SUSTAINABILITY REPORT 2020

America Today



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INTRODUCTION

At America Today we care for tomorrow.

In our third annual sustainability report you can read all about our ongoing journey towards a better tomorrow. A journey that will have no end but begun from our core belief that we can make a difference.

In 2020, we all were faced with one of the biggest challenges in modern history: Covid-19. Leading towards unseen images of empty highstreets with closed stores. It also drove unseen volumes towards online shopping. Changing the Retail playing field completely with a speed that was unimaginable before. Until the current day, local lock downs and strict regulations are in place, affecting not only our own operations, but also our fabric suppliers and production factories. It made clearer than ever before how many interdependencies there are in our value chain.

Although managing this Covid-19 crisis demanded a lot of attention from everyone at America Today we stayed on track delivering on our set goals towards a better tomorrow. Our newly installed sustainability team delivered on important milestones towards our target of having full transparency in all our tier 1 (today 100% transparency) and tier 2 (today 78% transparency) production

locations. You can read more about this, and other initiatives in this report.

Every time I visit one of our stores it is such a pleasure to see more and more items that are part of our For Tomorrow collection. Items that are sustainably sourced, produced using more sustainable materials, less chemicals, or even better: a combination of both.

By making these items more visible for our customer we help them to become more aware. Because being aware of your personal impact is one of the most important steps in changing behavior towards buy less but better. We strive to inform our customers in an open and transparent way. We know that our industry isn't perfect. We know there is still a lot to do.

We set challenging goals for ourselves on this ongoing journey towards a better tomorrow.

Patrick Miami CCO America Today



ABOUT AMERICA TODAY

Let's go back to 1989. The year that three friends who happened to be American culture addicts decided to bring America's hottest brands and lifestyle to The Netherlands. The friends opened a clothing store in the Amsterdam Sarphatistraat. A place to buy cool American brands for a good price. The concept was brand new in the Netherlands and quickly attracted many customers from all over the country, in search of the authentic 'American heritage' look.

From the very first moment until today, we focus on

the latest trends in American culture, better known as American pop(ular) culture. Since 1989, America Today is the place to go to for American brands. Eastpak, Levi Strauss, Wrangler and Russell, all brands that we were the first ones to sell in the Netherlands. With the introduction of our own label, we have added a premier: a Dutch-born brand inspired by the American College Lifestyle. Our formula is unstoppable and currently has established over 70 stores and active web shops in the Netherlands, Belgium and Germany.

BUY TODAY, CARE FOR TOMORROW

We make today's fashion our own. Instead of following trends, we make them. This is how we create items for today that last forever. And since forever starts today, we strive to be as sustainable as possible. Our For Tomorrow label helps you choose the most sustainable options.

The label indicates that the For Tomorrow product has been produced more sustainably through more sustainable production processes, and/or is made from more sustainable materials or that the materials have been more sustainably sourced through the Better Cotton Initiative.

MISSION & VISION: GOOD VIBES, FOR A BETTER TOMORROW!

At America Today we believe that with the right dose of confidence, everybody can achieve their ambitions. A good basis is essential to achieve these ambitions. There's a lot you need to take into your own hands, but you can go to America Today for a good look. With our relaxed and on-trend items, you have the tools at hand to create a casual fashion basis. A foundation for a lifestyle whereby

quality and fun join forces. We work hard to produce this casual fashion basis in a responsible way, we aim to treat our employees, customers, suppliers, the environment and local communities as we want to be treated ourselves. Buy Today, Care for Tomorrow.

VALUES

Our values are who we are. Our core, the building blocks of our identity. View it as a family, and like any family our values determine what we stand for and how we do things. We value independence. We are different and we're proud of that. Where others follow, we choose our own path. This while we are always connected with others. We value equality, we stand by our beliefs that everybody is equal. No matter your skin color, size or gender identity. America Today is for everybody. We value relevancy. Everything we do,

design or communicate has to be relevant. That's why we translate the latest American trends into fitting expressions for the following markets: The Netherlands, Belgium, Germany and Luxembourg. We value fun. Life is short, so enjoy it. We do too. We don't take ourselves too seriously and always focus on the positive things in life. Last but not least we value Responsibility, there is no planet B. That's why we are aiming to be as sustainable as possible by choosing durable and more sustainable materials and creating long-lasting fashion items.

AMERICA TODAY'S APPROACH TO SUSTAINABILITY

America Today is always on the move. We take steps to make our and your tomorrow a little bit better. We actively improve our sustainability strategy so we can offer our customers more and more products that are produced more sustainably, with less impact on the environment and the people who made it. We are not there yet, many challenges remain for us but by working hard, learning, innovating and collaborating with experts, competitors and our business partners, we become a more responsible and sustainable business every day.

We recognize that conducting business activities can have adverse impacts related to human rights, our business relationships and the environment, and we commit to avoid, reduce and address those impacts to the best of our abilities.

To be able to operate more sustainably and address

impacts, it is important to know our supply chain. We started by mapping our most direct suppliers in 2013 and are continually moving deeper into our supply chain and getting to know our indirect business partners, like wet-processing facilities and fabric suppliers. Then, we research the (possible) adverse impacts that can occur in our supply chain, by consulting experts and reports, and address the most important ones first based on likelihood and severity. When we have tackled the most pressing impact, we move on to the next one. Through this process we continually increase the sustainability in our supply chains. We report about all these activities in this report, to be as transparent as possible towards you, our customers and other stakeholders. This approach is in line with the OECD Due Diligence Guidelines for Multinational Enterprises.

AMERICA TODAY'S SUSTAINABILITY PILLARS

In line with our company's vision and mission and based on the research we did on our supply chain, we identified four pillars that form the basis of our work on sustainability.

Supply chain responsibility & transparency
Our goal is a supply chain that is fully

Our goal is a supply chain that is fully transparent, from raw material to your favorite item.

Respecting human rights
We aim to enable and secure that all

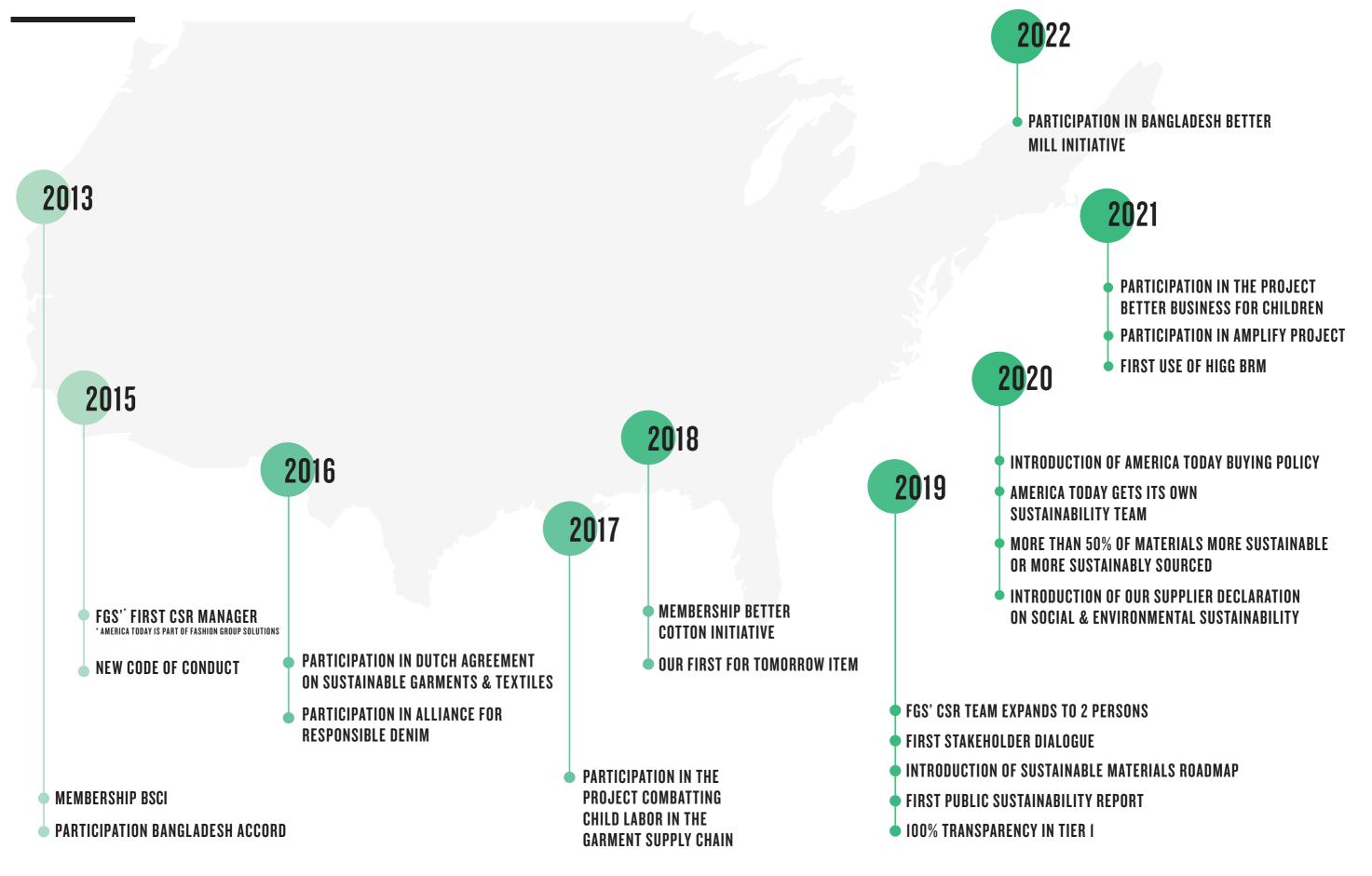
people in our supply chain and business work in conditions that respect and protect their rights as human beings.

Healthy & safe industrial communities
We work towards a safe and healthy
working environment for everyone who
touches our products.

Healthy environment
We want to enable our customers to buy a more sustainable collection to show our and their love for the environment.



OUR ROADTRIP TO SUSTAINABILITY



MILESTONES 2020

AMERICA
TODAY'S OWN
SUSTAINABILITY
TEAM!

Successfully finalized Combatting Child Labor in the Garment Supply Chain project in Bangladesh. 100%
transparency
of tier 1 and...

78% of tier 2

EXPANDED OUR SOURCING
TEAM WITH COLLEAGUES IN
ALL HIGHER RISK SOURCING
COUNTRIES

SUSTAINABILITY HIGHLIGHTS

56%
of our collection from sustainable materials or sourced more sustainably

ESTABLISHED OUR BUYING POLICY

94% of our stitching factories in risks countries were audited via BSCI or another accepted independent social audit mechanism and have at least a C rating.

ALL OUR SUPPLIERS SIGNED OUR SUPPLIER DECLARATION FOR SOCIAL AND ENVIRONMENTAL SUSTAINABILITY

SUPPLY CHAIN RESPONSIBILITY AND TRANSPARENCY

Our goal is that America Today's products are produced in a responsible and sustainable way. We do not have our own factories, so we work together with suppliers in various countries who produce garments for us and for other brands. It is important for us to know exactly where and how our products are produced and to have good relationships with our suppliers, so we can understand the (potential) impacts and work on improvements together with our suppliers. We also evaluate and continuously improve our own buying practices, so we can enable our suppliers to create safer and fairer working conditions for their employees and to protect the environment.

TRANSPARENCY

America Today aims for full transparency of our supply chain, from raw material to your favorite item. A transparent supply chain is an important step towards responsible supply chain management. We are increasing our insight every year, but we are not there yet.

"As a brand we strongly believe transparency has a direct impact on consumer trust, brand values and our company's sustainability performance. Good supply chain transparency can provide visibility & traceability of how a final product is made, often including many different raw materials and accessories. We know our manufacturing partners well, and ask about sources of supply for materials in a particular product. More than 90% of the garments that were made in Bangladesh for America Today in 2020 were made with more sustainable materials or processes, which resulted in total in 56% more sustainable materials in 2020. We are committed to respect the environment and the world".

Imran Bhuiyan CSR & QC Manager Bangladesh



TODAY

We have a complete overview of the production locations where our products are stitched together (tier 1) and 78% of our suppliers have given us information about the locations that wash, dye, print and embroider our garments (tier 2).

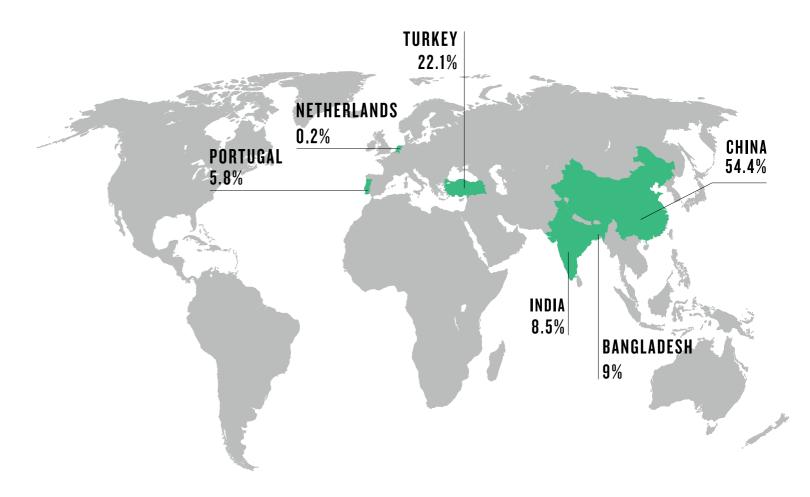
93% of our production locations are based in risk countries as defined by UN Development Index (China, Turkey, Bangladesh, India). We share our list of production locations with the Dutch Agreement on Sustainable Garments and Textiles (AGT), of which we are a proud signatory since 2016. The aggregated list of production locations of all the Agreement signatories can be found HERE.

Part of transparency is also to show you, our customers, our efforts on making the garments you buy more sustainable, as well as the circumstances in which they were produced. These efforts have been described in this report and the CSR page on our website. To help you make an informed choice, we have also added a 'sustainability' filter to our website where you can find all products with sustainable attributes. More information about the sustainable attributes of a specific product is provided in the product description.

TOMORROW

We increase our insight in the supply chain all the time, and aim to have information about all stitching, garment dyeing, washing, printing and embroidery locations in 2021. In addition, we focus our efforts on mapping fabric suppliers and spinning mills in high-risk locations.

Starting in 2021, we are also participating in a child's rights project together with UNICEF and two key suppliers in which we will map and assess the suppliers' entire supply chain in Turkey from garment to raw materials. This project will be described further in chapter 2.



RISK ASSESSMENT

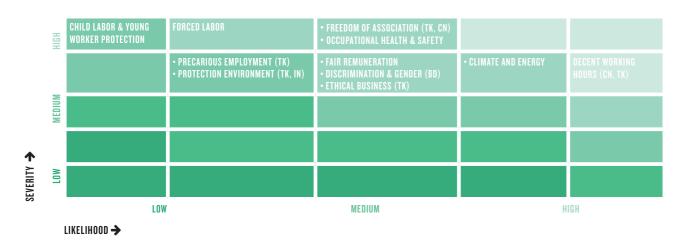
America Today's collections are produced with the help of many people and resources around the world. This means that our products and operations have an impact on human rights and the environment. It can be a positive or a neutral impact, but adverse impacts are also common in garment supply chains, and we want to take responsibility for ours.

Therefore, we continually map the risks related to our supply chain and collections based on new information, business decisions and developments in the world. We scope the (potential) adverse impacts per country, material, production process and per specific production location. Since we cannot address all risks at once, we prioritize them based on the likelihood and severity of the impact on workers, communities and the environment and start with the most important ones. In our

prioritization we also take our potential to address the risk with reasonable effort into account.

Through this method, we have made a prioritization of most salient risks for our garment production locations, for locations further down the supply chain, for our materials and for the production processes. More information about the prioritized risks and our goals and actions to address them can be found in the next chapters.

The severity and likelihood of the risks in the garment production locations that we work with, we know mainly via independent audits and our own visits. Based on our most recent analysis of the audits of our garment production locations, a risk matrix was created.



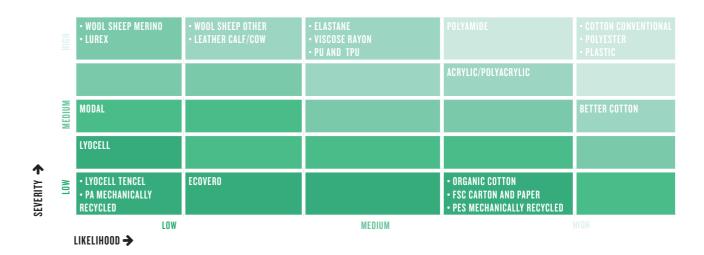
CN: CHINA. TK: TURKEY. BD: BANGLADESH. IN: INDIA.

From this risk matrix, we have prioritized the following risks: Decent working hours (China and Turkey), Freedom of association (Turkey and China), Occupational health & safety (all countries), Climate and energy (all countries, with extra focus on Bangladesh). The other identified risks are not prioritized (yet) because the likelihood is low(er) or we have set targets to address them in the future. More information about and actions for our prioritized risks are described in the chapters that follow. Although living wage and forced labor are not prioritized (yet), some information is also provided about the situation in our supply chain on these risks.

For production locations further down the supply chain, we based our analysis on sources like country indexes and reports, because we do not have full insight in the production locations yet via audits.

Increasing transparency and monitoring deeper down the supply chain are therefore important actions for us to start with. In addition, we decided to focus our efforts on the salient risks: child labor & young worker protection, because we have worked on this topic in previous years and have the opportunity to extend this work to Turkey this year (see chapter 2), and Environmental protection, because we have the opportunity to work on this topic in Bangladesh with the support of expert organizations, and it will help us to achieve our goals on sustainable processes (see chapter 4).

For the prioritization of risk materials, we based our analysis on research reports and we consulted the branch organization for additional information on risks.



PU: POLYURETHANE, TPU: THERMOPLASTIC POLYURETHANE, PA: POLYAMIDE, FSC: FOREST STEWARDSHIP COUNCIL, PES: POLYESTER

We prioritize the following materials to replace with a more sustainable alternative: conventional cotton, polyester, plastic, polyamide. Our goals for using more sustainable materials can be found in chapter 4.

For the production processes used to produce our garments, our analysis showed that these three risks are most salient: washing, dyeing and raw material processing. The goals for these risks can also be found in chapter 4.



"The focus of the buying department is to continuously improve our buying practices to prevent risks in our supply chain. In 2020 we introduced our Buying Policy. By writing this policy we took a critical look at our own buying practices. We defined the related risks, and how we want to work and improve. To evaluate our practices, we requested feedback from our suppliers through an anonymous survey (PPA). Similar survey questions were asked to our people from the buying teams (PPSA). By evaluating and comparing the outcomes of the surveys, we gain a good insight into our areas for improvement. We train our buying, design and merchandise teams on our buying policies and points for improvement.'

Olga Marcheggiani
Buying Manager



RESPONSIBLE SUPPLIER RELATIONSHIPS

America Today aims to build fair and long-term relationships with suppliers. We want to enable and support our suppliers to work with respect for human rights and the environment. We do this by sharing our requirements and expectations with our suppliers, but also by stating what they can expect from us. We work to improve our buying practices, to make it possible for our suppliers to create and maintain safe and fair working conditions and to protect the environment

TODAY

Responsible buying practices

Buying practices refers to how we work with our suppliers and the factories that make our garments. We acknowledge that our buying practices may contribute to risks in our supply chains, like overtime, low wages, hidden subcontracting or environmental pollution. To prevent risks and support our suppliers in caring for workers and the environment, our buying team aims to work in line with our responsible buying principles and policy. Our responsible buying principles in short are:

- I. CONTINUOUS IMPROVEMENT OF OUR POLICIES AND PRACTICES
- 2. DO OUR DUE DILIGENCE
- 3. BUILD TRUST-BASED RELATIONSHIPS
- 4. EVALUATE ON SUSTAINABILITY
- 5. NEGOTIATE FAIR PRICES
- 6. COMMUNICATE CLEARLY AND PROMPTLY
- 7. AGREE ON LEAD TIMES AND FORECASTS
- 8. REFRAIN FROM MAKING LAST MINUTE OR REPEATED CHANGES
- 9. AGREE ON PRODUCTION PLANS
- 10. HANDLE COMPLAINTS FROM SUPPLIERS AND WORKERS
- II. ASSIST SUPPLIERS TO MEET THEIR COMMITMENTS

We evaluate our progress on these principles through a responsible Purchasing Practices Survey that we sent to our suppliers, and also fill out ourselves. This allows us to compare suppliers' perspective and our own evaluation of our buying practices. With the outcomes we make a plan to improve. The buying team also did a training this year where they looked at possible impacts of buying decisions and how to prevent negative impacts.

We have worked with many of our suppliers for a long time and have established strong relationships with them. We communicate with our suppliers frequently and openly.

Covid-19 impact

The Covid-19 crisis posed and still poses an enormous challenge to our company and our business partners in the supply chain. To get through it, the relationship with our suppliers is very important. From the start of the crisis, we have had frequent communication with our suppliers to discuss outstanding orders and payments. The majority of orders were ultimately taken as originally agreed. We have not cancelled any orders that were already in production or where the supplier had already purchased materials. Payment plans were made in consultation with suppliers for outstanding payments, some payments were deferred and some orders were taken at a discount. Some orders have been postponed, where this was possible. New production and delivery plans were made together with suppliers due to lock down situations in both selling and producing countries. After the first wave, we were better able to anticipate the effects of the lockdown. This helped us to plan better together with the supplier, so we could restrict the number of orders that needed to be postponed and did not have to cancel orders that were already placed.

Last year, we also sent out a survey to our suppliers with questions about how Covid-19 impacted their business, what precautionary measures they took to protect workers, and with the possibility to file a complaint or concern about our buying practices related to Covid.

Grievance mechanisms

Our suppliers and their workers can submit complaints and grievances to our sustainability team directly about our buying practices or about a condition or harm that we caused, contributed to or are directly linked to via our suppliers. All grievances are reviewed, addressed and remedied in a manner specific and suitable to the grievance. We aim to engage meaningfully with the affected stakeholders in addressing

harms and grievances. If the issue is not resolved, complaints or grievances can also be filed with the Dutch Agreement on Sustainable Garments and Textiles (AGT). Grievances can also be submitted indirectly by worker representatives or via other organizations that represent the interests of people, the environment or animals. To file a complaint or learn more about this mechanism, please find more information HERE. In addition, amfori Business Social Compliance Initiative (BSCI) has an EXTERNAL GRIEVANCE MECHANISM, and factories are required to have their own grievance mechanisms, which is monitored via BSCI. Workers from factories in Bangladesh can file complaints about health & safety to the BANGLADESH ACCORD.

In 2020 two complaints from workers reached us via the Bangladesh Accord and BSCI. One complaint about excessive and mandatory overtime of a security guard which was investigated and then dropped by the complainant. One about dismissal without severance pay, which we followed up on with both the worker and the factory and the worker received his payment. In addition, two warnings of high risks reached us on forced or child labor in spinning mills in Tamil Nadu, India. The risks were flagged by Non-Governmental Organisations (NGOs) and reported to us via the AGT and BSCI. We were not able to find a link between our supply chain and the investigated risk factories and have prioritized our mapping and monitoring of spinning mills in this region. In addition, one supplier made use of the possibility to file a complaint in the survey we sent about the impact of Covid-19. The complaint was about a discount in buying price. This complaint was handled with the supplier and the supplier is invited for further dialogue about improving our buying practices.

Suppliers commitment & compliance

All our direct suppliers sign our Supplier Declaration on Social & Environmental Sustainability, an agreement on our requirements and guidelines for sustainability. It includes the AMFORI BSCI CODE OF CONDUCT and describes our requirements and guidelines on topics like transparency, how the rights and safety of workers should be protected, what chemicals are not allowed to be used in production processes and what materials are preferred or banned. Our buying principles are also included in this document.

We monitor compliance with the requirements at the garment manufacturing factories via our own audits and independent audits. Our local sourcing teams visit the factories and do inspections, mainly focusing on health & safety and basic social requirements at the factory and on the quality of the garments. They share their findings with supplier and factory and ask for improvements where needed. We rate our suppliers with our vendor rating system on various topics including sustainability. This helps our buyers make

informed decisions about where to place orders, and we hope it will encourage suppliers to improve.

In addition, working conditions, human rights and health & safety are also monitored through independent audits, like BSCI or Sedex. We are a member of the amfori Business Social Compliance Initiative (BSCI) since 2013. BSCI audits inspect factories on their management system and worker involvement & protection, and on 11 principles: freedom of association & collective bargaining, discrimination, fair remuneration, decent working hours, occupational health & safety, child labor, special protection for young workers, precarious employment, bonded labor, protection of the environment and ethical business behavior. Audits are conducted once every two years, with one or more follow up audits in between depending on the issues that were found in the full audit. By joining BSCI, we can have more impact because we combine our efforts with others in the industry. In 2020, 94% of our stitching factories in risks countries were audited via BSCI or another accepted independent social audit mechanism. 100% of the locations have at least a C result, and 25% have an A or B rating.

The improvement areas are addressed by looking at our own practices and by working with suppliers on improvements. When a factory has a C result, we require them to share a Corrective Action Plan (CAP) for improvement. We try to support suppliers in the process of improving working conditions at their factories, for example by giving input on their CAP and following up on the improvements. Our suppliers can also follow BSCI trainings on topics relevant for them in their own country. We also collaborate with suppliers on more specific improvement projects, which will be explained in more detail in the following chapters.

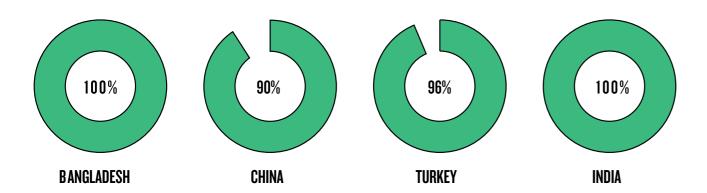
TOMORROW

Based on the Purchasing Practices Assessment Surveys we conducted, we have set ourselves the following goals for next year: provide suppliers with feedback on their products' sales performance more regularly and discuss with key suppliers what kind of impacts the changes made by our buying department have on their production, to better understand the impacts of our practices and adjust them where possible.

Although grievance mechanisms are in place, they are not all effectively implemented yet. Therefore, we have set ourselves the goal to work on the effectiveness of this mechanism, starting with three key suppliers in 2021.

Our aim for 2021 is to have 95% of our garment manufacturing factories in a valid independent audit cycle and working on improvements where needed. In addition, our sourcing office will start monitoring our dyeing, washing and printing factories, focusing on basic social requirements, health & safety and environment. Our goals is to have 10% of these factories audited in 2021 by our own people or via an independent audit.

PERCENTAGE OF PRODUCTION LOCATIONS MONITORED THROUGH INDEPENDENT AUDITS IN RISK COUNTRIES



OVERVIEW OF AUDIT SCORES* OF OUR AUDITED PRODUCTION LOCATIONS IN RISK COUNTRIES:

	A	В	C	D	E
BANGLADESH		3			
CHINA		2	36		
TURKEY	8	15	13		
INDIA			6		

*audit scores are from BSCI. When a factory has another valid audit like Sedex, an own interpretation was made of the audit results to give it a score.



RESPECTING HUMAN RIGHTS

We aim to enable and secure that all people in our supply chain and business work in conditions that respect and protect their rights as human beings. America Today touches the lives of many people: in our offices, in our supply chains and that of our customers. What we do and the way we do it has an impact on all these groups of people. That is why we strive to do business with respect for human rights and want to work with suppliers who do the same.

CHILDREN AND YOUNG WORKERS SAFEGUARDING

America Today is committed to permanently eradicate child labor from our supply chain and to safeguard young workers that contribute to the production of our products. In many of the countries where we produce our clothes, child labor occurs in the garment and textiles industry, mainly beyond the first tier, where we have less visibility. We take this risk very seriously because it can affect the health and development of the child. Underlying causes to child labor in these countries can be, for example, that education is not compulsory or that the wages of parents are too low to provide for a decent living standard. We believe that all children should go to school and have the right to grow up while learning and playing. Therefore, we work to prevent and mitigate child labor risks related to our supply chains.

TODAY

We communicate clearly to our business partners that child labor is strictly prohibited in the production of our products. Our requirements and guidelines on preventing child labor and protecting young workers are described in our Supplier Declaration. We monitor our first tier production locations on child labor and the safeguarding of young workers via audits (see chapter 1). No issues were found on these topics in the audits.

Combatting Child Labor in the Garment Supply Chain

We have less insight in the situation at suppliers further down the supply chain. Therefore, we participated in the project "COMBATTING CHILD LABOR"

in Bangladesh from 2017 until the successful finalization in 2020. America Today and three of our partner factories (one first tier and two second tier) made great progress in the project, supported by UNICEF and local partners. The factories worked hard to make their workplaces and practices family-friendly and to improve the lives of children in Bangladesh. For example, the factories now have better age verification practices to prevent child labor, improved maternity policies and practices, and improved factory-based daycares and breastfeeding facilities. We are proud of the factories that participated with us in this project and of the progress they made.

Better Cotton Initiative's view on forced and child labor

As a member of the Better Cotton Initiative (BCI), America Today indirectly contributes to the prevention of child labor on cotton fields. In 2020, America Today sourced almost half of its cotton through BCI. The welfare of children and workers is always of paramount importance - forced labor and child labor on cotton farms is unacceptable to BCI.* If either is discovered where Better Cotton is produced, it is considered an incidence of non-compliance with BCI's standards and is dealt with immediately. BCI supports farmers by helping them to understand and respect national legal requirements, as well as the fundamental, interrelated International Labour Organisation conventions on respecting the minimum age for young workers (c138) and avoiding the 'worst forms of child labour' (C182). BCI does not operate in countries where forced labour is orchestrated by the government.

* In the specific situation of family smallholding, BCI's approach seeks to address and secure the child's right to education, health, and developmental well-being, according to age and activity, while recognising the context of family smallholder agriculture in many developing country settings. For this reason, an allowance is made for smallholders, whose children may help on their family's farm under certain defined conditions with clear improvement plans in place.

"UNICEF Netherlands is proud to be a partner of America Today since 2017. America Today has shown commitment and persistence in expanding and improving their Corporate Social Responsibility. Through their participation in our Family Friendly Workplace programme in Bangladesh and the continuation of this work after finalizing the project. And now again America Today proves their commitment by standing side-byside with UNICEF taking on a new challenge in Turkey. Together we will pioneer a project that focusses on the prevention and elimination of Child Labour from supply chains and positively impact children through improving working conditions for parents".

Jeroen van der Heijden Child's Rights and Business Specialist at UNICEF Netherlands



TOMORROW

We plan to increase our monitoring deeper down the supply chain (see chapter 1), so we have better insight in and opportunities for preventing and mitigating risks.

As a result of the 'Remedies towards a better workplace' project in Bangladesh, we will support one of the participating suppliers with setting up a community-based daycare center for the children of the factory workers and workers of other factories in that same area. This will be a collaborative effort of the supplier, the local non-profit organization Phulki and the Cool Foundation.

In 2021 we have also started a new collaboration with UNICEF, this time in Turkey. To address risks even deeper in the supply chain, the project will start with mapping the Turkish supply chain of two of our suppliers. An assessment will be conducted to identify where in the chain the highest risk(s) of child rights violations are situated. An action plan for improvement will then be drafted and implemented using UNICEF's family friendly workplace approach. More information about this project can be found HERE.

? [

DECENT WORKING HOURS

All workers should work decent hours and enjoy enough breaks and leisure time. In the production of clothes, unfortunately excessive overtime is common in many of our sourcing countries. Long working hours and not enough time to rest can compromise workers' health. Underlying causes can be a low minimum wage in the country, which leads to workers wanting to work long hours to sustain themselves and their family. The buying practices of companies can also lead to overtime, for example when there is high delivery time pressure. Covid increased this risk, because the industry faces challenges related to order and production planning, transportation of orders and raw materials, and reduced workforce capacity. We aim to reduce overtime by improving our own buying practices and by encouraging suppliers to prevent this issue.

TODAY

We analyzed our own buying practices and concluded that we can improve our practices related to order changes. Making changes to orders can impact the production planning of suppliers, which can result in overtime.

We clearly communicate our requirements on this topic to suppliers in our Supplier Declaration. We monitor the garment production locations on decent working hours via audits. Based on analysis of the audit results, overtime happens in many factories, mostly in the factories that we work with in China. We request CAPs from the factories on this issue to encourage them to work on improvements.

TOMORROW

We will discuss with key suppliers what kind of impacts the changes made by our buying department have on their production, to better understand the impacts of our practices and adjust them where possible.

We will follow up closely with our key suppliers to make improvements on this topic and aim for at least 10% reduction of maximum measured overtime per key supplier in the next audit cycle.

FREEDOM OF ASSOCIATION

Workers should have the right to form unions and bargain collectively. This right is complicated in many of our sourcing countries. In some countries, free and democratic trade union activity is not allowed by law, or very difficult in practice. Freely elected worker representatives are important in representing the workers interests when a union is not active in a factory. The representative can enter into dialogue with management about workplace issues. It is often unclear from audits how effective and democratically chosen the representatives are. This topic is important because workers know best what they need and what is happening in the workplace. Making progress on this issue will likely also be beneficial for other risk areas like factory safety and wages.

TODAY

Based on audit information, all factories have a good score on this topic and have one or more worker representative(s), but it is unclear how effective these are and hardly any factories have an active trade union. We joined the project AMPLIFY to improve our own processes and to support our suppliers and their workers to strengthen their worker representation and social dialogue, starting with key Turkish suppliers. We focus on Turkey first, because our risk analysis showed that Turkey is a priority country for this risk and because Turkey ratified the ILO-conventions on forming unions and collective bargaining (C87 and C98). Brands that joined the AMPLIFY project are supported by the trade union confederations FNV and CNV in their action plans.

TOMORROW

We will engage worker representatives in our own audits starting in 2021. With our participation in the AMPLIFY project, our focus for this topic will first be on Turkey. We aim to have effective worker representations in all our key garment factories in Turkey by 2025.

FAIR REMUNERATION

A living wage means a wage that is high enough to afford a decent standard of living for a worker and their family. In many of the countries we source from, the legal minimum wage is too low to allow for a decent living standard. This often results in worker wages that are below the living wage. In addition, there are risks in relation to fair payment of overtime. A possible contributor to risks related to fair remuneration are the buying practices of brands, for example when the price agreed with a supplier for an order is too low to allow for a living wage. Paying workers a living wage can also indirectly address adverse impacts like excessive overtime and child labor.

TODAY

We communicate through our Supplier Declaration to our business partners that we expect them to pay fair and timely wages that allow for a decent living for workers and their families. We monitor our first tier production locations on payment of fair remuneration via audits. All factories pay at least the countries' minimum wage, but gaps between a living wage and paid wage are found in all factories. The living wage gap was calculated by comparing the living wage as defined by the Living Wage Indicator with the lowest paid wage in the factory as measured through audits.

TOMORROW

Our goal is that two of our key suppliers pay the local living wage by 2025.

NO FORCED LABOUR

We commit to permanently eradicate modern slavery from our supply chain. We are aware that in some of the regions where our products are produced, risks of forced labor have been reported by research organizations. We take these risks very seriously. We believe that no one should have to work involuntarily or informally and therefore we work to prevent and mitigate any forced labor risks linked to the production of our products.

TODAY

We communicate our commitment to this principle through our Supplier Declaration. We monitor our first tier production locations on forced labor via audits and no issues were found on this topic. In areas where we know the risk is high due to unauthorized subcontracting, we conduct extra inspections during production. Since we do not yet have full insight in the production locations deeper down the supply chain, we cannot be certain that it is not part of our supply chain. We focus our efforts for increasing transparency first on the regions where the risk is highest. In addition, we buy more sustainable materials like organic cotton or source via the Better Cotton Initiative (BCI). These initiatives monitor the labor conditions in some parts of the supply chain which reduces the

TOMORROW

We work to increase our insight and monitoring deeper down the supply chain (see chapter 1) and increase our use of sustainably sourced materials (see the chapter 4).



HEALTHY & SAFE INDUSTRIAL COMMUNITIES

Everyone should work in a safe and healthy environment, but in our sourcing countries risks related to workplace safety are common. We monitor and work with our suppliers to make workplaces safer and healthier, to prevent accidents, injuries

or illness. For example, we monitor if production locations have safe buildings, use protective equipment, store chemicals properly, and provide access to clean sanitary facilities and safe drinking water.

"Social compliance is one of the key attributes within America Today. One of the minimum requirements is that factories we work with need a BSCI audit or another accepted social audit such as Sedex. Audits are only able to measure the performance of a factory at a specific moment, and we find that the audit report does not always reflect the current reality anymore. With our own sourcing offices, we are able to visit production locations in our four biggest production countries. Where we see standards below par, we start a dialogue to engage the supplier and factory involved to work together to a better and safer workplace. The same goes for quality and environmental sustainability. Together with our stakeholders we create a better world step by step, for the employees, but also for the end consumer".

Douwe Schurer *QA manager*





TODAY

We share our commitment and requirements on health & safety with all our suppliers through our Supplier Declaration. We monitor compliance of garment manufacturers with the requirements through our own audits and independent audits. Most factories that we work with have only some minor improvement areas (70% have an A audit result in this area and 19% has B). The main risks that were identified through audits are: insufficient (use of) personal protective equipment, insufficient risk analysis or checks by the factory, required permits or certificates are not available, improvements needed in sanitary facilities, issues with safe chemical storage, issues with emergency systems/routes like lights that are not working. We ask factories to make a Corrective Action Plan (CAP) to address these issues and monitor progress. In addition, possibilities for improvement are discussed during visits and own inspections. When high risk issues are identified, like blocked exit routes, we require the supplier to address this immediately.

Health and safety measures in the factories have become extra important in relation to Covid-19. Workers need to be properly protected through measures like social distancing, face masks, handwashing and temperature checks. We monitor all first tier production locations on the precautionary measures they take to protect their workers.

Bangladesh Accord on Fire and Building Safety

America Today is a proud signatory of the Bangladesh Accord. THE BANGLADESH ACCORD is an agreement between various stakeholders to prevent and mitigate possible adverse impacts related to fire and building safety in Bangladesh. The initial agreement started in 2013 and was followed by the Transition Accord in May 2018. The Transition Accord was created to help transition the Bangladesh operations of the Accord to the RMG Sustainability Council (RSC), which was created as a tripartite initiative with representatives from brands, the industry and unions. The Transition Accord ends first of June 2021. We are determined to continue the work when the Transition Accord ends and would like to see a new agreement between brands and unions, to maintain and improve the current standard.

All the garment manufacturing factories in Bangladesh we work with are covered by the Accord. This means they undergo regular independent fire, electrical and structural safety inspections

and are required to work on improvement plans for basic safety requirements. Safety Committees are trained, and all factory workers are informed about essential workplace safety. The Accord ensures that no worker needs to fear fire, building collapses or other accidents that can be prevented with reasonable health & safety measures.

The last years, our partner factories in Bangladesh worked hard on following up instructions and suggestions from the Accord technical engineers. With their guidance, the factories made an enormous effort and ensured that major renovations were carried out successfully. The progress rate on initial and new findings of the factories is 97 or 98%, with 100% of fire safety issues and structural issues solved, and 90-95% of electrical issues solved. The factories are fully on track to take further required corrective actions within the Accord if found necessary during progress and status monitoring.

TOMORROW

Our goal for 2022 is that 95% of the factories we work with have at least a B result on their BSCI audit in this performance area. We aim to address issues and areas for improvement together with suppliers via Corrective Action Plans.

We want to continue the good work of the Bangladesh Accord and have already applied for membership to the **BRANDS ASSOCIATION**, which will represent the brands in the RSC.

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HEALTHY ENVIRONMENT

We want to enable our customers to buy more sustainable fashion to show our and their love for the planet. The production of clothes impacts the environment in many ways. To protect the environment and communities living in that environment, and to protect our business in the long term, we need to work sustainably with nature rather than polluting and depleting it. Therefore, we developed our more sustainable collection called For Tomorrow. This label indicates that an item has been produced more sustainably, and/or is made with more sustainable materials or that the materials have been sustainably sourced through the Better Cotton Initiative. Our aim is to have a lower impact on the environment and to rapidly expand this collection in the coming years.

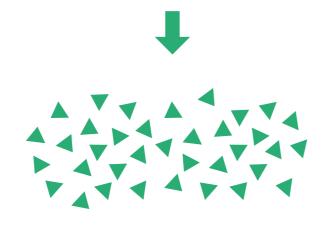
America Today's signature 'For Tomorrow' products of 2020:

- OUR RAINCOAT MADE FROM ±20 RECYCLED PET BOTTLES
- OUR STEFAN SHORT MADE FROM 98% ORGANIC COTTON
- OUR TOOK T-SHIRT MADE FROM 100% ORGANIC COTTON
- OUR SWIM SHORTS MADE FROM 100% RECYCLED POLYESTER

When life gives you plastic waste, make raincoats! Our raincoats are made of sustainable material, wind proof and of course water resistant. The shell of our raincoat is made of +/- 20 recycled bottles. The plastic bottles are turned into recycled polyester. This way we give plastic waste a new purpose in life and prevent it from entering our nature. ACCORDING TO THIS RESEARCH RECYCLED POLYESTER USES 59% LESS ENERGY VS NEW POLYESTER.

Buy today, care For Tomorrow.



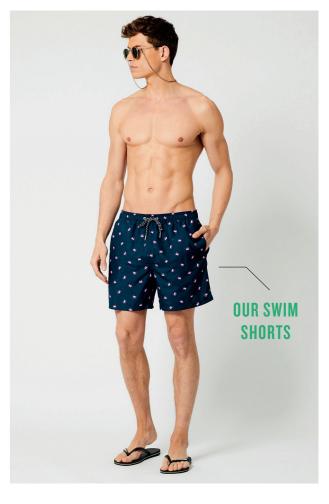












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SUSTAINABLE MATERIAL USE

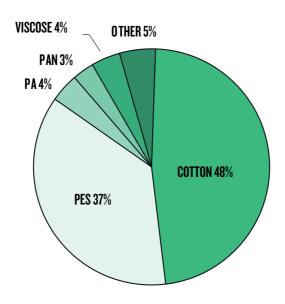
We aim to significantly reduce the impact of our products and their production processes on the environment, people and animals. Many of the materials and production processes used in our supply chain have shown an adverse impact on the environment. The energy, water and chemicals used for apparel, specifically in the manufacturing stage, make it an extremely resource-intensive industry. The two materials we use most in our products are cotton and polyester. Both materials have a high environmental impact. Polyester is extracted from petroleum which destroys natural habitats and is a non-renewable source. The manufacturing of polyester is a chemical, energy and water intensive process. Besides, it is non-biodegradable so it leads to an increase on landfills and toxic emissions to air when incinerated. Cotton is highly water and pesticide intensive. The pesticides seep into the ground and pollute the groundwater and surface water. This has a negative impact on the environment and biodiversity surrounding cotton fields. We want to reduce the impact of these and our other materials as much as possible and are making progress on our goals to replace high impact materials with more sustainable alternatives.

TODAY

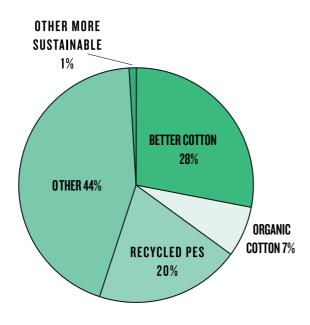
We are proud to report that more than half of the materials we used in 2020 is more sustainable or sustainably sourced. We increased our percentage more sustainable material from 32% in 2019 to 56% in 2020.

Our Material Roadmap lists our preferred materials and our goals for increasing the use of these materials. We analyze our material use each year and raise our goals where necessary or possible. We find it important that everyone at America Today is aware of the importance of using more sustainable materials so that we can all work to reach the goals we set in our Material Roadmap. Therefore, we started with training sessions for several departments in our company on materials and risks.

ALL MATERIAL



SUSTAINABLY SOURCED MATERIAL



MATERIALS	ABBREVIATION	
COTTON	CO	
POLYURETHANE	PU	
THERMOPLASTIC POLYURETHANE	TPU	
POLYAMIDE (NYLON)	PA	
ACRYL/POLYACRYL	PAN	
POLYESTER	PES	

COTTON

In 2020, 73% of our total cotton was already organic cotton or cotton sourced through the Better Cotton Initiative (BCI).

Organic cotton is grown in a rotation system that builds soil fertility, protects biodiversity and is grown without using synthetic chemicals or GMOs. Based on RESEARCH FROM TEXTILE EXCHANGE, environmental benefits were found in producing organic cotton compared to conventional cotton, including potential savings of 62% energy use and 88% water consumption.

Since June 2018 America Today is partner of the Better Cotton Initiative. The BETTER COTTON INITIATIVE was founded to improve the worldwide cotton production, for the people producing it, for the environment and for the future of the sector. Better Cotton is sourced via a system of Mass Balance. This means that it is not physically traceable to end products. However, BCI Farmers benefit from the demand for Better Cotton in equivalent volumes to those we 'source'. With our share of cotton sourced through BCI in 2020:

- WE REACHED A NUMBER OF 534 FARMERS.
- AN ESTIMATED 64.7 THOUSAND EUR OF ADDI-TIONAL FARMER PROFITABILITY WAS GENERATED
- 1.029 OF HECTARES WERE CULTIVATED
- AN ESTIMATED 140 MILLION LITRES OF WATER WAS SAVED
- AN ESTIMATED 91 KGS OF PESTICIDE WAS AVOIDED



RETAILER



POLYESTER



RECYCLED POLYESTER

Our use of recycled polyester increased from 6% in 2019 to 43% in 2020. Recycled polyester has the same quality as new polyester, but it is made from waste materials like plastic bottles and packaging. According to THIS RESEARCH, the production of recycled polyester uses 59% less energy compared to new polyester and reduces CO2 emissions by 32% compared to new polyester. Besides, plastic waste is given a second life, thereby preventing it from ending up in the environment. Just as

conventional polyester, recycled polyester does still release microplastics when washing it.

LENZING™ ECOVERO

Our use of LENZINGTM ECOVEROTM viscose fibers grew from 5% in 2019 to 23% in 2020. The manufacturing of LENZINGTM ECOVEROTM branded viscose fibers generates up to 50% lower emissions and water impact compared to generic viscose. LENZINGTM ECOVEROTM branded viscose fibers are produced using pulp, which is derived from the renewable resource wood as raw material. Lenzing purchases wood and pulp derived from responsibly managed forests and certified to come from sustainable sources. More information can be found HERE.

ANIMAL MATERIALS

Another important topic that is covered in our roadmap is animal welfare. Who doesn't love animals? We do and we are strict in our usage of animal fibers. Our requirements on animal protection are described in our Animal Welfare policy that is part of our Supplier Declaration. We banned all use of fur, exotic skins, down, silk, mohair, angora- and cashmere wool. We are listed as FUR FREE RETAILER, and as Angora Free and CASHMERE FREE RETAILER at the People for the Ethical Treatment of Animals (PETA) Foundation. We still use a small percentage of leather and wool in our products, and we are aware of the potential animal welfare risks related to this, such as mulesing for wool. Mulesing is a procedure during which strips of skin around a lamb's breech and tail are cut with shears, often without any pain relief. We do not want to contribute to mulesing through our wool products and we want to support a mulesing-free future. Therefore, we recently signed the 'BRAND LETTER OF INTENT' from FOUR PAWS. We already banned the use of mulesing for our product materials through our Animal Welfare Policy and aim to have full traceability of our wool products by 2025.

TOMORROW

We will continue to increase our share of more sustainable materials. In 2025 we aim to produce 90% of our collection with more sustainable materials. In 2023 we already aim for 100% of our cotton products to be from organic cotton, recycled cotton or sourced via the Better Cotton Initiative.

SUSTAINABLE USE OF CHEMICALS, WATER & ENERGY

We aim to reduce and responsibly manage the use of chemicals, water and energy in our products and production processes. There are various risks for humans and the environment related to chemical, water and energy use in the production of clothes. An example of a production process that uses a lot of water, chemicals and energy is the dyeing process. Possible adverse impacts related to this process are water scarcity and (water) pollution, which impacts the environment and the communities living near the production locations. In addition, the chemicals used in the dyeing process can form a health risk for the people working with them. We want to produce in a way that is not harmful for the environment or for people.

TODAY

We communicate our chemical requirements to our suppliers through our Restricted Substances List (RSL) and Manufacturing Restricted Substance List (MRSL). These two lists are regularly updated, with the last updates done in 2020. We also elaborated our supplier policies with an Environmental Protection Policy. This policy describes what we expect from our business partners in relation to their environmental management and compliance. It includes requirements on sustainable materials and certifications, and expectations on energy use, waste management and water use and discharge. Together with our suppliers, we aim to reduce the impact of our products and production processes. Our percentage of low-impact jeans for men increased from 17% in 2019 to 48% in 2020. Jeans are a product that comes with many risks in the production process, because the coloring and finishing of jeans requires a lot of water and chemicals, which can be harmful for the environment and the people making the jeans. Therefore, we increase our collection of low impact jeans every year. Low impact means that less energy, chemicals and water were used, as measured with Environmental Impact Measurement (EIM) software by Jeanologia.



"We've been working with Wiser Globe since 2018. Ever since, we've been working on sustainable solutions in our denim production. Wiser Globe provided us both recycled fabric content and low environmental impact score washes. At America Today we're always looking for the most sustainable and commercial combinations. Wiser Globe is well aware about the European market developments, which make them a good partner to provide us products in the best combination. Best of both worlds: Environment and Commerciality. With a strong business partner this close by. it makes it so easy to communicate and build a collection together. There is still room to grow together, to keep growing we stay involved and committed to each other. We're happy to have Wiser Globe as a good business partner!"

Britt Kramer *Buyer men and boys*

"Wiser Globe is building a Wiser world with game-changer and sustainable innovations to redefine the current practices in the fashion industry. We embrace sustainability with our 360° approach, not only for the benefits of our investments, but also for our world. Yet, sustainability is a wide subject. As for now, our existing innovations are focused specifically on washing processes and reducing water consumption in

production. In our long journey, we seek for partners, such as America Today, who has a high opinion of being sustainable without sacrificing from fashionable outlook. We believe in "doing good together". And with America Today, we will continue to do good together for the sake of our world".

Ugur YilmazSales Director Wiser Globe

TOMORROW

To better measure our impact and progress, we will work with suppliers in Bangladesh this year to set a baseline and specific targets on energy use. We are also preparing to start a project in Bangladesh together with one of our suppliers and Solidaridad in January 2022: the Bangladesh Better Mill Initiative. The project focusses on laundry improvement in Bangladesh. Washing has an adverse impact on the environment in many ways, such as water pollution due to chemicals and dyes, contaminating the water. Together with our supplier and with the support of Solidaridad, we want to reduce our impact on the environment, by improving the laundry where possible. It is our goal to have 100% low impact denim in 2025.

OWN OPERATIONS & LOGISTICS

Next to addressing adverse impacts in our supply chain, we also commit to work more sustainably in our own operations; in our daily work in offices, stores and distribution centers. Examples of topics we address in our own operations are waste management, energy use, packaging materials and rest stock.

TODAY

At our head office in Diemen you will find a lot of re-used materials. For example, the doors and rugs are secondhand, or as we like to say: previously-loved. This contributes to the unique character at our office. In addition, our office has the label "energy class A" and our energy consumption is monitored by an external party that helps us to reduce our energy use.

Our canteen is catered by OSP catering, a caterer who aims to be the best and greenest caterer of the Netherlands. Sustainable entrepreneurship and organic products are high on their agenda. We see and taste this daily, for example in our lunch that includes many regional, seasonal, vegan and organic products or when we collect coffee grounds that are re-used to grow mushrooms.

At our stores, we measure our energy consumption and apply solutions for more efficiency, such as LED lights and smart meters. Our stores are mainly furnished with re-used and recycled materials: the unique style of, for example, used rugs and the history of old leather sofas gives our stores an authentic look that can't be found anywhere else. We recycle plastic and carton waste from our stores.

All cardboard boxes we use are FSC certified and as of august 2018, all our plastic web shop packaging is made of recycled material. At our warehouse we use re-usable plastic crates to transport our products in. If they break, they are recycled. To increase efficiency and reduce emissions from transport, the crates are filled as much as possible and we plan our routes to supply our stores as optimal as we can.

We try to match our collections exactly with the tastes and needs of our customers, so we have less rest stock, which saves materials and resource use. Our leftover items and samples are sold in outlet stores, sample sales, or they are donated.

GARMENT DONATIONS IN 2020 AND 2021:

- WE DONATED 885 PIECES OF WINTER GARMENTS TO REFUGEE CAMPS IN LESBOS, VIA THE NGO MOVEMENT ON THE GROUND.
- WE DONATED WINTER ACCESSORIES TO A NUMBER OF FOODBANKS IN NORTH HOLLAND TO USE IN CHRISTMAS BOXES.
- WE DONATED 40 RAINCOATS TO AN AUCTION BY CLUB ATELIER TO RAISE MONEY FOR COVID ACTIONS BY THE RED CROSS.
- WE DONATED 30 BOXES OF SAMPLES TO <u>Bahay Aurora</u>, a Children's Home in the Philippines

TOMORROW

Our goal for 2021 is to have 50% of our polybags from recycled and recyclable plastic.

In 2021, we make use of the Higg Brand and Retail Module (BRM) for the first time. The Higg BRM is an assessment that helps us measure our social and environmental performance on all aspects of our business including our supply chain, products, offices, stores and transport. This module helps us to set a baseline and targets on more topics, and to involve more teams in our sustainability journey.

STAKEHOLDERS

We value engaging with our stakeholders in defining our sustainability risks, goals, actions and approach. Through stakeholder engagement we remain informed of new developments, we learn from others who have more expertise than us, and we are transparent about our progress and challenges.

We regularly receive input from stakeholders on sustainability topics, how best to approach them, and how to implement actions. We request stakeholders' input directly on specific topics or procedures, or work together in projects or we receive input via more general workshops and trainings organized by, for example, the AGT.

CUSTOMERS

We communicate with our customers about sustainability via our website, our socials and on our For Tomorrow products. Customers share their questions and ideas with us via our customer service. In 2020 we also conducted a survey where our customers could share their opinion with us on how they value sustainability and on our sustainability approach and communication. This survey showed us that almost half of our customers already make a conscious choice for sustainable clothing and that more than half is willing to pay more for sustainability. In addition, it showed that we can make improvements in our sustainability communication, since most customers were not aware of our sustainable collection and the progress that we make. The survey helped us improve our strategy and fit to customer interests. We value our customers opinions and welcome their ideas.

SUPPLIERS

We aim for strong partnerships with our suppliers and we engage with our suppliers regularly, including on sustainability topics. Our buyers, sourcing team and sustainability team discuss sustainability requirements, evaluations, and audits with suppliers during visits, or via phone and email conversations. We also engage with suppliers when we collaborate in projects for sustainability. Due to Covid-19, our colleagues from local sourcing offices were the only ones who could still visit our suppliers. Our buyers and sustainability team will visit suppliers again when lock downs and strict regulations are over.

We collected input from our suppliers on the impact of Covid-19 and on our buying practices via surveys. In the survey on Covid-19 we asked suppliers for information about how the pandemic impacted their business and workers, what measures they took to protect their workers and if they had any complaints about our handling of the crisis. In the Purchasing Practices Assessment (PPA) we asked suppliers to answer questions about our buying practices, which helps us set goals to improve our way of working and our supplier relationships.

ASSOCIATIONS

In collaboration with other brands, we work on improvements in the sector, coordinated by the industry associations INretail and Modint. We come together in workshops and information sessions on various topics, such as sustainable materials and extended producer responsibility. In 2020 we worked together directly with Modint by requesting their guidance on specific topics, such as updating our MRSL and RSL and our material and processes risk analysis.

NON-GOVERNMENTAL ORGANISATIONS (NGOS)

We engage with NGOs by collaborating in projects: the Better Mill Initiative in Bangladesh with Solidaridad and the Better Business for Children project in Bangladesh and Turkey with UNICEF and local implementing partners. We also take part regularly in trainings and workshops organized by NGOs, for example on the effects of Covid on workers in India and Bangladesh, on animal rights, and on sustainable materials.

UNIONS

Unions represent workers in an industry and help secure their rights. We engage with unions in our own country and internationally through multistakeholder initiatives and through the AMPLIFY project. As part of the AMPLIFY project, FNV and CNV advise us on our policies and practices and on our supplier engagement.

MEMBERSHIPS

We want to work towards more sustainable operations, supply chains and products. The complexity of the industry and the challenges make it difficult to tackle the risks alone. Therefore, we engage in several memberships where we join forces with other organizations and brands.

DUTCH AGREEMENT ON SUSTAINABLE GARMENTS AND TEXTILE (AGT)

We are proud to be part of the Dutch Agreement on Sustainable Garments and Textile (AGT) since 2016. Together with other clothing brands, the government, NGOs, branch organizations and labor unions we work on improving sustainability within the international clothing and textile sector. AGT is set up by the Dutch government, the Social Economic Council, and follows the United Nations' Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Declaration on Fundamental Labor Standards. A broad coalition of businesses and other organizations signed the Dutch Agreement on Sustainable Garments and Textile.

BETTER COTTON INITIATIVE (BCI)

Since June 2018 America Today is a partner of the Better Cotton Initiative. The Better Cotton Initiative was founded to improve the worldwide cotton production, for the people producing it, for the environment and for the future of the sector. Better Cotton is sourced via a system of Mass Balance. This means that it is not physically traceable to end products.

BUSINESS SOCIAL COMP-LIANCE INITIATIVE (BSCI)

We can have more impact when we combine forces with others in the industry. That is why we became

member of the amfori Business Social Compliance Initiative (BSCI) in 2013. This is an independent party with the aim of improving worldwide working conditions in production chains. Working with BSCI helps us and our partners comply with our sustainability requirements.

BANGLADESH ACCORD

America Today is a signatory to the Transition Accord on Fire and Building Safety in Bangladesh since May 2018. We also signed the first Accord on Fire and Building Safety in Bangladesh in 2013. The Accord helps ensure that no worker needs to fear fire, building collapses or other accidents that can be prevented with reasonable health and safety measures. The Accord is a legally-binding agreement between global brands & retailers, Industrial Global Union & UNI Global Union and eight of their Bangladeshi affiliated unions to work towards a safe and healthy garment and textile industry in Bangladesh. We are determined to continue the work when the Transition Accord ends and would like see a new agreement between brands and unions, to maintain and improve the current standard.

HIGG BRAND & RETAIL MODULE (HIGG BRM)

America Today makes use of the Sustainable Apparel Coalition's Higg Brand and Retail Module (Higg BRM) for the first time this year. The Higg BRM is an assessment that gives insight into our social and environmental performance. It guides brands and retailers on their sustainability journey and identifies hotspots and opportunities for improvement in company operations and along the global value chain. It measures performance on 11 environmental and 16 social management categories.

SCOPE OF INFORMATION

The information in this report was collected and composed by America Today's Sustainability Team with the support of our colleagues at America Today and Fashion Group Solutions. This report is intended for America Today's customers, employees and other stakeholders. We think it is important to be transparent towards our stakeholders to provide them with a clear understanding of our efforts for sustainability. The report mainly covers our efforts in 2020, with some actions starting before 2020 and including some developments in 2021, to share the most up to date information. If you have any questions or suggestions, please contact us by sending an e-mail to CSR@AMERICA-TODAY.COM.

Publication date: June 2021 America Today Diemermere 1 1112 TA Diemen WWW.AMERICA-TODAY.COM

LIST OF ABBREVIATIONS

AGT Agreement on Sustainable Garment and Textile

BB4C Better Business for Children

BCI Better Cotton Initiative

BRM Brand & Retail Module

BSCI Business Social Compliance Initiative

CAP Corrective Action Plan

GMO Genetically Modified Organism

MRSL Manufacturing Restricted Substances List

NGO Non-governmental organisation

OECD The Organisation for Economic Co-operation and Development

PETA People for the Ethical Treatment of Animals

PPA Purchasing Practices Assessment

PPSA Purchasing Practices Self-Assessment

RDS Responsible Down Standard

RMG Ready Made Garment

RSC RMG Sustainability Council

RSL Restricted Substance List

SAC Sustainable Apparel Coalition

SDG Sustainable Development Goals

LIST OF DEFINITIONS

DUE DILIGENCE

The process through which enterprises can identify, prevent, mitigate, and account for how they address their actual and potential adverse impacts. Due diligence can be included within broader enterprise risk management systems, provided that it goes beyond simply identifying and managing material risks to the enterprise itself to include the risks of harm related to matters covered by the OECD Guidelines for Multi-National Enterprises (as defined in the OECD Guidelines for Multinational Enterprises).

HARM

The term "harm" is used to refer to adverse impacts.

LIKELIHOOD

Likelihood of the harm.

(POTENTIAL) ADVERSE IMPACT

Impacts on matters covered by the OECD Guidelines which include adverse impacts related to disclosure; human rights; employment and industrial relations; environment; combating bribery, bribe solicitation and extortion; and consumer interests.

RISK

Risk of harm to individuals, other organizations, communities or the environment in relation to human rights, labor rights and the environment.

SEVERITY

The severity of the (potential) adverse impact, judged by the scale, scope and irremediable character of the harm on people, environment and society.

TIER 1

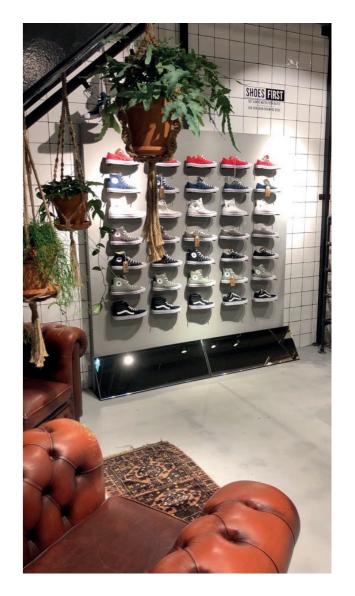
Sewing, Cutting, Linking, and cut, make, trim (CMT) workshops, vertically integrated companies

TIER 2

Washing, Garment Dyeing, Printing, Embroidery, Artwork enriching, Accessories, Finishing & Packing

TRANSPARENCY/TRACEABILITY The process by which enterprises track materials

The process by which enterprises track materials and products and the conditions in which they were produced through the supply chain.











CARE FOR TOMORROW

AMERICA TODAY FOR A BETTER TOMORROW

ON THE ROAD TO







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