



B&C CORPORATE SUSTAINABILITY

OUR APPROACH

The Cotton Group's sustainability work is integrated into our culture and values. We believe a long-term approach is a must when it comes to dealing with complex SUSTAINABILITY issues, and we work to ensure that sustainability is integrated into all aspects of everything we do.

Our entire business must be conducted in a way that is ECONOMICALLY, SOCIALLY and ENVIRONMENTALLY sustainable.

That's the reason we have set clear ambitions and goals which we are implementing on a daily basis. Not bound by convention. Our success lies in developing new ways of doing things.

OUR MODEL

We want to create positive changes along our value chain – from the FARMS and FACTORIES that supply us, through to warehousing and transport, and ultimately to our CUSTOMERS.

We want to create value with products which are beautiful, ethical and high-quality throughout their lifecycle.

We want to adopt a thorough and responsible approach at every stage of the process from design and sourcing, to manufacturing, quality control, logistics and sales.

OUR COMMITMENT TO PEOPLE

One particular focus area is the protection and improvement of human rights along our value chain. The Cotton Group strives to make sure that the most stringent labour standards are upheld and safeguarded in the factories.

WE ARE PROUD TO BE A MEMBER OF

the FAIR WEAR FOUNDATION and the BSCI, and to be a participant in the UNITED NATIONS GLOBAL COMPACT. All these initiatives bring security and improvement in the field of human rights.

HAVING OUR OWN TEAM IN THE PRODUCTION COUNTRY

which works closely with our suppliers is key.

We can ensure that our code of conduct is implemented and that we constantly improve our suppliers' best practices.



MEMBER OF BSCI

Since 1 October 2016

Since 2003, amfori BSCI has enabled companies to trade with purpose by improving social performance in their supply chain. All members of the amfori BSCI support a strong code of conduct that has 11 principles. These range from fair remuneration to no child labour or ethical business behaviour along with a step-by-step approach that enables companies to monitor, engage, get empowered and receive support to put sustainable trade at the heart of their member's business. More on amfori.org



UN GLOBAL COMPACT

As a participant in the United Nations Global Compact, we are committed to its 10 guiding principles on Human Rights, Labour, Environment and Anti-Corruption. The UN Global Compact helps companies to do business responsibly by aligning their strategies and operations with 10 Principles on human rights, labour, environment and anti-corruption; and to take strategic actions to advance broader societal goals, such as the UN Sustainable Development Goals, with an emphasis on collaboration and innovation.



MEMBER OF THE FAIR WEAR FOUNDATION

The Fair Wear Foundation (FWF) is an independent, non-profit organisation that works with companies and factories to improve labour conditions for garment workers. B&C signed up to the FWF's Code of Labour Practices in 2009, and thereby committed to adhere to these labour standards in their own business operations. The Fair Wear Foundation (FWF) exists to promote fair labour conditions in the garment industry worldwide and to supervise audits internationally.

The Fair Wear Foundation verifies that the Code of Labour Practices is implemented and respected at the factories. By becoming a member of FWF, we have committed ourselves to implementing and maintaining a Code of Conduct designed specifically for the garment industry. This Code of Conduct is based on the Conventions of the International Labour Organization and the Universal Declaration of Human Rights.

This includes the following standards:

- No use of child labour,
- No use of forced labour,
- Safe and healthy working conditions,
- Legal labour contract,
- Payment of a living wage,
- Freedom of association and the right to collective bargaining,
- No discrimination against workers,
- No excessive working hours.

SECURING GOOD WORKING CONDITIONS

We have our own offices and teams in the production countries themselves. We ensure that **ALL NEW PARTNERSHIPS ARE UNDER CERTIFICATION**. The Cotton Group also cares greatly about finding partners who share our respect for people as well as the environment, and who are willing to work with us to improve their practices. **THE COTTON GROUP LIAISON OFFICE EMPLOYEES** work directly with our business partners to build good relations, assess their performance against our Sustainability Commitment, and support them in making improvements through different programmes and activities. Not only do they have close relationships with our business partners, but also with non-governmental organisations, experts, stakeholders and local governments, meaning they have an insight on the challenges involved and understand how to drive improvements in a local context. Once we establish a partnership, we work together with the supplier to improve their sustainability performance through training, but also by rewarding the suppliers who perform well by ordering larger quantities of products.



OUR COMMITMENT TO THE ENVIRONMENT & PEOPLE

HI! I'M ORGANIC

We are changing the rules of organic products for you and are increasing our positive impact on the planet at the same time. Previously, you had the choice between very expensive organic styles or a single T-shirt hidden away in different collections. Today with B&C, you can choose from 22 certified organic styles over 3 ranges - T-shirts, polo shirts and sweatshirts. This includes a short-sleeved entry-price tubular organic T-shirt, allowing any business to combine sustainability with volume.

With 14 T-shirts, 2 polo shirts and 6 sweatshirts all made of 100% organic cotton (80% organic cotton and 20% recycled polyester for sweatshirts), at a very competitive market price, you have a complete offer to meet any market demand.

Each time you buy an organic cotton T-shirt instead of a conventional cotton one, you are reducing water consumption by 91% (around 397 litres of water). Organic Cotton is also grown within a rotation system that builds soil fertility, protects biodiversity, and is grown without the use of synthetic fertilizers, toxic pesticides or GMOs.

Conventional Cotton Organic Cotton



Same cotton T-shirt
One uses cotton that consumes **91% less water.**

	T-SHIRTS	POLO SHIRTS	SWEATSHIRTS	TOTAL
Organic Cotton	30%	17%	22%	24%
Conventional Cotton	70%	83%	78%	76%

Today already 24% of our T-shirts, Polo shirts and Sweatshirts are organic certified (Organic sweatshirts being also made of recycled polyester) to serve the market needs. Together we can inspire the market.

We are expanding our



ORGANIC certified cotton offer and we introduce



Recycled RCS Certified Polyester



Each sweatshirt recycles **5 plastic bottles** of 1.5L

TOGETHER WE CAN INSPIRE THE MARKET.



CHALLENGES OF CONVENTIONAL COTTON

Cotton is a water intensive crop (e.g. around 22,500 litres per kg of cotton in India) and is commonly grown in dry regions. When not grown according to sustainable practices, cotton production can also be an intensive user of pesticides and petroleum-based fertilisers.

Over 60% of the world's cotton is produced by small holder cotton farmers, who are among the poorest in the world and often suffer high levels of debt, in part due to high input costs (such as pesticides and fertilisers). Like other crops, cotton farming can lead to land clearing, soil erosion and contamination, and loss of soil biodiversity.

Knowing that 95% of our products are made of cotton, we had to act. How has B&C decided to deal with the challenges of conventional cotton?

We are a proud member of The Better Cotton Initiative / BCI.

The Better Cotton Initiative (BCI) is the largest cotton sustainability programme in the world. Together with their partners, BCI provides training on more sustainable farming practices to more than two million cotton farmers in 21 countries. In the 2017-18 cotton season, licensed BCI Farmers produced more than five million metric tonnes of "Better Cotton" – that accounts for around 19% of global cotton production!* BCI is striving to transform cotton production from the ground up by helping cotton farmers adopt sustainable agricultural practices and produce "Better Cotton" – better for farmers, the environment and the textile sector's future.

Transforming global cotton production starts with farmers. Supporting farmers sits at the core of BCI. By 2020, BCI aims to support 5 million cotton farmers in adopting more sustainable agricultural practices and improving their livelihoods.

To do this, BCI focuses on the diverse social, environmental and economic challenges faced by cotton farmers around the world, from drought in Australia to flooding in China and gender equality in Pakistan. BCI comprehensive programme of training, practical demonstrations and knowledge-sharing helps farmers to raise their yields, reduce their impacts on the environment and improve working conditions. BCI addresses multiple environmental issues – from soil health and pesticide use to water stewardship – and raises awareness of the importance of Decent Work (defined by the International Labour Organization) as work that provides opportunities for people to work productively in conditions of freedom, equity, security and human dignity, focusing in particular on promoting women's empowerment and preventing child labour. The collective impact of all our efforts helps to strengthen local economies and promote sustainable development.

Being a member of BCI helps to demonstrate that an organisation is committed to sourcing sustainable raw materials and supporting sustainable cotton. At B&C, cotton accounts for 95% of all the raw materials we use for products, so it is a critical commodity for us. BCI is crucial to help us reduce our impact on the environment and to prove that to our customers and key stakeholders.

*"Better Cotton" is sourced via a system of Mass Balance.



OUR COMMITMENT TO THE ENVIRONMENT

All B&C projects are filtered through the "lowest environment impact possible" filter.



TEXTILE EXCHANGE ACTIVE MEMBERSHIP

Textile Exchange is a global non-profit organisation that works closely with their members to drive industry transformation in preferred fibres, integrity and standards, and responsible supply networks. Textile Exchange identifies and shares best practices regarding farming, materials, processing, traceability and product end-of-life in order to reduce the textile industry's impact on the world's water, soil and air, and the human population.

The mission of Textile Exchange is to inspire and equip people to accelerate sustainable practices in the textile value chain*. Textile Exchange focuses on minimizing the harmful impacts of the global textile industry and maximizing its positive effects.

The Cotton Group is an active member of Textile Exchange.

*See 2019 achievements of The Cotton Group in this respect

B&C GREEN WAREHOUSE IN BERINGEN



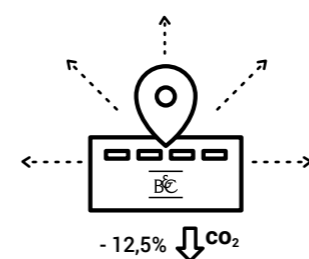
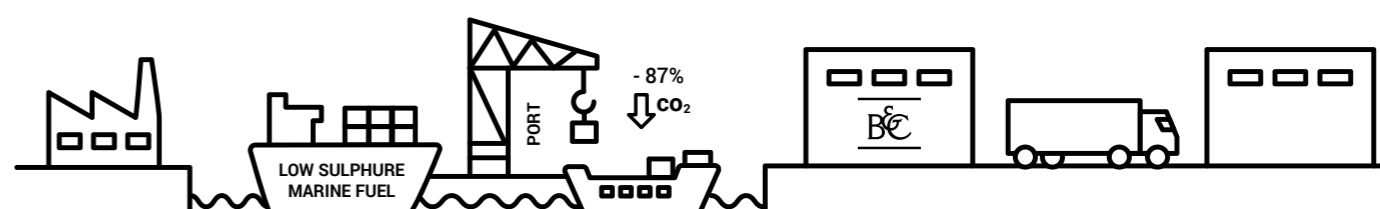
WINDMILLS	LOCAL GREEN ENERGY ACCOUNTS	SOLAR PANELS	LED LIGHTS	NATURAL GAS HEATING
ENERGY PRODUCED 9.250 mWh	REDUCTION CO ₂ -EMISSIONS 85,5 TONS per year	ENERGY PRODUCED 1.000 mWh	Use of LED lights inside and outside the buildings	REDUCTION CO ₂ -EMISSIONS 7,3 TONS per year
which equals the energy consumption of 2.250 families		which equals the energy consumption of 250 families	REDUCTION CO ₂ -EMISSIONS 10,5 TONS per year	

TOTAL CO₂-EMISSIONS REDUCTION
103,3 TONS PER YEAR

TRANSPORT CHALLENGE

Transport represents around 6% of the greenhouse gas emissions in a garment's lifecycle. By choosing the right modes of transport, we can reduce this impact even further.

1. We use sea freight rather than air freight from factories to the port in Antwerp. We use barges rather than trucks to transport our products from the port to our warehouses.



2. To decrease the impact of transport to wholesalers' warehouses, we have based our warehouse in a very central location and in a non-congested traffic zone to reduce CO₂ emissions created by lorry transport.



3. We also ask and encourage the transport companies we use to make more environmentally friendly decisions.

LET YOUR BUSINESS EMBRACE STEADY SUSTAINABILITY.