

JYSK SOP

Product Sustainability

Scope

This Standard Operating Procedure describes JYSK definitions and general requirements regarding product sustainability, recycled materials and content. New information and requirements will be added continuously.

Change-log

Section	Changes			
<u>Z</u>	Material matrix updated Ceramics section in Table 5.			



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1 Terms and definitions

JYSK defines terms and definitions as following:

Term	Definition			
Recycled material	Meaning material and byproducts that have been recovered or diverted from solid waste and have been utilized in place of raw or virgin material in manufacturing a product. It is derived from post-consumer recycled material, manufacturing waste, industrial scrap, agricultural waste, and other waste material, but does not include material or byproducts generated from, and commonly reused within, an original manufacturing process. Reference: https://www.lawinsider.com/dictionary/recycled-material .			
Post-Consumer material	Material generated by households or by commercial, industrial, and institutional facilities in their role a end-users of the product that can no longer be used for its intended purpose. This includes returns of materials from the distribution chain. Reference BS EN ISO 14021:2016 .			
Pre-Consumer material	Material diverted from the waste stream during the manufacturing process. Excluded is the reutilization of materials such as rework, regrind or scrap generated in a process and capable of being reclaimed within the same process that generated it. Reference BS EN ISO 14021:2016 Pre-Consumer material cannot be certified as recycled material.			
Claim / statement	A statement verified by a third-party certification body.			
Green washing	A false, unsubstantiated or misleading statement and/or claim about the sustainability of a product e.g. labelling a product as sustainable without factually state how the product is sustainable and have no documentation to support the statement.			
	Examples of 'Green washing'. The use of words like 'sustainable', 'low/zero carbon', 'eco-friendly' and 'green' without a claim/statement to support the claim, which makes the consumer believe the product and processes of making the product is more 'sustainable' than it really is.			
Traceability	Steps and processes documented through a third party.			

Table 1 - Terms and definitions

2 JYSK sustainable and recycled material

JYSK's vision is to provide quality products at affordable prices, while also being a responsible and sustainable retailer. JYSK expects suppliers to JYSK to share this commitment and to implement best practices for sustainability, recycling and recyclability of products and product parts.

This standard outlines JYSK's commitment with making more sustainable, longer lasting and recyclable products available to customers across the product range. Ensuring that customers have access to environmentally responsible options.

There is increasing requirements regarding sustainability and recyclability of products and materials as well as using fewer virgin materials, from both consumers and legislative organizations because of the greater focus on product sustainability.

There are different aspects to this hereunder durability, the product's lifetime vs the recycled part of the materials, reusability and recyclability of products i.e. how easy is the product to disassemble and recycle, which JYSK focuses on.

Garden chair:

Aluminum vs steel

- Aluminum has higher emission than steel
- The use in a chair is less in weight
- Transportation emission
- Aluminum has higher recyclability %
- Lifetime of the chair
- Is a steel chair even sellable?
- More dilemmas can come

Cotton:

Cotton vs viscoses

- Environmental impact of viscose production vs cotton
- Mixing products instead of clean products
- How is recycling of viscose vs cotton
- Recycling of mixed products
- More dilemmas can come

Figure 1 - Examples of dilemmas



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Unmixed materials are often preferred but is not always the best choice. The full picture of the products lifetime and reusability after use is also to take in consideration.

When recycled materials have a higher emission than virgin materials, there must be consideration of the environmental impact of using new materials as well. New materials also consume the earth's resources and may affect biodiversity, water quality, soil health, and other ecological factors.

JYSK does not accept lowering the quality of the product to be able to use more recycled materials. They must comply with standards, certificates, and ensure that the product has a long and durable lifespan as a product made of virgin materials or being with significant lover emission compared to other products in comparable lifetime spans.

JYSK requires a recycled material to be certified by a third-party validation scheme see $\underline{3}$ to ensure traceability and proof of claim/statement and to avoid green washing.

2.1 Targets

Targets for JYSK products containing or to be fully of recycled materials can be both an internal JYSK target or a target set by an outside organization e.g. the European Union.

JYSK will continuously set new internal targets to achieve outside set targets and internal targets.

JYSK suppliers and their producers must actively participate in supporting JYSK to achieve these targets as the cooperating for incorporating recycled materials into both existing and new products is crucial to succeed in reaching the targets.

JYSK welcomes and encourage any innovative ideas or initiatives that can contribute to reaching the targets.

However, any alterations to product content and design must be coordinated and approved by \underline{CAM} and/or \underline{JYSK} $\underline{C\&Q}$ before implementing the change.

Target type	Deadline			
	Post-consumer recycled materials (e.g. second-hand wooden furniture) must be incorporated in all composite materials such as MDF, product boards etc. for products covered by <u>JYSK 8101</u> (EUTR) and <u>JYSK 8104</u> (EUDR). See <u>JYSK 8104</u> for more information.	01.10.2024		
	All wood-based materials in JYSK products and packaging must be FSC certified. See <u>JYSK General Requirements</u> for more information.	31.12.2024		
	All cotton in JYSK products must be either recycled, Better Cotton or organic. See <u>JYSK</u> <u>General Requirements</u> for more information.			
Internal	 50% of article numbers containing polyester must contain recycled polyester* 50% of article numbers containing plastic must contain recycled plastic** 			
	Notes: Target published in supplier letter 20.12.2023. *at least 20 % GRS certified recycled material by weight. ** at least 20 % certified recycled material by weight.			
	Recyclability of products at end of life. Note: We are working on developing ways to measure the recyclability of our products when they reach the end of their life. We want to provide our customers with clear and trustworthy information on how they can contribute to a more sustainable future by choosing products that can be reused or recycled.	Running		
External	NA			

Table 2 - Targets

We are working on developing ways to measure the recyclability of our products when they reach the end of their life. We want to provide our customers with clear and trustworthy information on how they can contribute to a more sustainable future by choosing products that can be reused or recycled.



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3 Certifications

JYSK recognizes below certifications regarding recycled claims to be used in connection with JYSK products:

Certification	Valid for materials
FSC Recycled 3.1	Materials in scope of FSC
OEKO-TEX Recycled <u>3.2</u>	Materials in scope of OEKO-TEX Recycled
Global Recycle Standard (GRS) 3.3	Recycled textiles, plastics, glass

Table 3 - Certifications

3.1 FSC Recycled

Wooden products made 100% recycled content (either post-consumer or pre-consumer reclaimed materials) can be certified and labelled on-product as FSC Recycled.

The use of the FSC Recycled label must be in accordance with requirements for FSC in <u>JYSK General Requirements</u>.



Figure 2 - Example of FSC Recycled label

3.2 OEKO-TEX Standard 100 Recycled

Textile products containing ≥20% recycled material can be certified recycled with OEKO-TEX Standard 100.

To be labelled with OEKO-TEX Standard 100 with certified recycled material the product must contain \geq 20% recycled material and comply with other requirements set by OEKO-TEX.

The use of the OEKO-TEX Standard 100 label with certified recycled material must be in accordance with requirements for OEKO-TEX in <u>JYSK General Requirements</u>.



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3.3 Global Recycle Standard (GRS)

All textiles containing \geq 20% recycled material by weight must be GRS certified, see <u>JYSK General Requirements</u> for more information.

The JYSK Scope Certificate are made available as <u>JYSK 10290</u>. **Note:** No GRS logo on products.

The following requirements apply to GRS-certified products sold to JYSK:

- The supplier must ensure approval of the use of GRS-certification from JYSK C&Q before accepting first order
- The supplier must hold a valid 'Scope certificate' (SC) covering the concerned product in accordance with Global Recycling Standard 4.0:
 - Recycled Material Requirements
 - Supply Chain Requirements
 - Social Requirements
 - Environmental Requirements
 - Chemical Requirements

Note: GRS-certification inherently includes compliance with Textile Exchange's Content Claim Standard.

3.4 Scope Certificates

- Suppliers must send the first as well as renewed/updated Scope Certificates to <u>JYSK C&Q</u> with the supplier number and an updated list of product numbers under the certificate in accordance with <u>JYSK General Requirements</u>.
 - The list with new product numbers must include product category, product details and material composition for each product. Information must be provided in the following template <u>JYSK 10291</u>.

3.5 Transaction Certificates

• The supplier must send a valid *'Transaction certificate (TC)'* to <u>JYSK C&Q</u> for each concerned PO containing GRS certified products, within 60 days after shipment.

Note: The number of sales units must be stated in the certificate.

- When the TC is sent by E-mail, the PO number and TC number must be mentioned in the E-mail.
- Article numbers must be individually stated on the TC.
 - The TC must be issued to the same address as on invoicing, see <u>JYSK 8002</u>.

If the products are delivered to DC Uldum the TC must state that the buyer is JYSK a/s, see <u>Figure 3</u>. If the products are delivered to any other DC, the TC must state 'Buying on behalf of JYSK a/s' and the buyer must be the same address as on invoicing, see <u>Figure 4</u>.

In both cases the JYSK license number 1050252 and TE-ID number TE-00004067 must be stated on the TC.

3. Buyer of Certified Products [a]
JYSK A/S (Denmark), Brabrand
Soedalsparken 18, c/o Shared Finance, Novodvorska
1062/12, 142 01 Prag 4, Czech Republic
8220 Brabrand
Central Denmark Region , DK-82
Denmark, DK
TE-ID: TE-00004067
License No.: 1050252

Figure 3 - Example of transaction certificate stating buyer is 'JYSK a/s'

3. Buyer of Certified Products
JYSK AB, (Sweden), Arloev (facility)
Foretagsvagen 6, c/o Shared Finance, Meteorytowa 13, 80-299 Gdansk, Poland
23237 Arloev
Central Denmark Region , DK-82
Sweden, SE
Buying on behalf of:
JYSK A/S (Denmark), Brabrand
TE-ID: TE-0004067
License No: 1050252

Figure 4 - Example of Transaction certificate stating 'buying on behalf of...'



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4 Materials

Materials in and out of scope regarding 'recycled'.

	Material	Notes
In scope	• Glass, see <u>4.1</u> • Plastic, see <u>4.1</u> • Textile • Wood materials • Packaging	-
Out of scope	• Iron • Steel • Aluminum • Cobber	There is generally high reusability of these materials and can therefore not be labelled with 'recycled' or similar as it can be seen as 'Green washing' unless it is certified by a third-party accredited testing institute.

Table 4 - Materials in / out of scope

4.1 Plastics and glass

Recycled plastic and glass materials must be GRS unless otherwise agreed with $\underline{JYSK\ C\&Q}$ – however must always be certified by a third-party accredited testing institute.

5 Labelling

5.1 Sustainability

Products must not be labelled with any sustainable claim/statement to avoid any green washing claim.

5.2 Recycled

Products may only be labelled with 'recycled' if the recycled part consists of >20% recycled material by weight or if the recycled part is a significant part of the products construction/function/look in which case the labelling must be approved by <u>JYSK C&Q</u>.

Wooden products with recycled content must be labeled in accordance with agreement with <u>JYSK C&Q</u>.

5.2.1 Composition on product and packaging

The use of 'recycled' must comply with below:

- Recycled must not stand alone. The recycled part must be specified by percentage.
- The recycled part must be in a parenthesis ()
- If only a part of the composition is recycled, the recycled percentage must be stated within the parenthesis. The fiber composition/non-recycled part and the recycled percentage must be separated by a comma

Example of compositions with a recycled part:

- 100% polyester (100% recycled)
- 90% glass beads/10% fiber (100% polyester, 100% recycled)
- Glass (51% recycled)

6 Documentation

Any claim/statement regarding sustainability and recycled must be traceable and certified by a third-party validation scheme.

JYSK requires documentation regarding OEKO-TEX, Better Cotton, GRS and FSC, see <u>JYSK General Requirements</u>. Documentation regarding other certifications etc. must be sent to <u>JYSK C&Q</u> according to 'Documentation' requirements in <u>JYSK General Requirements</u>.



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7 Material matrix

The Material Matrix <u>Table 5</u> is a tool for JYSK purchasing to use when making decisions about materials. It is aligned with JYSK's material requirements and strategy described here in JYSK 8007-Product Sustainability.

7.1 How to use the material matrix

The material matrix allows for comparison of different versions of materials or material categories, such as cellulose fibres, wood, and cotton. The comparison is divided in four levels: A, B, C, and D, which show prohibited materials, minimum requirements, and the goals within the material family.

Level C is the minimum requirement for the material category. This indicates the lowest standard for the material category we wish to have in our assortment. Levels B and A are the better options we are working towards. D level indicates the prohibited materials within the material category. These are the materials we do not allow in our assortment.

If the material versions are the same for multiple materials under the same material category; those materials are grouped into that category and not mentioned separately (e.g. polyester, polyether, and polypropylene are all grouped under plastics).

Working with material choices is an ongoing process that requires a continuous approach, why we will regularly assess the material matrix, and the materials included. These categories and levels will be updated whenever new information or data becomes available.

Currently, JYSK is focused on Better Cotton Initiative, and at this moment, we do not have sufficient data indicating whether organic cotton is better than Better Cotton. We are looking into this topic, but before we have better insights, we have excluded organic cotton from the matrix.

JYSK requires recycled material to be certified by a third-party validation scheme to ensure traceability and proof of claim/statement and to avoid greenwashing. See <u>3.3</u> for more details.

Materials with darker colours within the same material category imply a higher carbon footprint of the material.

All material substitutions must be made with consideration of the overall quality of the article. The substitution should not negatively affect the product's quality.



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Material category	Α	В	С	Prohibited in JYSK articles
	Recycled fibre-to-fibre hemp (GRS) Recycled post-consumer hemp (GRS)	Recycled hemp pre- consumer (GRS)	Conventional hemp	
Natural fibres	Recycled fibre-to-fibre linen (GRS) Recycled post-consumer linen (GRS)	Recycled linen pre- consumer (GRS)	Conventional linen	
Natural fibres	Recycled fibre-to-fibre jute (GRS) Recycled post-consumer jute (GRS)	Recycled jute pre- consumer (GRS)	Conventional jute	
	Recycled fibre-to-fibre cotton (GRS) Recycled post-consumer cotton (GRS)	Recycled cotton pre- consumer (GRS)	Better Cotton Initiative (BCI)	Conventional cotton
	Lyocell with recycled material (FSC)	Lyocell (FSC) Lyocell (Bamboo) (FSC)	Lyocell	Lyocell (Bamboo) (non-FSC)
Manmade cellulose fibres (Semi-synthetic fibres)	Modal with recycled material (FSC)	Modal (FSC) Modal (Bamboo)(FSC)	Modal	Modal (Bamboo)(non-FSC)
	Viscose with recycled material (FSC)	Viscose (FSC) Viscose (Bamboo)(FSC)	Viscose	Viscose (Bamboo)(non-FSC)
Synthetic fibres	Recycled (fibre-to-fibre) post-consumer (GRS) Recycled post-consumer (GRS)	Recycled pre- consumer (GRS)	Conventional synthetic fibres	
Synthetic loose fibres	Recycled (fibre-to-fibre) post-consumer (GRS) Recycled post-consumer	Recycled pre- consumer (GRS)	Conventional synthetic fibres	
	(GRS)			
Wool	Recycled wool (GRS)	Responsible wool (Certified)	Conventional wool	
Wood-based materials (products & packaging)	Recycled wood (FSC) Recycled paper (FSC) Recycled bamboo (FSC)		Wood (FSC) Bamboo (FSC) Rattan (FSC) Paper and pulp (FSC)	Conventional wood Conventional paper



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Composite wooden	Higher percentage of		Post-consumer	Conventional
boards (e.g. particle board, MDF)	recycled content (FSC)		recycled material incorporated (FSC)	composite wooden boards
Metal			Conventional metal	
Glass	Recycled glass (GRS*)		Conventional glass	
Plastics	Recycled post-consumer (GRS*)	Recycled pre- consumer (GRS*)	Conventional plastic	PVC
	Bio-based plastics			
Rubber	Biodegradable synthetic rubber		Conventional synthetic	
	Natural rubber (responsibly sourced)		rubber	
Rubber - Elastomer	Bio-based silicone		Conventional silicone	
	Bio-based resins Recycled resins (GRS*)			
Polyresin	Polyresins with increased % of stone powder or natural fillers (e.g. calcium carbonate) – reduced resin content		Conventional resins	
Foam	Recycled polyols content		Conventional foam	
Down and feathers			Down and feathers (DOWNPASS/IDFL)	Conventional down
Leather			Conventional leather	
Faux leather	Bio-based PU leather	Water-based & solvent free PU leather	PU leather	
	Recycled pre-consumer content (GRS*)	firings) fi	Earthenware (2+	
Ceramics	Earthenware (single firing)		firings)	
	Recycled pre-consumer content (GRS*)		Dolomite (2+ firings)	
	Dolomite (single firing)			



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	Recycled pre-consumer content (GRS*) Stoneware (single firing)	Stoneware (2 firings)	Stoneware (2+ firings)	
	Recycled pre-consumer content (GRS*) Porcelain (single firing)	Porcelain (2 firings)	Porcelain (2+ firings)	
Natural materials	Water hyacinth Bulrush (Cattail)/Rush (FSC) Sedge/Sea grass (FSC)	Straw Maize Sisal Jute Coir (Coconut fibre) Palm fibre (FSC) Bulrush (Cattail)/Rush Sedge/Sea grass	Palm fibre	

Table 5 - material matrix

Note: *Unless otherwise agreed with JYSK C&Q – however must always be certified by a third-party accredited testing institute.

 $\underline{\textbf{Note:}} \ \textbf{Abbreviations:}$

FSC - Forest Stewardship Council GRS - Global Recycled Standard BCI - Better Cotton Initiative