

OSKLEN

Sustainability Highlights

2022

by **instituto **





ABOUT OSKLEN'S SUSTAINABILITY HIGHLIGHTS

This report presents the highlights of Osklen's sustainability initiatives as a whole and in the year 2022. **Transparency and disclosure are fundamental for us to continue affecting real and consistent changes, and inspire our supply chain and society.**

The Osklen Sustainability Highlights is developed by Instituto-E. It is aligned with the United Nations' Sustainable Development Goals (SDGs).

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INSIDE OSKLEN

ACROSS 5 COUNTRIES

83 STORES | 54 COMPANY-OWNED | 29 FRANCHISE

● STORES

BRAZIL, 20 STATES + FEDERAL DISTRICT (DF)

URUGUAY, PUNTA DEL ESTE

USA, MIAMI

● SHOWROOMS

USA, NEW YORK CITY

JAPAN, TOKYO

PORTUGAL, LISBON + PORTO

BRAZIL
AMAZONAS / PARÁ / ALAGOAS / BAHIA / CEARÁ / PARAÍBA /
PERNAMBUCO / PIAUÍ / RIO GRANDE DO NORTE / SERGIPE /
DISTRITO FEDERAL / GOIÁS / MATO GROSSO / MATO GROSSO
DO SUL / ESPÍRITO SANTO / MINAS GERAIS / RIO DE JANEIRO /
SÃO PAULO / PARANÁ / RIO GRANDE DO SUL / SANTA CATARINA

100% 

renewable energy*

International REC Standard [I-REC] certified

*data regarding Osklen's headquarters

100% 

of t-shirts produced from sustainable materials and/or processes*

*natural fibers or processing: dyeing, softening, or printing

15% 

water consumption savings* rainwater harvesting system

*data regarding Osklen's headquarters

100% 

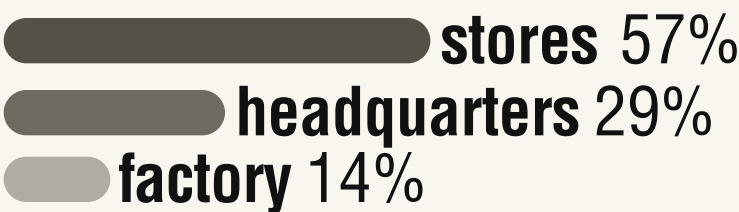
of shoe soles are sustainable*

*produced with recycled materials (reutilizing rubber shavings, rice straw waste or cork) and/or Amazonian latex and/or sugarcane-based EVA grown and cultivated in southern Brazil

96%

of the production chain is composed of **brazilian suppliers**, which generates jobs, stimulates the local economy, and adds value to the national industry

904 team members



60%

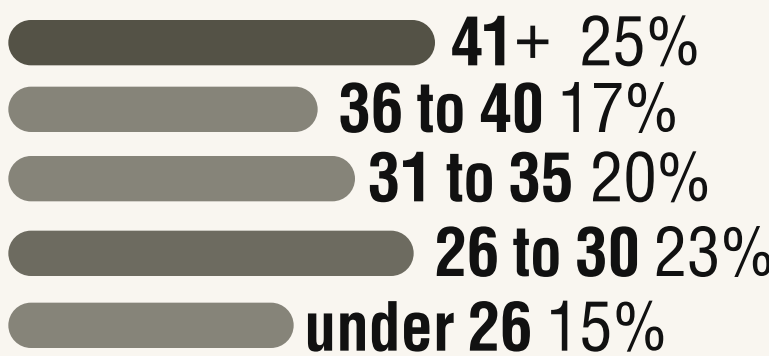
of women in leadership positions

management, coordination, and supervision

67%

of women in board positions

staff by **age** group



+11k

indirect jobs generated in the supply chain

E-FABRICS

// RAW MATERIAL SOURCE // IMPACT OF MANUFACTURING PROCESS // PRESERVATION OF BIODIVERSITY AND CULTURAL TRADITIONS
// ETHICAL RELATIONS WITH COMMUNITIES // DESIGN AND BUSINESS FEATURES

528,2 million

liters of water **saved/year***

1000 tons

of CO2 **no longer emitted***

3,7 million

kWh of energy **saved***

*data regarding the impacts generated by prioritizing the use of e-fabrics in one year of production. raw materials used: hemp, jute, pet knit, recycled cotton, organic cotton, recycled soles, and pirarucu leather. reference year: 2022

2

SUPPLY CHAIN



SUPPLIER **MANAGEMENT** & **DEVELOPMENT**

In-house department dedicated exclusively to **ethical and responsible supply chain management**.

By implementing continuous auditing processes and the approval of direct contractors and subcontractors that ensure the commitment of partner companies to:

- // **social and environmental responsibility values**
- // **quality requirements**
- // **full legal compliance**

E-ESG CRITERIA

[ECONOMIC, SOCIAL, ENVIRONMENT,
AND GOVERNANCE] 

Guidelines for **socio-environmental practices** that guide the performance of Osklen's **sustainability pillar**.

These guidelines support the process of validating products and **processes with sustainable characteristics** and contribute to the development of the chain in terms of sustainability.



2022 IMPACT

96%

of the production chain is composed of **brazilian suppliers**, which generates jobs, stimulates the local economy, and adds value to the national industry

100%

of the national supplier chain, direct and indirect*, **fully mapped and audited**

*tier 1 and 2 suppliers of finished product approved according to the osklen auditing protocol

+11k

indirect jobs generated in the supply chain



3

E-PORTFOLIO

E-LABEL | Identification & accreditation for products, raw materials, and production processes aligned with Instituto-E's sustainability criteria.

The materials and products that are awarded the e-label are assessed based on five criteria:

- 1_ **raw material source** [sustainable, renewable ou recycled]
- 2_ **impact of the production process** on the environment
- 3_ **rescue and preservation** of cultural diversity and traditions
- 4_ **promoting ethical relations** with communities and collaborators
- 5_ **design, commercial features, and economic viability**

By prioritizing the use of these materials, Osklen contributes to reducing socio-environmental impacts in its production processes.

- // water and energy **savings**
- // **reduced** CO2 emissions
- // **generating increasingly positive impacts** in the fashion industry

61%
of Osklen's portfolio
**is composed of products
with the e-label**





Reframing waste.
Positive environmental impact.
Reducing environmental pollution.

Developed by Osklen, Aquaone is the first sustainable fabric specifically designed for surfing created in Brazil. It is produced from post-consumer recycled PET in a process that reduces water and energy consumption compared to the production of virgin polyester.

PRODUCTION PROCESS

*versus the production of virgin polyester

average reduction of 20% in water consumption	CO2 emissions reduced by 30%	energy consumption reduced by 45%
4,24 500ml PET bottles used to produced one pair of aquaone boardshorts	+30k 500ml PET bottles removed from the environment and recycled with all aquaone fabric production in 2022	dyeing process reduces water consumption by 4x compared to traditional dyeing processes
approximately 450k 500ml PET bottles removed from the environment and recycled with aquaone production since its creation in 2017 until 2022		

JEANS-E

Inspired in Ipanema.
Created in Rio.
Made in Brazil.

Denim line developed in partnership with
Instituto-E through sustainable production
processes.

// recycled cotton
// certified cotton
// sustainable dyeing processes

denim line

100% ASAP

**As Sustainable As Possible
As Soon As Possible**

all pieces developed using sustainable
materials or production processes

up to

95%

reduction in water use

compared to traditional methods

amazon GUARDIANS

Biodiversity richness.
Ancestral culture and spirituality of the indigenous people.
Sustainable human development.

Amazon Guardians is a movement that brings together 20 years of experience in sustainable development. More than a product, it is a commitment to the planet. It promotes the preservation of the Amazon rainforest and the well-being of its peoples.

AG SNEAKERS

Born in the Amazon.
Proudly made in Brazil.
Worn by the World.

The Amazon Guardian sneakers were developed to become a sustainability milestone. They are the combination of the best practices of Osklen and Instituto-E with sustainably-sourced materials. More than a product, they are a commitment to the planet.



+5
partner
institutions

20%
recycled material
used in the soles
rubber shavings, rice straw or
cork waste

Brazilian supply chains
Amazon **bioeconomy**
empowering indigenous communities
standing forest
upcycling



AMAZONIAN JUTE

Development of Brazilian supply chains.
Strengthening the standing forest economy.
Conservation of Amazonian socio-biodiversity.
Empowerment of indigenous peoples.

Amazonian raw material, cultivated naturally and organically along the riversides of the forest. Its production is one of the main economic activities of riverside communities in Amazonas and Pará.

Osklen utilizes jute in an innovative and responsible manner in fashion.

23,4
million

liters of water **saved***
saving up to 83% when
compared to traditional
cotton

thousands
of families involved in
jute production in the
amazon and Pará

ethical &
fair trade
certification

9 tons
of **CO2 reduced***
saving up to 90% when
compared to conventional
cotton

zero
deforestation

*by prioritizing jute over traditional cotton in 2022.

AMAZONIAN LATEX

Extracted from the seringueira (rubber tree), latex is the raw material of natural rubber. Native to the Amazon, the latex used in Osklen AG sneakers is sourced from extractivist communities in the Xingu and Tupi-Guaporé territories, renowned for their Brazilian Amazonian socio-biodiversity.

2 AMAZONIAN TERRITORIES

5 PROTECTED AREAS



XINGU

A reference of the socioenvironmental diversity of the Brazilian Amazon. The region constitutes one of the most extensive corridors of interconnected protected areas in the world, encompassing 2 biomes (Amazon and Cerrado) with hundreds of forest landscapes and home to diverse peoples with different cultures and languages.

Protected Areas

Riozinho do Anfrísio Extractive Reserve | Iriri River Extractive Reserve | Xingu River Extractive Reserve

TUPI-GUAPORÉ

The region of the territory lies between the states of Rondônia and Mato Grosso, with protected areas totaling over 4 million hectares, including 14 indigenous lands and 28 conservation units.

Protected Areas

Ouro Preto River Extractive Reserve / Cautário River Extractive Reserve

Osklen contributes to conserving
+1,7 million
hectares of standing forest
by using natural Amazonian latex

PIRARUCU FISH SKIN

Zero deforestation.
Standing forest.
Amazon bioeconomy.
Brazilian cultural wealth.
Reframing waste.

Pirarucu is a fish historically intended to sustain the Amazonian peoples, and its skin was often discarded.

Osklen, in partnership with Instituto-E, was a **pioneer in utilizing pirarucu skin** in the fashion industry.

Pirarucu leather used in Osklen products is sourced from **sustainably managed reserves** in regulated Amazon regions, adhering to specific fishing criteria that preserve the species. Additionally, the leather comes from legally authorized farms certified by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA), the Ministry of Agriculture, Livestock, and Food Supply (MAPA), and Fisheries Departments.

12,4 million
liters of water **saved***

55,7k
kilos of methane gas **reduced***

3,8 million
square meters of **land saved***

*by prioritizing pirarucu fish skin over bovine hide in 2022

RECYCLED COTTON

Circular economy.
Positive environmental impact.
Conscious consumption.
Sustainable fashion.

Raw material developed from the reuse of textile industry waste. In this process, fabric scraps are sorted by color, recycled, and transformed into a new fabric, in a production process that does not require dyeing, thereby reducing water and energy consumption.

303,9
million

liters of water **saved***

109,6 tons

of **CO2 emissions reduced***

1,2
million

kwh of energy **saved***

212,7k

square meters of
land saved*

72%

growth in recycled cotton
in Osklen's portfolio-e

2018 vs 2022 comparison

*by prioritizing recycled cotton over
traditional cotton in 2022

AMAZON SENSE

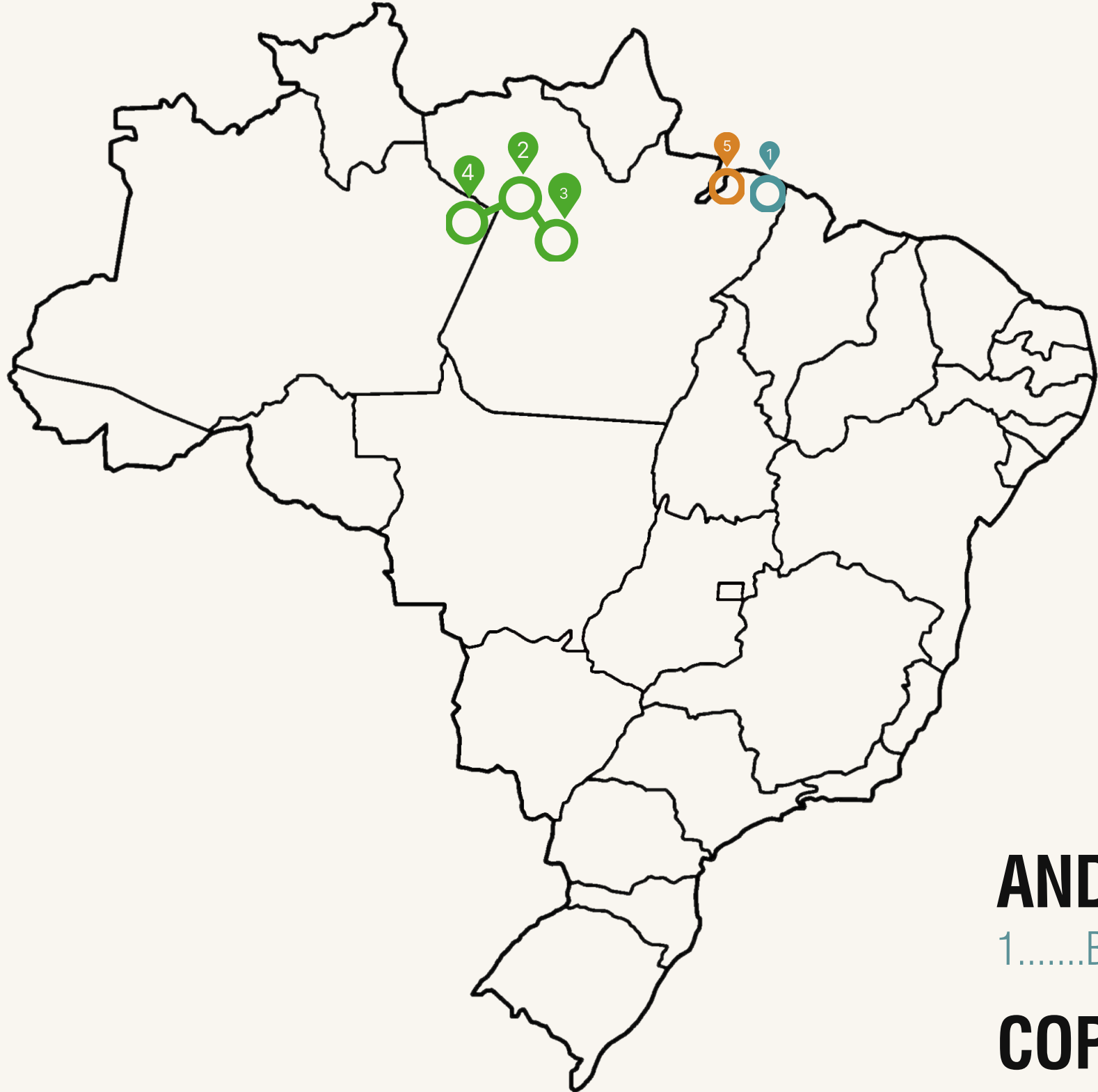
Fabric softener and natural fragrance produced with native elements from the Amazon through a project that values the richness of biodiversity and helps maintain the standing forest, as part of the Amazon Guardians movement.

Provides a connection between the city and nature by creating a unique sensory experience through the senses, aromas, touch, and the alchemy of native ingredients.

andiroba | copaíba | storax | tonka bean

ANDIROBA OIL

Launched in 2022, Andiroba Oil is a natural fabric softener produced from andiroba oil – a native plant from the Amazon region of Bragança, Pará. The natural softener is made through an organic and sustainable process that utilizes cultivation methods promoting biodiversity conservation in natural ecosystems.



- ANDIROBA**
1.....BRAGANÇA/PA
- COPAÍBA & TONKA BEAN**
2.....ORIXIMINÁ/PA
3.....ALENQUER/PA
4.....NHAMUNDÁ/AM
- STORAX**
5.....SANTO ANTÔNIO DO TAUÁ/PA

social empowerment
standing forest economy
brazilian cultural wealth
promoting local economy

Amazon
& Atlantic Forest
biomes

“

when someone – anywhere in the world – wears a t-shirt made from jute fiber or pirarucu leather sneakers, **rest assured that the forest renews itself, local communities are empowered, and the concept of preservation becomes stronger.**

Oskar Metsavaht



4

LESS WASTE,
MORE CIRCULARITY

NEW PACKAGING // STORES

Based on the consumption history and packaging usage behavior, it was possible to halve the inventory in stores, and the new mix consists of more sustainable materials, such as recycled kraft paper.

50%
reduction
in the packaging mix
items*

100%
of bags made of
recycled materials*

+22 tons
of post-consumer waste
reduced*

68%
reduction in the use
of virgin fibers*

*data referring to comparing before versus after project implementation

NEW PACKAGING // E-COMMERCE

By including the option of “gift packaging” in the e-commerce platform during the purchasing process, allowing customers to choose the type of packaging they prefer, Osklen contributes to the reduction of post-consumer waste in online purchases.

+24 tons
of paper **reduced**

94%
reduction in
post-consumer waste
comparing before versus after implementation

- LESS WASTE, MORE CIRCULARITY

Reverse logistics project for the boxes used to transport items from the Distribution Center (DC) to stores.

With this initiative, these boxes — which were previously discarded — are now reused and returned to the DC through the same established logistics process.

42%
box return rate*

+19 tons
of **reused*** paper

*impact refers to the year 2022

80%
increase in
returned boxes
compared to 2021

100%
recycled cardboard



5

RESTINGA PROJECT



Founded in Rio de Janeiro, Osklen has a connection with the city that goes beyond expressing a tropical lifestyle and appreciating beach culture and nature.

Fourteen years ago, Instituto-E created the pioneering project **"Restinga: Recovery of the Brazilian Coast"** in partnership with Osklen. The Project rescues and preserves the native coastal vegetation, as well as its original flora and fauna.

The initiative started in 2009 through a public-private partnership with the city hall of Rio de Janeiro. **Osklen annually adopts 26 restinga (sand dunes) beds along the Ipanema and Leblon coastline**, while Instituto-E ensures the daily maintenance of these areas: replanting seedlings and organizing environmental awareness activities.

Restinga vegetation plays an important socio-environmental role by helping stabilize coastal dunes, providing habitat for endemic flora and fauna, protecting the coastline from erosion, and moderating ambient temperature. It acts as a protective barrier during storms and winds and so contributes to the conservation of beach ecosystems and the balance of the coastline.

+10k

square meters of
replanted areas

28

adopted restinga beds

8

native species such as
coastal jack-bean, globe
amaranth, and spiny burr

**SAVE YOUR LIFESTYLE.
PROTECT OUR BIODIVERSITY.**

38k

restinga seedlings

6k

square meters of area
relocated for dunes





“

we can and should use our creativity and art to take action. a call to generate positive impact, changes in habits, and collective transformations through our choices.

OSKAR METSAVAHT

instituto e

Instituto-E is a Civil Society Organization of Public Interest (OSCIP) that works with sustainability concepts and practices through its own methodology – Sustainable Design Thinking – which combines sustainability, design, and transformation to promote sustainable development in social, environmental, and governance perspectives.

Over the past 20 years, Instituto-E has been an in-house sustainability partner to Osklen, developing and implementing projects and initiatives to enhance the brand's sustainable culture.

RESPONSIBLE SUPPLY & INNOVATIVE SOLUTIONS FOR THE CREATIVE INDUSTRY

The projects and initiatives illustrated herein contribute to attain the following Sustainable Development Goals proposed by the UN:



SUSTAINABILITY HIGHLIGHTS 2022

// SOURCES

// Socio-environmental Impact Report |
COPPEAD Graduate School of Business /
Federal University of Rio de Janeiro – UFRJ
in partnership with Instituto-E 2022

// **Osklen** | Administrative, Styling, Supply,
Planning, Human Resources, and Supplier
Management & Development areas

// Osklen company's results and impacts
report | **Origens Brasil** member

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