



MARCCAIN

RETHINK
TOGETHER

FOR MORE SUSTAINABILITY

SUSTAINABILITY REPORT 2021



Dear readers,

Both the current and the past year 2021 were marked by far-reaching challenges. Events such as the energy crisis, increasing inflation and the long-lasting effects of climate change remind us every day that responsible corporate behaviour is more important than ever. At the same time, the economic and political situation does not make it easier to develop more sustainable solutions: recently, for example, a flood disaster in Pakistan destroyed a large part of the cotton crop, with serious implications for the social well-being of farmers and the already short supply of more sustainable cotton.

We set the highest standards for what we do - this having always been part of the Marc Cain DNA. Our products' quality standards include the guarantee of social and environmental standards. At the same time, we also set the bar high for our reporting. The values of honesty, maximum openness towards our stakeholders and authenticity are particularly important to us when communicating the complex topic of sustainability. Therefore, with our second sustainability report, we are taking a big step towards more transparency, consistency and comparability by following the comprehensive standards of the Global Reporting Initiative (GRI) for the first time.

In this report, we explore the four key areas of our sustainability management: Supply Chain Management, Product Development, Stakeholder Engagement and Environmental Management. It is explained in detail what these areas of action consist of and which are their objectives. You will also get an insight into our progress from 2021 as well as the challenges we are facing in the implementation of our activities. Furthermore, an outlook on upcoming projects in 2022 and on our strategic goals for the future.

On the way to a greater sustainability, we make no compromises and naturally pursue a holistic approach. We consider sustainability as a process taking time and in which we constantly question ourselves, learn and develop. We would like to take you with us along this path in order to create understanding for our approach and support informed and responsible purchases. In fact, all of us together need to rethink, act mindfully and take responsibility. This is for our common future and to preserve our planet for future generations.

As an internationally active company, we acknowledge our responsibility and are firmly committed to living up to it. Therefore, we remain on track and work tirelessly to master today's challenges and to bring our corporate activities in line with our sustainability aspirations.

Finally, we are very pleased to inform you that we have already achieved a goal set for 2023: „Sourcing cotton from 50 % more sustainable sources“. This encourages us to continue our efforts accordingly.

With this in mind, I wish you an exciting read!

Your



Helmut Schlotterer
Chairman of the Management Board, Founder and Owner

TABLE OF CONTENTS

INTRODUCTION	02-03
ABOUT THIS REPORT	05-07
OUR SUSTAINABILITY STRATEGY	08-11
Sustainability Strategy Materiality Analysis Governance	
PRODUCT DEVELOPMENT	12-25
Material strategy more sustainable materials animal welfare requirements Our „Rethink Together“ sustainability label	
SUPPLY CHAIN MANAGEMENT	26-43
Social Strategy Value Chain Suppliers Partnership Cooperation Risk Management Code of Conduct	
STAKEHOLDER ENGAGEMENT	44-47
Sustainability communication	
ENVIRONMENTAL MANAGEMENT	48-57
Resource usage Pollutant management	
OUR EMPLOYEES	58-61
Promotion of young talent Benefits	
CHARITY	62-65
ANNEX	66-67
GRI Index	

ABOUT THIS REPORT

This year's report relates to the 2021 financial year. It is based on data and facts collected in the relevant departments. In our first sustainability report, the focus was on a comprehensive, general insight into our sustainability-related activities. In our report for 2021, we go one step further: we now focus on the areas that have been developed the most and those that are highly prioritised in our sustainability management. The report will therefore cover our sustainability strategy, materials and social aspects in particular.

For the first time, we also report on governance structures related to sustainability, following the reporting standard of the Global Reporting Initiative (GRI).

This report refers to all business units of Marc Cain GmbH and to donations of Helmut Schlotterer Foundation. It was written by the Marc Cain Corporate Responsibility (CR) department and approved by the Management Board. There was no external review. We are constantly working on the further development of our internal processes to enable consistent data collection and future external review.

In order to avoid misunderstandings, we would like to highlight at this point that we do not wish to imply any claim to perfection by using general terms such as „ecological“, „preferred“, „environmentally friendly“ or similar. This is by no means a perfect sustainable solution, but a step towards a greater sustainability. In addition, all personal designations expressly apply equally to all genders.

For questions and suggestions, please feel free to contact our CR Team at any time: sustainability@marc-cain.de



The reporting standard of Global Reporting Initiative (GRI)

The GRI is an independent initiative that aims at assisting companies and other organisations in taking responsibility for their impacts by providing them with a consistent, internationally recognised framework for sustainability communication. This includes defined principles and indicators for comprehensive and systematic sustainability communication. In the meantime, the GRI standard has become the most used guideline for sustainability reporting worldwide.

MARC CAIN

The international fashion company Marc Cain was founded as a knitwear brand by Helmut Schlotterer, Chairman of the Management Board. Today we are a globally operating premium brand for women's fashion with our own production share in Germany. Marc Cain GmbH manages the global business from its headquarters in Bodelshausen. We reach customers all over the world through our numerous stores and our online shop. In addition, our international business activities connect us with a large number of international business partners, trade customers and suppliers. For almost 50 years we have been creating unique fashion in Germany with passion, dedication and attention to detail: these include impressive knit highlights, unusual patterns and brilliant colours.

MARC CAIN IN NUMBERS



844 employees in Germany
601 female
243 male
182 part-time
43 on parental leave
2 trainees
50 apprentices



168 Marc Cain Stores in 30 countries
302 Shop-in-Stores
270 Depository customers
12 Marc Cain Outlets
15 Showrooms
727 upscale specialist retail shops in 59 countries



84 % of managers are female



The average age of the employees is **44**. The average length of service is **9.8 years**.



Own production in Bodelshausen, Germany, as well as 11 production countries

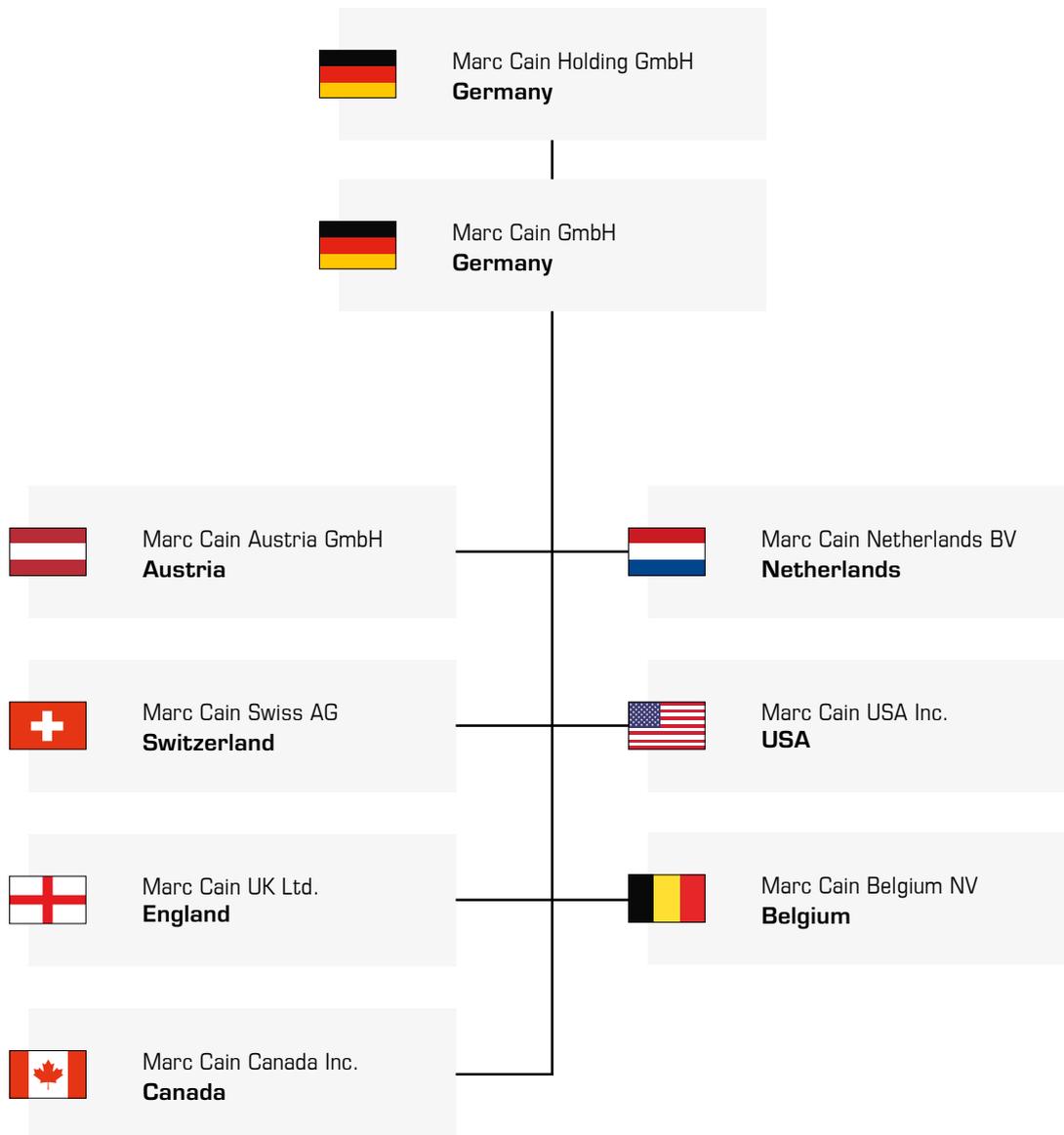


Since 2013 Quality label for 3D Knit articles: „100 % Made in Germany“



Since 2020 Sustainability label: „Rethink Together“

OUR CORPORATE STRUCTURE



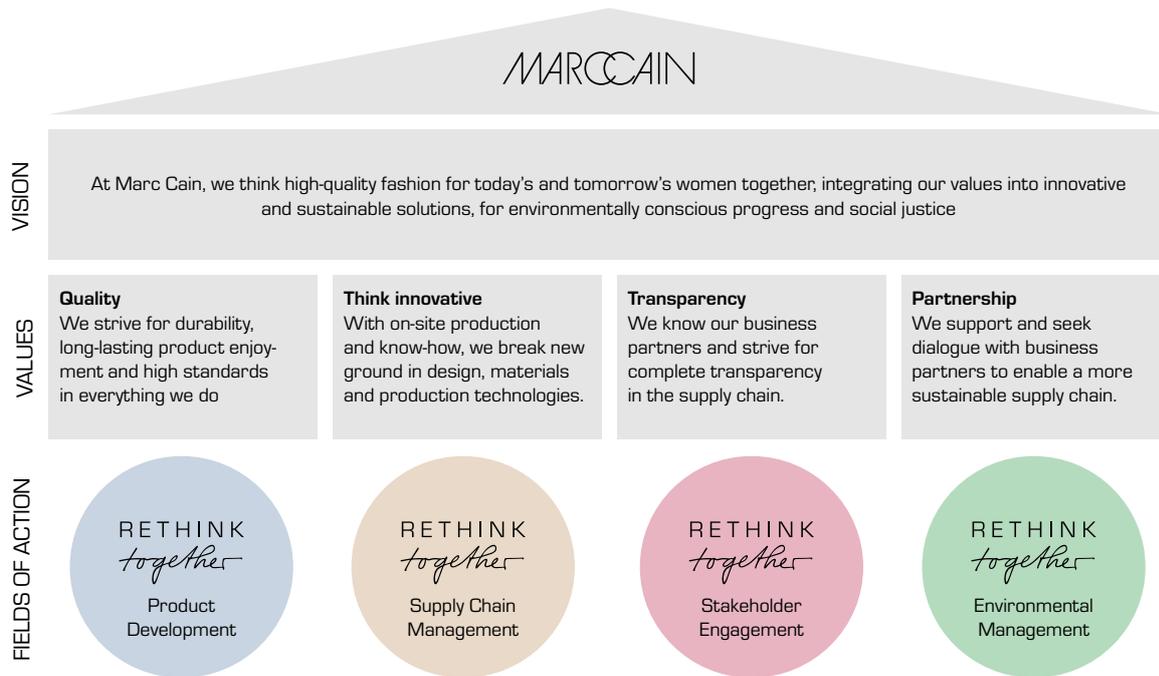
Marc Cain GmbH is a wholly owned subsidiary of Marc Cain Holding GmbH. The Foundation holds a stake in Marc Cain Holding GmbH.

Our sustainability strategy

At **MARC CAIN**, we think **PREMIUM QUALITY FASHION** for **TODAY'S** and **TOMORROW'S WOMEN** together, integrating our **VALUES** into **INNOVATIVE AND SUSTAINABLE SOLUTIONS**, for **ENVIRONMENTALLY CONSCIOUS PROGRESS** and **SOCIAL JUSTICE**.

OUR SUSTAINABILITY STRATEGY

In this chapter, we report on the challenges and risks along our value chain and how Marc Cain's sustainability strategy and its four core fields of action contribute to this. In addition, we provide an overview of the goals we have achieved so far and an outlook on future projects.



THE OUTCOME OF A MATERIALITY ANALYSIS

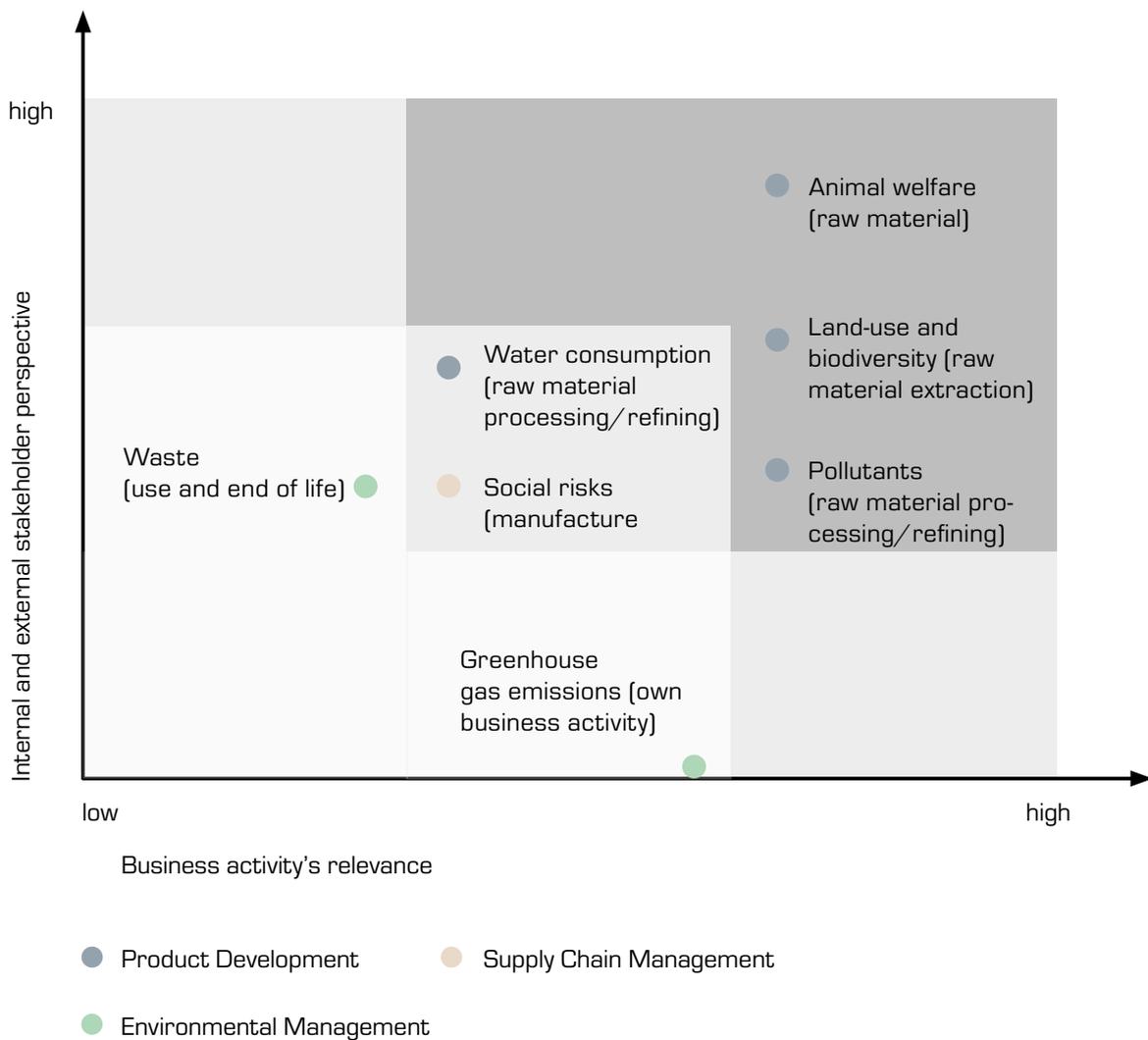
Sustainability is a complex and wide-ranging area. In order to determine which sustainability-related issues are particularly relevant for Marc Cain, we conducted a materiality analysis. The analysis drew up potential and actual positive and negative environmental and social impacts of our business activities. This enables the prioritisation of sustainability issues according to the interests of the persons and groups of persons concerned („Stakeholders“). Based on the materiality analysis, we bundled our already established sustainability activities into a sustainability strategy in 2021. This is divided into the following 4 fields of action: Supply Chain Management, Product Development, Environmental Management and Stakeholder Engagement.

APPROACH TO THE MATERIALITY ANALYSIS

The materiality analysis serves to detect the major sustainability-related issues for the company. The complete value chain of a company is considered in order to identify the material topics. For our analysis, the value chain was divided into six stages:

- Raw material extraction
- Raw material processing and refining
- Production/manufacture
- Transport
- Own business activity
- Use and end-of-life

Materiality matrix

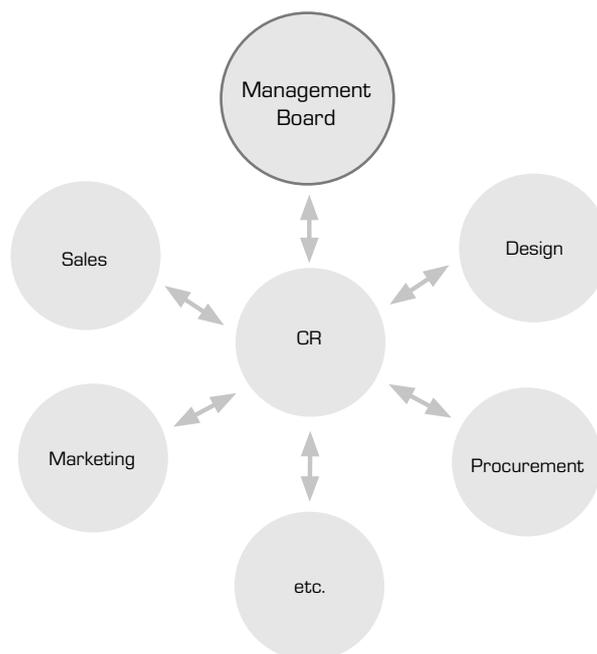


GOVERNANCE – HOW SUSTAINABILITY MANAGEMENT IS ENSHRINED IN MARC CAIN

Our goal is an integrated sustainability management in order to implement our sustainability standard systematically and holistically. At the same time, we know that sustainability is a process that cannot be completed overnight, but it requires an ongoing commitment. In doing so, development step by step is important. Following this approach, CR processes are also integrated into the company.

HOW OUR SUSTAINABILITY APPROACH IS MANAGED

In February 2019, the CR staff unit was established, charged with the creation and focus on clear responsibilities for the topic of sustainability. It reports not only to the executive management for design, technical development, production, procurement and marketing, but also regularly to the entire Management Board. The CR officers have an interface function in our company. In close exchange with other departments, the topic of sustainability is being developed holistically within the company and integrated step by step into our corporate processes. Therefore, regular meetings are held with the design, marketing, sales and procurement departments, and several projects are coordinated across departments. All members of the management are jointly responsible for monitoring and coordinating sustainability management and the company's impact on the economy, the environment and society.



RETHINK
together

Product
Development

USE of 48% MORE SUSTAINABLE COTTON - expected **EARLY ACHIEVEMENT** of our **TARGET OF 50% MORE SUSTAINABLE COTTON BY 2023**

In **2021** we have joined the **INITIATIVE „BRANDS AGAINST MULESING“** of the **ANIMAL WELFARE ORGANISATION FOUR PAWS.**

OUR MATERIAL STRATEGY

Our materiality analysis has detected, for example, water consumption, land-use and biodiversity, animal welfare and pollutants as focus issues at the stage of raw material extraction and processing. The defined activities on these topics are included in the field of action „Product Development“. For example, we wish to increase the use of more sustainable materials and make production processes more sustainable. To this purpose, we have developed the following material strategy for 2023:

„By 2023, Marc Cain will replace 50% of its key fibres with more sustainable alternatives and is committed to constantly increasing more sustainable animal fibres. More sustainable and innovative products, labelled Rethink Together, make up 20% of each collection.“

We have chosen to switch to more sustainable alternatives for cotton, polyester, polyamide and cellulose fibres since these are the most used in our collections.

Our material targets in detail

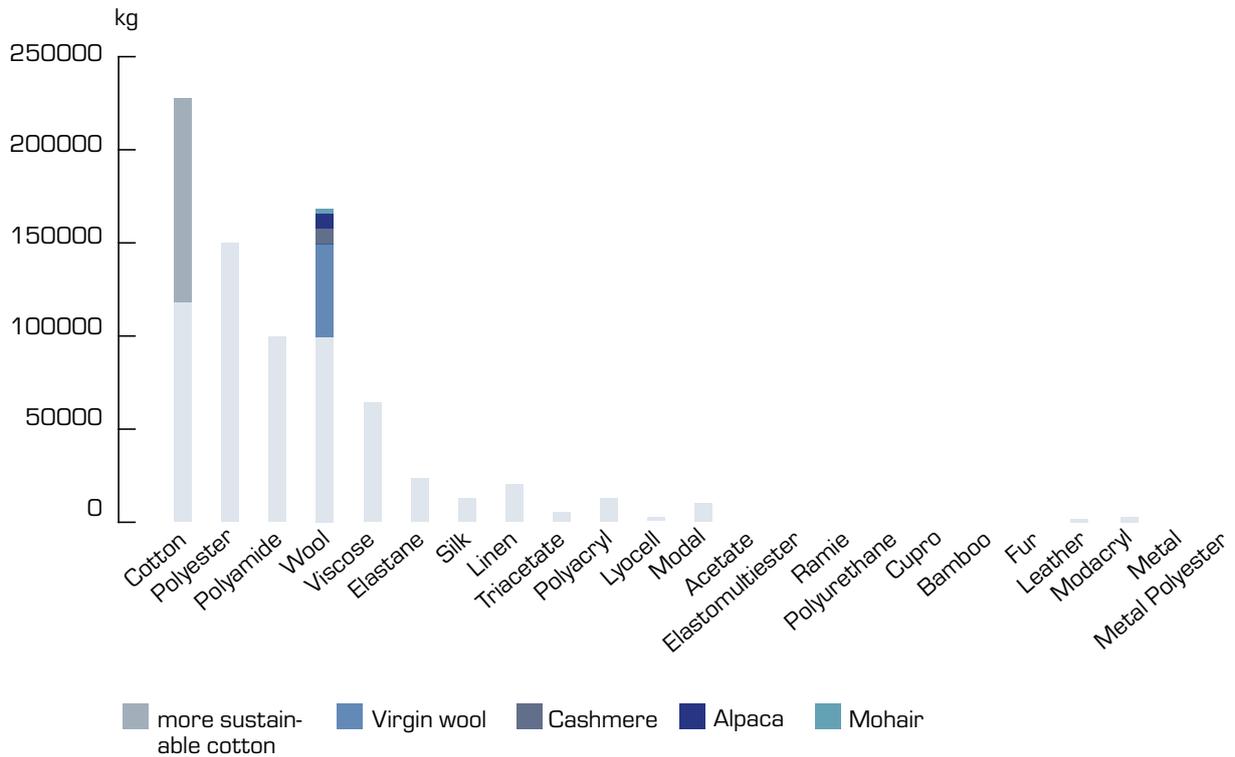
50% more sustainable cotton, which includes organic and recycled cotton, Supreme Green Cotton® and Better Cotton.

50% more sustainable polyamide and polyester on a recycled or bio-based basis.

50% more sustainable cellulose fibres, which include for example ENKA® viscose, the Lenzing fibres TENCEL™ Modal and Lyocell as well as LENZING™ ECOVERO™.

In addition, we have set ourselves the goal of a constant increase in the share of more sustainable animal fibres (non-mulesing, animal welfare certified) as well as the share of environmentally friendly tanned leather in our collections.

Which materials were used in our collections in 2021?



MORE SUSTAINABLE MATERIALS – WHAT DOES THAT MEAN IN PRACTICE?

More sustainable alternatives or „Preferred Fibres“ are fibres that have a lower negative environmental impact compared to conventional alternatives, as well as a better social compatibility. The biggest challenge for us in switching to more sustainable alternatives remains that of meeting our high standards of quality, wearing comfort and fit. Because quality and durability are our top priorities. As defined in our more sustainable materials strategy, we have set a target to switch our main fibres (cotton, polyester, polyamide, cellulose fibres) to 50% more sustainable alternatives by 2023, in addition our commitment for more sustainable animal fibres. But what exactly does that mean?

OUR MORE SUSTAINABLE MATERIALS

Certified organic fibres:

Natural fibre from controlled organic farming. This is done without genetically modified seeds and without synthetic pesticides and fertilisers. For more biodiversity and better soil health.

Supreme Green Cotton®

This cotton comes from Greece and is traceable from the field to the spinning mill. It is grown without genetically modified seeds and with the help of an efficient use of water and pesticides. Farmers get fair purchase prices to hedge them against market or volume fluctuations. More information on this type of cotton can be found on page 16.

Certified more sustainable cellulose fibres

Cellulose fibre of botanical origin. Wood from sustainably managed forests is used to this end. Fibre production takes place in an environmentally friendly manner in a closed cycle in which the resources used are reused at a high rate.

Linen from controlled European cultivation

This fibre is grown in Europe. Only rainwater is used for irrigation. In addition, genetically modified seeds are not used.

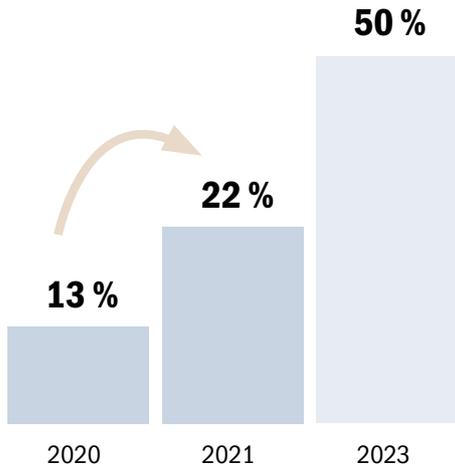
Certified environmentally friendly processed leather

The leather comes from independently certified tanneries that have been audited for compliance with strict environmental standards – for example, their chemical, waste water and energy management.

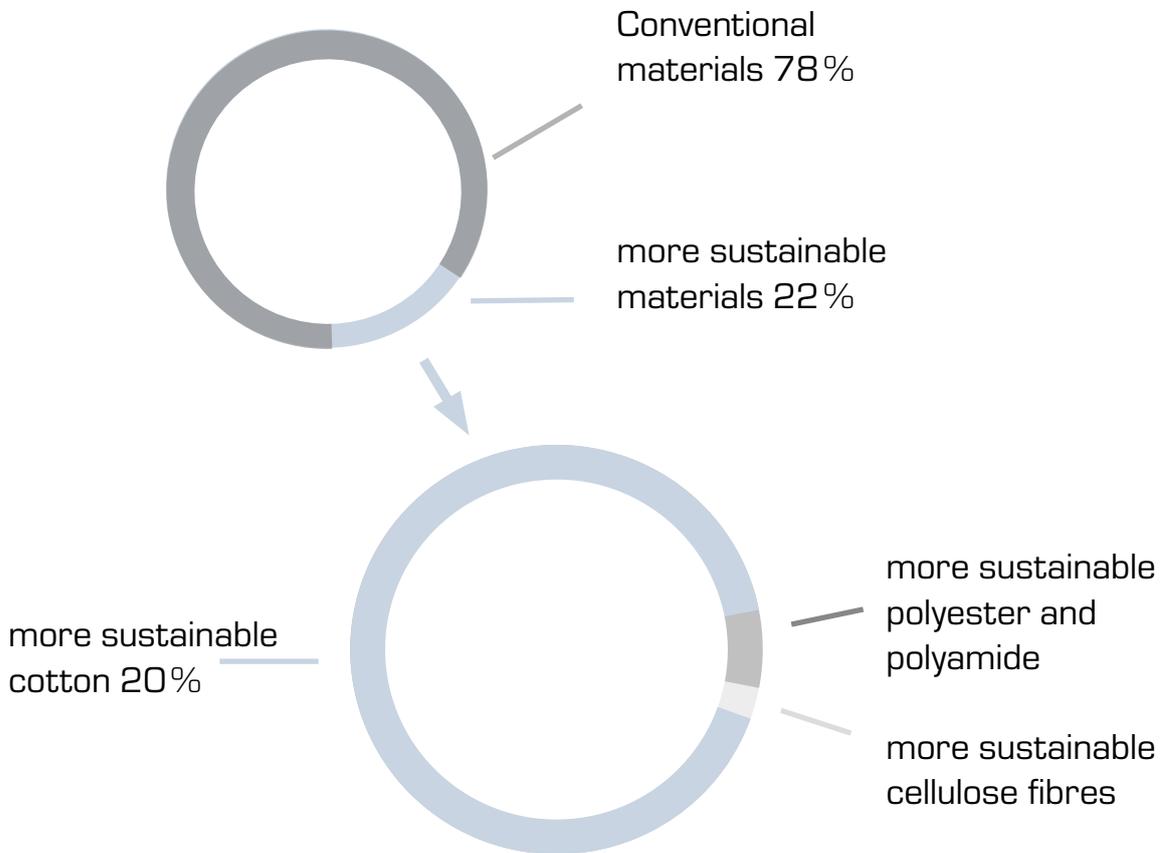
Certified recycled fibres

More resource-efficient than „virgin material“, as production residues or old textiles are reused in the production process, for example

Share for the use of more sustainable materials (%)



MORE SUSTAINABLE COTTON ACHIEVES THE LARGEST SHARE IN THE DISTRIBUTION OF MORE SUSTAINABLE MATERIALS IN 2021



SUPREME GREEN COTTON®

In cooperation with our suppliers, we at Marc Cain are constantly working on innovative solutions to combine our high quality standards with other sustainability aspects. Together with our Greek supplier Cotton Fashion, we participated in a project for more transparency and a more sustainable cotton supply chain. The result: in the spring/summer 2022 collections, Marc Cain presents products made of 100% Supreme Green Cotton® for the first time. In addition to the use of recycled, organic and Better Cotton, we are paying towards our goal of sourcing 50% more sustainable cotton by 2023.



WHAT DOES EXACTLY DISTINGUISH SUPREME GREEN COTTON®?

Supreme Green Cotton® embodies the holistic approach that is important to us in our sustainability activities. It is characterised by:

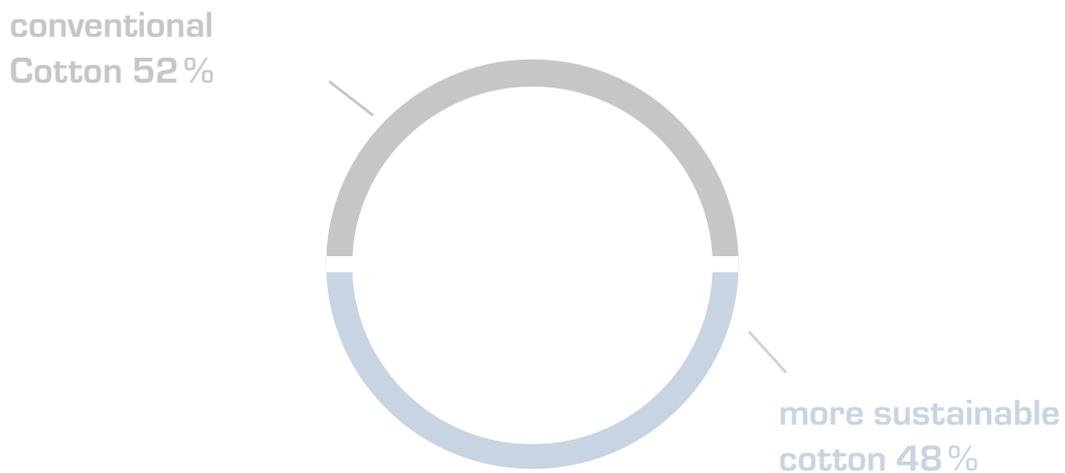
- **Short transport routes:** the cotton plants are grown by selected family farms in Greece. Afterwards, the traceable cotton bales are processed into yarn only a few kilometres away in regional spinning mills (Varvaressos European Spinning Mills).
 - **No genetic engineering:** the farmers use only non-GM plants.
 - **Fair remuneration:** farmers get prices above market value for their cotton products in order to provide security and predictability regardless of weather and market fluctuations.
 - **Grown using environmentally friendly engineering:** with the help of efficient drip irrigation systems, water consumption during cultivation is minimised.
- Complete transparency: the cotton is traceable from the field to the spinning mill – verifiable via the QR code on the hangtag of the respective article. By scanning via the smartphone, the path that the cotton has taken is also traceable for the customer.

WE ARE A MEMBER OF BETTER COTTON

Better Cotton are trained to use water efficiently, to reduce the use of growth-promoting substances and respect biodiversity, soil health and worker well-being. That's why we consider Better Cotton to be „more sustainable cotton“, which also contributes to our goal of sourcing more and more sustainable materials. However, Better Cotton is not to be confused with organic cotton. Better Cotton is sourced by means of what is known as a mass balance approach. This means that the cotton is not physically traceable to the end product. It is therefore not possible to prove whether Better Cotton is actually contained in the end product. Nevertheless, by sourcing from Better Cotton, we support its cultivation worldwide. However, due to the mass balance approach, we do not accept Better Cotton as a criterion for our Rethink Together products..



BY 2021, WE HAVE ALREADY SOURCED 48 % OF OUR COTTON FROM MORE SUSTAINABLE SOURCES. THEREFORE WE WILL BE ABLE TO REACH OUR TARGET OF 50 % MORE SUSTAINABLE COTTON EARLY BY 2023.



More sustainable cotton includes organic and recycled cotton, Supreme Green Cotton® and Better Cotton.

AS KNITTERS, WE ASSUME SPECIAL RESPONSIBILITY FOR ANIMAL WELFARE

Knitwear is one of our core competencies, thus we acknowledge our special responsibility in dealing with animal materials. We find essential that animals are farmed respectfully and in a species-appropriate manner.

For this reason, our supplier framework agreement includes our Animal Welfare Policy, in which we commit to respecting the internationally recognised Five Domain Model. Animals should therefore receive good nutrition and a good husbandry environment. At the same time, good health, appropriate behavioural interactions and positive mental experiences should be promoted with animals. We ask our suppliers to use only products from animals that are grown and kept in accordance with applicable laws and regulations. In particular, we refer to the Regulation EC No. 338/97 on the protection of species, which, among other things, implements the requirements of the Washington Convention on International Trade in Endangered Species (CITES), as well as the German Federal Nature Conservation Act and the German Federal Ordinance on the Protection of Species.

In addition, we have defined corresponding animal welfare requirements for the individual animal fibres and we are in close contact with other companies, trade associations and standard organisations. These requirements refer to information and evidence that we obtain from our suppliers regarding animal species, origin and husbandry practices and certifications. In this way, we would like to raise awareness for these issues and increase the availability of animal welfare certified materials. The active exchange with our stakeholders is also an important pillar of our sustainability strategy and falls under the field of action „Stakeholder Engagement“ (see chapter „Stakeholder Engagement on page 44“).



OUR PROMISES:

- We do not process fur, angora or exotic skins. As a fur-free brand, we are also listed with the German Animal Welfare Association and the Fur Free Retailer Initiative.
- For merino wool, mohair, cashmere and alpaca, we ensure a responsible and animal-suffering-free sourcing process. As part of the „Brands against Mulesing“ initiative of the animal welfare organisation FOUR PAWS, we speak out strongly against this cruel mulesing practice and take concrete steps to guarantee mulesing-free wool. For example, we require our suppliers to provide evidence that the country of origin is not Australia or that the animals have not been subject to mulesing.
- The leather we use is a by-product of the food industry. We only use certified feathers and down. These come from animals that were bred exclusively for meat production and were neither plucked alive nor kept for foie gras production.



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WAS IST MULESING?

Mulesing is a procedure in which folds of skin around the tail of sheep are removed, usually without anaesthesia, to prevent fly maggot infestation. We speak out strongly against this cruel practice and take concrete steps to guarantee mulesing-free wool. For example, we require our suppliers to provide evidence that the country of origin is not Australia or that no mulesing has taken place.

MORE SUSTAINABLE MATERIALS IN AN INDUSTRY COMPARISON

We have been participating in Textile Exchange's Material Change Index since 2019. The aim of the Index is to find out how the textile industry is progressing in the transition to more sustainable materials. This also helps to determine the extent to which the industry is aligning itself with global efforts such as the Sustainable Development Goals and driving the transition to a circular economy. At the same time, companies like ours gain insight into the current industry comparison. The evaluation of the company's performance is carried out in the areas of „Strategy and Integration“, „Material Portfolio“ and „Circularity“. Marc Cain participated in the evaluation of the first two areas in 2021.

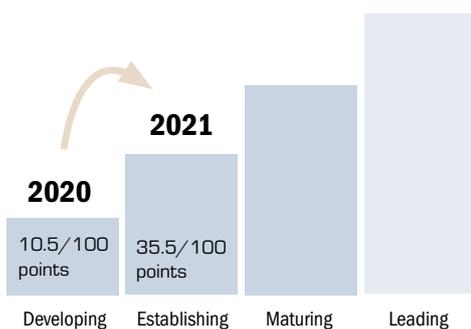
Based on the data of the companies, an assessment is made within four levels: Developing, Establishing, Maturing, Leading on a scale of 1-100 points.

OUR VISIBLE PROGRESS IN 2020 MOTIVATES US TO TAKE THE NEXT STEPS

The MCI 2021 result is based on our 2020 data.

1. Strategy and Integration

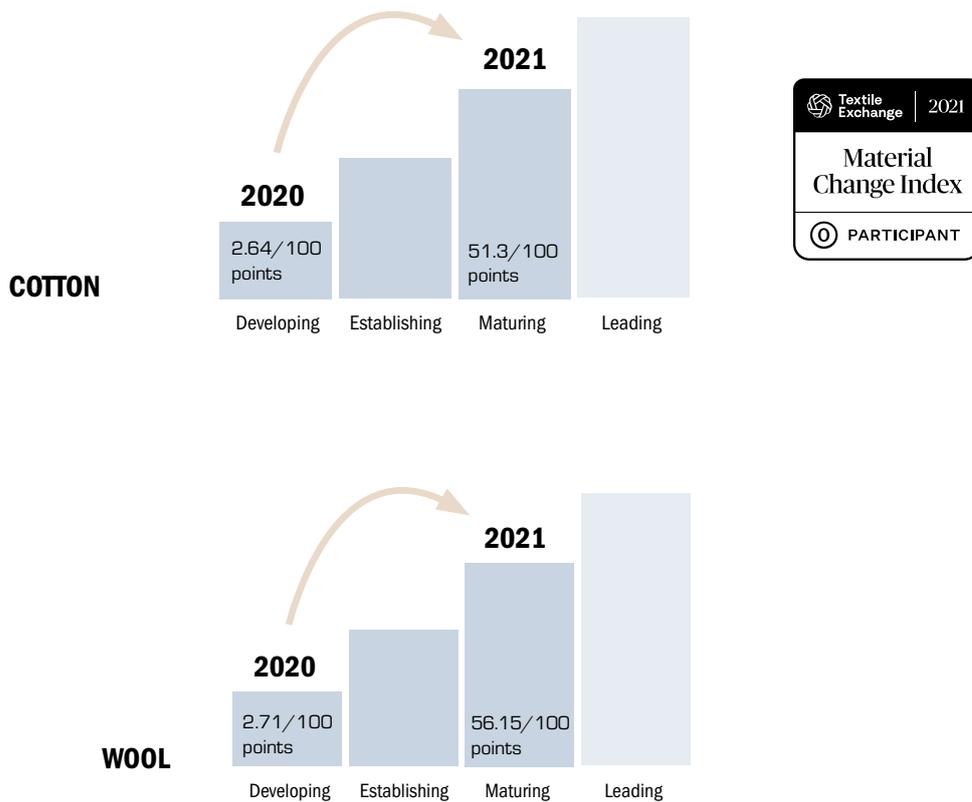
How do companies integrate their strategy for more sustainable materials into central decision-making and corporate structures?



2. Material Portfolio

To what extent do companies monitor risks of their materials used and use more sustainable alternatives? Are targets set for the future and is progress measured?

In 2020, a strong positive development was particularly evident in the cotton and wool sectors: Here we progressed from the „Developing“ level to „Maturing“. We have also improved in polyester and polyamide.



The results of all participating companies is available at the following link:
<https://mci.textileexchange.org/change-index/>

The results for 2021 are expected to be published at the end of 2022.

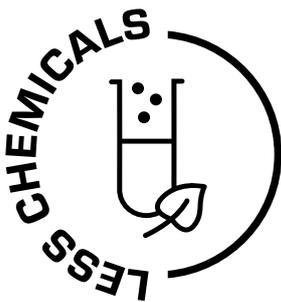
OUR „RETHINK TOGETHER“ SUSTAINABILITY LABEL

When does an article receive our „Rethink Together“ hangtag?

Our Rethink Together items shall fulfil three criteria:



The items are made of at least 50% more sustainable main material certified according to a standard for more sustainable materials that we have accepted. For example, we refer to certified organic fibres, certified recycled fibres or cellulose fibres from the Lenzing company (TENCEL™ fibres or LENZING™ ECOVERO™) as more sustainable materials (see also section „More sustainable materials – what does that mean in practice?“)



The products also go through an environmentally friendly production process. This means that the wet process, e.g. washing, dyeing, printing, must meet particularly strict chemical management requirements. In addition, renewable energies or resource-saving methods, such as water recycling technologies, are applied in production. Specifically, our chemical requirement is that washing, dyeing or printing is compliant with the ZDHC (Zero Discharge of Hazardous Chemicals) MRSL (Manufacturing Restricted Substances List). The MRSL is a list of hazardous chemicals that must not be intentionally used in the manufacturing process.



In addition, our producer, i.e. the company that sews the goods together, was checked for compliance with our social standards. To this end, our supplier must provide relevant proof (e.g. a valid social audit according to an internationally recognised standard). We set this minimum requirement for all our producers.

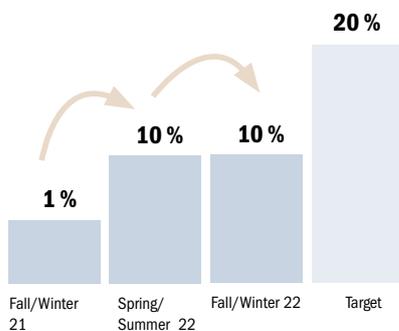
What does „Rethink Together“ mean?

The Rethink Together label not only identifies our more sustainable products, it also describes the understanding with which we live sustainability at Marc Cain. In fact, all of us together need to rethink, act mindfully and take responsibility. This is for our common future and to preserve our planet for future generations.

How is a „Rethink Together“ item created?

The development of our Rethink Together items is supported by our CR department. It supports our designers in the selection of more sustainable materials and then checks in exchange with our suppliers whether our sustainability requirements for the material and the item are met and whether the relevant evidence is available. When selecting more sustainable materials, our standard overview for more sustainable materials is applied. This specifies which material standards meet our holistic requirements for our Rethink Together articles. The standard overview is constantly updated and is regularly the subject of communication between CR, Design and Procurement.

Development of the share of Rethink Together items in our entire collection since the fall/winter 2021 season



WHY DID WE INTRODUCE OUR SUSTAINABILITY LABEL „RETHINK TOGETHER“?

With our Rethink Together label, we make the sustainability commitment behind the product visible to our end customer and thus support responsible approach. The hangtag and a sewn-in woven label are attached directly to the collection item.

RETHINK
together

Supply Chain
Management

We have audited **82%** of our **TEXTILE MANUFACTURERS**
for **COMPLIANCE** with our **SOCIAL REQUIREMENTS**

OUR SOCIAL STRATEGY

Marc Cain is an international fashion company and is aware of the responsibility for its international supply chain. In our sustainability strategy, this responsibility is enshrined in the field of action „Supply Chain Management“. Taking responsibility means in particular identifying, minimising and eliminating human rights risks within our supply chain. In accordance with the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz), we are responsible for our direct business partners. Due to our procurement channels, this includes both First Tier and Second Tier suppliers. In 2021, we summarised our goals in the field of action „Supply Chain Management“ in our social strategy, which is guided by our sustainability vision and our corporate values. It follows the motto „Let's Rethink Together Supply Chain Management“. A key aspect of this is to strengthen cooperation between the procurement departments and the CR department so that human rights risk management is jointly pursued. With a view to our existing and future strategically important topics, we have defined concrete goals on the basis of the social strategy.



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WHAT DO FIRST TIER AND SECOND TIER STAND FOR?

- First Tier:** suppliers are, for example, our sewing factories (clothing manufacturers), i.e. the companies that are responsible for the last important production step.
- Second Tier:** refers to our raw material suppliers from whom we source fabrics, yarns and accessories such as buttons.

OUR SOCIAL GOALS IN DETAIL

BASIC

We have a clear understanding of our supply chain

- Integration of social requirements into the supplier framework agreement
- 100% supply chain mapping (direct business partners and producers)
- Systematic monitoring in MC systems
- By 2023: 100% social compliance (audited/certified) of all direct business partners and of Marc Cain

ADVANCED

We fulfil our due diligence obligation

- By 2023: social compliance criteria integrated into procurement policy/suppliers' selection
- Active risk management system by 2023 (analysis, prioritisation as well as ad hoc risks)
- Definition of mitigation measures for Priority 1 country risks

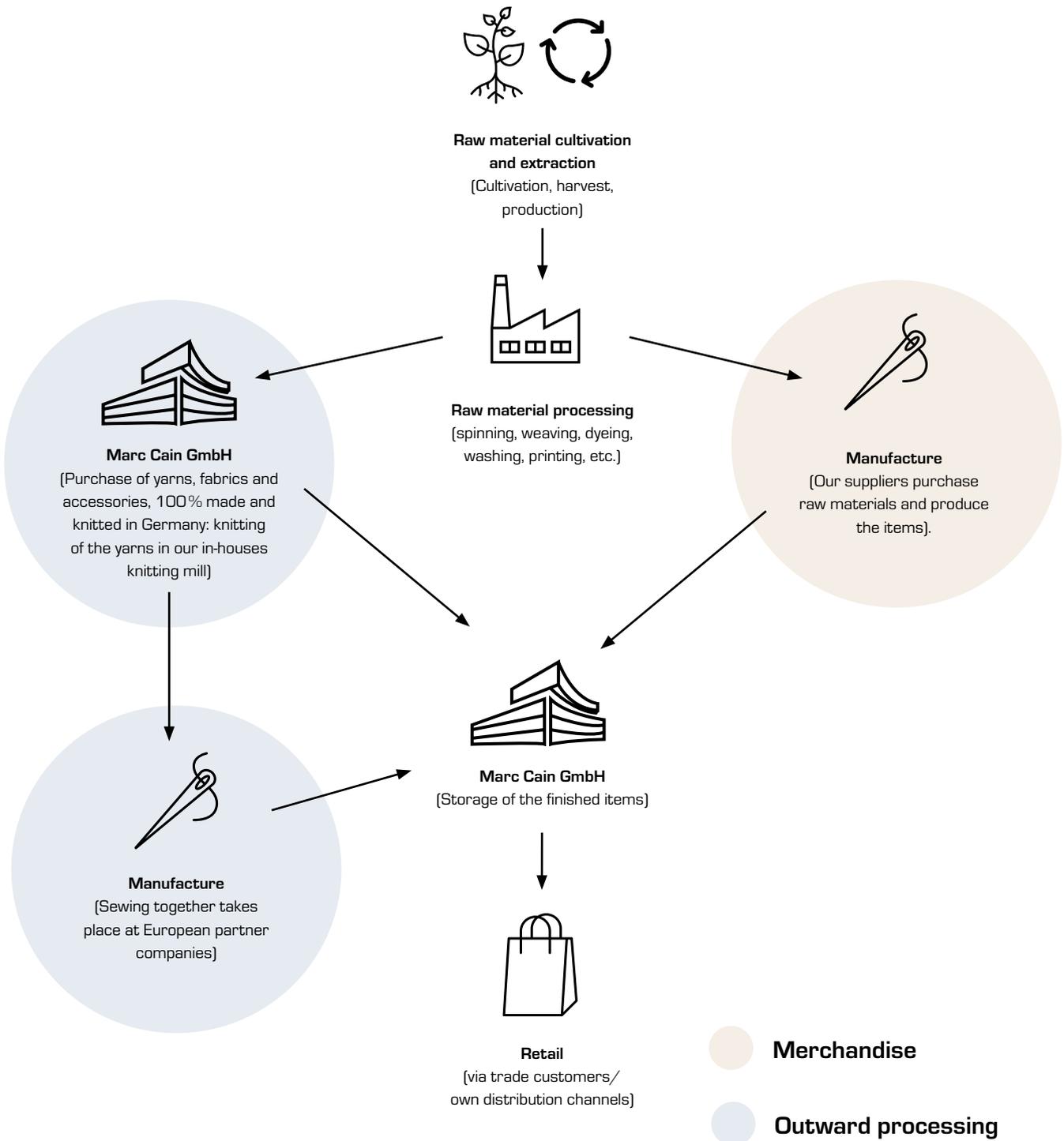
LEADING

We go beyond the statutory duty diligence

- Top companies: increasing proportion of suppliers with good audit ratings: 50% by 2024
- Active complaints mechanism
- Mitigation measures for Priority 2, 3 and 4 risks (lighthouse projects)

OUR VALUE CHAIN AND PROCUREMENT PRACTICES

We use two different procurement channels to produce our Marc Cain items. For both procurement channels, the development and design process takes place at the headquarters in Bodelshausen. Value chains are complex and globally branched. This picture shows a highly simplified value chain.





PROCUREMENT CHANNEL MERCHANDISE

Approximately 48%* of our collection in 2021 was purchased through the merchandise procurement channel, where our suppliers provide us with the finished items. This means that the supplier is responsible for the complete production of the garment, including the procurement of the necessary materials. The wearing items of our merchandise are sewn together in the production facilities (manufacture/sewing).

PROCUREMENT CHANNEL OUTWARD PROCESISING („OP“)

The other 52% pass through the outward processing channel. Here Marc Cain is already involved from an earlier stage in the value chain: In the first step, fabrics, yarns and accessories are checked for quality and purchased from our raw material suppliers. Depending on the item, both the knitting of the yarns, the finishing in so-called refining processes and the screen and digital printing are carried out at our headquarters. They are either completely processed into the finished garment in Bodelshausen („100% Made in Germany“) or sent to our sewing factories for further processing (manufacture).

*Figures refer to evaluation of the production orders' quantity for the seasons spring/summer 21, fall/winter 21 and spring/summer 22

IN-HOUSE KNITTING MILL AT THE GERMAN COMPANY'S HEADQUARTERS

Under the OP procurement channel, some of our knitwear is knitted at our own site, the Marc Cain Knitwear Park. At our Bodelshausen headquarters in 2021, we produced 51%* of our knitwear labelled „100% Made in Germany“ or „Knitted in Germany“. This corresponds to about 7% of our total goods. Here we knit the yarns on our state-of-the-art knitting machines and finish the knitted collection pieces in so-called refining processes. The complex work on the knitting machines requires a lot of expertise - that's why we rely on our experienced knitting technicians. They are constantly developing new programmes for our machines, which means our knitted parts are manufactured using the cutting edge of technology.

100% Made in Germany

The so-called „100% Made in Germany“ items are produced entirely at our site. This means that after the procurement of the materials (yarns), all further production steps – knitting, printing, refining, finishing – are carried out at our Bodelshausen site. These items are labelled „100% Made in Germany“ and are also referred to as „Knit-to-wear“ because they are made using the innovative 3D knitting process. In this way, the finished garment is knitted in one step – and without any seams.

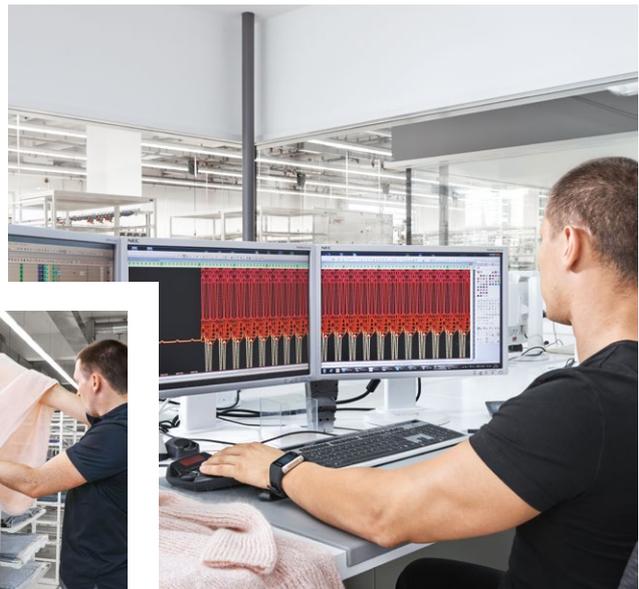
*100 %
made in Germany*

Knitted in Germany

After knitting, these items are sent to our clothing manufacturers where the individual knitted pieces are sewn together. These items are knitted in parts at our headquarters.

knitted in Germany

*Figures refer to evaluation of the production orders' quantity for the seasons spring/summer 21, fall/winter 21 and spring/summer 22



IN 2021, A TOTAL OF 51 % OF OUR
KNITWEAR WAS PRODUCED AT OUR
HEADQUARTERS IN GERMANY.

OUR SOURCING COUNTRIES

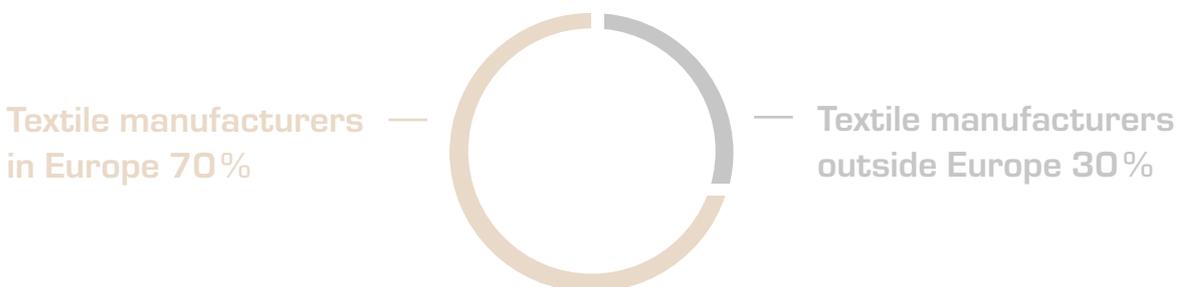
As a basis for developing CR activities, it is essential to know where the production facilities of our direct business partners are located. Another essential aspect for developing CR activities is transparency about our direct business partners' production facilities. These are divided as follows

Where are our items produced?*

In 2021, approx. 70% of our articles were made (manufactured) in Europe and approx. 30% outside Europe.

Bulgaria	2 %
China	22 %
Germany	2 %
India	3 %
Italy	5 %
Croatia	15 %
Portugal	13 %
Romania	30 %
Spain	<0,1 %
Tunisia	2 %
Turkey	1 %
Hungary	6 %

*By value of production orders (€) per production country for the seasons fall/winter 21 and spring/summer 22



The production facilities for our raw material procurement (yarn, fabric and accessories suppliers) are mostly located in Italy. Furthermore, materials are produced for us in Japan, Bulgaria, Portugal, China, Germany and Austria.

COOPERATION IN PARTNERSHIP

When working with our suppliers, it is important to us to communicate in a trusting manner and at eye level - in line with our value of „partnership“. Moreover, long-standing business relationships are a valuable basis for further developing CR activities. Since 2021, our regular internal social reporting has also included the length of business relationships in order to actively support this aspect internally and to raise awareness among the relevant stakeholders. We have obtained the following results for 2021:

Marc Cain works with its suppliers for **10.3** years on average.

44 % of suppliers have been working with Marc Cain for **10 years** or longer.

the average length with our merchandise partners in 2021 was **7.3** years and with our OP procurement partners **11.5** years.





OUR HUMAN RIGHTS DUE DILIGENCE OBLIGATIONS

Marc Cain is aware that international procurement activities are associated with risks. In the complex and global supply chain of a fashion company, it cannot be excluded that labour or human rights are violated in connection with procurement or manufacturing activities. Marc Cain therefore accepts its responsibility with regard to due diligence. This includes setting up a structure that makes it possible to identify, minimise and, if necessary, eliminate human rights risks along the supply chain. In order to proceed effectively here, Marc Cain follows a proportionate prioritisation. The closer the relationship with the supplier or manufacturer, the greater the responsibility. Accordingly, the major responsibility and influence lies with direct business partners. These are therefore at the centre of Marc Cain's human rights risk management.

At the same time, our human rights risk management is subject to an ongoing development process – in line with current developments, ad hoc risk issues and other factors.

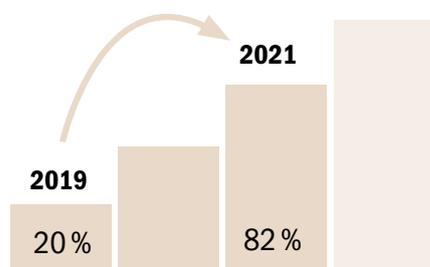
THE AMFORI BSCI CODE OF CONDUCT AS A VALUE BASE

As a globally operating company, we have a responsibility to identify, minimise and eliminate human rights risks in our supply chain. For the purpose of our commitment to safeguarding basic working conditions and respecting human rights, as well as to ensure this in our supply chain, we joined the amfori BSCI initiative in 2019. We have thus committed to the [amfori BSCI Verhaltenskodex](#) and integrated it into our supplier contracts.

The amfori BSCI Code of Conduct is based on the OECD Guidelines for Responsible Business and covers the following recognised human rights: freedom of association and right to collective bargaining, freedom from discrimination, adequate remuneration, reasonable working hours, occupational health and safety, prohibition of child labour, special protection for young workers, no precarious employment, no forced labour.

By integrating it into our supplier contracts, the Code applies to us and our direct business partners and their production facilities.

Percentage of suppliers that were checked for our social requirements



amfori 
Trade with purpose



WHAT IS A CODE OF CONDUCT?

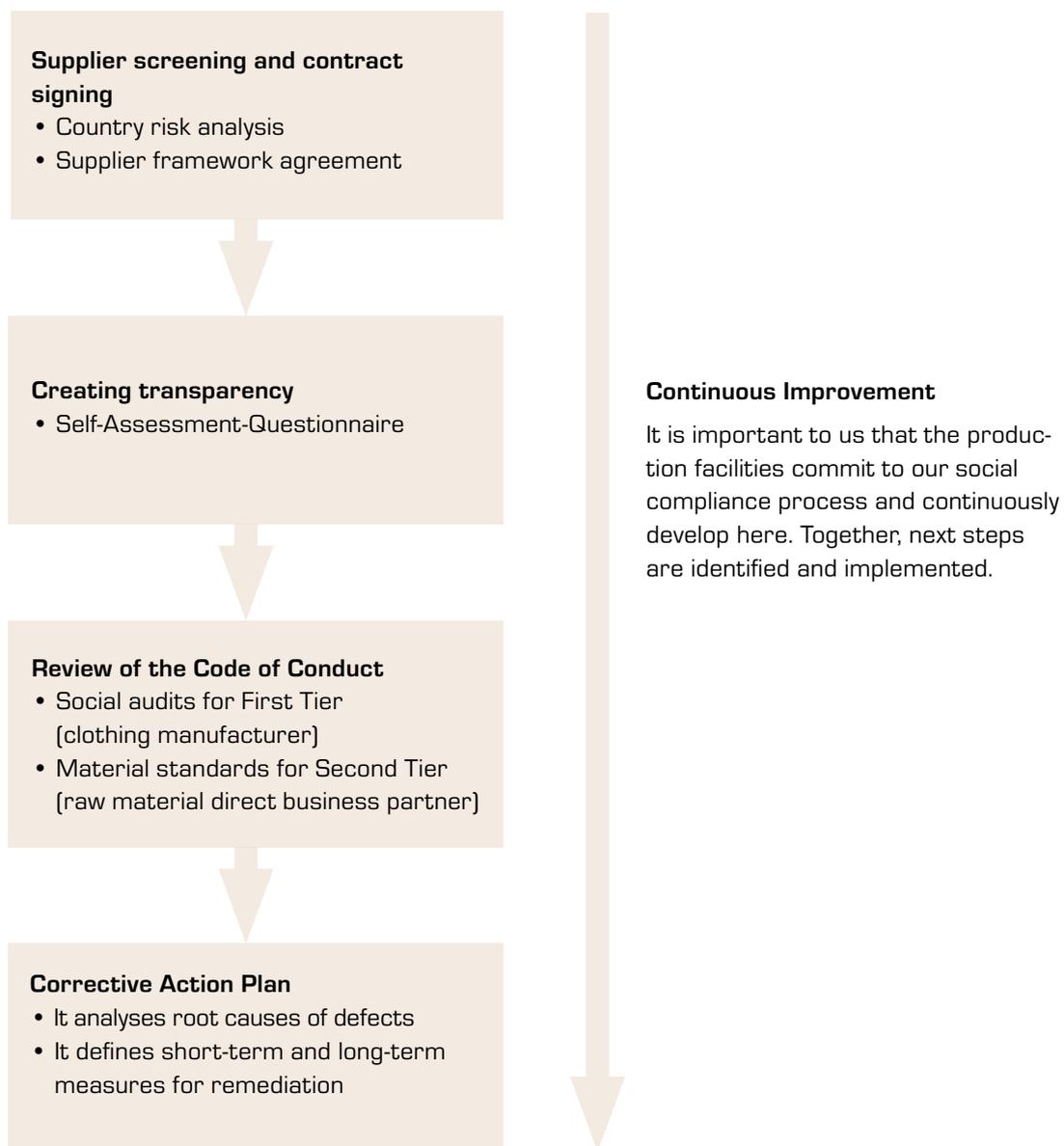
A code of conduct sets out fundamental values in an organisation. By adopting the amfori BSCI Code of Conduct, Marc Cain commits to complying with the labour and human rights and other social issues set out therein. With the integration of the Code of Conduct into our supplier framework agreement, every supplier who has signed such agreement also undertakes to accept and comply with the labour and human rights set out therein

OUR SOCIAL COMPLIANCE PROCESS

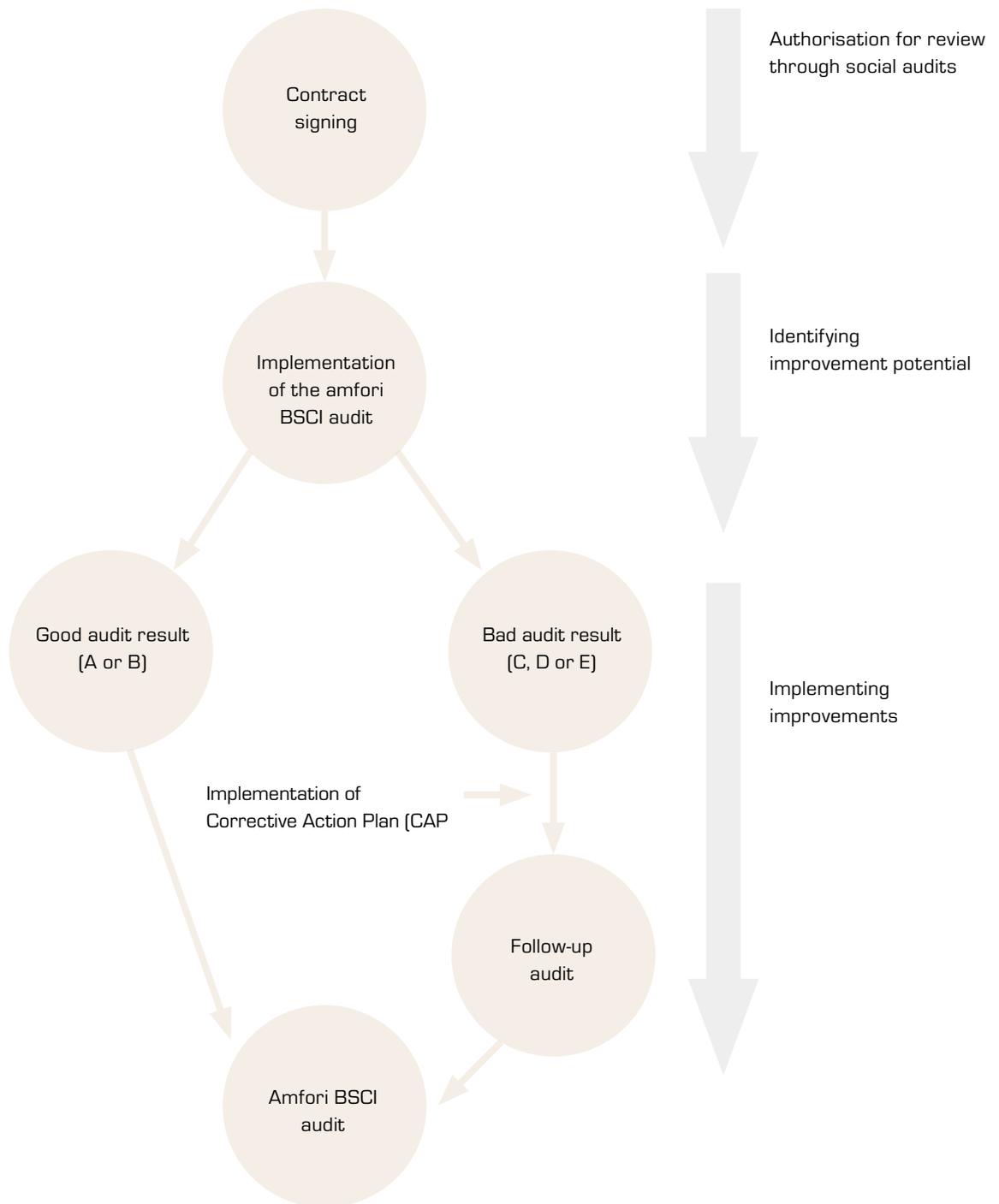
What does social compliance mean?

As an internationally operating company, we have a human rights responsibility for our supply chain. The aim is to create transparent supply chains and to ensure good working conditions in the production facilities. The social compliance process starts as soon as our direct business partners agree to our Code of Conduct.

The review takes place in different ways:



THE AUDIT PROCESS WITH AMFORI BSCI



WHAT IS A SOCIAL AUDIT?

Review of compliance with social standards by independent, specially trained auditors. The results are summarised in an audit report. We are a member of Amfori BSCI, so the majority of our audits are conducted according to the Amfori BSCI standard. We also accept the following audits: SA8000, Fair Wear, SMETA.



CAP (CORRECTIVE ACTION PLAN) PROZESS

Although we focus primarily on constructive dialogue and communication with our suppliers rather than checking audit scores, we monitor them and take action where suppliers' score is a C or lower in an amfori audit. In line with established CR practice and the values of the German Supply Chain Act, terminating business relationships is the very last option and shall be avoided by best efforts. The primary goal is always to work together with suppliers to improve and eliminate defects. Therefore, suppliers who score C or lower in an amfori BSCI audit are supported by Marc Cain's CR Team in an improvement process.

Support is provided primarily in the root cause analysis for an existing problem, as well as in the definition of short-term and long-term improvement measures. The supplier is responsible for implementing the improvement measures. A follow-up meeting is held with the supplier to monitor the progress. In addition, in these cases the next social audit will be carried out after 1 year (instead of 2 years).



CAP (CORRECTIVE ACTION PLAN)

Action plan for short and long-term improvements in social standards. The development takes place in joint cooperation between the supplier and the CR department. Social audits conducted according to a standard other than amfori BSCI (such as SA8000, SMETA, Fair Wear) cannot be easily classified into scores, therefore they are not currently included in the CAP process.



THE AMFORI COMPLAINT MECHANISM

Through the trade association amfori, workers from the supply chain have the opportunity to submit complaints anonymously, which are passed on to Marc Cain. Workers must be informed about how to access and use the complaints mechanism; the audit report gives us an insight into, whether this is the case. In 2021 we received a complaint from a worker of one of our suppliers through this channel. To investigate the points in the complaint, we immediately contacted amfori and the relevant audit company. Through an extensive communication between us and these two parties, we managed to tailor the next audit to the circumstances. This enabled us to assess the points mentioned in the complaint and to have a special focus for the future. The complaint was the first we received via amfori and did not contain any reference to life- or body-threatening risks. Currently, there is no overarching complaints mechanism other than the traditional complaints mechanism through amfori, but we are following the development of the new amfori complaints mechanism and intend to integrate it once the pilot phase is completed. The amfori complaints mechanism is being developed by a group of pilot users (companies in the textile industry).

HUMAN RIGHTS COUNTRY RISK ANALYSIS

In 2021 we conducted a comprehensive human rights country risk analysis of our sourcing countries for all clothing manufacturers. The aim was to identify local risks of human rights violations in general and in the textile sector. We used public reports, indices and analyses from, for example, the UN or other institutions and other press reports, as well as information from our audit reports. Through the basic requirement of a valid social audit at our clothing manufacturers, we can always gain an initial insight into the working conditions of the specific production facility. Thus, the country risk analysis is based on the assessment of potential risks and actually detected risks.

This has resulted in a human rights risk matrix according to the guidelines of the UN Global Compact, which enables us to identify our priority risk countries and priority risks. This allows us to keep an eye on particularly serious risks and define appropriate mitigation measures. Based on the risk matrix, our priority risk countries are China, Turkey, Italy and Croatia. The task for these countries and their associated producers is now to define mitigation measures

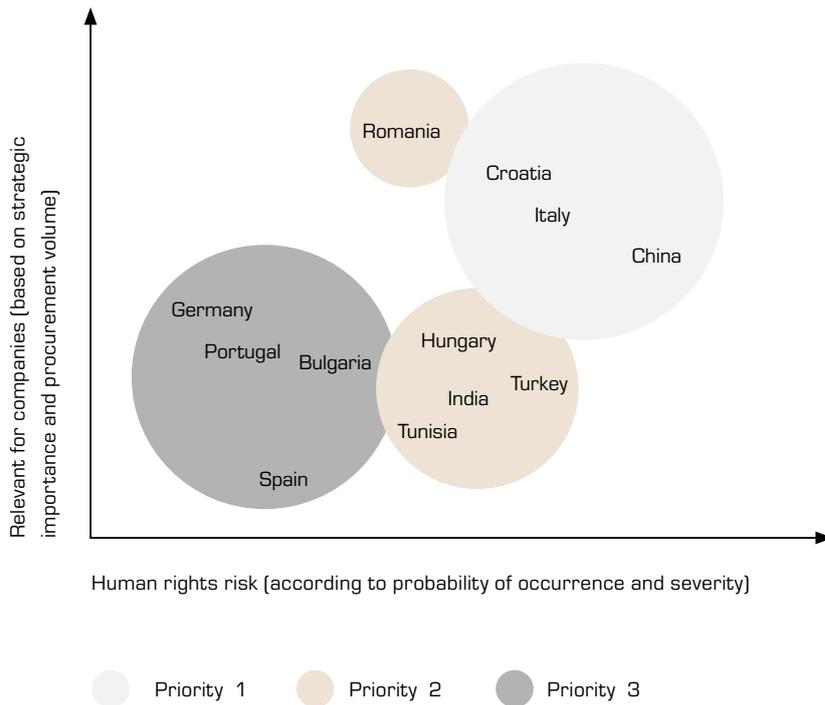
The human rights country risk analysis process is also carried out for the assessment of potential new sourcing countries. Here, the potential new supplier is also screened in advance for social concerns. The resulting country risk profile is then discussed with the procurement department involved and provided as an aid to decision-making. In 2021, a proposed sourcing country was discarded in connection with this process, among other things.



WHAT IS A HUMAN RIGHTS COUNTRY RISK ANALYSIS AND WHAT IS ITS PURPOSE?

Within the framework of such an analysis, human rights risks in sourcing countries are detected. Subsequently, the risks are weighted and prioritised according to the severity of the potential human rights violation, the probability of occurrence and the possible influence by the company (relevance for the company). The human rights risk analysis serves as the basis for defining mitigation measures, i.e. it enables to take targeted measures to mitigate and eliminate the identified risks.

Our country risk analysis



We manufacture 42% of our products in these countries, i.e. these countries are highly relevant for our company. For these risks, we need to work with our producers to define mitigation measures. For the year 2022, a special auditing process is planned for China and Turkey in order to achieve even more transparency about the situation in the factories there.

In Croatia, we have already fully established our social compliance programme and work exclusively with long-standing suppliers achieving very good audit results. Italy is highly prioritised in the analysis, as the majority of our raw material suppliers are located here. The majority of them are located in the Prato area, where textile production is historically rooted and where a lot of expertise is available accordingly. At the same time, however, there is a risk of illegal employment and migrants' exploitation (especially Chinese and refugees).

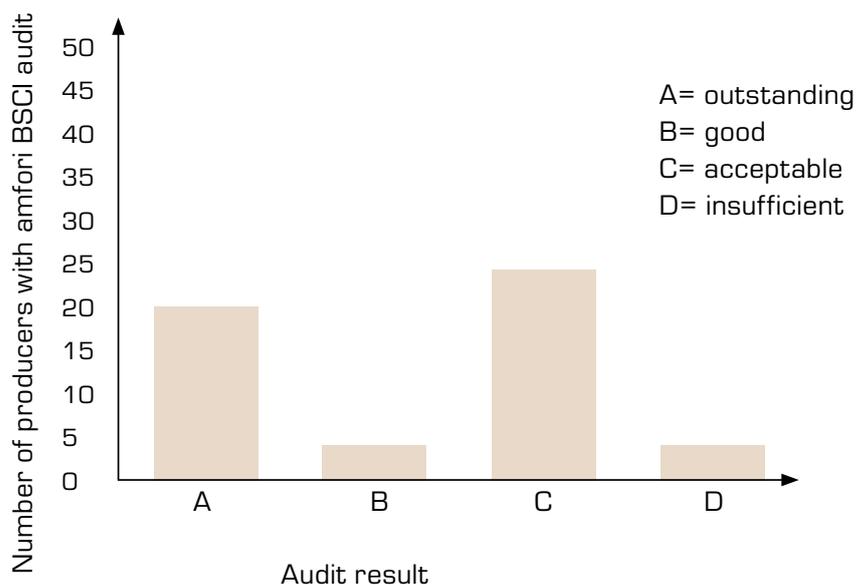
In 2022, it will therefore be important to expand the social compliance process for our raw material suppliers in order to assess their situation more accurately.

OUR GOALS AND MONITORING

Thorough monitoring is essential for the achievement of our goals and the development of new ones. That is why we carry out a reporting at the end of each quarter, which, among other things, analyses the social compliance of our suppliers and their producers. This is processed internally and communicated to the procurement departments, the management and other important internal stakeholders.

- 64 out of a total of 78 textile manufacturers (82%) meet our social compliance requirements. For comparison: when the social compliance process was rolled out in April 2019, it was approximately 20%.
- Of these, 53 of our textile manufacturers are located in high-risk countries and 25 in non-risk countries (according to World Bank classification 2021).
- 49 production facilities out of a total of 78 (manufacture) that produce for Marc Cain have an amfori BSCI audit. 22 factories (45%) were rated A or B. 27 factories (55%) have a grade C or worse and are working with our CR department to develop action plans for improvement.
- The social compliance process for raw material suppliers was rolled out in stages in 2021. We started with yarn and fabric producers. By the end of 2021, we successfully audited 23% of our yarn and fabric suppliers' production facilities for compliance with our Code of Conduct.

Production facilities with amfori BSCI audit



RETHINK
together
Stakeholder
Engagement

Bundling the **RESPONSIBILITY** for our **SUSTAINABILITY COMMUNICATION** in a specific **AREA OF ACTION** – This includes, for example, the **PROCESSING** of **STAKEHOLDER REQUESTS** or the **COORDINATION** for the **SUSTAINABILITY REPORT** in close **COOPERATION** with the **MARKETING AREA**.

OUR STAKEHOLDER ENGAGEMENT

Sustainability is an ongoing process of listening and learning. A core aspect of our sustainability approach is therefore to involve everyone who has an interest in our business activities as much as possible in the planning and implementation of our sustainability activities. By engaging in close dialogue with our stakeholders, we aim to build trust and keep improving. That is why we rely on clear and open communication and collaborative work on innovative and holistic solutions. In our view, stakeholder engagement means listening to the needs of our stakeholders and promoting an open exchange with them. We see this as an opportunity to create added value for all those are concerned and involved.

THE CORE PRINCIPLES OF OUR SUSTAINABILITY COMMUNICATION

With our communication on the topic of sustainability, we keep our customers and employees up to date on our activities, challenges and successes in the area of sustainability. In this way, we would like to support environmentally conscious purchasing and anchor the value of sustainability in our corporate culture. The path towards greater sustainability is a never-ending process. In this way, the principles of honesty, transparency and authenticity are particularly important to us in our sustainability reporting. Therefore, we strongly disapprove communication promoting greenwashing and we follow current industry standards as well as political and NGO guidelines regarding honest and transparent sustainability reporting. We are continuously tightening our standards in this respect. In addition, we maintain a close exchange between marketing and the CR department when reporting on the topic of sustainability. Together we work on solutions and ways to communicate complex issues to our clients in a simple and clear way. This includes, for example, writing publications about our sustainability-related products and activities, such as social media posts or articles for our customer magazine, as well as the way we provide sustainability-related information, e.g. on our website or our Rethink Together hangtags. In 2022, we want to adopt our sustainability communication strategy and introduce a Green Claims Guideline for a consistent and clear wording on the topic of sustainability.

HOW WE ENGAGE WITH OUR STAKEHOLDERS

In order to build a relationship with stakeholders, understand their needs and involve them into decisions in the best possible way, the CR department regularly engages with stakeholder groups through numerous channels.

STAKEHOLDER	CHANNELS	TOPICS/INTERESTS
END CUSTOMER	<ul style="list-style-type: none"> • Answering customer enquiries • Sustainability Report Website • Online shop • Social Media • Customer magazine • Information material in our stores • Newsletter 	<ul style="list-style-type: none"> • Sustainability activities in general • Production countries • Social standards • Animal welfare • More sustainable materials and items • Packaging
SUPPLIERS/ PRODUCTION FACILITIES	<ul style="list-style-type: none"> • E-mail and telephone contact • Meetings • Personal exchange with suppliers at HQ and on site 	<ul style="list-style-type: none"> • Coordination of the social compliance process • Improvement of working conditions (CAP process) • Minimum requirements for our Rethink Together items • Obtaining independent evidence of environmentally friendly materials and production processes
TRADE CUSTOMERS	<ul style="list-style-type: none"> • E-mail and telephone contact • Meetings • Orderbook 	<ul style="list-style-type: none"> • Use of more sustainable materials • Fulfilment of animal welfare requirements • Social standards
NGO'S/ BUSINESS ASSOCIATIONS	<ul style="list-style-type: none"> • E-mail and telephone contact • Meetings • Reporting • Participation in conferences • Representation of Marc Cain in international business associations/stakeholder initiatives 	<ul style="list-style-type: none"> • Animal welfare • More sustainable materials and items • Social standards

STAKEHOLDER

CHANNELS

TOPICS/INTERESTS

OTHER BRANDS

- E-mail and telephone contact
- Meetings
- Participation in bar camps/conferences

- Exchange on best practices in relation to more sustainable processes, materials and social compliance exchange on opportunities for cooperation, e.g. for shared plants

COMPANY

- Social Media
- Website
- Requests for information

- Preparation for the German Supply Chain Due Diligence Act
- Transparency about business activities

MEDIA/PRESS

- Press releases
- Social Media

- Sustainability activities in general
- More sustainable items/innovations

EMPLOYEES

- Employees-App:
- CR-Onboarding
- E-mail
- MS Teams
- Internal reporting
- CR department as training stage
- Participation of CR in the Fashion Coaching of Sales department

- News in the field of more sustainable fashion
- Exchange on processes and progress regarding sustainability activities, e.g. our suppliers' social compliance
- Strengthening environmental awareness (e.g. through canteen actions on the occasion of Earth Day).
- Regular reporting on core activities of the CR department, e.g. more sustainable materials or social compliance

RETHINK
together

Environmental
Management

In **2021, 230,630 KG** of **CO2** could be **SAVED** thanks to our

IN-HOUSE PHOTOVOLTAIC SYSTEM

OUR RESPONSIBLE USE OF RESOURCES

Alongside the fields of Supply Chain Management, Product Development and Stakeholder Engagement, Environmental Management is another important part of our holistic sustainability management. Responsible and respectful use of our resources is important to us, because the production, processing, use and disposal of raw materials have an impact on our planet and on climate change. This is reflected in the way we handle our high-quality materials, from the selection of our materials and product development to the way we deal with surpluses and old textiles. In addition, we have been making investments at our site for many years for more resource efficiency and the use of renewable energies. For example, the photovoltaic system in our logistics building and the e-charging station for our outlet customers.

OUR GOALS FOR THE FUTURE

In the coming years, we would like to further expand the measures under this field of action. Therefore, as a next step, it is essential to enshrine our engagement with regard to additional climate-relevant topics more firmly in organisational and strategic terms.

Our activities in the area of resource use have so far focused on measures aimed at reducing Scope 1 and 2 emissions. The following is planned to systematically address climate-related risks and opportunities in the future and to extend measures to the reduction of Scope 3 emissions:

Short term - 2022

- Implementation of climate audit to address and counteract climate-related risks and opportunities at the site and in the supply chain

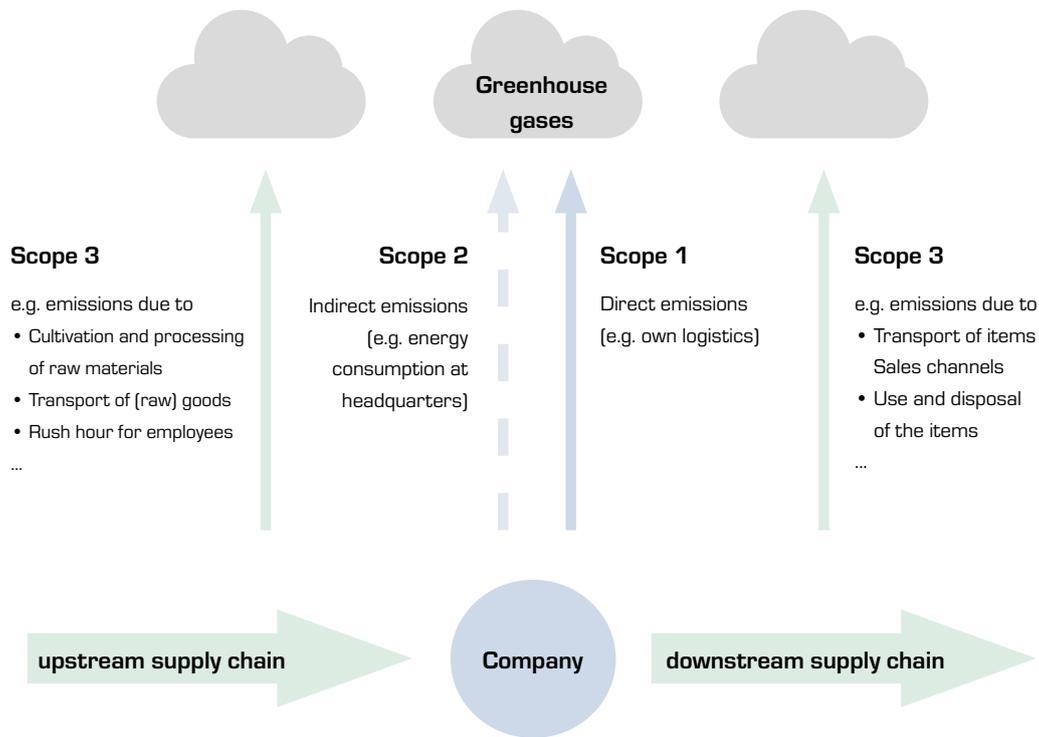
Medium and long term

- Creation of a „Corporate Carbon Footprint“ for the systematic collection of Scope 1-3 emissions, as well as the development of climate targets and a company-wide climate strategy on this basis.



The „corporate carbon footprint“ or also „CO2 footprint“ includes all emissions generated by the company's activities within one year.

The Scope Classification



WHAT ARE SCOPE 1, 2 AND 3 EMISSIONS?

The Greenhouse Gas Protocol (GHG), a globally recognised standard for measuring greenhouse gas emissions, divides them into three so-called „scopes“.

Scope 1 includes all emissions that are directly emitted by a company, for example by its own vehicle fleet.

Scope 2 includes emissions that are emitted indirectly, e.g. through the consumption of energy that we use for example in the form of electricity, but which was generated elsewhere.

Finally, there are Scope 3 emissions that are emitted indirectly along our value chain, for example at our producers' premises. A distinction is made here between Scope 3 emissions from the upstream and downstream supply chain.

IN-HOUSE LABORATORY

We have our own in-house laboratory that coordinates our pollutant management and carries out quality control of our items to ensure that our high standards in this regard are met.

Pollutant management

Our laboratory compiles a test catalogue for our producers every season in accordance with the legal requirements. The definition is made on the basis of a risk analysis. It is relevant from which country we source the material or whether we deal with a new supplier. We then send the catalogue to the producers and testing is carried out in external, certified testing laboratories in the sourcing countries. Afterwards, the results are checked at Marc Cain and only then is the relevant material released for production. Of course, we follow REACH (EU Chemicals Regulation) and also have our own RSL (Restricted Substances List), which is continuously increasing in demand. We require ZDHC MRSL compliance for our Rethink Together items (see also section „Our Rethink Together sustainability label“ on page 23).

Quality tests

All materials shall be put to the test in the laboratory in Bodelshausen after our producers in the respective sourcing countries have been tested by independent, certified laboratories. In the laboratory, our materials are subjected to numerous tests, including for pilling behaviour, lightfastness, washfastness and rubfastness. Only after having successfully passed these tests, the approval for production can be granted.

Wearing tests

In addition to technical laboratory tests, this also includes wearing tests, for example, for maximum durability and wearing comfort. Female employees wear sample items for testing purposes and are then asked about their wearing experience: in this way, improvements can be made in the production and wearing comfort for the end customer can be optimised.



INNOVATIVE PRODUCT DEVELOPMENT: 3D VISUALISATION OF THE COLLECTION

At Marc Cain, innovation is part of the brand DNA. Accordingly, there is continuous investment in state-of-the-art technology. One of the focus topics is digitalisation and 3D product development. We are working on the complex embedding of each production stages towards comprehensive digitalisation along the individual processes. Since 2016, we have been using the innovative 3D design software CLO3D. This allows us to visualise the entire collection at an early stage before it is physically produced. This increases the efficiency of product development. In addition, with the help of cross-departmental use, a digital and uniform language is made possible throughout the entire company. The content is used across the entire value chain. Increasing 3D visualisations along the production process mean milestones in the field of resource utilisation: increased rapidity and flexibility, reduced transports, less material consumption and less overproduction.



IN-HOUSE KNITTING MILL AT THE GERMAN COMPANY'S HEADQUARTERS: 3D KNIT AND WEAR

The innovative „3D-Knit and Wear“ technology is used for our knitted items „100% Made in Germany“. This process enables optimal use of resources, as it reduces the waste that occurring during production to a minimum. The finished piece comes out of the knitting machine without waste cutting. In addition, the items are made in one single step without seams, which means that only the amount of yarn needed for the garment is used.



In 2021, approx. 42,000 knitted pieces were „100% Made in Germany“, i.e. produced with our state-of-the-art 3D knitting machines at the company's headquarters in Germany. This meant that no further transport to the sewing factories was necessary, which is why the associated transport emissions are also eliminated.

RECYCLING OF RESIDUAL MATERIALS

In order to ensure optimal utilisation of our raw materials, we have established several processes.

+R-item

For a responsible handling of our raw materials, a careful examination of the material requirements is carried out. After preliminary material costing before ordering raw materials, we check our calculation again: because directly before production, when it is clear whether small or large sizes will be produced, this usually results in a material saving. We use some of this surplus material to make basic items with simpler styles - our so-called +R-items.

Surpluses

Fabrics, yarns, jerseys left over after the seasonal production process or from the current patterning are rechecked and sighted for new inclusion in the coming season. Old remaining stocks go to special item buyers, universities or are also passed on in small quantities to charitable associations. In this way, we would like to ensure that our surpluses are used in the best possible way.

Dealing with unsold goods

Of course, our aim is to adapt our product range exactly to the needs and demands of our customers. Despite efforts, there is a residual amount of prototypes and samples in our warehouses at the end of each season, as well as items which could not be sold. In order to make the best possible use of these goods, Marc Cain has been following a fixed recycling process for years: First, our goods are available in the online shop for three seasons. Subsequently, it will be used as first and second choice offered in the outlet or resold to third parties. Items that are left over after the sale are offered in staff sales for 1.5 years - together with prototypes, samples and goods with small defects that cannot be sold in our stores to our end customers. Only when this process has been completed do we pass on any remaining items to a textile recycler.



END OF LIFE AND WASTE MANAGEMENT

At our internal second-hand sale of electronic devices in 2021, 116 electronic waste devices received a new owner. Decorative items and furniture from our Marc Cain stores are resold at regular intervals after the end of their use. These sales campaigns last a total of 3 days; being the first day for employees, and the second and third day opened to the public. The items come from the sales areas of our stores or from our shop windows. In addition, store furniture is often reworked by our own carpentry workshop so that it can be used again.

**IN 2021, WE SAVED 104 TONNES OF
CO2 EMISSIONS BY RECYCLING 949
TONNES OF RAW MATERIALS.**

SUSTAINABILITY INVESTMENTS AT THE GERMAN SITE

Photovoltaic system (logistics building)

In 2021, 230,630 kg of CO₂ were saved by generating our own solar power. The calculation is based on the self-consumption of the electricity generated in the photovoltaic system in the amount of 630,136 kWh in 2021, calculated with CO₂ emission factor: 0,366.

Paper products from more sustainable forestry

In addition to other paper products, our shipping cartons for our logistics and webstore, our paper bags and our standard copying paper at the company headquarters in Bodelshausen, for example, are FSC® or FSC® Mix-certified. The FSZ® certification identifies all products made of raw materials coming from certified sustainably managed forests. FSC-Mix® identifies products made of raw materials originating at least 70% from certified forests.

DHL GoGreen

Since May 2015, we have been sending all our parcels and packages to end consumers with DHL GoGreen. GoGreen stands for certified, climate-neutral shipping through optimised transport routes, alternative vehicle drives and energy-efficient warehouses. With this additional contribution per parcel and package, we support climate protection projects that are supported by DHL. In 2021, we offset a total of 182.91 tonnes of greenhouse gas emissions through GoGreen products and services. For more information on investments we are making at the site for responsible resource use, see our 2020 Sustainability Report (including heat recovery technology, e-charging station for our outlet customers, etc.).

WITH DHL GOGREEN IN 2020,

182,91 T CO₂
SAVED

Plastic boxes

We use reusable and therefore environmentally friendly KLT (small load carrier) plastic boxes. In practice, this means that the boxes are shipped folded up on pallets to suppliers and factories so that they can be returned with finished goods. This means that cardboard boxes can be dispensed with, which significantly reduces waste. The KLT boxes have a long durability and are thus operational for many years. The boxes are used for accessories warehouse shipping and have already proven their advantages.



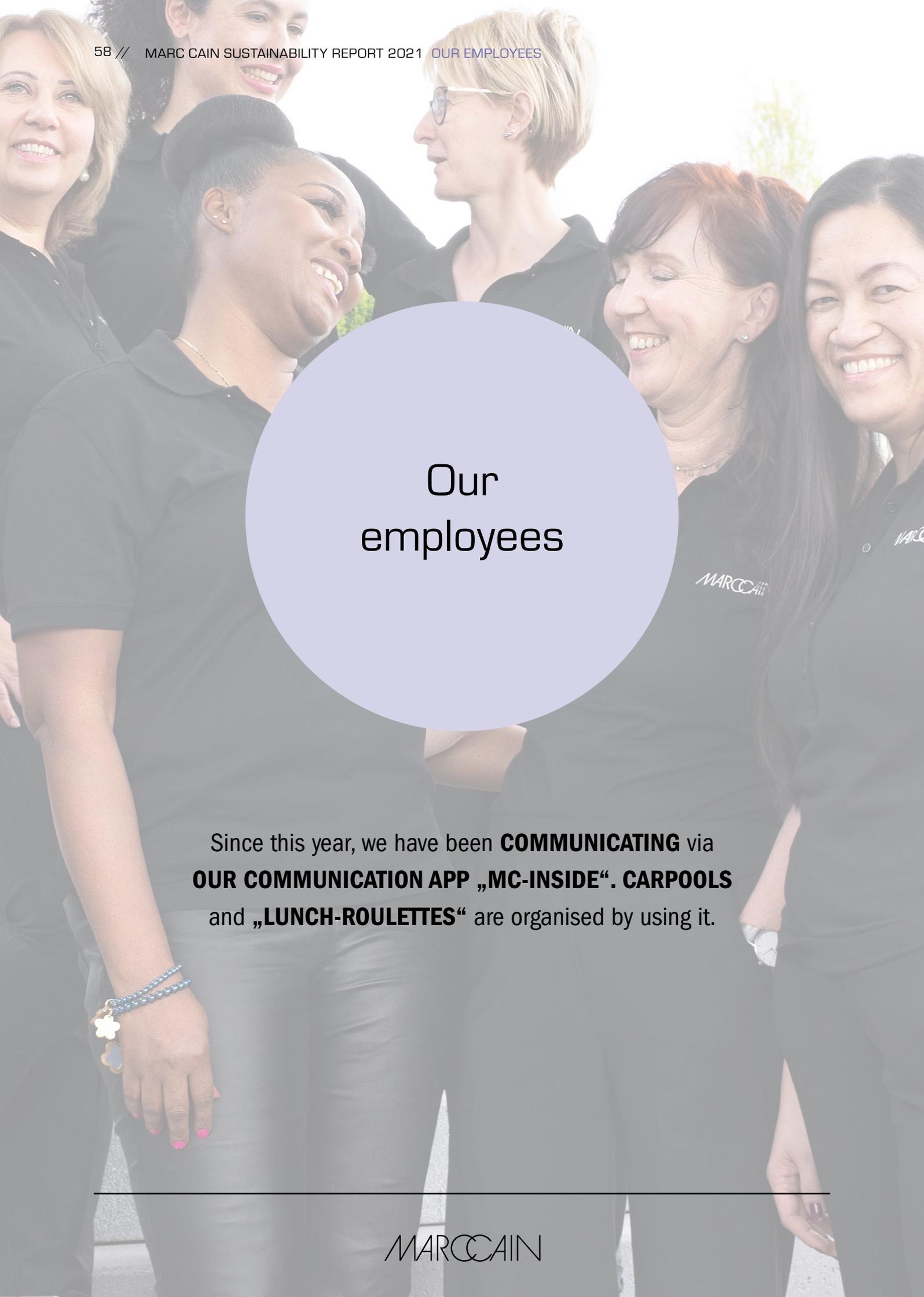
Rainwater cistern

In addition, rainwater is collected in the logistics building in a cistern with a volume of 100,000 litres of water, which is used to irrigate the garden on the company premises.

E-charging station

As part of the new energy concept, there is also an e-charging station at our Marc Cain Outlet in Bodelshausen available for our customers who arrive with their electric cars. Customers can thus conveniently recharge their cars free of charge for the duration of their shopping trip.

OUR CISTERN COLLECTS
**100,000 LITRES
OF RAINWATER**
FOR THE IRRIGATION OF THE INTERNAL
GARDEN FACILITY



Our employees

Since this year, we have been **COMMUNICATING** via **OUR COMMUNICATION APP „MC-INSIDE“**. **CARPOOLS** and **„LUNCH-ROULETTES“** are organised by using it.

OUR EMPLOYEES

Our employees are the core of our success, and therefore a particularly important stakeholder group. For this reason, we are constantly working on optimising our working conditions and creating a dynamic environment with exciting tasks, an appreciative working atmosphere and other benefits.

WHAT WE OFFER TO OUR EMPLOYEES

Promotion of professional and personal development

- With our Marc Cain Academy, we offer our employees numerous and individual training opportunities. In addition, we provide support in arranging childcare and reconciling family and career.

Promoting collegial cohesion

- To maintain the sense of unity and strengthen collegial cohesion outside the office, we organise a summer and Christmas party every year.
- Employee communication app „MC INSIDE“: via the web browser or the app, this is used for cross-departmental exchange, information and organisation as well as transparent and ongoing corporate communication. Part of the app is, for example, a group for organising carpools and lunch roulettes.
- Since 2021, each Marc Cain team has received a special budget once a year for an event, activity, etc. The teams decide for themselves what they wish to do together. With these joint experiences, we strengthen the team feeling and the team spirit.

Well-being benefits

- Sports courses offered in-house and subsidies for selected fitness studios
- Fresh and healthy dishes in the company restaurant - in order to strengthen our cultural awareness and togetherness, an „International Wednesday“ was introduced in 2021; our employees had the opportunity to submit international recipe ideas, which were then implemented by our chefs.
- „relaxed start“ on Monday morning (work starts at 10 a.m.) and „early weekend“ on Friday afternoon (end of work from 2 p.m.)

Training young talent:

We offer many different training and internship opportunities in numerous business areas. We are currently training in the following professions:

- Machine and plant operator
- Management assistant in e-commerce (for the first time from 09/2021)
- Management assistant in retail trade
- Textile and fashion seamstress
- Management assistant in wholesale and foreign trade
- Production mechanic
- IT specialist
- Digital and print media designer
- Personnel services clerk
- Warehouse logistics technician



Our wholesale and retail trainees spend about 2-3 months of their training period in the CR department.

UNSERE MITARBEITER IN ZAHLEN

2021 – Employees in Germany			2021 – Employees abroad			Total employees (Germany+abroad)		
w	m	total	w	m	total	w	m	total
601	243	844	51	3	54	652	246	898
Employees with a permanent contract								
541	213	754	40	3	43	581	216	788
Employees with a fixed-term contract								
60	30	90	11	0	11	71	30	101
Full-time employees								
419	236	655	16	3	19	435	239	674
Part-time employees								
182	7	189	34	0	34	216	7	223

Number of employees by country

Austria		Belgium		Switzerland		Netherlands		total
w	m	w	m	w	m	w	m	
13	0	10	1	6	0	22	2	54
Employees with a permanent contract								
12	0	9	1	5	0	14	2	41
Employees with a fixed-term contract								
1	0	1	0	1	0	8	0	11
Full-time employees								
4	0	4	1	3	0	5	2	19
Part-time employees								
8	0	6	0	3	0	17	0	34

The data presented here refers to the head count as of the reporting date 31.12.2021. The information is limited to the business units in Austria, Belgium, Switzerland and the Netherlands. Data on the employee structure in England, USA, Canada and Belgium are currently not available.



Charity

After the **FLOOD DISASTER**, MARC CAIN DONATED EUR 100,000
to those affected in the **AHR VALLEY**.

OUR SOCIAL COMMITMENT

In addition to our activities mentioned so far, as an internationally active company based in Germany, we assume social responsibility by donating money and goods to various organisations and associations. We support many of these institutions on a regular basis and we have been doing so for many years in relation to the most of them. It is important to us not only to help in the short term, but to make a lasting difference.

WOMEN AND CHILDREN

Women and children have always been at the centre of our social commitment, and we would like to support them in particular with our donations and campaigns. Marc Cain therefore attaches great importance to organisations that work – internationally or locally - for their protection, equality and rights.

IN 2020 WE DONATED
40,000
 TO „SCHOOLING FOR CHILDREN
 IN MALAWI“ FROM PLAN INTERNATIONAL

PLAN INTERNATIONAL

Since 2018, we have repeatedly carried out joint charity projects with Plan International, one of the world's largest children's aid organisations. Project „Allin Mikuna – Healthy nutrition for children“: in 2020, we supported this project with part of the proceeds from the „Mini Me – Charity Aktion“. The project aims at improving the nutritional and health situation of children in the Peruvian region of Paucartambo. In addition, those affected are to be prepared for the risks of climate change, environmentally friendly business models are to be developed and women are to be economically empowered. The project ends in December 2022.

REGIONAL COMMITMENT

Our company history is closely linked to Germany as a business location. Today, this is still one of our production sites and also the location of our headquarters. Therefore, regional projects are particularly important to us.

Acute help in crisis situations

After last year's flood disaster, Marc Cain has supported those affected in the Ahr valley, including various Marc Cain retail partners. Marc Cain also donated EUR 100,000 to the „Donation account for the benefit of those affected by the disaster“ of the Kreissparkasse Ahrweiler.

Christmas raffle

Every year, the proceeds from our traditional Christmas party raffle go to the Kinderschutzbund Tübingen e. V. [child protection registered non-profit organisation] Since no Christmas party could take place in the last two years due to the Covid-19 pandemic, we sold small Christmas dishes in our canteen for a good cause instead. The proceeds from the sale were rounded up to EUR 2,000 by the management and donated to the child protection organisation in Tübingen. In addition to such special campaigns, the Helmut Schlotterer Foundation has been supporting the child protection association for years with EUR 24,000 per year.

National Reforestation Project

Marc Cain supports the regional reforestation project „Young Giants for the Next 100 Years“ with the Marc Cain Magazine. With 2% of the print order value we support the regional nature conservation project in the immediate vicinity of the print shop in the Nossentiner/Schwinzer Heide Nature Park. As part of the project, 150 trees have already been planted on an area of approx. 1200 square metres in the middle of the Mecklenburg Lake District in the Nossentiner/ Schwinzer Heide Nature Park. The next edition in 2022 will also plant another 54 trees. In this way, a new, climate-stable mixed deciduous forest is gradually emerging.

Cooperation with PLANT-MY-TREE®:

In 2021, we supported PLANT-MY-TREE® by planting a tree through the organisation for every KnIT piece sold from the Fall/Winter 2021 collection. Since 2020, PLANT-MY-TREE® has been carrying out forest conversion and forest protection projects in addition to first afforestation, placing great emphasis on high biodiversity. This will create a natural habitat for insects and animals over decades.

Helmut Schlotterer Foundation

The Foundation is primarily involved in youth welfare, culture, vocational training, children's and youth sports and animal protection. In addition to the cooperation with other charitable organisations, the long-standing partnership with the aid organisation "Sansa Ta" (Your Chance) in Romania is particularly noteworthy. For several years now, the foundation of Marc Cain founder and owner Helmut Schlotterer has been supporting disadvantage children and young people accessing social and educational institutions. In the past, the donations were used, for example, to set up a day care in Bilciurest, Romania, for socially disadvantaged children. For the year 2022 further joint donation projects have been planned.

List of recipients of donations by Marc Cain GmbH

Donation account local savings bank Ahrweiler (region hit by flood)
 Die Arche Harburg –
 Children's Foundation Christian Children's and Youth Organization
 Music club Bodelshausen
 Marksmen's guild Gomaringen
 Trier University of Applied Sciences

List of recipients of donations by the Helmut Schlotterer Foundation

Child Protection Association Tübingen
 Quenstedt High School Mössingen
 Sports Club Hemmendorf
 LDT Nagold Academy of Fashion Management
 Sansa Ta / Romania
 German Red Cross Bodelshausen
 Animal Welfare Association Tübingen
 Support Association Commercial School Tübingen
 German Red Cross Tübingen
 Community Bodelshausen (kindergarden)
 Gymnastics and Sports Club Lustnau (Tübingen)
 Gymnastics and Sports Support Association Bodelshausen
 Association for Movement Games Bodelshausen
 Support Association Steinäckerschule Bodelshausen
 Dorina Güngör (Theater group)
 Music Club Bodelshausen
 Support Association Friedrich List Community School
 Support Association Wikimedia

GRI CONTENT INDEX

Marc Cain, with regard to the information from the year 2021 (01.01. to 31.12.) cited in this index, refers to the standards of the Global Reporting Initiative (GRI) of 2021 and 2016, respectively, as indicated below. We refer to the GRI 1 of 2021 (GRI 1: Foundation 2021). The information has not been externally verified.

GRI Standard	Information	Page
GRI 2: GENERAL DISCLOSURES 2021		
GRI 2-1	Organisational details	5–7
GRI 2-2	Entities included in the organisation's sustainability reporting	5
GRI 2-3	Reporting period, frequency and contact point	5
GRI 2-5	External assurance	5
GRI 2-6	Activities, value chain and other business relationships	6, 29, 46–47, 63–65
GRI 2-7	Employees	61
GRI 2-9	Governance structure and composition	11
GRI 2-12	Role of the highest governance body for the management of economic, environmental and social impacts	11
GRI 2-13	Delegation of responsibility for managing economic, environmental and social impacts	11
GRI 2-14	Role of the highest governance body in sustainability reporting	5

GRI Standard	Information	Page
GRI 2-22	Statement on sustainable development strategy	3
GRI 2-23	Policy commitments	20, 35–36, 38, 46–47
GRI 2-24	Embedding policy commitments	20, 28, 46–47
GRI 2-25	Procedures to remediate negative impacts	9–10, 28, 40
GRI 2-28	Membership associations	18, 36
GRI 2-29	Approach to stakeholder engagement	45–47

GRI 3: MATERIAL TOPICS 2021

GRI 3-1	Process to determine material topics	9–10
GRI 3-2	List of material topics	10
GRI 3-3	Management of material topics	9–10

GRI 301: MATERIALS 2016

GRI 301-1	Materials used by weight or volume	14
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GRI 414: SUPPLIER SOCIAL ASSESSEMENT 2016

GRI 414-1	New suppliers that were screened using social criteria	43
GRI 414-2	Negative social impacts in the supply chain and actions taken	43

