

MUD JEANS

SUSTAINABIL REPORT

Published in September 2023





A message from our Sustainability Manager

A big thank you for your interest and for taking the time to read the fine print. Curiosity like yours is needed to hold brands and businesses accountable to their actions and promises. This report is our way of giving you a closer look and showing you exactly what we are up to, now and in the future. Being a small brand with a big mission, we still have many goals and dreams for the future of MUD Jeans. Thank you for joining us on the journey!



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Some of our 2022 highlights



We have created the world's first jeans made from 100% postconsumer recycled cotton!



We were awarded the Koning Willem I Plaquette for sustainable entrepreneurship and were visited by Her Majesty Queen Máxima in our headquarters.



We launched a repair & alterations pilot in Amsterdam & Utrecht.



For every pair of jeans returned for recycling, we donated to regenerate one tree; reaching 3227 in total!



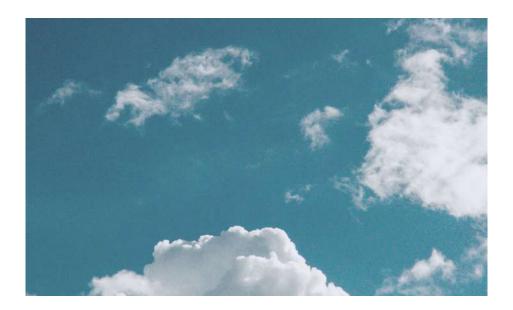
We collaborated with the Van Gogh Museum[®] to launch a capsule collection, introducing hemp into our denim for the first time.



We introduced a QR code on our products, through which you can discover the supply chain and environmental impact of each product.



We were named "Best for the World" 2022 by the B Lab for our environmental performance.



We have reduced the CO2 impact of an average MUD Jeans by 42%!



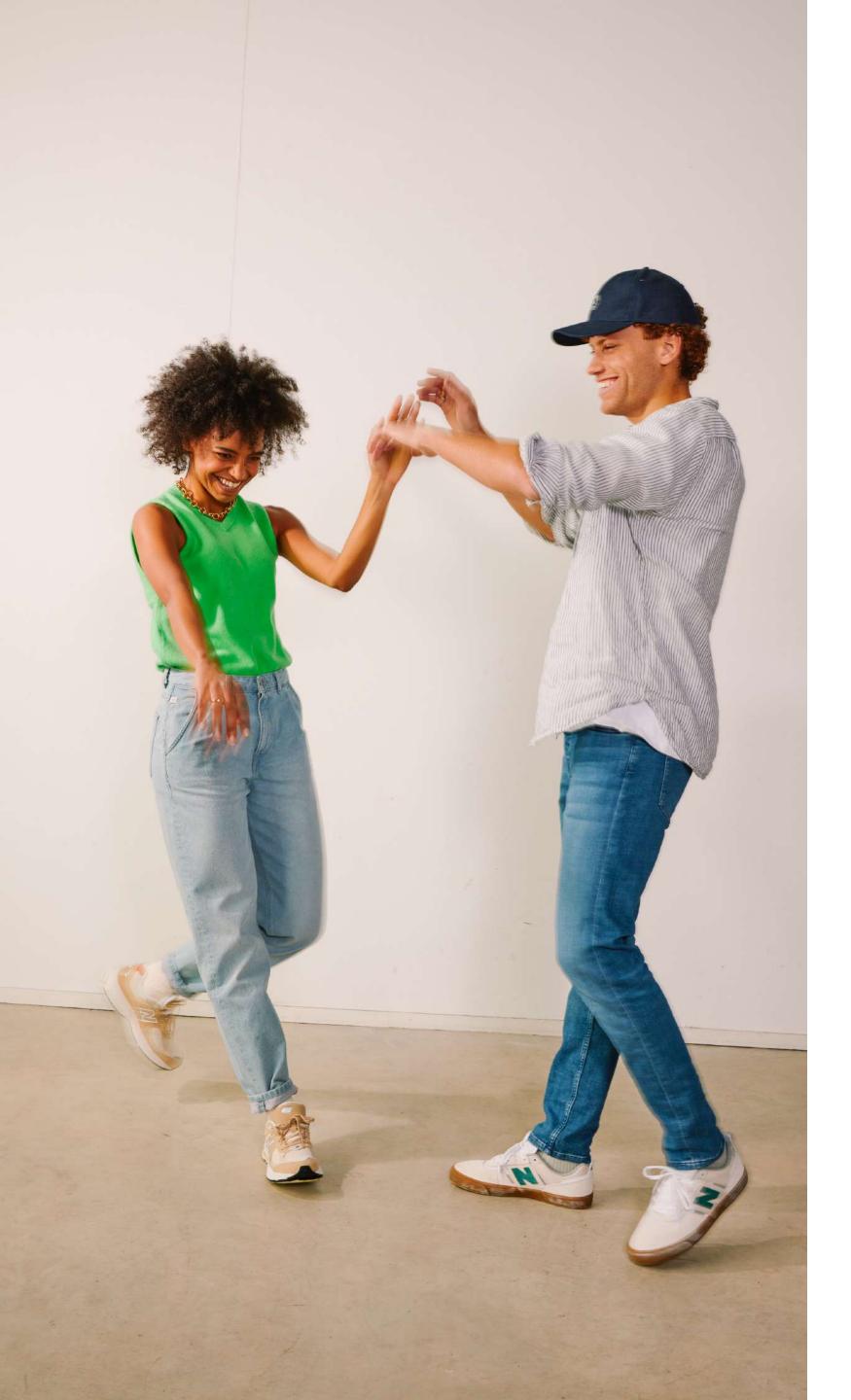


A circular denim experience with MUD Jeans

Open up your closet and count how many pairs of jeans you own. Most of us own an average of six or seven pairs of jeans but only wear four. We don't blame you, the reality is that we are all victims of the fast fashion system. Since the 90's we have normalised buying a lot of clothes, wearing them a couple of times, and throwing them away. This is what defines a linear model. Together with unsustainable production methods, this has resulted in the fashion industry being among the top ten CO2 emitting industries. At MUD Jeans we aim to do things differently, finding an alternative to the fast fashion status quo.

By taking the most popular fashion item - the jeans - and making them circular, we believe we can revolutionise the fashion industry. MUD Jeans is grounded on a circular business model, meaning that we are focused on eliminating waste and creating positive society-wide benefits. The outcome is a beautiful highquality product, with a minimal environmental impact and a positive community effect. In 2013, MUD Jeans also introduced Lease A Jeans, where our customers can borrow our material in the shape of jeans and return it once they are done using it. We take back our customer's old jeans to recycle them, meaning no MUD Jeans need to end up in landfill and we slowly begin to incentivize a world without waste. Curious how we do this? Keep reading, we will reveal it all.





About us

Let's begin with some quick facts about MUD Jeans. We are a small, ambitious team based in the Netherlands with the ultimate aim of revolutionising the denim industry. We sell our jeans and spread our mission around the world.

- 15 team members
- 7 different nationalities

- International

• 73% of Team MUD is female-identifying

• Headquarters in Laren, The Netherlands

Certified B Corp - using our business as a force for good

• Almost 50.000 pairs of jeans sold in 2022

• 100% of MUD Jeans are produced by Yousstex

• Our jeans are sold in 267 stores in 24 countries



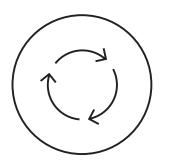


Our mission and values

Our mission is for the fashion industry to be driven by circular production and conscious consumption. We pioneer with jeans, by taking positive action, being transparent and supporting sufficiency. We see a future in which our fashion industry finds a way of producing and consuming that does not stand in the way of our enjoyment of this planet, nor that of future generations.

(M)

Circular Economy



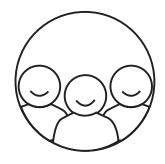
We take back our customer's old jeans and recycle them to make new jeans. This is how we want to combat the huge landfill and resource waste problem within the fashion industry. We are also always busy improving our products and our ultimate goal is to make them 100% circular.

Fair Factories



Mr. Habib Ben Mansour, the owner of our partner factory that manufactures our jeans, likes to say that we make noble products. One of our ultimate goals. By producing consciously, we can directly create a safer and healthier working environment for our colleagues in the factories.

Positive Activism



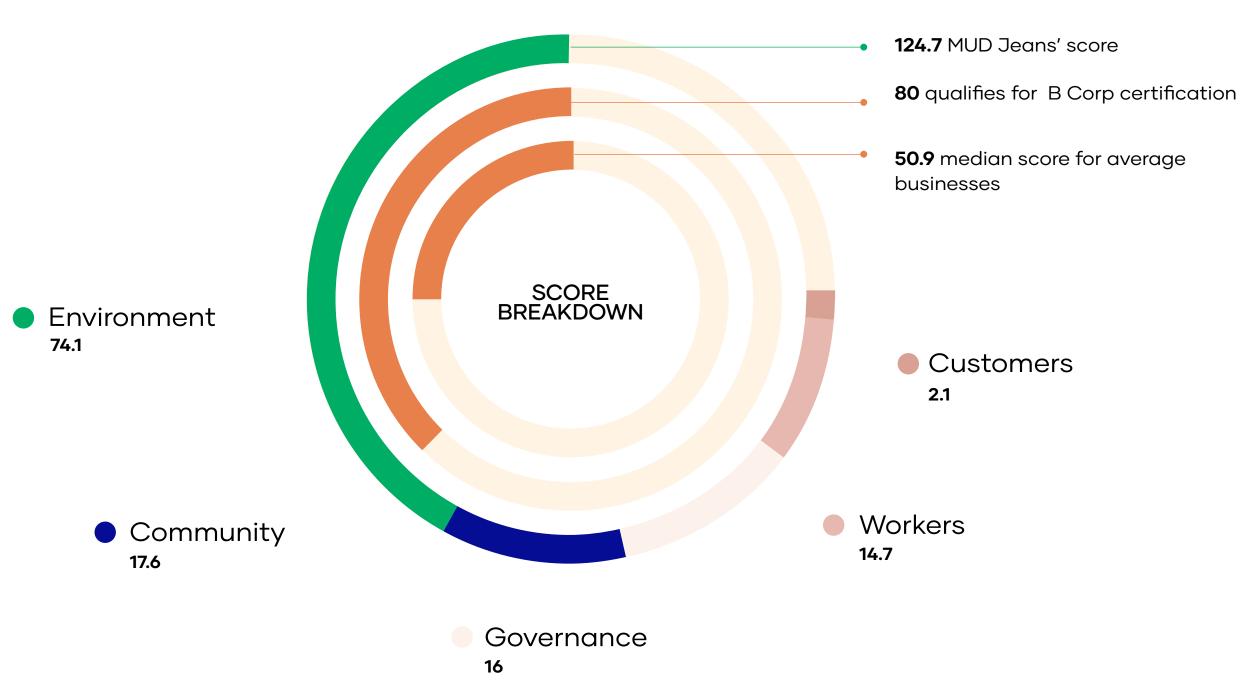
Through our pioneering approach we aim to change the status quo within the fashion industry. We like to be radically transparent, make noise and share our knowledge to inspire others to join our mission. With other brands joining us, we can turn this walk into a march.



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A proud B Corp

B Corps are unique types of businesses which balance purpose and profit. They aim to use their business as a force for good. All B Corps are legally required to consider the impact of their decisions on their workers, customers, suppliers, community, and the environment. To become a B Corp, a company is assessed on their overall positive impact based on these criteria. Only if the company scores above 80/200 can they call themselves a B Corp. MUD Jeans has been a proud B Corp since 2015. In 2020 we completed our reassessment, hitting 124.7 points. And in 2022, we were recognised as "Best for the World" for our environmental performance, meaning our score was in the global top 5% in this category! This year we will do our next recertification.





Stakeholders

We work hard to foster strong relationships with all our stakeholders who share our values and vision for the fashion industry. With customers, we make sure to always be in contact via mail, social media, blog, newsletters, and events. We make sure to provide our retailers with options that reflect their needs and don't encourage over purchasing. With our supply chain partners, we work collectively to create a better fashion industry.



Circularity at MUD Jeans

While a linear economy focuses on producing, using and throwing away, a circular one aims for a continuous use of resources, while slowly designing out waste. In a circular economy, you apply methods such as reuse, repairing and recycling. This extends the life of the product and eventually closes the loop by using the same materials again and again. Through this method you are minimising the use of new raw materials, as well as the creation of waste and pollution.

The diagram on the next page shows how we apply a circular business model at MUD Jeans.

72 6



Circular Design

To create truly circular products that can be recycled at the end of their life, we keep things simple. We work with a small number of different fabrics and prioritise the use of cotton over synthetic fibres. Most of our jeans are made from a mix of post-consumer recycled cotton and organic cotton while our stretch denim typically contains a maximum of 2% recycled elastane. We also have a nontoxic printed back label and use buttons, rivets and zippers made from 100% stainless steel.

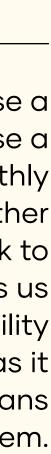
We consciously maintain a small supply chain. We work with 3 recyclers, 3 fabric producers and 1 jeans manufacturer. This gives us a better oversight over who is making our jeans, how, and under what conditions. It also means we can better foster collaboration and innovation. This way we have implemented methods such as dry indigo dyeing and water recycling across our supply chain.

> Circularity at **MUD Jeans**

Production

Lease a jeans

MUD Jeans is unique for its Lease a Jeans model. Our customer can lease a pair of jeans for 12 months for a monthly fee. After 12 months customers can either keep their jeans or send them back to us for recycling. This model gives us the opportunity to take responsibility for the end of life of our product, as it encourages customers to send their jeans back once they no longer wear them.



Recycling

All good things must end, they say. Well, not for MUD Jeans. The life of a MUD Jeans never ends, it just restarts. Those worn jeans that are sent back to us, which are no longer in good condition, are sent to be recycled. In this process the jeans are shredded into fibres and remixed with fresh, organic cotton in order to make new yarns and fabrics. And so, the cycle begins again.

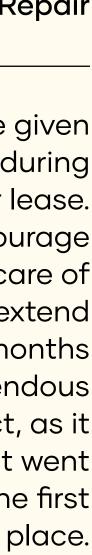
The elimination of waste is a key component of a circular business. When old jeans are returned to us, we review them to check their condition. As the saying goes, one man's trash is another man's treasure. Therefore, jeans that are still in good condition are washed, mended and become part of our vintage collection. Once again, it's all about extending the life of our product.

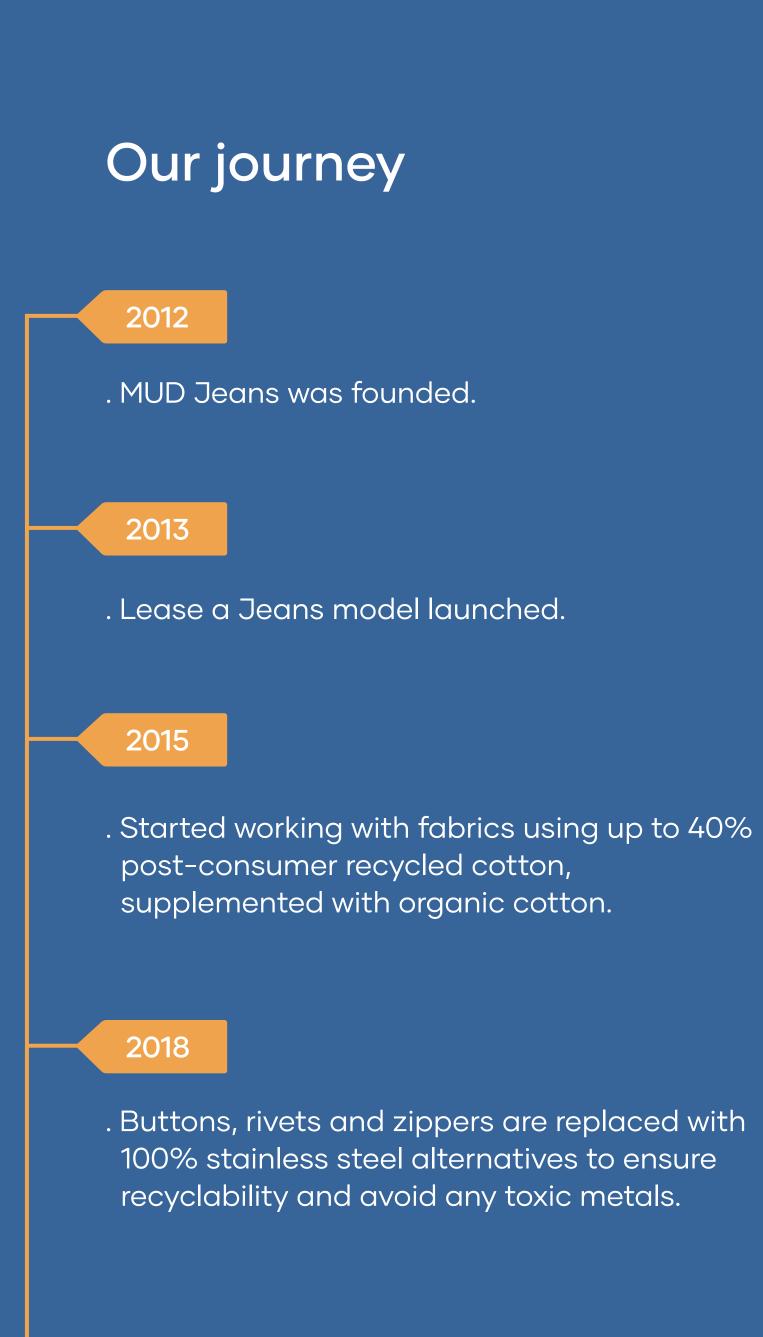
Circularity at **MUD Jeans**

Repair

Reuse

All of our leasing customers are given access to a free repair service during the first 12 months of their lease. Through this approach, we encourage our customers to value and take care of their jeans. A simple repair can extend the life of the product by a few months or even years. This has a tremendous positive environmental impact, as it conserves the original energy that went into making the product in the first







. Began using foam dyeing, which uses 99% less water and 89% less

. Launched our undyed collection. . Began regenerating one tree for every jeans returned for recycling.

. Created a sustainable fashion course for students. . Created a circular denim cover for IKEA's iconic Klippan sofa. . Creating a five metre sculpture made from old pairs of MUD Jeans for COP26.

. Road to 100 project complete - first sample of the world's first pair of jeans that is 100% made from post-consumer recycled cotton.

Launched a capsule collection with the Van Gogh Museum, using hemp in our jeans for the first

. Launched a repair and alterations pilot project. . Launched our supply chain transparency product QR codes. . Turned 18363 old jeans into new jeans.



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Transparency and traceability

Transparency and traceability are key cornerstones to building an honest brand. At MUD Jeans we have full traceability of what goes into the making of our jeans. This means that we know which materials we use, where they come from, and who is making our jeans.

MUD Jeans is unique for the direct relationship that it holds with its 6 main partners (Recover, Ferre, Tejidos Royo, Bossa, Calik Denim and Yousstex International). We frequently visit our partner factories, work closely with them, and work hard to foster supportive partnerships. This not only creates trust and solidarity, but also breeds innovation! On our supply chain map you can see the location and name of each one of our material suppliers.

The journey of a pair of MUD Jeans starts with a cotton bulb in Turkey or India. This cotton travels to Spain and is blended with recycled fibre that is produced by Recover. Ferre spins these fibres together to make a new yarn. The yarn is then taken to Tejidos Royo where it is dyed and woven into a fabric. This is the fabric process for 84% of all our jeans. 9% of jeans use fabric produced by Bossa and 2% use fabric produced by Calik Denim. For Bossa and Calik's fabrics the story is much the same, the only difference is its location. The cotton production, the recycling, the spinning and weaving all takes place in Turkey. All of our fabrics then travel to Yousstex International where they are transformed into individual pairs of jeans.



Traceability and transparency keep us connected to the materials and the people that are involved in making our jeans.

TURALLARIAN

THE DESCOUTE STATE



Our materials



Raw material: OCS-certified organic cotton (Türkiye & India) & hemp (France)

Recycled cotton: Recover (Spain), Heybeliler Textile (Türkiye) & Gama (Türkiye)

Recycled elastane: Invista (UK), The LYCRA Company (Türkiye)

Recycled T400: The LYCRA Company (Türkiye)

Yarn: Ferre (Spain), Bossa (Türkiye) & Calik Denim (Türkiye)

Fabric: Tejidos Royo (Spain), Bossa (Türkiye) & Calik Denim (Türkiye)

Stitching & laundry: Yousstex International (Tunisia)

Wash & care labels: Etic Europe (Tunisia)

Pocket lining: Copen (Tunisia)

Zippers: YKK (Tunisia)

Buttons & Rivets: Berning (Germany)

Sewing Yarns: Cucirini RAMA (Italy)

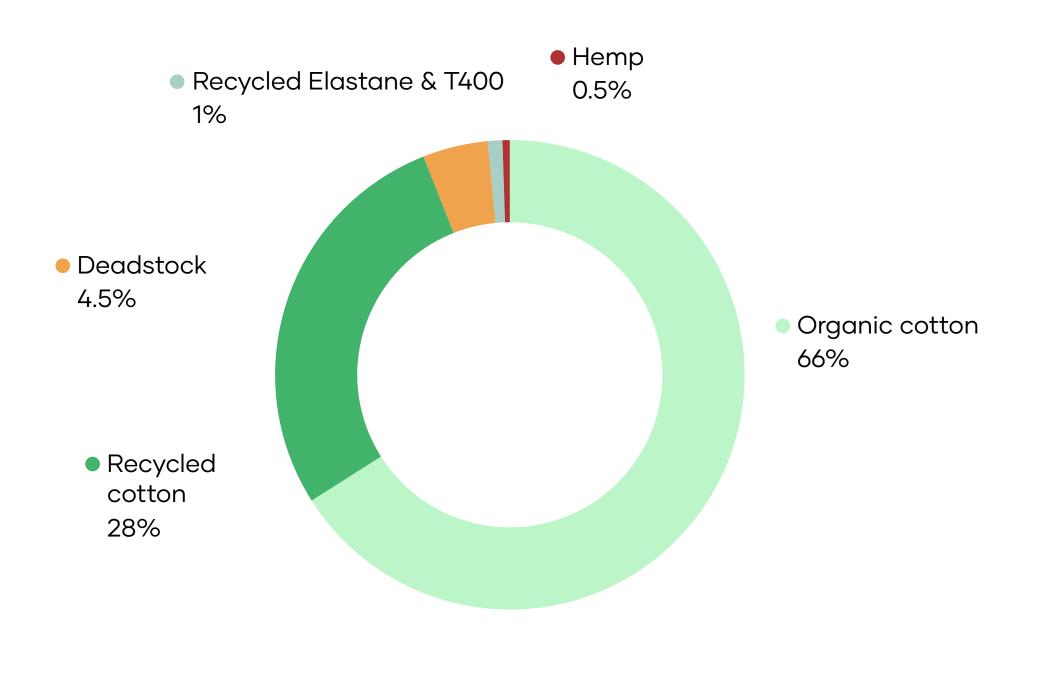
Labels & Tags: Panama Trimmings (Italy)



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What goes into our fabrics?

All of our MUD Jeans fabrics use OCS certified organic cotton and GRS certified recycled cotton. The only exception are a small number of deadstock fabrics; these are unwanted and forgotten fabrics from other brands, which we re-use for 5 of our jeans styles. We always aim to use the most sustainable and highquality materials. Our focus is keeping the use of materials monogamous to cotton. This ensures that our jeans can easily be recycled and reincorporated into production. In 2022 our total denim garment production consisted of 66% organic cotton and 28% recycled cotton. In addition, we used 4.5% deadstock fabric, 1% recycled synthetic fibres and 0.5% hemp. Working with recycled cotton is not easy, but we push limits and demonstrate that it can be done. 95.5% of our jeans contain recycled cotton, the rest is made from reused deadstock fabric. Of those jeans with recycled cotton content, 29% are made with 40% post-consumer recycled cotton.



5% of our jeans are made from "deadstock". This is old fabric that was unwanted and forgotten by other brands. We took it and made sure it was used to its full value.



Material Certifications

The materials that are used in the making of a product greatly shape the impact that it has on people and the planet. There is always a choice in the materials that are used. At MUD Jeans we carefully select materials that are non-toxic, natural, and sustainably produced. As a small brand, we rely on certifications to help us ensure that the above-mentioned standards are met. We know that the world of certification is a labyrinth, so here is an overview of the certificates we use and what they stand for.

Certific

Organic (

Organic C

Recycled

Global Re OEKO-TE

Buttons &

OEKO TEX ISO 14001

Indigo Dy

Cradle to

Dry Indigo

Aitex

Paper Lak

Cradle to

Zippers:

ISO 9001, OEKO-TE

Packagin

FSC Certi

icate	What it stands for	Recognizable symbols
: Cotton: : Cotton Standard (OCS)	This certification means that the cotton was produced with no insecticides or pesticides, and that it is therefore organic. Because we blend our organic cotton with recycled cotton, our fabrics have the OCS Blended certificate.	Ballent stands
ed Cotton: Recycled Standard (GRS) TEX Standard 100	These certifications help us ensure that the recycled content does not contain any harmful substances. GRS specifically also makes sure that the materials are traceable and produced with social and environmental standards.	Global Recycled Standard CONFIDENCE IN TEXT
& Rivets: EX 01 & ISO 19000 Certified	These certification ensure that no harmful substances are used in the making of the products, and that they are produced with environmental management policies.	OEKO-TEX® CONFIDENCE IN TEXTILES
Dyestar Dye: to Cradle Certified	This certification is given to products that are designed to mimic nature's cycle for the end of life. Therefore, this product can either be fully recycled, upcycled, or broken down to return to the earth without harm.	Cradie to cradie
go:	Aitex is a private research association where they carry out testing and certification of textile articles. Their certification shows you how much water, energy, and chemicals are used in a particular method or materials.	aitex® textile research institute
abels: to Cradle Certified	See Dyestar Dye, above.	Cradie to cradie
: 1, IS014001, ISO/TS 16949 TEX Standard 100	These certifications ensure that the product is produced with high quality standards, environmental standards, and with no prohibited chemicals.	OEKO-TEX® CONFIDENCE IN TEXTILES
ing: rtified	This certificate ensures that the raw material used to make our packaging boxes come from responsibly managed forest.	<mark>ба</mark> FSC





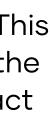


Responsible chemistry

It has been estimated that 8,000 synthetic chemicals are used in the fashion, textile, and shoe industry to turn raw materials into products. This includes carcinogens and hormone disruptors. These chemicals harm the environment, biodiversity, but also the people that must come in contact with them.

However, not all chemistry is bad chemistry. Everything is made of chemicals; this includes the skin on your body and the coffee you are drinking. The key is in responsibly selecting the chemicals used. MUD Jeans consciously ensures that no toxic chemicals are used in the making of our denim. Between 2018 and 2020 all MUD products have been certified by the Nordic Swan Ecolabel. This certification reviews all items and procedures and confirms that we only use non-harmful, biodegradable chemicals. In 2021, we have implemented a new and improved chemical policy based on ZDHC guidelines. ZDHC stands for Zero Discharge of Hazardous Chemicals - something we want to stand by. And we are extremely proud that all of our supply chain partners are compliant with this approach.

MUD Jeans is also unique for the elimination of PP spray and pumice stone washing from the production process. Instead, we use innovative techniques such as laser, ozone and so-called "eco stones" to achieve similar effects. These techniques are not only better for the environment, but also for the health of our colleagues that work at the factories and make our jeans.







What's in our packaging?

Much like our jeans, we keep our packaging simple. The cardboard used for our packaging is FSC certified and contains 72% recycled content. We say no to waste and all things plastic. Thanks to the state-of-the-art facilities of our logistics partner, all jeans are boxed based on size. Upon opening your MUD Jeans delivery, you will find only the essentials, meaning your jeans and relevant documents.



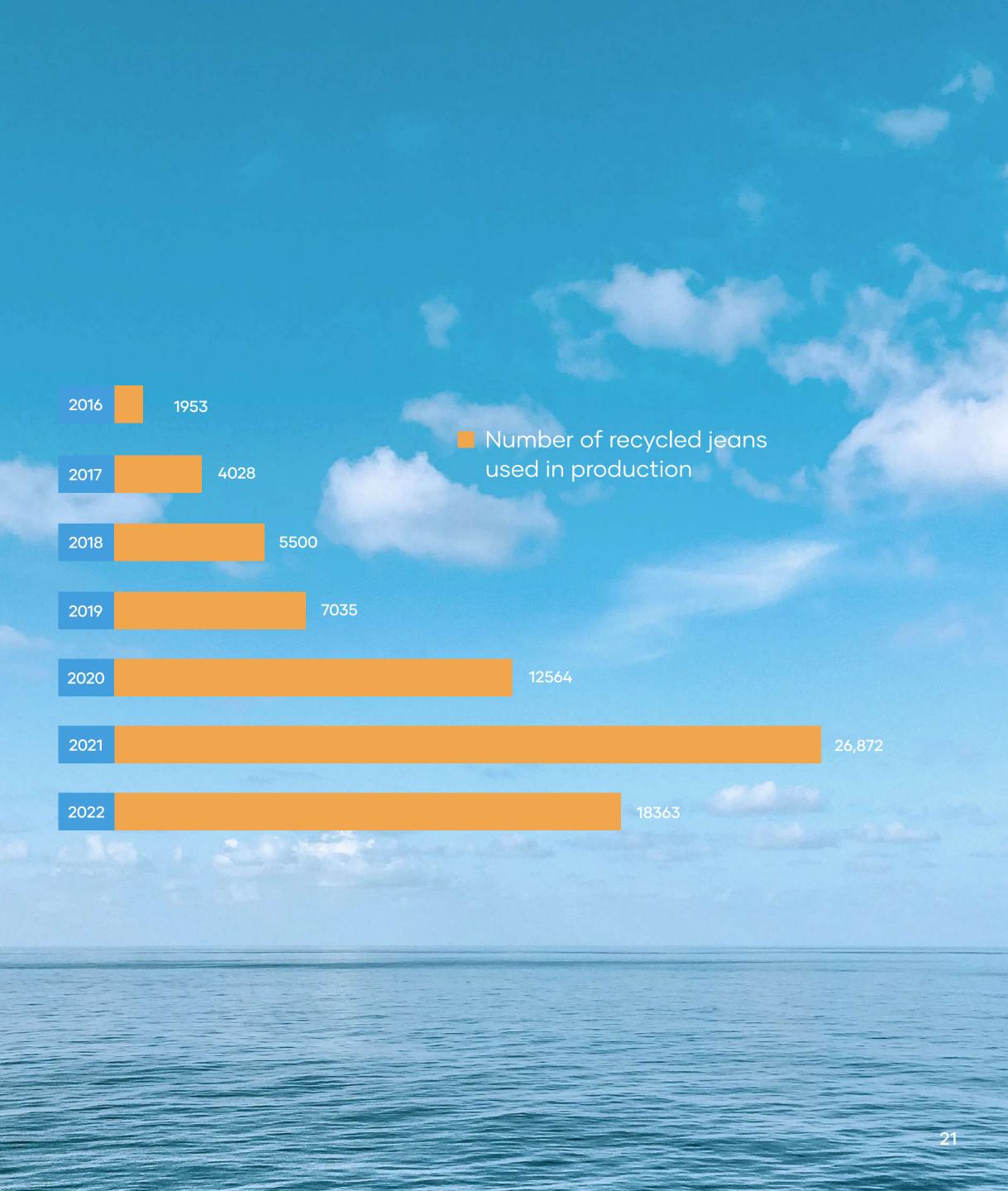


Avoiding waste

Globally, an estimated 92 million tonnes of textile waste are created each year. At the same time, our planet is also unable to regenerate its resources fast enough to keep up with this linear consumption. Earth Overshoot Day marks the day that all resources our planet can regenerate in that year are used up. In 2022, this day landed on July 28th.

This is why we take back our customers' old jeans. And not just MUD Jeans, but any jeans that contain at least 96% cotton. As a brand, we want to take responsibility for the end of life of our product and reuse the resources that once went into it, instead of wasting them. However, waste is not only created at the end of life of the product, but also across the entire production process. These can be the leftovers of chemicals, scraps from production, and unwanted pieces that did not meet the criteria for sale. We want to keep an eye on these often forgotten waste streams too. Currently the 12.5% of fabric loss that is created in production is collected and reused as stuffing. The chemical sludge and oil waste that is produced at Yousstex International is monitored and collected by a Tunisian government agency. Together with our supply chain partners we aim to understand and avoid the creation of waste throughout production wherever possible.

In 2021 we produced a larger number of circular denim sofa covers for IKEA. As these sofa covers use more fabric than our jeans, this meant we could also use significantly more recycled jeans in production.





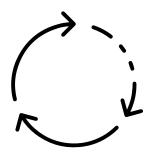
A second chance at life

Research suggests that extending the life of your clothes from one to two years could reduce fashion-related emissions by 24%. While recycling is incredibly important, the first step should always be to repair and reuse when possible.



Repair

All leasing customers receive a free repair service during the first 12 months of their lease. Our goal is to extend our repair offer to all of our customers. In 2022 we therefore kickstarted a wide repair pilot project in Amsterdam & Utrecht, with the aim of achieving learnings that we can apply on a larger scale in the future.



Reuse

All pre-loved MUD Jeans which are sent back to us undergo a quality check. Those that are still in good condition are washed and resold in our vintage collection. Only those which are completely worn out get recycled. Our vintage jeans are sold at special events. In 2022, we turned Black Friday blue once again and closed our online shop. Instead of promoting excessive consumption on this day, we invited our customers to only shop from our vintage collection. This time we were able to find a new home for 110 pre-loved jeans!

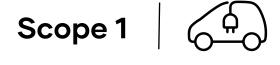


The climate impact of MUD Jeans

Our total carbon impact in 2022: 299,510 kg CO2 eq.

As seen in the transparency and traceability section of this report, many people and locations are involved in the making of a pair of MUD Jeans. This can make it tricky to count and calculate the impact of production and of the whole brand. Impact calculations are commonly split into: Scope 1, Scope 2, and Scope 3.

At MUD Jeans, we offset the impact of all jeans that are sold through our website or one of our partner retailers, across all three scopes. Because we are a small company, do not own stores and lease our office building and company cars, most of our impact lies in scope 3. The impact calculations of our products are renewed every year with our Life Cycle Analysis. You can find out more about this on the next page.



Those emissions that come directly from activities owned or controlled by the organisation, such as own generators or car transportation.

Indirect emissions from purchased energy such as heating and electricity.

Scope 2

Scope 3

Indirect emissions that take place at third party locations of businesses through services we have purchased, such as the making of our jeans and their transportation.



Taking a closer look

Every year we carry out a brand new Lifecycle Analysis (LCA) in which we update all impact calculations of our current products. Over the years we have been sharing our impact overview and for this we are focusing on two key areas: water and CO2. Below we are giving you an overview of our findings for 2022. If you are interested in diving even deeper, check out our LCA report here.







CO_2

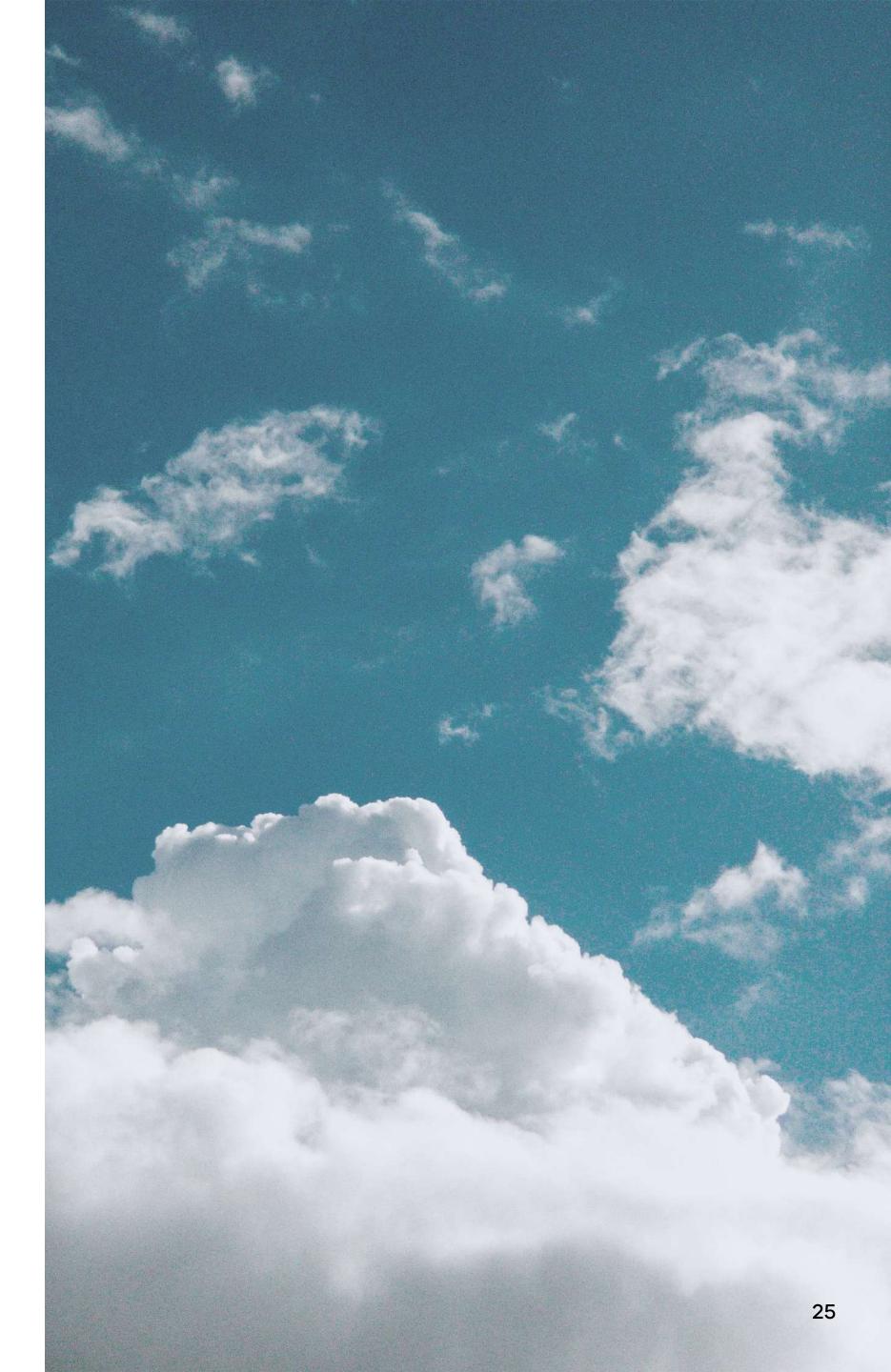
On average, the production of a pair of MUD Jeans emits 3.4 kg of CO2 eq. By using recycled materials, renewable energy and impact-saving spinning, dyeing and weaving techniques, we are able to save 41% CO2.¹

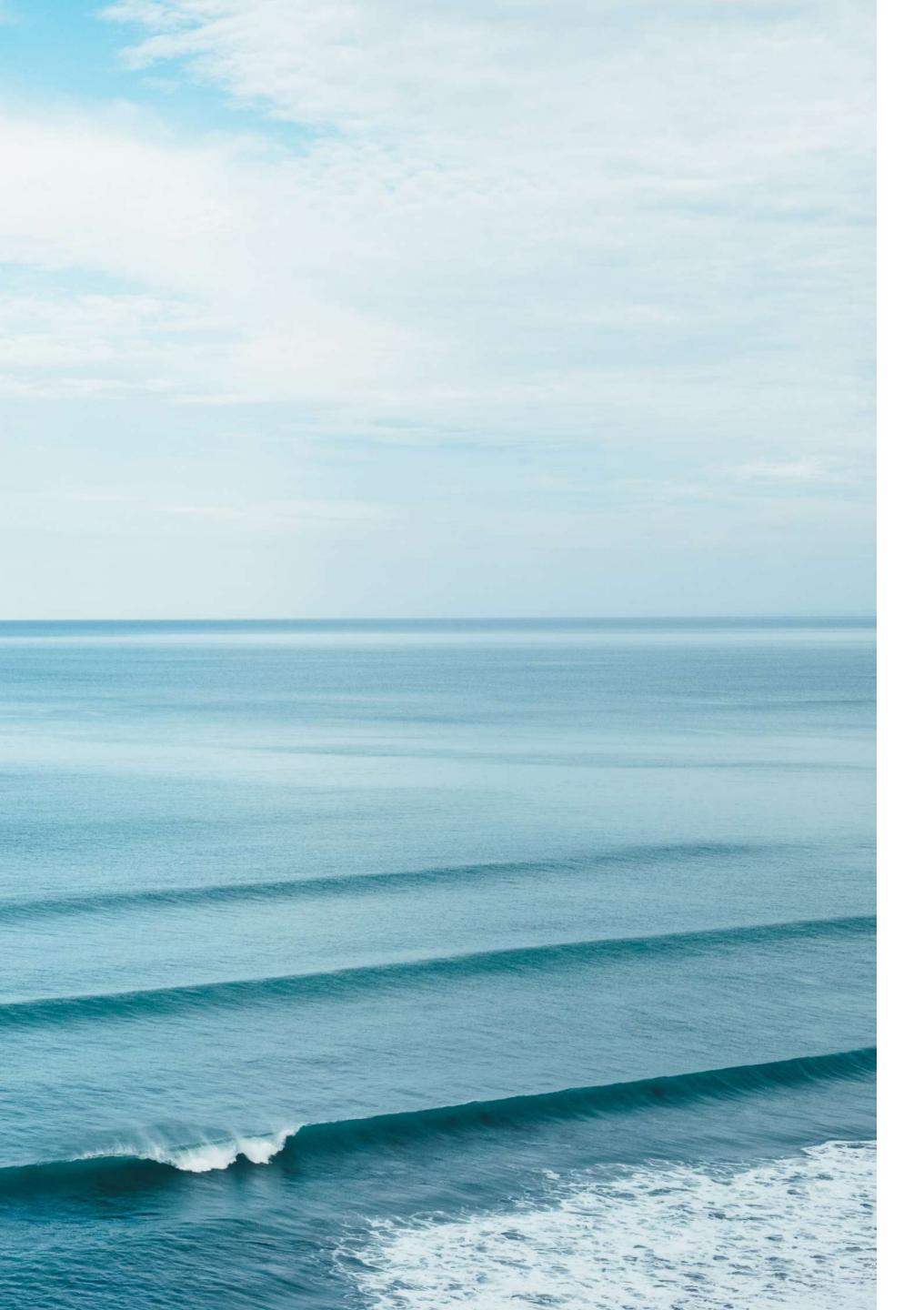
Between 2021 and 2022 we have reduced our average CO2 impact by 42.3%! This is mainly thanks to an even more energy-efficient production process, especially in sewing and ironing, at our partner Yousstex.

While we continuously work to reduce the CO2 impact of our jeans further, we also offset any of their remaining impact by supporting the Teni Wind Farm Project with pale BLUE dot. In theory, this makes our jeans carbon neutral. However we don't want to make you believe that this means our jeans do not have any CO2 impact. Any jeans will still have a CO2 impact during their production. Carbon offsetting can simply remove this impact over time by investing in projects that remove CO2 from the atmosphere. We believe in showing you the exact CO2 impact of our jeans, therefore you can find this information on our online product pages, as well as through a QR code on your jeans.

Next to our carbon offsetting, we work together with the international non-profit Justdiggit. Justdiggit wants to cool down the planet by regreening degraded land in Sub-Saharan Africa. One way in which they do this is by helping forgotten tree stumps come back to life in previously deforested areas. One by one they begin to grow and rebuild the semi-arid areas. The restored trees can then capture CO2, but also retain water, cool down the area and increase biodiversity. For every pair of jeans returned to us for recycling, we donate the equivalent needed to regenerate one tree. Together with you, we have been able to fund the regrowth of 3227 trees in 2022!

¹ If you want to find out more about how we measure our impact and impact savings, read our full LCA report <u>here</u>.





Water

On average, a pair of MUD Jeans uses 400 litres of water. By using recycled cotton, recycled water and water-saving techniques throughout dyeing, spinning and weaving, an average MUD Jeans saves 72% water.²

This is, however, a 1.8% impact increase from our 2021 LCA. The reason for this is that we incorporated new data from two yarn & fabric suppliers, which have a slightly higher water impact. Calik Denim joined our supply chain network in 2021 and Bossa was able to supply indepth data for the first time this year. These partners also have impressive ways to reduce their water impact, allowing us to still use 16% less water than we did two years ago. Nevertheless our goal is to collaborate with these partners to find ways to reduce our water impact further.

In 2022, we conserved 48.7 million litres of water through our material choices and water-saving production techniques. In the standard denim industry, water consumption and toxification is one of the biggest areas of impact. At MUD Jeans we use zero toxic chemicals and thanks to the innovative production techniques of our supply partners, we can produce jeans with high water conservation standards. Apart from wastewater treatment plants which throroughly clean the water used during production, our fabric suppliers make use of innovative watersavings techniques. Our partner Tejidos Royo for example invented a new way of applying dye to the yarn called Dry Indigo. This foam dyeing technique uses 99% less water, 86% less chemicals and 65% less energy. Our jeans manufacturing partner Yousstex International recycles 95% of the water they use through a process called reverse osmosis.



It takes two to tango

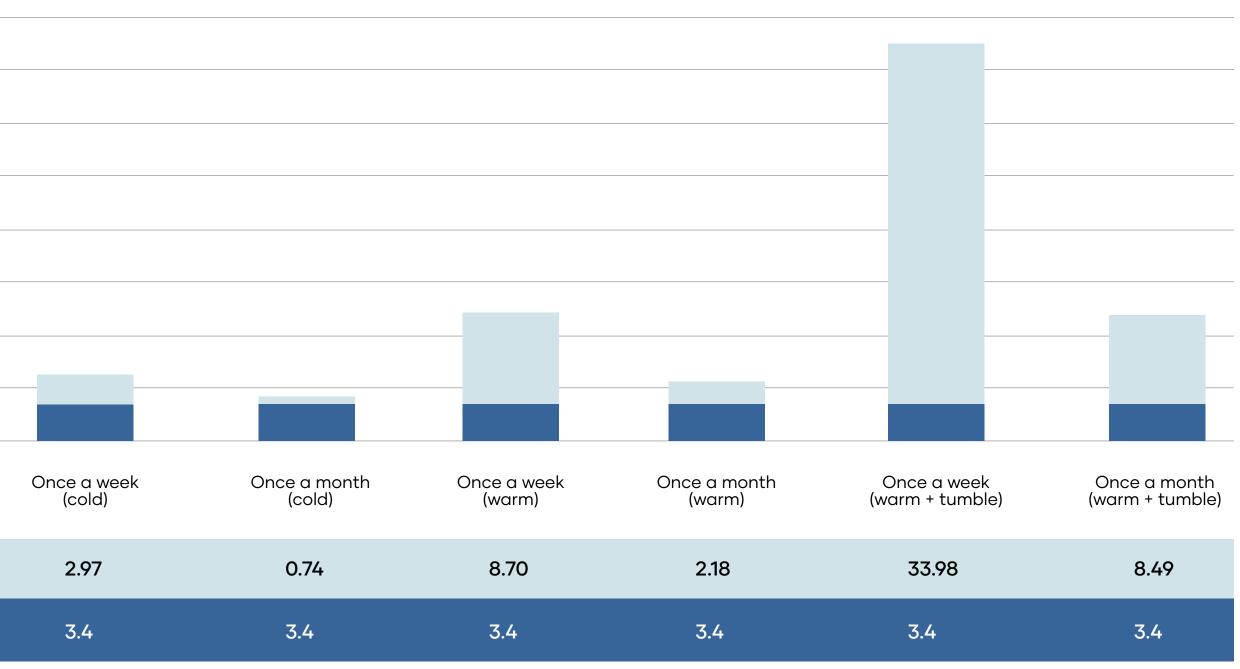
We all have a role to play in the battle of climate change. At MUD Jeans we take our role seriously and work hard to continuously lower the impact of our products. But once our jeans arrive in their new home, the control is out of our hands. Through our labels, post-purchase emails and our website we carefully advise how to care for our denim items in the most sustainable way. In the past we have developed impact scenarios to help visualise these choices. The results are astounding. Washing your jeans at 30 degrees and line drying them is the best choice. Naturally the more times you wear them before washing them the better. In the one year lifespan of a pair of MUD Jeans, each customer can contribute 18-91% to the total CO2 impact of their jeans. It shows: how you take care of your clothes matters.

- 45.00
- 40.00
- 35.00 -
- 30.00 -
- 25.00
- 20.00
- 15.00

10.00

5.00

0.00





Average impact of user washing the jeans



Average Value Cradle to Gate





The Road to 100 Project is all about pushing the limits of circular denim. The aim of the project is to make a pair of jeans from 100% post-consumer recycled cotton. Why? Around the world, a truckload of textiles is landfilled or incinerated every single second while our planet is unable to regenerate its resources fast enough. This is our attempt to directly combat the textile waste and resource consumption problem within the fashion industry. The outcome of this project would allow us to make new jeans without using any new cotton. That's a big circular step!

This project began in 2019 and after endless testing and trying together with Saxion University, we finally created our first sample in early 2022. The worldwide first of its kind! This was celebrated with the launch of a mini documentary series. This project holds huge environmental potential and our ultimate aim is to gradually introduce 100% post-consumer recycled jeans into our collection.

Watch now



Keeping track of our circularity goals

- Begin looking into resale options for our pre-loved MUD Jeans.
- Successfully recertify as a B corp and increase our score further if possible.
- Increase the percentage of recycled content in our collection.

Goals		Achievements		Future Actions	
Create the world's first jeans sample madefrom100%post-consumerrecycled cotton.	>	Success!Checkoutourshortdocumentary series on this to see how we did it.	>	Implement these learnings in our collection, gradually increasing the % of post-consumer recycled content.	
Full traceability per product through a supply chain transparency QR code.	>	Success! Scan the QR codes on hangtags and care labels of new products to find out more.	>	Continue improving and expanding the data we communicate.	
Send out waste measurement surveys and investigate reduction opportunities.	>	Success! We have sent out the surveys and discussed first improvement options.	>	Continue collaborating with our partners to reduce waste when possible.	

Below is an overview of our 2022 goals. We have also identified a few additional ones for 2023:

• Update our impact comparisons approach.



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Support Yousstex International in implementing renewable energy in the production.	n ir >	Unfortunately we a in receiving a perm we won't stop tryin
Switch to recycled elastane for our stretc denim.	h >	Success! We nov elastane in our fab
Identify second choice (faulty) denim and find alternative uses for this.	d >	We have identified some.
Investigate our return rate and begin looking for ways to reduce this.	n	We are working o improving our sizi return rates.
Investigate possibilities for wider repai options.	ir >	Success! We have for all MUD Jeans cu & Utrecht.

e are still facing difficulties rmit for solar panels. But ring!	>	Keep pushing!
now only use recycled abrics.	>	Keep it up!
ed them and made use of	>	Begin using more of the stored denim pieces.
on it! We are currently sizing and fit to reduce	>	Keep investigating and improving!
ve launched a repair pilot scustomers in Amsterdam	>	Investigate options to apply learnings to our overall business model.



SUSTAINABLE DEVELOPMENT GALS

The Sustainable Development Goals (SDGs) are the world's to-do list to achieve a better and more sustainable future for all by 2030. Adopted by 193 countries in 2015, the 17 goals measure our progress towards ending poverty, protecting the planet, and ensuring that people have peace and prosperity.

MUD Jeans proudly aligns to this initiative and uses this framework to drive its sustainability efforts. Here are the five main SDGs that MUD Jeans contributes to (ordered by numerical value not by importance):

DECENT WORK AND ECONOMIC GROWTH

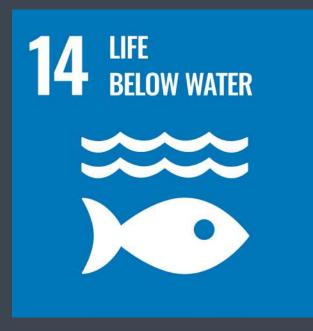
We stand for fair, safe and healthyworkingconditions. This is mandated by our code of conduct and ensured by a transparent supply chain and thirdparty audits

12 RESPONSIBLE CONSUMPTION **AND PRODUCTION**

Circularity is at the core of our business model, shaping the way we design, produce and interact with our customers.



We take climate action by measuring our impact, continuously working to reduce it, and supporting climate positive action.



MUD Jeans are produced using innovative water conservation techniques, which not only recycle but clean the water. From cotton to jeans, no toxic chemicals are used.



The materials we use, our production techniques, packaging and designed to minimise our impact on ecosystems and biodiversity.









Ethical production

The fashion industry employs over 300 million people worldwide. This means that roughly one in eight people contribute their work toward the fashion and textile industry. Still, there is a huge disconnect between the clothes we wear, and the people involved in the process of making them. This is rooted in the unbalanced, unjust, and power-centred relationship between brand and garment worker. Garment workers are squeezed into unsafe working conditions and low wages, while brands push for low manufacturing costs.

We believe that there is an alternative to the unbalanced approach in fast fashion. MUD Jeans has built connected partnerships with its main supply chain partners. This connection is necessary to build not only a circular but also an ethical business. Every material decision we make and the supply chain partner we choose is focused on ensuring that they reflect our values of transparency, equality and safe working conditions. Every year our supply chain partners are also asked to review and sign our Code of Conduct. This document clearly outlines our expectations from our suppliers and employees and the values that we stand for, including labour rights, working conditions and ethical business standards.



WORKING ENVIRONMENT

Everyone is entitled to a safe working environment.

Safety at work relates to the building you work in, the tools you use, and the overall conditions and people you are exposed to. It is about respecting the quality of life of every individual, and the value of their work. Therefore, as a business we want to make sure everyone involved in the making of MUD Jeans has their health and safety prioritised.

MUD Jeans Code of Conduct 1.6.2

"The working environment shall be safe and hygienic, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Hazardous chemicals and other substances shall be carefully managed. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in, the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment."

LABOUR RIGHTS

human rights of workers.

Labour rights ensure that employees are treated correctly at work and that their rights are protected. They ensure that employees can say no to work they don't want to do, that there is a limit to the number of hours they are expected to work and, should they want to, they can unite with colleagues and bargain for improvements and change from their employer. For MUD Jeans, this freedom and respect of all employees is paramount.

MUD Jeans Code of Conduct 1.2.1

"Workers, without distinction, shall have the right to join or form trade unions of their own choosing and to bargain collectively. The employer shall not interfere with, or obstruct, the formation of unions or collective bargaining." ILO Conventions No. 87, No. 98, No. 135 and No. 154."

Labour rights are both the legal rights and

EQUALITY

Equality is about ensuring that everyone is treated the same, regardless of their race, ethnicity, gender, age, ability status, sexual orientation or political affiliation.

At MUD Jeans we are strong supporters of this notion and through our Code of Conduct we ask our suppliers to follow it too. With women making up 80% of the garment workforce, we want to ensure that they are being given equal opportunity and treatment. At Yousstex International, men and women are paid equally. Distinction in salary is based on job/ position in the factory only.

MUD Jeans Code of Conduct 1.4

"There shall be no discrimination at the workplace in hiring, compensation, access to training, promotion, termination or retirement based on ethnic background, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation." ILO Conventions No. 100 and No.111 and the UN Convention on Discrimination Against Women.





Social responsibility across our supply chain

Our Code of Conduct is reinforced by third party audits that each one of our supply chain partners go through individually.

Recover, Ferre and Tejidos Royo are based in Spain where they follow and are regulated against EU labour law. They are GRS Certified, verifying their responsible social, environmental, and chemical practices in production. They are also certified to the UN Global Compact, a UN initiative working to advance labour rights, the environment and anticorruption in the business world. Finally, all three are members of the BSCI, a membership that requires an audit covering chemical management, social responsibility, and safety at work.

Two of our fabric production partners, Calik Denim and Bossa, are based in Turkey. Both are GOTS, OCS and GRS certified and have energy and environmental management systems in place, certified through ISO 50001 and ISO 14001. They are also members of SEDEX, an organisation which enables companies to manage and improve working conditions along their supply chain.

Our garment manufacturing partner Yousstex International is based in Tunisia. They regularly complete audits with the Social Labour Convergence Program (SLCP) as well as IWAY audits, which cover environmental, social, and working conditions.

Our partner Yousstex International makes us extra proud. They have set up a free school in their factory for employees aged 16-20 years. These young employees are given the opportunity to work less hours and spend some of their time taking classes in language, maths, and textile practical studies. Once courses are completed, students receive a professional qualification diploma.



MUD Jeans' purchasing practises

MUD Jeans promotes slow fashion through its cross-seasonal collection and timeless denim designs. We place many of our orders based on a NOOS (Never out of stock) strategy. This consists of making monthly orders based on an analysis of demand for each style. With this approach, we prevent waste from unwanted stock and foster a continuous long-term working relationship with our supply chain partners with transparent pricing and comfortable production timelines. Over time, this has created great trust between all partners.

People & planet

B Corps are businesses that balance purpose and profit. Unlike standard businesses, they hold a responsibility to their shareholders, which include employees, customers, suppliers, the community, and the environment. As a proud B Corp, MUD Jeans puts people at the centre of its business and carefully analyses the impact of its decisions on its shareholders. In 2020 and 2021, we stood by these values by remaining in solidarity with our supply chain partners and supporting our employees. We aim to always do and be better for our people and it is a continuous journey.

Human rights and the rights of nature are interconnected. MUD Jeans has a strong understanding that the fight against climate change is a fight to protect humanity and human rights. Only with a healthy planet can we continue to have access to food, water, and shelter (all basic human rights). And while we are small, we hope that our circular jeans with minimal environmental impact inspire others to do the same.





Justice, Equity, Diversity & inclusion

We are committed to building a workplace and environment where everyone feels valued and respected. We believe in the importance of a just, equitable, diverse and inclusive way of working. But we also know that commitment by itself is not enough, and that these topics require continuous learning and reflection. One part of our effort in doing so is our membership in the B Corp working group focused on justice, equity, diversity and inclusion (JEDI). Together with other B Corps, such as Tony's Chocolonely, Swapfiets and Ace & Tate, the objective is to reflect, be vulnerable and learn something new. More specifically, "we make space for conversations, resource sharing, campaigns and events that center around JEDI." In 2021, we held our first public workshop on 'Unlearning and Relearning JEDI' and currently we are working on a JEDI handbook for businesses, in collaboration with experts.

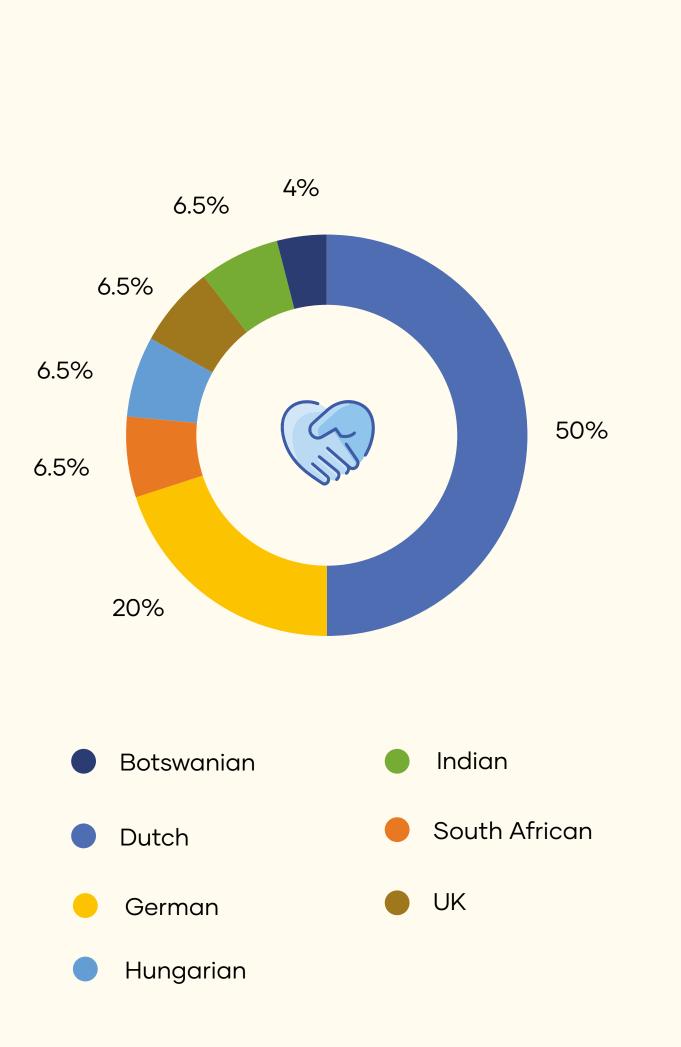
MUD Jeans is a team of mixed nationalities that thrives on its diverse backgrounds and viewpoints. To ensure a safe and just work space, we have included the topic of inclusivity and discrimination in our employee satisfaction survey and we aim to continuously improve our approach on the matter. Our supply chain partners have also committed themselves to foster equality and refrain from any discrimination at their workplace through our code of conduct. This includes hiring practices, compensation, access to training, promotion, termination or retirement. Still, there is much more progress to be made. We continuously aim for more diverse and inclusive content, collaborations and partnerships. We are also aiming to further extend the size range of our products in the future.

Diversity

The difference within a group of people. This can be ethnicity, gender, disability, sexual orientation, age, religion and more.

Inclusion

Where different identities feel valued, leveraged, and welcomed within a given setting. 36



The MUD Team





Positive activism

We love our planet and want future generations to enjoy this planet too. That's why we generate a positive impact by pioneering with our jeans, by changing the status-quo of the fashion industry and by empowering other businesses and consumers to become circular. We do this by being transparent, by sharing knowledge and by giving consumers the tools to make the change. Our social media channels are important in getting these stories across.

As frontrunners in circular denim we became an exemplar company of successfully running a circular business. We hope that our circular success story empowers other entrepreneurs, people, and students to go circular.





Voices for Good

Through Voices for Good, we are using our platform to amplify and shed a light on people and projects committed to doing good. On the platform you can discover real projects by real people, tackling real problems.



MUD Monthly Webinar

Every first Monday of the month our Founder Bert van Son and our Sustainability Manager Lea Landsberg host an online Q&A session to answer questions from students and researchers worldwide. We are proud of the theses and projects in which MUD Jeans circular approach is being named as an example. In turn, the participants keep us sharp with their curious minds and critical questions.

Learn more



Sustainable Fashion Course

Together with industry experts, we created a free sustainable fashion course for students and young professionals who want to learn more about the topic. The course covers five topics: fast fashion, our work at MUD Jeans, partnerships, transparency, and responsible business. After successful completion, students can receive a certificate.



Keeping track of our social goals

- Together with the dedicated B Lab Working Group and topic experts, launch a handbook for businesses that wish to start their journey on the topics of justice, equity, diversity and inclusion (JEDI).
- Run a webinar with pioneering B Corps to share JEDI best practices.
- Organise a live 'behind-the-scenes' from our supply chain partner in Turkey.

Achieve		Goals
We provide employe off per year to enabl	>	Enable more volunteering within the team.
We have extended o of our new models.	>	Work on more inclusive sizes for our MUD Jeans.
Succes		Send out a diversity survey to our supply chain partners.

Below is an overview of our 2022 goals. We have also identified a few additional ones for 2023:

evements	Future Actions		
oyees with one paid day able volunteering.	>	Share a set of volunteering options with the team, to provide inspiration.	
d our size range on some s.	>	Apply learnings to increase the inclusivity of our sizes for our remaining styles.	
cess!	>	Regularly update and evaluate the survey data.	





40

 Further increase employee satisfaction.
 Success! We have so implemented variou

 Increase the diversity of the models we work with.
 We have collaborat higher variety of size

 Share in-depth information about our
 We have shared information

media.

new supply chain partner.

Success! We have successfully implemented various feedback points.	>	Formally track all employee feedback and implementation rate.
We have collaborated with models of a higher variety of sizes, ages and ethnicities.	>	This continuously remains a point on our agenda.
We have shared information about Calik Denim and their fabrics through social	>	We want to provide further permanent information on our website.







Thank You!

Whether you've been skimming through our reading every sentence, thank you for sticking around until the end of this report! We are proud to share with you every year how far we have come and how much we still want to do. See you next year!



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Sustainability Report 2022

Follow our progress throughout the year as we continue to share our journey on our platforms.



