←agle

Sustainability Report 2018





A Message From Our **CEO, Steve**

Almost 20 years ago I stood at dawn on a drizzly New Years Day morning, January 1, 2000, unsuccessfully trying to see the first sunrise of the new millennium and wondering what the new century would bring. This was 6 years before our company Eagle Protect was born, and now, looking back, I am reminded of Steve Jobs guote of connecting the dots...

"You can't connect the dots looking forward; you can only connect them looking backwards. So you have to trust that the dots will somehow connect in your future. You have to trust in something your gut, destiny, life, karma, whatever."

I look back on our progress and see the one underlying factor that points to our success and ongoing impact; we have always given much more

value than the cost of our products, and rather than thinking what is the least we can do in any transaction, we ask what is the most we can do and still be a solid business. It sounds cliché and easy to say, but it is a state of mind that runs through the company.

We trust that whatever we put out into the world, will at some stage come back to us with interest. Of course, we are sometimes taken advantage of, but many, many more times we are not and the ripples we create make change happen; even in the smallest way.

Are we perfect, no! Do we have bad days, yes! But when I look at the contents of this report put together by very talented and focused people on our team, as well as the achievements our whole team has contributed to, all of the bad days seem to magically disappear and we can take a moment to be proud of the change we have made for good in the world.

Thank you for your support and interest in the change we hope to be in the world.

- Steve Ardagh, Founder & CEO

Certified



Corporation

Eagle is New Zealand's founding B Corporation and the world's only certified B Corp glove supplier.

Certified B Corporations² are a group of over 2600 for profit companies throughout the world, certified to meet rigorous standards of social and environmental performance, business accountability and transparency.

Who We Are

Founded in Christchurch, New Zealand in 2006, The Eagle Group (Eagle NZ and Eagle US) specializes in the supply of food safe and sustainably better disposable gloves and clothing for the food, medical, and industrial sectors. Protecting people and products is always at the core of our mission to improve the safety and health of our communities and environment.

With our excellent supply contacts and an experienced team who is passionate about improving food and people safety, Eagle is a major supplier of disposable gloves and clothing in the New Zealand market, and since 2016 have been supplying across the United States.

As part of the 2030 Agenda for Sustainable Development, the United Nations has adopted 17 global Sustainable Development Goals (SDGs), and urge all countries and stakeholders to take part to achieve these. Eagle has identified and prioritized three SDGs (3, 8 and 12)¹ that most directly relate to our work.

Enhancing Food (and People) Safety

Eagle is on a mission to improve the health of our people and communities.

An estimated 16% of Foodborne Illnesses implicate disposable glove <u>cross-contamination</u>³ and in 2018 we've worked hard to reduce these risks for our customers and their consumers, by taking the following actions:

Eagle's unique Fingerprint Check (FPC)4

- Mitigates physical, chemical and microbiological glove hazards
- Mitigates glove fraud
- Ensures raw material safety, consistency and quality

"AN ESTIMATED OOO OF FOODBORNE ILLNESSES IMPLICATE DISPOSABLE GLOVE CROSS-CONTAMINATION"

No longer selling vinyl gloves⁵

• Due to food safety and health issues

All Eagle gloves exceed medical grade requirements⁶

Enhanced worker comfort and efficiency⁷

- Softer, thinner gloves
- No toxic chemicals





Supply Chain Transparency

We are committed to transparency in our supply chain, from our factories to the users of our products. Recent⁸ and ongoing reports⁹ have highlighted labor rights abuse, including child and forced labor in disposable glove manufacturing. To combat these issues we do the following:

- Perform regular in person factory visits from Eagle staff
- All Eagle factories must pass the <u>Eagle Supplier Code</u> of <u>Conduct</u>¹⁰
- Child Labor Free certification, including third-party audit
- B Corp Certification provides extra insurance of transparency in supplier sourcing

"labor rights abuse, including child and forced labor"

Glove fraud is also an issue, with factories reducing costs by adding cheap and potentially toxic materials during manufacturing, and reducing quality control and manufacturing hygiene expenses. The Eagle proprietary <u>Fingerprint Check (FPC)</u>¹¹ provides assurance that Eagle gloves are produced in clean well run factories, are free from pathogens and toxic chemicals, and each order adheres to the same quality ingredients and standard of production.



Sustainability

The challenges to working in the disposable glove and clothing industry are many (see p7). Throughout our supply chain, we work to reduce the impact our products have on the environment, including working directly with our customers. In 2018 we progressed towards our sustainability goal to reduce the US food sectors' glove and packaging waste by 20%.

EAGLE HAS SAVED:







We did this by:

- Reducing glove waste¹² moving customers from thicker heavier vinyl and poor quality nitrile gloves, to thinner, stronger and higher quality nitrile gloves
- Reducing usage up to 30% due to better quality products
- <u>Waste Savings Calculator</u>¹³ developed for our customers to assess their sustainability savings
- Conducting in person audits to advise on best for purpose products
- Discontinuing the sale of Eagle vinyl gloves due to environmental, food safety and health concerns



People and Community

Eagle is proud to call Christchurch (NZ) and South Lake Tahoe (US) home, with both offices located in co-working spaces. The Cowork Tahoe building has received several regional awards for its innovation and sustainable building practices, including energy efficiency improvements of 34% through renovations in 2015.

We strive to support our people to live well, and offer part time, flexible, and telecommuting work hours that encourage good life balance. We give back to our local communities through both product donations and a commitment to volunteering, and offer 8 hours of paid time off each year to each Eagle member.

- Eagle team at end of 2018: 14
- Average length of tenure: 5.9 years
- Paid internships created: 2
- 64% female staff / 35% male
- Volunteering hours donated in 2018: 140
- 50% gave time to volunteer
- 25% took paid leave from work
- Product donations to charitable/not for profit organizations: NZD \$22,046











Challenges

We know.... that single use products are usually discarded via landfill or incineration, without the opportunity for effective recycling. As many applications of our products result in bio-hazardous contamination, recycling is not an option. The challenge for our industry is to balance the need for human health and safety with the needs of our environment.

Our commitment... is to support our customers and communities by selecting only fit-for-purpose products that minimize usage and therefore waste.

We know... that while glove recycling options are available in some countries, this is not widespread, and does not absolve us of our responsibility to use less of our earth's resources from the start.

Our commitment... is to continue to advocate for a reduction in product use through better quality, longer lasting products, and support ongoing research and development into end-of-life options for single-use products that are essential and mandatory.

We know.... that our customers want to take actions which are good for the environment, but the cost of doing so can often present challenges to budgets or finances.

Our commitment... is to continue helping our customers move away from poorer quality products to quality, more sustainable glove and clothing options, a benefit both financially and environmentally.

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Eagle's single-use consumables ofter physical & reputational protection for our busy, dirty . Our products may be disposable and number in the multi-millions but every single I needs to perform PERFECTLY in a high-risk environment. To meet these rigorous demands and ensure constant improvement, we visit and veview all our international suppliers.

In your complex , we work hard to MASTER THE ART OF EASY!

Mediocrity is not our style. CURIOSITY is. We believe in honest dealings, not fair pricing and assisting everyone connected to our business to prosper.



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