that our customers can have confidence that everything they buy from Dille & Kamille is satisfactory. We haven't got there yet, but we are doing our best to become a bit more sustainable every day.



1 – Dille & Kamille has an absolute preference for natural materials and ingredients.



2 – Dille & Kamille opts for quality and timeless design.



3 – Dille & Kamille uses as few plastics and other synthetic materials as possible. We choose not to sell electrical goods.



4 – Dille & Kamille chooses to use as little packaging material as possible.



5 – Dille & Kamille adheres to the internationally recognised sustainability quality marks.



6 – Dille & Kamille wants an ethical price for everyone in the chain. Our suppliers are expected to treat their employees well and not to use child labour.



7 – Dille & Kamille has its articles produced as close to our home market as possible, but, paradoxically, also opts for the original country of origin of an article. One example is our felt from Nepal.



8 – Dille & Kamille looks for the appropriate, most sustainable material for each article and one which matches its use.



9 – Dille & Kamille inspires people to live purposefully, in harmony with each other and with nature. We give customers tips and inspiration so that they can enjoy their purchases for as long as possible.



10 – Dille & Kamille opts for sustainably produced energy.



OUR NINE SUSTAINABILITY PROGRAMMES

We have combined the topics in our impact matrix with our ambitions. The result has been converted into a strategy and into programmes with specific sustainability goals and focus areas. The basis for this is harmony and this is also expressed in the two pillars of our strategy.

PILLAR 1 – IN HARMONY WITH NATURE

Programme 1 – Sustainable materials and basic ingredients

Programme 2 – Sustainable stores & construction

Programme 3 – Sustainable operations

Programme 4 – Mobility

Programme 5 – Carbon emissions programme

PILLAR 2 IN HARMONY WITH EACH OTHER

Programme 6 – An ethical and secure chain

Programme 7 – For our people

Programme 8 – For our environment

Programme 9 – Communication & engagement





www.dille-kamille.com