

A woman with dark, curly hair is the central figure, looking directly at the camera. She is wearing a long-sleeved dress with a bold, abstract pattern in shades of green, blue, and white. The background is a clear, bright blue sky. The overall mood is vibrant and natural.

FABIENNE CHAPOT

SUSTAINABILITY REPORT 2020

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LETTER OF FABIENNE

In 2006 I started this eponymous brand under the name of Fab. The brand was born and raised in Amsterdam, where our headquarters are still based today. Fabienne Chapot started as an accessory brand, mainly focusing on bags, shoes and accessories. My vision of adding a bold and colourful twist to the, at that time, rather grey and black toned accessory spectrum, quickly caught on. In 2016 we decided to rebrand the label and launch a ready-to-wear collection. The bold and colourful brand DNA that cemented the success is still at the core of our business today, but in a more matured, evolved and feminine way.

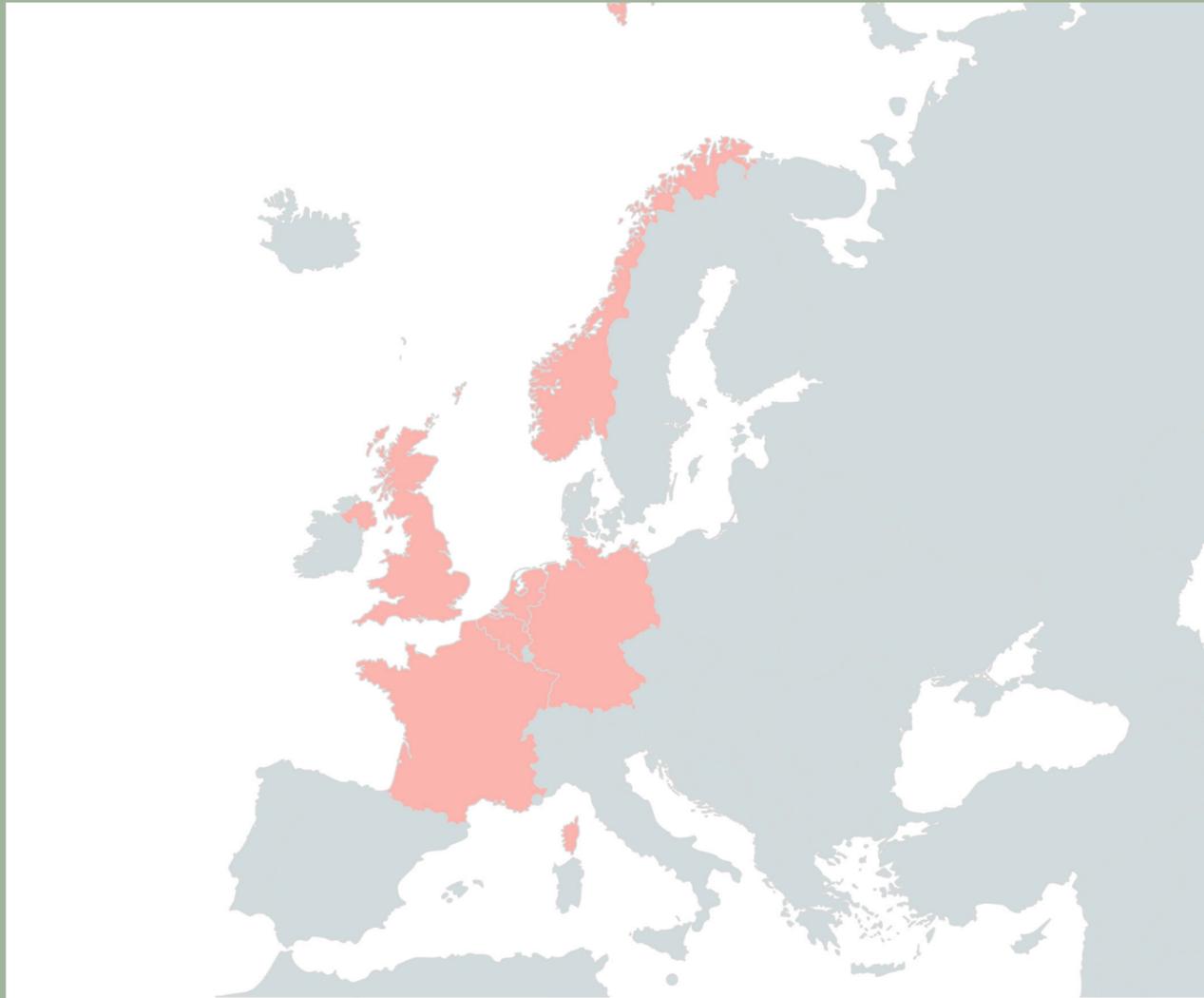
I realize that as a ready-to-wear fashion brand we leave our mark on this earth. Therefore we believe it is our responsibility to invest in innovative sustainability and a fair and sustainable future. In a few years, our brand has grown very fast and our supplier base transformed from a small production location in Bali (Indonesia) into a mature landscape with production locations mainly in China, Turkey and India. We are still at a starting point of growing our brand and we want it to grow in a responsible way. That is why I signed the Dutch agreement on Sustainable Garments and Textile three

years ago. It will help us to become more transparent and - by collaborating with other brands and retailers in the fashion industry - improve the way we run our business in a sustainable way.

Sustainability is of high importance to me. Within the next couple of years we strive to be a more sustainable brand. We encourage all of our suppliers to work with us on this important topic and make a change. This cannot happen at once, but every step we take is one step closer to a better world. These combined small steps will make the change we would like to see in our industry and to which we are dedicated, now and in the future.

2020 was a year full of challenges and opportunities for us, but also for our suppliers. We kept close contact with all our partners during these times. With stores closing and lock downs in different countries, it was not easy. We value now, more than ever, the long partnerships we have with our suppliers. We are proud of how we operated during this pandemic and believe we can grow further with all our partners.

Fabienne Chapot



ABOUT FABIENNE CHAPOT

Fabienne started her eponymous brand under the name of Fab. in 2006. The brand started as an accessory brand, mainly focusing on bags, shoes and accessories. Her vision of adding a bold and colourful twist to the at that time rather grey and black toned accessory spectrum quickly caught on. In 2016 she decided to rebrand the label and launch a ready-to-wear collection. The bold and colourful brand DNA is still at the core of our business today.

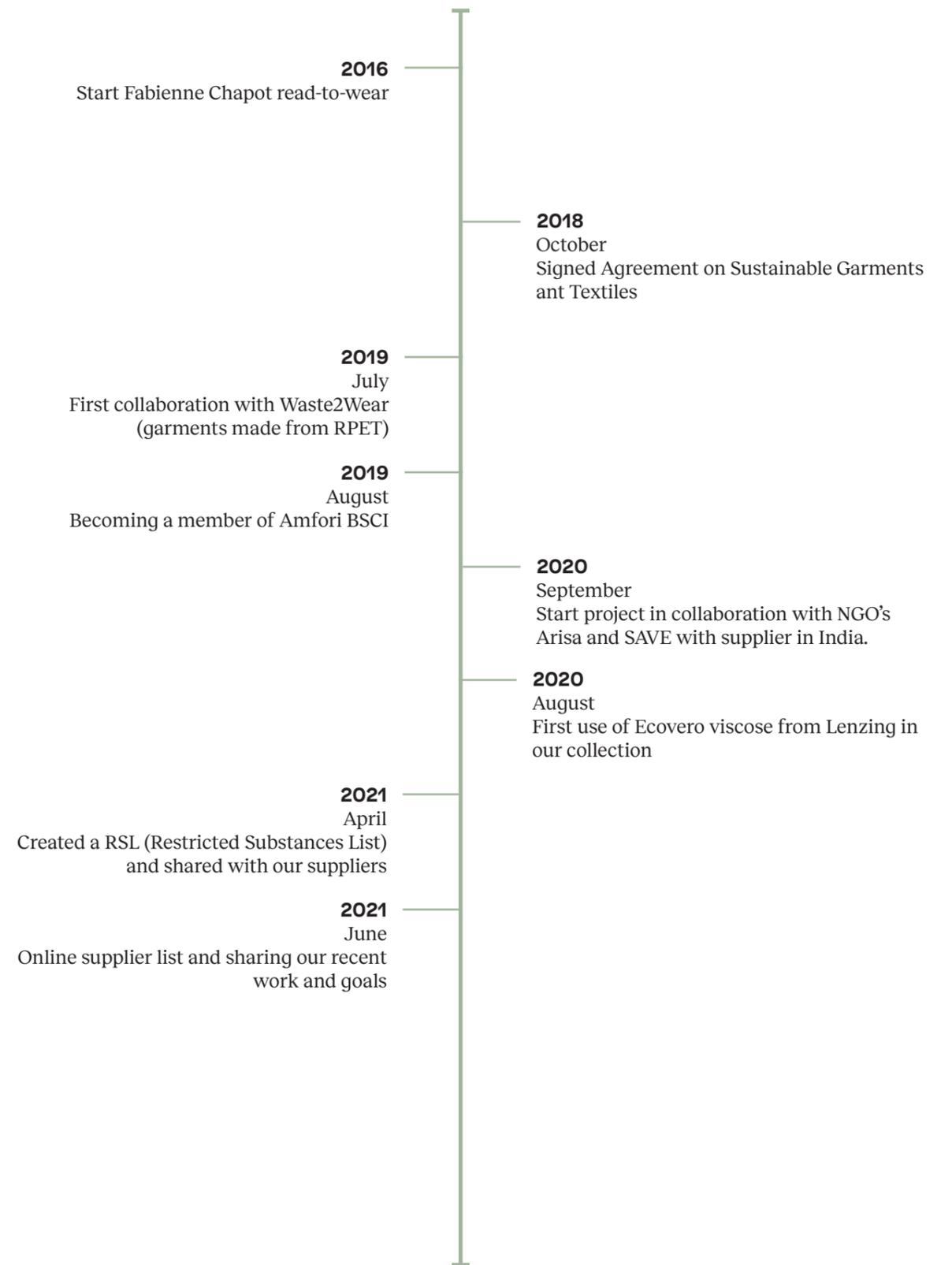
This brand has been built by a woman following her heart and trusting her intuition - and daring to dream big. And doing so by building a team of like-minded

strong people around her. This essence comes back in our designs and the women who wear them.

All our magic happens in our Amsterdam-based headquarters. The office with showroom is located in the city centre, right on the canals. Its rich history triggers our creativity and invites us to create the best items for women worldwide.

We launch 2 collections a year, each consisting of 5 chapters. Our items are sold in almost 1000 points of sale worldwide, our webstore and 4 brand boutiques.

SUSTAINABILITY JOURNEY





SUSTAINABILITY STRATEGY

“MAKING STEPS TOWARDS BECOMING A MORE SUSTAINABLE BRAND”

PRODUCT

PRODUCTION PROCESS

We focus on transparency throughout the whole production process
 Make sure to use less harmful chemicals by using our Restricted Substances List (RSL)
 Try to use less water and CO2 by choosing more sustainable materials.

MATERIALS

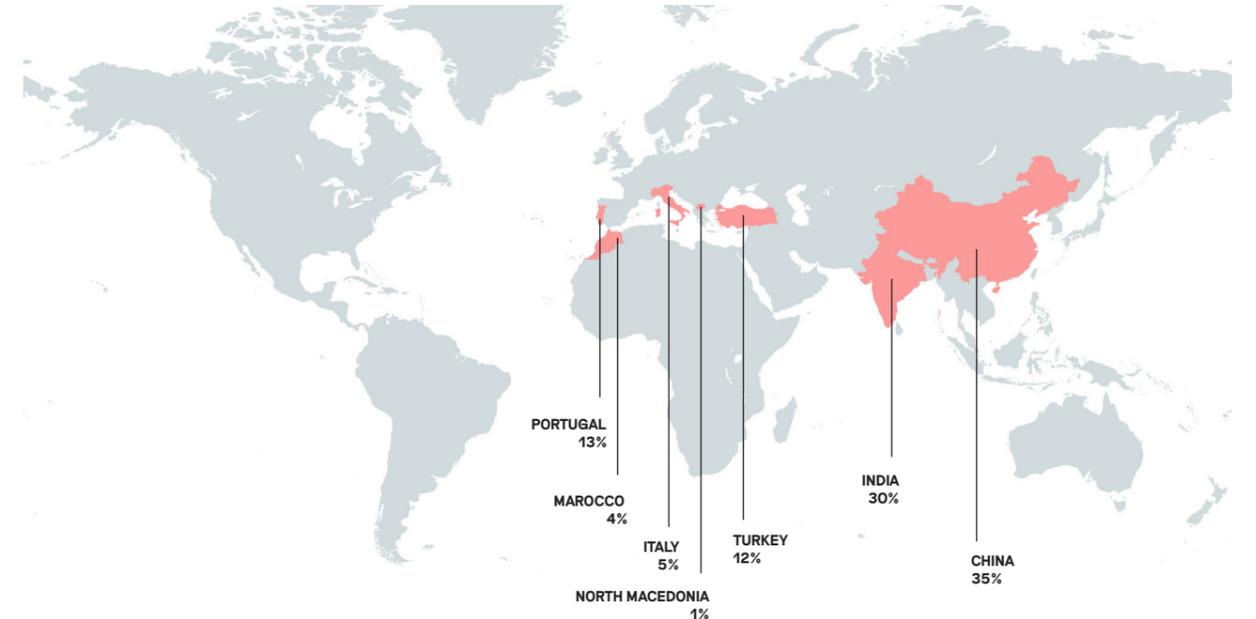
We work with certified organic materials like GOTS organic cotton, Ecovero viscose from Lenzing and Recycled polyester made from RPET which can be tracked by blockchain.
 We ban certain materials coming from animals. If we use animal products, we make sure to have the right resources and certificates (f.e. mulesing free for wool and using leather which is a by-product of the meat industry)

TRANSPORT AND PACKAGING

We use recycled or FSC certified packaging when sending packages to our customers.
 We keep an eye on our shipment methods from our production locations. Train and truck are the preferred options (we do use sea and air shipment as well). Where ever possible, we choose for train and truck.

SOCIAL IMPACT

We are a member of BSCI and making sure every factory we work with has a social compliance audit.
 We made our own Code Of Conduct and included a buyers agreement to let our suppliers know that we also have to take care of our side of buying practices.
 We work together with NGO's and other brands to really make a different in certain area's where our factories are located to work towards better working conditions and living wage.



OUR PARTNERS, RISKS AND OPPORTUNITIES

PARTNERS

We work mainly with suppliers in China, India, Portugal and Turkey. A small part of our collection has been produced in Italy, Morocco and Macedonia. 75% of our production takes place in high risks countries. Therefore we choose to work with audited factories (preferably with BSCI, since we are a member of BSCI).

Working with factories with an audit report means that we have more insight in the working conditions at the factories. By being a member of BSCI, our factories and their methods of production have become more transparent through reporting. This enables us to drive

the necessary improvements, and scan for more future possibility of developing a sustainable strategy together.

When visiting our suppliers, we always follow up on the audit report results. All our suppliers have received our Code Of Conduct and Restricted Substances List so they know what we expect from them and what they can expect from us. When an order is placed, the production location per product is stated on the order, this is checked by the Production Manager when the order is shipped to our warehouse. All our Product Developers have access to the overview the Sustainability Manager keeps up to date with all information regarding audits, RSL, COC, wages. This can be checked before a meeting with the supplier.

We decide to publish the suppliers we work with online to become fully transparent about our tier 1 suppliers.

HOW A PRODUCT IS MADE



TIER 1 - Stitching/knitting suppliers



TIER 2 - Fabric printing /dyeing/ embroidery facilities



TIER 3 - Fabric (spinning) mills



TIER 4 - Yarn mills



TIER 5 - Raw materials

RISKS

These risks are a result of the country studies (the risks per country) and the audit reports we go through every year. While we do this, we focus on where we can make the biggest impact, the suppliers we mostly work with and the severe risks. It is possible that the supplier we choose to focus on is not our biggest supplier but that they face most risks. Some issues are very big and we cannot solve them alone (for example the high amount of over hours in some of the countries). In this case we decided to first focus on Freedom Of Association so we can build on this together with the factory (and other brands).

BIGGEST RISKS IN OUR TIER 1 SUPPLIERS:

- Amount of over hours in China

We noticed in the audit reports that the amount of overtime in high risk countries. This is mainly the case in China. This does not only happen at our factories. It is an issues that the majority of Chinese suppliers deal with.

- Our suppliers do pay minimum wage but there is still a way to go towards living wage

Living wage is a very important topic in our supply chain. Our suppliers currently pay minimum wage according to the audit reports we received but working towards living wage is a next step. It is important for the workers to gain a living wage so they can provide for the families and unforeseen cost to meet minimum standards given the local costs of living.

- Freedom of Association (in China restricted by law, in Turkey and India a high risk)

Freedom of association is restricted in China (this is regulated by the government), in India and Turkey not all workers are member of a union. We see that this is an important first step towards workers' rights such as working towards living wage and lowering the overwork hours. This is different in every country and if Freedom of Association is hard to reach it is important for factories to have functioning worker committees. In this way workers can file complaints to their representatives.

FABIENNE CHAPOT

- Environmental risks

There are risks within our supply chain when it comes to the use of chemicals. For example by printing or dyeing the fabrics, certain chemicals are used. We work with suppliers who do have certificates regarding producing fabrics (OEKO-TEX) and printing (Blue Sign).

- Poor working condition in South of India

We got aware through a report from NGO Arisa that the working conditions in the area where one of our supplier produces are not up to the human rights standards.

How we want to tackle these risks, can be found below at the goals and actions.

OPPORTUNITIES

We work together with the AGT (Dutch Agreement on Sustainable Garments and Textiles), Arisa, SAVE, BSCI, FNV. We believe that in the fashion industry it is important to work with NGO's as well as other brands to make a difference together.



Member of amfori, the leading global business association for open and sustainable trade. We participate in amfori BSCI. For more information visit www.amfori.org



MATERIALS

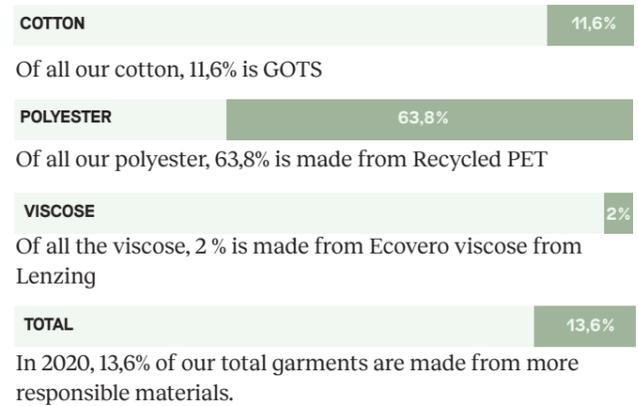
By being a member of BSCI, our factories and their methods of production have become more transparent through reporting. This enables us to drive the necessary improvements, and scan for more future possibility of developing a sustainable strategy together.

Viscose: In order to make viscose, it is quite common to use strong chemicals such as sodium hydroxide (caustic soda) and sodium sulfide to produce pulp. This process also requires large amounts of water. Our solution is to use Ecovero™ from Lenzing™. Sometimes it is mixed with regular viscose to obtain the same look and feel but we prefer to use 100% Ecovero viscose. Ecovero from Lenzing has up to 50% lower emissions & water impact than generic viscose and comes from sustainable wood and pulp sourcing/procurement. Another important point is that most of the chemicals used while producing the yarn, can be used again and again. These chemicals will not be released into the environment so the production is quiet clean.

Polyester: Polyesters are made from petroleum from which the constituent acids and alcohols are derived. Petroleum is a non-renewable resource and therefore limited. Polyester production is energy intensive and is linked to high greenhouse gas emissions. Recycled polyester is nowadays widely available with the same look and feel as regular polyester. This is why we started

to use recycled polyester made from post-consumer plastic bottles (RPET) from Waste2Wear with GRS certificate. RPET, compared to regular polyester, has a 70% lower energy consumption, 86% lower water consumption, and a 75% lower carbon footprint.

Cotton: Conventional cotton is a highly water and pesticide intensive crop. An estimated 8 to 12% of the pesticides used worldwide are applied on cotton fields. In developing countries this percentage is even higher while roughly only 2.5% of world's arable land is used for farming cotton. Cotton also requires a lot of water. Irrigation, often inefficient, is required for about 75% of all global cotton production. Using organic cotton means that there are no chemicals or pesticides used, soil depletion is prevented by using crop rotation and less water is used while growing the cotton.

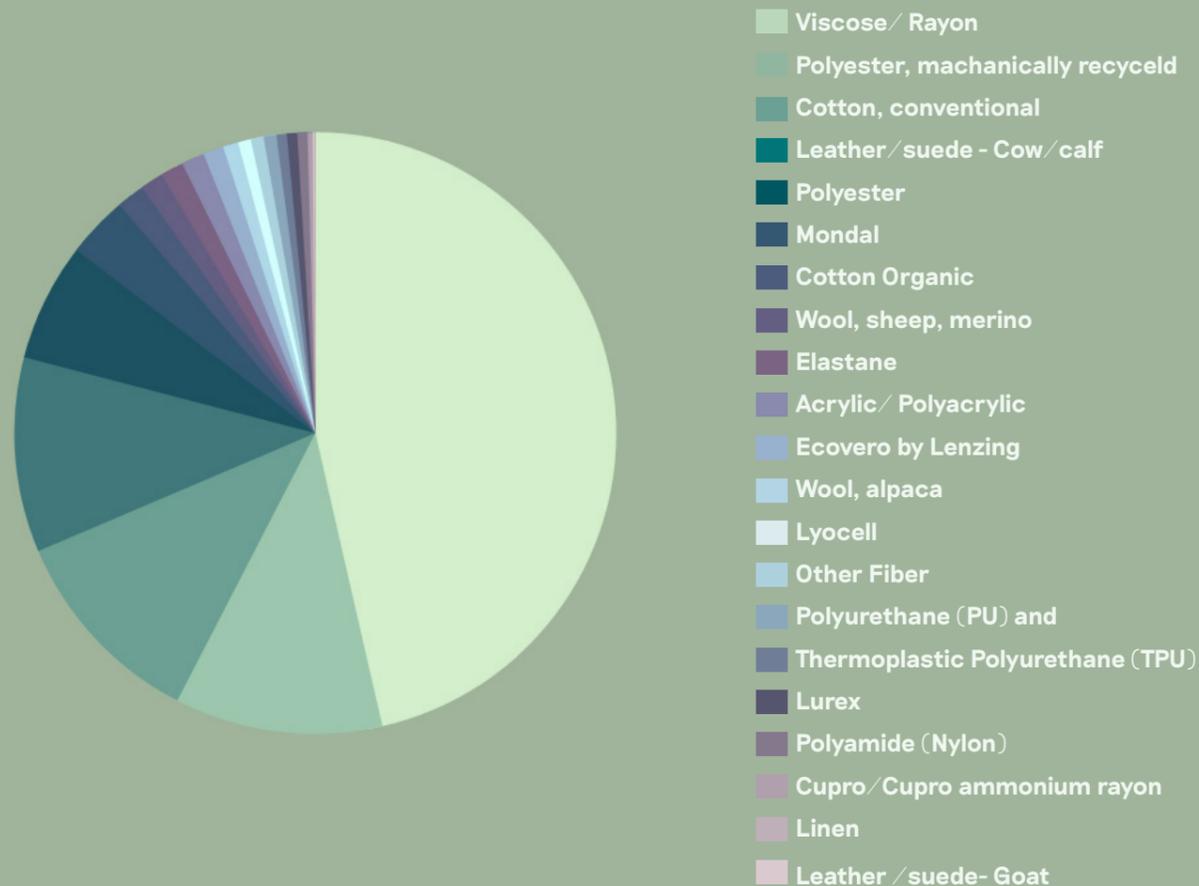


ACHIEVED UNTIL NOW

- In 2020 all the suppliers (tier 1) we currently work with have a social compliance certificate. Most of our suppliers have a BSCI audit, two of them have a SEDEX audit.
- We started a project together with NGO's Arisa and SAVE and several other brands to improve the working conditions at our supplier in Tamil Nadu in India. Our supplier agreed to participate in this 3 year project.
- We participate in a project together with FNV and other brands (amplify) to strengthen our policy on Freedom of Association (to make steps towards living wage and decreasing over hours).
- In 2020, 11,5% of the cotton we use is organic cotton (GOTS).
- In 2020 we have 63,8% of our polyester to be recycled polyester (RPET).



- In 2020 we started using Ecovero viscose (but mostly delivery 2021), so this will be a bigger part of our collection in the future. In 2020 2% of the viscose we use is from a more sustainable source.
- In 2021 we expect 15% of the viscose to be Ecovero viscose.
- We know from all the garments we made, from where it is produced and this is mentioned on our final orders as well. We are also making steps into knowing more about where the fabric made and printed. We make steps every year to get more insight in the supply chain.
- We have a RSL (Restricted Substances List) so all our suppliers have more guidance on what chemicals they cannot use and we plan to test this regularly so there are no harmful chemicals in our garments.



GOALS AND ACTIONS 2025

PRODUCTION PROCESS

TRANSPARENCY

By 2025, we have a full overview of all our suppliers and sub suppliers (tier 1, 2 & 3) we will list them on our websites. By now, all our direct (tier 1) (sub)suppliers are listed.

It is important to be fully transparent about the suppliers in the supply chain. This is the only way to be 100% honest towards our customer about where the garments are made.

SOCIAL AUDITS

Future all tier 1 suppliers have an acceptable score on their social audit (SEDEX, BSCI, SA8000) and shown improvement during the years. Sometimes we accept a lower grade to improve working conditions there. By now, all tier 1 suppliers have an audit report, now 60% has scored acceptable.

We use a supplier overview sheet to check to measure these results. This depends on the country the supplier is based and the audit results. If the audit results are good, it still means that there will be social dialogues on the content of the audits. Audits are for us the first check and from there we discuss further.

RISKS SOUTH INDIA

Improve live and working conditions at our suppliers in Tamil Nadu in 2023.

We participate, with our supplier there, in a project with NGO's Arisa and SAVE. This project touches upon many of the goals within the agreement, but it is hard to set a clear goal for this. It is about child labour, to improve age verification at recruiting practises. It is also about transforming forced labour into legal labour practices through formal contracts, ensure freedom of movement and payment of minimum wages. Besides minimum wage, this project is also working towards setting the basis to work towards a living wage. Taking into account excessive working hours, non-payment of wages and/or social security and implement of outcomes of the Collective Bargaining Agreement in Tirupur. Discrimination and gender-based violence is another point the project focusses on, they also focus on Health and safety at the work floor. The last theme this project takes in is freedom of association. Setting up the social dialogue between factory management, workers and trade unions so there will be a training programme for remediation for complaints filed by workers.

FAIR REMUNERATION

We want to work towards a living wage with our suppliers, but first we have to define what the gap is between the wages they earn and the living wage of that area. Our goal is to have this insight end of 2021. To follow up, by 2025, 3 of our long term partners who need improvement in working conditions, steps taken. We believe we can do this together with other brands (preferably in a joint project).

Living wage is a very important topic and we know that our suppliers do now pay minimum wage and we aim to stretch this more towards living wage in the future. The first steps we take are taking Freedom of Association to start with and strengthen our policy's on this topic. This is also linked to working hours, if the workers earn enough, then there is no need to work more hours than the maximum working hours per week according to the law.

HAZARDOUS CHEMICALS

At this moment we focus on developing a Restricted Substances List (based on REACH) and testing this regularly. This year we will send this out to all our suppliers and start testing the garments. In 2025 we want to extend our RSL to an MRSL to go beyond legislation to minimize the use of chemicals in our garments.

We will start testing and checking products on chemicals after sending our RSL to our suppliers. In this way they have time to make sure these chemicals are not in the garments. By testing we want to check if this is followed up.

MATERIALS

By 2025, all cotton we used is organic (recycled cotton or GOTS certified)

Status: By now, 11,6% is GOTS

By 2025, all the polyester we use is recycled polyester

Status: By now, 63,8% is made from Recycled PET

By 2025, 50% of the viscose we used is made from FSC certified (preferably Ecovero viscose from Lenzing)

Status: By now, 2 % is made from Ecovero viscose from Lenzing

By 2025, the overall goal is that 50% of all materials we use is made from responsible sources (meaning organic or recycled).

Status: By now, 13,6% is made from responsible sourced materials.