



Ethics + Sustainability.

ACC AUSTRALIA – VIC IN-HOUSE COUNSEL DAY

Alice Polglase, Cotton On Group



1

Our Sustainability Journey

2

Modern Slavery

3

2019 - 6 Main Goals



1

Our Sustainability Journey

COTTON
ON
GROUP™

OUR SUSTAINABILITY JOURNEY



- The Cotton On Group always operates with integrity and does the right thing – our responsibility goes far beyond just selling clothes.
- We use the size and scale of operations to have a positive impact on people, communities and the planet.
- Proudly connecting our 22,000 team through our philanthropic arm, The Cotton On Foundation.
- \$80m since 2007 towards empowering youth through quality education – Uganda, South Africa, Thailand, Northern Territory.
- Mission to create 20,000 educational places and pathways by 2020.
- We integrate sustainability into many different facets of the business.

A close-up photograph of a person's hands working on a stack of light-colored fabric, likely in a textile factory. The person is wearing a teal ribbed shirt and a colorful patterned wristband. The background is blurred, showing other workers and machinery. A white rectangular box with a thin border is overlaid on the image, containing the text '2 Modern Slavery'.

2 Modern Slavery

MODERN SLAVERY

- We are committed to supply chain transparency and traceability.
- Working towards tracing where our products are made, right through to raw materials.
- Ultimate goal - to map our entire supply chain and publicly disclose.
- Our long-standing relationships with our suppliers has provided us with greater visibility into our supply chain to help us achieve these goals.
- Legislation has elevated the importance of modern slavery in the community and reinforces a core part of our operations and our ethical approach to business.

3

2019 – 6 Main Goals



1. Ethical Sourcing

ETHICAL SOURCING



- Our Ethical Sourcing Program includes our 14 Rules To Trade - guides and governs the sourcing, manufacturing and supply of our products including forced labour, child labour, minimum wages, bribery and workplace safety.
- Ethical Sourcing Program strengthens our supplier relationships and commitment to traceability, transparency, and sustainability.
- We benchmark our audit process against international standards.
- Provide training and education programs for our suppliers.

A close-up photograph of an elderly man with a joyful expression, smiling broadly. He is wearing a light grey polo shirt and a white apron. He is holding a white ceramic teapot with a wooden tool, possibly a brush or a small rod, and appears to be in the process of finishing or inspecting it. The background is softly blurred, showing what looks like a workshop or a pottery studio with shelves and various items.

2. Living Wages

LIVING WAGES



- Committed to the journey towards paying living wages.
- We have recently joined ACT (Action, Collaboration, Transformation), alongside 20 other global brands all committed to establish industry wide collective bargaining to create positive changes to wages and working conditions.
- Committed to implementing key changes to our purchasing practices by 2023 to support our suppliers and the industry on the journey towards paying living wages.
- Upgraded in the 'Oxfam in the Company Report Card - Making a Commitment to Living Wages Feb 2019', from red to green.

A close-up photograph of cotton bolls on a branch. The bolls are white and fluffy, with some showing the brown, papery bracts. The background is a soft, out-of-focus blue sky. The text "3. Sustainable Cotton" is overlaid in white, bold font in the center of the image.

3. Sustainable Cotton

SUSTAINABLE COTTON



- Committed to sourcing 100% Sustainable Cotton in our supply chain by 2021.
- Sustainable Cotton includes both BCI cotton and cotton from our very own program in Kenya.
- First Australian brand to join the Better Cotton Initiative, a not-for-profit organisation promoting improvements to social, environmental and economic issues in global cotton-farming communities.
- In partnership with Business for Development, Base Titanium and the Department of Foreign Affairs and Trade, we launched our very first sustainable cotton program in Kwale County, Kenya.

A scenic view of a wetland or marsh area. The foreground shows a body of water with lily pads and some green grasses. The middle ground is filled with dense, tall vegetation, including trees and shrubs. The background shows a vast, flat landscape under a cloudy sky. The text "4. Plastic Bag Elimination" is overlaid in the center of the image.

4.
Plastic Bag Elimination

PLASTIC BAG ELIMINATION



- **Aim: Eliminate plastic POS bags across all regions by end of FY19.**
- **Reduce the impact of our packaging on the natural environment, new POS bags will be reuseable and recyclable, made from post-consumer recycled paper.**
- **Eliminate the use of over 38 million plastic bags per annum.**



5.

Supply Chain Environmental Management

SUPPLY CHAIN ENVIRONMENTAL MANAGEMENT



- Aim for 0% discharge of hazardous chemicals.
- Reduce the harmful effects of production processes on the environment including management of water and chemical use in production.
- Partnered with the Alliance for Water Stewardship to identify key risk areas - contribute to building a framework to improve water and chemical management in supply chain.



6.

Supply Chain Transparency

SUPPLY CHAIN TRANSPARENCY



- Aim: Full transparency of our end to end supply chain.
- From 400 disclosed entities in 2016, we now trace over 3,500.



Thank you

COTTON
ON
GROUP™