

FREITAG®

IMPACT REPORT

2021

WE THINK AND ACT IN CYCLES.

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PREFACE

[GRI 102-14] Thinking and acting in cycles has been part of FREITAG from the outset. Something that started with the recycling of discarded truck tarps has encouraged us time and time again to use resources and energy sparingly. From collecting rainwater to forward-looking projects like the development of a fully circular truck tarp, the subject of sustainability at FREITAG is by now well-established, and has had deep-reaching and wide-ranging repercussions.

But for some time now, we have grown increasingly aware that relying solely on our gut feel is not enough. Because the changeover from a linear, throwaway society to a circular economy in which resources are no longer wasted has become an overriding priority.

That is why we decided to find out exactly how sustainable our efforts and initiatives in every area of the company really are: socially, ecologically and economically. Where could we make cycles run even more smoothly? Which path would lead us to a circular economy by the most direct route possible?

So, with a team comprising internal specialists and independent external experts, we set about determining our circularity maturity level. We collected data and facts across the company and had some eye-opening surprises, some pleasant, others less so. The process enabled us to take our sustainability strategy a step further and develop the «FREITAG Circularity Roadmap». Here, we identified five main areas where we can and want to make measurable improvements and achieve the most positive impact possible. And from now on, if you'll pardon the expression, we've decided to drop our compostable pants once a year and publish full details of how we are progressing with our circularity venture together with plans for further short- and long-term improvement.

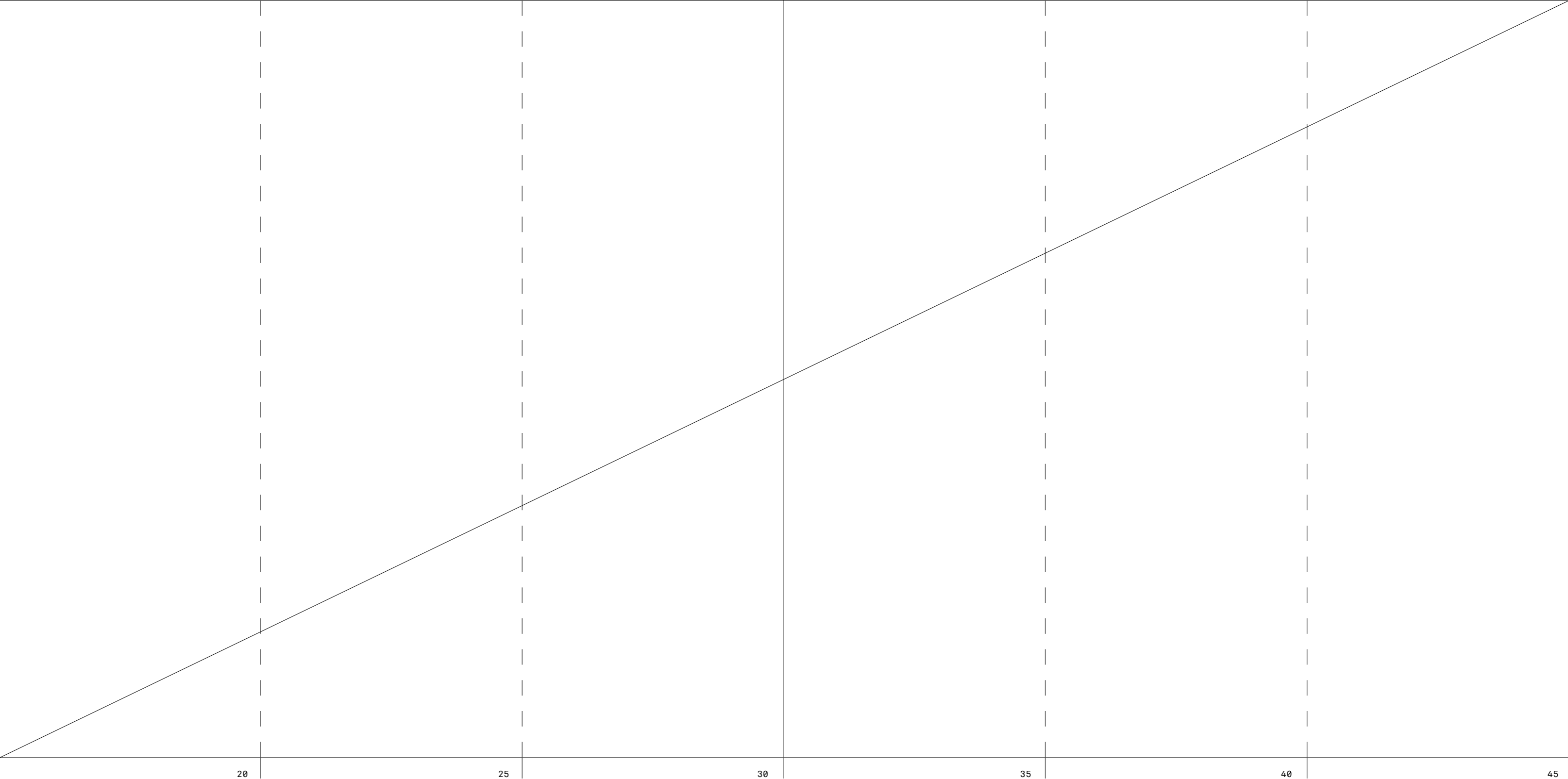
So here it is: the first FREITAG Impact Report. We are grateful to you for taking the time to read and digest it and discussing it with us. Because, ultimately, we believe the most direct route to achieving closed cycles is by working in conjunction with as wide a range of interested parties as possible and engaging in thought-provoking debate.

Zurich, Autumn 2022

Bigna Salzmann, Sustainability Officer
Daniel and Markus Freitag, FREITAG founders

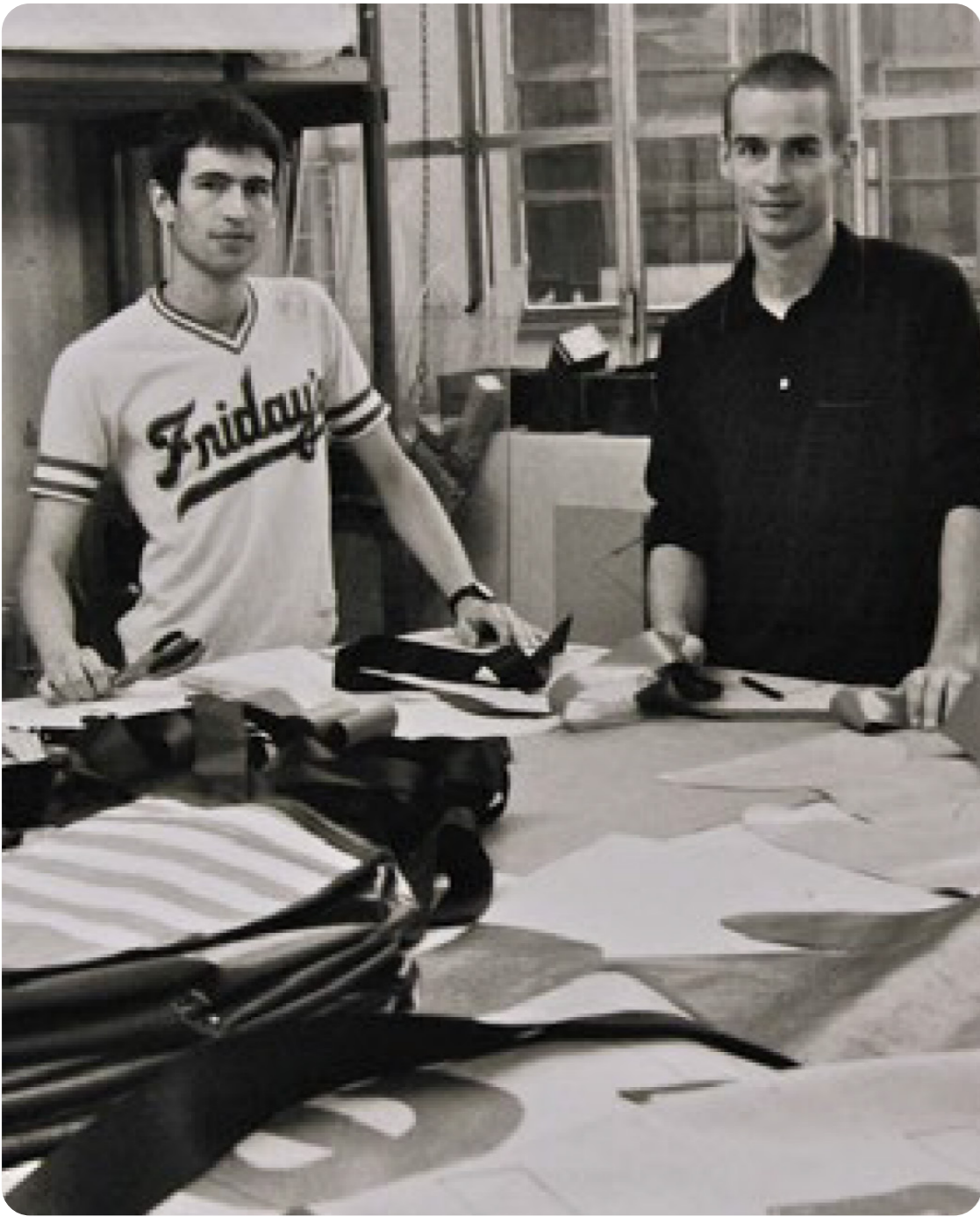


PHOTO CREDIT: ROLAND TÄNNLER



THINKING AND ACTING

IN CYCLES SINCE 1993



1993

In search of a functional, water-repellent and robust bag, brothers Daniel and Markus Freitag develop the original version of the iconic F13 TOP CAT messenger bag from used truck tarp, discarded bicycle inner tubes and car safety belts.



1999

The first FREITAG Store (F-Store) is opened in Davos. In Zurich, FREITAG moves into the industrial hall on the Maag site.



2000

FREITAG opens up to the global market with an Online Store.



2003

The F13 TOP CAT model is included in the design collection of the «Museum of Modern Art» in New York (MoMA).



2006

The FREITAG Flagship Store is erected next to the Hardbrücke in Zurich. The tower, built from 19 used freight containers, symbolizes the company's philosophy.



2011

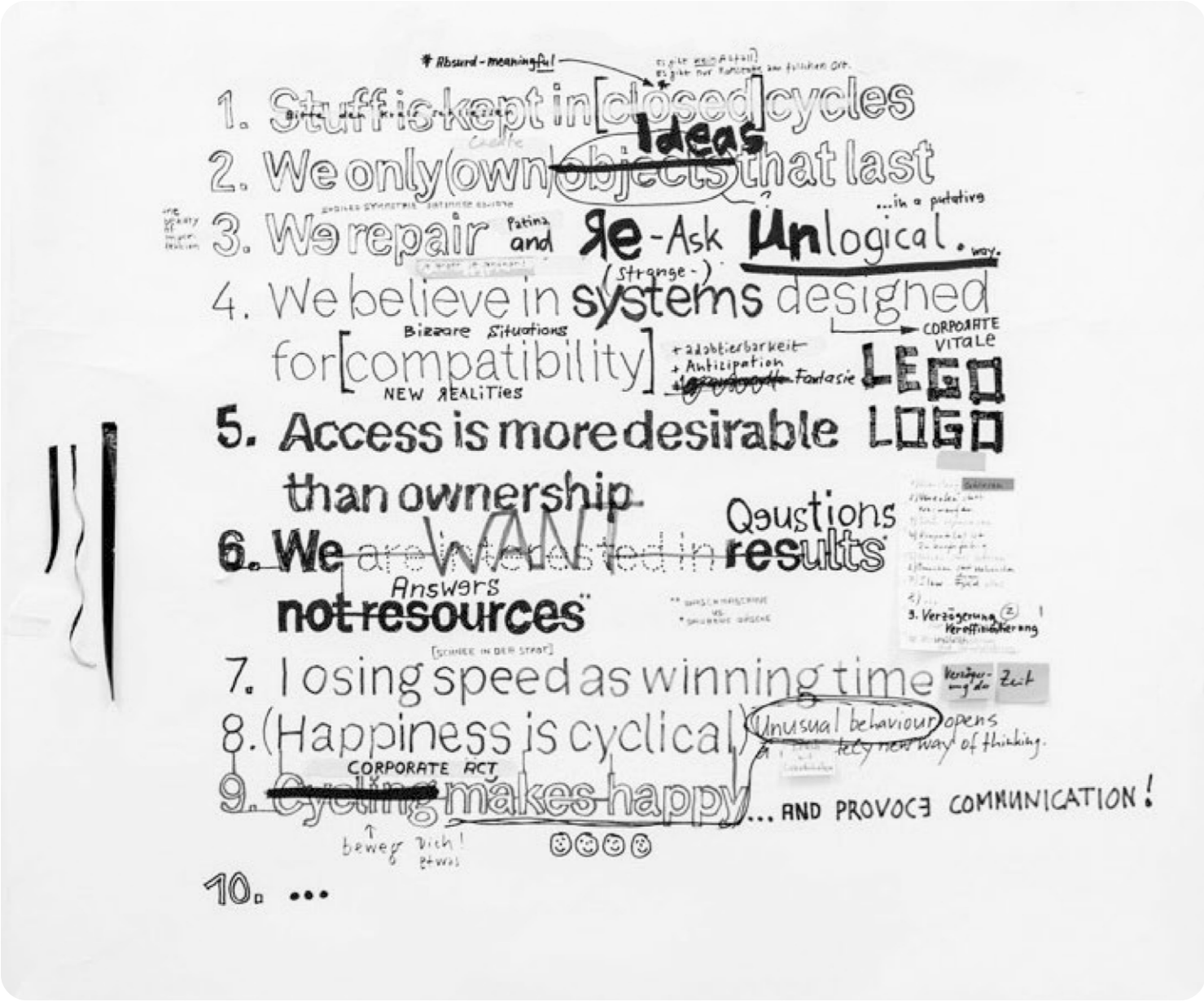
Following the demolition of the Maag hall, FREITAG initiates a commercial building for creative and production companies in Zurich-Oerlikon and moves into the so-called «Nørd» as prime tenant.



2014

With the F-ABRIC clothing line, FREITAG develops a first completely circular material. The biodegradable textiles made of hemp, linen and modal are developed in-house from scratch. They are produced using minimal resources within a radius of 2,500 kilometers from headquarters in Zurich.





2015

The Manifesto is created on the occasion of the «FREITAG ad Absurdum» exhibition at the design museum «mudac» in Lausanne. As a plea for conscious, meaningful production and consumption, and in a slightly adapted version, it remains the guideline by which FREITAG thinks and acts to this day.

→ FREITAG.CH/MANIFESTO



2016

After exploring various types of organization and with a growing desire for self-organization, FREITAG abolishes the traditional hierarchical model and introduces Holacracy as a new organizational form covering all 170 employees.



2019

With «Tarp on PET», FREITAG launches a new line of products that combines discarded truck tarps with a lightweight fabric made from 100% recycled PET



bottles. In addition to the new material, FREITAG introduces an online exchange platform named S.W.A.P. (Shopping Without Any Payment), where bag owners can exchange their unique items within the community.



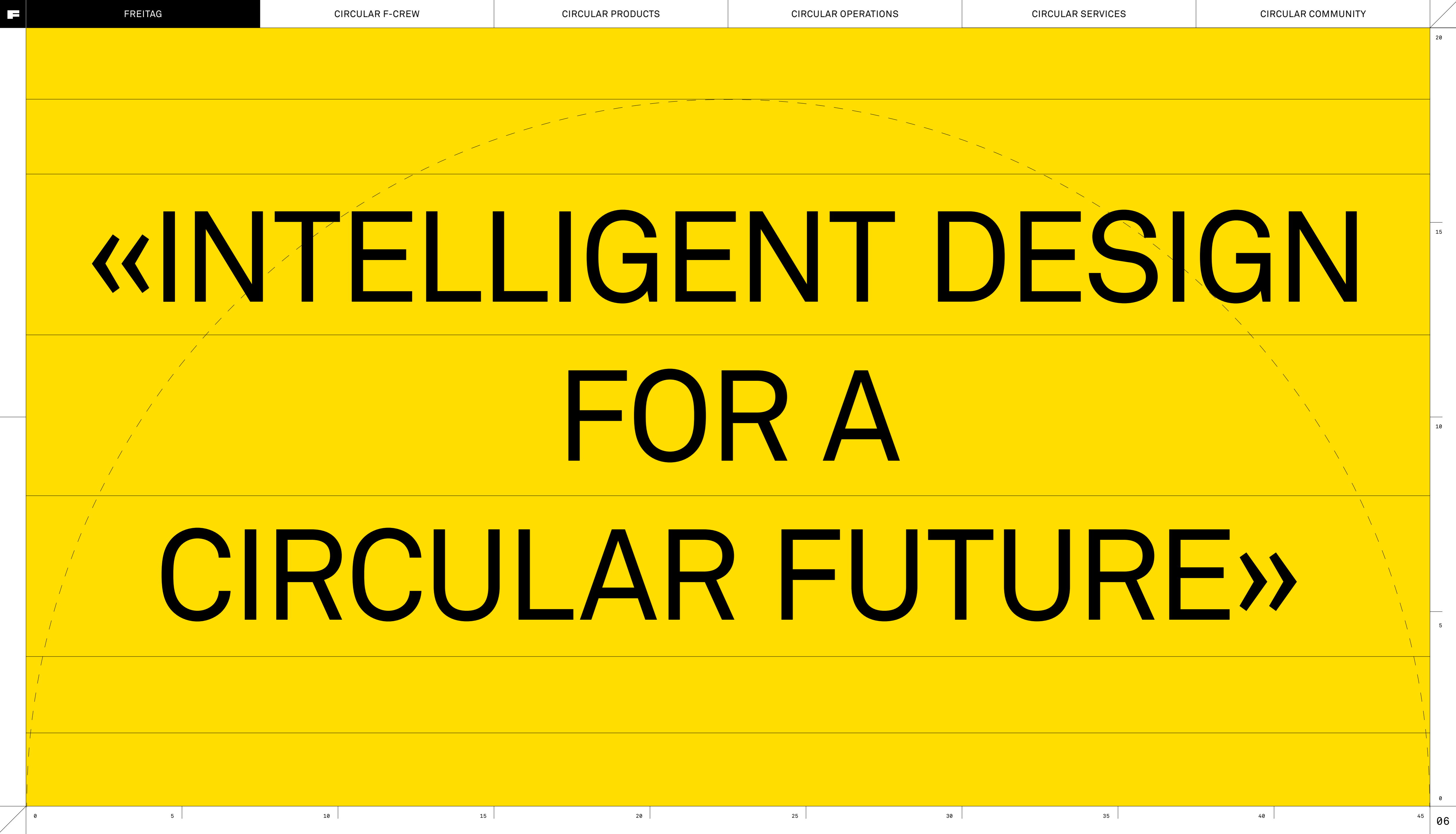
2020

FREITAG gets political. During a municipal referendum, an installation at the FREITAG Flagship Store in Zurich underscores the brand's strong affiliations with cycling and its call for more safe bike routes in Zurich.



2021

FREITAG initiates the development of a circular, PVC-free tarpaulin so that in the future, truck tarps will not only enjoy a second life as FREITAG bags but an eternal one.



«INTELLIGENT DESIGN
FOR A
CIRCULAR FUTURE»



PURPOSE

[GRI 102-16]* FREITAG is a values-based company that focuses on people and the planet. «Intelligent design for a circular future» is our purpose, the sense and rationale behind our company. It is the foundation of our overarching strategic goals, our projects and, ultimately, our day-to-day work.



BUSINESS MODEL

[GRI 102-2] Our business model follows our purpose and takes its lead from the circular economy:

- Every year, FREITAG develops, produces and sells around 400,000 bags and accessories made from used truck tarps, discarded bicycle inner tubes and car safety belts. Every product is a one-off?. With its current range of around 30 bags and 20 accessories, FREITAG generates over 95% of its sales.
- We also offer product-related services such as repair and a complimentary bag exchange to keep products designed for durability in circulation even longer.
- Apart from this, FREITAG also produces and sells F-ABRIC, a 100% compostable clothing line.

* THE FREITAG IMPACT REPORT REFERS TO SELECTED GRI⁷ STANDARDS. FOR EVERY GRI STANDARD APPLIED, THE GRI REFERENCES ARE SHOWN IN SQUARE BRACKETS NEXT TO THE CORRESPONDING TEXT AREA.



STRUCTURE & GOVERNANCE

PRIVATELY OWNED

[GRI 102-1, 3, 4, 5, 6] Founders Daniel and Markus Freitag are still the company's sole owners. Financial reporting is thus reserved exclusively for the attention of the Administrative Board and the owners.

SELF-ORGANIZED

FREITAG has a holacratic structure and an overarching corporate purpose. [↗ CIRCULAR F-CREW – p.14]

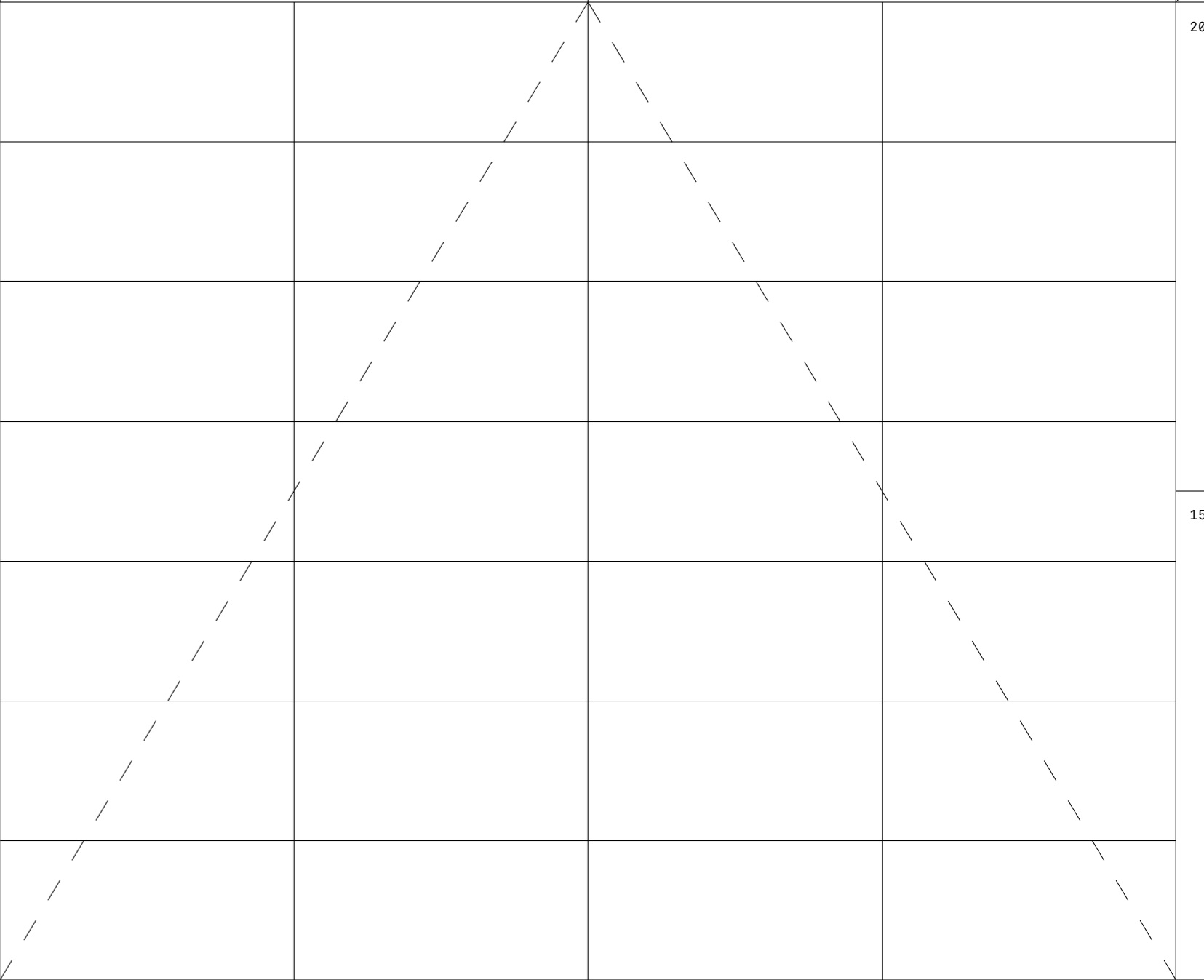
ROOTED IN ZÜRICH

The birthplace and headquarters of FREITAG lab. ag are in Zurich. At the end of 2021, 157 of 247 employees worldwide work at the Nørd industrial complex in Zurich-Oerlikon. Of those, around 60 work in production. [↗ CIRCULAR OPERATIONS – p.32]

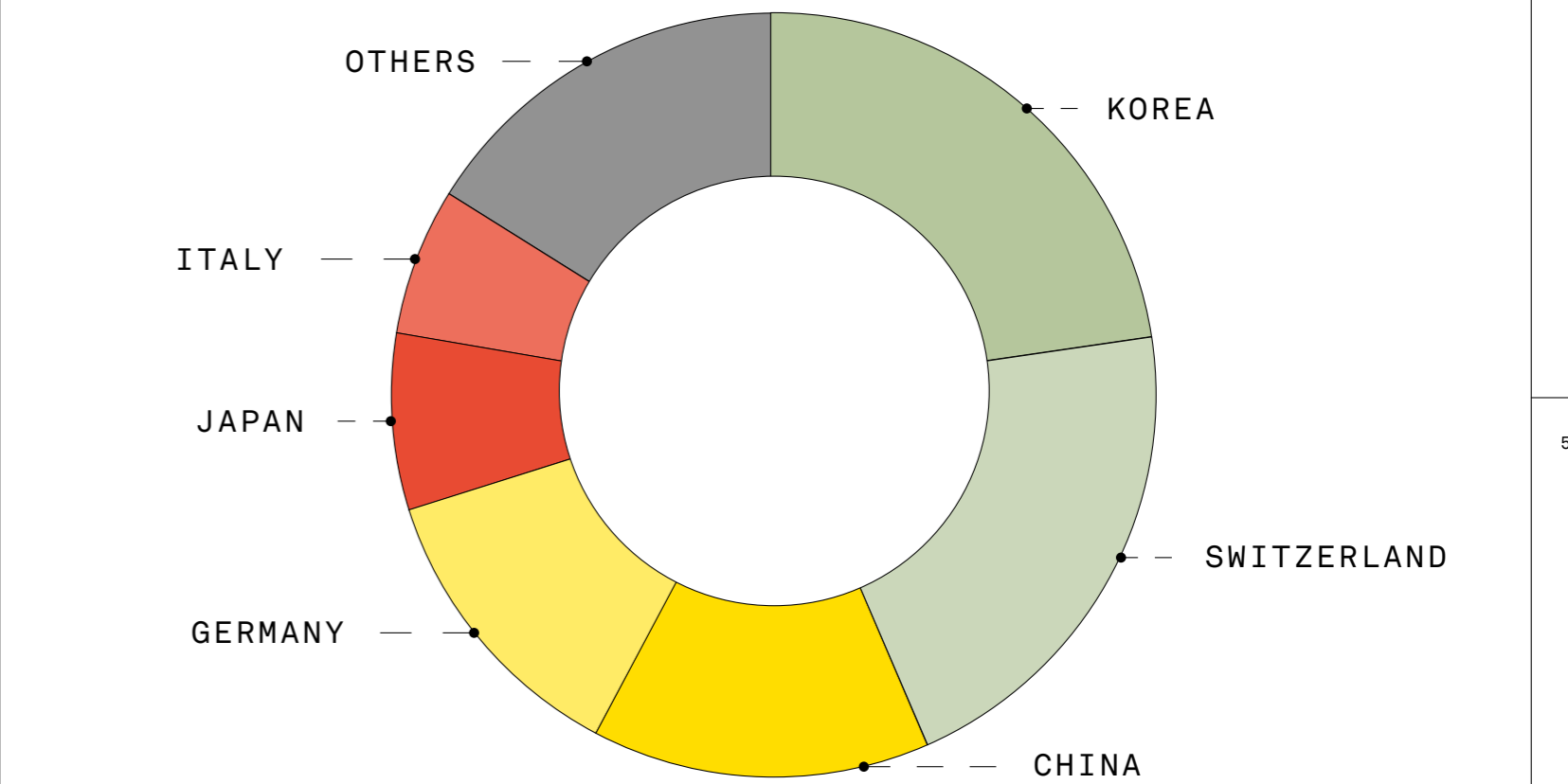
INTERNATIONALLY ACTIVE

The FREITAG Group comprises FREITAG lab. ag in Switzerland and nine national companies in Germany, Austria, the USA, Japan, Italy, Korea, China, the UK and the Netherlands. FREITAG products are manufactured by a European production network and distributed worldwide from headquarters. FREITAG operates a total of 29 stores in the following locations: six in Switzerland, five in Germany, four in Japan, four in South Korea, three in Thailand, two in the Netherlands and one each in Vienna, Milan, Shanghai, Taipei and Melbourne. In addition, FREITAG has around 300 retail partners in 21 countries, and Online Stores based in Zurich-Oerlikon (global) and Shanghai.

→ [FREITAG.CH/STORE-LOCATOR](https://www.freitag.ch/store-locator)



☐ MARKET SHARE BY COUNTRY





CIRCULARITY ROADMAP

«We think and act in cycles». For almost 30 years, this has been the FREITAG corporate philosophy. Today, our main focus is on keeping products and materials in circulation for as long as possible and working out how we can leave the linear economy behind us once and for all. Life-extending measures we have already implemented, such as upcycling[?], one-time-recycling[?] or repair, do not satisfy this goal. Instead, we are attempting to close our material cycles and become a fully circular[?] organization – and actively shaping and driving the circular economy in a pioneering role.

In 2021, further development of our sustainability strategy resulted in the «FREITAG Circularity Roadmap». Based on our purpose, our corporate values, and a materiality assessment, it will help us set the right priorities and identify the levers needed to have the greatest impact in our progress toward the circular economy.

The Circularity Roadmap consists of five directions that describe our circular ambitions in different areas of the company. Together, they form the guidelines within which FREITAG plans to become a full-fledged circular organization by 2030. This FREITAG Impact Report is structured according to these five main directions.

CIRCULAR F-CREW:

We foster a values-based culture and circularity expertise.

CIRCULAR PRODUCTS:

We create products with their end in mind.

CIRCULAR OPERATIONS:

We reduce our footprint and ensure a fair supply chain.

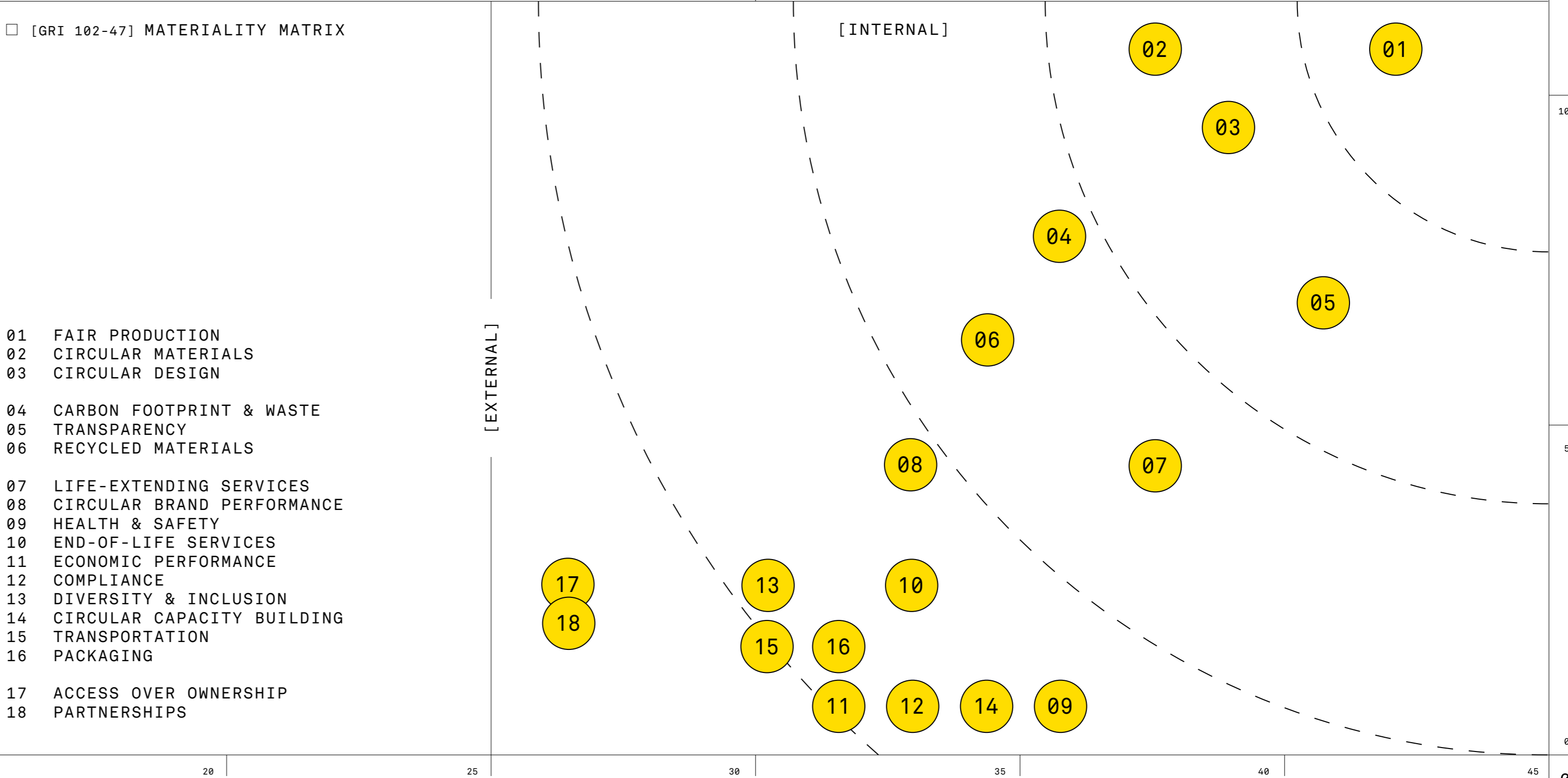
CIRCULAR SERVICES:

We provide services to prolong and close cycles.

CIRCULAR COMMUNITY:

We connect to inspire and be inspired.

Since we also want to measure and evaluate the ambitions of the Circularity Roadmap and our progress, we have developed targets and performance indicators for each of the five directions. At the same time, the Circularity Roadmap should also be understood as a dynamic instrument. It will be further developed and updated on an ongoing basis. We consider this necessary because global development, political parameters, and material and technological innovation influence the measures taken to achieve our targets. We believe perfection should not be the ultimate goal on this challenging journey towards a circular organization. Instead, we are committed to progress, experimentation and transparency.



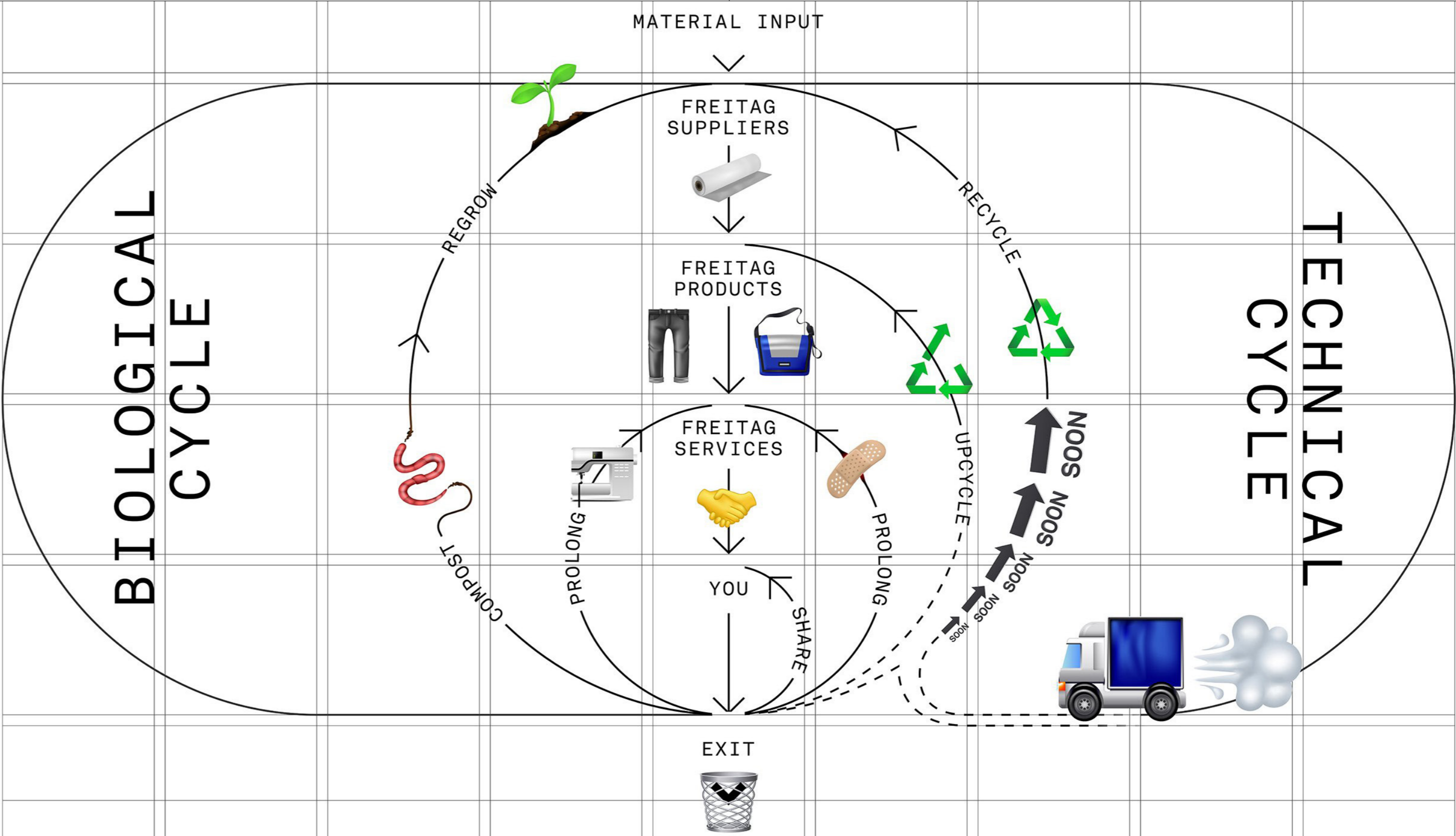
CIRCULAR ECONOMY

A circular economy is a comprehensive approach that considers the entire material and product cycle: from the extraction of raw materials, intelligent design, sustainable production and extended service life through to multiple recycling. The circular economy aims to replace the linear production processes that are still widespread. In a linear economic system, raw materials are depleted, and products are manufactured, sold, consumed and discarded. In a circular economy, on the other hand, products and materials are kept in circulation. So, compared with a linear economic system, significantly fewer raw materials are used and less waste produced.

The circular economy distinguishes between biological and technical cycles. In the former, materials of biological or organic origin should be utilized materially or fermented as far as possible after use and thus flow back into nature as nutrients. In the technical cycle, the useful life of products is increased by allowing them to be shared, reused, repaired, and reprocessed in ways that maintain their quality over multiple life cycles. To preserve material integrity as far as possible, products are only sent for recycling when they can no longer be used. But recycling is an energy-intensive process, involves the occasional use of additives and diminishes the quality of the original material. For these reasons, extending the product life is generally preferable to recycling.

FREITAG CYCLES

We have already closed the biological cycle with our compostable F-ABRIC clothing line. In the technical cycle, within which we operate our core business, we have not yet reached that stage: We upcycle our primary material, used truck tarps, to give it a second life. Through circular services such as exchange and repairs, we try to make this life as long as possible. But at the end of its life cycle, even a FREITAG product is (for the time being) destined to become waste.





CIRCULAR MATURITY



The maturity approach used by the «Circular Globe» label provides an overarching and overall assessment of where we stand as regards our quest for circularity. «Circular Globe» evaluates the activities of companies moving toward a circular economy. FREITAG was the first company to participate in a pilot assessment in 2021. In the future, we will reassess our circular maturity level annually using the «Circular Globe» process to plan, implement and measure our progress.

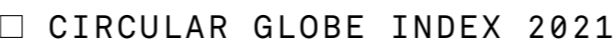
According to the final report of the 2021 assessment, FREITAG is well on its way towards becoming a circular organization. After scoring 505 out of 1,000, our «Fundamental» ranking indicates that we have reached the first of three levels. The company's awareness of sustainability and environmental issues since its founding is cited as a key prerequisite. It is reflected in the fact that we systematically address social challenges as part of our corporate development and develop sustainable solutions. The assessment identifies our major strengths as our business model (70%), leadership (65%) and systemic approach (60%). Our greatest potential, on the other hand, lies in improvements to monitoring and measurement (25%) and our stakeholder relations (20%).

Based on these findings, we consolidated our sustainability indicators across the company for the first time at the end of 2021, the results of which will serve as a database for our Impact Report. At the same time, we conducted a stakeholder analysis to create a systematic record of our main stakeholder groups. [↗ APPENDIX – p. 62]



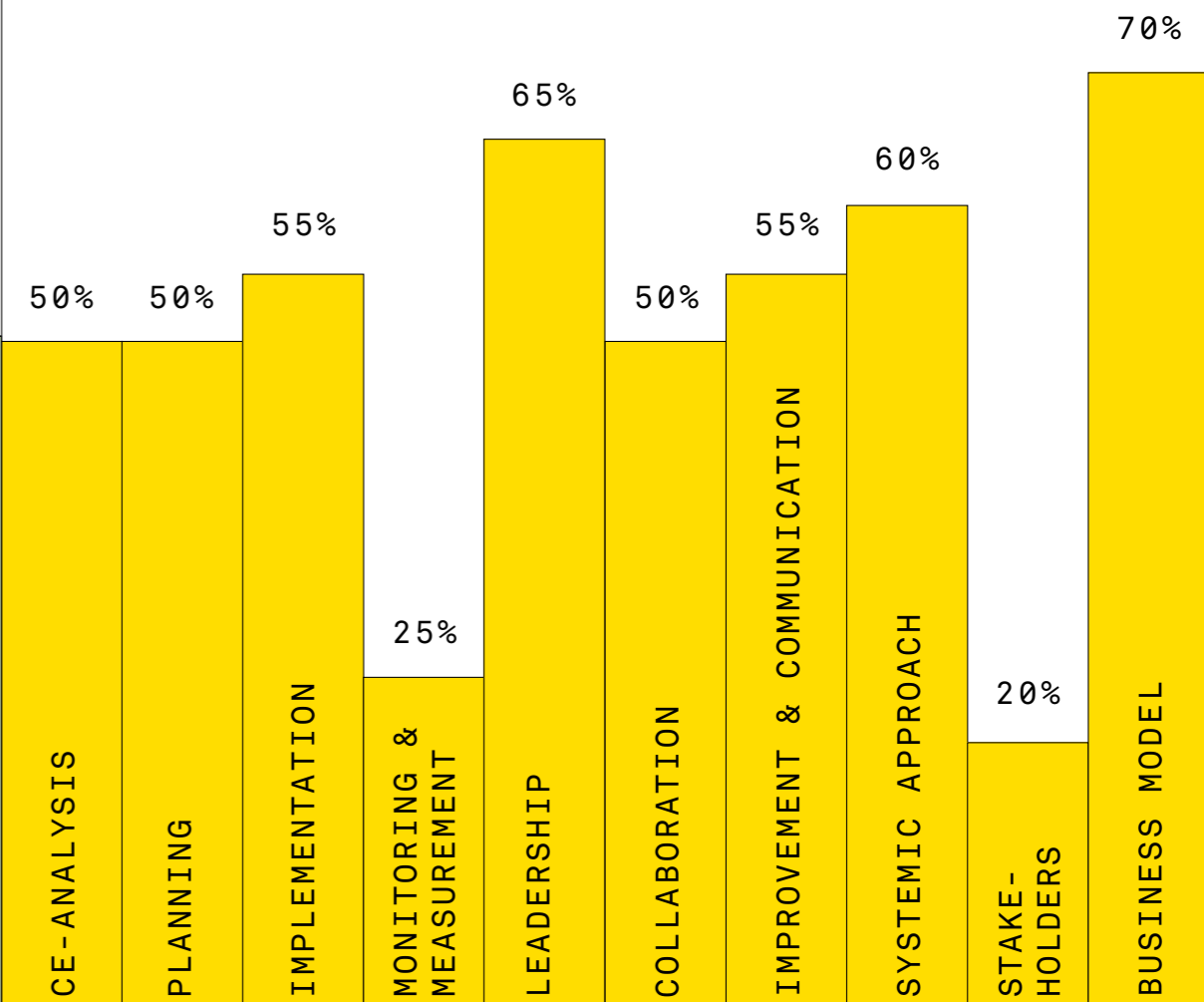
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POINTS: «CIRCULAR GLOBE LEADER»



505/1,000

POINTS: «FUNDAMENTAL»

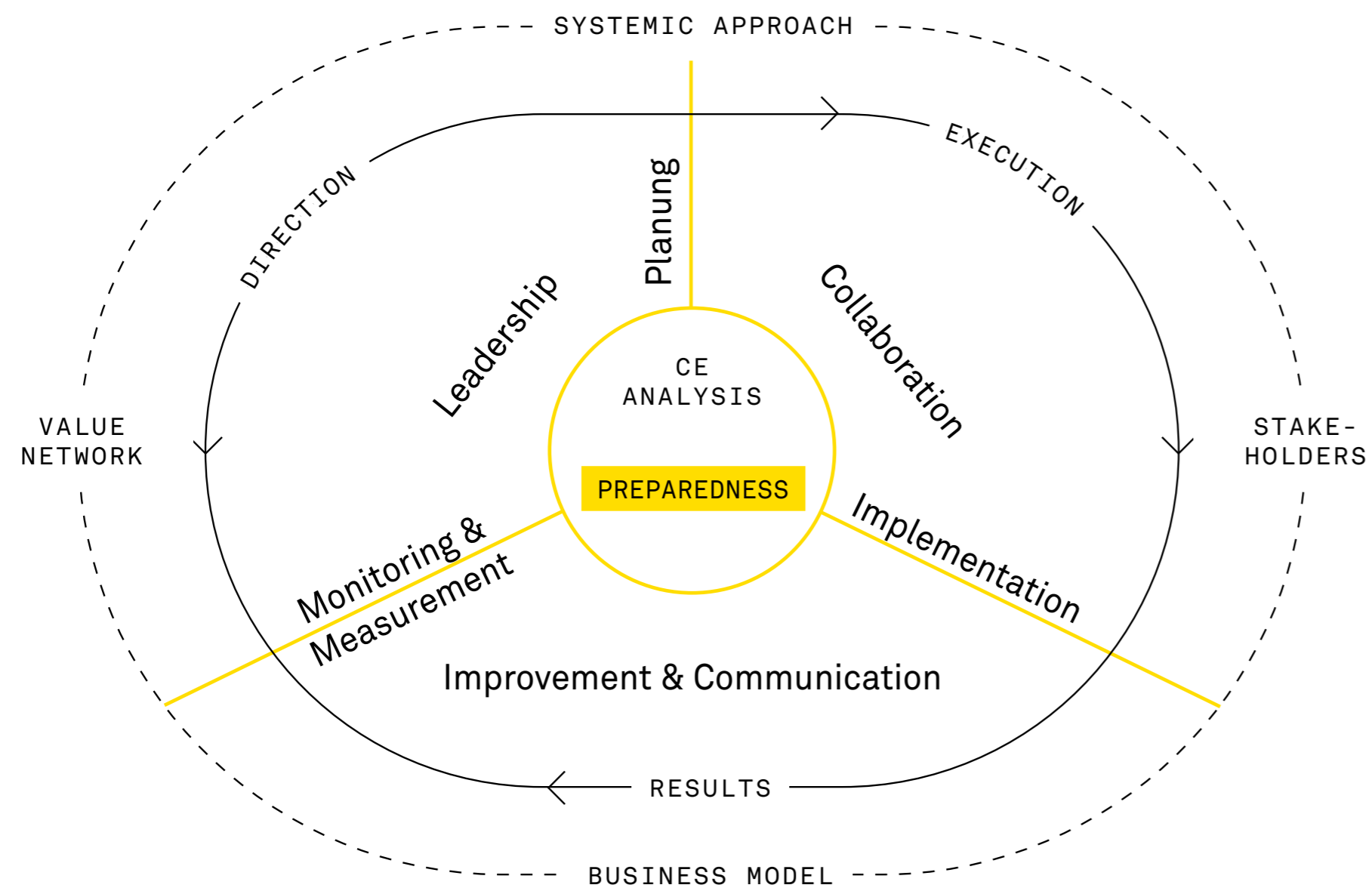


THE CIRCULAR GLOBE MODEL

The Circular Globe Model developed by the «Swiss Association for Quality and Management Systems (SQS)» and «Quality Austria» is based on a maturity approach. With 239 evaluation criteria, it guarantees a systematic means of measuring progress towards a circular economy.

The model is based on the current state of science as well as proven practical experience in the field of circular economy and draws on recognized international standards and reference works. Accordingly, the assessment model also considers the climate targets defined by the Paris Agreement and the «UN Sustainable Development Goals». Circular Globe likewise incorporates current and anticipated regulatory requirements.

→ [CIRCULAR-GLOBE.COM/ASSESSMENT-MODEL](https://circular-globe.com/assessment-model)



SUSTAINABLE DEVELOPMENT GOALS

In 2015, the United Nations (UN) General Assembly listed its 17 «UN Sustainable Development Goals» (SDGs). Together with their 169 targets, they form the core of the 2030 Agenda for Sustainable Development. They take into account the economic, social and environmental dimensions of sustainable development in a balanced way and, for the first time, bring together poverty reduction and sustainable development in a single agenda.

Businesses play a central role in implementing the 17 SDGs. For this reason, we have aligned the 2030 FREITAG Circularity Roadmap with the UN's Sustainable Development Goals. In the context of our value creation, we see the greatest potential for making a relevant contribution to positive change in the following five SDGs:

→ [SDGS.UN.ORG/GOALS](https://sdgs.un.org/goals) [⁷ APPENDIX – p.65]

[illegible]



FREITAG		CIRCULAR F-CREW		CIRCULAR PRODUCTS		CIRCULAR OPERATIONS		CIRCULAR SERVICES		CIRCULAR COMMUNITY	
INTRO	<div>↳ FREITAG sees its purpose as fostering «Intelligent design for a circular future».</div> <div>To help us achieve that, we nurture a values-based culture and promote circular economy-related know-how and competency at every level in our organization.</div>				<div>□ AMBITION</div> <div>WE FOSTER A VALUES-BASED CULTURE AND CIRCULARITY EXPERTISE.</div>						20
					<div>□ TARGETS 2030</div> <div>SATISFIED AND EMPOWERED F-CREW</div>						15
	<div>⌵</div> <div>[GRI 103-1,2] FREITAG is a company that prioritizes striking a balance between people, the planet and economic success and follows a common purpose. This meaningful corporate objective shows us the way forward. Our culture and expertise allow us to go that way.</div> <div>We trust in the individual strengths of our employees, promote self-responsibility and build on respectful and inclusive cooperation. These are the core values of our company's culture: they not only lead to more productive collaboration but also to an environment that promotes expertise and mutual appreciation.</div>				<div>□ METRICS 2021</div>		<div>9</div> <div>INTERNAL CIRCULARITY-RELATED EVENTS</div>				10
											<div>4.9 / 7</div> <div>EMPLOYEE SATISFACTION</div>
					5						
					0						
					0						
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SELF-ORGANIZATION

[GRI 102-18] For some five years, FREITAG has pursued an approach based on the principles of self-organization.

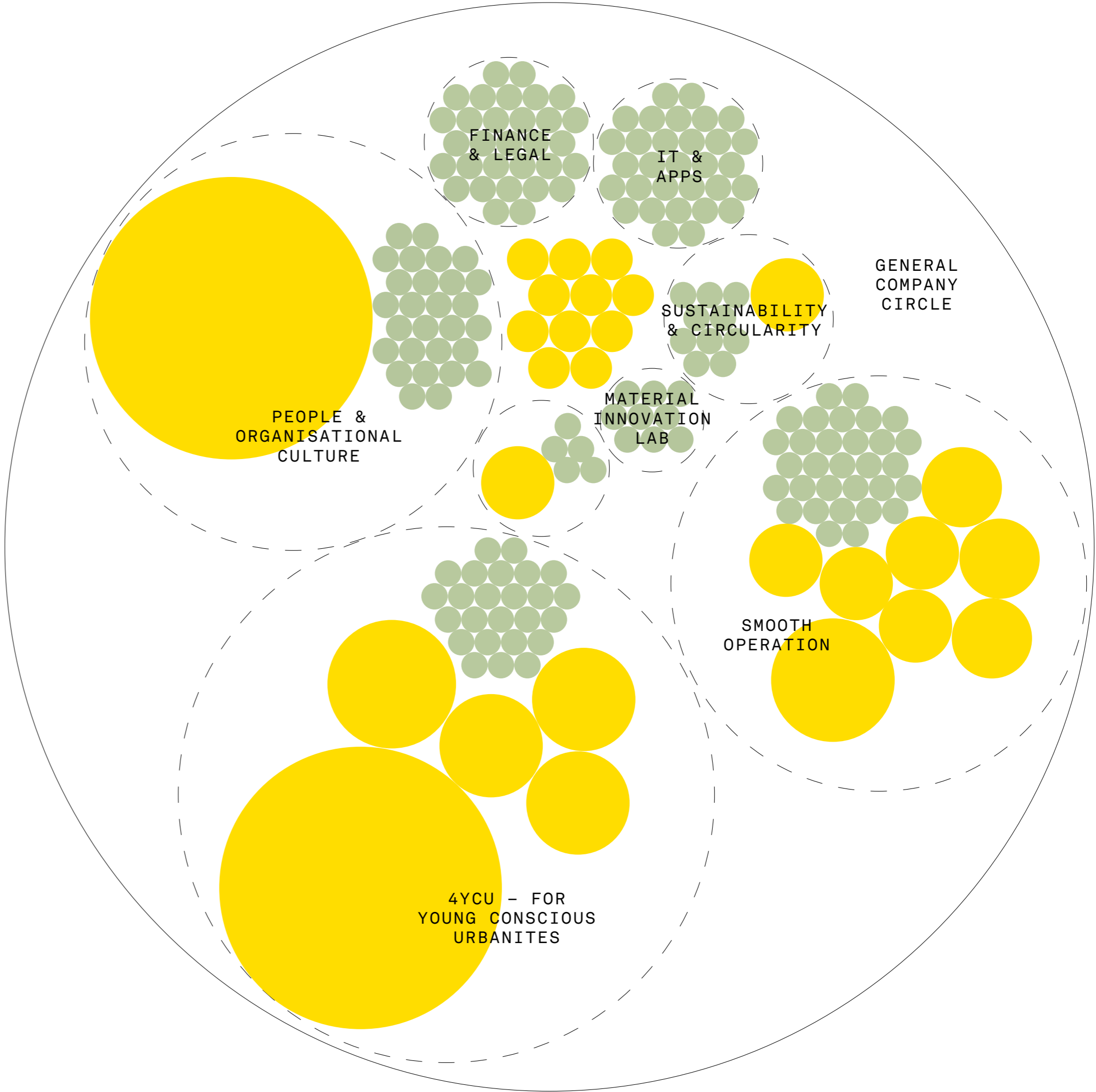
Our self-organizing corporate form simplifies decision-making processes and encourages both transparency and innovation by sharing responsibility across the company rather than handing it to a classic management team, as is the case with conventional organizational forms. However, this does not mean that self-organization has no hierarchies. On the contrary: Self-organization is hierarchical but consistently determined by professional roles.

The «holacratic» approach we use calls for organization into specific circles with clearly related roles that are continuously adapted to changing needs. In addition to defined responsibilities, the circles and roles each have a purpose based on our company's overarching purpose. Thus, in a unit based on self-organization, no permanently established group of individuals represents the highest controlling body. It is constituted by the roles with their respective responsibilities.

In a self-organizing body, the purpose is not only the principal ideal but also the paramount form. As to be expected, then, there is no role at FREITAG whose area of expertise does not include the topic of circular economy and sustainability. The self-organizing structure also helps us attract the right kind of talent: Individuals who do not see the classic career ladder as an end in itself, but rather identify with the values of a company and a sustainable economy.

As a logical consequence of our understanding of participation, we promote entrepreneurial thinking and acting and give our employees a share in the company's success. As soon as EBIT exceeds a specific threshold, FREITAG employees receive a pre-defined portion in the form of profit-sharing.

A VISUAL REPRESENTATION OF THE STRUCTURES WITH CIRCLES, SUB-CIRCLES AND ROLES



FACTS & HIGHLIGHTS 2021



ESTABLISHMENT OF INTERNAL CIRCULARITY COMPETENCE CENTERS

[GRI 102-18] At the end of 2021, as part of our self-organized structure, we established a «Sustainability & Circularity» unit, or circle, as we prefer to call it. The circle features several key roles, such as «Circular Technologist» and «Sustainability & Compliance Officer», and is the competence center for the circular economy at FREITAG. With this step, we firmly established the topic of sustainability with a focus on the circular economy in the company structure, assigning clearly defined roles and responsibilities.

□ BIGNA SALZMANN, LEAD LINK SUSTAINABILITY & CIRCULARITY

«BY ESTABLISHING THE CIRCLE, WE HAVE GENERATED TRANSPARENCY, VISIBILITY AND EVEN MORE WEIGHT FOR CIRCULAR ISSUES ACROSS THE COMPANY. WE'RE ALSO STRENGTHENING CROSS-CIRCLE COLLABORATION,

WHICH IS ESSENTIAL FOR
SUSTAINABILITY AND THE
CIRCULAR ECONOMY.»

The foundation of the «Material Innovation Lab» circle in 2021 was another significant step towards our circular transformation. Its purpose is to create a sustainable and recyclable material construction kit. The new structures should lead to an optimal exchange and increased visibility.



BUILDING EXPERTISE

CIRCULARITY KNOW-HOW

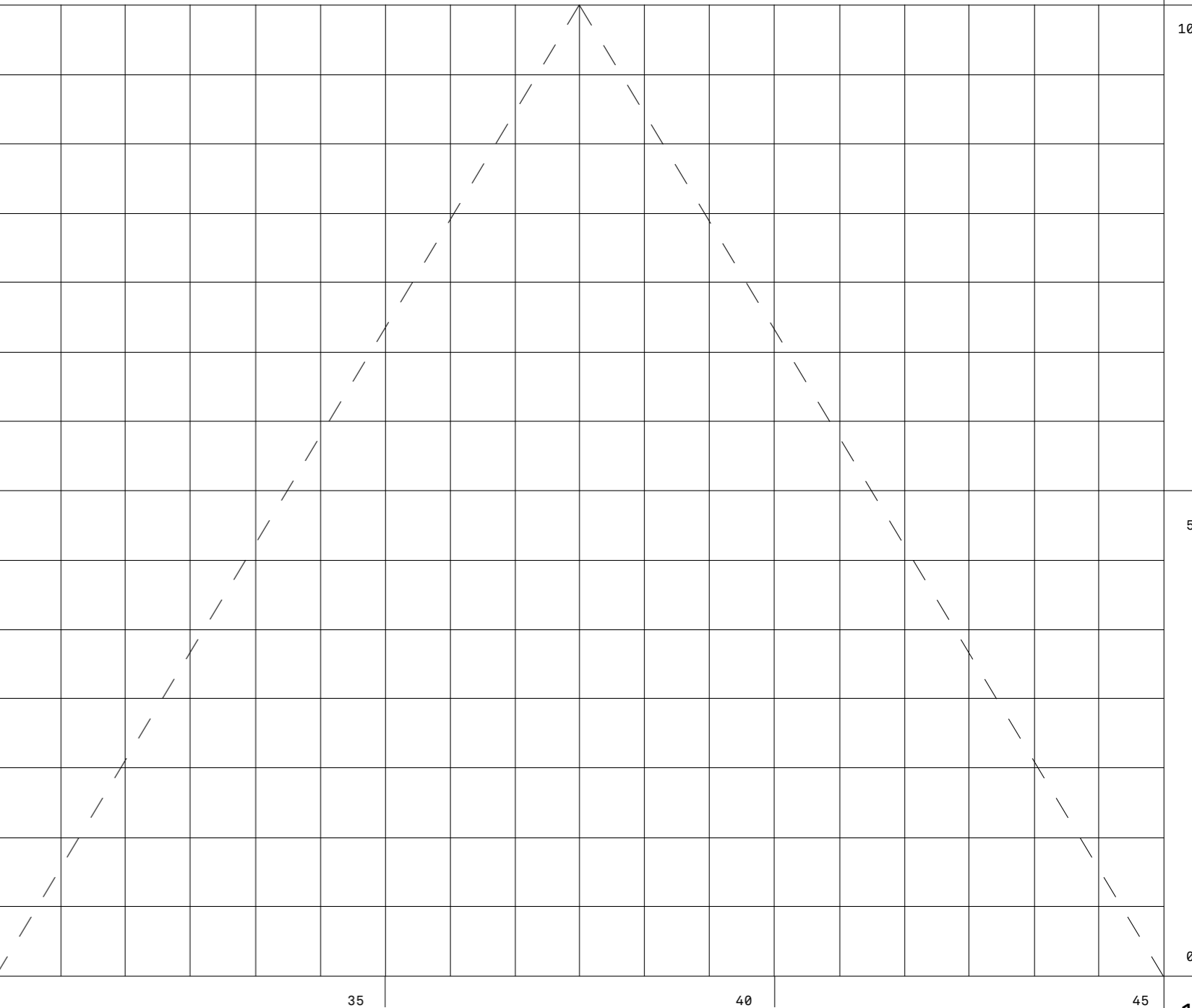
In 2021, four roundtables took place on three interdisciplinary topics: one on circular material and product development, two on «Take-Back», and one on «Design for Disassembly». The goal here was to bring various roles that interface with the circular economy and sustainability even closer together internally as a way of sharing experiences, registering needs and addressing challenges.

Furthermore, we regularly shared inputs on sustainability and the circular economy at our company-wide monthly meetings, the so-called «F-Crew Meetings». A newly created «Sustainability & Circularity» intranet site also brings together all relevant information and makes it easily accessible to all employees worldwide at any time.

BASIC AND FURTHER TRAINING

FREITAG promotes the professional basic and advanced training of all employees. If further training is deemed necessary, the company will cover 100% of the fees and any training and exam time on weekdays counts as paid work time. If the further training is supplementary, FREITAG will pay 75% of the examination fee and up to 75% of the training costs. In addition, employees may take up to five working days per calendar year as training days. In 2021, 20 employees received support for their further training.

Apart from providing support for external training, we also offer regular further training modules free of charge through our internal «F-Academy». These take place during working hours and are open to all employees. In 2021, for example, we implemented F-Academy courses on project management as well as stress and resilience.





DIVERSITY & INCLUSION

[GRI 103-2] The FREITAG employee regulations – the «F-Rules» – not only set out the rights and duties of the F-Crew (i.e. all FREITAG employees) but also social and ethical principles that apply to employees around the world. These include, among others, protection against discrimination, equality and equal pay, and reconciliation of work and family life (work-life balance).

In 2021, we created the role of «Chang(c)emaker Diversity & Inclusion» to promote diversity and inclusion at FREITAG. The role communicates the importance of the issue, creates visibility, and is accountable for an inclusive work environment that supports diverse perspectives and values the contributions of all employees regardless of gender, origin, or sexual orientation. As a means of raising awareness, regular posts on the intranet covered topics such as stereotypes/bias, gender distribution in roles and women and pension provision. A workshop was also held on the subject of diversity, and gender-neutral language was systematically introduced not only in our external communications, as before, but also internally. In the interests of a more inclusive work environment, for example, we provided free German courses for non-German-speaking employees. In addition, the role is also available for coaching on personal issues.

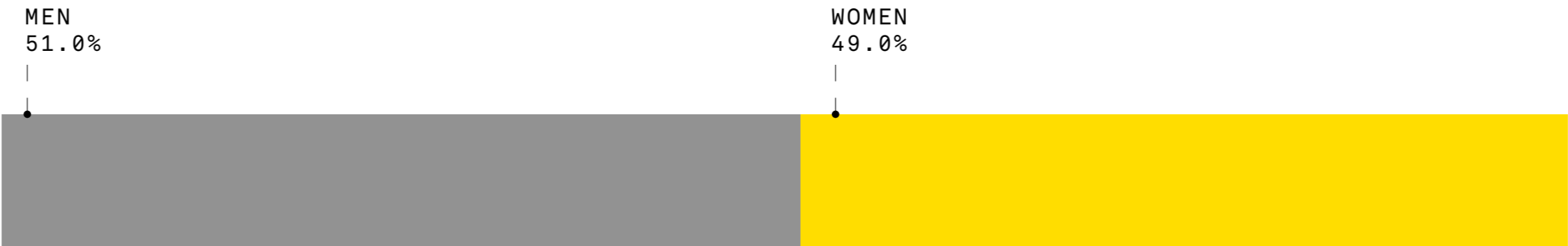
A pay equality analysis conducted in 2021 by the Federal Statistical Office also showed that FREITAG pays equal wages overall for equal roles, whether men or women, for work of equal value.

☐ [GRI 405-1] EMPLOYEES BY AGE AND GENDER, EMPLOYEES AT TOP OF SALARY SCALE*

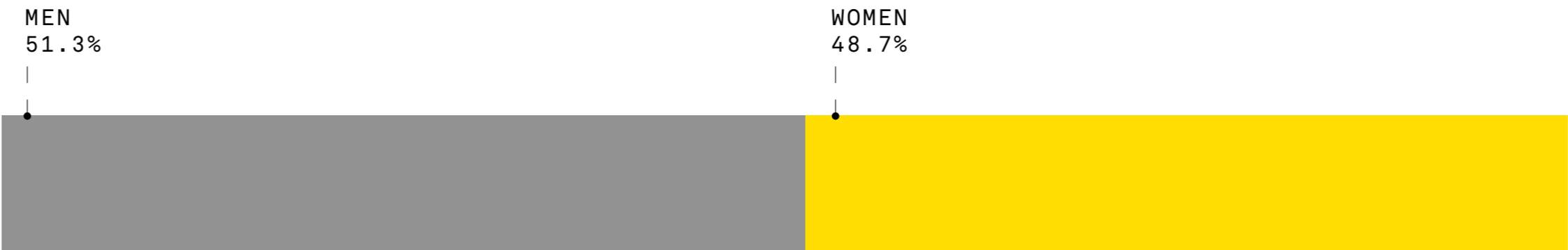
EMPLOYEES BY AGE



EMPLOYEES BY GENDER



EMPLOYEES AT TOP OF SALARY SCALE



*SINCE A HOLACRATIC ORGANIZATION HAS NO MANAGEMENT IN THE CLASSICAL SENSE, THE HIGHEST WAGE LEVEL (TOP OF SALARY SCALE) IS USED AS A REFERENCE VALUE.

EMPLOYEE

SATISFACTION

In 2020, we carried out our first company-wide employee satisfaction survey to identify, among other things, measures that could strengthen our culture. 67% of the F-Crew participated. The anonymous survey, conducted externally, showed that overall job satisfaction is significantly influenced by four factors: being able to use skills and expertise, the working atmosphere, the way the individual is treated and, lastly, the salary.

The first three aspects were rated as positive and significantly influenced overall job satisfaction (68% are satisfied to very satisfied). Overall, employees rated their job satisfaction as 4.9 on a 7-point scale. Naturally, we consider it crucial that we maintain satisfaction in this regard. 69% say the F-Crew is guided by shared values, especially creativity (75%), sustainability (65%), and humor (45%). In addition to pay, there was room for improvement in internal communication and learning opportunities.

In future, the employee survey will be conducted at intervals of two to three years.

EMPLOYEE SATISFACTION

n = 167

DISSATISFIED -
RATHER DISSATISFIED (1-3)

14.1%

NEUTRAL (4-6)

18.2%

SATISFIED - VERY SATISFIED
(5-7)

67.7%

4.9 / 7



PHOTO CREDIT: ROLAND TÄNNLER



SOCIAL & CULTURE

As for many other companies, the Corona pandemic in 2021 presented FREITAG with a challenge regarding general morale. For example, the «FREITAG Economic Forum (FEF)», which brings all employees together for a whole week every year, could not be organized in its usual form two years in a row.

So, while there were no big highlights, we focused on smaller cultural initiatives to promote a sense of togetherness: The «Brainfood» format, which usually involves the F-Crew watching sustainability-related documentaries together, was transformed into an online film screening and implemented four times. Chats over coffee in the office were no longer possible, so we introduced the «Coffee Calls» mobile app to encourage random exchanges between F-Crew members.



HEALTH & OCCUPATIONAL SAFETY

[GRI 403-6] Due to the pandemic, F-Crew health was also an ever-present and challenging issue in 2021. To help out with any problematic personal situations, we stepped up efforts to make employees more aware of our existing offer of free and anonymous counseling by «SYBEK», our external social advisory service.

→ [SYBEK.CH](#)

Despite low attendance (four to six participants per event), FREITAG continued to support the sports groups (soccer, field hockey, fitness

training and yoga) started by employees themselves over the past few years and moved them outdoors or, where possible, into virtual space. As in previous years, we took part in the 2021 Bike2Work Challenge to promote exercise in our daily work routine. And the few employees who did not work from their home offices could still enjoy locally sourced seasonal fare for lunch in the Nøerd canteen at Oerlikon headquarters. Depending on their roles, employees benefited from a 50 to 70% discount. → [NORDKANTINE.CH](#)

In 2021, following an accident in the disassembly section, we focused on revising our existing work safety concept. An inspection by the «Occupational Safety Switzerland» association took place at the Nøerd headquarters, internal company paramedics and safety officers were appointed and trained, and two emergency aid courses were held. We also installed room ventilation systems and a display showing accident-free days in the production hall. The subject of occupational safety was also given more prominence in the introductory program for production employees.



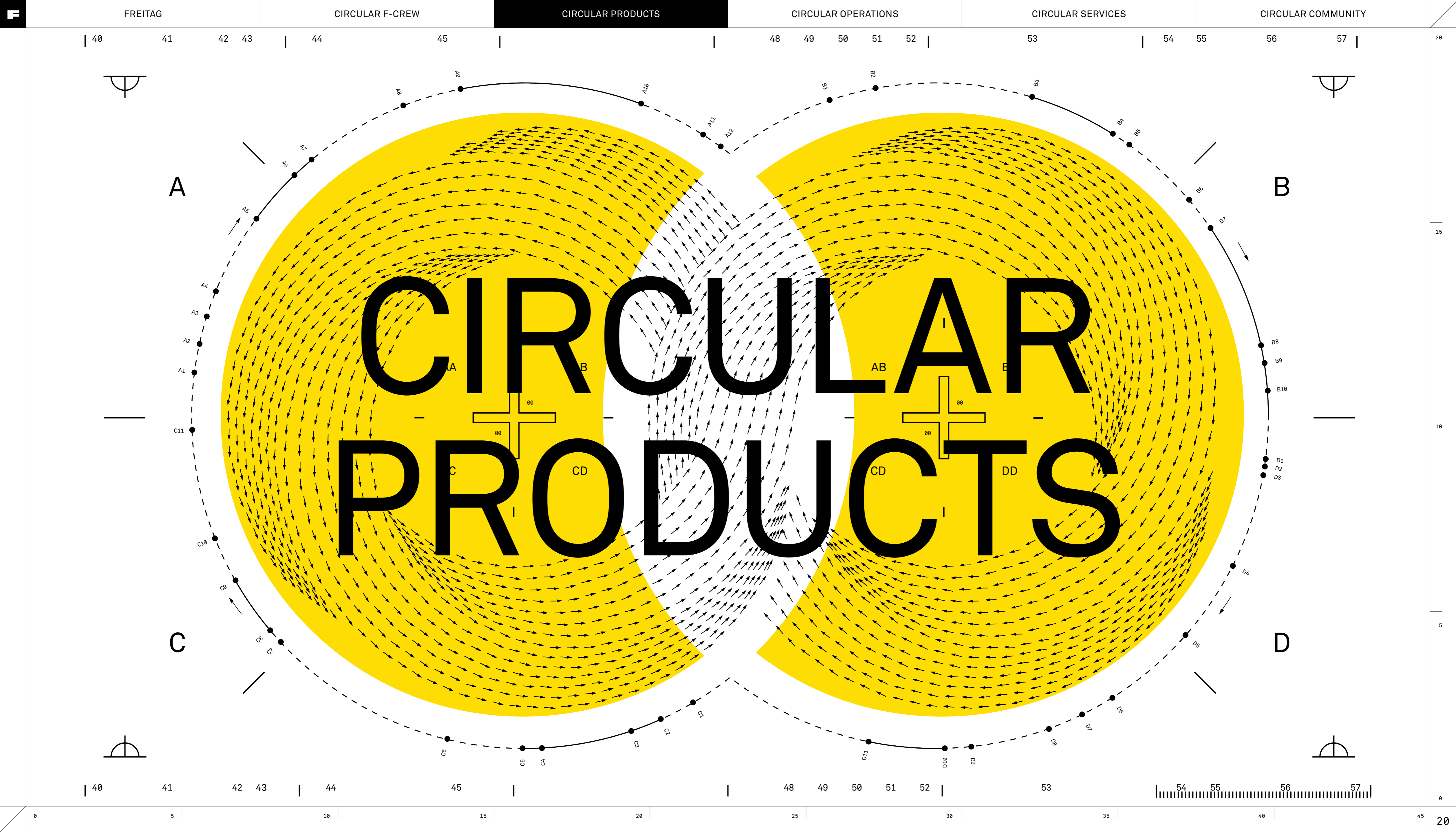
CHOICE OF PENSION FUND

In line with our participative culture, we involve the F-Crew in important decisions, such as the choice of pension fund: On January 1, 2021, FREITAG changed the pension fund for all employees working in Switzerland to the «Sammelstiftung NEST». We made the change following an internal vote in which employees had a choice of two comparable pension funds. «NEST», Switzerland's first pension fund with an ethical/ecological orientation that perfectly fits our values, came out on top. → [NEST-INFO.CH](#)



PHOTO CREDIT: ROLAND TÄNNLER

FREITAG		CIRCULAR F-CREW				CIRCULAR PRODUCTS				CIRCULAR OPERATIONS				CIRCULAR SERVICES				CIRCULAR COMMUNITY			
OUTLOOK 2022																					
01		At the «FREITAG Economic Forum (FEF)» in 2022, we will dedicate an entire day to the subject of circularity. This will encourage the internal transfer of relevant expertise and exchange. We also plan to hold at least four more internal roundtables on sustainability and circularity and involve more experts in the «Sustainability & Circularity» circle.																			
02		To strengthen our shared understanding of culture, we plan to introduce a «Culture Code» that maps our interaction and cooperation principles. Moreover, the F-Academy focuses on the concept of leadership in a self-organizing body as well as the culture of feedback and trust.																			
03		Currently pending are revisions of the «F-Rules», as we call our employee regulations, the salary and further training regulations, and another employee satisfaction survey. These measures are designed to generate a continuous improvement in working conditions for the F-Crew.																			



↳ By taking a circular approach to material development and product design, FREITAG wants to show and pioneer ways from a linear to a circular economy. To achieve this, we develop our products with their end of life in mind, in line with our values based on the principles of the circular economy.

↻

[GRI 103-1,2]

The upcycling of used materials, the focus on quality and durability, and the unique character of each individual product have characterized FREITAG product design for almost 30 years. We aspire to ensure that FREITAG products are not only theoretically durable but also that our customers enjoy using them for years to come.

The product design and choice of materials play a crucial role in the transition to a circular economy and can reduce the product’s environmental footprint by up to 80%. Our product development strategy is therefore based on the use of recycled and, wherever possible, recyclable[?] materials. We also adhere to circular design principles that guarantee durability and repairability but also consider the end

of the product’s life cycle. To ensure that products live their potential life cycle to the full, we also develop appropriate circular services.

[↗ CIRCULAR SERVICES – p.41]

In addition, we work continuously to minimize material waste: for example, when cutting tarps to size in the production process. [↗ CIRCULAR OPERATIONS – p.37]

□ AMBITION

WE CREATE PRODUCTS WITH THEIR END IN MIND.

□ TARGETS 2030

99%

CIRCULAR PRODUCTS

□ METRICS 2021 [MATERIAL CONSUMPTION]

B-STOCK
1.66%

RECYCLED
1.92%

NEW
7.73%

UPCYCLING (USED TRUCK TARP)
88.69%

Category	Percentage
B-STOCK	1.66%
RECYCLED	1.92%
NEW	7.73%
UPCYCLING (USED TRUCK TARP)	88.69%

0

5

10

15

20

25

30

35

40

45

21

In 2021, to better cover our circular ambitions for future products, we revised our product development strategy. It is based on the following four principles:



PHOTO CREDIT: ROLAND TÄNNLER



DESIGN FOR DURABILITY

We give our products a long life by selecting robust materials and a time-less design that increases the product’s emotional value the older it gets.



DESIGN FOR DISASSEMBLY

We rely on modular design and reversible material connection, which simplify repairs, replacement, remanufacturing and recycling of the product. We enhance this by keeping the number of material groups to a minimum.



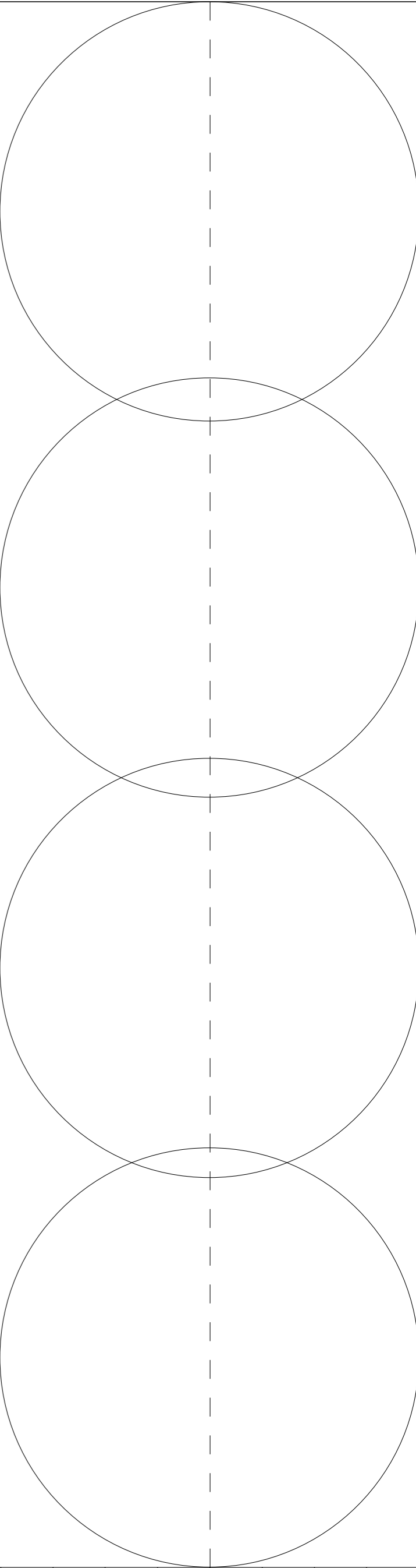
CHOOSE PURPOSEFUL MATERIALS


We select our materials in line with strict criteria. We rely on circular, recycled materials produced using environment-friendly methods, avoid-ing any that do not comply with our (Restricted Substance List (RSL))?



VALUE THE MATERIALS

We develop products that can be produced with minimal material waste, emphasize the unique? character of products made from used truck tarps and declare the materials used on the products.



FREITAG		CIRCULAR F-CREW	CIRCULAR PRODUCTS	CIRCULAR OPERATIONS	CIRCULAR SERVICES	CIRCULAR COMMUNITY
<div>MATERIALS</div>	<div>USED TRUCK TARPS</div> <p>Truck tarps are robust and long-lasting, and even when used are still a good raw material for our kind of bags. The processing that is part of the FREITAG upcycling approach is designed to extend the life of this durable material. After spending an average of six years on the road, the tarp assumes a new role and survives for many more years as a bag. According to «South Pole», the partner in charge of our carbon footprint, using old truck tarps reduces our CO₂ emissions by 22% compared with new material. To ensure the safety of our products, we test incoming truck tarps for unwanted constituents and remove any tarps that are unsuitable. Before transforming the tested tarps into bags, we also wash and disinfect them. This way, we can be sure we also eliminate bacteria and mold.</p> <p>↗ CIRCULAR OPERATIONS – p.30</p>		<div>DISCARDED PET BOTTLES</div> <p>Fabrics made of outsourced, recycled <u>PET</u>[?], which we use either to line some of our bags or as the main material for other models, are <u>PFC-free</u>[?] and dyed using spinneret technology. In this process, the yarn is dyed during the actual spinning rather than as a finished fabric. The method is much more environment-friendly than traditional dyeing because it requires 75% less water, 30-40% less energy and 90% fewer chemicals. → FREITAG.CH/TARPONPET</p>		<div>NATURAL FIBERS</div> <p>For the F-ABRIC clothing line, we developed fabrics from two bast fibers (hemp and linen), and modal, a bio-based fiber obtained from reconstituted beech tree cellulose. All these raw materials are grown in Europe by producers whose priorities include preserving soil quality, efficient water use, and avoiding the use of pesticides. We also minimize the use of chemicals during further processing and dyeing.</p>	
	 <p>PHOTO CREDIT: ROLAND TÄNNLER</p>		<div>B-STOCK</div> <p>B-stock goods are materials or articles that do not make it into usual distribution channels for any of several reasons. They may not meet the quality standards for their intended purpose, have minor visual defects or have been used as display items. Provided this does not compromise their quality for the uses we have in mind, we give B-stock goods from other industries a new life. Currently, we are turning B-stock goods from bicycle inner tubes, seat belts and airbags into new products.</p>		<div> <div>□ DANIEL FREITAG</div> <div>«DO TEXTILES HAVE TO TRAVEL AROUND THE WORLD THREE TIMES BEFORE WE CAN WEAR THEM?»</div> </div>	
			<div>NEW MATERIALS</div> <p>We only use new materials when we have not yet found a recycled alternative that meets our quality requirements. These include zips, buckles and snap fasteners, which need to be particularly resilient.</p>		<p>F-ABRIC textiles come without rivets, zips and synthetic constituents and are therefore 100% biodegradable. Our garments become breeding grounds for new raw materials, and we thus close the biological cycle. → FREITAG.CH/FABRIC</p>	

FACTS & HIGHLIGHTS 2021

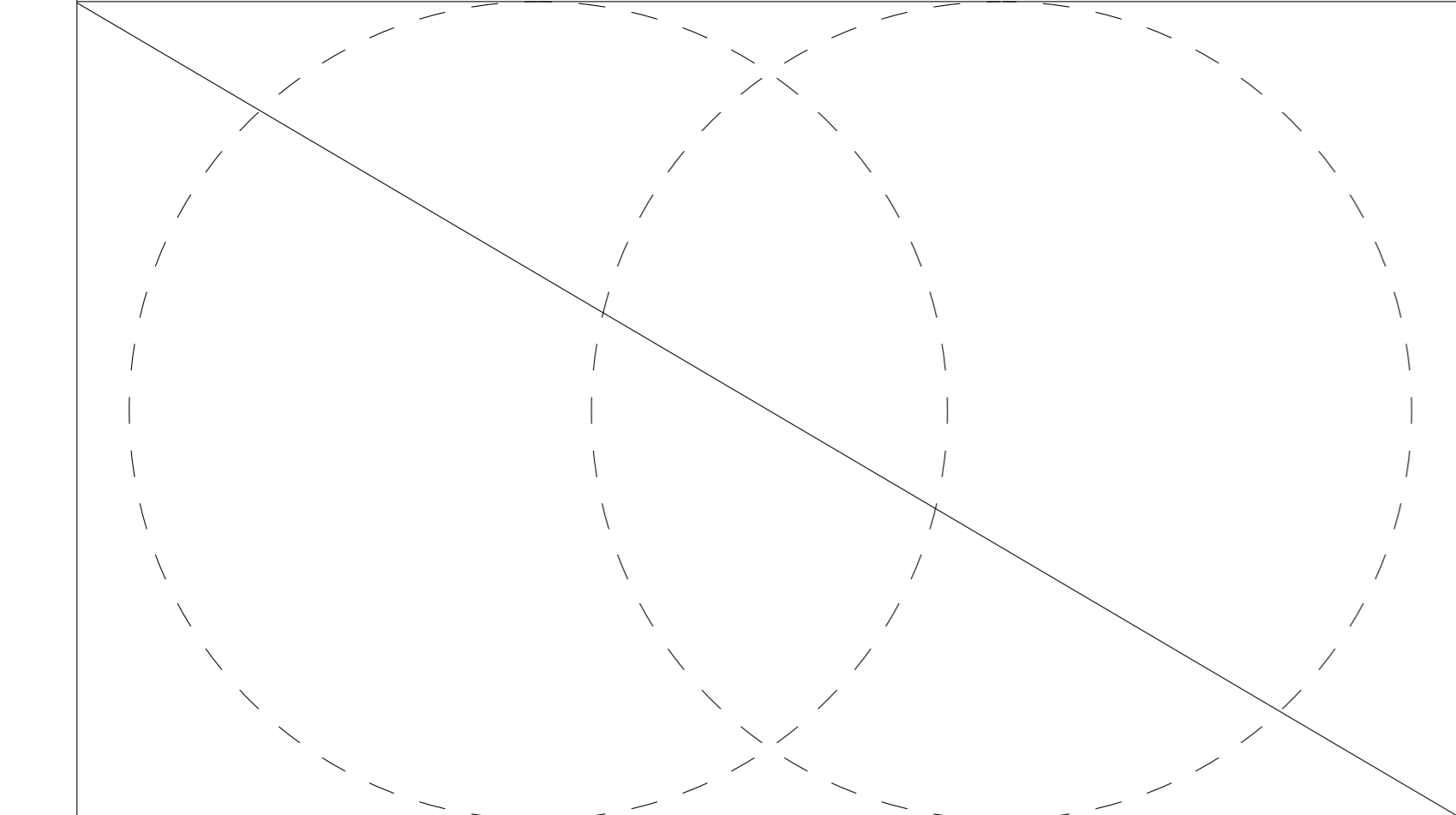
⌵

F707 STRATOS

Before 2021, we'd been helping used truck tarps to a new life as one-off bags. But since then, we've also been giving discarded airbags a second chance. With the F707 STRATOS backpack, we introduced airbag B-stock as a material in its own right. There may be several reasons why the material was not allowed to become an airbag. For instance, it may have been part of prototype or start-up production. Or it may have yarn, weaving or coating defects. Or it may fail to meet specific technical specifications, such as tensile strength. For us, it's all good news. Because as a bag material, airbag B-stock is still incredibly durable and long-lasting. So, it met our demanding material requirements and inspired us to create F707 STRATOS, a foldable backpack. → [FREITAG.CH/STRATOS](https://freitag.ch/stratos)



PHOTO CREDIT: SIMON HABEGGER

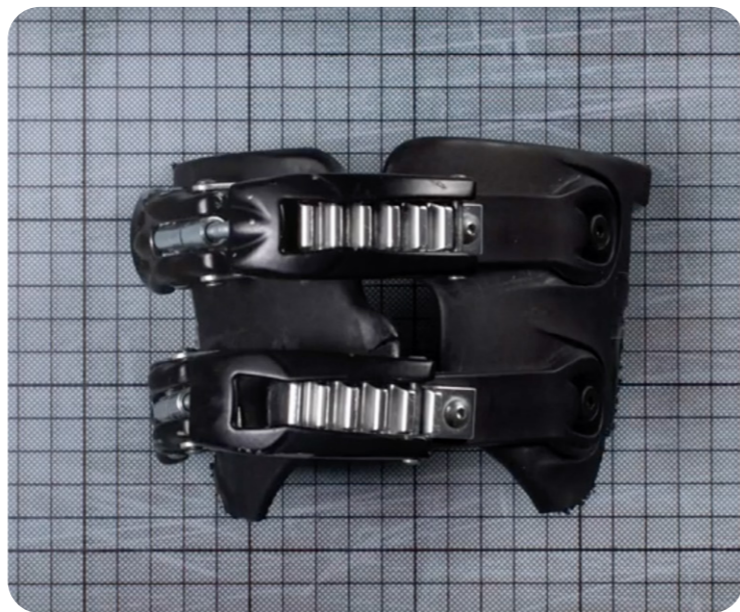




DEVELOPMENT OF A CIRCULAR PROTECTIVE CASE

As part of our mission to make smartphone sleeves circular, despite the rapidly changing sizes of successive device generations, we have been searching for suitable materials since 2020. And in the process, we have evaluated materials from biological and technical cycles. Ultimately, however, thanks to its incomparable material properties, recycled thermoplastic polyurethane (R-TPU) has proved to be the most convincing. The mono-material sourced from worn-out ski boots can be recycled up to seven times. It is flexible, robust and shock-absorbent, which makes it ideal for being used to produce custom-fit smartphone cases over and over again.

For the development of this product in 2021, FREITAG cooperated with a Swiss developer and manufacturer of plastic filaments and with a Davos-based recycling specialist, where people with disabilities dismantle old ski boots and prepare them for new applications. The circular sleeve, made of R-TPU, was launched only in 2022 under the name «CIRC-CASE». → [FREITAG.CH/CIRC-CASE-SYSTEM](https://www.freitag.ch/circ-case-system)



01 - TAKING THE SKI BOOTS APART

For our circular iPhone® protective sleeves, worn-out ski boots are collected in Davos by our partner, taken apart and separated from their buckles and other plastic parts.



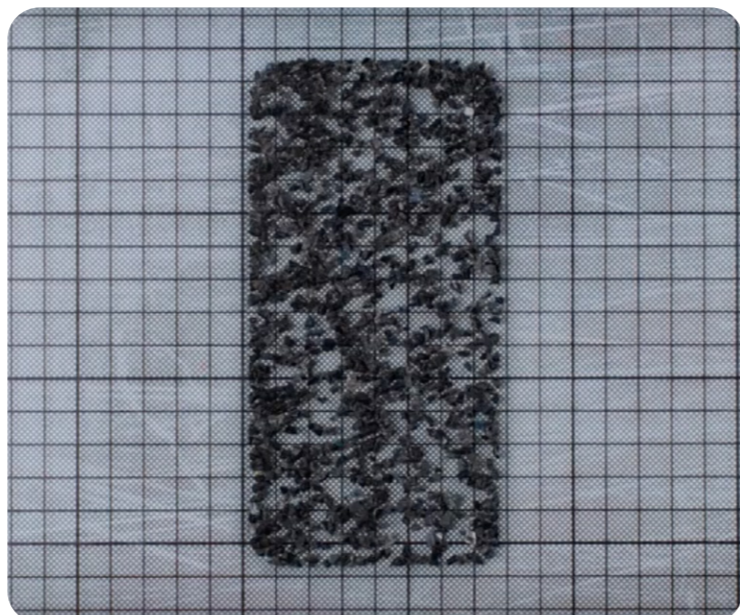
02 - PROCESSING INTO GRANULATE

The shell components then go to Rapperswil. There, the coarsely shredded plastic is analyzed, sorted by color, and then extruded into granulate.



03 - MOLDING SLEEVES

Somewhere close to Zurich, the granulate is then molded from the body of a current iPhone® model.



04, 05, 06, ... - AND BACK TO THE START

Even F385 CIRC-CASE sleeves that are no longer serviceable make it to Davos at some point. There they are taken apart and returned to the R-TPU cycle.



DEVELOPMENT OF A CIRCULAR TARP

We want to ensure that our bags are both recycled and recyclable in the future and that after their long life do not end up in the garbage. In 2020, with that in mind, we initiated the development of a circular truck tarp. By the nature of its job, a tarp designed for life on the road needs to fulfill certain technical requirements. But a circular tarpaulin also has to meet EPEA Cradle to Cradle® requirements as far as possible. Our goal is to close the cycle for this material, which is so important for FREITAG, and to replace the conventional truck tarp made of PVC as the main material.

FREITAG manages the project, conducts research and brings relevant and important partners throughout the tarpaulin industry together. [↗ CIRCULAR COMMUNITY – p.52]

In the course of 2021, four different development approaches emerged that involved several different partners. Since then, we have been working with them on various combinations of fabrics and coatings. And in 2021, we reached a major milestone: our first material prototypes proved to be surprisingly positive regarding technical standards for truck tarp, material health testing as well as recyclability. In the fall, we finally made the project and the vision public for the first time.

It will be some time before the first FREITAG bags made from the circular tarpaulin reach the market. This is because the material still needs to be ready for the market and then spend a few years on a truck before we use it to produce our first circular tarp bags.

→ FREITAG.CH/CIRCULARTARP



ARTIST AND PHOTOGRAPHER NICOLAS POLLI USES HIS WORK TO RECYCLE THE DETRITUS OF HIS EVERYDAY LIFE. BUT IN HIS INTERPRETATION OF OUR SEARCH FOR THE RECYCLABLE TARP, HE CHANGED TACK. INSTEAD OF TAKING INSPIRATION FROM HIS FOOD OR TRASH, HE OPTED FOR OUR CIRCULAR BOX OF EXPERIMENTAL TRICKS.

MATERIAL CONSUMPTION 2021

[GRI 301-1, 2] In 2021, compared with previous years, our material consumption was down because production volumes shrank overall due to the Corona pandemic. From 2021, we also improved the quality of our material-related data. Unlike previous years, where the entire volume of purchased tarp was taken into account, the figures now include only tarps that have actually been processed.

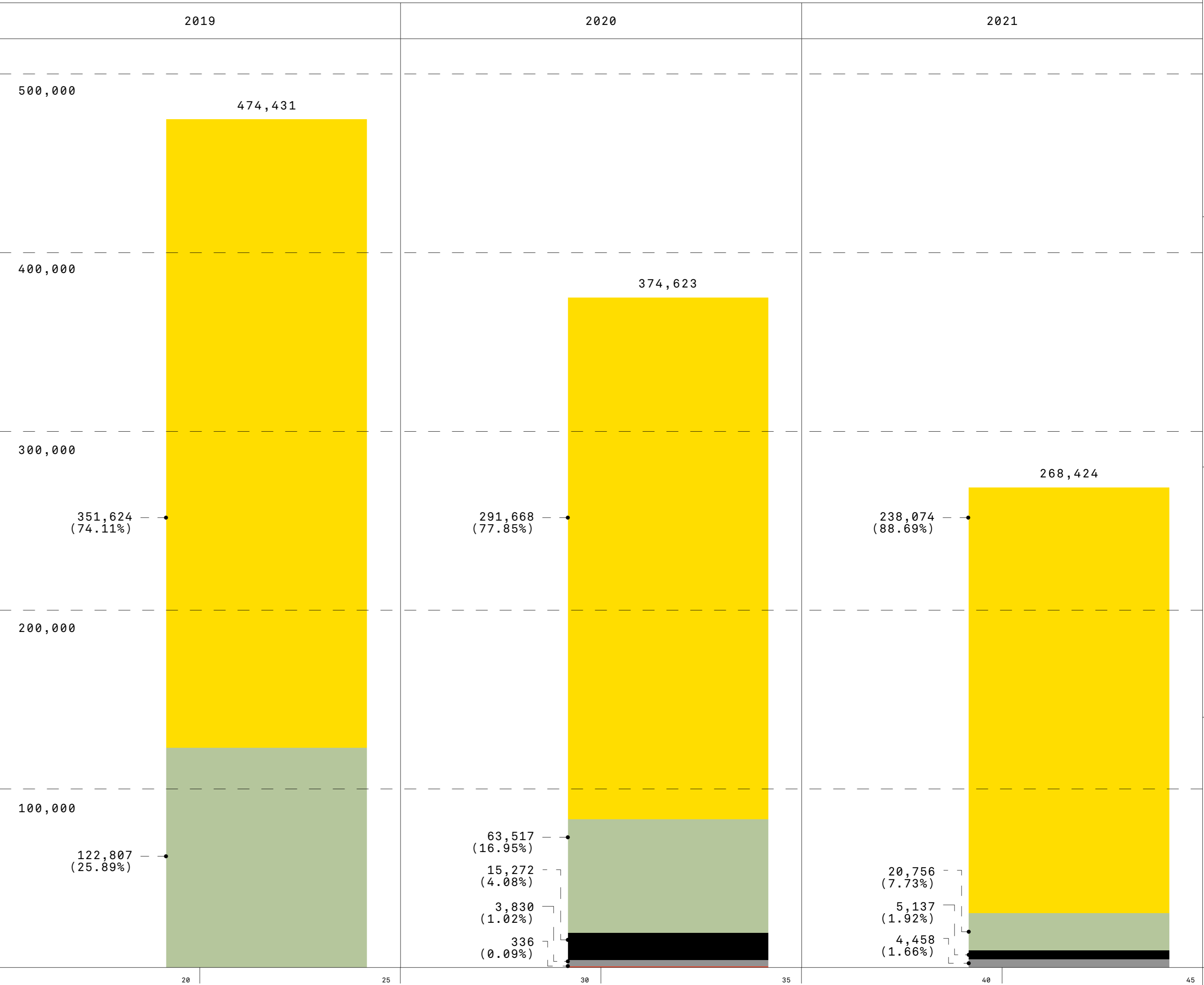
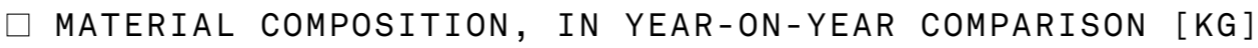
Most (89%) of the material processed still comes from used truck tarps (upcycling). F-ABRIC textiles are produced in batches, and no fabrics were produced in 2021. This explains why statistics for this year show no biodegradable materials. On the other hand, the proportion of B-stock material increased from 1% to 1.7% due to the purchase of additional airbag material for F707 STRATOS. [↗ CIRCULAR PRODUCTS – p. 24] The share of new items, such as buckles, straps and zips as well as new shares in materials is 7.7%. The recycled share in the case of accessories, for instance, that is not made solely from virgin material, is 1.9%.

*USABLE MATERIAL (EXCL. WASTE,
QUALITY PROBLEMS, ETC.)

****NEW GOODS SUCH AS BUCKLES,
ZIPS, ETC. BUT ALSO SHARE
OF NEW GOODS IN RECYCLED
MATERIALS**

***RECYCLED SHARE IN RECYCLED
MATERIALS (EXCL. TARPULIN)

****AIRBAGS, BICYCLE INNER
TUBES AND SEAT BELTS



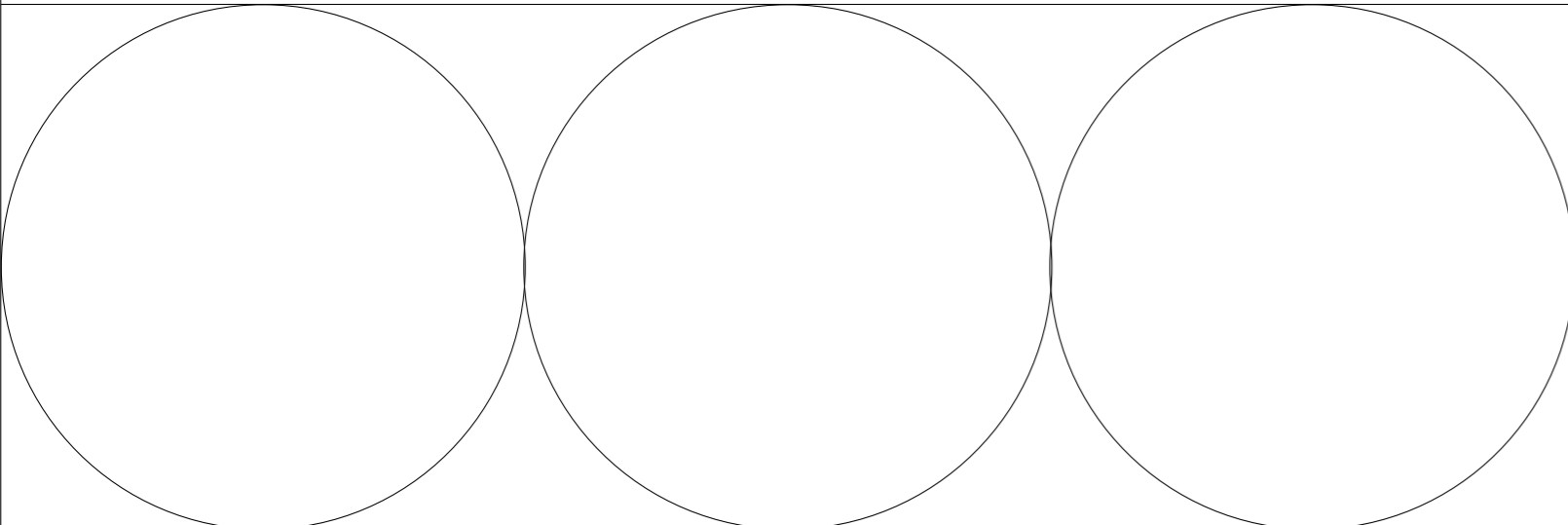
OUTLOOK 2022

- 01

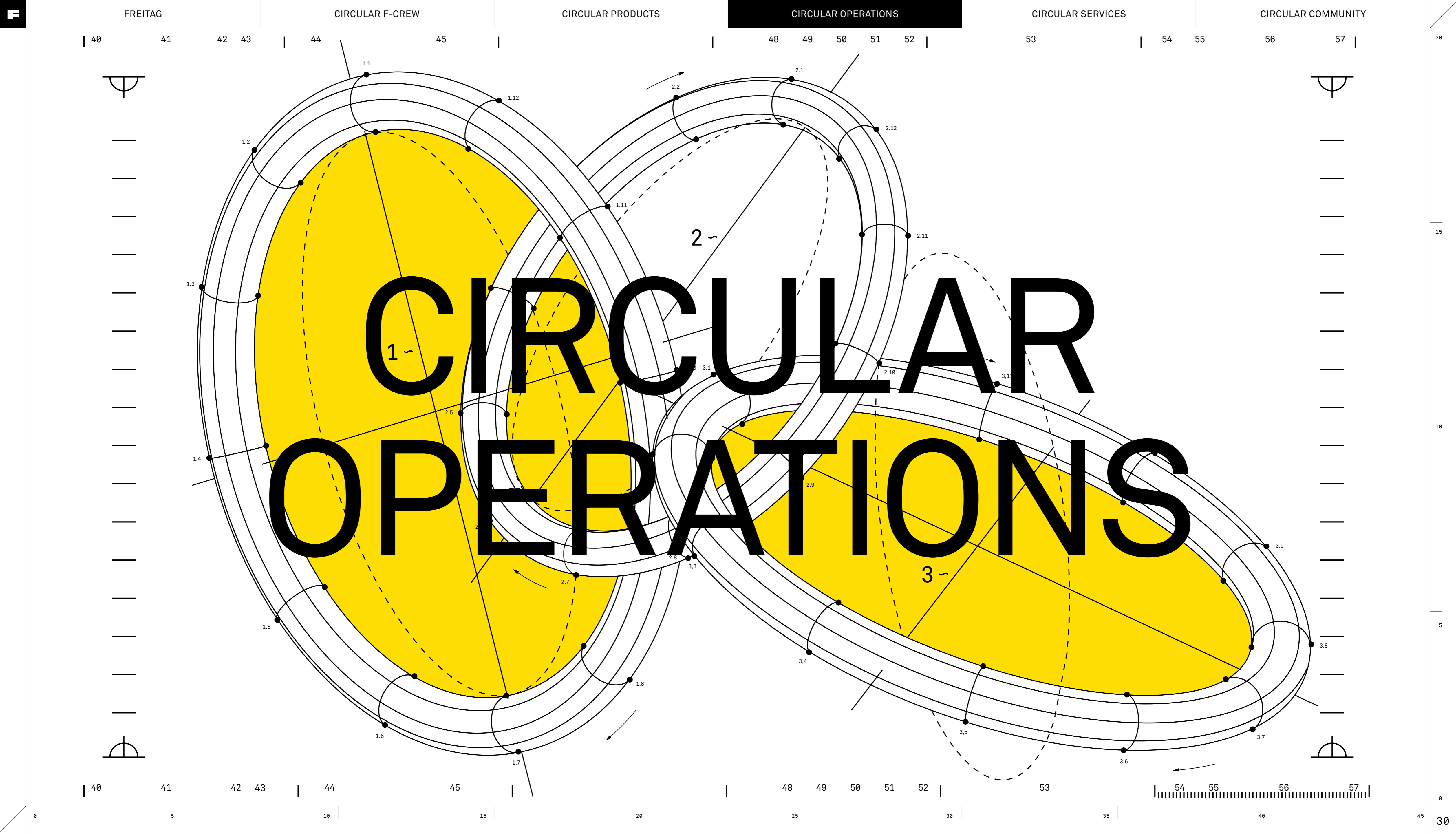
Together, we and our partners are pressing ahead with our joint pioneering project towards a circular tarp. We are sending our first circular tarp prototype out onto the road and will use our official channels to provide regular updates about milestones reached as well as current challenges in material development.
- 02

We have expanded our product portfolio to include the recycled and circular CIRC-CASE smartphone sleeve. We are also working on new products made from circular mono-materials, which are making significant steps toward market readiness.
- 03

We are defining the underlying goals and principles of a circular material development at FREITAG: We are pinpointing key performance indicators for the circularity of our products, drawing up concrete «Circular Design Guidelines» to help people better understand the concept of circularity, and developing a circular material library based on this.



FREITAG SENDS THE VERY FIRST PROTOTYPE OF A CIRCULAR TRUCK TARP ON ITS ROAD TEST.
PHOTO CREDIT: ELIAS BÖTTCHER



↳ FREITAG aims to strike a balance between ecological and social responsibility and economic success all the way along its supply chain. That's why we want to substantially reduce our footprint and make the supply chain even fairer.

⌵
[GRI 103-1,2] FREITAG produces where it makes the most sense ecologically and economically and where safe, healthy and fair working conditions are guaranteed. We have made a conscious decision to maintain our headquarters in Zurich and cultivate long-term partnerships with our European producers on an equal footing.

□ AMBITION

WE REDUCE OUR FOOTPRINT
AND ENSURE A FAIR SUPPLY CHAIN.

□ TARGETS 2030

-50%
CO₂ IN TOTAL

100%
«CODE OF CONDUCT»
APPLIED

□ METRICS 2021

4,000
t CO₂eq TOTAL

SCOPE 3
3,642.7

SCOPE 2
343.2

SCOPE 1
13.8

100%
OF PRODUCERS

0%

OF AGENTS AND SUPPLIERS WITH
SIGNED «CODE OF CONDUCT»

This isometric illustration depicts a textile factory layout with 15 numbered stations. The process begins with raw material inspection (1) and spinning (2). The material then moves to dyeing (3) and weaving (4). It continues through fabric inspection (5), cutting (6), sewing (7), and finishing (8). The final steps include packaging (9), storage (10), and distribution (11). The diagram also shows environmental elements like a river, rain, and a factory with smokestacks.

```

9   BAG DESIGN?
10  SHIPPING TO SEWING PARTNERS
11  SEWING
12  QUALITY CONTROL
13  PHOTOGRAPHY
14  SHIPPING
15  SALE

```

Back at the Nørd headquarters, the finished products are inspected and photographed. Then they are finally ready for sale. → [FREITAG.CH/PRODUCTION](https://www.freitag.ch/production)

LOCATIONS OF PRODUCERS

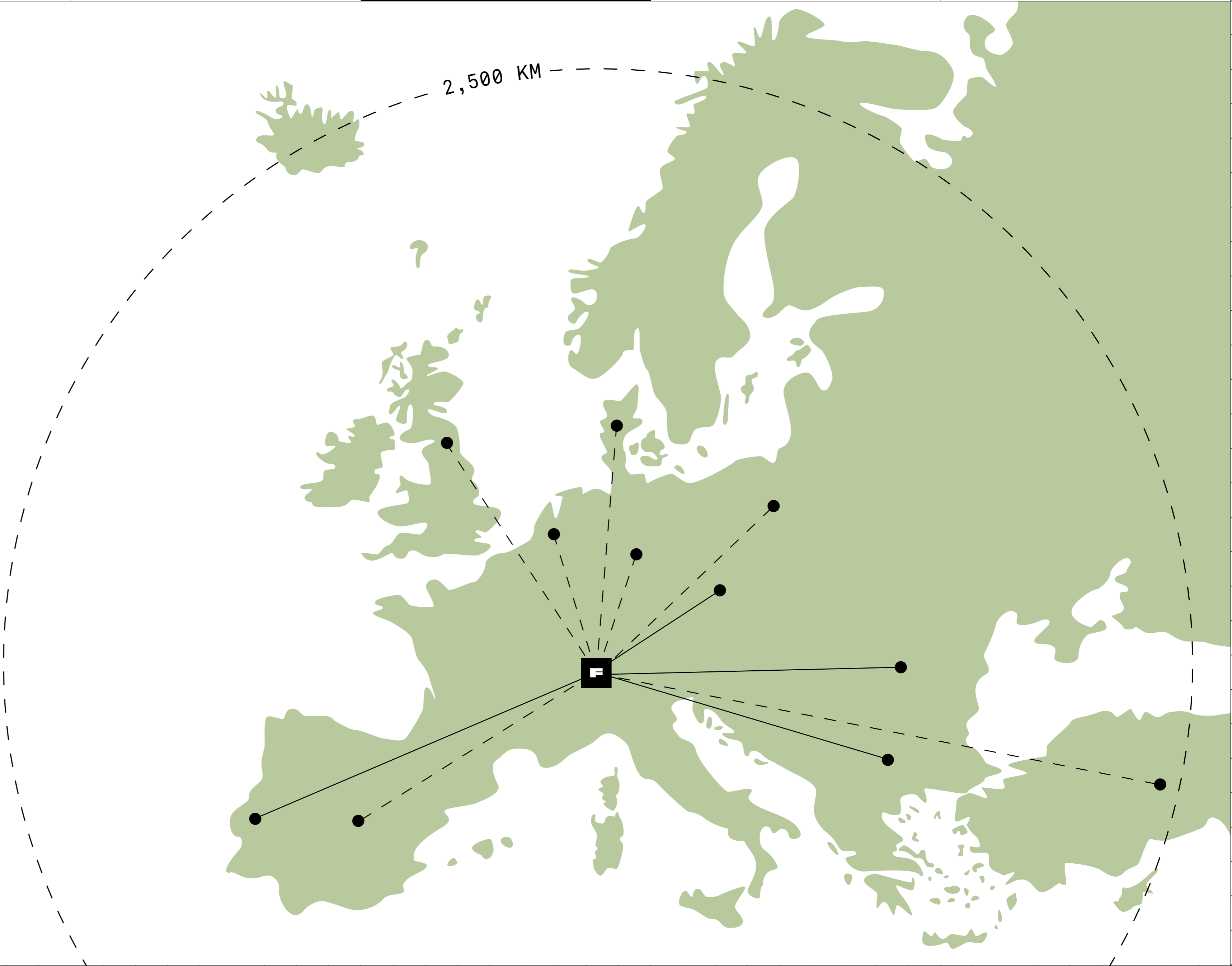
- Bulgaria
- Portugal
- Czech Republic
- Romania
- Switzerland

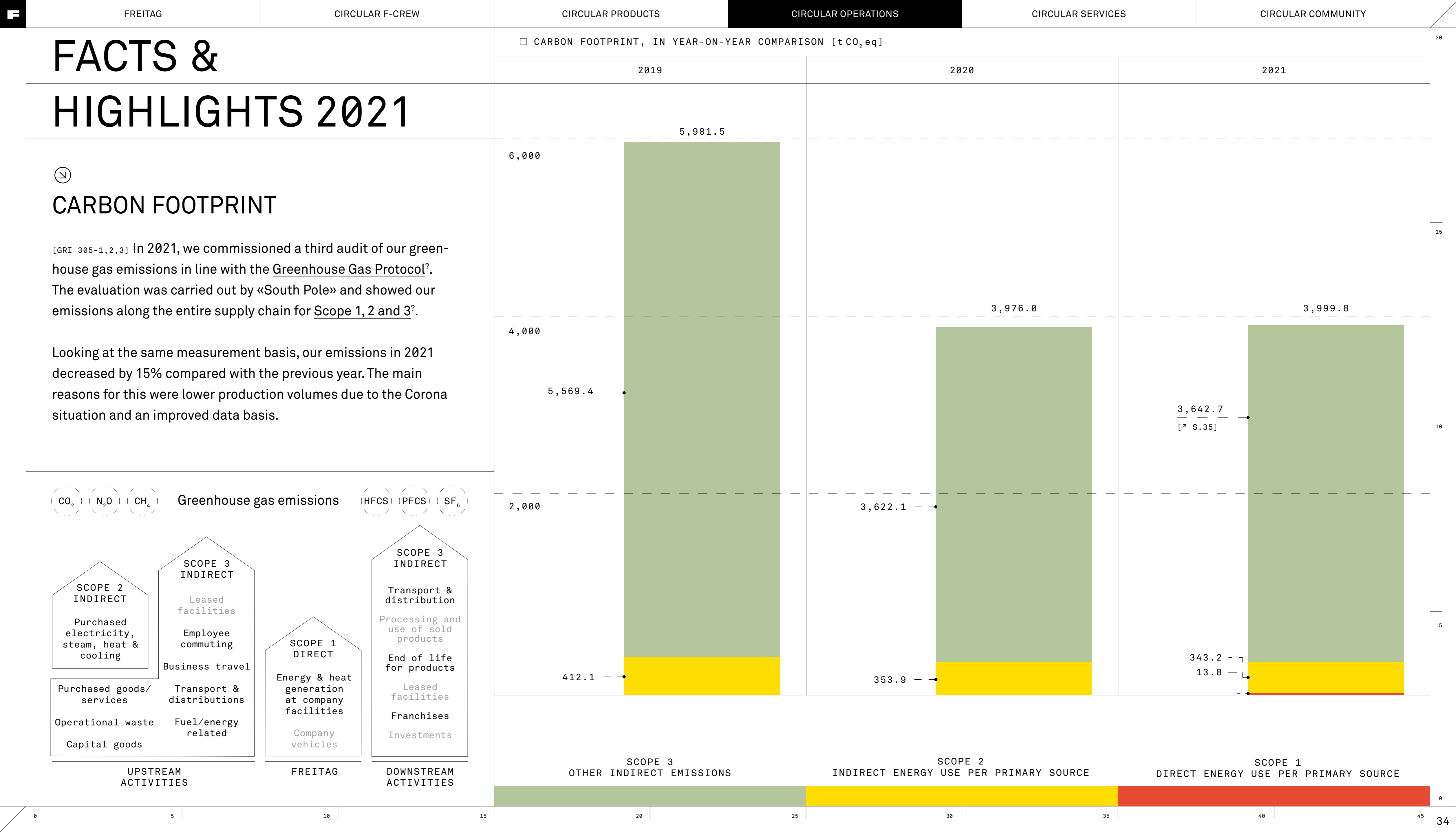
LOCATIONS OF TARP DISASSEMBLY (VIA AGENTS)

- UK
- Holland
- Denmark
- Poland
- Switzerland*
- Germany**
- Spain
- Portugal
- Turkey

*DIRECT SUPPLIERS FROM SWITZERLAND, AUSTRIA, ITALY AND FRANCE DELIVER TO THE NERD IN-HOUSE PRODUCTION FACILITY IN ZURICH, WHERE TARPS ARE ALSO DISASSEMBLED.

** DIRECT SUPPLIERS FROM GERMANY DELIVER TO AN EXTERNAL DISASSEMBLY STATION IN GERMANY.





FREITAG		CIRCULAR F-CREW		CIRCULAR PRODUCTS		CIRCULAR OPERATIONS		CIRCULAR SERVICES		CIRCULAR COMMUNITY	
FACTS & HIGHLIGHTS 2021	To continuously improve the accuracy of our audit, we recorded the following emissions data for the first time in 2021:			<div>CARBON FOOTPRINT SCOPE 3 BY EMISSION CATEGORY 2021</div> <div><div><div><div><div>FUEL AND ENERGY-RELATED ACTIVITIES</div><div>2.57%</div></div><div>END-OF-LIFE TREATMENT OF SOLD PRODUCTS</div><div>3.90%</div><div>WASTE GENERATED IN OPERATIONS</div><div>12.53%</div><div>DOWNSTREAM TRANSPORTATION AND DISTRIBUTION</div><div>8.05%</div><div>UPSTREAM TRANSPORTATION AND DISTRIBUTION</div><div>20.86%</div><div>EMPLOYEE COMMUTING AND TELEWORKING</div><div>3.50%</div><div>PG & S (PURCHASED GOODS & SERVICES)</div><div>47.66%</div><div>CAPITAL GOODS</div><div>0.69%</div><div>BUSINESS TRAVEL</div><div>0.24%</div></div></div></div>							
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0		5		10		15		20		25	

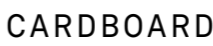
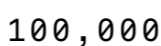
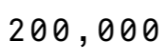
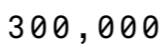
	FREITAG	CIRCULAR F-CREW	CIRCULAR PRODUCTS	CIRCULAR OPERATIONS	CIRCULAR SERVICES	CIRCULAR COMMUNITY																											
FACTS & HIGHLIGHTS 2021	<p>Considering the individual emission sources in scope 3, we find that the lion’s share is accounted for by «purchased goods and services» (48%). The main factors within this category are purchased services and raw materials, as well as producers’ emissions.</p> <p>[↗ CIRCULAR OPERATIONS – p.39]</p>		<p>The second largest share is accounted for by the category «upstream transportation» (21%). Most of this is attributable to purchased out-bound logistics for FREITAG products that have been sold. Although international air freight shipments to our end customers, most of which are handled by our partner UPS, account for just under one-third of these, they are responsible for 77% of emissions in this category.</p>		<p>The third-largest category is «operational waste» (13%), mainly due to unusable pieces of tarpaulin.</p>		20																										
	PURCHASED GOODS AND SERVICES		UPSTREAM TRANSPORTATION INCL. PURCHASED OUTBOUND LOGISTICS				15																										
	<table><thead><tr><th>Emission Source</th><th>Percentage</th></tr></thead><tbody><tr><td>IT SERVICES</td><td>0.0%</td></tr><tr><td>OTHER SERVICES</td><td>43.1%</td></tr><tr><td>FINISHED GOODS MATERIALS</td><td>14.3%</td></tr><tr><td>TIER 1 MANUFACTURING SERVICES</td><td>29.6%</td></tr><tr><td>WATER</td><td>0.1%</td></tr><tr><td>FOOD & BEVERAGES</td><td>11.5%</td></tr><tr><td>PACKAGING</td><td>1.4%</td></tr></tbody></table>		Emission Source	Percentage	IT SERVICES	0.0%	OTHER SERVICES	43.1%	FINISHED GOODS MATERIALS	14.3%	TIER 1 MANUFACTURING SERVICES	29.6%	WATER	0.1%	FOOD & BEVERAGES	11.5%	PACKAGING	1.4%	<table><thead><tr><th>Emission Source</th><th>Percentage</th></tr></thead><tbody><tr><td>RAIL</td><td>0.1%</td></tr><tr><td>ROAD</td><td>52.8%</td></tr><tr><td>AIR FREIGHT</td><td>28.0%</td></tr><tr><td>SHIPPING FREIGHT</td><td>19.0%</td></tr></tbody></table>		Emission Source	Percentage	RAIL	0.1%	ROAD	52.8%	AIR FREIGHT	28.0%	SHIPPING FREIGHT	19.0%			10
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OPERATIONAL WASTE

Most of our waste is due to truck tarps. Around 50% of the waste weight is accounted for by metal parts, such as eyelets and buckles. These are cut off when the tarp is disassembled and sent to an appropriate recycling point. The rest are tarps we cannot use for quality reasons or plain tarps, of which we already have enough in our color mix. [↗ CIRCULAR OPERATIONS – p.38]

In 2018, our recycling partner specializing in PVC tarpaulins had to discontinue operations following a fire. Despite ongoing efforts to find a new recycling partner, we have since been feeding most of the scrap material to the local waste-to-energy plant, from which we also obtain half of our thermal energy.





TARPAULIN QUALITY CONTROL

The upcycling of used truck tarps is beneficial for the environment. However, this usually means we can only conclusively assess the quality of used truck tarps after their delivery. As a result, tarps that are too brittle or damaged by fungus, for example, or tarps from direct suppliers that contain substances unsuitable for making bags and accessories, can only be separated out on site.

To ensure the safety of our products, we test our PVC tarpaulins for undesirable constituents, such as various plasticizers (phthalates) and heavy metals. In addition, we conduct twice-yearly reviews of changes to the [REACH](#)[?] (EU) and [Swiss ChemRRV](#)[?] regulations so we can include additional constituents in our testing if necessary.

In 2021, to make the testing process more efficient, we bought an X-ray fluorescence (XRF) analyzer, which we use to test tarps for their heavy metal content (e.g. lead) on the spot in our production facility at Zurich headquarters. We created and filled a specialized role for this purpose.

Testing for unwanted plasticizers is still carried out by our laboratory partner «SQTS» (Swiss Quality Testing Services). By including specialized tarp agents in the testing process, we have significantly reduced waste at headquarters. In the past, they delivered tarps to us directly, but we then had to dispose of a significant proportion every time due to unsatisfactory test results. Since the beginning of 2021, they have sent us tarp test samples in advance, which we can evaluate in a few days. We can thus be sure from the start that the tarps sent by agents to us in Zurich are all suitable for their intended use.



PHOTO CREDIT: JOËL TETTAMANTI

⌵

DIALOG WITH OUR PRODUCERS

In 2021, we assembled all our producers, i.e. sewing partners, in a meeting that had to take place virtually due to the pandemic. One of the items on the agenda was an evaluation of the data collected regarding the FREITAG carbon footprint. [↗ CIRCULAR OPERATIONS – p.34]

In this context, we specifically sensitized our production partners to the benefits and importance of renewable energy sources in the supply chain.

Further we conveyed our «Code of Conduct» and associated FREITAG values. This guideline for all our business activities is based on the UN conventions and regulates working conditions and social and environmental compatibility. The «Code of Conduct» was signed by all producers in 2021. In addition to environmental indicators, we plan to collect more specific data in the future on the fulfillment of social criteria in our procurement. → FREITAG.CH/EN/CODEOFCONDUCT

□ IVAYLO GRAHOVSKI, «PROLET», FREITAG PRODUCTION PARTNER BULGARIA

«WE HAVE BEEN WORKING WITH FREITAG FOR ALMOST A DECADE. WE SHARE THE SAME HIGH QUALITY STANDARDS REGARDING OUR WORK AND VALUES.

THEY INCLUDE OUR CODE OF ETHICS, ENERGY-SAVING MEASURES, INVESTMENT IN SOLAR PANELS AND THE PROVISION OF INCLUSIVE WORKPLACES.»



PHOTO CREDIT: JOËL TETTAMANTI

SUSTAINABLE PROCUREMENT

For us, it is vital that our supply chain is designed with sustainability in mind. When selecting our producers, we pay attention to criteria that include responsible use of materials and energy, fair and social working conditions, and employee training programs. Through our «Code of Conduct» and continuous dialog with suppliers, we address our requirements for sustainable procurement and promote them on an ongoing basis. Furthermore, all our producers are located within a radius of 2,500 km from Zurich, allowing us to keep transport distances to a minimum.

[↗ CIRCULAR OPERATIONS – p.33]

As an example of social commitment in the supply chain, we have a limited number of products (0.5%) produced by «Nähwerk», a work integration service organized by the city of Zurich for socially disadvantaged people.

→ STADT-ZUERICH.CH/NAEHWERK [↗ APPENDIX – p.73]

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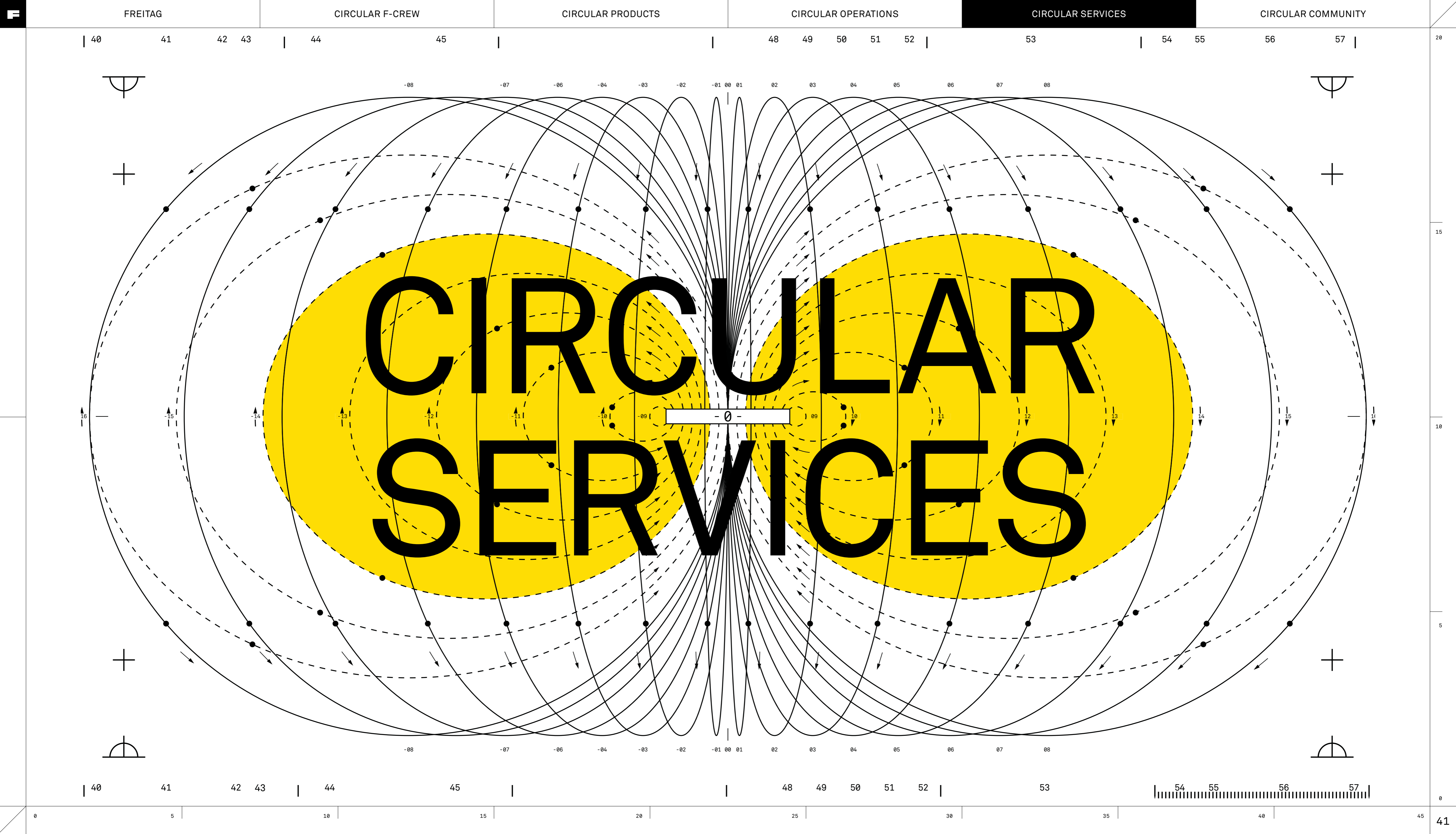
Our focus for 2022 is on developing a «Roadmap to Net Zero». In order to achieve net zero by 2050, we will be defining paths to reduction so that we can introduce appropriate measures. These paths include, among other things, the further reduction in waste, especially tarpaulin waste. To this end, we are initiating projects with new design approaches to reduce the high proportion of unused unicolored tarps.

To further increase transparency in the supply chain, we have developed a self-assessment tool. From 2022, our producers will need to complete a questionnaire covering environmental indicators and, for the first time, social indicators.

To meet our requirements for sustainable procurement, we will extend the scope of the «Code of Conduct» to include our agents and suppliers.



PHOTO CREDIT: JOËL TETTAMANTI



REPAIR SERVICE

For almost as long as FREITAG bags have been around, we have been extending their lives with a range of repair services: We replace defective Velcro fasteners and zips, bicycle inner tubes, straps and labels, close open seams and can sometimes even rebuild rips, holes and worn areas in the used truck tarp. For simple problems, we supply spare parts such as screws, buckles, rubber fixtures, buttons, etc., free of charge online or at FREITAG Stores so bag owners can quickly fix their products on the spot by themselves.

To make our services as widely available as possible and keep transport distances to a minimum, this kind of work is no longer carried out only at headquarters in Zurich but increasingly at «Repair Stations»[?] in Japan, Korea, Singapore, China, Taiwan, Thailand and Australia.

Defective products can be dropped off at all F-Stores or registered for repair online and then sent in. The cost of a repair depends on the type of damage and the time and effort the repair entails. We do not make a profit on repairs, and charges are merely a contribution to the costs.

→ [FREITAG.CH/REPAIR](https://freitag.ch/repair)

□ MORENA EBERLE, TARP BAG REPAIR SPECIALIST

«WITH US, NOT ONLY THE TARPS GET A SECOND LIFE BUT ALSO THE BAGS.»



PHOTO CREDIT: PHILIP FROWEIN



PHOTO CREDIT: PHILIP FROWEIN

S.W.A.P. EXCHANGE SERVICE

For anyone who no longer uses their FREITAG bag but would like another model, we’ve offered a non-commercial online bag exchange platform (S.W.A.P. – Shopping Without Any Payment) since 2019. In just a few steps, owners can register their used bag and upload it to a Tinder-like platform where people hoping to swap can swipe through the bags of other bag owners instead of buying a new one. If there’s a match, the users handle the actual exchange between themselves. → [FREITAG.CH/SWAP](#)

THE #GONEWITHFREITAG BAG LOAN

In keeping with a specific point in the FREITAG manifesto, «We prefer access over ownership», we’ve been running the #gonewithfreitag bag loan campaign since 2016: FREITAG travel bags can be borrowed free of charge at FREITAG Stores and from selected retail partners. The only commitment for the borrower is to post a pic on Instagram with the hashtag #gonewithfreitag and return the bag to the F-Store two weeks later. It’s our way of showing that sharing and using consumer goods is a sensible alternative to buying and owning them. At headquarters, we also have a free bag library reserved specially for the F-Crew, which contains around 150 different bags for any conceivable carrying need.

(CARGO-) BIKE LOAN

If you live in Zurich or Kyoto and need to transport something through the city, you don't have to own a cargo bike: you can simply borrow one from the FREITAG Store for a small fee. And If you don't feel like exploring the bike-friendly city of Amsterdam on foot, you can borrow a bike refurbished from old parts at the F-Store there.

→ [FREITAG.CH/CARGO-BIKE](#)



PHOTO CREDIT: PHILIP FROWEIN

SWEAT-YOURSELF SHOPS

At the FREITAG Stores in Zurich (Grüngasse), Bangkok and Kyoto, customers can assemble and finish a unique truck tarp bag in line with their own ideas. This particular scheme allows customers to see the ins and outs of FREITAG bag production for themselves and to understand what a one-off is and how it is created. In addition, it allows FREITAG to use the smaller tarp remnants produced during the cutting process in Zurich as outer sleeves, for example, thus reducing waste even further. → [FREITAG.CH/CUSTOMIZATION](#)

FACTS &

HIGHLIGHTS 2021



PHOTO CREDIT: PHILIP FROWEIN

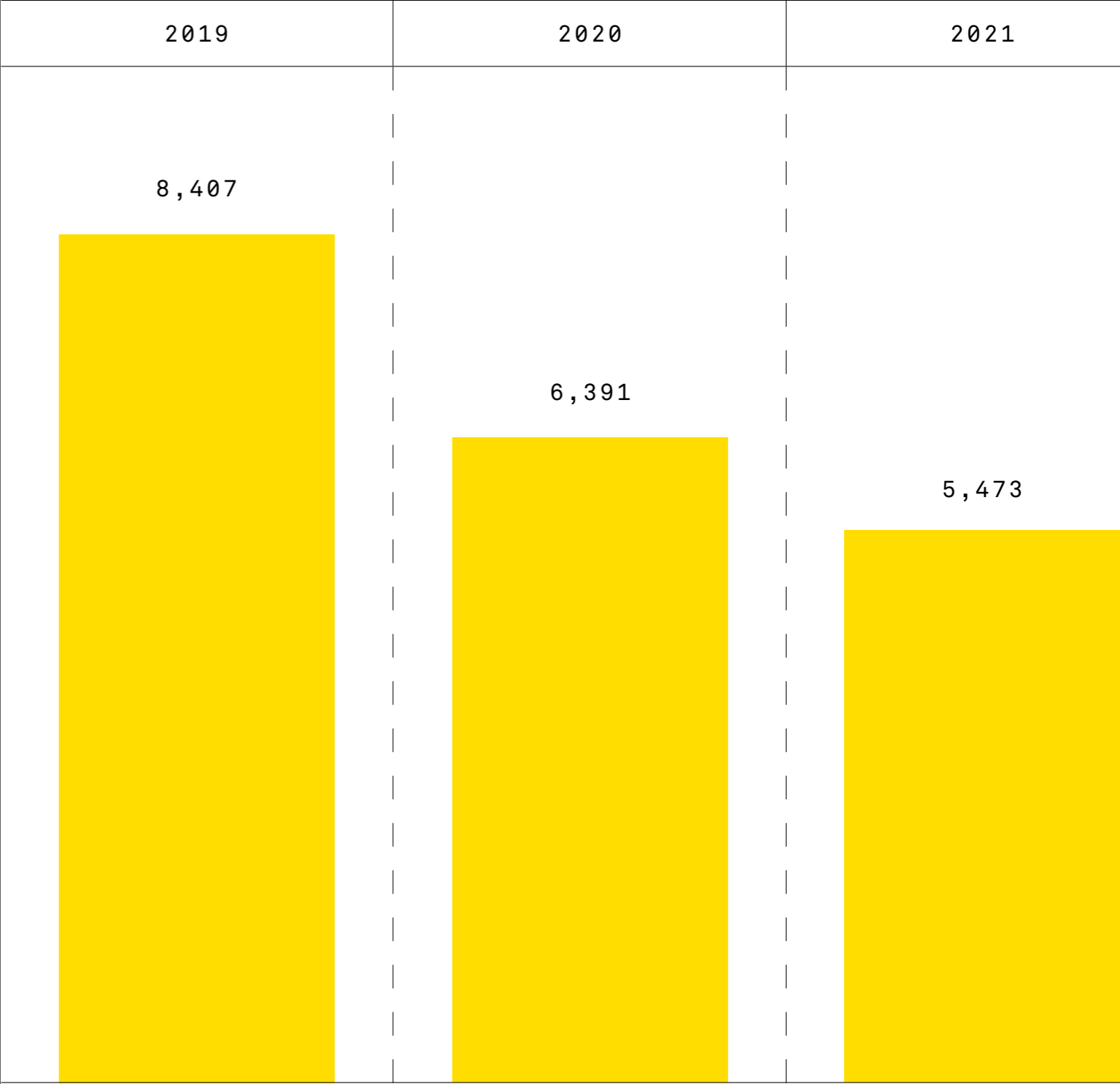


NEW REPAIR STATION

To promote local value added and shorten transport distances, we expanded our European repair network with an additional station in Milan in June 2021.

All in all, the repair stations handled 5,473 bags in 2021. The year-on-year decline of around 15% was due to FREITAG Stores closing temporarily because of the pandemic.

NUMBER OF REPAIRS: YEAR-ON-YEAR COMPARISON





S.W.A.P. RE-LAUNCH

As a result of migrating our website to a new platform, the S.W.A.P. bag exchange service was not accessible from February 2021 until the end of July 2021. To generate more awareness of bag swapping following the reactivation, we promoted our FREITAG Tinder-like bag scheme on Tinder itself.

On Black Friday 2021, the FREITAG Online Store was closed again for a day and users were redirected to S.W.A.P. for sensible bag exchanges. [↗ CIRCULAR COMMUNITY – p. 51]

In 2021, around 4,061 bags were actively put up for exchange. But due to the temporary suspension of the service, we registered a change of ownership for just 14 bags. Another reason for the surprisingly low number, we suppose, is the amount of effort and the individual shipping costs involved when bag owners from remote parts of the world match. The need for local solutions had become obvious some time ago, so two local S.W.A.P. events took place at the Shanghai FREITAG Store in 2021 when 46 bags ended up in new hands.



PHOTO CREDIT: PHILIP FROWEIN



#GONEWITHFREITAG GOES
#RIDEWITHFREITAG

During the global pandemic, with its limits on travel options, a travel bag lending campaign didn't make much sense. And because cycling made perfect sense as an alternative to public transport during the pandemic, we replaced the #gonewithfreitag initiative with #ridewithfreitag for 2021: From mid-May to mid-July, 27 FREITAG Stores and 31 retail partners lent out 124 F153 JAMIE messenger bags free of charge. As expected, we found that the offer to share bags for daily use was generally less in demand than the offer for travel bags, which are only used for a specific purpose. In the years before the pandemic, for example, the #gonewithfreitag promotions resulted in around 1,000 loans per year.

OUTLOOK 2022

01

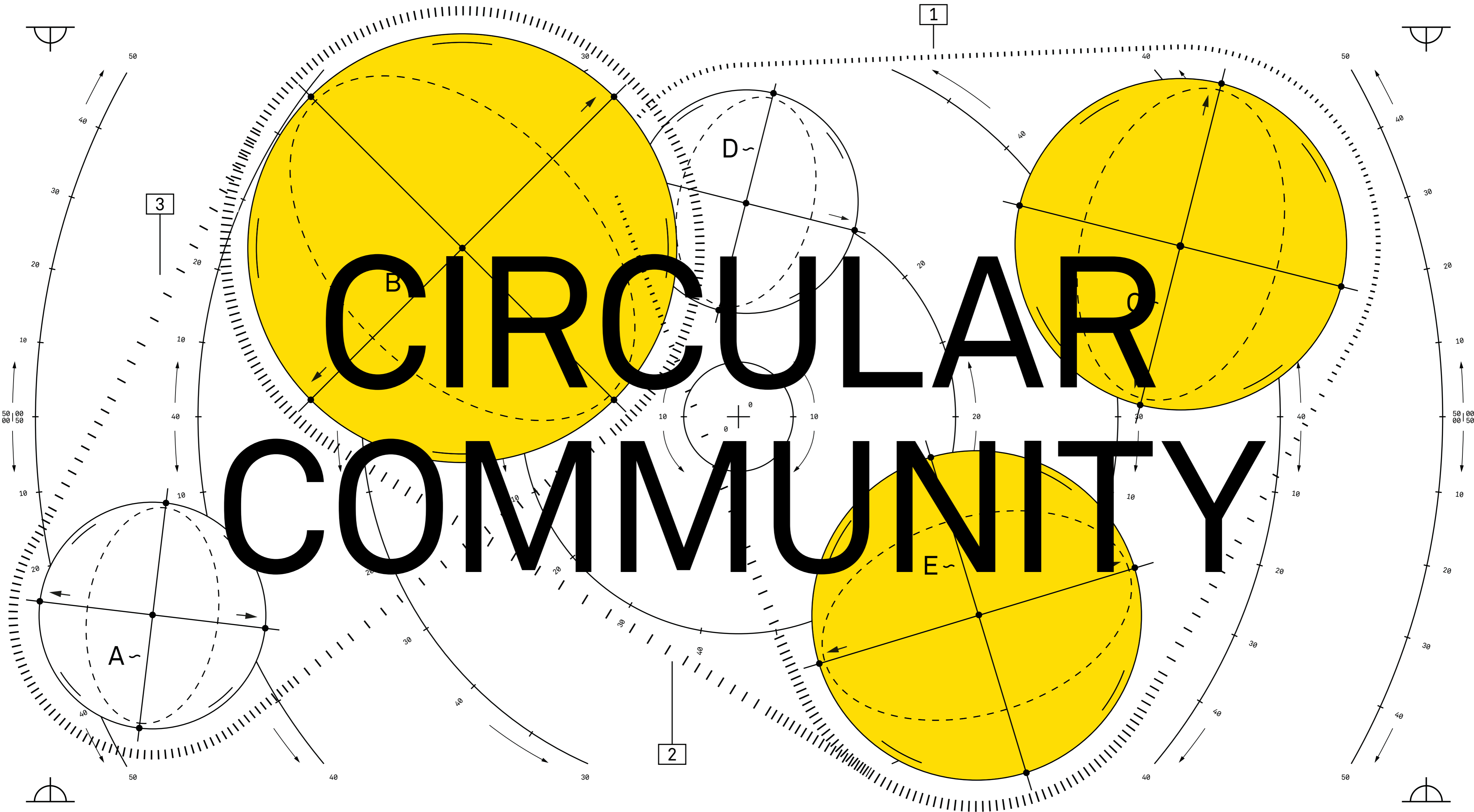
To reduce transport distances and waiting times in connection with repairs, we are further expanding the localized repair services network.

02


We are introducing the FREITAG «Take-Back» service for new circular products such as the R-TPU smartphone case and setting up the underlying processes such as sorting and recycling.



03

We want to further promote bag swapping and increase the exchange rate. We're therefore expanding the S.W.A.P. digital exchange platform globally with S.W.A.P. events at numerous FREITAG Stores.



FREITAG		FREITAG	CIRCULAR F-CREW	CIRCULAR PRODUCTS	CIRCULAR OPERATIONS	CIRCULAR SERVICES	CIRCULAR COMMUNITY
FREITAG	STAKEHOLDERS	<p>[GRI 102-42, 43] At FREITAG, we consider stakeholders to be all the individuals or organizations that could influence the fulfillment of our purpose or are influenced by our actions. These include the company’s internal stakeholders, such as employees, primary external stakeholders closely linked to us through the supply chain or ongoing projects, and secondary external stakeholders, where stakeholder interactions are more ad hoc. Together, they form the FREITAG fluid stakeholder network. In the circular economy, such networks are constantly in flux: our secondary external stakeholders can become partners relevant to specific projects, for example, or our customers can become future material suppliers via circular take-back systems.</p> <p>We cultivate stakeholder relationships through our official communication and sales channels, factory tours, panel discussions and events, as well as personal exchanges. We aim to develop these relationships selectively. In 2021, we launched an analysis of stakeholders to identify which types of interaction should be developed or established with which stakeholders. [GRI 102-44] [↗ APPENDIX – p.62]</p>			<p>□ [GRI 102-40] OVERVIEW OF FREITAG STAKEHOLDERS IN TERMS OF PROXIMITY TO COMPANY</p>		
		<p>In 2021, FREITAG conducted a comprehensive survey in its core markets of Switzerland, Germany, Italy, Japan, South Korea, China and Thailand. It involved a two-stage approach featuring qualitative interviews (n=75) with a quantitative survey (n=3,528) and asked existing and potential customers about their attitudes towards and expectations of FREITAG. The survey gave us valuable insights into how customers perceive our understanding of sustainability as regards our products and the brand. The main criteria (among others) that determine that FREITAG is perceived as a sustainable brand are durability, repair, classic design and environmentally friendly production.</p>					

F FREITAG	CIRCULAR F-CREW	CIRCULAR PRODUCTS	CIRCULAR OPERATIONS	CIRCULAR SERVICES	CIRCULAR COMMUNITY	
<div>FACTS & HIGHLIGHTS 2021</div>		<div>how to use it to communicate our diametrically opposed position. It resulted in the «100% OFF» campaign, which encouraged people to beat the buying hysteria by going into swap mode. In 2021, we closed the Online Store on Black Friday for the third year in succession and redirected all website visitors to our S.W.A.P. (Shopping Without Any Payment) bag exchange platform. ↗ CIRCULAR SERVICES – p.44</div>				20
<div> <div>⌵</div> <div>INITIATIVES & CAMPAIGNS</div> </div>						15
<div>In our communications, we focus on making our values exciting and entertaining. Our aim here is to inspire sustainable and sensible consumption.</div>		<div>We also started looking for like-minded brands. Joining forces with Brompton, Secrid, Flamingos' Life, Soeder, and Oy enabled us to give our statement for sustainable and sensible consumption even more weight than if we had been alone. This campaign, launched with partners and an advertising budget, helped us to reach more than 80 million people worldwide in 2021. → FREITAG.CH/SWAP</div>				
<div>MANIFEST × ARTISTS</div>		<div>P.S. HAPPINESS IS CYCLICAL</div>				
<div>The FREITAG Manifesto is the guideline that determines how we think and act. It calls for conscious, sensible production and consumption in our time. In an attempt to convey the Manifesto’s seven and a half points in new and different ways, we asked eight women – artist or designer each one – to interpret and freely illustrate one of them. We then integrated each new work of art into our communication channels. → FREITAG.CH/MANIFESTO</div>		<div>The Manifesto likewise inspired the 2021 festive season and year-end initiative: In the P.S. to the FREITAG Manifesto, we say: «Happiness is cyclical». In December, in contrast to traditional, sales-based Christmas campaigns, 26 FREITAG employees gave away their personal bags to the community. And because happiness only multiplies in cycles, anyone who wished could apply for one of the bags online by telling us how they would pass on the happiness to others. The F-Crew based its selection of the most suitable new bag owners on these promises of happiness. → FREITAG.CH/HAPPYCYCLE</div>				10
<div>BLACK FRIDAY - DON’T SHOP, JUST S.W.A.P.</div>						
<div>Black Friday is a day of mindless consumption from which FREITAG has consciously distanced itself. In 2019, we began to think about</div>						5
				<div>  </div>		0
0	5	10	15	20	25	30
35	40	45	50	55	60	65

FREITAG		CIRCULAR F-CREW		CIRCULAR PRODUCTS		CIRCULAR OPERATIONS		CIRCULAR SERVICES		CIRCULAR COMMUNITY	
FACTS & HIGHLIGHTS 2021	<div>⌵</div> <h1>COLLABORATION & COOPERATION</h1> <p>In 2021, we launched two projects that are all about partnership. At product level, we jointly developed a new bag suitable for a folding bike with Brompton. And at material level, with numerous industry partners, we embarked on the development of a completely new circular truck tarp.</p> <h2>FREITAG × BROMPTON</h2> <p>We have a lot in common with Brompton, the London-based folding bike pioneers: cycling, quality and functionality, and the fact that both companies still manage to produce in two of the most expensive cities in the world. This close relationship has led us to work together on new, viable solutions for urban mobility and to launch the result of our labors in 2021: F748 COLTRANE, the FREITAG backpack that rotates through 90° and attaches to any Brompton folding bike. → FREITAG.CH/BROMPTON</p>			<h2>THE CIRCULAR TRUCK TARP</h2> <p>In 2020, as part of our quest to ensure that FREITAG bags aren’t merely recycled but also recyclable, we began developing a circular truck tarp as an alternative to the existing one made of PVC.</p> <p>[↗ CIRCULAR PRODUCTS – p.26]</p> <p>To this end, we gathered relevant partners from the entire supply chain in Europe together at a round table. This cross-competitive dialog resulted in joint development initiatives involving various working groups.</p> <p>In 2021, the partners pushed on with various combinations of materials, resulting in the production of the first tarpaulin prototypes. Further material and circularity experts, such as recycling companies or «EPEA - Part of Drees & Sommer», gradually became involved in the project, using the Cradle to Cradle® approach to evaluate every stage in the manufacturing process and the chemical components. → FREITAG.CH/CIRCULARTARP</p>			 <p>PHOTO CREDIT: MICHAEL SIEBER</p>  <p>PHOTO CREDIT: YURI SCHMID</p>				
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FREITAG		CIRCULAR F-CREW	CIRCULAR PRODUCTS	CIRCULAR OPERATIONS	CIRCULAR SERVICES	CIRCULAR COMMUNITY
FACTS & HIGHLIGHTS 2021	<div><div>⌵</div><div>MEMBERSHIPS RELEVANT TO SUSTAINABILITY</div><div><div>[GRI 102-12,13]</div><div>We can only achieve a circular economy and progress towards sustainability by working with others as a team. And for that reason, FREITAG is a member of various political and economic initiatives and associations. In a process involving exchange with other companies, we are thus committed to cross-sector and socially relevant initiatives.</div></div></div>	<div><div>Member of the «Swiss Cleantech» economic association. The association advocates a climate-friendly economy. All its members have signed a nine-point charter that serves as the basis for a vision to make Switzerland CO2-neutral by 2050 at the latest.</div><div>→ SWISSCLEANTECH.CH</div><div><div>SWISS CLEANTECH</div></div></div>	<div><div>Part of the «Circular Globe» advisory committee. The eponymous assessment process is a guideline and model for evaluating the circular maturity of organizations and serves as a compass for them to align with the circular economy. [↗ FREITAG – p.11] → CIRCULAR-GLOBE.COM</div><div><div>CIRCULAR GLOBE</div></div></div>			
	<div><div>Collaboration with the sustainability working group of the «Made in Zürich Initiative». This association, co-founded by FREITAG, aims to boost Zurich’s visibility as a production location and strengthen urban production companies. → MADEINZUERICH.CH</div><div><div>MADE IN ZÜRICH</div></div></div>	<div><div>Member of «Circular Economy Switzerland». The network sees itself as a platform for coordination and exchange. It uses projects and events in pursuit of its goal to provide the impetus for a new, nationwide movement towards a circular economy in Switzerland.</div><div>→ CIRCULAR-ECONOMY-SWIZERLAND.CH</div><div><div>Circular Economy Switzerland</div></div></div>	<div><div>Voluntary agreement with the «Energy Agency of the Swiss Private Sector» on targets to save energy. The Agency helps SMEs to implement energy efficiency and CO2 reduction measures. → ENAW.CH</div><div><div>ENERGIE-AGENTUR DER WIRTSCHAFT EnAW</div></div></div>			
	<div><div>Collaboration with the «Swiss Textiles» association’s sustainability task force. The association comprises around 200 internationally active Swiss SMEs (small and medium-sized enterprises) and aims to ensure that the textile industry remains internationally competitive. → SWISSTEXTILES.CH</div><div><div>SWISS TEXTILES</div></div></div>	<div><div>Part of the steering committee of the «Sustainable Leaders Initiative». The Initiative aims to ensure that Swiss executives have the resources needed for a balanced ecological transition.</div><div>→ SUSTAINABLELEADERS.CH</div><div><div>SUSTAINABLE LEADERS</div></div></div>	<div><div></div></div>			

⌵

PUBLIC APPEARANCES & PRESENTATIONS

Through our presence at relevant conferences, universities and trade fairs, we promote and deepen exchange and collaboration with stakeholders, particularly from the fields of sustainability and design. In 2021, FREITAG employees appeared at 30 events, where they explained our values and commitment to the circular economy. As we see it, the highlights included:

- 01

A talk on the FREITAG Manifesto as part of the «FREITAG Ad Absurdum» exhibition at the Salone del Mobile 2021 (IT)
- 02

Panel discussion on the Circular Economy at the «Your 2040» future-related conference in Laax (CH)
- 03

Presentations on circularity and sustainability at the University of St. Gallen, the University of Zurich and Lucerne University of Applied Sciences and Arts (CH)
- 04

FREITAG online webinars on self-organization, production and product design → FREITAG.CH/F-ACADEMY

⌵

FACTORY TOURS

Regular factory tours give visitors an insight into FREITAG bag production and show school classes, associations and other interested parties how truck tarps leave the road behind them to become bags. FREITAG employees from all sectors regularly give tours of FREITAG headquarters in the Nørd industrial complex. After a prolonged interruption due to Corona, factory tours resumed in August 2021. In 44 guided tours, we gave over 900 participants an idea of how we think and act. By comparison: In the pre-pandemic period, we averaged over 100 tours a year. → FREITAG.CH/NOERD

⌵

SOCIAL COMMITMENT

Through our social commitment, we aim to provide a positive impetus above and beyond our everyday work in the areas we can influence. Accordingly, since 2019, FREITAG salary regulations have made provision for 10% of employees’ annual profit-sharing to be earmarked for charitable purposes. [↗ FREITAG – p.14]

To establish criteria for allocating these funds, we created a «Non-profit Investor» role in 2021. This role will define the allocation process in 2022 and trigger the effective distribution of funds from previous years.



PHOTO CREDIT: ROLAND TÄNNLER

OUTLOOK 2022

01

With the publication of the first FREITAG Impact Report for the year 2021, we are laying the foundation for transparent communication regarding our goals and progress as regards sustainability and the circular economy. To this end, we are conducting a stakeholder and materiality analysis and consolidating the company-wide sustainability metrics.

02

Further milestones for strengthening the dialog with our stakeholders are the realization of a new focus on the FREITAG website on circularity and the conception of a regular communication format.

GLOSSARY

Bag Design	At FREITAG, there are two different designer roles. In addition to classic product design, we also consider cutting tarps to be design work: Our bag designers create every FREITAG bag individually, using their stencils and knives to cut the most beautiful motifs out of the tarps. For more see → FREITAG.CH/PRODUCTION .
Circularity	Materials, products, (eco)systems and organizations that satisfy circular economy principles are considered circular. To ensure that products have a maximum service life and can eventually be recycled, aspects of the circular economy must be considered at the design stage. For products to use a minimum of resources, last as long as possible, be modular and repairable, and dismantle easily, they must be designed and manufactured accordingly. The choice of materials is also crucial; the aim is to use separable, safe and recyclable materials as far as possible. The use of chemicals harmful to the environment or health should be avoided throughout the entire process. Also central to the concept of a circular economy is renewable energy. Energy should also be used as efficiently and sparingly as possible. Apart from the choice of materials, product design and processing, successful take-back and sustainable demand for recyclable materials are ultimately relevant to the issue of true circularity. See also recyclability.
Circular economy	A circular economy is a comprehensive approach that considers the entire material and product cycle: from the extraction of raw materials, intelligent design, sustainable production and extended service life through to multiple recycling. The circular economy aims to replace the linear production processes that are still widespread. In a linear economic system, raw materials are depleted, and products are manufactured, sold, consumed and discarded. In a circular economy, on the other hand, products and materials are kept in circulation. So, compared with a linear economic system, significantly fewer raw materials are used and less waste produced. The circular economy distinguishes between biological and technical cycles. In the former, materials of biological or organic origin should be utilized materially or fermented as far as possible after use and thus flow back into nature as nutrients. In the technical cycle, the useful life of products is increased by allowing them to be shared, reused, repaired, and reprocessed in ways that maintain their quality over multiple life cycles. To preserve material integrity as far as possible, products are only sent for recycling when they can no longer be used. But recycling is an energy-intensive process, involves the occasional use of additives and diminishes the quality of the original material. For these reasons, extending the product life is generally preferable to recycling.
CemRRV	The Swiss Chemicals Risk Reduction Ordinance (ChemRRV) is part of Swiss chemicals legislation based on various laws and ordinances. Swiss chemicals law is essentially in sync with European Union regulations but is developed and applied autonomously. Its general provisions are set out in Federal Council ordinances, which include the ChemRVV.
Disassembly	In the process of becoming unique FREITAG products, discarded truck tarps must first be stripped of eyelets, straps, belts, and anything else that cannot be used in a FREITAG bag. They are then cut to a standard size of 2.5 meters to fit into our industrial washing machines. For more, see → FREITAG.CH/PRODUCTION .
Downstream transport and distribution	This category pertains to emissions generated during the year under review by vehicles and facilities not owned or controlled by the reporting company and created through the transport and distribution of products sold. For example, they include the emissions generated by transport from our online sales partners to FREITAG customers, but not outbound logistics purchased by third parties. See also Upstream transport.
Greenhouse Gas Protocol	The GHG (Greenhouse Gas) Protocol is a private transnational set of accounting standards for greenhouse gas emissions. It is the most widely used and accepted standard for drawing up greenhouse gas audits.

FREITAG		CIRCULAR F-CREW	CIRCULAR PRODUCTS	CIRCULAR OPERATIONS	CIRCULAR SERVICES	CIRCULAR COMMUNITY	
■ APPENDIX							20
	GRI	The GRI (Global Reporting Initiative) is an independent, international organization that helps companies and other organizations take responsibility for their ecological impact by providing them with a globally understood language to communicate that impact. GRI provides the world's most widely used sustainability reporting standards: the GRI Standards. This document refers to selected GRI Standards: See GRI references in the body of the text and the GRI Index.					
	One-off / unique	Every FREITAG product is a one-off, i.e., unique: no two items have the same tarp cut-out and character. After an average of six years on the road, discarded truck tarps show different signs of wear and have their own individual patina. After the washing cycle, our bag designers get to work cutting as many unique pieces as possible, each more beautiful than the next, from a single tarp. See also Bag Design.					
	PET	The abbreviation for polyethylene terephthalate, it is thermoplastic polyurethane. PET is used, among other things, to produce plastic bottles, films and textile fibers.					15
	PFC-free	PFC is an abbreviation for perfluorinated compounds. Thanks to their exceptional properties, such as water- and grease-resistance and thermal and chemical stability, PFCs have an enormous range of applications: Breathable rainwear, non-stick pans, stain-resistant surfaces, and fire-fighting foams are just a few examples of their use in everyday applications. PFCs are scarcely degradable and therefore remain in the environment for a long time. Some PFCs accumulate in the environment and organisms and also harm human health. (FREITAG products are PFC-free)					
	PVC	Abbreviation for polyvinyl chloride. PVC is a thermoplastic and is divided into rigid and flexible PVCs. Rigid PVC, for example, is used to make window frames, pipes and vinyl records. Soft PVC contains plasticizers, which give materials a certain elasticity. It is used, for example, for cable sheathing, flooring and in today's truck tarps. PVC is highly robust and durable. However, some of the additives used, such as plasticizers and heavy metals, can have a harmful effect on human beings and the environment. For this reason, FREITAG has a testing and triage process for its tarps in place.					10
	REACH Regulation	REACH is a European Union regulation enacted to give improved protection to human health and the environment from the risks that can be posed by chemicals while increasing the competitiveness of the EU chemical industry.					
	Recycling	Recycling describes the direct reuse of discarded products and the reuse of their constituents, i.e., the extraction of raw materials from waste. Material recycling means converting a product or component into its basic materials or substances and reprocessing it into new materials. These secondary raw materials are called recyclates or reclaims. After recycling, the secondary raw material is used again in the same product. It means that the quality of the recyclate must meet the quality requirements of the original product. Recycling is a central element of the circular economy. See also Circular economy/Circularity.					
Repair Station	As the name suggests, a Repair Station is where to take FREITAG products needing repair. In many cases, this occurs in FREITAG Stores, where owners can hand in the products they wish to have repaired. However, some Repair Stations are located outside the F-Stores with selected repair partners.					5	
Recyclability	Recyclability refers to the ease of recycling a material in practice and on a large scale. Increasing recyclability is a key element of the circular economy. See also circular economy/circularity and recycling.						
							0
0 5 10 15 20 25 30 35 40 45							58

	FREITAG	CIRCULAR F-CREW	CIRCULAR PRODUCTS	CIRCULAR OPERATIONS	CIRCULAR SERVICES	CIRCULAR COMMUNITY	
							20
							15
							10
							5
							0
							59



RSL	A Restricted Substance List (RSL) is used to exclude or restrict specific chemical residues on (finished) products, i.e., chemicals with which consumers may come into contact when using an item. Restrictions may be based on government regulations, toxicological data, proprietary or brand-specific requirements, and industry initiatives. Restricted substance lists help companies comply with legislation and standards set by initiatives, regulate their supply chains, prevent recalls, and help protect consumers, workers, and the environment.
Scope 1, 2 and 3	<p>According to the Greenhouse Gas Protocol, emissions are divided into direct and indirect emissions, which are reported in the following three scopes:</p> <ul style="list-style-type: none"> - Scope 1: Direct emissions from energy and heat generation in company-owned facilities (e.g., vehicle fleet or boilers in the building). - Scope 2: Indirect emissions from energy sourced elsewhere (e.g., district heating or purchased electricity) - Scope 3: Indirect emissions from third parties (e.g., business travel, waste recycling, commuting, production and distribution) <p>See also Greenhouse Gas Protocol.</p>
Supply chain	A supply chain is a multi-level network of companies involved in various processes and activities from the first stage of the value chain, i.e., the procurement of raw materials, through to the final product and on to the delivery of the product to the end customer.
Upcycling	Upcycling is the process of giving a discarded item a new lease of life. In this form of recycling or reuse, waste or seemingly useless materials are transformed into products that are like new. In contrast to downcycling, the material's value is increased.
Upstream transport and distribution	Emissions in this category include those generated by the transport and distribution of purchased products between a company's Tier 1 suppliers and its own facilities in vehicles not owned or operated by the reporting company. They also include third-party transport and distribution services purchased by the reporting company (either directly or through an intermediary). These extend to inbound and outbound logistics (e.g., products sold) and third-party transport and distribution between the company's own facilities. At FREITAG, for example, this means purchased outbound logistics for FREITAG products sold to our end customers, i.e., international shipping by UPS. See also Downstream transport.

FREITAG		CIRCULAR F-CREW		CIRCULAR PRODUCTS		CIRCULAR OPERATIONS		CIRCULAR SERVICES		CIRCULAR COMMUNITY	
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	102-16	Values, principles, standards, and norms of behaviour			07	Freitag					
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GRI 305: Emissions 2016											
305-1	Direct (Scope 1) GHG emissions			34; 73	Circular Operations						
305-2	Energy indirect (Scope 2) GHG emissions			34; 73	Circular Operations						
305-3	Other indirect (Scope 3) GHG emission			34; 73	Circular Operations						
0 5 10 15 20 25 30 35 40 45 60											

6



STAKEHOLDER ANALYSIS

[GRI 102-44] At FREITAG, interaction with stakeholders is typically role-based and project-oriented but is not systematically recorded. The first Impact Report closed this gap with the first-ever broad-based stakeholder analysis, begun in late 2021 and completed in 2022. It included an inventory of internal expertise and selected interviews with experts. In all, the analysis identified 32 stakeholders and listed typical representatives, characterization, forms of interaction and expectations, as well as the added value of the existing exchange.

Ultimately, comparing the internal inventory with external expert interviews showed that FREITAG had built a comprehensive picture of its stakeholders and was aware of their expectations even without elaborate dialog formats. In the future, the aim will be to confirm these initial findings by selectively expanding the dialog. [[↗] CIRCULAR COMMUNITY – S.55]

□ IDENTIFIED STAKEHOLDERS AND EXPECTATIONS		
Main groups	Identified stakeholders	Identified expectations
Shareholders	Founders / Owners	Orientation towards circular economy, increase in company value, sustainable development, health and safety of employees, supply chain and consumers, positive impact on immediate environment, transparency, continuous improvement
Subsidiary groups	National subsidiaries	Stability, clear goals and communication, proper payroll processing, consultation on market-related issues, guidance and support
	Nørd Canteen	bring consuming employees to canteen, organizational support
Employees	Employees, Nørd	Secure workplace, fair pay, transparency, internal communication, consultation on important issues, physical and mental health, company reputation, sense of purpose, development opportunities, benefits, psychological safety, corporate culture, accessibility of meetings/content
	Employees, international	
Suppliers and production companies	Direct suppliers of tarpaulins	Partnership with FREITAG, profit from sale of old tarpaulins, convenience of disposal
	Tarpaulin agents	Long-term cooperation, sales, constant purchase quantities, fair prices, transparent information in the event of process changes, work safety-related support, training sessions for optimum quality
	Textile suppliers	Constant order quantities/orders, sales, fair prices and negotiation tactics, realistic deadlines, development of new sustainable materials with FREITAG as partner, communication flow and transparency, sustainable customer for portfolio
	Accessories suppliers	
	Producers / Sewing	Long-term cooperation, sales, guaranteed quantities/annual planning, punctual delivery and high quality of materials to be sewn, support in dealing with signs of use on tarpaulins, fair prices, punctual payments, safety at work, support in implementing the Code of Conduct

20

Main groups	Identified stakeholders	Identified expectations
Economic protagonists	Peers / Leading sustainable brands	Inspiration and knowledge sharing, collabs
	Trade associations	Requests for presentations, talks, Nørd-guided tours, insights on business case production location CH, design and sustainability, holacracy/new work, participation/membership, inspiration and knowledge exchange, brand image transfer
Service companies	Certifiers, external auditors	Transparency and credibility, compliance, information flow, data quality, adherence to deadlines, demand for continuous improvement
	Location renters	Attractiveness and visibility of the building, tenants with charisma/media presence, revitalization of the building through activities (association for more «Nørdability»)
	Insurances	Compliance, transparency, support and sparring
	Banks	Compliance, transparency, support and sparring

*YOUNG CONSCIOUS URBANITES: AN INSPIRATIONAL NETWORK THAT SHARES THE VISION AND VALUES OF FREITAG.

**GUURUS: LONG-TIME FREITAG CUSTOMERS WHO PROVIDE USERS OF THE FREITAG WEBSITE WITH PEER-TO-PEER SUPPORT.



MATERIALITY ASSESSMENT

The materiality assessment is one of the main tools used in the reporting and strategic development of sustainability. We use it to identify and prioritize the issues most important to our company and stakeholders, thus helping us to set the central points of our reporting. As part of the materiality analysis, we addressed the expectations of our stakeholders as well as the social, environmental and economic impacts along our supply chain.

01

Based on the stakeholder analysis, a benchmark for the industry, together with an analysis of established ESG guides and industry studies, we identified 18 relevant topics for FREITAG and our industry. [\[↗ FREITAG – p.62\]](#)

02

Subsequently, we performed an internal prioritization. This is based on an internal online survey with eleven selected strategic and professional roles. The survey queried the materiality of the topics from the company's point of view, i.e. how important they are in terms of impact and image as a sustainable company.

03

The external prioritization is based on interviews with two external circular economy experts on the one hand, and publicly available industry documents and a competitor analysis on the other.

04

[\[GRI 102-47\]](#) We have summarized the findings in the materiality matrix. [\[↗ FREITAG – S.8\]](#)

05

The critical issues identified were ultimately incorporated into the development of the Circularity Roadmap and are addressed in the relevant chapter of this Impact Report.

□ MATERIALITY ANALYSIS FOR REPORT 2021 (CARRIED OUT 2022)			
Topic	Internal	External	SDG
Access over Ownership	11.0	3.0	12 Responsible Consumption & Production
Circular Brand Performance	12.5	5.0	12 Responsible Consumption & Production
Circular Capacity Building	12.5	1.0	4 Quality Education
Circular Design	15.5	13.0	12 Responsible Consumption & Production
Circular Materials	15.0	15.0	12 Responsible Consumption & Production
Carbon Footprint & Waste	14.0	11.0	13 Climate Action
			12 Responsible Consumption & Production
Compliance	13.5	1.0	
Diversity & inclusion	12.0	3.0	8 Decent Work & Economic Growth
Economic Performance	12.5	1.0	8 Decent Work & Economic Growth
End-of-Life Services	13.0	3.0	12 Responsible Consumption & Production
Fair Production	16.5	15.0	8 Decent Work & Economic Growth
Health & Safety	14.5	1.0	8 Decent Work & Economic Growth
Life-Extending Services	15.0	5.0	12 Responsible Consumption & Production
Packaging	12.5	2.0	12 Responsible Consumption
			13 Climate Action & Production
Partnerships	10.5	3.0	17 Partnerships for the goal
Recycled Materials	14.0	8.0	12 Responsible Consumption & Production
			13 Climate Action
Transparency	16.0	9.0	12 Responsible Consumption & Production
Transportation	12.0	2.0	13 Climate Action

CIRCULAR GLOBE RESULTS 2021		
Dimensions	Rating	Points 2021
Preparedness	50%	125
Direction	61%	152
Execution	51%	128
Results	40%	100
Total		505

□ EVALUATION OVERVIEW		
	Category	Maturity 2021
A1	CE-Analysis	50%
A2	Planning	50%
A3	Implementation	55%
A4	Monitoring & measurement	25%
A5	Leadership	65%
A6	Collaboration	50%
A7	Improvement & communication	55%
B1	Systemic approach	60%
B2	Stakeholders	20%
B3	Business model	70%

□ EMPLOYEES			
	2019	2020	2021
Total number of employees	n.a.	n.a.	247
women	n.a.	n.a.	121
men	n.a.	n.a.	126
between 16 and 45	n.a.	n.a.	213
over 45	n.a.	n.a.	34
Average length of service in years	n.a.	n.a.	5
Number of trainees	n.a.	n.a.	18
Number of employees at «top of salary scale»*	n.a.	n.a.	39
women	n.a.	n.a.	19
men	n.a.	n.a.	20
Number of employees by role			
Company Leader	n.a.	n.a.	5
women	n.a.	n.a.	3
men	n.a.	n.a.	2
Strategist	n.a.	n.a.	11
women	n.a.	n.a.	6
men	n.a.	n.a.	5

*SINCE A HOLACRATIC ORGANIZATION HAS NO MANAGEMENT IN THE CLASSICAL SENSE, THE HIGHEST WAGE LEVEL (TOP OF SALARY SCALE) IS USED AS A REFERENCE VALUE.

	2019	2020	2021
Lead Link	n.a.	n.a.	33
women	n.a.	n.a.	12
men	n.a.	n.a.	11
Rep Link	n.a.	n.a.	33
women	n.a.	n.a.	12
men	n.a.	n.a.	11
[GRI 401-1] Number of new appointments	n.a.	n.a.	36
women	n.a.	n.a.	12
men	n.a.	n.a.	24
Number of resignations	n.a.	n.a.	42
women	n.a.	n.a.	25
men	n.a.	n.a.	17
[GRI 401-1] Fluctuation rate in %	n.a.	n.a.	18.45
among women	n.a.	n.a.	23.21
among men	n.a.	n.a.	14.05
Average number of days training/further training per employee	n.a.	n.a.	n.a.

FREITAG		CIRCULAR F-CREW			CIRCULAR PRODUCTS			CIRCULAR OPERATIONS			CIRCULAR SERVICES			CIRCULAR COMMUNITY																																																				
■ APPENDIX	<div><div><div><div><div></div><div>WORK AND HEALTH PROTECTION</div></div><table><tr><td></td><td>2019</td><td>2020</td><td>2021</td></tr><tr><td>Absence rate in days per employee</td><td>n.a.</td><td>n.a.</td><td>14.7</td></tr><tr><td>[GRI 403-9] Number of serious accidents</td><td>n.a.</td><td>n.a.</td><td>0</td></tr><tr><td>Accident rate (accidents per 100 employees)</td><td>n.a.</td><td>n.a.</td><td>1.01%</td></tr></table></div><div><div><div><div></div><div>EMPLOYEE SATISFACTION</div></div><table><tr><td>Scale: 1–7</td><td>2019</td><td>2020*</td><td>2021</td></tr><tr><td>satisfied – very satisfied (5–7)</td><td>n.a.</td><td>67.7%</td><td>n.a.</td></tr><tr><td>neutral (4–6)</td><td>n.a.</td><td>18.2%</td><td>n.a.</td></tr><tr><td>dissatisfied – rather dissatisfied</td><td>n.a.</td><td>14.1%</td><td>n.a.</td></tr><tr><td>Mittelwert</td><td>n.a.</td><td>4.9</td><td>n.a.</td></tr></table></div><div>*THE EMPLOYEE SATISFACTION SURVEY WAS LAST CARRIED OUT IN 2020.</div></div></div></div>																2019	2020	2021	Absence rate in days per employee	n.a.	n.a.	14.7	[GRI 403-9] Number of serious accidents	n.a.	n.a.	0	Accident rate (accidents per 100 employees)	n.a.	n.a.	1.01%	Scale: 1–7	2019	2020*	2021	satisfied – very satisfied (5–7)	n.a.	67.7%	n.a.	neutral (4–6)	n.a.	18.2%	n.a.	dissatisfied – rather dissatisfied	n.a.	14.1%	n.a.	Mittelwert	n.a.	4.9	n.a.															20
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																68																																																		

□ MATERIAL CONSUMPTION, IN YEAR-ON-YEAR COMPARISON				
Material receipt (EWE)	2019	2020	2021	2020 > 2021
Recycled*	n.a.	15,272	5,137	-66.37%
B-stock**	n.a.	3,830	4,458	16.38%
Biodegradable	n.a.	336	0	-100.00%
New***	122,807	63,517	20,756	-67.32%
Upcycling**** (used truck tarp)	351,624	291,668	238,074	-18.38%
Total	474,431	374,623	268,424	-28.35%

*RECYCLED SHARE IN RECYCLED MATERIALS (EXCL. TARPAULIN)

**AIRBAGS, BICYCLE INNER TUBES AND SEAT BELTS

***NEW GOODS SUCH AS BUCKLES, ZIPS, ETC. BUT ALSO SHARE OF NEW GOODS IN RECYCLED MATERIALS.

****USABLE MATERIAL (EXCL. WASTE, QUALITY PROBLEMS, ETC.)

IN 2019, WE ONLY MADE A DISTINCTION BETWEEN USED TRUCK TARP AND OTHER MATERIALS. FROM 2021, WE IMPROVED THE QUALITY OF OUR MATERIAL-RELATED DATA: UNLIKE PREVIOUS YEARS, WHERE THE ENTIRE VOLUME OF PURCHASED TARP WAS TAKEN INTO ACCOUNT, THE FIGURES FOR 2021 INCLUDE ONLY TARPS THAT HAVE ACTUALLY BEEN PROCESSED.

FREITAG		CIRCULAR F-CREW		CIRCULAR PRODUCTS		CIRCULAR OPERATIONS		CIRCULAR SERVICES		CIRCULAR COMMUNITY										
APPENDIX											20									
											15									
											10									
											5									
											0									
0		5		10		15		20		25		30		35		40		45		71



3.5 Working Conditions

We, the undersigned FREITAG network member, abide by the following core work standards:

3.5.1 Child Labor
The prohibition of child labor, i.e. the employment of persons younger than 15 years old (as long as the local legal requirements do not specify a higher age limit) or the employment of persons under the age of completion of compulsory schooling, whichever is higher.

3.5.2 Forced Labor
The prohibition of forced labor of any kind.

3.5.3 Wage Compensation
Work standards concerning compensation, especially in regards to the level of compensation as stated in the laws and requirements that are in force, including the principle of equal pay for work of equal value.

3.5.4 Employee Rights
Respecting the rights of the employee to freedom of association, freedom of assembly and collective bargaining, as long as this is legally permitted and possible in the respective country. Respecting current national legislation on maximum working hours, holiday, rest times and breaks for employees.

3.5.5 Non-discrimination
Treatment of all employees in a non-discriminatory fashion.

3.6 Environmental Protection

We as the undersigned FREITAG network member fulfill the requirements and the standards for environmental protection that affect our operations and act in an environmentally conscious way at all locations where we operate, especially in regard to waste management i.e. the cycle of resources and the recycling of used resources. We actively initiate measures for reducing waste, the consumption of energy and other resources (e.g. water, materials). Where possible, we collect relevant data and make it available to FREITAG to help facilitate an ongoing reduction in the network's footprint.

FREITAG lab. ag
Binzmühlestrasse 170b
CH-8050 Zürich

3.7 Civic Commitment

We, the undersigned FREITAG network member, contribute to the social, environmental and economic development of the countries and regions where we are in business.

4. IMPLEMENTATION

We, the undersigned FREITAG network member, commit to making every appropriate and reasonable effort to implement and apply the principles and values described in this CoC both now and in the future. In the event that we are unable to uphold one of these principles, we will proactively seek out the necessary resources, either from FREITAG or other FREITAG network members or alternative external resources.

To ensure that network members comply with the terms of this CoC, FREITAG carries out regular checks, which take two forms: first, a self-assessment questionnaire (appendix), which members can fill out; or, second, announced or unannounced on-the-spot audits. Failure to openly communicate and eliminate infringements of the CoC may lead to cancellation of the cooperation agreement with FREITAG. Thanks to this transparent, standardized form of dialog, we hope that use of CoC within the FREITAG network will effectively ensure long-term monitoring and a continuous improvement in working, social and environmental standards.

Phone: +41 (0) 43 210 33 33
Code of Conduct Responsibility: Bigna Salzmann,
bigna.salzmann@freitag.ch



5. COMMITMENT

We, as representatives of our company, commit to preserving the standards as articulated in the FREITAG network's CoC:

- To lead our organization with integrity and in accordance with the values addressed in this CoC.
- To pay particular care to the interests of our end-users, communication within and from our organization, working conditions and environmental protection.
- To serve as leaders within the FREITAG network by setting an example in the application of this CoC.
- To uphold the Cyclist's Manifesto.

Name of FREITAG network member company:

Location, date:

FREITAG lab. ag
Binzmühlestrasse 170b
CH-8050 Zürich

Name and function of responsible representative 1:

Signature:

Name and function of responsible representative 2:

Signature:

Phone: +41 (0) 43 210 33 33
Code of Conduct Responsibility: Bigna Salzmann,
bigna.salzmann@freitag.ch

□ [GRI 305-1,2,3] EMISSIONS BY CATEGORY [tCO ₂ eq]*					
	2019	2020	2021	2020 > 2021	% of Total
Scope 1: Direct energy use per primary source	0.0	0.0	13.8	n.a.	0.35%
Stationary Combustion	0.0	0.0	13.8	n.a.	0.35%
Mobile Combustion	0.0	0.0	0.0	n.a.	0.00%
Scope 2: Indirect energy use per primary source	412.1	353.9	343.2	-3.02%	8.58%
Electricity (market-based)	326.7	298.3	286.3	-4.02%	7.16%
Heating and Cooling	85.4	55.6	56.9	2.34%	1.42%
Scope 3: Other indirect emissions	5,569.4	3,622.1	3,642.7	0.57%	91.07%
PG & S (Purchased Goods & Services)	2,733.0	2,045.4	1,736.1	-15.12%	43.40%
Capital Goods	130.6	37.5	25.2	-32.80%	0.63%
Business travel	314.0	16.4	8.9	-45.73%	0.22%
Employee commuting and teleworking	145.9	110.4	127.4	15.40%	3.19%
Upstream transportation and distribution	1,037.8	611.3	759.9	24.31%	19.00%
Downstream transportation and distribution	n.a.	n.a.	293.2	n.a.	7.33%
Waste generated in operations	611.2	561.5	456.4	-18.72%	11.41%
End-of-life treatment of sold products	85.0	145.1	142.0	-2.14%	3.55%
Fuel and energy-related activities	88.8	94.5	93.7	-0.85%	2.34%
Total	5,981.5	3,976.0	3,999.8	0.60%	

*MAY 2022 (IN SOME CASES, EMISSIONS ARE CORRECTED RETROACTIVELY)

**S.W.A.P. (EXCHANGED BAGS ONLINE): FIGURES INCOMPLETE DUE TO EXCHANGES NOT BEING REPORTED BACK VIA THE PLATFORM.

IMPRINT



ABOUT THIS REPORT

[GRI 102-50, 51, 52, 53]

Current reporting period: 01.01.2021 - 31.12.2021

Reporting cycle: annual

Publication date: 22.11.2022

Last update: 25.02.2023

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CONCEPT:

Bigna Salzmann, Danila Helfenstein (FREITAG) and
NEW STANDARD.S

EDITORIAL:

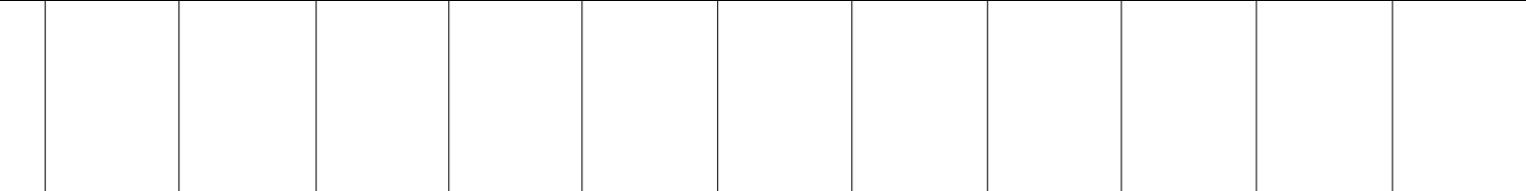
Bigna Salzmann, Danila Helfenstein, David Keller and
Elisabeth Isenegger (FREITAG)

LAYOUT:

Johannes Ammler (FREITAG), NEW STANDARD.S, Christoph Ohanian

CREATIVE DIRECTION:

Golo Schmeh (FREITAG)



USE OF SELECTED GRI STANDARDS:

For every GRI[?] Standard applied, the GRI references are shown in square brackets next to the corresponding text area. An overview can be found in the GRI Index.



IMPACT REPORT 2021
BY FREITAG LAB. AG
FREITAG.CH

