

SUSTAINABILITY REPORT

BY NATY



CONTENT

About Naty and environmental principles	3
WHY we do what we do	7
Person	
People	
Planet	
HOW we work	12
Innovation	
Entrepreneurship	
Excellence	
Transparency	
WHAT we deliver	17
Healthier lifestyle	
Awareness about environmental issues	
Business in a sustainable way	





quand on est maman
rien ne compte plus
que ses enfants.



ABOUT NATY

More than 20 years ago I realized the damaging impact that traditional nappies had on the environment, I didn't want to be a part of it. At the same time being a busy mother of two sons, I did not see that washing nappies would fit into that schedule.

I felt I needed to do something. I wanted to develop a healthy ecological nappy that would perform as well as the best traditional nappy. Fast forward to 2018 and the Naty nappy is a worldwide success earning the OK Biobased certification by the independent organization Vincotte. I'm proud that the range has been extended to a full family line and now includes baby wipes, toiletries and other baby and women care products.

Since the start our aim was to provide a healthier alternative for parents to take care of their children because we believe in a healthy baby and healthy planet. We have challenged the market by creating a new type of a nappy, using bio- and plant-based materials and proving that ecological products can perform at the level of a regular product.

We have always seen sustainability as an integrated part of our business. By choosing our products our customers are joining us on our sustainable journey.

Marlene Sandberg
Founder & CEO

Bringing Positive Change For Society And Planet By Making Sustainable Products

We are an independent family owned company driven by our entrepreneurial dreams. Through this we have successfully grown to a company with sales in 36 countries on four continents.

For us sustainability is all about persons that want to make conscious choices, people that want to change society and our planet that needs to be protected.

One of the stigmas of green products has been that their performance was considered to be inferior to traditional ones. We've introduced a new concept – sustainable performance. Our core belief is that true performance minimises environmental impact. Instead of achieving technological performance at the expense of babies' and the environment's well-being, Naty invests most of its resources to develop products that deliver premium performance while reducing their environmental impact.



Person

Change starts with individuals making more conscious choices. We enable our customers to make the healthiest and eco responsible choice possible which also satisfies personal needs and preferences. For ourselves, we chose to prove that running an innovative business in a highly competitive market can be successful with sustainability at its core.

People

We empower people to change society by joining our movement towards sustainable economy. Our Ambassador club program makes it easy to spread the word about our healthier and more sustainable alternative to traditional nappies. We believe that together we can make a difference in the world.

Planet

Our products use FSC certified wood pulp, are free from nasty chemicals, and contain no perfume. Our nappies are made from 53% renewable sources, and we hope to launch the next generation nappy (100% renewable) in 2020.

ENVIRONMENTAL PRINCIPLES

*We base our strategy
on environmental goals*

We aim to use renewable resources.

We are using innovative technologies and materials to find the best environmental solution.

We avoid harmful substances in our formulations.

We are minimising the usage of chemicals and oil-based plastic whenever possible.

Mission/WHY

To radically change the way the market works to protect the planet through enabling a person to make conscious choices and empowering people to change society.

Values/HOW

Our entrepreneurial culture fosters innovation and we pursue it with excellence in a transparent way.

Impact/WHAT

We want to help people living a healthier lifestyle and raise awareness about environmental issues for the future of our planet and its natural resources.

We have achieved international success by conducting business in a fair and ethical way and we continue creating positive impact through efficient use of resources as well as developing renewable materials.



WHY DO WE DO WHAT WE DO

To radically change the way the market works to protect the planet through enabling a person to make conscious choices and empowering people to change society.



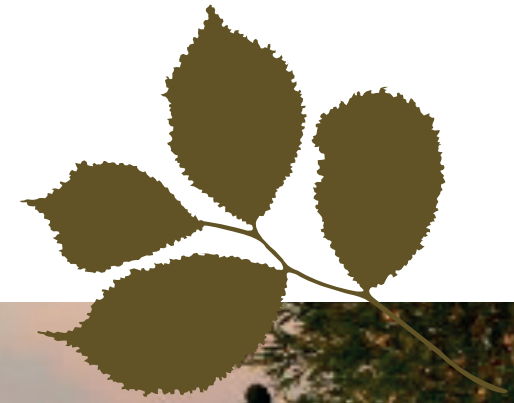
Protecting the planet

Significant amount of water and energy are used to produce disposable nappies. The manufacturing process requires large volume of pulp, paper, plastic and other raw materials. This contributes to energy waste and pollution on a large scale and the sourcing is non-sustainable. The handling of the waste from disposable nappies is the other side of the problem. A large part of the nappies waste ends up in landfills. Most of disposable nappies are not as biodegradable as people may think. Scientists estimate that once nappies end up in a landfill they can take around 500 years to decompose. When combined with other absorbent hygiene materials, such as sanitary pads and incontinence pads, this results in tons of landfill waste every year and contributes to notable amounts of carbon emissions.

To take a few steps on the way toward a sustainable society Naty's products are made of as much renewable raw materials as possible. The amount of renewable material is determined by what is available for the specific product. Naty nappies are made of 53 % renewable materials and the outer packaging for all our products are made of renewable and recyclable paper.

Instead of using oil-based plastic we use bioplastic which is derived from renewable biomass sources. Instead of extracting oil from the ground, plants are cultured, harvested and turned into bioplastic. When we extract oil we add CO₂ to our environment. Regardless if the waste is burnt or deposited in landfills CO₂ is exposed to the atmosphere. When you grow plants, CO₂ is absorbed by the plants and with the materials life-cycle you end up reaching a zero-sum game. This is sustainable way of using the possibilities that innovation and development give us. For Naty, using renewable materials in our products is an important part of sustainable business.

We are constantly developing our products with the aim to use only renewable materials in the future. We are not there yet but each step we take is closer to reaching our goal.



*mother nature says
thank you*



Renewable materials – plant-based materials

At Naty we use renewable materials whenever possible. The conventional oil-based plastic outer sheet has been replaced with a plant-based plastic. This material, whilst being watertight, also allows the nappy to breathe, resulting in an airier, dryer, cooler, and more comfortable nappy.

The outer breathable layer is made from plant-based plastic and natural additives. The absorbing layer of Naty nappies also consists of biodegradable cellulose fluff pulp, blended with a small amount of super-absorbent granules which are necessary to enhance the absorbency of the nappy thereby reducing the number of nappy changes you will make.

We aim to use renewable resources as often as possible whilst focusing on performance. Today, Naty nappies are one of the most environmentally friendly disposable nappy options available on the market.



Conscious choice

When parents pull a box of nappies off the shelf, they are growing more aware of the different risks they are exposing their children to: cancer, asthma, hormone disruption and others. Dioxins, dyes, fragrances, and phthalates are some of the ingredients credible scientific researchers have found in disposable nappy brands used by millions of parents. It's even been discovered that the dyes used to put decorations on nappies are known to cause nappy rash.

We say NO to harmful chemicals, we take pride in using plant-based materials whenever possible and steering clear from all harsh chemicals and man-made components. We simply believe it's the best thing to do – both for the planet and for the baby's bum.



All over the world, we inspire and help parents to make more healthier and eco-conscious choices for themselves, their children and our planet without putting a compromise on health and safety, convenience and product performance.

Our personal care line for babies and their parents is free of parabens, phthalates, mineral oils, PABA and DEA which helps to avoid allergies and toxins. We clearly state that on our packaging and ECOCERT certification is a strong proof of it. This way we help consumers to make an informed decision of a healthier choice.



Social change

We constantly improve our products and seek to find new and better solutions that benefit both our customers and society, challenge established multinationals and seek long-term partnerships with our business partners to change the way we work together in a more responsible way.

More and more people worldwide are becoming aware of environmental issues and seek actively to contribute to the environment and society: 33 per cent of consumers would “actively choose” to buy brands they believed were doing social or environmental good.*



We have been leading this social change for more than 20 years and through our brand ambassadors program we are supporting and empowering people worldwide.

Who is a Naty ambassador? A parent who want to make a difference, live in a greener world and ensure that children have a better life in the future. How? By buying our products and spreading the word about them. We know that parents do believe in personal recommendations. We empower families to make a step to a healthier life for their babies from day one.

45% OF YOUNG PEOPLE REGARD
CLIMATE CHANGE AND THE
DESTRUCTION OF NATURAL RESOURCES
AS THE MOST SERIOUS ISSUE GLOBALLY

SOURCE: GLOBAL SHAPERS ANNUAL SURVEY 2016



HOW WE WORK

Our entrepreneurial culture fosters innovation and we pursue it with excellence in a transparent way.

“color outside
the lines

we do things differently.
don't chase or imitate others –
innovate ahead of them.”



Innovation

To us good eco is not only about caring for the nature and the health and wellbeing of small and big human beings. It is as much about finding smart ecological solutions that simplify everyday life.

As the leading eco company on the market, with more than 20 years of continuous eco innovations, we refuse to settle down. We are determined to keep up the work for real eco progress. Eco innovations that make a difference.

The content of ecological materials in the Eco by Naty nappy is outstanding. Step by step we have been eliminating as much non-renewable materials as possible, without compromising comfort and performance. Today we are well on the way with the next step: 100% renewable materials in the nappy. This is close to our heart.



Entrepreneurship

Naty's idea was conceived when Marlene Sandberg was pregnant with her second child and was reading a newspaper article about the high levels of waste that conventional nappies produce. The newspaper article was a wake-up call to change the way she lived.

Marlene knew that to make a disposable nappy work for the environment and for busy new mums, she had to reinvent the disposable nappy from the inside out. By opting for materials that would be renewable instead of made of oil-based plastics and leave out the worrying list of chemicals used in conventional nappies. When Marlene came up against a brick wall, because there were no environmentally friendly materials for nappies available, she didn't give up. She carried out her own research and development into alternatives and found a small factory in Sweden prepared to work with her, and Naty was launched on the market in 1998.

Naty is tiny in comparison to the nearest, conventional competitor, which reach billions in annual revenue. But what Marlene has achieved with intelligence, drive and the heart of an entrepreneur is remarkable. Not satisfied with the early Naty nappy prototypes, she is constantly striving to improve the environmental performance of the nappies and their reliability for time-poor mums. Marlene says: "I am very proud of the fact that our nappies compete with conventional nappies both on performance and price; for the simple truth is that if we didn't, no one would buy them."

This approach has remained the same for the last 24 years. When there is no available renewable material, Naty refuses to follow the market's rules and challenges suppliers to create a new material.

Naty is finding new ways to approach customers. Being a small company, it does this through a program for loyal customers and with the use of word of mouth in turn creates a big customer base among conscious parents.

Many retailers now recognise the consumer power and increases its assortment of ecological products. There is still huge potential and Marlene is tirelessly challenging established players by opening Naty's own web shop in February 2018. It will be a direct and environmentally friendly way to the customers.

Marlene says, "It's a complete waste of time doing something mediocre" and this combination of entrepreneurial approach with excellence is a key to being successful in the competitive market.

THE UNCONVENIENT TRUTH ABOUT NAPPIES

Dear Parent,

More than 20 years ago I found myself changing nappies at an ever increasing rate. I knew I must not have been the only one. Where were all these nappies going? Piling up in the landfills?

It was then that I learned of the devastating effects that disposable nappies (based predominantly on oil-based plastic) have on our environment and on the well-being of our children.

Eco by Naty products are the results of many years of research and development to bring the market the greenest high performing nappies possible. I will continue to work hard so that you will never have to choose between the well-being of your children and the environment they live in.

I don't believe in shortcuts or compromises, because like you, I am a mom too.

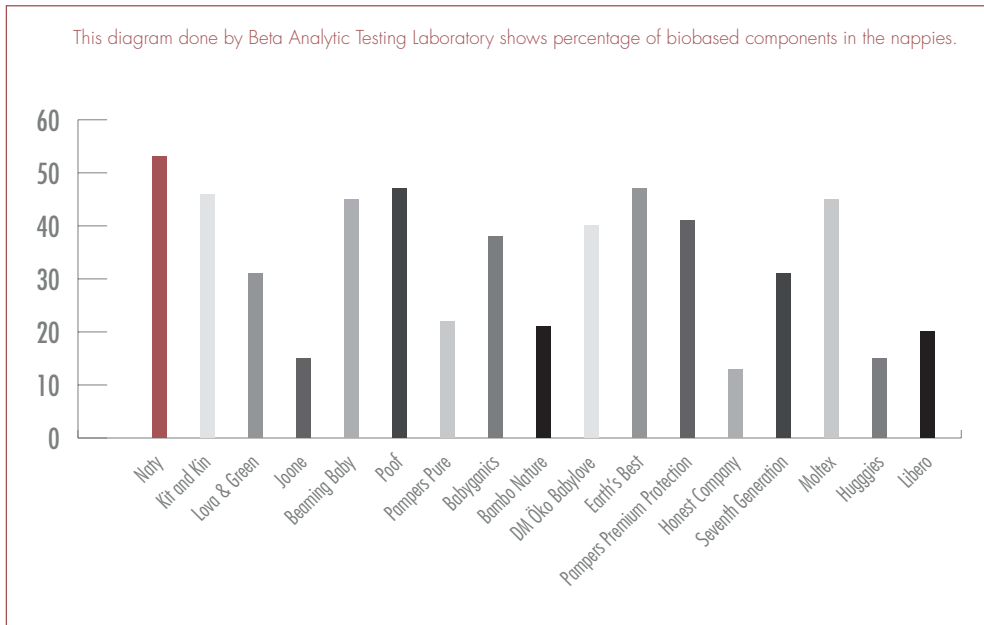
Marlene Sandberg

Excellence

In a world full of false environmental claims trust must be earned. That's why we carry certifications to back up what we are saying with solid independent proof. On top of that, we are the best performing green nappy on the planet according to parent reviews.

We are not surprised, seeing as more than 20 years of nappy innovation has taught us never to compromise with function and quality. What is good for the baby is good for the nature and by using renewable natural materials we are providing healthier products for the babies and helping the natural cycle of sustainability.

Our consumers value our products and we have top rated performance, this is the proof that ecological alternatives can work as well as the conventional products of the market leaders.



Top Rated Performance



TOP RATED PERFORMANCE



Born in 1994



To see what other parents are saying about us read our reviews at www.naty.com

Transparency

We are the only brand who is fully transparent when it comes to ingredients and materials that we use in our nappies, wipes and personal care products. We use independent authorities to certify that the quality of our products and their performance is exactly what we say.



EcoCert is an organic certification and inspection body established in France in 1991.

With activity in over 80 countries it has become one of the largest organic certification organizations in the world and one of the best-known labels in the field of standardization regarding natural cosmetics.

The "Natural and organic cosmetic label" requires that a minimum of 95% of all ingredients in the formula are plant-based and a minimum of 10% of all ingredients by weight must come from organic farming.

Our Personal care line are certified by ECOCERT.



Vincotte provides independent services in the field of certification, validation and verification with a guarantee of constant impartiality. Vincotte's aim is to provide all services and carry out all actions in the field of protection, safety, quality and environment.

"OK Biobased" was launched in 2009 to provide companies with an independent assessment of their products' renewability.

Via the "OK biobased" certification system, innovative manufacturers can have their declarations regarding the use of renewable raw materials officially confirmed by an independent "OK biobased" certification.

Most of our products have Vincotte certification and the number of stars shows the level of biobased components.



Swedish Asthma and Allergy Association (SAAA) is a Swedish national association working to improve the conditions and the understanding of people living with asthma, allergy, intolerance and hyper sensitivity.

Svalanmärkt (The Swallow Tag) is a recommendation of the Swedish Asthma and Allergy Association. Svalanmärkt signifies a product free from perfume, allergens and other irritating substances and therefore suits those with allergy or other sensitiveness.

Svalanmärkt acts as a guideline for consumers supporting the cause of asthma, allergy, intolerance and hyper sensitivity.

Our nappies are certified by SAAA.



is a global, not-for-profit organization dedicated to promoting environmentally appropriate, socially beneficial, and economically viable management of the world's forests.

Through certification, FSC creates an incentive for forest owners and managers to follow best social and environmental practices.

FSC certification ensures that products come from well managed forests that provide environmental, social and economic benefits.

The Global Organic Textile Standard (GOTS) O aim to define the requirements to ensure organic status of textiles, from harvesting of the raw materials, through environmentally and socially responsible manufacturing up to labelling to provide a credible assurance to the end consumer.

GOTS is recognized as the world's leading processing standard for textiles made from organic fibers. It defines high-level environmental criteria along the entire organic textiles supply chain and requires compliance with social criteria as well.



Only textile products that contain a minimum of 70% organic fibers can become GOTS certified. All chemical inputs such as dyestuffs and auxiliaries used must meet certain environmental and toxicological criteria.

Swedish Society for Nature Conservation (SSNC) is an environmental organization based in Sweden. They spread knowledge, map environmental threats, create solutions, influence politicians and public authorities. They work at both national and international levels and they have founded one of the world's most challenging eco labels, Bra Miljöval (Good Environmental Choice).

Bra Miljöval is the eco label of SSNC. It is referred to as Good Environmental Choice in English. SSNC started eco labelling laundry detergents and paper in 1989.

Currently the system covers 10 product areas and their labelling enables you to choose the products that are least harmful to the environment.

Our baby clothes are approved by SSNC.

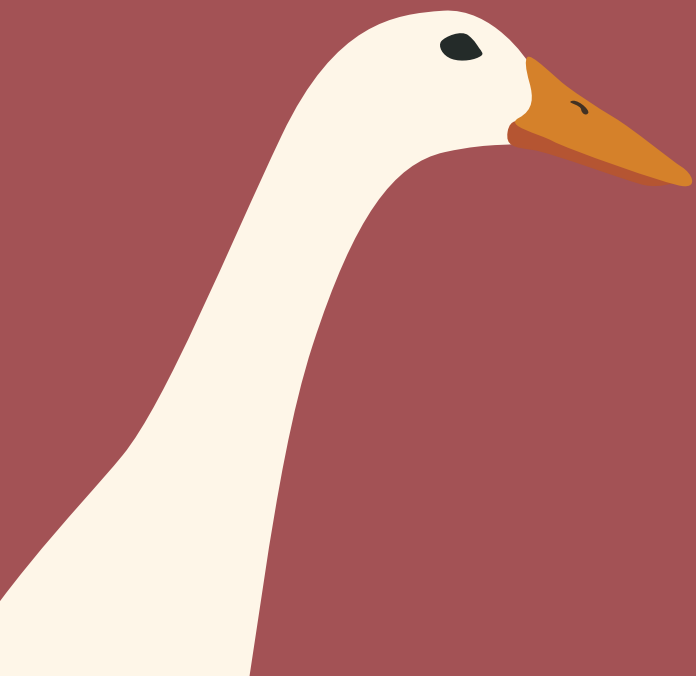


Labelled Good
Environmental Choice By:
SWEDISH SOCIETY FOR NATURE
CONSERVATION MEMBER OF
THE INTERNATIONAL UNION
FOR CONSERVATION OF NATURE

WHAT WE DELIVER

We want to help people and raise awareness about environmental issues for the future of our planet and its natural resources.

We have achieved international success by conducting business in a fair and ethical way and we continue to create positive impact through an efficient use of resources as well as developing renewable materials.



Sustainability for healthier life

We are proud that our products are not only well liked by parents but also carry numerous awards. We pride ourselves with our Eco by Naty products and our ability to allow parents everywhere to go green without giving up performance.

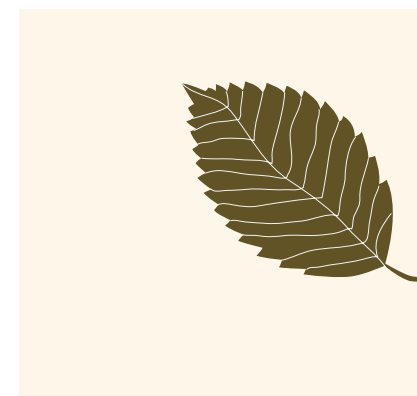
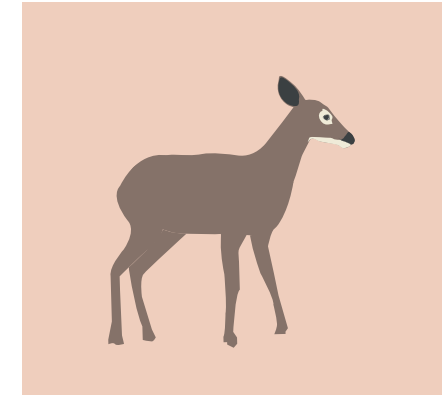
We are raising awareness about environmental issues and educating our customers about eco-conscious ways to live through our blog, Ambassador club and on social media. We are sharing green global initiatives and getting inspired by seeing direct positive response.

We know that our customers are informed consumers. We are grateful to have our customers because they care about the environment.

*They care about the health and well-being of their baby:
They care about Naty.
They help us grow and bring our ideas to life.*

We don't spend millions of dollars on marketing campaigns. We prefer to focus our spending on research and development to continuously improve our environmentally friendly line of products. Because of this, we rely heavily on word of mouth.

We know that environmentally friendly baby care products are just a small step towards a greener future. But we believe that every little bit helps. There's so much we can do together, and the positive impact can be substantial for the future generations.



healthy baby
healthy planet

SUSTAINABILITY OUR WAY

We have achieved international success by conducting business in a fair and ethical way and we continue creating positive impact through efficient use of resources as well as developing renewable materials.

FAIR & ETHICAL.

The company is Swedish and pay full corporate tax in Sweden. Neither the ingredients nor finished products are tested on animals.

EFFICIENT USE OF RESOURCES.

Production. Naty works with selected manufacturers who act responsible and follow their country's laws and regulations as well as Naty's specific requirements:

- Code of conduct
- Working environment
- Protecting the rights of Manufacturer's employees
- No child labour
- Minimize impact on environment

Transportation. The best alternative from an environmental perspective is chosen

- Sea freights are preferred
- Truck freights on land
- Air freights are avoided

Packaging. Our aim is for all the packaging that is used for our products to be made from 100% renewable materials. The packaging for our Eco by Naty nappies currently carry a 3-star certification by Vincotte and the aim is to reach a 4-star certification by 2019.



today

Today Eco by Naty is the leading green nappy company in the world. We have reached this far due to the constant drive for excellence and determination to make a real change. We are at the edge of eco development and determined to stay so in the future.

Over the years we have invested millions of dollars in new, ground-breaking technology. Instead of locking our developments with patents, we leave them free for other companies to adopt if they would like to do so. This has happened many times over the years. We don't mind that, we salute it! The more good solutions there are on the market, the better.

Marlene Sandberg. Founder & CEO

Appendix/Materials

sources:

* <http://www.thetimes.co.uk/past-six-days/2017-01-02/business/ethical-shoppers-prove-theyre-more-than-just-talk-nn58ssfdc>



FACTS

Each UK baby gets through on average 4,500 nappies from birth to potty training.

Approx. 3 billion nappies are used every year by UK parents; 8 million a day; 90% of these end up in landfill.

At least £700 will be spent by parents for each baby from birth to potty.

It takes standard nappies around 500 years to decompose.

Nappy disposal costs the UK taxpayer approx. £40 million each year.

Nappies account for approx. 2.4% of household waste in the UK.

Disposable nappies can constitute up to 50% of the waste from a family with a child wearing nappies.

Nappies account for 0.1% of all waste that goes to landfill.

400,000 tonnes of disposable nappies go to landfill in the UK every year.

The Environment Agency Report on nappies in 2008 (the most recent report) concluded that disposable nappies have a similar environmental impact to reusable nappies; Reusable nappies use far more energy in washing and drying.

38% of all UK methane emissions are accounted for by landfill. (Therefore, reducing the amount of disposable nappies going to landfill could have a significant impact on the UK's greenhouse emissions – good stat for IPCC report angle).

Another issue to consider is that the wood pulp used in nappies comes from forests. Naty's pulp is FSC certified.

It takes 1 cup of crude oil to make 1 disposable nappy.

Greenhouse gas concentrations have increased to their highest level in at least 800,000 years, including a 40% rise in carbon dioxide since pre-industrial times. Among other things, this is caused by deforestation and methane emissions. Deforestation has a massive impact on climate change, which is why FSC certified forests are vital. Landfill emits methane and CO2.

Go green without giving up performance

ECO by
Naty®