 Sustainable Products
 Acting for our customers

We want to bring sustainable fashion to the mainstream. That’s why we strive to make our clothes responsibly and sustainably, and to make it highly visible in our collections. This means we’re always looking to make the best choices we can for our customers, so they don’t have to choose between what’s sustainable and what’s not. We focus on a variety of sustainable and recycled fibre sources, pioneer new circular fashion products, and ensure that the workers in our supply chain are treated with dignity and respect. In 2018, 49% of the clothing offered in our stores was more sustainable and was certified or verified to credible third-party standards.

Our cornerstone commitment to certified organic cotton supports the sector, as does our work sourcing Better Cotton, buying 100% of our down from the Responsible Down Standard (RDS), and sourcing viscose in line with the CanopyStyle initiative. By shifting a significant part of the market towards positive change, we can begin to make sustainability the new normal. We made good progress towards our 2020 goals in 2018, sourcing 71% of our cotton more sustainably and offering the world’s first affordable gold level Cradle to Cradle Certified™ jeans. Our strong record of driving positive change in the apparel industry, together with a 178-year history of giving our customers the best clothing, makes us confident we can achieve our ambitious goals. To succeed, we will need to continually revisit and update our approaches, accelerate our efforts, partner with others across the apparel industry, and keep challenging the status quo.

Our ambition: fashion with a positive impact

We want a future where sustainable apparel isn’t the alternative – it’s the norm. We can help create this by always working in a way that respects people, nature, and the environment. Normalising sustainability means reimagining production processes throughout our supply chain. The fashion industry must embrace the circular economy, starting with designing products for their next use, while protecting ecosystems and providing dignified work for people. Products will be designed and created for their next life, and fashion will have a positive impact on our planet and its people.

Read more about our work on circular fashion.
Our 2020 goals put us on the right track to achieving this ambition. We strive to:

- Offer the most sustainable products we can, made with respect for those in our supply chain.
- Always use credible, peer-reviewed third-party standards to manage the integrity of our claims. Conduct due diligence on the ground.
- Continue to drive supply and demand for organic cotton and Better Cotton.
- Source sustainable raw materials and use fewer less sustainable raw materials where possible.
- Always respect animal welfare.
- Pioneer circular fashion solutions and continue to incorporate circular design principles in our design and production.
- Collaborate with other leading brands, initiatives, and innovators to drive sustainable and scalable change.

**Our 2020 goals for sustainable products**

100% of our cotton will be more sustainable by 2020.

67% of all our raw materials, such as cotton, viscose and polyester, will be from more sustainable sources by 2020.

Continually increase Cradle to Cradle Certified™ products in our retail markets.

Support circular innovations in our value chain through our partnership with Fashion for Good.

**Our 2018 performance**

**Towards 100% more sustainable cotton**

Our goal to use 100% more sustainable cotton forms the cornerstone of our approach to sustainability. Cotton is the raw material we use the most worldwide, making up 57% of the materials we use. That means our work on sustainable cotton makes a significant contribution to reducing our overall carbon, water, and chemicals footprint throughout our
value chain. Because we’re determined to meet our goal while underlining our commitment to industry collaboration, we source Better Cotton in addition to organic cotton.

Towards more traceable cotton

Another important step forward is the groundbreaking Organic Cotton Traceability Pilot we undertook in 2018 with Fashion for Good, C&A Foundation, the Organic Cotton Accelerator (OCA), Bext360, Zalando, PVH, and Kering. This collaborative, pioneering initiative uses new technology to trace organic cotton in textiles through the value chain, which is valuable to ensuring the integrity, quality, and purity of organic cotton — and to making sure it is not blended with conventionally grown cotton at any stage.

Because the apparel supply chain is fragmented and complex, it is challenging to trace garments to their origins. The pilot is evaluating blockchain technology to enable traceability. The approach allows for efficient integration of data from multiple sources in the supply chain and the use of machine vision, artificial intelligence, micro-biome sequencing, and on-product unique markers to guarantee integrity and quality.

At the farm, the solution’s digital trail creates transparency by verifying the material and ensuring the fair price brands are paying reach the farmers. The digital trail also simplifies transactions for farmers and enables banks to provide loans. At the consumer level, the technology sheds a light on the suppliers and manufacturers behind a final product, increasing transparency. So far, the pilot has focused on the cotton spinning process. The next step will trace through to dyeing and finishing, and finally to the consumer.

Read more about our work on certified organic cotton
Read more about our work on Better Cotton

100% responsibly sourced down

In 2016, we reached our target of sourcing 100% RDS-certified down and have continued in 2018. To take our commitment one step further, in 2017 we conducted visits to RDS-certified suppliers that had supplied C&A to better understand how the standard was implemented and where improvements could be made. We confirmed that RDS is effective in preventing many harmful practices, including force feeding and live plucking. However, we also found that the standard could be improved to ensure requirements are detailed enough in countries where animal welfare legislation is less strong. We shared the findings of our investigation with Textile Exchange, and since then, have been working with them to drive improvements to the standard. We are pleased to report that the revised standard is being reviewed for publication later in 2019. At the same time, we have been consolidating our down supply chain to work with fewer suppliers. C&A remains committed to the RDS as the best way to source our down responsibly.

Read more about our work on responsible down and feathers

Continuing our journey with recycled fibres
In 2017, C&A Europe started taking meaningful steps to increase our use of recycled fibres in our collection. We have since used recycled polyester in outerwear and blouses, recycled nylon in lingerie, and have continued using recycled cotton in denim. In 2018, this resulted in more than 300,000 items containing recycled polyester sold in our European stores. C&A stores in Europe also sold 95,000 pieces containing recycled cotton in both Mens’ and Ladies’ denim.

Read more about our work on polyester

Protecting natural resources

Having made significant strides in sourcing sustainable cotton, our most-used material, we are now focusing on man-made cellulosics such as viscose, which comprise 8% of the raw materials we use.

Following our commitment to the CanopyStyle initiative and adopting a Forest & Fabric policy in 2015, C&A Europe and C&A China committed in 2017 to source all man-made cellulosic fibres from producers that are third-party verified suppliers of cellulosics and have been confirmed as ‘low risk’ of controversial fibre. In 2018, 100% of cellulosic fibre suppliers to Europe and China were verified as low risk.

C&A Brazil implemented a Forest & Fabric policy for its domestic supply chains with 20 suppliers who represent about 60% of the domestic man-made cellulosic fibre volume. We plan further rollout of the approach in our Brazilian supply chain in 2019.

On a global level, we have taken our commitment to responsible man-made cellulosics even further by committing to the Changing Markets Foundation Roadmap, released in 2018. The roadmap marks an important milestone towards responsible viscose and modal fibre manufacturing and outlines the steps needed to address these challenges.

Read more about our work on man-made cellulosics

Sustainable materials

Supporting the uptake of sustainable raw materials

Our long-term goal is to help the apparel industry become circular, where our products are designed and sourced with their end of use in mind and nothing is wasted in their creation or disposal.
We are proud of what we’ve achieved in 2018: making significant progress towards our target of sourcing 100% more sustainable cotton by 2020 and increasing the sustainability of our raw materials to 67% by 2020. In 2018, 71% of the cotton we sourced and 49% of the raw materials we used were more sustainable, and we remained the world’s leading buyer of certified organic cotton for the sixth year.

**Why sustainable materials are so important**

Our clothing is made from a wide variety of raw materials, including cotton, polyester, viscose, wool, linen, and leather. In particular, C&A can drive change in how cotton, polyester, and viscose are grown and manufactured. To ensure the materials we use to make our clothes are more sustainable, we strive to source them from farms and work with manufacturers that use fewer natural resources, respect nature and people, and protect the welfare of animals. From sourcing fibres and dyeing fabrics to cutting and sewing clothing, we’re working hard to reduce the impacts of our materials and design more innovative products.

**The range of impacts for different materials**
**Who we’re working with**


**How we’re working to make sustainable materials the norm**

Using the most sustainable materials possible in our products is one way we ensure our customers feel good and do good. We believe in making our clothing responsibly: creating products that are the best they can be, while supporting the welfare of those in our supply chain. To do this, we:

- Set targets across the business, so everyone has a stake in ensuring our materials meet the highest standards.
- Create strong policies on key impact areas like water use, biodiversity and climate change.
- Conduct due diligence that goes beyond simply relying on third-party standards.
- Work with stakeholders and industry leaders who champion best practice to make our products the best they can be. And we don’t stop there – we encourage others in the industry to join us in extending positive outcomes far beyond our businesses.

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<tr>
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<th>Cotton</th>
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<th>Viscose</th>
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<td>CO₂ emissions per kg of fibre</td>
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<td>Ammonium hydroxide</td>
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*Source: McKinsey team analysis, EPA 2015*

- Aldicarb
- Fluometuron
- Prometryn
- Acephate
- Dimethoate
- Paraquat
- Ethylene glycol, used to react with dimethyl terephthalate to form monomers
- Chlorine dioxide
- Ozone
- Sulphuric acid
- Ammonium hydroxide

> Trade names of pesticides

> Used in pulp production process

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- BCI
- OCA
- Textile Exchange
- Canopy
- CottonConnect
- C&A Foundation
- Fashion for Good
• Use industry and multi-stakeholder-developed standards and initiatives rather than develop our own standards and initiatives. We believe common frameworks at a global level are the only way of shifting the whole industry towards best practice.
• Work to reduce the water and chemical use, carbon, and waste impacts of the apparel industry, while ensuring people’s rights in our supply chain are protected.

Read more about cultivating supply and demand for organic cotton in China

More sustainable cotton
Normalising better practices for more sustainable cotton

Our 2020 goal is for 100% of the cotton we use to be more sustainable. In 2018, 71% of the cotton we sold was either certified organic cotton or sourced as Better Cotton. By sourcing more sustainable cotton, we are normalising better practices across the cotton industry and demonstrating that sourcing 100% more sustainable cotton is possible.

Certified organic cotton is our most sustainable option, and accounts for 38% of the cotton we use. For the sixth year, C&A is the world’s leading buyer of organic cotton. We never blend organic cotton with non-organic cotton when it goes into our collections, and we make sure all the organic cotton we use is certified to third-party standards (Organic Content Standard, OCS, or Global Organic Textile Standard, GOTS).

Why focus on cotton? Why strong policies support a more sustainable world.

Production PrinciplesCotton is used by nearly everyone, every day, and supports 250 million people’s livelihoods [SOURCE: BCI]. Cotton also makes up 57% of the materials we use in our clothing, so it’s where we can have the biggest impact with the right interventions.
Conventional cotton farming and production processes have a much bigger impact than more sustainable cotton. This is why we follow strict policies to ensure the integrity of our more sustainable cotton fibre from farm to store and commit to only sourcing more sustainable cotton by 2020:

- **Water Use and Policy:** A regular cotton T-shirt takes 2,700 litres of water [SOURCE: WWF] to make, most of which is needed to grow the cotton. Cotton grown organically needs 91% less freshwater than when grown conventionally, because most of it is rain-fed [SOURCE: Textile Exchange]. Our policy for organic and BCI cotton is to enforce the Better Cotton Principles and Criteria on water stewardship. Adherence to these principles is managed through the Better Cotton Assurance Programme. For organic cotton, our policy is for farmers to follow water stewardship requirements as defined in the USDA National Organic Programme §205.200 and the European Commission Council Regulation 834/2007, Title II, Article 3. These production standards are certified under the Textile Exchange Organic Content Standard (OCS) or the Global Organic Textile Standard (GOTS), by third party certification bodies.

- **Pesticide Use and Policy:** Conventional cotton uses around 5% of all the herbicides and 16% of all insecticides applied globally in agriculture [SOURCE: International Cotton Advisory Committee]. This poses risks to the environment and to farmers’ health. Organic cotton eliminates the application of synthetic pesticides and fertilisers. To ensure that pesticides are not used in organic cotton farming we follow a zero synthetic pesticides policy for certified organic cotton as defined in the USDA National Organic Programme §205.105, the Indian National Programme for Organic Production (NPOP) section 3 and where applicable, the EU Regulation for Organic Production and Labeling 834/2007. These practices are certified against the OCS or GOTS standard by third party certification bodies. For BCI cotton, we adhere to the Better Cotton Initiative guiding principle of minimising the harmful impacts of crop protection practices in the Production Principles and Criteria, including the BCI Pesticides List Classification.

- **Greenhouse Gas Emissions:** Organic cotton produces 46% fewer GHG emissions than conventional cotton [SOURCE: Textile Exchange]. Our policy for GHGs is to follow the Science Based Target Initiative and our goals for absolute GHG reductions to avoid a global temperature rise of more than 1.5 degrees Celsius.

- **Labour issues and our policy:** Forced and bonded labour is a key challenge in the cotton industry. Better Cotton has a strong focus on ensuring decent work, covering freedom of association, non-discrimination, child labour and forced labour, and health and safety [SOURCE: BCI]. In this light, our policy for safe and fair labour is our Supplier Code of Conduct that covers safe and dignified work from farm to store.

- **Biodiversity Policy:** Biodiversity is an outcome of sustainable cotton production and the application of the BCI and National production standards at the farm level. To facilitate biodiversity at the farm level our policy is to require that both BCI and National production standards for organic cotton are followed and certified at the farm level. For BCI cotton our policy requires that all farmers abide by Principle 4 of the BCI Principles and Criteria, which are audited by BCI on a periodic basis. For certified organic cotton, we require farmers to comply with the National production standards’ (NPOP, NOP and EU) principles of effective management of soil fertility, facilitating wildlife habitats, and maintaining agro-diverse crops at the farm level which is in the heart of organic cotton cultivation. Our position on biodiversity in organic cotton production is supported by the National production standards and certified against the OCS and GOTS standards.
Supply issues: Cotton farmers are moving away from cultivating cotton in favour of more profitable crops such as tobacco, soybeans or pulses, partly due to plunging cotton prices and difficulties accessing quality seeds [SOURCE: OCA]. Growing more sustainable cotton provides them better access to markets as well as training and learning opportunities to adopt more environmentally, socially and economically sustainable production practices.

Read more about certified organic cotton
Read more about BCI cotton

Where our cotton is grown

Cotton is a shrub that is native to tropical and subtropical regions all over the world, including the Americas, Africa, Egypt and India. Currently, 90% of the certified organic cotton that is used in our garments comes from India, where small holder farmers grow cotton and other staple crops using organic farming practices. In recent years, we have worked with NGOs in China to cultivate new sources of transition organic cotton in the Binzhou region in Northern Shandong Province.

Like organic cotton, we understand the sources of Better Cotton through the Better Cotton Platform (BCP) to the spinner level. Currently over 90% of our BCI cotton comes from China, India, Pakistan, Brazil and the United States as declared by spinners in the BCP tool.

Read more about certified organic cotton
Read more about BCI cotton

Our 2018 actions

Work towards our 2020 goal for 100% of our cotton to be more sustainable.
Increase Better Cotton uptake in all our retail markets.

**Our 2018 performance**

**Progress towards our 2020 goal**

Our use of more sustainable cotton has improved, with 71% used across the business in 2018, up from 67% last year. In 2019, we will continue focusing on closing the gap to 100% by engaging with our entire cotton supply chain towards creating change across the sector.

**Organic and more sustainable cotton (Better Cotton) as a % share of total cotton sourced**

*From 2012 to 2016, this included REEL cotton*

**Leading in organic cotton**

C&A was named the leading buyer of organic cotton in the world for the sixth time in 2018 [SOURCE: Textile Exchange].

**Signing the Prince of Wales Cotton Communiqué**

In 2017, we joined the Prince of Wales Cotton Communiqué, the first cross-standard initiative for more sustainable cotton. The communiqué, set up by the Prince of Wales
International Sustainability Unit in partnership with Marks & Spencer and the Soil Association, asks brands and retailers to procure more sustainable cotton and to pledge to source 100% sustainable cotton by 2025.

Our own goal is to be sourcing 100% more sustainable cotton by 2020 and, as the world’s top buyer of certified organic cotton and third top buyer of more sustainable cotton, we have the opportunity to share our learnings with our industry and to encourage collaboration between sustainable cotton standards. To this end, we have contributed to the CottonUp guide — supported by C&A Foundation —by publishing a case study on our journey towards more sustainable cotton. The interactive CottonUp guide addresses three major topics related to sustainable cotton: why it’s important, what you need to know and do, and how to get started.

**Tackling climate change**

Organic cotton reduces the global warming potential of cotton production by 46% [*SOURCE: Textile Exchange*] and is therefore a key component of our climate change strategy and how we are developing our science-based targets.

[Read more about our action on carbon and climate change](#)

**Supporting cotton workers in our supply chain**

Buying organic cotton has a direct positive impact on the health and safety of farming communities who are no longer exposed to hazardous chemicals. We also have a history of taking concrete steps to support cotton workers when required. More than 10 years ago in 2007, we signed the Cotton Pledge against forced labour, committing to end the practice of forced labour in the cotton sector in Uzbekistan.

[Read more about how we support cotton workers in our supply chain](#)

**Making more sustainable cotton the norm**

Since our journey to more sustainable cotton started more than 10 years ago, it has been a cross-functional effort, embedded in our day-to-day activities. Driven by targets, owned by the business, and reported on at the highest level, more sustainable cotton is a central commitment for C&A. Our efforts reach beyond our operations: we seek to improve cotton agriculture, the lives of farmers, and the environment. We are doing this by increasing global demand for organic cotton and Better Cotton, as well as building capacity from the ground up – from the grower to the garment maker – across our supplier network.

We believe in creating more sustainable cotton products for our customers without passing on any additional cost or making the choice difficult for them.

**Our more sustainable cotton timeline**
Certified organic cotton
A cornerstone business objective

Organic cotton has been at the heart of our sustainable materials strategy for more than 10 years. It is significantly better for the environment and the people who work with it. We are committed to buying and selling organic cotton and taking a stronger role in supporting the organic cotton sector and have developed a leadership position in scaling our procurement of certified organic cotton. Since 2005, we have increased the number of certified organic cotton garments from 1 million to more than 170 million pieces.

Organic cotton also protects soil quality, biodiversity, and water supply, while preventing water pollution. And it’s safer for farmers and their communities’ health. From the grower to the garment maker, our organic cotton supply chain is certified to the Organic Content Standard (OCS) or Global Organic Textile Standard (GOTS) and never blended with conventional cotton. This means that any C&A product in the store labelled with our BIO COTTON seal is guaranteed and certified by OCS and GOTS that the supply chain of the cotton has been thoroughly monitored from source to the final product.

Read more about communicating with customers
Our 2018 performance

Our evolution in certified organic cotton

Since we began purchasing organic cotton in 2005, we have rapidly grown our procurement, and by 2018, 38% of the cotton we used was certified organic. We remain committed to organic cotton as one way to make our clothing more sustainable. Concurrently, we continue evaluating what our customers want in sustainable fashion. Going forward, we are focused on getting organic cotton into the right products and clothing collections. Prioritising our use of organic cotton will result in higher concentrations of organic cotton in certain product types and collections where its use is especially important to customers.

One important attribute that has emerged is physical traceability of the fibre. Though all our organic cotton is certified to a third-party standard, we want to understand if it would be possible to physically trace the fibre from farm to store. This is why we are engaged in an innovative blockchain pilot with Bext360 that uses technology to trace organic cotton throughout the value chain using different tracing methodologies to detect chain of custody through the value chain – from farm to store. The pilot aims to determine if this is an approach that could provide C&A even greater confidence around integrity, purity, and quality, and enable new communication approaches with our customers.

By offering organic cotton garments and communicating the benefits to our customers, we can continue to help drive demand. It is important to note that we began to consolidate global organic cotton volumes for all retail markets in 2015. Prior to 2015, only Europe's certified organic volumes were reported.

Read more about how we are communicating with customers
Organic cotton as a share of total cotton sourced

Reducing our impact

In 2018, the Textile Exchange estimated that through the purchase of organic cotton in 2017, C&A saved 170.8 billion litres of water, avoided the use of 157 metric tons of hazardous pesticide, and improved the quality of over 174,000 hectares of soil. Note that the Textile Exchange uses a different methodology for calculating impacts and savings than Aligned Incentives, the organisation that calculates C&A’s footprint — presented elsewhere in this report. Therefore, the results cannot be directly compared.
Estimated savings from organic cotton procurement

Ensuring the certified organic cotton we buy is really organic

We do our utmost to secure the integrity of our organic cotton - going beyond certification and what’s required legally, with due diligence and third-party assessment. These additional checks include organic seed screening, seed linkage with organic farmers, training of farmers and ginners, supply chain mapping and yarn spinner nomination. Going forward, we will be continuing our testing of organic cotton for genetically modified organism (GMO) contamination at the farm level (with the help of CottonConnect) through due diligence and third-party assessment.
Continuing our work to strengthen the sector

Throughout 2018, we continued our partnerships with organisations such as C&A Foundation and the Organic Cotton Accelerator (OCA), to help bolster and secure the organic cotton sector.

Case Study

Supporting the extension of organic cotton farming in China

Supporting the growth of organic cotton worldwide is a key commitment of both C&A and C&A Foundation. In 2017, both organisations worked closely with CottonConnect to launch an organic cotton pilot at Binzhou farm, Shandong Province in China. The project continued in 2018 and into 2019 as well.

It takes three years to transition cotton crops to fully organic. As part of this project, C&A China committed to buy cotton during these transition years, which are challenging and risky years for farmers as they move from conventional to organic crops. This commitment was made before the sowing season, providing farmers with market access, additional incentives, and financial security. In addition, C&A China offered to pay the farmers a premium to secure their income and compensate for any loss of yield during the transition process.

In 2017, C&A China bought the entire crop of all 105 farmers involved in the project: around 80 metric tons. The cotton was used to make 147,000 T-shirts and 60,000 pairs of jeans, the first of which reached stores in April 2018 around Earth Day. In-store communications helped customers identify the new products made with this transition cotton. During 2018, C&A China expanded the project to a total of 300 farmers, purchasing 90 metric tons of in-transition cotton to produce 144,000 T-shirts and 80,400 pairs of jeans. We also worked with farmers to improve their harvesting technology and prevent the accidental introduction of foreign fibres, which can affect quality and lead to wastage during spinning and cutting.
For the 2019 harvest, which will be used in apparel delivered in 2020, C&A China plans to expand purchases beyond T-shirts and jeans.

**Collaborating to address market challenges**

Less than 1% of cotton produced globally is organic, and the sector faces challenges such as a lack of availability and access to quality non-GMO seeds, few incentives for farmers to transition, limited access to the market, and lack of supply chain traceability and transparency. Despite a growing demand for organic cotton, farmers are moving out of production, and the whole sector is at risk if the industry is unable to address these issues effectively. So, we are continuing our work to strengthen the organic cotton sector, working with trusted partners to create a common vision for the sector.

Since 2014, we have supported the Organic Cotton Accelerator (OCA), which aims to create an organic cotton market that benefits everyone, from the farmer to the customer. C&A is a founding partner (and serves on the Board of Trustees) and C&A Foundation is providing core financial support. With our fellow OCA affiliates – brands, retailers, non-profit organisations, and social enterprises – we’re working to find the best ways to strengthen the organic cotton sector and support healthy supply and demand. Plans include:

- Making better seeds available.
- Improving the business case for growing organic cotton.
- Promoting best practices throughout the organic cotton supply chain.
- Improving integrity and market transparency.

**Behind the scenes with OCA: Higher income, better health, happier families**

‘Our communities tend to heavily use pesticides for agriculture. A neighbouring village with roughly 800 families has 16 families with cancer patients. I feel blessed to have switched to organic farming. My family’s health is much better, we are eating more nutritional food and all of my children are in school or college’.

Baliram, farmer in Modhapura (a small village in the Kheda District of Gujarat, India)

For years, it has been difficult for cotton farmers to justify the costs associated with transitioning from conventional cotton farming to organic methods. The Organic Cotton Accelerator (OCA) was started – with core funding from C&A Foundation - in 2014 to address exactly these barriers – not by increasing demand for organic cotton, but by working with farmers to making it a more rewarding enterprise.

C&A piloted a programme in collaboration with C&A Foundation to support 300 organic cotton farmers in India for the 2017-18 cotton season by committing to procure their crop at the time of sowing. This meant less risk, better income, more security, and more trust
for the farmers at the beginning of the season.

C&A worked with the Vasudha Farms Initiative, an on-the-ground intermediary that works with 35,000 cotton farmers in India on transitioning to organic or the Better Cotton Initiative (BCI) methods.

‘We started with the premise that every participating farmer would get a 10% premium for their cotton price by transitioning to organic. But we quickly realised that was not the right incentive for the farmers, given that only 25% of their annual revenue comes from cotton. So we quickly switched approaches – we offered them the seeds upfront at no cost on the condition that they would invest in multi-cropping techniques’, says Avinash Karmarkar, VP for Vasudha Farms Initiative.

‘When you switch to multi-cropping, you’re making your farm more sustainable and resilient to climate change. You’re earning year-round. You’re using biopesticides so the environment is cleaner, which leads to fewer health problems. And, for the first time, you’re also producing essential nutritious food for your families instead of buying all of it from the market’, explains Avinash.

The hard work has paid off. Total net income from cotton was 9% higher for organic project farmers when compared to control farmers. This can be attributed to lower production costs for organic farming and better prices received for organic cotton because of farmer differentials that provided an additional 10% on top of market price. And, because all transactions to farmers were made through bank accounts, payments to farmers were validated.

While organic cotton has brought revenue, the vegetables and spices have brought supplemental income and nutritional security. ‘My wife quipped that she’s having to cook different dishes every day for the first time because of all the crop we harvested last year. We have made do on simple lentils and wheat rotis for most of our lives. This time, we ate vegetables and proteins for almost two months’, says Sardar Methu, one of the participating farmers.

As a result of this project, his income has increased substantially. Moving forward, he aims to expand multi-cropping, including organic cotton, to all three acres of his land. For Baliram, partnering with OCA, C&A Foundation and Vasudha – and by association, C&A – has brought better health for his family and a more sustained income. ‘My daughters go to college and are aware of the benefits of organic farming. They are proud of my work today and that brings me endless joy’, he says.
For Avinash, the key ingredient of the pilot’s success was the ability to make it completely farmer-centric. ‘We were able to really understand their challenges and struggles. OCA helped us be holistic in our approach and that has yielded results. Next year, we also plan to address the issue of incredibly abusive moneylending practices by introducing microlending, so they don’t end up stuck in an endless cycle of debt’, he says.

Altogether, the results and experiences from the first OCA pilot year provided valuable insights to further improve sourcing projects during the 2018-19 season. OCA will use the learnings for further development of its future Farmer Engagement and Development programme into a scalable, brand-driven sourcing and capacity building programme for organic cotton, aimed at integrity, quality, and prosperity at the farmer level.

**C&A Foundation helps organic cotton farmers**

In 2018-2019, C&A Foundation helped 49,509 farmers adopt organic cotton cultivation practices with support from partners such as Cotton Connect, Rare, and Action for Social Advancement (ASA), among others. Last year, the Foundation provided over €6.1 million for social and environmental programmes in India, China, Pakistan, Tanzania, and Brazil. It continues to support various multi-stakeholder initiatives such as the Organic Cotton Accelerator, Cotton 2040, and Organic and Fairtrade Cotton Secretariat, to create an enabling environment for sustainable cotton in addition to improving farmers’ incomes and livelihoods. Higher farmer incomes not only benefit farming communities, but also pave the way for greater scalability in organic cotton.

C&A Foundation launched its first organic cotton initiative in Tanzania and helped 6,957 farmers adopt organic cotton practices. In Pakistan, C&A Foundation partner WWF, in collaboration with farmers and the Agriculture Extension Department of Balochistan, produced 500 metric tons of certified organic cotton. In India, C&A Foundation and the Government of Madhya Pradesh convened Cotton Trailblazers. This milestone event celebrated the global leadership of the state in organic cotton production, acknowledged the efforts of diverse sector stakeholders, and renewed commitments for regular dialogue.

**Read about C&A Foundation’s Sustainable Cotton programme**
Where next?

Bolstering the industry

Industry initiatives must align on global standards to provide the vision and drive needed for the industry to thrive. It is only through collective action that we will be able to capitalise on the growing enthusiasm for organic cotton – and ensure that together we can take the sector from strength to strength.

Reaching out to customers

Since early 2018, when we launched our first global customer-facing sustainability communications platform, #WearTheChange, we have communicated with customers in stores, online, and through special events about our more sustainable products and their environmental benefits. We plan to continue communicating our more sustainable cotton products to customers throughout 2019 under the #WearTheChange umbrella platform.

Read more about communicating with customers

The Better Cotton Initiative
A sustainable mainstream commodity

C&A joined the Better Cotton Initiative (BCI) in 2015. BCI is transforming the cotton sector by working toward its objective of making a third of the world’s cotton more sustainable by 2020 [SOURCE: BCI].

Better Cotton is produced in 23 countries and reaches 1.6 million farmers, with a goal to include 5 million farmers and represent 30% of global cotton production in 2020. The initiative trains farmers to produce cotton in ways that respect the environment, boost their incomes and strengthen the industry. To earn a Better Cotton licence, farmers must demonstrate that they adhere to six principles:
• Minimising their use of harmful pesticides
• Using water efficiently
• Caring for the health of the soil
• Conserving natural habitats and biodiversity
• Preserving and caring for the health of the fibre
• Promoting decent work

These principles help reduce the impact of growing cotton significantly. The standard can be applied to farms of all sizes and complements other standards for sustainable cotton.

While it does not replace our commitment to organic cotton, sourcing Better Cotton is not only vital to our cornerstone commitment of sourcing 100% more sustainable cotton by 2020, but is also a prudent approach to mitigate impacts where organic cotton is not feasible or available. It can be produced in greater quantities than organic cotton as it advocates a more ‘inclusive’ approach alongside other farming methods. It works via a mass balance system, meaning that each unit of Better Cotton we buy supports the production of a unit of Better Cotton somewhere in the world. It also means that the costly segregation process is not necessary, making Better Cotton easier to adopt in the chain and as a result more scalable.

In 2018, 33% of the cotton we bought was sourced as Better Cotton, supporting better social and environmental conditions on the ground and contributing more rapidly and extensively to transforming the industry for the better.

Membership in the Better Cotton Growth and Innovation Fund
As well as driving demand for Better Cotton through procurement, we also want to be a part of its future. We are part of the Better Cotton Growth and Innovation Fund, which exists to propel BCI towards its 2020 target to train over five million farmers by 2020. This will support increasing supply and speed up implementation.

Read more about Better Cotton

Our 2018 performance

Better Cotton as a % of total cotton sourced
Creating a market in Brazil

Although Better Cotton is grown in Brazil, few Brazilian suppliers and retailers buy it so most of it is exported. By working with our biggest spinners and engaging our supply chain, we accelerated uptake significantly in just over three years, allowing Better Cotton grown on our doorstep to be used locally. We were the first brand in Brazil to engage our supply chain on the use of Better Cotton and, in 2018, we increased the number of BCI members and Better Cotton Platform users to over 60 companies.

Promoting uptake in Mexico

We have been working with supply chain partners in various regions to help develop our supply chains as they move towards procuring more sustainable cotton. For instance, C&A Mexico accelerated its sourcing of cotton as Better Cotton by providing training to suppliers and internal teams during 2018. C&A also encouraged spinners in Mexico to become members of BCI. We now work with eight spinners in Mexico that have an active BCI membership, including four that either acquired or renewed their membership as a result of efforts by C&A Mexico. Over the last 2 years, these efforts have increased the share of cotton sourced as Better Cotton to 47% — nearly half of all cotton sourced by C&A in Mexico.

Helping drive industry-wide change

By joining the Better Cotton Initiative – along with many mainstream industry partners – we are increasing demand for cotton made in better ways. At the end of 2018, retailer and brand member sourcing of Better Cotton accounted for 4% of global cotton consumption. In 2018, BCI experienced a historic level of uptake as 93 retailers, such as C&A, and brand members sourced more than one million metric tons of Better Cotton, an increase of 45% over the previous year.

Read BCI’s latest quarterly activity report and 2017 annual report

What is mass balance and why does it make sense?
BCI works using a mass balance system, which encourages suppliers to buy and use more Better Cotton in a cost-efficient manner because it does not require complexities that result in costly physical segregation along the supply chain. Mass balance means what comes out must balance with what went in. For example, if a retailer places an order for finished garments like T-shirts and requests one metric ton of Better Cotton be associated with this order, a cotton farmer somewhere must produce one metric ton of cotton to the Better Cotton Standard. This is then registered on BCI’s supply chain system and credits for the order are passed through the supply chain for that same weight in cotton, from one factory to the next. The result is the equivalent amount of cotton that the farmer produced as Better Cotton, but it has been mixed in with conventional cotton in its journey from field to product.

Chain of custody model (BCI)
Where next?

Looking ahead, we will continue focusing on reaching our 100% more sustainable goal and drive Better Cotton uptake.

Other raw materials

Other more sustainable raw materials

Sourced with respect for people, nature, and animals

Our clothing is made from a wide variety of raw materials, including natural fibres such as cotton, down, linen, and wool, as well as synthetic fibres such as polyester, and man-made cellulosics like viscose. Ensuring they’re more sustainable means the materials are grown and manufactured in ways that use fewer natural resources, respect nature and people, and ensure the welfare of animals throughout the supply chain.

We want our customers to feel good about the clothes they buy at C&A. We started our journey with more sustainable cotton – our most-used material – and are using what we’ve learned to develop and implement best practice for other raw materials.

Our 2020 goal is for 67% of our raw materials to be more sustainable. In 2018, we made good progress against that goal, achieving a total of 49%. The vast majority of this progress has been driven by our work in more sustainable cotton.

Why we focus on man-made fibres

- Man-made fibres account for more than 40% of the materials we use at C&A.
- 14.2kg of CO₂ is generated to make one kilogram of polyester fibre [SOURCE: WWF] and demand has been growing rapidly since the 1990s at 7% every year [SOURCE: Water]
Footprint Network].
- 120 million trees are felled each year to make cellulosic fabric in the clothing we all wear [SOURCE: Canopy].

**Why we focus on animal welfare**

Animal welfare is a key issue for our customers and C&A as a business. The mistreatment of animals is still prevalent across the world and materials can be hard to trace back to the farm where the animals were born and raised. Animal-based materials appear in a number of our products, from the down in our jackets to the wool in our sweaters, and we work hard to ensure that these materials do not come from mistreated animals. We also offer our customers the choice to select a synthetic substitute and always have an alternative in-store.

**Our 2018 actions**

Work towards our 2020 goal for 67% of our raw materials to be more sustainable.
Continue sourcing 100% RDS-certified down

Roll out our sourcing policy for man-made cellulosic fibres in Europe, China, and Brazil.
Increase the uptake of recycled fibres in Europe and China.
Join the Sustainable Fibre Alliance (SFA), an international organisation working towards a sustainable cashmere supply chain.

**Our 2018 performance**

**100% Responsible Down Standard-certified down**

We have been sourcing 100% RDS-certified down since 2016. In 2018, we brought over 1.3 million products containing down to market, all certified to RDS. This includes more than 1.1 million RDS-certified items in Europe alone. In China, we brought to market close to 160,000 pieces of RDS-certified down, which represented 100% of all down items sold by C&A in China.

Read more about down and feathers
Collaborating to make sustainable materials the norm

To meet our 2020 targets around raw materials, we have formed or joined partnerships with leading industry stakeholders seeking to implement change faster and more effectively. We use tried and tested, independently audited initiatives to improve our performance. Once we have achieved those best practice standards, we seek to collaborate further, taking the industry with us along the way.

Reducing the use of virgin plastics

C&A has joined the Circular Polybag Pilot launched by Fashion for Good, a platform for sustainable innovation we have partnered with since 2017. This is the first pilot in a programme of activities initiated by Fashion for Good focusing on scalable solutions to address the issue of plastics in the fashion industry. The solution being evaluated in the pilot involves manufacturing a clear recycled polybag using a high percentage of post-consumer polybag waste, including ink and adhesive contaminants. The pilot aims to validate and further commercialise this new supply of waste for recycled content polybag production, returning the recycled bags back into circulation within the supply chain.

Although polybags are of course not used in our clothing, they are common in the fashion industry, where they are used to store, transport, and protect garments, footwear, and accessories. Our engagement on this project is one of several routes C&A is exploring to reduce the use of virgin plastics industry wide, including in our supply chain and our stores.

Read more about this innovative Fashion for Good project

Animal welfare
Treating animals with care and respect

C&A has a long-standing commitment to high standards of animal welfare. We believe that animals should be treated with care, respect, and dignity, as per the Five Freedoms. We work hard with partners and our suppliers to make sure this approach is standard practice across our supply chain. This involves focusing on all the animal-based raw materials involved in the production of our clothing.

Our animal welfare policy

Our policy on animal welfare states that we will:

- Expect our suppliers to abide by the internationally-accepted Five Freedoms for animal welfare.
- Never use products for which animals have been slaughtered or harmed in any way for their skin, fur or feathers.
- Strive to increase traceability from the farm to the final product.
- Only use raw materials that come from animals used for meat production.
- Never accept materials from exotic, threatened or endangered species, as defined by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the International Union for Conservation of Nature (IUCN) red list of threatened species.

Our approach is collaborative, working hand in hand with others who are tackling similar issues. We set, define, and implement industry level solutions with animal welfare organisations, fellow brands, retailers, our suppliers, and independent auditors.

We also actively listen, welcoming challenges and criticism that can help us improve. Ensuring high standards of animal welfare means that the apparel industry must be accountable for the promises we make.

Read more about how we engage with our stakeholders

For the last 10 years, we have worked hard to eradicate animal welfare issues from our supply chain. We started banning fur in the 1990s, have been a Fur Free Retailer since 2013. To date, we have banned the following materials and practices:

- Live-plucking and force-feeding geese and ducks for down and feather production
- The use of angora, real fur, and mohair
The practice of mulesing merino sheep
Bovine-based leather from India, or leather with hair attached from China or India

**Safeguarding animal welfare in cashmere production**

In 2018, we started to look cashmere as part of our commitment to making sure our animal welfare policy was implemented through our animal-based fibre. We acknowledge the challenges that cashmere production might have and we are determined to work towards using a more sustainable cashmere. The first step taken was to work with our suppliers to identify the cashmere upstream supply chain. To this end, we joined the Sustainable Fibre Alliance (SFA), a non-profit international organisation working with the extended cashmere supply chain, from herders to retailers.

Currently, 15 international brands and retailers have joined SFA, united in a goal to implement the Sustainable Cashmere Standard to preserve and restore grasslands, ensure animal welfare, and secure livelihoods. The SFA provides an excellent forum to jointly identify actions that will address three main objectives:

- Environmental resilience in cashmere-producing regions
- Improved long-term prospects for herding communities that rely on cashmere markets
- Assurance of animal welfare within cashmere production

Since C&A joined the roadmap, SFA has discussed the strategy headlines in line with United Nations Sustainable Development Goals (SDGs), the member commitments, and the measurement of impacts throughout the cashmere supply chain.

**Our 2018 performance**

**Maintaining our Responsible Down Standard-certified supply chain**

We have been sourcing 100% RDS-certified down since 2016. In 2018, we brought over 1.3 million products containing down to market, all certified to RDS.

During the year, we continued applying our findings from 2017, when we conducted additional due diligence visits to RDS-certified supply chains to determine where further improvements could be made. Our visit showed that, in the future, we should rely less on local legislation to define our minimum requirements, instead supporting RDS to make sure it sets minimum standards that can be applied in markets where legislation is not stringent. We should also strengthen the standard requirements over time to ensure continuous improvement in animal welfare practices and include training modules to drive awareness among suppliers. This work has continued in 2018.

**Listening, investigating, and taking action**

We are constantly seeking to improve our practices. When legitimate concerns are raised, we take them extremely seriously. We listen and investigate to ensure the necessary
action is taken. For example, when we discovered violations in our angora wool supply chain in 2013, we eliminated it from our entire product range because the supply chain was opaque and we understood that it would be difficult for us to ensure the welfare of all animals in the process.

In 2018, we started to look cashmere as part of our commitment to making sure our animal welfare policy was implemented through our animal-based fiber. As a result, in 2019, we joined the Sustainable Fibre Alliance, which is working with the extended cashmere supply chain, from herders to retailers. Their goal is to promote a global sustainability standard for cashmere production to preserve and restore grasslands, ensure animal welfare, and secure livelihoods. In 2019, we will define the scope of our work and next steps. Only through collaborations like these will we be able to drive impact and improve practices.

Following allegations of animal abuse in the mohair industry, we have banned the use of mohair from the angora goat beginning with the Spring/Summer season 2019. As of this season, no product with mohair is sold by C&A.

**Where next?**

Going forward, we will continue working towards strengthening the Responsible Down Standard and will source only RDS-certified down for all our feather- and down-filled products. We will also continue our work with SFA to extend sustainable and humane practices throughout the entire cashmere supply chain. Other existing commitments, such as remaining a fur-free retailer and banning certain practices from our supply chain, will of course continue.

**Responsibly sourced down**

**Independently certified and traceable from farm to shop floor**

The Responsible Down Standard (RDS) is an independent voluntary global standard owned by Textile Exchange and certified by Control Union. It is designed to be a global benchmark for best practice, preventing practices such as force-feeding and live-plucking and creating strict requirements on issues like food and water quality, outdoor access, animal health, and hygiene. It also allows us to track the fibre from farm to end product. Every time an RDS down changes ownership, a Transaction Certificate (TC) is issued, identifying the material from the source to the final product. The process is audited at every stage of the supply chain. We undertake this process so our customers can feel confident that the material in their clothing was made to meet the standard’s requirements.
Auditing to ensure best practice

No standard is a guarantee, but it is the best possible tool to ensure industry expectations are being met. Control Union conducts yearly audits of our suppliers to check they are following the RDS requirements.

In 2017, we conducted visits to RDS-certified supply chains in order to better understand how the standard was implemented and where improvements could be made. We were pleased to confirm that RDS is effective in preventing many harmful practices, including force feeding and live plucking – practices we have banned for a number of years. However, we also found that the standard could be improved to ensure requirements are detailed enough in countries where animal welfare legislation is less strong. We have shared the findings of our investigation with Textile Exchange, and have been working with them in 2018 to drive improvements to the standard. We are also consolidating our down supply chain to work with fewer suppliers. C&A remains committed to the RDS as the best way to source our down responsibly.

Traceability to hatchling

Today, the RDS applies to the welfare of birds that are the direct source of certified down and feathers. Certifying parent farms is optional for now, because making it compulsory could affect the standard’s ability to scale. The difficulty in certifying for chain of custody between parent farms, hatcheries, and raising farms would make it challenging and costly to apply to supply chains in all key down producing regions. But we know this needs to change and are committed to help overcome the challenge.

Where next?

Maintaining RDS and implementing the new version of the standard when released

In 2018, we worked with the International Working Group of the Responsible Down
Standard on the next revision of the standard, strengthening its requirements and encouraging improvements in industry practices. Looking ahead, we are committed to using the standard as the best way to ensure responsible down practices.

Recycled Polyester
Accelerating use in our collections

Polyester is made from petroleum derived from crude oil, a finite non-renewable resource, and accounts for 19% of the material we use. Since the 1990s, demand for polyester has grown at a steady rate. Because polyester is an important material in our collections, we will increase our use of certified recycled sources over time and reduce the impact of extraction and processing of non-renewable resources.

Our 2018 performance

Innovating products to use recycled polyester

In 2016, C&A recognised the need to increase our use of certified recycled polyester. In 2017, C&A Europe developed the first products with polyester certified to the Global Recycled Standard (GRS) or the Recycled Content Standard (RCS). Over 100,000 pieces were launched in stores in early 2018, in both outerwear and Ladies’ blouses. In 2018, we continued this development and sold more than 300,000 recycled polyester pieces in Ladies’, Men’s, and Kids’. Most of the recycled polyester in our products is made from recycled PET bottles from multiple sources.

C&A China also explored recycled polyester in clothing during 2017 and 2018. And in 2018, C&A Brazil identified opportunities to work with recycled cotton and polyester, and with biodegradable polyamide. These will be further investigated for potential implementation in the domestic supply chain in 2019.
Read more about circular fashion

Where next?

Increasing uptake of recycled polyester

We will continue to find ways of using more certified recycled polyester in our products, increasing demand for this more sustainable resource. For 2019, C&A China will use recycled poly-down for some poly-fill jackets as part of a new collection and plans to expand recycled poly-fill as availability increases in China.

Preferred man-made cellulosics

Protecting endangered forests

Viscose (also known as rayon), modal, and lyocell are derived from cellulose made from the dissolved wood pulp of trees. They account for 7.4% of the materials used at C&A during 2018.

Less than 20% of the world’s ancient forests remain in tracts large enough to maintain biological diversity [SOURCE: Canopy]. We have a responsibility to protect what is left, and we need to do it quickly – at current rates, 55% of the Amazon rainforest could be gone by 2030.

We are working with the CanopyStyle initiative to tackle the logging of the world’s ancient and endangered forests, alongside 170 other brand partners. We joined the initiative in 2015 and published our Forest & Fabric policy the same year.

Our global commitment means we are assessing our sourcing of cellulose-based fibres and eliminate the sourcing of fabrics made of pulp from ancient and endangered forests, and other controversial sources.
This includes:

- Showing a preference for suppliers who are working to preserve endangered forests or use Forest Stewardship Council- (FSC)-certified methods.
- Training and engaging suppliers on the Canopy Style Initiative, encouraging them to conduct verification audits and share their results publicly.

**Responsible environmental management practices in cellulosic production**

Raw material sourcing is only one of the many challenges in the production of man-made cellulosics. Production practices are important as well. In 2018, the Changing Markets Foundation authored a [roadmap towards responsible viscose and modal fibre manufacturing](#), outlining the steps needed to address these challenges.

We are committed to working with the industry and with producers to improve chemical and environmental practices in cellulosic fibre production using the best practices identified in the roadmap, and to helping suppliers remediate current challenges. This includes working with ZDHC on their development of standards and protocols for the viscose industry, collaborating with like-minded brands, and working directly with suppliers on continuous improvement plans. The areas of focus as outlined in the roadmap include regulatory compliance, human rights, raw materials from responsibly managed resources under our Canopy commitment, biodiversity, waste minimisation, greenhouse gas emissions reductions, water impacts minimisation, prevention of water pollution, and other considerations.

**Our 2018 performance**

We source viscose from only three suppliers: Birla and Lenzing for staple fibre and Enka for filament. All three companies are third-party-verified suppliers of cellulosics and have been confirmed as ‘low risk’ of controversial fibre. This verification gives us confidence that they have the right practices in place to prevent ancient or endangered forest products entering their supply chain. In addition, Lenzing and Birla are also committed to the Changing Markets roadmap which is focused on reducing environmental impact in viscose production through the implementation Best Available Control Technology (BACT) and best practices in environmental management.

We have taken the significant step of consolidating our supply to only low-risk suppliers to send a clear signal to the market that we are serious about protecting the world’s forests and the environment.

Currently we source from these factories:

**Birla**

- Grasim Industries Limited (SFD) , Nagda Birlagram - 456331, Nagda, Madhyapradesh, INDIA
- Grasim Industries Limited (Grasiline Division) , District - Haveri - 581123, Karnataka, INDIA
- Birla Cellulosic (A Division of Grasim Industries Limited), Birladham, Village: Kharach, Gujarat, INDIA
- Grasim Cellulosic Division (A Unit of Grasim Industries Limited), Plot No. 1, GIDC Vilayat
Lenzing

- Lenzing Fibers, Werkstrasse 2, 4860 Lenzing, AUSTRIA
- Lenzing Fibers, Industriegelande 1, 7561 Heiligenkreuz, AUSTRIA
- Lenzing Nanjing fibers co.,Ltd. Hongshanfine chemical industry park,Nanjing 211511,Jiangsu,CHINA
- Lenzing Fibers Inc. 12950 Highway 43 N Axis, AL 36505, USA
- Lenzing Fibers Grimsby Ltd. Energy Park way Grmsby DN31 @TT, UK
- Lenzing Fibers, P.T South Pasific Viscose Desa Cicadas,Purwakarta 41101,west Java , INDONESIA
- Lenzing Biocel Paskov a.s, Mistecká 762 ,73921, CZECH REP.

Enka

- ENKA GmbH & Co. KG, Industrie Center Obernburg, 63784 Obernburg, GERMANY

Helping to shift the market

The CanopyStyle initiative aims to shift the entire man-made cellulosics market and eliminate the sourcing of fabrics made of pulp from ancient and endangered forests, and other controversial sources. To achieve this, producers must go through the CanopyStyle verification audit and publish their results.

To date, CanopyStyle has confirmed through audits that 28% of the global production of man-made cellulosics is at low risk of sourcing from ancient and endangered forests. An additional four producers, representing 30% of global production, have completed and published their CanopyStyle audit, but have yet to drive improvements in their wood supply chain to be verified as low risk. Canopy also released the ForestMapper tool in late 2018, which will enable us to view where ancient and endangered forests are located and make more informed decisions when purchasing viscose fabrics. Along with more than 100 other companies across various industries, we are committed to using ForestMapper to reduce the risk of sourcing from the world’s ancient and endangered Forests.

Cutting carbon through more sustainable viscose

We estimate that our sourcing of more sustainable viscose in 2018 avoided 62,054 metric tons of CO₂e emissions, a reduction of 47% compared to conventional viscose.

Read more about how we reduce our CO₂ emissions
Where next?

Rolling out our global commitment

Globally, we will continue to work with suppliers to eliminate the sourcing of fabrics made from controversial sources and train suppliers on the Canopy Style Initiative. We will also work with them to adopt the practices in the Changing Markets Foundation roadmap for cleaner viscose production and continue working with ZDHC on standards for assessing performance that will help to drive further improvement in fibre production.

Circular fashion
Doing more good

With the global population set to reach nine billion people by 2030, nature will struggle to meet human demands like never before. That means there’s an urgent need to achieve our goal of making circularity the norm across the value chain.

Sustainability means rethinking how we design our products for their next use. We want to evolve the apparel industry to a future where every material is used and reused safely, where ecosystems are protected, and where people are provided with dignified work. This means making products that are ‘made with their next use in mind’ and where we no longer talk about ‘end of life’, but rather ‘end of use.’ This is the philosophy of circular fashion. For the apparel sector to become truly circular, each part of the value chain must evolve.

To address the challenges of the linear fashion model, C&A has developed a strategy with three major elements:

1. By creating innovative products that are designed according to circular economy principles, we will be able to phase out substances of concern and only use good materials, make effective use of human and natural resources, and move to renewable
and recyclable inputs that can radically improve recycling rates.

2. By further developing our garment collection scheme in the retail markets where we operate, we will be able to make sure that garments can be collected, sorted, and eventually recycled at scale.

3. By supporting partnerships that help accelerate the transition to a circular economy and supporting innovations that will enable circularity, we can help transform the apparel industry.

For a closer look at our circular fashion strategy, view this video.

**Why we need to develop circular fashion**

In 2017, the Ellen MacArthur Foundation released a new report, entitled *A New Textiles Economy*. The report demonstrates the growing momentum in the industry to move towards a circular economy, and gives us a strong environmental, social and business case for doing so:

- In 2015, around three-quarters of the plastic used in clothing ended up in landfill or was incinerated.
- Less than 1% of the material used to produce clothing is recycled into new clothing, equivalent to a loss of more than $100 billion of materials a year.
- The textile industry’s share of the global carbon budget will rise from 2% in 2015 to 26% by 2050 if it continues on its current path. Moving away from a linear and wasteful system is crucial to keeping within the 2ºC global warming limit set by the Paris Agreement on climate change.
- With current production systems, the weight of plastic microfibres in the oceans could increase to 22 million tons by 2050. That’s equivalent to two-thirds of the fibres currently used to produce garments every year.
- 20% of industrial water pollution globally is attributable to the dyeing and treatment of textiles.

Throughout the value chain – from raw material extraction to end of use – the apparel sector has a large impact on the environment. To truly create the pathway to a new normal, we must reimagine much of what we do.

In a circular model, products are designed and developed with their next use in mind. This means they are produced with pure materials, using safe chemicals. This way, fibres can be reclaimed at the end of the garment’s use to be reused or recycled into new clothing, carpets or other products – or safely returned to nature through composting. Social justice, including safeguarding health and safety and fair labour, water stewardship, and the use of renewable energy, are also an integral part of the circular model.

Read more about sustainable chemical management.
Why circular fashion is necessary for sustainable apparel production

For more about our circular fashion strategy, view this video.

Our vision

We believe in circular fashion. Our vision is one of a restorative circular economy, where nothing is wasted in the creation or disposal of our clothing.

We believe there are six enablers of a circular fashion industry and are currently working on all of them through our own programmes or in partnership with Fashion for Good. Our commitment is demonstrated through our Gold level Cradle to Cradle Certified™ products - all supported by our ever-expanding in-store take-back programme that allows customers to recycle clothing that has reached its end of use.

The six enablers to a circular fashion industry
Our 2018 actions

Continue our partnership with Fashion for Good, focused on incubating and accelerating circular technologies in the apparel industry.

Drive industry alignment through Make Fashion Circular initiative from Ellen MacArthur foundation.
Launch another major innovation and pioneering achievement in our Cradle to Cradle-Certified™ jeans.

Expand our in-store take-back programme in additional geographies and online in Germany.

**Our 2018 performance**

**Pioneering circularity in stores**

In 2017, C&A brought the first Gold level Cradle to Cradle Certified™ products to market in stores across Europe, Brazil, and Mexico. We have since developed many new products and collections, which reached the selling floor later in the year, as we expanded the Cradle to Cradle Certified™ collection from Ladies’ to include Men’s, Kids’, and Teens’ items in some of our markets, and offered new innovations such as stripes, embroideries, and prints to add richness to our offerings.

In 2018, we developed and offered the world’s first Gold Cradle to Cradle Certified™ Jeans in several Men’s and Ladies’ styles. Notably, in collaboration with Fashion for Good, we also made publicly available a set of resources for other apparel companies to use in developing their own Cradle to Cradle Certified™ products. These mark important steps on our own journey — as well as that of the apparel industry — towards circular fashion.

In total, we have brought almost 4 million pieces of Cradle to Cradle Certified™ apparel to market so far.

Following its successful launch in the Netherlands, we rolled out our in-store take-back programme to additional retail markets and now have take-back programmes in nine countries – with a view to further expanding the programme by 2020.

[Read more about our circular fashion products](#)

[Read more about our in-store take-back programme](#)

[Read more about product innovation](#)

**Accelerating change through Fashion for Good**

In March 2017, Fashion for Good - founded by C&A Foundation - was launched in Amsterdam, with C&A as one of its first brand partners. In 2018, we continued our work with Fashion for Good to help transform the apparel sector by supporting:

- The Fashion for Good-Plug and Play Accelerator Programme to help start-ups grow
- The Scaling Programme to scale up innovations and encourage their widespread adoption
- The development of guides for other companies to use in developing Cradle to Cradle Certified™ apparel
- The Fashion for Good Experience, the world’s first interactive museum for sustainable fashion innovation, which has already received more than 23,000 visitors
As a multi-stakeholder organisation, Fashion for Good’s single focus is to transform the apparel sector, making ‘good fashion’ the norm by convening brands, producers, retailers, suppliers, non-profit organisations, innovators, and funders to make this happen. Fashion for Good serves as an innovation platform that provides promising start-up innovators with access to funding and scaling support for their innovations. It also acts as a convener for change by bringing together a circular apparel community, building a good fashion movement, and creating freely available resources. The initiative has gained tremendous momentum, with over 75 innovators and more than 15 pilots facilitated so far.

Read more about our partnership with Fashion for Good

Who we work with


Normalising circular fashion

Although we are proud to have brought the first Gold level Cradle to Cradle Certified™ products to market, we know circular fashion is still a long way from being ‘normal’.

One of the most important things we can do to change this is continue sharing what we’ve learnt about circular fashion with the rest of our industry. For example, true circularity involves looking at how products are designed, developed, and manufactured. We know our certified T-shirts and jeans have been designed this way, making them better for the environment, workers, and their communities.

These products prove that circularity is possible today. We want to encourage others to join us so that attributes like this become part of the new normal. Since the launch of our circular products, other brands and retailers, as well as manufacturers, have launched Cradle to Cradle Certified™ materials, showing that momentum is growing.

From wood waste to T-shirt: The Fashion for Good-Plug and Play Accelerator in action

‘Up to 50% of every tree cut down is considered waste. Timber companies are looking for ways to use this waste because there is too much of it. Often it is left to rot, which sends CO₂ into the atmosphere, or it is burned, which also creates problems and can lead to
climate change’.
Jane Palmer, President, Nature Coatings

In comes Nature Coatings and its first prototype: a high performing and inexpensive black pigment made from wood waste. Jane, who has worked in textiles her whole career, including owning and operating a dye house, wanted to identify a way to shift the textile industry away from petroleum-based ingredients – and reduce unnecessary waste along the way. Most pigments, she discovered, are petroleum-based, don’t biodegrade and use complex chemistry that has been linked to DNA mutations in fish and cancer in humans.

Nature Coatings’ black pigment offers a solution that is easy to substitute in the apparel supply chain. ‘There is no new technology required, no new costs. It actually stays ahead of the Restrictive Substances List (RSL) so saves any unintentional sales loss’, says Jane.

And now, thanks to the Fashion for Good-Plug and Play Accelerator, the pigment should be in market in the next few months. Since its launch, the Accelerator has awarded two cohorts of start-ups and innovators, working closely with them on transforming blue-sky breakthroughs into scalable innovations through an intensive start-up programme.

Nature Coatings was part of the intake. And, as Jane puts it, Fashion for Good as been everything it promised to be. ‘We came in with a semi-finished product. We had a solid product and a business development plan, but the Accelerator forced us to make some decisions, evolve our business plan, generate interest from investors and gave us critical access to big apparel brands to test our product’, she explains.

Connecting with C&A has been especially useful, she points out. Over a series of meetings, her team has had multiple opportunities to collect feedback and refine their value proposition. And the company has had the opportunity to work with one of C&A’s suppliers to test its pigment with one of their products.

‘Our message wasn’t very clear when we entered Fashion for Good. Today, we have a clear value proposition, we’ve been able to open multiple doors among investors and partners and generated overall excitement among the apparel sector for what we have to offer’, says Jane.

Circular fashion products
Circular fashion for everyone

In mid-2017, we launched the world’s first Gold level Cradle to Cradle Certified™ T-shirts in Europe, followed by launches in Brazil and Mexico. The T-shirts are made of 100% organic cotton with safe materials and chemicals, and produced in a socially and environmentally responsible way. Even the T-shirt stitching is made from organic cotton and the dyes are 100% non-toxic.
During the summer of 2018, we introduced Gold level Cradle to Cradle Certified™ jeans in Europe, followed by Brazil, making us the first retailer to offer certified jeans at this level. Developing Cradle to Cradle Certified™ jeans was even more complicated than T-shirts because of the complexity in the processes involved as well as with the number of components present in jeans. Working closely with suppliers, we were able to ensure that all components and ingredients used in our new Certified jeans are safe to humans and the environment.

For both the T-shirts and jeans, we are working with manufacturers who share our vision for a circular economy and worked closely with us to make the products a reality. We are continually launching additional Cradle to Cradle Certified™ products for Men's, Ladies', Teens', and Kids’ collections. In addition, we continue working to identify more producers to join the Cradle to Cradle Certified™ journey in the regions where we operate.

Read more about our work on sustainable supply

The Cradle to Cradle Certified™ product standard is the only holistic, third-party standard able to certify circular products. It certifies all aspects of product manufacturing, from the sourcing of raw materials through the chemicals, water, or energy used in manufacturing and how the product is designed for material reutilisation, to the social conditions in the value chain.

Read more about the Cradle to Cradle Certified™ Standard

The standard is organised around five criteria, each of which is assessed at a particular level:

1. Material health
2. Material reutilisation
3. Renewable energy
4. Water stewardship
5. Social fairness

At C&A, a Gold level-certified product goes beyond the standard’s minimum requirement, as Platinum level is achieved for some criteria. As a result, our Gold level Cradle to Cradle Certified products are made with:

- 100% optimised safe materials and chemicals (mostly biological)
- 100% renewable energy
- 100% recycled water (or discharge of drinking water quality)
- 100% social fairness

Our goal is for all C&A Cradle to Cradle Certified™ products to achieve the highest possible level of certification and we trust that the Gold level represents a product optimised for circularity.

Our 2018 performance

Expanded Cradle to Cradle Certified™ options

To date, we have brought almost 4 million pieces of Cradle to Cradle Certified™ apparel to market. This includes T-shirts, jeans, and other items, and underscores the importance of sustainable fashion to our customers. Following our initial launch of certified T-shirts in 2017, we have worked with suppliers to source additional sustainable elements and finishings that allow designers to diversify our styles, colours, and cuts, providing customers with even more choice in Certified items.

The world’s first Gold level Cradle to Cradle Certified™ jeans

Building on the success of our certified T-shirts, in 2018 we launched a collection of Gold level Cradle to Cradle Certified™ jeans. In so doing, C&A became the world’s first retailer to offer Men’s and Women’s jeans made completely from sustainable materials – from fibre to buttons to hem – which can be recycled at end of use. In Europe, the jeans have been offered at an affordable price of €29 as part of the family company’s commitment to making sustainability the new normal. The jeans are also available in all C&A stores in Mexico and in Brazil, where the Ladies’ jeans are priced at R$109 (approximately €25) and Men’s at R$119.99 (approximately €27).

Creating the world’s first Gold level Cradle to Cradle Certified™ jeans was not without its challenges, such as:

- Selecting the right suppliers
- Organisational complexity
- Complexity of assessment
- Limited availability of assessed components
Limited availability of assessed chemicals
Meeting commercial Key Performance Indicators

It’s important to note that our aim is to offer circular fashion products at affordable prices. The production of Gold level certified jeans requires that we use a specific cotton sewing thread, which has a significant impact on production cost, and hence on the selling price. Therefore, we have decided to produce a smaller volume of Gold level certified jeans that we sell online and a larger volume of Bronze level certified jeans to maintain the price level our customers are used to.

The difference between C&A’s Gold level certified jeans and the Bronze level certified jeans is rather small. The Bronze level certified jeans actually have been certified Gold in four of the five certification areas. The use of a polyester sewing thread, however, reduces the overall rating to Bronze.

We will continue to seek solutions to scale the production of Gold certified jeans at reasonable production cost and use the opportunity of our Gold level certified jeans to further explain the certification benefits to our customers.

**Sharing our learnings with the industry**

We recorded our journey and lessons learned as we overcame these challenges and we are now sharing these learnings publicly so other brands can determine how to change their own practices and make environmentally and socially responsible fashion the norm. Fashion for Good has developed three resources, drawing from the experience we learned while developing the first Cradle to Cradle Certified™ Gold products:

- Cradle to Cradle Certified™ How-To Guide, based on our experience creating certified T-shirts.
- Cradle to Cradle Certified™ Assessed Materials Almanac, which specifies materials and ingredients that have been evaluated for Cradle to Cradle™ certification with regards to material health available for use in the fashion industry.
- Cradle to Cradle Certified™ Denim Guide, which includes lessons learned by C&A and Fashion for Good while developing the first Certified Gold jeans.

These freely available resources comprise the world’s first comprehensive toolkit for developing Cradle to Cradle Certified™ apparel for clothing manufacturers and fashion brands. They cover all the elements of the Cradle to Cradle Products Programme, from chemicals to social fairness, as well as a roadmap and a complete list of materials. Together, they can enable fashion brands, retailers, and manufacturers to get started on the development of truly circular products. Since they were made available, these resources have contributed to momentum in our industry.
Read how to create Cradle to Cradle products

We are encouraged by the global coverage our Cradle to Cradle Certified™ jeans have received in the media and from other stakeholders, indicating strong interest in Cradle to Cradle Certified™ items. These new jeans, along with the resources for use by others, mark a milestone for fashion and another step forward in our leadership towards making real change in the industry, from the farmer to the customer.

To learn more about our Cradle to Cradle Certified™ clothing, view this video.

Case study: Raising Awareness about Circular Fashion in Brazil

Building a truly circular fashion industry requires the involvement of customers and the public at large. In Brazil, C&A created a series of events — C&A Fashion Futures — aimed at connecting with Generation Z (also referred to as TrueGen) on sustainability topics such as transparency and the circular economy. The events went beyond C&A to create conversations of collective interest about fashion and a more sustainable future.

In the second C&A Fashion Futures event, focused on circular fashion, C&A shared its circular vision and initiatives in circular fashion, including Cradle to Cradle Certified™ T-shirts and jeans, and hosted discussions about how to move towards a circular economy. A well-known environmental influencer and experts on preparing for the future were among the speakers and a special mini-documentary raised awareness about circular fashion. To date, more than 6 million people have been reached in Brazil through the C&A Fashion Futures events and related social media mentions and articles.

Other efforts to invite customers to contribute to our circular fashion journey included in-store communications about the benefits of the Cradle to Cradle Certified™ T-shirts and jeans. Using our umbrella platform #WearTheChange, we launched various in-store communications, gave #WearTheChange T-shirts to all employees and encouraged them to post photos on social media of themselves wearing the shirts, provided employees and managers with training so they could speak knowledgeably with customers about the items, and met with customers from our ongoing relationship programme known as &YOU to discuss the Cradle to Cradle Certified™ products and their features.

Read more about the ways we communicate with our customers about sustainability

External recognition for our Cradle to Cradle work

For the launch of these products, C&A has been recognised by various organisations.

- C&A earned the prestigious Sustainable Innovation of the Year Award at the 2017 Ethical Corporation Responsible Business Awards in London.
- C&A was selected as a Finalist for The Circulars 2018 in The Accenture Strategy Award in
the Circular Economy Multinational category.

- C&A Brazil was recognised by Prêmio Eco 2018 for Cradle to Cradle Certified™ Products as well as our In-Store Take-Back + Electronic Waste Program.
- Our Cradle to Cradle Certified™ products received the 2019 PR News CSR Award - Product Design/Redesign for Cradle to Cradle Certified™ T-shirts and jeans.
- C&A’s Cradle to Cradle Certified™ jeans were selected by the German Federal Government’s Partnership for Sustainable Textiles, the Textilbündnis, as one of the most innovative initiatives of 2018.
- We also continue sharing our experience and learnings from the development and launch of Cradle to Cradle Certified™ products with the wider industry, at events and through press coverage and case studies. For example, a case study about our Cradle to Cradle Certified™ products was selected to be part of a special edition of the publication P22ON, one of the primary magazines about sustainability in Brazil.

Partnering to accelerate the change to circular fashion

Fashion for Good

Fashion for Good is a global initiative that aims to transform the fashion industry from the linear ‘take-make-waste’ model to a circular approach that is restorative and regenerative by design. Fashion for Good convenes apparel producers, suppliers, retailers, non-profit organisations, innovators, and funders. The initiative offers practical action in the form of support, funding and roadmaps, and fosters a sector-wide collaboration.

Following its initiation by C&A Foundation, C&A was one of the first corporate partners of Fashion for Good, joining the Sustainable Apparel Coalition (SAC), the Ellen MacArthur Foundation, and IDH, the sustainable trade initiative. Since then, adidas, Bestseller, Galeries Lafayette, Kering, Otto Group, PVH Corp, Stella McCartney, Target, and Zalando have joined Fashion for Good.

In 2018, the initiative focused on supporting innovators through its Fashion for Good-Plug and Play Accelerator and Scaling Programme. Going forward, the Good Fashion Fund will catalyse access to finance where required to shift the industry to more sustainable production methods.

From its first hub in Amsterdam, Fashion for Good houses a Circular Apparel Community co-working space, creates open-source tools like its Good Fashion Guide and Cradle to Cradle Certified™ guides, and welcomes visitors to join a collective movement to make fashion a force for good. In October of 2018, Fashion for Good opened the doors of its Experience, a consumer-facing museum focused on changing the hearts and minds of visitors and equipping them with practical actions to have a positive impact on the industry.

In 2018, we collaborated with Fashion for Good and others on a traceability pilot that is
continuing in 2019. The innovative Organic Cotton Traceability Pilot uses new technology to trace organic cotton in textiles through the value chain to help making sure it is not blended with conventionally grown cotton at any stage.

**Other collaborations towards circular fashion**

In 2018, we joined the Ellen MacArthur Foundation’s Make Fashion Circular, which aims to accelerate the transition to circular fashion by driving collaboration between industry leaders and other key stakeholders. Its ambition is to ensure clothes are made from safe and renewable materials, new business models increase their use, and old clothes are turned into new. We are contributing to the Make Fashion Circular initiative through working groups where we share our knowledge and lessons learned implementing our circularity strategy, and where we also have opportunities to hear from others to inform our own strategy going forward.

Additionally, C&A participates in the Ellen MacArthur Foundation CE100, a global platform that brings together companies from multiple sectors, innovators, and regions to accelerate the transition to a circular economy.

**A call to action for the supply chain**

Through the process of creating the first Gold level Cradle to Cradle Certified™ T-shirt and later the jeans, we recognised that in order to increase the uptake of this holistic approach in the apparel value chain, we needed manufacturers to embrace the basic concepts of a circular economy and how it translates into standard requirements. As a result, Fashion for Good created a self-assessment tool for suppliers to use on their journey toward creating Cradle to Cradle Certified™ products. When used along with the other freely available Fashion for Good resources, this tool can change how raw materials are grown, made, and sourced, and how clothing is produced — for the benefit of society and the environment.

Learn more about the Fashion for Good Cradle to Cradle Self-Check
Expanding specific materials and components in circular fashion

We know there’s a long way to go to make circular fashion the norm. As ever, the first step in our journey has been to pilot our own flagship programmes across our network.

Along the way, we have identified several roadblocks to Cradle to Cradle Certified™ apparel, which we are working to overcome by collaborating with Fashion for Good and other partners. Today, we are encouraged by the steady growth of available materials and components for use in developing circular fashion.

Two years ago, we began helping the apparel sector evolve towards making circular fashion the norm, working with partners to develop nearly 200 Cradle to Cradle Certified™ or assessed dyes, inks, and process chemicals; fibres such as modal, lyocell, or elastane; and trims and embellishments such as buttons, zippers, and rivets. With these components now ready for commercial use, in 2018 we evolved our Cradle to Cradle Certified™ products from plain T-shirts to include:

- Prints and embellishments that allow designers more liberty in designing fashion our customers want.
- Men's and Ladies' Cradle to Cradle Certified™ jeans in which every component, from the cotton fibres and denim fabric to the buttons and zippers, are verified.
materials, which will allow us to further diversity our Cradle to Cradle Certified™ offerings in the future, and we continue to make the information public for use by others.

Knowledge sharing among C&A regions
We are exploring new sourcing regions so that we can offer more certified products in more C&A stores around the world. In Brazil, for instance, where 80% of what we sell has been produced within the country, we conducted a feasibility study in 2018 to determine whether certified products and components could be produced there at a scale sufficient to meet our needs. Results are promising, and we will continue evaluating the possibility of sourcing and producing certified items in other countries to make Cradle to Cradle Certified™ commercially relevant and scalable across our regions. Being able to produce certified apparel domestically supports local growers and producers, and prevents overburdening a small number of overseas suppliers.

In-store take-back programmes
Our vision is restorative circular fashion, where nothing is wasted in the creation or disposal of our clothing. Of course, the transition to a fully circular apparel industry will be challenging and time intensive as the industry shifts its entire operating model to adopt a more holistic systems approach. One of the most important steps on this journey is the development of an effective collection and sorting system to increase the collection rate of used garments, which stands at just 25% worldwide [SOURCE: Ellen MacArthur Foundation].

The industry must develop a strong collection system if we are to build a circular industry, and our in-store and online take-back programmes are important steps on this journey. In 2018, we continued doing our part by expanding our in-store take-back programme to new geographies globally. A 2019 pilot take-back initiative at some stores in Mexico and 2018 roll-outs in Portugal and Spain and launch of an online take back in Germany will expand take-back opportunities for our customers to eight countries: Belgium, Brazil (where the programme expanded from 31 to 80 stores in 2018), Germany (online take-back only), Luxembourg, the Netherlands, Portugal, Spain, and Switzerland. This not only makes it easier for more customers to take care of their unwanted clothes responsibly through our stores, but helps to shift our industry from a ‘take, make, use, and dispose’ model to a circular approach.

In Europe, where our take-back programme is known as ‘we take it back’, we collaborate with I:CO, a global solutions provider for clothing, footwear, and other textiles collection, reuse, and recycling. For every full bag of clothes and shoes they bring back, customers receive a 15% discount on their next C&A item. Since 2012, the programme has collected more than 945 metric tons of used garments in five European countries, with the majority sold as second-hand items. Particularly absorbent textiles are used for the production of cleaning cloths while others are used to make insulation materials and stuffing for furniture.
In Germany, we launched a convenient online take-back programme in September 2018. The ‘we take it back’ collection programme operates in concert with PACKMEE, a service provider specialising in the collection and marketing of still-wearable clothing, footwear, and household textiles. The system gives consumers the ability to easily hand over discarded clothing online. Of every donated and sold kilo of wearable items, a portion of the revenue goes to Save the Children.

In Brazil, our in-store take-back pilot launched in 2017 more than doubled in 2018, expanding from 31 to 80 stores. As of 2019, the ‘we take it back’ programme is no longer a pilot and is slated to expand to 130 stores during the year. To help customers connect their actions to our larger #WearTheChange initiative, we updated the collection boxes for in-store take-back to reflect #WearTheChange. In-store-take-back training was also provided for customer-facing and back-office employees, as well as managers. To date, our stores in Brazil have collected 15,332 garments weighing over 2,831 kg. Most of the garments, 72%, were in good condition and donated to local organisation Centro Social Carisma for reuse. The remaining are recycled in partnership with Retalhar. The growth of ‘we take it back’ shows that Brazilian customers are already engaged in the reuse and recycling of their clothes.

Read more about ‘we take it back’

Read more (in Portuguese) about ‘we take it back’
Where next?

As we look to the future of circular fashion, we will continue to make sure our offerings are customer-relevant and commercially viable throughout our regions. C&A Mexico is offering Cradle to Cradle Certified™ jeans and T-shirts in early 2019. Determining how to make Cradle to Cradle Certified™ products domestically, such as C&A Brazil is exploring, will be important as well.

In addition, C&A Mexico is launching a pilot take-back programme in 10 stores during 2019.

Further innovation to create ‘good fashion’

We will continue our close involvement with Fashion for Good and other partners, participating in various pilots to develop proof of concept. Within its Innovation Platform, Fashion for Good will keep focusing on:

- Continuing the Fashion for Good-Plug and Play Accelerator Programme to help start-ups grow.
- Continuing its Scaling Programme to encourage the widespread adoption of good fashion by scaling innovations.
- Introducing the Good Fashion Fund to help catalyse access to finance to allow a shift to more sustainable production methods at scale.

Fashion for Good will act as a convener for change by:

- Expanding upon its Good Fashion Guide to share best practices and open-source tools on how good products can be produced at scale.
- Expanding the active Circular Apparel Community of partners, experts, investors, and mentors.
- Continually updating the Fashion for Good Experience and hosting inspiring and action-focused events and workshops to expand the good fashion movement.

Refining our Cradle to Cradle Certified™ approach globally

Globally, we have delivered almost four million Cradle to Cradle Certified™ pieces to date, alongside campaigns showcasing the products. After the successful launch of our Cradle to Cradle Certified™ items, we are reviewing product positioning to determine where it is most commercially relevant and important to our customers. This includes looking at customer interest and scalability across our regions. In 2018, we continued monitoring our campaign results across markets to understand if and when we need to revisit and refine messaging to sustain enthusiasm and customer awareness.

Read more about how we are communicating with customers
Product innovation
Making sustainable fashion the reality

We want to normalise sustainable fashion, and one of the most effective ways to do this is through product innovation. We're constantly pushing the boundaries with our products by expanding the Cradle to Cradle Certified™ product range. Beyond our own products, our engagement with Fashion for Good helps to grow and scale innovations across the industry.

C&A was at the forefront of leading best practices – such as chrome-free leather and phasing out the use of poly-vinyl chloride (PVC) and per- and poly-fluorochemicals (PFCs) – that have since become standard practice. We hope the same will happen with circular fashion, and we are working to help make sure it will.

Read more about chrome-free leather and PVC

Our 2018 performance

Finding innovative ways to save water

In Europe, we’ve developed innovative denim collections made with less water. In 2018, we continued our Saving Water Programme, which features waterless finishing for denim production and brought to market over 800,000 pieces for Men and Ladies. A water-saving pilot project in Mexico is ongoing for Men’s, Ladies’, and Kids’ denim products.

Read more about our water footprint

Increasing the use of recycled fibres

Throughout 2018, we sold more than 300,000 recycled polyester pieces in Ladies’, Men’s, and Kids’. All were made with polyester certified to the Global Recycled Standard (GRS) or the Recycled Content Standard (RCS), and most of the recycled polyester was made from recycled PET bottles.

C&A China began incorporating recycled polyester into clothing in 2017 and 2018. Also in
2018, C&A Brazil identified opportunities to work with recycled cotton and polyester, and with biodegradable polyamide. These will be further investigated for potential implementation in the domestic supply chain in 2019.

**Where next?**

We will continue evaluating how to expand our Cradle to Cradle Certified™ offerings and products made with recycled fibres, as well as working closely with Fashion for Good and other organisations to support further innovations in the apparel industry.

**Product quality and safety**

**Delivering what our customers want**

Our customers’ health, safety, and enjoyment of our products is fundamental. We work hard to ensure product quality and safety, aiming to meet or exceed industry standards, legal requirements, and our customers’ expectations. We also collaborate with others in our industry to raise standards across the apparel sector.

**Our approach**

Our Quality, Assurance and Development teams in Europe, Brazil, Mexico, and China oversee every aspect of product safety and quality. They examine our goods to determine their physical, chemical, and mechanical properties as well as measurements and workmanship. For babies’ and children’s clothing, safety criteria receive specific attention. Product testing is carried out by C&A and in cooperation with external laboratories like SGS, Intertek, and Bureau Veritas, to ensure our collections meet the latest legal, chemical, and safety standards. The team also helps our suppliers, factories, and colleagues understand safety risks and coordinates with legal bodies and industry associations.

**Quality down to the last detail**

Our commitment to quality extends throughout the manufacturing chain, beginning with
fabric manufacture and continuing through production to the final random sampling of individual products in our stores.

**Auditing of our production units**
These quality audits ensure that only appropriate production units that meet all our requirements are allowed to produce garments for C&A according to all our quality standards.

**Product sample inspection**
Whether a certain product can be sold at C&A is determined after a sample of the item has been examined according to stringent criteria, such as workmanship and physical properties (resistance to tearing, shrinkage, colour fastness), chemicals, and various legal safety requirements (for example, small parts or restrictions on the use of cords that could pose a danger to babies or children). Once these and other criteria have been met, an item may be manufactured for C&A.

**Quality and conformity inspection**
These inspections take place during and after production so we can determine whether the product matches our requirements. Workmanship, measurements, and safety checks must be passed before items are allowed into C&A stores.

**Structured quality and due diligence checks**
To provide the greatest possible safety for our customers, C&A also performs random due diligence checks on products to ensure they meet our expectations.

**Activating our restricted substance list**
To support the development of safe clothing with no hazardous chemicals present, we have implemented a restricted substances policy. We are also active members of voluntary industry groups such as the Apparel & Footwear International RSL Management (AFIRM) Group and Cooperation Against Dangerous Substances in Shoes (CADS).

In addition, approximately 25% of our collections in Europe achieved the OEKO-TEX® Standard 100 rating, an independent testing and certification system for textile raw materials, components, and end products. This confirms that our fabric, yarn, components, and trims have undergone a rigorous test for harmful chemicals.

Garment manufacturers apply poly-fluorinated compounds (PFCs) to garments to repel liquids and stains. However, research by organisations like the U.S. Environmental Protection Agency has indicated a link between PFCs and damage to human health and wildlife. Globally, we eliminated PFCs from all products as of 2015.

**Towards zero discharge of hazardous chemicals**
The C&A Chemical Policy also contains the Zero Discharge of Hazardous Chemicals (ZDHC) Manufacturing Restricted Substances List (MRSL), which focuses on the elimination of hazardous chemicals in the supply chain. C&A is a founding member of ZDHC, a coalition of 23 global brands and retailers with a shared commitment to zero discharge of hazardous chemicals in their supply chains.

Read our public commitment to ZDHC
Moving towards chrome-free leather
We don’t use a lot of leather in our products. But when we do, we want to make sure it is produced responsibly. One way we do this is by striving to buy leather for our clothing that is chrome-free tanned.

Recalling potentially unsafe products
We had no product recalls across our retail markets in 2018.