

O'NEILL EUROPE

SUSTAINABILITY REPORT 2022



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A MESSAGE FROM OUR CEO

We live in turbulent times. Although O'Neill Europe, like most others in our industry, faced many challenges over the last few years, we managed to get through them thanks to our incredible colleagues and partners worldwide.

Against the backdrop of a challenging 2022, the world map for industry growth is shifting.

Growth opportunities are found elsewhere as we assess markets, supply chain pressures and changing consumer demand.

Having a resilient mindset and being able to adapt, recover and accelerate will be essential for our business in 2023. With this resilient mindset, we can bounce back better than ever and go on to thrive despite the challenges in our markets.

The ongoing disruption in the supply chain has created major obstacles to our operations. Yet, we made measurable progress toward our targets, implementing programs to address the impacts of climate change and people, leading to us working closely with our suppliers to do the same.

Since signing the Transparency Pledge, we have been devoting significant resources to tracing our global supply chain to better understand the origins of the materials used in our products, including how they are assembled and manufactured and the conditions for everyone involved in this process. Gaining more insight allows us to support our goal to reduce our environmental impact and increase our reach to improve our influence on the people in our value chain.

It becomes increasingly important to look at alternative business models in our offer that will allow us to grow without producing more products, addressing the importance of product quality and longevity, and finding solutions to minimise waste from our chain. We look at this through different lenses, from rethinking designs innovatively to laying the groundwork for initiatives that will roll out in the near future.

These efforts illustrate our commitment to tangible and sustainability-

focused business practices that inspire change. We've made significant progress, but the journey is never complete. We remain focused on our long-term commitments and are seizing the momentum to drive positive change.

In this report, you will read about our achievements, our progress, where we face challenges and what our roadmap is to overcome them.

The journey may be difficult at times and will show different levels of progress year to year, but the end goal remains the same in the long run. We look forward to the challenge and to sharing our progress with you along the way.

Sincerely,
Peter Truijen
CEO



ABOUT THIS REPORT

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Our founder, Jack O'Neill, was a true ocean pioneer and a passionate and dedicated surfing enthusiast. His original mission to design and produce the world's first wetsuit was driven by his desire to surf for longer.

This passion inextricably connects O'Neill to water. As a brand created to enjoy nature, we see it as our responsibility to actively preserve it and contribute to a cleaner, more sustainable world. Our Ocean Mission is how we stay close to Jack's original words:

"THE OCEAN IS ALIVE AND WE'VE GOT TO TAKE CARE OF IT."

One of our top priorities is to make more responsible choices every day. In this report, we disclose updated information on our social and environmental performance for the reporting year 2022.

Our 2022 Sustainability Report is motivated by our continued commitment to protecting the ocean for generations to come. We feel supported knowing that consumers¹ seek clothes from companies that have responsible practices embedded in their business. Over the past few years, it's been researched globally that younger consumers, in particular, guide their choices based on their sustainability stance and concerns.

To innovate with technologies and alternative materials, develop and improve the quality of our products for increased performance and longevity, and contribute to decent working conditions for the people in our communities are the essential elements of our daily operations.

Together with our teams and partners, we continue focusing on our long-term sustainability goals by following the European Union (EU) goalsetting of the Circular Economy Action Plan and its EU Textile Strategy, intending Europe to become climate neutral by 2050.

¹ Catherine Salfino. [How to Cultivate Loyalty with Next Gen Shoppers](#). Sourcing Journal. 1 August 2021.

We continue to connect our goals to the 17 United Nations (UN) Sustainable Development Goals (SDGs) and its 169 targets to enforce our ambition as we advance.

As part of Europe's sustainability agenda called the Green Deal, the European Commission implemented the CEAP (Circular Economy Action Plan)² in March 2020.

The CEAP aims to achieve the European Union's target for 2050 climate neutrality and stop biodiversity loss.

Amongst strategies included in the CEAP, the Commission defined the EU Textile Strategy, which addresses the production and consumption of textiles. This strategy brings together commitments from the Green Deal, the CEAP, and the Industrial Strategy.

Textiles are widely used for everyday consumption—in clothes, interiors, automobiles and other vehicles, medical equipment, and more. Urgent actions are required to slow down the textile industry's environmental impact. After food, housing, and mobility, the EU textile consumption has the highest environmental and climate change impact. The textile industry is ranked the third highest for consuming water and using land and the fifth highest for using primary raw materials and greenhouse gas emissions.

The EU Textile Strategy reviews the entire textile product lifecycle and proposes a new approach to creating harmonised textile production and consumption changes².

Defined steps are proposed, such as setting textiles and garments design requirements, providing more information in a digital product passport, following Extended Producer Responsibility strategies, and stimulating circular business models, including reuse and repair sectors.

We are following the development of the EU Textile Strategy closely and will adapt our practices accordingly when possible.

² https://environment.ec.europa.eu/strategy/textiles-strategy_en

This report outlines our journey, the challenges we face, how we prepare and align with the upcoming EU Textile Strategy, and the achievements we made in 2022. Furthermore, we aim to explain the roadmap we have set for ourselves to protect our shared playground for generations to come.

For questions about O'Neill Europe's sustainability activities, please contact: CSR@oneill.com.

Renske Lambert Global Head of Sustainability

Janine Martens Global CSR Manager

An aerial photograph of a surfer riding a wave. The surfer is positioned in the lower right quadrant, riding a blue surfboard. The wave is breaking, creating a large, white, foamy crest that curves around the surfer. The water is a deep, dark blue. The overall scene is dynamic and captures the essence of surfing.

BRAND MISSION

BORN OUT OF CALIFORNIA SURF,
WE CREATE LEADING- EDGE PRODUCTS
FOR ACTIVE AND ADVENTUROUS SPIRITS
TO ENJOY OUR PLAYGROUND LONGER.

BRAND VALUES

CURIOUS:

We are constantly pioneering, experimenting and searching to become better.

ENERGETIC:

We are active people. We are full of positive energy. We never stop and always go the extra mile.

INCLUSIVE:

We are part of a community. Everybody is invited and truly welcome to join.

RESPONSIBLE:

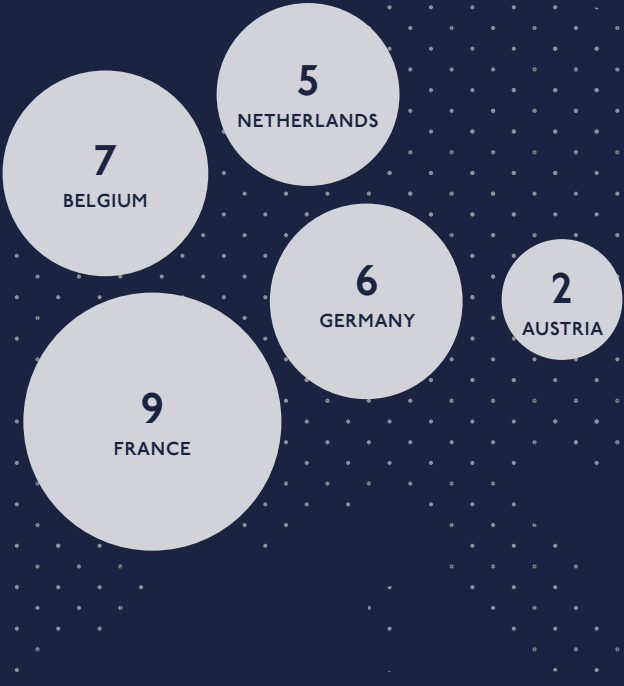
We have a natural drive to take care of each other, our products, our planet and our brand. Together we will do our part.

RESILIENT:

We are adaptable to change under any circumstance. We choose to become strong, healthy and successful in the face of adversity.

O'NEILL EUROPE AT A GLANCE – STORES

31 STORES
IN EUROPE



160

Employees in stores

64% Woman



36% Men

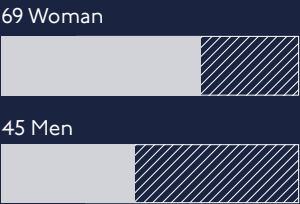


O'NEILL EUROPE AT A GLANCE - HQ

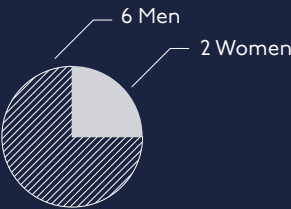
EMPLOYEES IN THE HQ

114

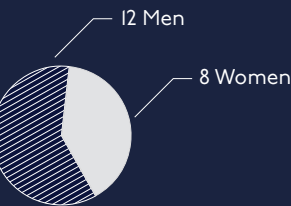
SPLIT PER GENDER



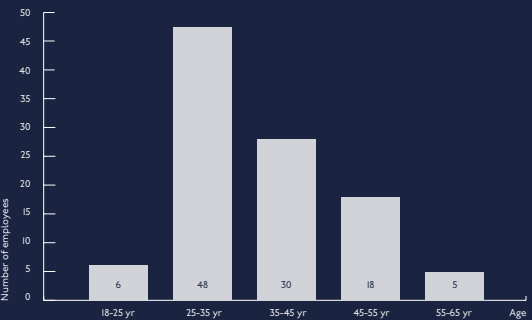
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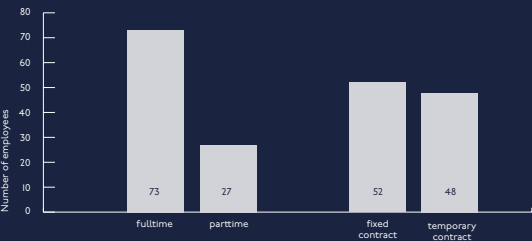
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SPLIT PER AGEGROUP



SPLIT PER CONTRACT TYPE



COUNTRIES WHERE OUR EMPLOYEES ARE BASED

Germany, Austria, Switzerland,
Belgium, France, Netherlands