

S É Z A N E

Social & Environmental Report

Our sustainable actions in 2020
and our objectives for 2021.

¾ of our materials are eco-friendly, more than half of our fabrics are certified and we now have 4 100% eco-friendly lines, which now includes our Essentials collection. Despite a difficult year, which greatly impacted the way our ateliers operate, we have still managed to meet our objectives.

In 2020, we also obtained the status of a mission-led company to continue to transform and improve the way we create- always placing people at the heart of our decisions- while offering quality at a fair price.

N° 01 | 3/4 eco-friendly materials

We have increased the proportion of environmentally-friendly materials to 73% in our Autumn-Winter 2020 collection. That's 3% more than our past collection and nearly double in relation to the Autumn/Winter 2019 collection. We hope to raise this number to more than 80% in 2021.

When we refer to 'environmentally-friendly materials' we are relating to materials that have a minimal impact on the environment. These materials include organic cotton, linen, Tencel, FSC certified viscose, Ecovero™, RWS certified wool, mohair from farms audited by Mohair South Africa, Oeko-Tex Standard 100 certified materials, recycled materials, vegetable-tanned leather, chrome free or metal free.

83% of our cotton is now organic: 30% more than in 2019. Organic cotton is GM-free, grown without the use of pesticides or insecticides. Nearly 3/4 is also GOTS certified, one of the industries' highest standard.

73% of the polyester used is recycled: our pieces that contain polyester are made predominantly from recycled polyester derived from plastic bottles, more than 6% compared to 2019.

61% of our tanning is vegetable, without chrome or metal: this is double the percentage shared in 2019. The process involves using natural tannins, extracted from bark and leaves. This significantly reduces its environmental impact. Some products can even be completely biodegradable if they have been produced using rhubarb.

68% of the viscose comes from sustainably managed forests: our viscose is FSC Mix and Ecovero™ certified to guarantee that it is derived from controlled and responsible sources.

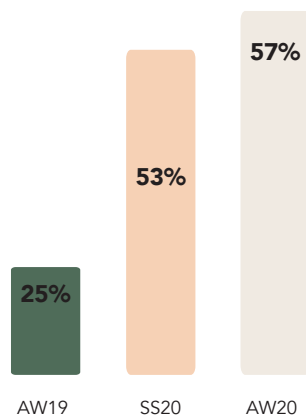
N° 02 | One out of two pieces certified by independent organisations

We have chosen three of the most reliable labels on the market to certify our collections:

- **Oeko-Tex 100**, which guarantees that no harmful chemical substances are present in textile products, beyond what is permitted under European regulatory requirements. All of our pieces, certified or not, are tested; the independent certification simply confirms it.
- **GOTS** (Global Organic Textile Standard). This is the most reliable independent and international certification to guarantee the organic status of textiles, from the harvesting of raw materials to labelling. It includes social and environmental criteria and ensures, as Oeko-Tex Standard 100, a complete innocuity beyond European regulations.
- **FSC™** (Forest Stewardship Council) - C149941. This environmental label guarantees that the viscose we use is derived from sustainably managed forests. We are one of the first brands to acquire this certification for garments made from viscose.
- **RWS** (Responsible Wool Standard). This certification guarantees animal welfare and correct management of the pastures that respects the soil and the local biodiversity.

Today, these certifications represent 57% of our ready-to-wear pieces, two times more than in 2019. This year also saw the arrival of the RWS label that ensures animal welfare and good pasture management. We envision 100% of our silk to be Oeko-Tex Standard 100 certified by 2022 and our mohair to be RMS certified (Responsible Mohair Standard) to ensure the best standards for our mohair.

Percentage of certified pieces



In terms of animal welfare, we impose ethical and quality contractual clauses on our partners. We only use mulesing-free wool, we rely on the RWS certification that independently guarantees animal welfare and good pasture management. 44% of the wool in our Autumn/Winter 20 collection is RWS certified.

Sézane is also a member of the Leather Working Group, a non-profit organisation that manages the major program for the sustainable production of leather to improve its environmental impact. A third of our leathers come from LWG certified tanneries, and we expect to reach the two third by the end of 2021.

N° 03 | **4 eco-friendly lines**

The Essentials

All pieces that compose our permanent collection now align with our eco-friendly criteria (organic cotton, certified, recycled materials or tanned without chrome).

Our Denim line

All our new Denim pieces are created using organic and GOTS certified cotton. We have also overhauled the production process to improve every step. All water used to create the Denim is recycled, and environmentally-friendly ozone or laser-based washing allows us to save twice as much water on average compared to traditional washing methods

Our Cashmere line

Our cashmere jumpers are composed of recycled fibres that reduce CO2 emissions by 97% compared to conventional cashmere.

Our Leisurewear line

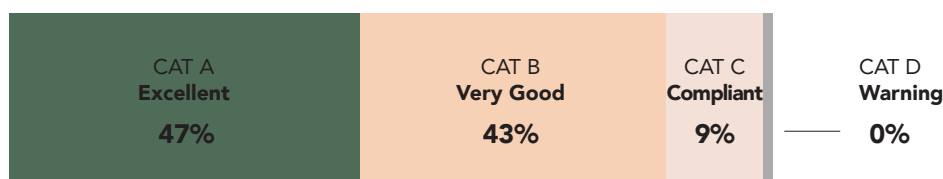
This line consists exclusively of pieces made from GOTS-certified organic cotton, Tencel™ (an environmentally-friendly artificial fibre made using wood pulp from sustainably managed forests) and even synthetic fibres made from recycled polyamide, sourced from waste such as fishing nets.

N° 04 | 100% of our ateliers audited

All of our ateliers are audited to adhere to our Code of Ethics and respect the standards that we have selected (BSCI, SMETA, ICS or WCA audits). The audits are performed by independent auditors, assisted by two members of our Sézane team. These audits allow us to guarantee that legal working conditions are respected (working hours, remuneration, health, safety etc.). This also ensures the strict prohibition of illegal, forced or child labour. These audits allow us to rank our ateliers in 4 categories, based on the results achieved. More than 90% of our ateliers have obtained the best marks, resulting in 13 points more than in 2019.

We have added two new checkpoints to ensure the correct implementation of health measures in the context of Covid, as well as fair pay for employees during lockdowns in the countries concerned.

Breakdown of ateliers according to their social audit score



Category A, Excellent: 47%

More than one-third of our ateliers have achieved an excellent score in their audit. Some of them go even further in terms of social and environmental responsibility, with measures that surpass the requirements of our audits. For example, our leather atelier in Portugal offers educational support for the ateliers' children. Whereas, our ready-to-wear fashion atelier in Bulgaria offers transportation and meals to all their teams.

Category B, Very Good: 43%

These ateliers have met the criteria assessed during the audit.

Category C, Compliant: 9%

These ateliers are predominantly compliant with our requirements, however, some minor instances of non-compliance were uncovered during the audit (e.g. lack of or poor fire signage). We are subsequently assisting them in correcting this as quickly as possible.

Category D, Warning: 0%

These ateliers are those that have not been capable of demonstrating complete adherence to our Code of Ethics. This includes non-compliance to working hours, the environment or safety conditions. In 2020, none of our ateliers were in this category.

N° 05 | Strengthened traceability of our collections

To create collections, four main stages of production are generally necessary. We classify these into 4 groups from the beginning to the end of the manufacturing process.

Grade 1. The assembly of the finished piece

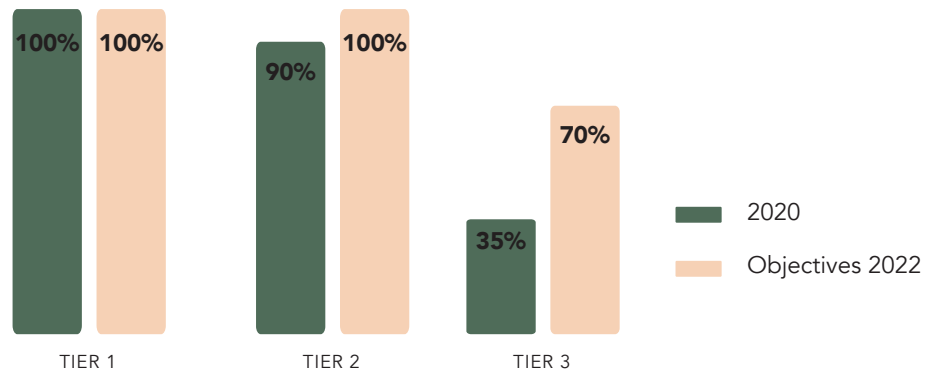
Grade 2. The production of the final fabric (for example weaving the cotton)

Grade 3. The transformation of primary materials (for example spinning the cotton)

Grade 4. The extraction of primary materials (for example cotton production and harvesting)

Our traceability is currently at 100% for our Tier 1 partners and 90% and 35% for Tiers 2 and 3. This is respectively 10 and 15 points more than in 2019. By 2022, we are aiming for visibility of 100% and 70% for Tiers 2 and 3.

Traceability of the production chain by Tier



N° 06 | Lower the carbon footprint of a Sézane piece by 22%

We implemented the first carbon assessments in 2019, allowing us to measure our progress over time. In the space of a year, we have lowered the average carbon footprint of a Sézane piece by 22%- and we expect to drop another 10% by the end of 2021.

We are implementing multiple steps to reduce our emissions:

1/ Transport optimisation: 100% of our downstream deliveries compensated

We have put in place the TMS (Transport Management System) control tool, in order to improve our production and their transportation. We, therefore, favour less polluting methods such as boat or train and try our best to minimise our use of air travel.

Concerning delivery, we prefer transportation that generates the least greenhouse emissions. Therefore, we work with our service providers to ensure this. Delivery to Paris is through Chronopost, using electric vehicles, freight bicycles and natural gas-powered vehicles. We have also already opened 5 click-and-collect addresses in Paris, Aix-en-Provence and London.

Furthermore, we have offset 100% of our 2019 customer deliveries. We support three VCS or Gold Standard certified projects, which are labels that guarantee an actual impact of the implemented actions. These are two renewable energy projects and a biogas cooking stoves project.

2/ Packaging reduction

All of our packages are made from cardboard from sustainably managed forests and/or recycled cardboard. We implement actions to reduce the number of packaging materials and plastics in our packages. Since September 2019, we have given our customers the choice to reduce packaging that is not essential to the safe delivery of their pieces. As well as avoiding waste, this method has enabled us to reduce the number of leather goods and jewellery boxes by 60%. Finally, we are currently exploring a new boxing process that will allow us to reduce the proportion of empty space in our packages, and thus reduce the impact associated with their transportation.

3/ More than 13 000 pieces recycled

We have implemented a major recycling programme to allow clients to recycle their old pieces (whether from Sézane or another brand). The program can take place at our addresses and remotely using our prepaid shipping labels. We have, therefore, been able to recycle more than 13,000 garments and shoes since the start of the initiative. The collected pieces are then reprocessed by Emmaüs and Le Relais, who resell them on secondhand platforms or recycle them, depending on their condition and composition.

4/ Green energy

100% of the electricity we consume in our addresses is from renewable sources (wind and hydroelectric). Our digital services are also hosted in data centres supplied with 50% renewable energy.

5/ An environmental audit program.

We have launched environmental audits with our Tier 2 key partners (tanneries, printers and dyeing factories) to help them reduce their environmental impact, particularly in terms of water and electricity consumption and wastewater management. We plan to pursue this program in order to carry out 25 audits by the end of 2021.

Our commitments since the beginning...

A responsible production model:

Sézane is a brand that designs quality pieces at a fair and accessible price, with the absence of intermediaries, flash sales or overproduction. This has been our ideology since the creation of Sézane and we intend to stay true to it for years to come.

Pieces that last a lifetime

Quality tests are carried out on our fabrics and on all of our production pieces to ensure their durability. In 2020, nearly 200 fabrics were tested by our Quality team.

Nearly 4 million euros raised for DEMAIN:

DEMAIN (French for tomorrow) is our philanthropic program that has supported concrete actions in favour of access to education, culture, and equal opportunities for children around the world. Since January 2018, nearly 4 million euros have been donated to DEMAIN to support 30 000 children. Go to demain-demain.com to discover our concrete actions and objectives.

Références

Our certifications

Discover more about the different standards and certifications that we use:

GOTS : <https://www.global-standard.org/the-standard>

Oeko-Tex Standard 100 : <https://www.oeko-tex.com/en/our-standards/standard-100-by-oeko-tex>

RWS : <https://textileexchange.org/standards/responsible-wool/>

FSC : <https://fr.fsc.org/fr-fr/certification>

Mohair South Africa Sustainable Guidelines : <https://www.mohair.co.za/wp-content/uploads/2019/03/Mohair-Sustainable-Guidelines.pdf>

Our social audit grades

The correspondence between the categories A/B/C/D communicated in this report and the results obtained by the WCA standard- the most frequently used for social audits amongst our suppliers, are the following:

A : >95%

B : between 85% and 95%

C : between 71% and 84%

D : 70% <