· · · · · ·	Planet People		Goals
DIGITAL MAIL			
104 PAGES	-		
53 SPREADS			
	ace & tate		
	Respons	ibilit	ty
	Report 2	HR Handbook	
	Campaign Launch Brand Deck	Responsibility Report Invoice	
	Author's Address & Postcode		
	Ace & Tate George Westinghousestraat 2 Amsterdam 1097 BA NETHERLANDS		
	Description of Contents	Weight (words)	Value (personally)
	Intro — Letter from the team — Introduction to Ace & Tate — This is our approach — Recap of 2022 Planet — Our responsibility — Climate: Corportate Footprint — Product: Product Footprint / Materials and	11,872	Priceless
	Manufacturing / Circulatiry and Innovation — Stores: Operational Footprint / Store Design People — Our Responsibility: Transparency / Supply Chain — Culture: Teams / DE&I / Community Appendix Definitions		

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Intro

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LETTER FROM THE TEAM

6 INTRODUCTION TO

ACE & TATE

16 RECAP OF 2022

THIS IS OUR APPROACH



22 OUR RESPONSIBILITY

Planet

23

CLIMATE

64

STORES OPERATIONAL FOOTPRINT STORE DESIGN

CORPORATE FOOTPRINT

PRODUCT

Appendix

34 PRODUCT FOOTPRINT MATERIALS AND MANUFACTURING CIRCULARITY AND INNOVATION



Definitions

Letter from the team

5 Intro

Yes, here's another Responsibility Report.

Let's start by getting this straight, the planet deserves more than Responsibility Reports. More than milestones, certifications or tickboxes. More than empty commitments. Yet, here we are writing another introduction to another Responsibility Report. Coming to our third Responsibility Report – we feel the playing field has changed. However our spirit of transparency remains unbroken. This year's report again highlights **where we're at and where we need to go.**

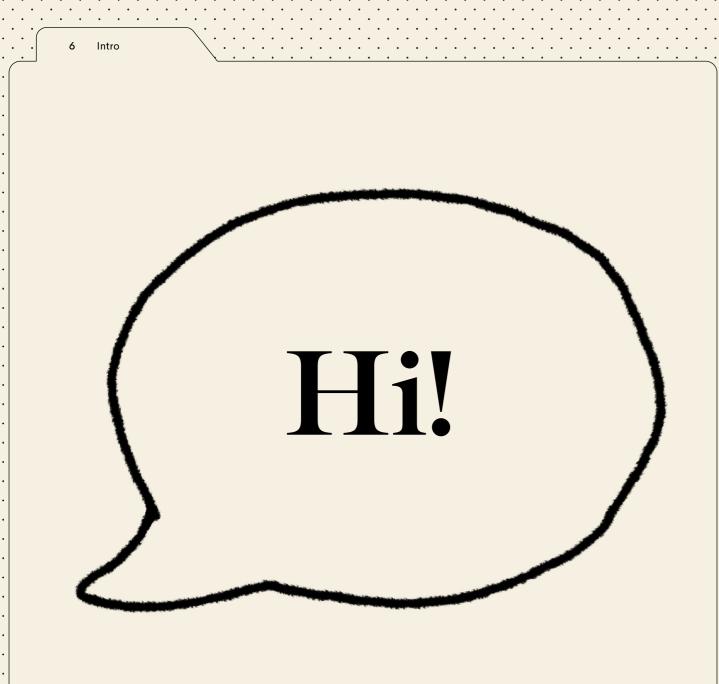
There is no such thing as a sustainable brand. And we are not a sustainable brand. Every frame we produce, every lens we cut and every package we ship: everything is connected to natural resources. Every happy customer comes at an environmental cost.

Pages of Responsibility Reports are often known to paint the grass greener, filled with achievements yet they fall short to highlight shortcomings or even hidden truths. The industry speaks of innovative materials but often fails to mention overproduction or scalable recycling initiatives – what we're saying is, we're merely scratching the surface of what is required. As the landscape shifts from voluntary action to legislative mandated CSR requirements, we hope we can raise the bar even further. We're not stopping here. Instead of merely committing to our own goalposts or compliances, we should commit to real change and hold ourselves, and our industries accountable.

We are trying to patch up a system that is broken, whilst instead we believe we should focus on changing it all together. This is easier said than done, but this is what we're committing ourselves to. Because although within our industry we might be small, we strongly believe that's how change begins.

On to greener pastures, The Responsibility Team





We're Ace & Tate and we make glasses.

It sounds fairly simple, and that's the whole point. We're here to inject a good dose of common sense into our industry by making well-designed, quality eyewear accessible to everyone. Great fits that last, for all eyes. We're committed to becoming a more responsible business, everyday; for people, the planet and for the long run. Our products, community and stores celebrate creativity and innovation.

Intro





• Intro

\Delta 21 NEW HIRES (IN 2022

WOMEN

645

EMPLOYEES (END OF 2022)



his report covers data from the financial year 2022 and seasons SS22 and AW22. The data analysis fo this report was concluded in May 2023. The environmental data in this report is calculated using Vaayu's proprietary carbon modelling engine. The report also includes actions taken up and until March 2023

83 STORES (END OF 2022)

67%

37%

becoming a more responsible business everyday. We aim to offer our customer more responsible alternatives for eyewear and live up to what it means to be a certified B Corp."

> Mark de Lange CEO and Founder of Ace & Tate

"Ace & Tate is committed to

This is our approach

We're proudly on a mission to offer great quality eyewear, responsibly. Measuring how far we've come, where we fall short and where we're heading are the benchmarks we use to create our framework.

Responsibility Roadmap

We focus on two pillars of impact; Planet and People. These pillars form the cornerstones of our strategic goal setting, each consisting of guiding principles that ensure we can meet the social, environmental and economic challenges we as a business, industry and society face. Through a holistic approach, we acknowledge the intersectionality of People and the Planet.

This report includes goals set for 2022 and beyond, the highlights, challenges and future ambitions of our journey so far.



GLOBAL SUSTAINABILITY AGENDA



We strongly believe industry-wide standards and third-party verification will move our industry forward.

This isn't work we can do alone - collaboration, best-practices and shared accountability are our keys to progressing. To ensure that our strategy is rooted in the wider global agenda, we align our work with the guidance of:

¹B Corp = B Corp Certification is a designation that a business is meeting high standards of verified performance, accountability, and transparency on factors from employee benefits and charitable giving to supply chain practices and input materials (Source: B Corp)

⁴ International Labour Organisation (ILO) = The International Labor Organisation (ILO) is ²UN's Sustainable Development Goals = The Sustainable Development Goals (SDGs), also devoted to promoting social justice and internationally recognised human and labour rights, known as the Global Goals, were adopted by the United Nations in 2015 as a universal call pursuing its founding mission that labour peace is essential to prosperity (Source: UN) to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace ⁵The UN Guiding Principles on Business and Human Rights (UNGP) = The UN Guiding and prosperity (Source: UNDP)

³ Science Based Targets initiative (SBTi) = The Science Based Targets initiative provides businesses with a clear view on the scope and speed at which they need to reduce their B Corp¹

 \rightarrow

UN's Sustainable Development Goals (SDGs)²

Science Based Targets initiative (SBTi)³

International Labour Organisation (ILO)⁴

ightarrow The UN Guiding Principles on Business and Human Rights (UNGP)⁵

GHG emissions to be in line with the Paris Agreement target to limit global warming to 1.5°C (from our 2021 Responsibility Report)

Principles on Business and Human Rights are a set of guidelines for States and companies to prevent, address and remedy human rights abuses committed in business operations (Source: Business & Human Rights Resource Centre)

15 Intro

B CORP POINTS 2020

The B Corp certification is valid for three years, meaning we're up for recertification over FY2023, in 2024. We will continue putting People and the Planet first when working on upcoming and existing projects, and will work to out-perform our current score for our recertification in 2024.

Governance		17.2
Workers	16.5	
Community	12.9	
Environment	26.5	
Customers	11.5	
iraphs shows Ace & Tate score out of to	tal available points for the specific section.	

"Since the beginning of our Responsibility journey, we have used reporting as a way to honestly reflect on our journey; how far we've come, where we've fallen short – and where we're headed. We continue to commit to transparency and honesty, celebrating successes and setbacks all the same"

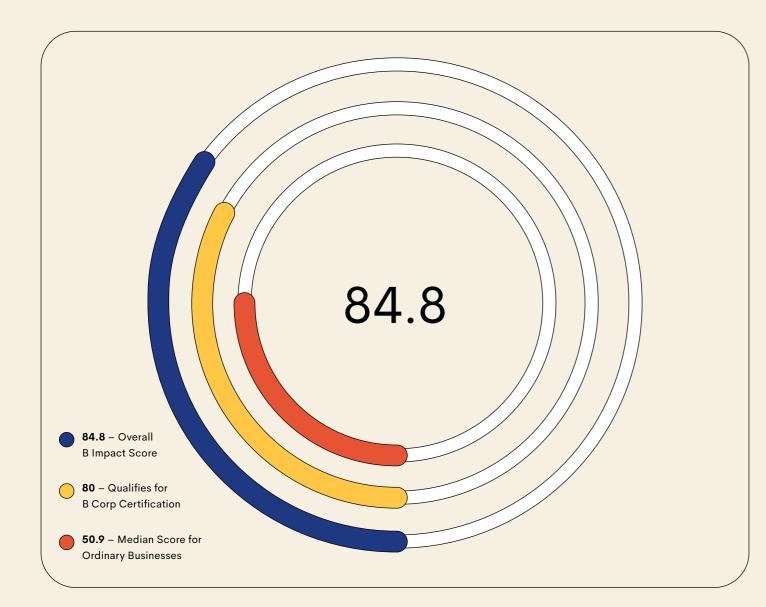
> Femme van Gils Responsibility Manager

WE'RE A B CORP

Since 2017, we have used B Corp as a guiding framework. Ace & Tate has been a certified B Corp since July 2021. B Corps meet high standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. The B Corp Certification doesn't just certify a product or service, it assesses the overall positive impact of the company that stands behind it. Becoming a B Corp doesn't mean our work is done, it means we're committed to continuous improvement and have a clear benchmark for ourselves to achieve this.

To obtain a B Corp certification, you must complete an audit. This assessment involves 300 questions across five impact areas: Governance, Workers, Community, Environment and Customers. It works according to a point scoring system, and a minimum of 80 points must be reached for the certification.

Becoming certified shows our commitment to the planet and society and allows us to set more ambitious goals, year after year.



16 Intro

Let's catch you up on

2022

17 Into

 3.84 kg CO_2 -eq

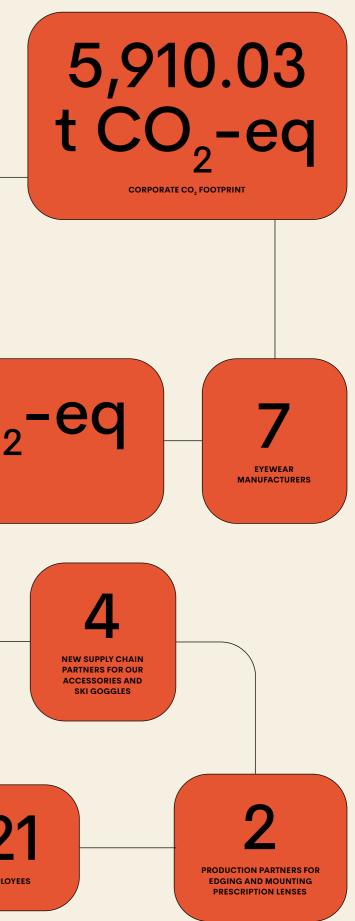
AVERAGE CO₂ FOOTPRINT PER PRODUCT (*all eyewear categories and scenarios)

5 ACCESSORIES MANUFACTURERS

HQ EMPLOYEES

521 RETAIL EMPLOYEES

Data reported represents year end 2022.



The highs

This report's structure follows the goals we set for 2022 and beyond, as well as our progress achieving them. We have made significant strides in accomplishing certain goals, while others are still in the early stages. Yes, in some cases, we have fallen short or failed to meet certain targets as well. Here's a quick overview of our wins and setbacks in 2022.

and the lows

Launched our first ever circular product; our Hard Case made of demo lenses 100% visibility over T2 of eyewear manufacturing	0
Partnered with Vaayu, allowing us to dive deeper into the data of our Corporate Footprint	Scaled the recyclin lenses with industr
Partnered with Plasticiet and our Italian manufacturer to create our first frame from recycled factory offcuts	Expanded our Prod 1. Water consum 2. Freshwater eco 3. Freshwater eut
Our]	Lows
We weren't able to align with a credible multi stakeholder nitiative specific to the eyewear industry to support our supply chain CSR management	We could not intro targets for our tear implementing a ne draft targets aligne Climate Science
29% visibility over T2 of accessories manufacturing	We did not disclos information about

19 Intro

ur Highs

cling of demo stry partners Introduced Acetate Renew Bio for AW22, as one of the first in the industry

roduct footprint calculations beyond CO₂ to include:

- Imption
- ecotoxicity
- eutrophication
- 4. Marine eutrophication
- 5. Non-renewable energy consumption

ntroduce CO₂ eams – whilst new tool to gned with We did not introduce a scalable solution to recycle eyewear due to logistical challenges

Introducing Acetate Renew Bio was not as deep as hoped due to supply chain challenges, since we insisted on using bio plasticiser over traditional oil-based alternatives

lose ut our store We postponed the rollout of our DE&I e-learning course to 2023



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21 Planet

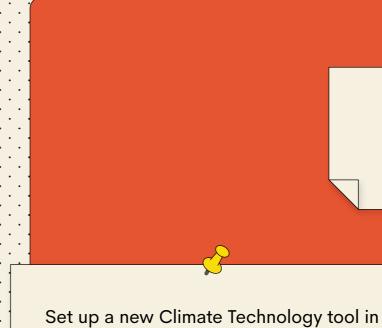
2022 Goals

Planet

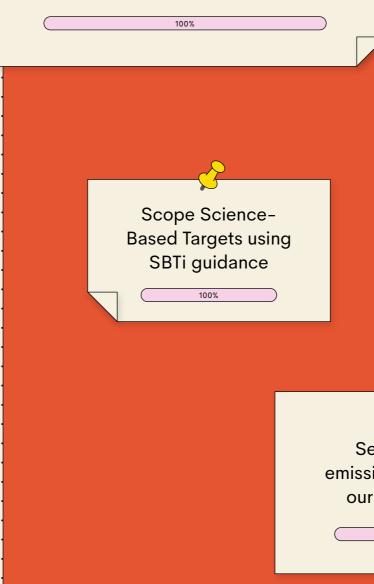


This is how we take care of our planet

Here we'll talk about all steps taken, from measuring CO_2 emissions – to store designs and circular business models.



Set up a new Climate Technology tool in 2022, to help us identify specific areas of improvement, focus our abatement efforts and model impact scenarios



2023 Goals

2022 Goals

Explore insetting, an alternative approach to offsetting which reduces emissions directly within the value chain, by working in close collaboration with our key suppliers

Set new targets to reduce emissions per product, relative to our annual expected growth

100%

(20%)

2022 Goals

Climate

Reducing our impact on the climate

OUR CORPORATE CARBON FOOTPRINT

Taking action to reduce our business' impact on our climate has, since the beginning of our Responsibility journey, been a focus. To reduce our impact on the environment we measure our environmental footprint, set science-aligned reduction targets and aim to continuously improve the way we operate our business and innovate the materials used in our products and stores.

Globally, we need to reduce carbon emissions to limit warming to 1.5° C, as called out in the Paris Agreement.⁶

Since 2017 we have focused on tracking and reducing our CO₂ emissions. The end goal is easier said than done, to lower our carbon footprint as well as support initiatives to reduce atmospheric carbon accumulated. We conduct — Purchased Goods & Services (not for resale) annual Corporate Carbon Footprint (CCF) reports, to measure, track and reduce our footprint.

These categories are required by the Greenhouse Gas Ace & Tate's 2022 Corporate Carbon Footprint report Protocol⁸ (GHG protocol) to create a representative was conducted in partnership with Vaayu. By leveraging report for setting science-aligned reduction targets. proprietary AI and machine learning technology, Vaayu

> 2022 was an important reporting year for us. As operations of this financial year were mostly back to normal, we intended to use this year as a baseline for our Science-Based reduction targets.⁷

⁷ Science-Based Targets = The Science Based Targets initiative provides businesses with a clear view on the scope and speed at which they need to reduce their GHG emissions to

OUR RESPONSIBILITY

We make and sell eyewear and have physical stores. With the nature of our business, inherently comes an environmental footprint, from raw material extraction to packaging and transport, retail and end-of-life, but also our day-to-day operations at HQ, business travel and employee commute.

> THE SCIENCE IS CLEAR. SOCIETY IS DESTABILISING THE EARTH'S CLIMATE.

"Ace & Tate is known for its boldly transparent approach to sustainability - the team recognises the environmental cost of every frame produced and is committed to better understanding its impact in order to inform decision-making, all while taking customers on this journey with them. We know that the challenges our planet faces are too big for businesses to solve alone, so we're proud to collaborate with Ace & Tate to deliver a more comprehensive overview of its impact than ever before, help them optimise their supply chain and shape credible Science-Based Targets."

> Namrata Sandhu CEO & Co-Founder of Vaayu

gathers data from production, sales and logistics to provide us with granular science-based insights about our carbon impact.

2022 was an important reporting year for us.

As operations of this financial year were mostly back to normal, we intended to use this year as a baseline for our Science-Based Targets.⁷ This means we need to include new categories in the scope of our report:

- Use of sold products
- Waste generated in operations
- and Capital Goods

⁶ Paris Agreement = The Paris Agreement sets out a global framework to avoid dangerous climate change by limiting global warming to well below 2°C and pursuing efforts to limit it to 1.5°C. It also aims to strengthen countries' ability to deal with the impacts of climate change and support them in their efforts (Source: Eur

be in line with the Paris Agreement target to limit global warming to 1.5°C. (from our 2021 Responsibility Report)

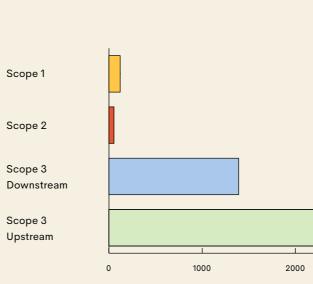
⁸ Greenhouse Gas protocol (GHG Protocol) = The GHG Protocol establishes comprehensive global standardised frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions (Source

25 Planet

2022 Goals

TOTAL 2022 FOOTPRINT

Scope	2022 (mt CO ₂ -eq)	Perce total
Scope 1	124.57	2.11%
Scope 2	58.35	0.99%
Scope 3 Downstream	1,394.9	23.60
Scope 3 Upstream	4,332.21	73.30
Grand Total	5,910.03	



This overview includes Purchased Goods & Se Graph displayed in t CO₂-eq. If you want to have a our reporting scope and foot

With our first full Scope 1-3 inventory (including all scope categories relevant to Ace & Tate operations), Ace & Tate aims to establish a credible baseline for future comparison and from which to draft science-aligned climate reduction targets.



*Learn more about the GHG methodology; <u>Appendix 1</u> (Purchased Goods & Services (not for resale) and Capital Goods for Ace & Tate categories such as marketing, retail, store development and technology & tools).

entage of 2022			
		Ň	
%			
)%			
)%			
Purchased Goods (not for resale) and 0			
3000	4000	5000	
ervices (not for resa a detailed look at th tprint, check <mark>Appen</mark>	ne year-on-ye		n
)

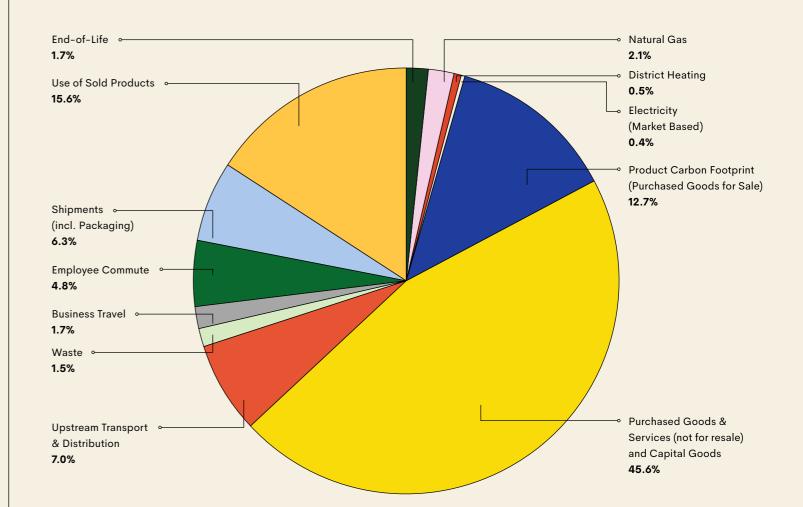
2023 Goals

As highlighted above, comparing 2021 to 2022, there is a notable change in the categories over which we reported - making it incomparable looking at the total footprint like-for-like. For our 2022 report, we widened the scope of our report. Purchased Goods & Services (not for resale)⁹ and Capital Goods¹⁰ was firstly reported over in 2022, to allow us to construct a representative baseline for drafting Science-Based reduction targets.

To formulate reduction targets in line with the latest climate science, as per the GHG protocol and SBTi (the guidance we reference), a full GHG inventory needs to be made. Purchased Goods & Services (not for resale) and Capital Goods, for Ace & Tate in 2022 was calculated using the spend-based methodology.¹¹ Purchased Goods & Services (not for resale) and Capital Goods accounts for 45% of our total Corporate Carbon Footprint.

Scope 1 Scope 3 2.1% Upstream 73.3% Scope 2 1.0% Scope 3 Downstream 23.6%

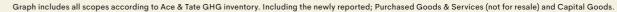
2022 FOOTPRINT BY SCOPE



° Purchased Goods and Services (not for resale) = A category that makes up part of a company's corporate carbon footprint and is counted in the upstream Scope 3 emissions It includes all upstream (i.e., cradle-to-gate) emissions from the production of products purchased or acquired by the company that are not for resale. Products include both goods (tangible products e.g. store furniture, optician equipment, ...) and services (intangible products (Source: GHG Protocol)

¹⁰ Capital Goods = A category that makes up part of a company's corporate carbon footprint and is counted in the Scope 1 (e.g. fuel use) or Scope 2 (e.g. electricity use) emissions. It includes all upstream (i.e., cradle-to-gate) emissions from the production of capital goods purchased or acquired by the company (Source: GHG Protocol)

¹¹ Spend-based methodology = Estimates emissions for goods and services by collecting data on the economic value of goods and services purchased and multiplying it by relevant secondary (e.g., industry average) sector-tailored emission factors (e.g. average emissions per monetary value of goods) (Source: GHG Protocol) Vaayu applied the Spend-based method for all other purchased goods and services, computing vendor spend against relevant EEIO factor that assumes a sector-tailored emissions value per unit of economi value



2022 FOOTPRINT IN MORE DETAIL

2023 Goals

2022 Goals

In scope 1-2, the usage of natural gas is a reoccurring hotspot - which has been a core focus. In scope 3, the Product Carbon Footprint and Purchased Goods & Services (not for resale) and Capital Goods show up as high emission areas. Product as a hotspot is not new to us, the Purchased Goods & Services (not for resale) and Capital Goods, however is new.

2693.83 mt CO2-eq comes from Purchased Goods & Services (not for resale) and Capital Goods.

This gives us a clear indication that diving further into this hotspot in 2023 is key to understand how to measure, report and reduce.

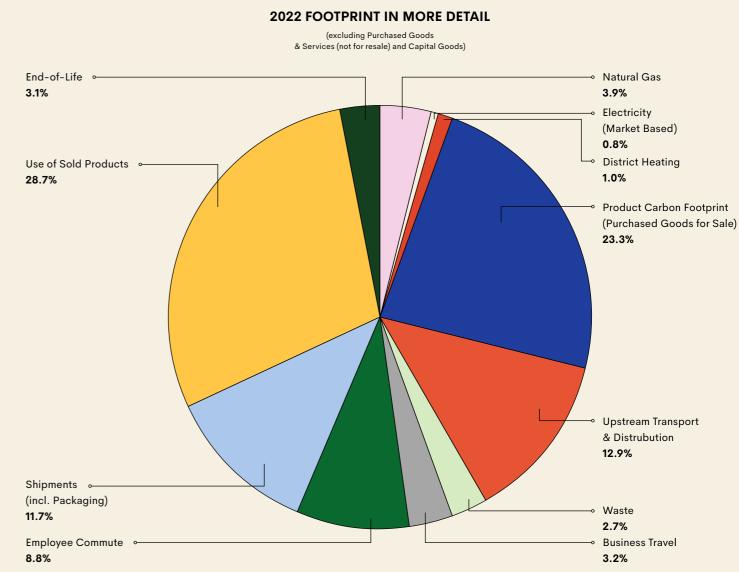
For now, in the rest of this 2022 report - the category Purchased Goods & Services (not for resale) and Capital Goods is not considered - as in 2023, our teams will work to further improve data accuracy as well as learn more about the decarbonisation roadmap for this category.

Comparing our 2021 and 2022 footprints

Looking at the footprint, **excluding** Purchased Goods & Services (not for resale) and Capital Goods.

(/
Scope	2021 (mt CO ₂ -eq)	2022 (mt CO ₂ -eq)	Year on Year Change	Percentage of total 2022
Total Scope 1	192.98	124.57	-35.45%	3.87%
Total Scope 2 (market-based) ¹²	182.98	58.35	-68.11%	1.81%
Scope 3 Downstream	570.59	1394.9	144.47%	43.37%
Scope 3 Upstream	1,061.04	1,638.38	54.41%	50.94%
Grand Total	2,007.59	3,216.2		

Ace & Tate Scope 1-3 emissions for 2022 was 3216.2 t CO₂ -eq. Of this 80% is directly related to our products.*



SCIENCE-BASED REDUCTION TARGETS

2023 Goals

Using previous annual reports, we've identified key levers to focus our efforts on such as; reducing the energy intensity of manufacturing, more sustainable materials, and transportation. Together with Vaayu - and a team of expert consultants - at the end of 2022 we set out to draft realistic carbon reduction targets. Drafting these targets was done by creating scenarios or 'pathways', in line with expected business growth. Using Science Based Target Initiative guidance and methodology, this allows us to simulate the (annual) reduction required, in line with climate science. The scenarios will serve as a tool for us to shape our decision-making. Our drafted targets have not been submitted to the SBTi for review.

2022 Goals

DID YOU KNOW?

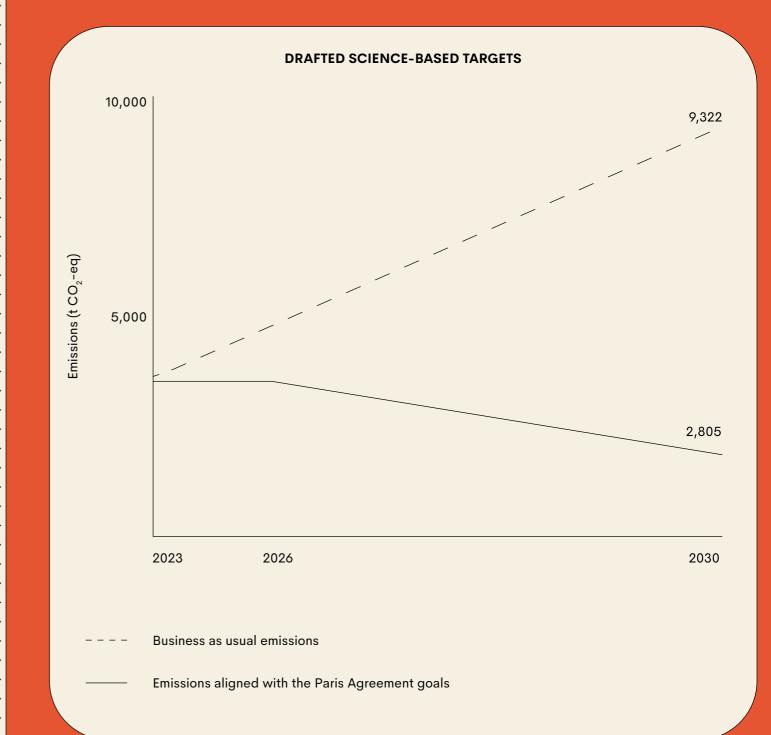
30 · Planet

Science-Based Targets (SBTs) are goals which are used by businesses to reduce their greenhouse gas emissions. Specifically, the aim is to reduce warming to 1.5°C above pre-industrial levels. The Science Based Targets Initiative provides businesses with a clear view on the scope and speed at which they need to reduce their GHG emissions to be in line with the Paris Agreement target to limit global warming to 1.5°C. Targets can be submitted through the SBTi to be reviewed and approved.

In line with the Paris Agreement's 1.5°C warming pathway, we have drafted the following Science-Based Targets:

- 1. Reduce GHG emissions from Scope 1-3 by 42% by 2030
- 2. Reduce scope 3 emissions at least 70% per pair of glasses by 2030 from a 2022 base year

As per the SBTi guidance, these targets include a 7-year target and will be revised every five years. Our targets cover 100% of all emissions covered in target scenarios, aligned to Science-Based Targets (total in tCO₂)



2022 Goals

This project is part of our efforts to bolster the role of decarbonisation within our business.

31 Planet

We have been reporting on our emissions since 2017 - and have made significant strides since. Yet we've also seen our business grow, and therefore our absolute emissions¹² too. Typically, a business's emissions grow as the business grows as shown in the dotted line. A robust, SBTi aligned roadmap will support us to change that curve. As the projections show, the reality is that our overall emissions will grow, slower than the business, but

growth nonetheless, before reaching their peak and then beginning to decrease. Because we're in the early stages of our growth, we'll have to work even harder than most to decarbonise.

The decarbonisation roadmap based on these drafted targets, will guide our teams to strive for reductions in line with the latest climate science and will lead to the introduction of robust carbon budgets for Corporate Travel, Procurement and Logistics.

a Absolute emissions = Absolute emissions refer to a companies' total emissions over a given period of time, as opposed to intensity, which is calculated in relation to some sort of economic output (e.g. number of employees, revenue, ...) (Source: ADEC Innovations)

2023 Goals

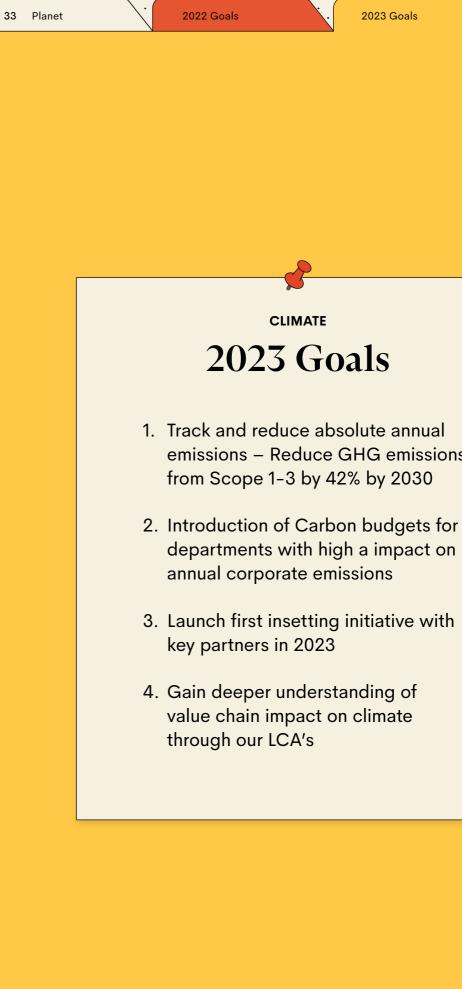


Shifting our focus from offsetting to insetting initiatives means we can no longer claim to be carbon neutral.

OFFSET > INSET

Part of our approach to CO₂ emissions has always been to measure, understand and work to reduce our footprint. Since 2020 - we have been Carbon Neutral, meaning we offset emissions across scopes 1-3. Moving forward, we will prioritise our focus and resources even more towards reduction, or 'insetting' - instead of offsets. In 2022 we have kicked off conversations with key suppliers to determine the possibility of efficiency improvements and/or or renewable energy as first steps. As part of our strategy – we will continue to support projects that champion the restoration of ecosystems and boost biodiversity - with our partners Trees for All - by investing in carbon credits. This means we can no longer claim to be Carbon Neutral, as not our full CO, footprint will be offset from 2022 onwards. We will continue to transparently disclose our entire footprint, any offsets or insets. For 2022, we compensated 286.12 t CO2-eq through Trees for All, offsetting the emissions of our direct business impact (natural gas, electricity, petrol and business travel).



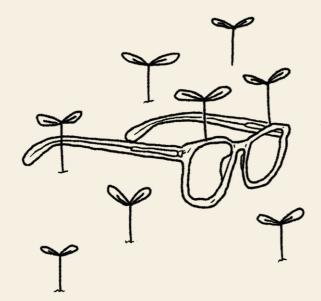


emissions - Reduce GHG emissions

departments with high a impact on

35 Planet

Product The impact of making a frame



Every product we make goes through a life cycle, and each stage of this cycle has an impact. Therefore, we have taken it upon ourselves to assess and minimise the environmental impact of our product from start to finish. This includes addressing raw material extraction, packaging, transportation, retail, and end-of-life considerations.

Receive and integrate industry-wide use phase research to establish our footprint at this stage

100%

2022 Goals

Work towards sharing more detailed product footprint descriptions, as well as other impact-related product data





100%

options, reducing CO₂ impact of deliveries.

2023 Goals

Taking accountability for our products

In 2022 we worked to gain further understanding It's important to note that our product footprint, of our supply chain tiers and the impact of our specifically our frames, significantly contributes to our products in different life cycles. Closer to home at our overall environmental impact. There's impact at each headquarters, our teams also worked to improve the stage of the product life cycle¹³; raw material extraction, way we manage our supply chain. We improved the manufacturing, shipment - and even when being used forecasting and planning of our collections to ensure by our customer. Our products (Scope 3) are the biggest products manufactured, get purchased and we decrease contributor to our environmental impact and therefore our deadstock. Additionally we scoped last-mile delivery biggest focus.

80 % of our total emissions is directly related to our products.*

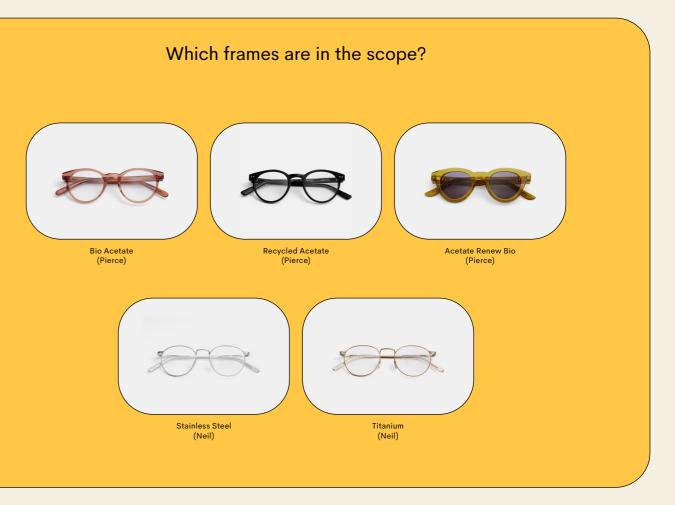
LIFECYCLE ASSESSMENT

The methodology used to measure emissions is complex environmental impacts of a product, meaning it maps the impact the product has in the different steps of its life and often vague. We'll do our best to explain it in plain and simple terms. cycle or the supply chain. Our 2022 Lifecycle Assessment was conducted by Vaayu and included an update on our To track and reduce our products' environmental five key products and their lifecycle.

footprint we have conducted LCA studies since 2017. Our team took months to gather all the data and details. A Life Cycle Assessment (LCA) measures the

Life cycle assessments are not a silver bullet.

We can however, use them as valuable tools to gain a better understanding of the hotspots in our supply chain.



*Excluding Purchased Goods & Services (not for resale) and Capital Goods

¹⁴ Product life cycle = A product's life cycle includes its raw material extraction, manufacturing/production, distribution, consumer use, and disposal by the consumer (Source: Kearney, Pre-Sustainability)

(Learn more on the System Boundary of the report on page 39 and in Appendix 3.)

2023 Goals

The CO, footprint of a bio acetate frame produced in China is 4.62 kg CO₂-eq,

Whereas a frame from Italy has a footprint of 4.20 kg CO₂-eq

And a frame from Cambodia has a footprint of 4.44 kg CO₂-eq.

SYSTEM BOUNDARY LCA

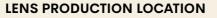
To conduct a life cycle assessment, a so-called "system boundary" needs to be determined. It defines the life-cycle stages of the product that are going to be assessed, from raw material extraction to end-of-life, cradle to grave.

In 2022, we further optimised the LCA's system boundary to our business operations' complexities.

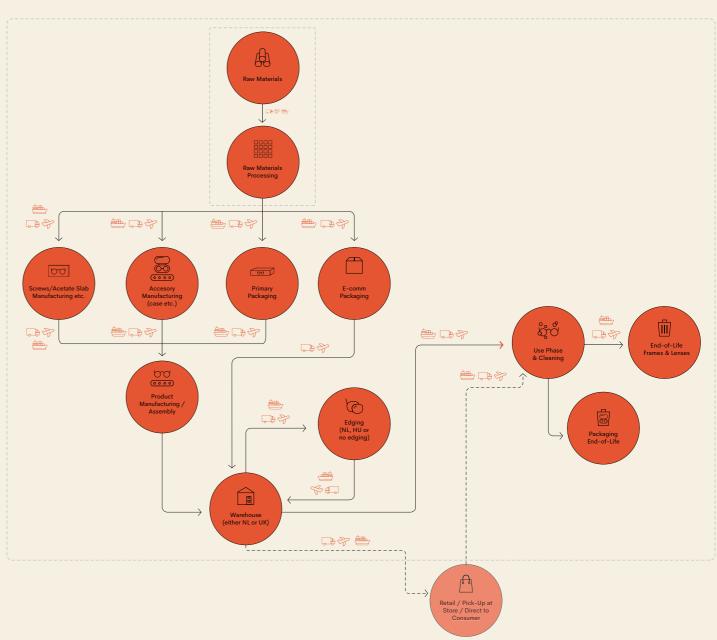
MANUFACTURING LOCATION

Firstly, we modelled different manufacturing countries, to understand the impact between the different countries; Italy, China, Cambodia and Vietnam. The different electricity grids, transport routes and the factory set-up can all influence the footprint. The Bio Acetate frame considered has prescription lenses, edged in Hungary, sold in store in the EU. This represents the most common 'route' a product travels.

(See elaboration of routes in graph on the next page)



Roughly 80% of our frames sold are prescription glasses. The process of putting lenses in a frame is called 'edging and mounting'. This can be done at different locations. Scenarios taken into consideration in this report are; edging in Hungary, edging in the Netherlands, edging in stores or no edging. Which is followed by: retail sale or online sale - as well as the new flow for UK sales - with our new local warehouse.



If you look at the flow above, a product can have a different footprint based on the route travelled. For example – for a Bio acetate frame, the different routes result in the following:

Scenario A Edging in the Netherlands, followed by transport to a retail store

Scenario B Edging in Hungary, followed by transport to a retail store

This data is highly valuable as it allows us to steer business decisions based on data, with a great level of detail.

SYSTEM BOUNDARY

Scenario C Transport to retail store, (no) edging, followed by sale/ pick-up

2023 Goals

Taking the example of a Bio Acetate frame, the different scenarios, or routes travelled, have a significant impact on the footprint.

The CO, footprint of a Bio Acetate frame that has lenses edged in Hungary is 4.62 kg CO₂-eq, instead of 3.71 kg CO_2 -eq if the lenses are edged in store, which is a 19.7% difference.*

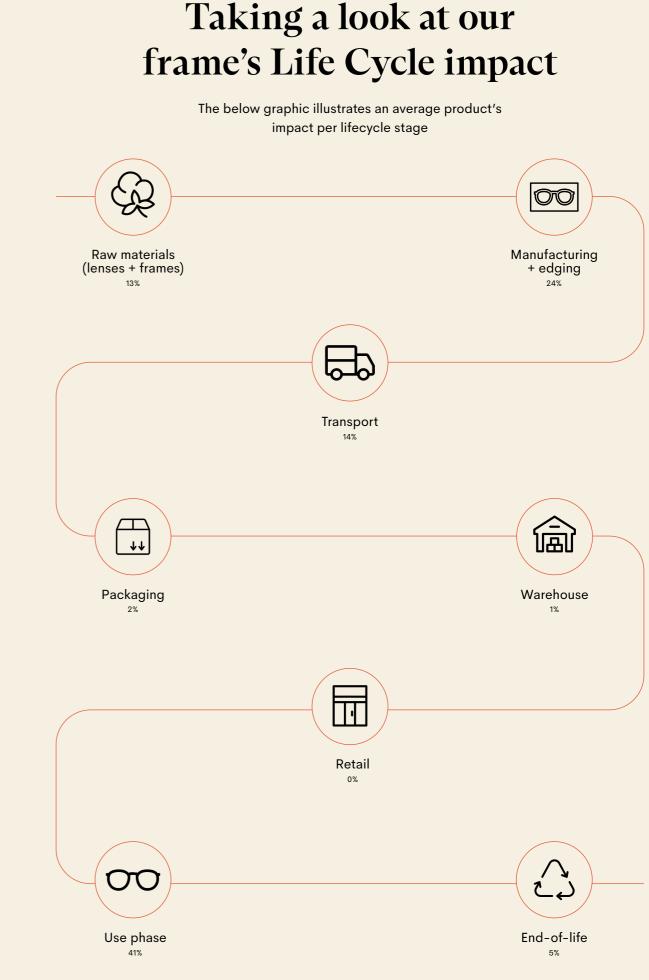
The total impact of our Product's Carbon footprint for 2022 is 750.5t CO₂-eq. This represents 23.3% of the total Corporate Carbon Footprint

This is excluding the GHG category Purchased Goods & Services (not for resale) and Capital Goods.

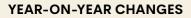
The average Product Carbon Footprint for 2022 is 3.84 kg CO₂-eq

The calculation of the average Product Carbon Footprint takes into account other SKUs and all possible edging scenarios and transport flows to most accurately reflect reality. This average does not include the impact of 'deliveries'.





2022 Goals



An overall trend is visible in the footprints across all products, showing an increase in the Product Carbon Footprint.

The key drivers in this are:

- Overall improvement in the availability of data
- Granularity and accuracy of primary data points
- More granular transport data which allows for more precise modelling
- The inclusion of emissions coming from product use (which is in line with reporting guidelines)

To put it simply, the quality you put in, is the quality you get out. Quality data is extremely important for us to understand our footprint and steer reductions. We now have an even more solid baseline.

Here we review the Product Carbon Footprint of frames, produced in China with prescription lenses produced in Hungary, sold in store. This is measured in kg CO_2 -eq

Bio Acetate		Recycled Aceta	ate	Acetate Ren	ew Bio
2021	2.68	2021	2.65	2021	N/A
2022	4.62	2022	4.29	2022	4.27
5 4 3		5 4 3		5 4 3	
2 - 1 - 0		2 - 1 - 0		2 - 1 -	
2021	2022	2021	2022	2021	1 2022



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2023 Goals

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A main metric for us to focus on has been CO_2 – yet we realise the interconnectivity of our climate impact and importance of approaching this holistically. Besides impact of CO_2 -eq, our 2022 report also includes; Water consumption, Freshwater ectoxicity, Freshwater eutrophication, Marine eutrophication and Nonrenewable energy consumption.

WATER CONSUMPTION (L)

This indicator aims to estimate the amount of water consumed across the supply chain of the product. For the upstream water consumption, the water needed for electricity, raw materials and transport were considered, resulting in the water scarcity impact. Any consumption of water detailed in primary data related to manufacturing was considered in the overall results as well.

FRESHWATER AND MARINE

(KG P-EQ AND KG N-EQ)

Life cycle assessment for the

is estimating the relation of

and phosphorus to various

ecosystems.

eutrophication impact category

severity of releases of nitrogen

environmental compartments and

EUTROPHICATION

The CO_2 footprint of an Acetate Renew Bio frame shows an 8% reduction compared to a Bio Acetate frame. The footprint of the acetate material itself shows a 56% reduction.

UMPTION (L) NON-RENEWABLE uims to estimate CUMULATIVE ENERGY water consumed DEMAND (MJ)

Cumulative Energy Demand (CED) measures the indirect and direct energy use throughout the lifecycle of a process or product, including any energy consumed during the disposal, production, and extraction of the materials.

FRESHWATER ECOTOXICITY (CTUe)

This impact category addresses the toxic impacts on an ecosystem which have the potential to damage individual species as well as change the structure and function of the ecosystem. Ecotoxicity is caused by a variety of toxicological mechanisms which are a result of the release of substances that have a direct effect on the health of the ecosystem.

ENVIRONMENTAL IMPACT OF A STAINLESS STEEL AND BIO ACETATE FRAME

	Stainless Steel	Bio Acetate	
Water	52.7	108.9	Unit: Litres
Eco toxicity freshwater	14.6	16.5	Unit: CTUe
Eutrophication freshwater	0.00486942	0.01689157	Unit: kg P-eq
Marine eutrophication	0.00441004	0.00409971	Unit: kg N-eq
Non renewables	57.73	50.151	Units: MJ

Life Cycle Assessment in detail

Below we have illustrated the lifecycle of a Bio Acetate frame, the most representative product group. The most significant route is for products to be edged in Hungary and sold in stores. The sum of these lifecycle stages shapes a product's (carbon) footprint.



Overall the report shows an increase in the Product Carbon Footprint per frame of 62% for a Bio Acetate frame. This is due to increased accuracy in reporting – and the introduction of the Use Phase, which represents 41% of the total Product Carbon Footprint. The other increases come from more accurate primary data for transportation routes.

Use phase and end-of-life

		USE PHASE Our 2022 LCA study included Use Phase (wearing and clea conducted a survey shared v Results from the footprint an Phase accounts for 41% of a	ning) of our frames. N vith over 1000 partici alysis show that the U	We pants. Jse
The difference in environmental impact:				
		% of respondents use	Emissions over one year use (kg CO ₂ -eq)	
	Cloth	22%	0.0009	
	Kit	37%	0.0209	
	Water and soap	33%	1.0248	
	Wipes	6%	0.7554	

Cleaning your frames with warm water and soap has a nearly 50x higher CO_2 footprint than cleaning with a cleaning kit.

			RETURN AND DIS	POSAL	
END-OF-LIFE			Frame Type	Self dispose	Ace & Tate return
The end-of-life scenarios were calculated for repair, return and		Acetate	93.8131	8.7951	
disposal options. emissions unit is			Combi frame	26.3431	3.1106
			Stainless steel	15.5644	2.2273
			Titanium	13.8204	2.0375
REPAIR – METAL F	RAME				
Frame Type	End-of- emissio				
Stainless steel	-237.210	1			
Titanium	-185.827	74	While progra recycli	YOU KNOW? some eyewear brands ams for their products, ing infrastructure for e	, the overall eyewear frames and

REPAIR – ACETATE FRAME

Production location	Edging in The Netherlands	Edging in Hungary	No Edging
China	-234.95	-17.17	-200.64
Cambodia	-182.06	35.72	-138.47
Italy	-183.19	34.59	-148.88
Vietnam	-185.28	32.5	-150.97
REPAIR – COMBI F	PAME		

Production	Edging in The	
location	Netherlands	
China	-238.66	

2022 Goals

enses remains limited. As a result, a substantial number of eyewear products end up in landfills instead of being recycled or repurposed.

Edging in Hungary

No Edging

-204.35

"Ace & Tate's responsible eyewear journey demonstrates their commitment to reducing the environmental footprint of their products. With initiatives like recycling programs and sustainable packaging, they are actively striving to create a circular economy within the eyewear industry. Their efforts make them a leader in sustainable eyewear practices."

> **Dio Kurazawa** The Bear Scouts VOF



Reduce the environmental footprint materials, supplier engagement and

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51 Planet

2022 Goals

Materials and manufacturing

Making new products with care



In 2022 we introduced ten new SS22 styles and five new colours. For AW22 there were five new styles and five new colours. As always, we also had carry-overs from old seasons.

Since 2018, we have been actively striving to incorporate sustainable materials into our collection, without compromising the quality standards that define Ace & Tate. Our team designs all eyewear styles in-house, utilising our own 3D printer to create prototype samples. This approach eliminates the need to produce samples in our factories and reduces unnecessary shipping back and forth. We work closely with our manufacturers, who meet our standards of social and environmental Responsibility, and we will continue to seek innovative technologies to create welldesigned, quality frames.

Introduce an internal R&D tool that allows us to model each product's footprint 60% Build out the product development process for our expanding portfolio to ensure new and existing products are always up to our standards 70% Introduce Acetate Renew Bio in 2022, an acetate with a 50% lower carbon footprint 100%

2022 Goals

(20%)

Expand sourcing alternatives to increase the proportion of recycled material in each frame

Run first trials to explore less wasteful alternatives to the traditional milling of acetate frames, such as 3D printing and Injection Moulding

80%

In 2022 we introduced four new products next to our eyewear collection. This meant sourcing new manufacturing partners and materials.

In partnership with Vaayu, our team makes informed material decisions, based on LCA environmental footprint data. When working with a new factory, a vendor undergoes our thorough screening process to ensure they share our vision. This process is outlined in our Responsible Sourcing Policy, including a Supplier Screening, Risk Assessment and review of their efforts to ensure safe and healthy working conditions and limit their impact on the environment.

We launched Ace & Tate Sports. 3D printed sports frames, made from lightweight, flexible and durable Polyamide 11, also known as Nylon. PA 11 is a biobased polymer. The raw material is extracted from Caster beans, from Castor Plants, cultivated in India. Using this Castor bean is a substitute for fossil fuels.

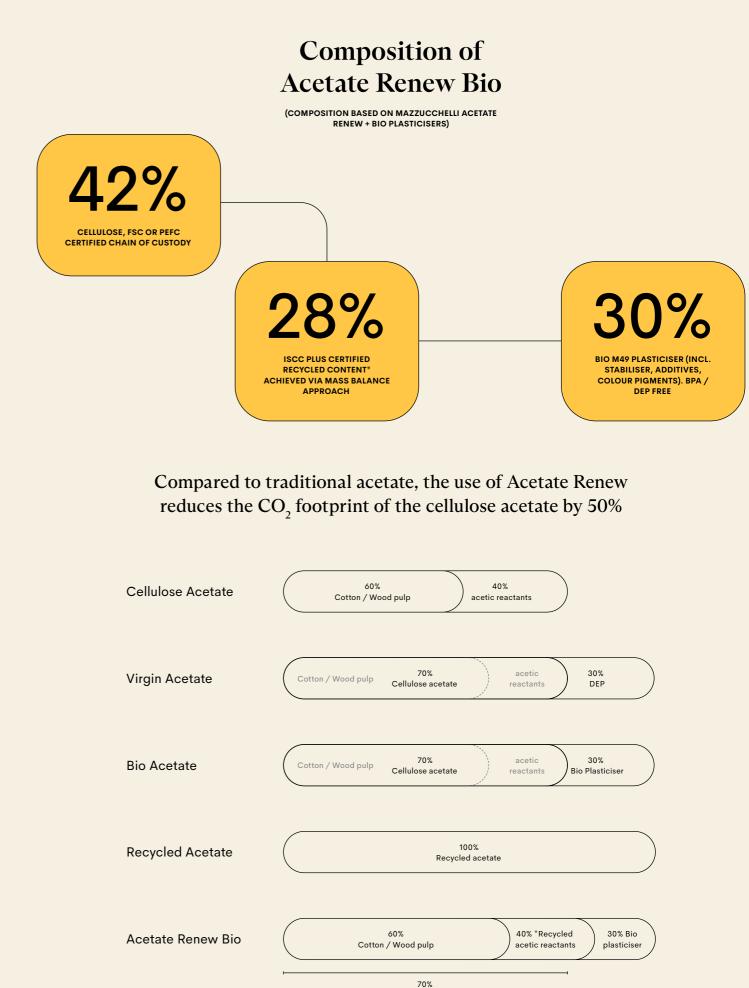


100% of our acetate collection consists of less-impact materials (bio Acetate, Recycled Acetate or Acetate Renew Bio).

We introduced Acetate Renew Bio in 2022. Acetate Renew is made through Eastman's innovative Carbon Renewal Technology. In the Eastman recycling plant in the USA, local waste plastics undergo a molecular recycling process.

In this process, hard-to-recycle plastics are broken down to the molecular level in order to form the 'acetic anhydride' component required to be combined with

sustainably sourced wood pulp, to make new acetate in the same quality as the traditional material. In the near future, Eastman will also partner with local or European acetate manufacturers to take back acetate waste, to also be included in this wastestream.



2022 Goals

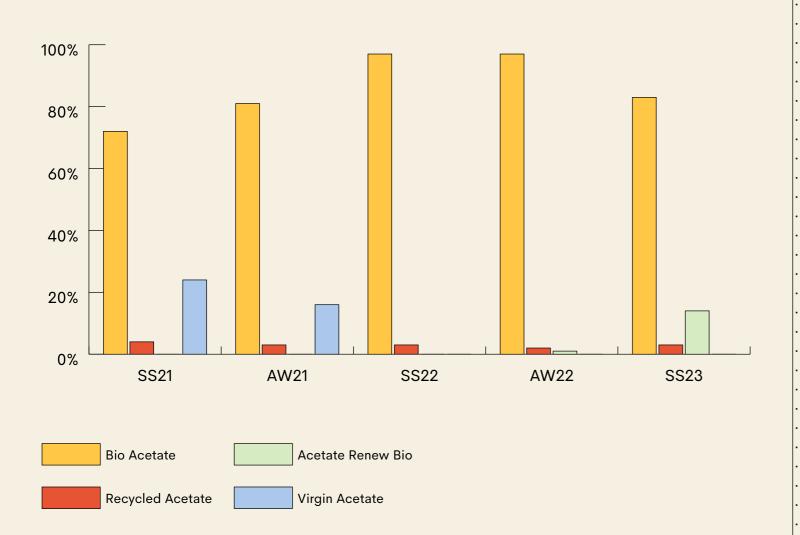
53 Planet

Cellulose acetate

2023 Goals

In AW22 we introduced three styles, in one colour that was made of Acetate Renew Bio. This made up 11% of the new acetate collection which is 1% of our total acetate buy. As only one of our four key acetate manufacturers could provide the material Acetate Renew in combination with bio plasticisers, this launch was not as big as intended but shows progress over perfection.

Season	Bio Acetate	Recycled Acetate	Acetate Renew Bio	Virgin Acetate
SS21	72%	4%	N/A	24%
AW21	81%	3%	N/A	16%
SS22	97%	3%	N/A	0%
AW22	97%	2%	1%	0%
SS23	83%	3%	14%	0%





materials volume to be aligned with



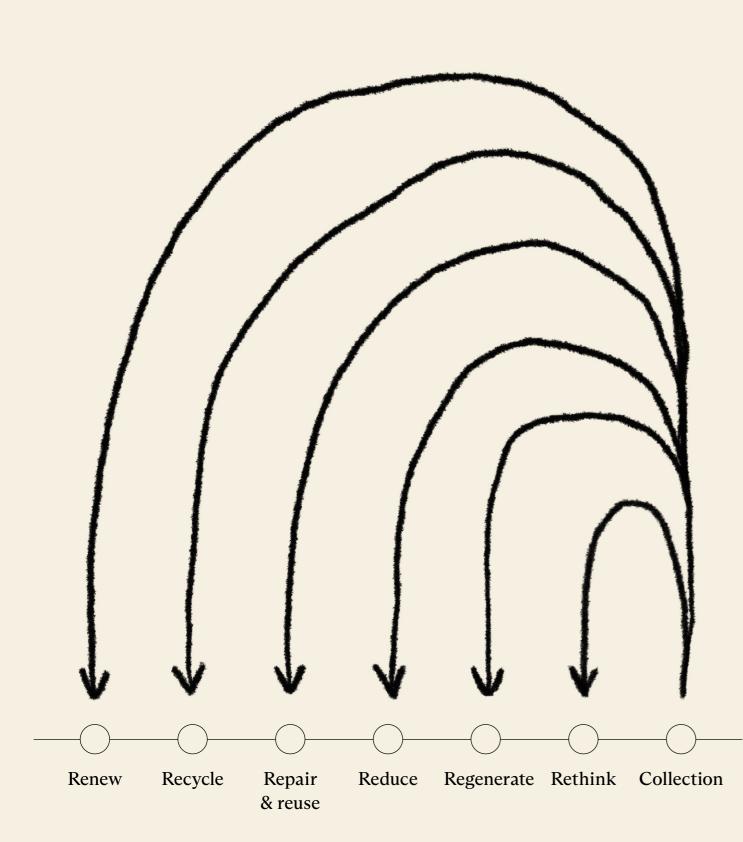
2023 Goals

Raw Materials

Frame

Waste

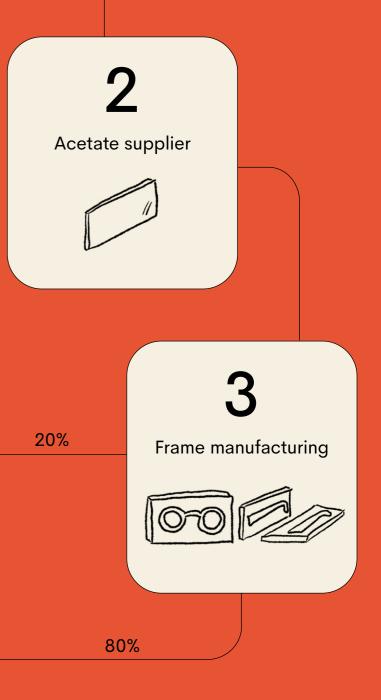
We take a holistic approach to Responsibility and circularity. For product design, we follow our Responsible product principles, drawing inspiration from the Cradle-to Cradle framework and the Ellen MacArthur Foundation's concept of circularity. A circular model aims to create a system that allows for better material decisions, long product life and reuse and recycling of products and materials in open or closed-loop systems. Particularly in eyewear, it is a challenge to design for circularity as we are essentially designing for a recycling infrastructure that does not exist at scale yet – which is why we're also working hard to find and scale solutions.



DID YOU KNOW?

There is 80% waste in the production process while milling the frame from a slab.

This is something that we're addressing by trialling alternative production methods, as well as determining the recyclability of the offcut acetate materials.



Step-by-step research

2023 Goals

2022 Goals

By launching that take-back initiative 'Reframe' in 2020, we learned only 5% of pre-worn frames could be refurbished and resold. This led us to partner with TU Delft in 2021, embarking on a 1-year research project to find a recycling route for end-oflife frames.

60 · Planet

Waste materials

CR39 (45 wt%) Stainless steel (26 wt%) Acetate (25 wt%)

2. Separation

As eyewear is not a monomaterial product, the components need to be separated to recover the raw materials for recycling. We tried both a) chemical and b) mechanical recycling.

DID YOU KNOW?

Our Home-Try-on Service was stopped in 2022, accounting for 33.5 t CO₂eq – hereby significantly reducing the number of end-of-life frames, as well as emissions from shipments.

1. Waste Analysis

Our PdN researcher and chemical engineer, Fan Hsuan, kicked off the project by mapping Ace & Tate waste streams to understand the volumes and hotspots. Surprisingly, 96% of the end-of-life glasses are from customer returns which include the returns from home try-on and in the warranty period - as well as show models used in stores. The Reframe channel and design samples only contribute 3% and 1% respectively.

Next, we broke down the waste based on materials. The results show that CR39, stainless steel, and acetate are the leading waste contributors. We decided to focus on Acetate and Metals, key materials to recover and recycle as the CR39 lenses are thermoset plastic which is hard to reprocess through melting or dissolving. Metals can be recycled in general metal waste streams - and acetate could be reprocessed into new high-quality plastic objects.

DID YOU KNOW?

. 61 . Planet

Eyewear production involves various energy-intensive processes, such as frame molding, lens manufacturing, surface treatments. These processes often require sign amounts of electricity and contribute to carbon emissi

. 2022 Goals

We worked with Sustaign (previously Kunst S), a local manufacturer that creates unique handmade panels based in the Netherlands. We worked with them to create new sheets from our recycled and separated acetate materials.

Trials

We partnered with Recycling Avenue to conduct a chemical recycling trial. Simply put, solvent-based recycling as an advanced recycling technology has the potential to revive acetate with high economic value. However, the current technology cannot improve the value of recovered plastic due to the irremovable colourants and the minimal volume output which is due to the removal of plasticisers.

Conclusion

In our lab, we proved a clean acetate stream can be divided from other substances with a few simple steps. To scale the process, we found a recycling company that is developing a dedicated recycling line for eyewear. Our work with them is still ongoing.

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In 2022 we partnered with Plasticiet to manufacture new sheets from the offcuts. Plasticiet is a Rotterdambased company producing building materials made from discarded plastics, a much-valued partner for many years! Their team conducted a research project to manufacture new sheets out of acetate offcuts from our factory floors - same materials, different stages of the life cycle. This brought us valuable insight into the opportunities to reuse production waste!

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3. Application

Using a trial batch of 50 kg of recycled frames - we conducted small trials with innovation partners, creating objects from the recovered acetate.

A)

We worked with Precious Plastic, a Berlin-based material research and circular design studio, that combines business, strategy and design to turn waste of all kinds into innovative products and open-source the process so that others can do the same. We worked with them to conduct research on our recovered materials, to understand the technical possibilities of recycling / downcycling acetate into new applications.

B)

We researched the potential applications for recycled eyewear materials making slabs and injection molded objects.

C)

We trialled scaling an end-of-life recycling initiative in 2022, this is not yet successful, but we'll continue trying.



"Ace & Tate has a roll-up-yoursleeves attitude to Responsibility, which I admire. The team continues to push the definition of sustainability. With our partnership recycling their demo lenses, they have created value out of waste."

> **Ronan Hayes** co-founder Reflow



In 2022, we introduced our circular Hard Case, using 1200 kg of our own recycled demo lenses. This project is a result of two years of R&D with our partners Reflow.

Demo lenses are made of polymethyl methacrylate (PMMA), an engineering plastic and synthetic polymer. Their sole purpose is to keep a frame in its intended shape, as it travels from manufacturing to our customers in store.

We recycled an additional 1,075 kg in 2022 by partnering with our local edging partners, saving it from landfill.



retail locations to offer take-back initiatives for end-of-life eyewear

Stores



The problem with having stores

We have over 80 stores across Europe, and more in the making. These stores equal electricity, water, and gas, renovations, deconstruction, reconstruction. Materials, transport, and waste.

As a brick and mortar retailer, we have an additional operational footprint that must be considered beyond our HQ. We're committed to maintaining stores that run on renewable energy and further reducing our reliance on natural gas, reducing our footprint in this area.



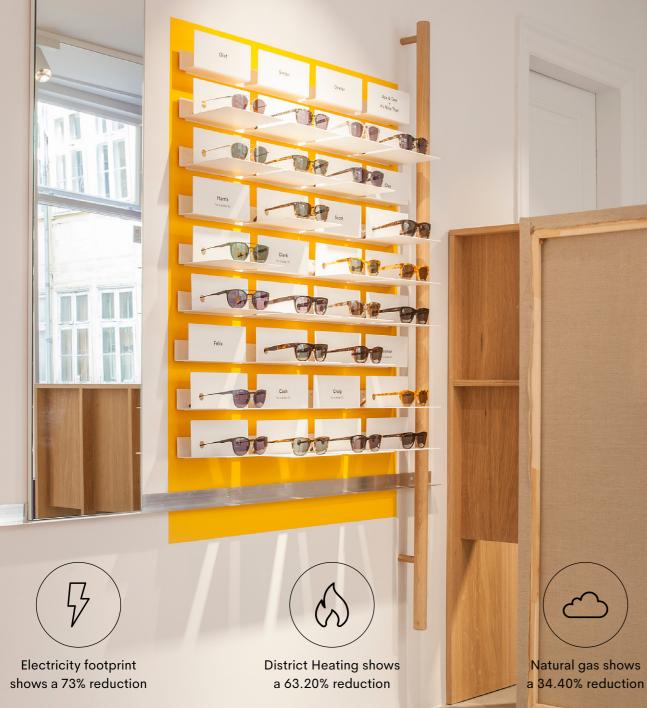
Operational footprint

The impact of our stores

Having more than 85 stores across Europe means we have an additional operational footprint, on top of our Headquarters. In 2022 we continued to work to ensure our stores run on renewable energy - reducing our reliance on natural gas and reducing waste.

In 2022, we introduced a new tool for our stores to report on the use of electricity, gas and district heating. By engaging more on this topic - we have increased our primary data for 2022 and can track annual energyefficiency per store.

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Store design Creating a more responsible retail experience

Our stores are the beating heart of our brand. It's where we want each and everyone to feel welcome, try a frame in real life and never feel the pressure to buy. Our stores are designed to be functional and engaging. In their development process, we collaborate with local artists and invite them to share their perspective on sustainability in retail design. We aim to use traceable, certified and low-impact materials.





For our fourth Berlin store in Prenzlauerberg, we teamed up with Amsterdam-based Studio GdB. Studio Giles de Broek explores 3D printing on tiles (MOSA), to create unique, vibrant patterns that can be applied in various scales and formats.

In 2022 we introduced a better in-store experience and more standardised plot & play concept, with room for innovative materials.

We're currently working on getting the foundation right, building a key sustainable furniture set - moving to lowimpact materials and finding the right partners to bring this to life.



Berlin, Kastanienallee - Studio GdB

Cologne, Severinstraße – with Nortstudio

For this store, we have brought the 'Work With What You Have' concept to another level. We took the building quirks and got inspired by it. The shape language reminded us of Nortstudio.



Amsterdam, Spiegelstraat - using Stonecycling

On the Spiegelstraat, it's all about value and craft. The value of the old, the value of the crafts and the value of the creative. For our store, we've focused on the value of materials. Materials that are valueless to one can be valuable to another. We used simple mass-produced materials and upcycle them to become valuable retail interiors. Mass production had the benefit of recyclability at scale.



The Belgium design duo is known for the impeccable use of colour and playful furniture design. Using the existing building as their canvas, and their own inhouse stock materials as the limited resource for the store's furniture. The furniture is designed and produced in house with one material, minimum waste & flat packed design. This led to a simply shaped & functional furniture design.



69 Planet



Plasticiet materials

In collaboration with Rotterdambased designers Plasticiet, we designed our second Antwerp store utilizing recycled waste from the city's port. design. All the waste was sorted using infrared light by the rubbish collection company Suez, and then hand-picked by Plasticiet in order to create the look and feel of a rich terrazzo, made from waste.

Stonecycling

The Middenweg Amsterdam store design is centred around the brick made from waste. If you say bricks in Holland, you say Amsterdamse School. This architectural style from the 1910-30s arose in Amsterdam and is known for its complicated monastery. We've taken the shape language and colour palette from this time, modernised it, and implemented it into our 4th Amsterdam location.





70 Planet

2022 Goals

2023 Goals



Envisions chipboards

In our latest Munich store, Envisions takes the opportunity to make a bold gesture by giving new life to a batch of used chipboard superPan panels from wood manufacturer Finsa. Envisions will compose colours into a collection of patterns that will shape bulky blocks, following the rigid given solid board material. The new panels will be designed and can be produced in-house with one material, minimum waste and flat packed design.

DID YOU KNOW?

We have campaign images in our stores that are made from recycled canvas.

In 2022 we worked with a local partner in the Netherlands to make laptop sleeves for our HQ teams.

We found a recycling partner who can recycle and repurpose these materials.

"When stepping into a new building, our approach is to work with what's already there, keeping it simple and uncomplicated. We prioritise the use of sustainable materials as the foundation, and then infuse creative, innovative, and ecofriendly design elements. It's the harmonious blend of these materials that truly brings a store to life."

> Berit Burema Retail Design Manager

71	Chapter Name	· · ·		2022 Goals
				RETAIL DESIGN ANI
				2023 C
			13.	Improve operat footprint by des
			14.	Increase usage sustainable mat standardised st
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73 People

People This is how we look

after our people



We are committed to ethical business practices that safeguard the well-being and rights of every individual. Our dedication extends from our corporate workforce to factory floors and our mission is to ensure that each person thrives throughout their journey 20 Continue chain to Tier 2 sup and

2022 Goals

Continue mapping out our supply chain to achieve full visibility of Tier 2 suppliers (both component and raw-material level)

80%

Traceability and Transparency

Knowing where you are is the best way to determine where you're going. Knowing where our products and raw materials are manufactured and sourced, and under what conditions, is key to ensuring better conditions across our supply chain.



Tier 2

Material production
 Frames' components production
 Product treatments

East. our **Tier 3** Raw material processing

Deceepepoooo

Supply Chain

Our supply chain

isn't local

Our supply chain spans from Italy to the Far East. We work with trusted partners who share our values of social and environmental Responsibility. In 2022, we continued to map out the supply of our products to increase visibility across the different tiers. Expanding to new product categories also meant onboarding new suppliers, ensuring our values of transparency are shared and our Responsibility standards are met.



Worldwide manufacturing countries

Eyewear manufacturing countries 2022 collections: Eyewear manufacturing countries Spring / Summer 2023:

Cambodia	27%	Cambodia	37%	
China	68%	China	52%	
Italy	6%	Italy	11%	
Vietnam	0%	Vietnam	0.4%	

In 2021 we had 77% visibility over Tier 2. In 2022 we reached 100% visibility over our eyewear Tier 2 suppliers.

Tier T suppliers: Eyewear				
manufacturers and lens				
edgi	ng and mount	ting		
	facilities:			
			\	

Tier 2 eyewear components and materials:

Cambodia	1	China	31
China	5	Italy	7
Italy	1	Vietnam	1
Vietnam	1	Hungary	1
Netherlands (lens edging & mounting)	1	Germany	1
Hungary		Malaysia	1
(lens edging & mounting)	1	Poland	1

Thailand

1

Where Tier 1 accessories suppliers are based:

Where Tier 2 accessories suppliers are based:

South Korea	1	
China	2	

Accessories

In 2022 we launched three new accessories. We achieved **29% visibility** over Tier 2 for this category. As we work with new partners, we will continue to achieve further traceability down the supply chain.

South Korea	3
China	4
Germany	1
Taiwan	1
Italy	2





Our Responsibility

With a global supply chain, a dedicated headquarters, and dynamic retail teams, we not only serve customers daily but also work to do right by our people and global community.



81 People

Accountability



Transparency and accountability, across the supply chain

We firmly believe the key to a more ethical and sustainable industry is to hold ourselves and our partners accountable. We are committed to nourishing long lasting partnerships and choose to work with partners who share our commitments and values. Our partners understand that we aim for the highest level of supply chain transparency and accountability. We firmly believe promoting fair labour and environmental standards throughout the entire supply chain contributes to a thriving, more sustainable eyewear industry.

Strengthen our Supply Chain CSR policy in 2022, addressing our sourcing and procurement practices, policy engagement, and the monitoring of supplier performance

> Report on the grievance process and develop corrective actions in case of non-compliance

> > 100%

2022 Goals

Establish Vendor Balanced Scorecards as the baseline for supplier performance tracking and set goals with key partners to improve performance, all in 2022

Safety & healthy

63.6%

working conditions

In 2022, 85 % of our tier 1 eyewear manufacturers shared an ethical audit report

In 2022, 100% of tier 1 suppliers were monitored more than twice per year using our Vendor Balanced Scorecards.

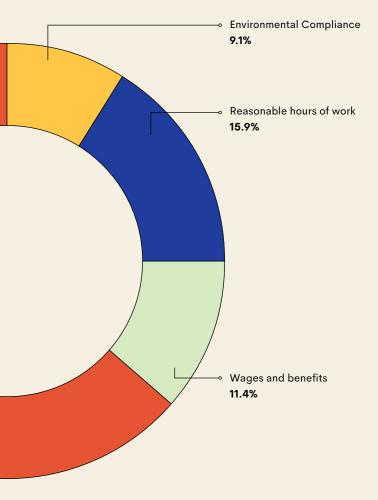
To manage supply chain human rights due diligence we rely on the general principles of the UN Global Compact, UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

ANNUAL AUDITS

We require annual audits from our partners to ensure working conditions and human rights standards are met and processes to ensure environmental compliance are in place. A social or ethical audit aims to understand how factory practices benchmark according to local laws and the universal ILO labour standards. We accept internationally recognised standards such as BSCI, SMETA, WRAP and SA8000. We collect the audits annually and follow up on non-conformities if reported in the form of a Corrective Action Plan.

VENDOR BALANCED SCORECARDS

In 2022 we continued working closely with our suppliers to further improve our programs to be sure social and environmental standards are upheld. Vendor Balanced Scorecards are completed by suppliers annually – by which we can understand their challenges and have open dialogues for improvement. Based on audit reports and Vendor scorecards, we aim to understand the non-conformities flagged and work together to remediate these. A frequent topic flagged often in 2022 was 'overtime' – due to Covid-19, as well as 'Safety and healthy working conditions' – both of which are addressed and monitored in partnership with our suppliers.

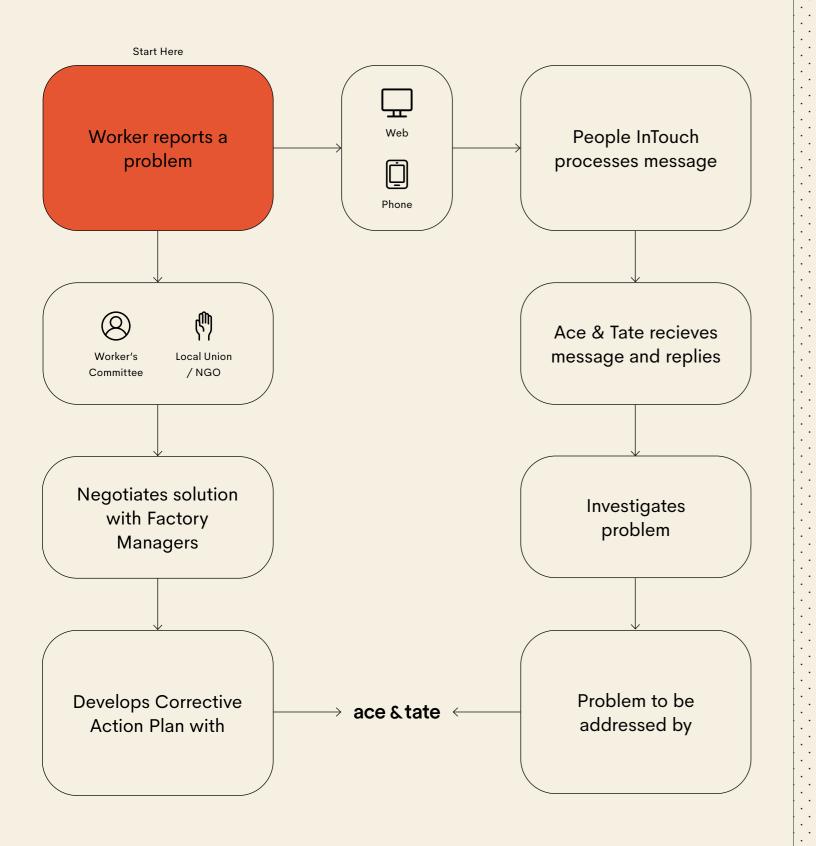


2023 Goals

GRIEVANCE PROCEDURE

In 2022 - the SpeakUp program was introduced with 100% of Tier 1 eyewear manufacturers, in collaboration with People InTouch. Our goal was to set up a SpeakUp programme with the purpose of early transparency by means of speaking up so that ethical wrongdoing can be prevented or detected as early as possible.

People Intouch offers a safe, anonymous and userfriendly reporting tool for suspected misconduct, so anyone can raise concerns without fear of reprisal.





focused on social responsibility to take the work we've achieved



· · · · · · · · · · ·

2022 Goals

Culture



Cultivating a responsible and inclusive workplace

Behind every decision, product and outcome at Ace & Tate is a team of people working to make our mission come alive – to bring a smile to people's faces – and to be a more responsible business, every day.

2022 Goals Establish guidelines for a safe and healthy work environment



Define benefit package that stands for our employer vision and build on Employee Development programme to support employee growth

80%

Constitute an Ace & Tate Responsibility Board, appointing representatives in each team

100%

Ace & Tate People Strategy

Stepping up as a responsible employer

"The Ace & Tate team is a diverse, creative, ambitious group of talented people who share a common passion for our mission to become the leading eyewear brand. We are united by our dedication to both the planet and each other, fostering a culture of care and collaboration."

> Leonoor de Vries Head of People

We strive to be a responsible employer that fosters a healthy culture; promoting ethical and responsible business activities and creating a culture of inclusivity and authenticity across our workforce. In our 2021 report, we introduced our new People Strategy. As an initial action, our People team spent time benchmarking our programmes against industry peers and surveying our employees to better understand our teams needs. We have since implemented market benchmarking for our rewards proposition, to make sure we recognise employees fairly and consistently, and in line with the market. We have made significant steps in our rewards strategy, both in terms of salary as well as benefits, focusing on offerings that create inclusivity, support mental health and enable a healthy work-life balance.



HEALTH & WELLBEING

Employee health and happiness is our top priority. In 2022 we continued our partnership with OpenUp. We have increased our efforts and communications around the topics of a healthy work-life balance and offering tools to support employee wellbeing through the support of OpenUp, as well as sports activities at our HQ. And with the Covid restrictions being lifted, we have also intensified our health & safety training in our stores, driving safe workspaces for our employees and our customers.

In 2022, a total of 100 employees attended at least one OpenUp webinar.

We aim to advance social and environmental change across our workplace and communities. The years of Covid caused a clear shift in focus, and we were forced to prioritise stability in our supply chain and securing the wellbeing of our employees (as well as workers at the factories we work with) – all while aiming to deliver our ambitious Responsibility goals. This is something we can't do alone as a Responsibility team – so as the dust



settled, we revived our B team, which by the end of 2022, counted 17 motivated employees. This team pushes our Responsibility journey onwards and upwards.

Our B Team is made up of 17 employees from different departments including HR, Operations, Product Development and Legal.















PEOPLE STRATEGY 2023 Goals

2022 Goals

91 People

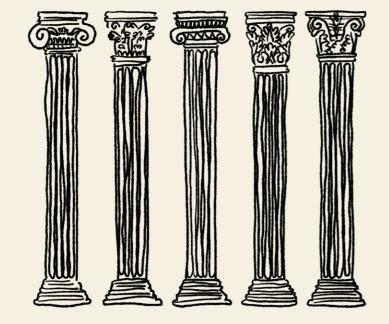
- 21. Continue a strong focus on setting our teams up for to contribute to our mission
- 22. Develop our (store) Manager Academy to give managers the tools and techniques to succeed in their roles and the organisation

success, ensuring employees feel empowered and equipped

drive consistency, clarity and equal opportunity throughout

93 People

Diversity, Equity and Inclusion



Our DE&I principles and practices

We are working on creating, nurturing and sustaining an inclusive culture that represents diverse identities while valuing all the people who make up our community of employees, partners and customers. This work is ongoing.

2022 Goals

Implement next steps of our DE&I strategy (engage relevant teams, track targets, offer employee and customer feedback opportunities)

50%

2023 Goals

94 People

2023 Goals

The Responsibility to uphold our principles and standards on DE&I is spread out across the organisation from; recruitment practices, and learning & development initiatives - to creating an inclusive work culture.

Based on the research conducted by inclusion strategist and advocate Marian Spier in 2021, we formulated our foundation to rethink our DE&I vision, strategy and future actions. Since then, we conducted interviews with employees to gather further insight. Our strategic pillars are getting the basics right, building an inclusive workplace, creating a diverse workforce and being representative & accessible to customers. We have:

- 67% women, 37% men, 2% rather not disclose
- 34% of recent ENPS participants self-identify as part of an underrepresented group
- 75 nationalities
- 95% of employees feel they can be their authentic selves at work
- 78% of employees feel included and respected in the company

DE&I best practices should be business as usual, but they're often not yet in today's society. We aim to challenge ourselves to continue working on initiatives that support inclusivity, equality, and diversity across our business and beyond. Our focus remains unchanged:

- Push diversity in recruitment, to become a fully representative organisation
- Offer ongoing training
- Set up an employee onboarding process guaranteeing inclusivity
- Guarantee employees have all the tools and support they need to thrive at Ace & Tate
- Establish new inclusivity practices (eg. Unconscious Bias Training, accessibility information)

DID YOU KNOW?

In 2022 we introduced a design concept called Global Fit - our effort to offer more inclusivity in design. We made our never-out-stock NOS assortment by adding 39 best sellers with nose pads on top, for lower nose bridges, of the existing SKUs for AW23. These are only sold online.

Becoming a more diverse and inclusive employer is not a tick-box exercise. Cornerstones of our work on DE&I are:

- Seeking understanding: bi-annual data collection: anonymous survey tools to provide safe spaces for employees to offer anonymous feedback on management, impact, transparency, teamwork, and DE&I, as well as interviews with employees
- Recruitment: standardising the recruitment process and analysing our job description language to eliminate hidden bias (gender, racial, disability and age bias) language to ensure inclusivity
- Training: as part of onboarding we are creating e-learning modules instituted that support our employees and bolster our DE&I goals
- Engaging with external advisors and spokespeople: turning to external experts to help educate us on systemic racism, allyship, and inclusive leadership
- Internal DE&I Committee: to advise on decision making
- **Community:** we have been a part of the B Corp JEDI working group since 2021, which comes together every two weeks to share best practices and create resources that support our common goal of bolstering DE&I within business practices and beyond

95 People 2022 Goals

DE&I 2023 Goals

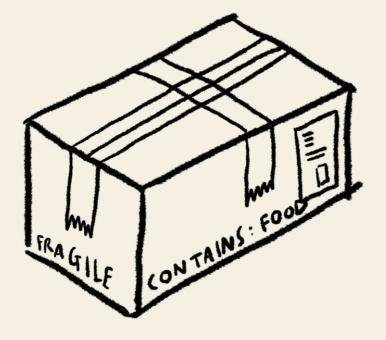
- 23. Institute several programmes that better support our employees and recruitment, onboarding, training and continuous monitoring of employee inclusivity and equal opportunities
- 24. Fostering a safe and healthy work on employee happiness and stress levels)
- 25. Guarantee employees have all the tools and support they need to thrive at Ace & Tate, the Speak-Up policy relaunched in 2023 and confidential advisors

bolster our DE&I goals in areas such as

environment (increase efforts focusing

Community

Creating positive change beyond our own walls



We aim to create positive change beyond our walls - whether this is by enabling our teams through volunteering initiatives or giving back to our community through philanthropy.

2022 Goals

Continue to engage in impactful, local or small-scale initiatives, via direct donation or by supporting our employees' efforts

100%

Community support

Supporting communities, near and far



Theresa Hospital, Ghana

In 2022, our HQ team volunteered 144 hours with the Voedselbank in Amsterdam, packing more than 2000 food packages.

Choosing partners and organisations to work with for charitable purposes is a thoughtful process. We work with small-scale and local charities, making sure we directly see the impact of our support.

We have a longstanding relationship with the local Voedselbank in Amsterdam, who we partner with by offering volunteering opportunities for our teams. The Voedselbanken is a volunteer-run foundation for those who are temporarily unable to meet their households' basic food needs. It partners with businesses,

organisations, municipalities and individuals to reduce food insecurity but also food waste. Through 11 pick-up points in Amsterdam, they provide 1850 households, 4800 people with a weekly food package.

In 2022 more than 500 frames and cases were donated to Theresa Hospital in Ghana to support our long-term partner Eyes on Ghana. Our lens production partner donated lenses. Ace & Tate donated sunnies, for after cataract surgeries - as well as prescription glasses.



Appendix

Appendix 1.

Our reports are conducted in accordance with ISO 14040 and ISO 14044 using Vaayu's third-party verified methodology. Ace & Tate's Corporate Carbon Footprint report is aligned with the GHG protocol. The GHG protocol is the most widely adopted accounting and leading standard for calculating carbon footprints.

Appendix 2.

detailed look – `	Year on Year	2021 (mt CO ₂ -eq)	2022 (mt CO ₂ -eq)	YoY change		% of total 2022
Scope 1	Natural gas	189.88	124.57	-34.40%	Decrease in consumption; change in environmental impact factor	2.11%
	Petrol	3.09	0	-100.00%	Decrease in consumption	0.00%
Scope 2	Electricity (market based)	94.72	25.87	-72.69%	Decrease in consumption; changes in environmental impact factor	0.44%
	District Heating	88.27	32.48	-63.20%	Confirmed RECS	0.55%
Scope 3 (upstream)	Product Carbon Footprint (Product Carbon Footprint) (Purchased Goods for sale)	570.6	750.5	31.53%	Increase in sales, changes in modelling framework and environmental impact factor	12.70%
	Purchased Goods & Services (not for resale) and Capital Goods	6.95	2693.83		Non-comparable Scope 3 across the two reporting years due to widened Scope	45.58%
	Upstream Transport & Distribution	178.83	416.09	133%	Higher availability of primary data in 2022 vs 2021 (2021 emissions were largely calculated based on assumptions for mode of transport and distances)	7.04%
	Waste	0	85.7		Non-comparable Scope 3 across the two reporting years	1.45%
	Business Travel	26.4	103.2	291%	Increase in business travel activity; updates in transportation impact factor	1.75%
	Employee Commute	278.3	282.91	1.70%	Change in travel activity and in transportation environmental impact factor	4.79%
Scope 3 (Downstream)	Shipments (incl. Packaging)	570.59	374.77	-34%	Higher data accuracy (API-based)	6.34%
	Use of Sold Products		921.93		Not accounted for in previous year	15.60%
	End-of-Life		98.2		Not accounted for in previous year	1.66%
		2007.63	5010.05			

5910.05

2997.63

Appendix 3.

System boundary and scope

- Products in scope of 2022 report are the; 'bio acetate frame', 'acetate renew bio frame', 'stainless steel frame' and the 'titanium frame'. For other product categories – 2021 data was reused.
- Deadstock is included in our Product Carbon Footprint.
- Since opening a warehouse in the UK mid-2022, our value chain looks significantly different for UK orders. Roughly 80% of frames sold are fitted with prescription lenses. Depending on where the frame or prescription is purchased, this can be done at different locations. 20% of our edging is carried out in-store. 46% is done in Hungary. 15% at our production partner's facility in the Netherlands. In the latter two situations, all edged glasses are shipped to our warehouse. They are then packed in a case with a cloth, and shipping boxes for final customer delivery or send to stores to be picked-up.
- Our total Product Carbon Footprint calculation takes into account both supplier allocation, sales quantities, product category, and route taken.
- The frames considered in the 2022 Product Carbon Footprint report are produced in China, Cambodia and Italy. For the Asian locations, utilities data from China was used to allow for a fair comparison.
- For the South East Asian countries, materials are supplied from China. Materials used in Italy are predominantly sourced locally. Production and transportation of raw materials, including packaging, to sites have been considered.

	2022 (CO ₂ -eq)	%
Natural gas	124.57	3.87%
Petrol	0	0.00%
Electricity (market based)	25.87	0.80%
District Heating	32.48	1.01%
Product Carbon Footprint (Product Carbon Footprint) (Purchased Goods for sale)	750.5	23.33%
Purchased Goods & Services (not for resale) and Capital Goods	2693.83	45.58%
Upstream Transport & Distribution	416.09	12.94%
Waste	85.7	2.66%
Business Travel	103.2	3.21%
Employee Commute	282.91	8.80%
Shipments (incl. Packaging)	374.77	11.65%
Use of Sold Products	921.93	28.67%
End-of-Life	98.2	3.05%

3216.22

 Prior to edging, frames are mounted with either demo lenses, plano lenses or sun lenses. Selected frames are forecasted as sunnies – this means they do not require a demo lens. For prescription frames, demo lenses are replaced by specific prescription lenses when an order is placed.

 They are then shipped alongside our other products, by air and/or sea freight, to our warehouse in the Netherlands.

Definitions

1. Spend-based methodology

A methodology that estimates emissions for goods and services by collecting data on the economic value of goods and services purchased and multiplying it by relevant secondary (e.g. industry average) sector-tailored emission factors (e.g. average emissions per monetary value of goods) (Source: GHG Protocol)

2. Science-Based Targets

The Science Based Targets initiative provides businesses with a clear view on the scope and speed at which they need to reduce their GHG emissions to be in line with the Paris Agreement target to limit global warming to 1.5°C above pre-industrial levels (from our 2021 Responsibility Report)

3. Corporate Carbon Footprint

Measures the emissions of a company's entire value chain, including its direct emissions (e.g. fuel combustion) and indirect emissions (e.g. during production of the products) (Source: TUV Rheinland)

4. Absolute emissions

Absolute emissions refer to a company's total emissions over a given period of time, as opposed to intensity, which is calculated in relation to some sort of economic output (e.g. number of employees, revenue etc.) (Source: ADEC Innovations)

5. Product life cycle

A product's life cycle includes its raw material extraction, manufacturing/production, distribution, consumer use, and disposal by the consumer

(Source: Kearney, Pre-Sustainability)

6. Purchased Goods & Services (not for resale) A category that makes up part of a company's corporate carbon footprint and is counted in the upstream Scope 3 emissions. It includes all upstream (i.e. cradle-to-gate) emissions from the production of products purchased or acquired by the company that are not for resale. Products include both goods (tangible products e.g. store furniture, optician equipment, etc.) and services (intangible products) (Source: GHG Protocol)

7. Capital Goods

A category that makes up part of a company's corporate carbon footprint. It includes all upstream (i.e. cradle-to-gate) emissions from the production of capital goods purchased or acquired by the company (Source: GHG Protocol)

8. Freshwater ecotoxicity

Chemicals can have toxic effects on (freshwater) ecosystems, such as causing biodiversity loss and/ or species extinction (Source: Master thesis)

9. Freshwater/marine eutrophication

Eutrophication is a process driven by the enrichment of water by nutrients, especially compounds of nitrogen and/or phosphorus, leading to: increased growth, primary production and biomass of algae, changes in the balance of organisms; and water quality degradation. The consequences of eutrophication are undesirable if they appreciably degrade ecosystem health and biodiversity and/ or the sustainable provision of goods and services (Source: European Commission)

