

SUSTAINABILITY REPORT

2020



FOREWORD

OF THE MANAGEMENT

DEAR READERS,

In times like these, which are currently strongly marked by the global Corona pandemic, it has also become apparent to us how fragile our global supply chains and customer relationships are.

However, in recent years we have acted with foresight and invested in many future-proof systems and technical equipment and have already started to further expand our sustainable actions.

Now we see that this was the right decision to continue to assert ourselves as a strong trading partner in the market.

Even though the current pandemic has overshadowed many things, it has not stopped us from becoming more sustainable and continuing to work on our contribution to reducing negative climate impacts.

The issue of sustainability has always been strongly anchored in our company and is seen by me not only as a fundamental factor of future competitiveness, but also as an obligation towards future generations.

We are therefore pleased to present the first BAY CITY sustainability report.

I am proud of what we have achieved so far and would like to thank all our employees, who have brought us with their great commitment and motivation to where we are today. I wish you an informative read.

Jan Schmidt
CEO

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OF THE MANAGEMENT

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COMPANY PROFILE

FACTS AND FIGURES

ALWAYS ONE STEP AHEAD WITH HANSEATIC TRADITION

In 1906, the company “Schmidt & Co. Baumwolle”, the foundation was laid for today's “Schmidt Group”, whose central company is BAY CITY Textilhandels GmbH. Originally specialized in raw material and cotton trading, the focus was shifted to fabric trading in the course of the division of labour in the 60s and the changing requirements. Since then, the company “PDT Textilhandels GmbH” acted as an important supplier for the clothing industry, which was mainly based in Germany. With the foundation of BAY CITY in 1975, we quickly developed into a textile service provider offering customer-focused fashion collections for our diverse customer groups. Integrated in the location of “TSL Textil Service & Logistik GmbH” in Norderstedt, the particularly good connection to the A7 motorway, which is

only a few minutes away, and the equally dense Hamburg airport, as well as the excellent connection to the port of Hamburg, make our company headquarters in Norderstedt an ideal location for our business ventures. From individual and trend-oriented production development by a highly creative design team, our own cutting department, whose experienced pattern makers, directors and technicians professionally create the necessary cuts for our collections using the latest 3D simulation software, to our own photo studio on the company premises, BAY CITY is excellently positioned at this location.

SALESMARKET AND CUSTOMER STRUCTURE

Today, more than 2,000 customers and partners in over 50 countries worldwide rely on the services of the Schmidt Group. We try to put together the right package for each individual.

EMPLOYEES

AS OF 31ST DEC., 2020:



134 employees.
104 female
30 male



Five women in management positions:
five out of twelve; 42 %



Employees with eleven different nationalities



A trainee in the Company



102 employees full-time and 25 part-time employees



Nine employees currently on parental leave



On average employees stay four years with the company

BAY CITY's employees are mainly based centrally at our company headquarter in Norderstedt. Our colleagues from the distribution department look after our customers from their regional areas with regular on-site visits to our head office.

Fortunately, our number of employees has steadily increased over the past years. However, this always presents us with the challenge of finding creative solutions for accommodation at our current location. Through the introduction of home office arrangements started last year, mainly due to the pandemic, we were generally able to absorb the situation well.



...but many have been with us for longer. So we are happy about many current anniversaries:

10th anniversary: *Eleven employees*
15th anniversary: *Two employees*
25th anniversary: *One employee*



44 employees were hired in the first pandemic year. This compares to 35 resignations. This is a positive development, which we are very pleased about.



14 fire protection helpers, three evacuation helpers and nine first aiders volunteer for our safety.

SUB - BRANDS:



Fashion based on the C2C principle. That means with inventiveness, creativity and powered by technology. A T-shirt from DETTO FATTO is 100 percent compostable. From the cotton to the sewing thread, the labels and printing inks to the packaging. For us as a fashion company with a long history, Detto Fatto is a kind of speedboat towards the future. An innovation laboratory. Sustainability has played an important role for us for many years. We put all our pioneering spirit into Detto Fatto. C2C is what we rely on because it allows us to continue on our path. Hence the name. Detto Fatto is Italian and means *"Said and done."* Saving the world – without any compromises. But we also know that it will not be easy. We should be as many as possible. Then we will be a part of something big. We start. And continue to do what we do best: Fashion that people enjoy. Fashion for the future.

Detto Fatto. Said and done.

Because: Less is not more. Better is more.



BRANDWORLD

SUSTAINABILITY FOR EVERYONE

With a variety of different target group brands, BAY CITY serves not only familiar groups of buyers, but also taps into new customer groups, especially with new sustainably oriented brands.

POLO SYLT lives and breathes polo.

Polo is more than a sport. Polo is a way of life, an attitude, flair and atmosphere. POLO SYLT conveys this feeling of life with every fibre. This includes clear British elegance, but also openness to the world. Because polo is international. Players and their families meet like-minded people all over the world. Sporting spirit, love of horses, robust skill. Polo naturally combines the modern with a sense of tradition. The design of POLO SYLT picks up on cosmopolitanism while preserving its attachment to enduring values. A solid core that constantly picks up new ideas and details from all over the world and plays with them. POLO SYLT fashion is at home on the most beautiful island in the world. Sylt. Nordic nonchalance, cool charm and a wink towards extravagance.

Once you fall in love with Sylt, you stay there forever. Season after season, POLO SYLT makes another declaration of love with the new collection.



The goal in sight, the wind in the sails and then full concentration on the essentials. This applies on the water, but also on land. NAVIGATOR translates what matters in sailing into a lifestyle and sportswear fashion that is timelessly up-to-date. The label was founded in 1998 out of a genuine passion for sailing and maritime fashion. NAVIGATOR's place of longing and source of inspiration are the traditional regattas along the English coast. And of these, one in particular: Cowes Week – the Solent Strait and around the Isle of White in England has been one of the central events in sailing for almost two centuries. Every year in August, NAVIGATOR looks over to Cowes Week and the approximately 1.000 yachts that start there.

Clear shapes, clear lines, clear colours – the classic-exclusive looks from NAVIGATOR are a guarantee that you will always be dressed appropriately and look contemporary, both in everyday life and on the water.

Functional style, high-quality materials and a discreet elegance are the coordinates for a fashion that – depending on the combination – works in business, casual as well as in wind and weather. A bit of preppy style, maritime colours, nautical symbols and a sense of sustainability shape the character of NAVIGATOR. This is how the brand becomes a fashionable home for families who enjoy an everyday life that is as stylish as it is active.



Blue denim, white shirt – it's a kind of law of nature. It simply applies.

Blue denim, white shirt – that's also COLORADO DENIM in a nutshell. Time is precious. So why waste it in front of the wardrobe? What works and fits, stays. It can be so impressively simple. COLORADO DENIM stands for the male-pragmatic approach to fashion. Once the ideal answer has been found, please don't experiment any further. By the way, this has nothing to do with an attitude of indifference. Because of course the demand is that the jeans, the shirt, the hoodie fit perfectly.

1976 is the year COLORADO DENIM was born. Since then, the brand has constantly evolved. But the name is still the most important inspiration today. The US state of Colorado is one big natural phenomenon. The gigantic Rocky Mountains criss-cross the country, herds of buffalo graze on the prairie and the Colorado River – the largest river in the south-west of the United States – rises there. Where the sky is so high and the land so breathtakingly vast, the human being understands itself as part of nature. Being in harmony with it – that's what matters. Fashion must therefore be sustainable and enduring. Denim is the epitome of timeless casual style. A few shades of blue are enough to dress appropriately for any occasion. The robust cotton fabric wears comfortably and is tough. Visually, nothing beats basics anyway. Therefore: blue denim, white shirt.



A pair of jeans is more than just a pair of trousers. Jeans stand for an eventful history, for longing, for fashionable style. Jeans are like a best friend: the better you know each other, the more ideally you fit together. Jeans are easily capable of playing the fashionable leading role. But jeans also feel at home in the second row – as an accompaniment to extravagant tops and eye-catchers.

Starting out as robust workers' trousers in the gold rush of the settlers in the American West, jeans have now conquered every corner of the world and every wearing occasion. Jeans are casual as well as classic, sporty as well as business, casual as well as innovative. And they continue to evolve – even if blue denim remains the ultimate.

OKLAHOMA Jeans are Authentic American Jeanswear. Jeans in a perfect fit – whether skinny, straight, bootcut, loose or slim fit. Perfect fit comes from the mix of cut and material. This is exactly what the design team at OKLAHOMA Jeans specialises in. The issue of sustainability is also becoming increasingly important. From raw materials to production to packaging and delivery, OKLAHOMA Jeans is focused on delivering a transparent and sustainable product. Various certificates and seals prove this.

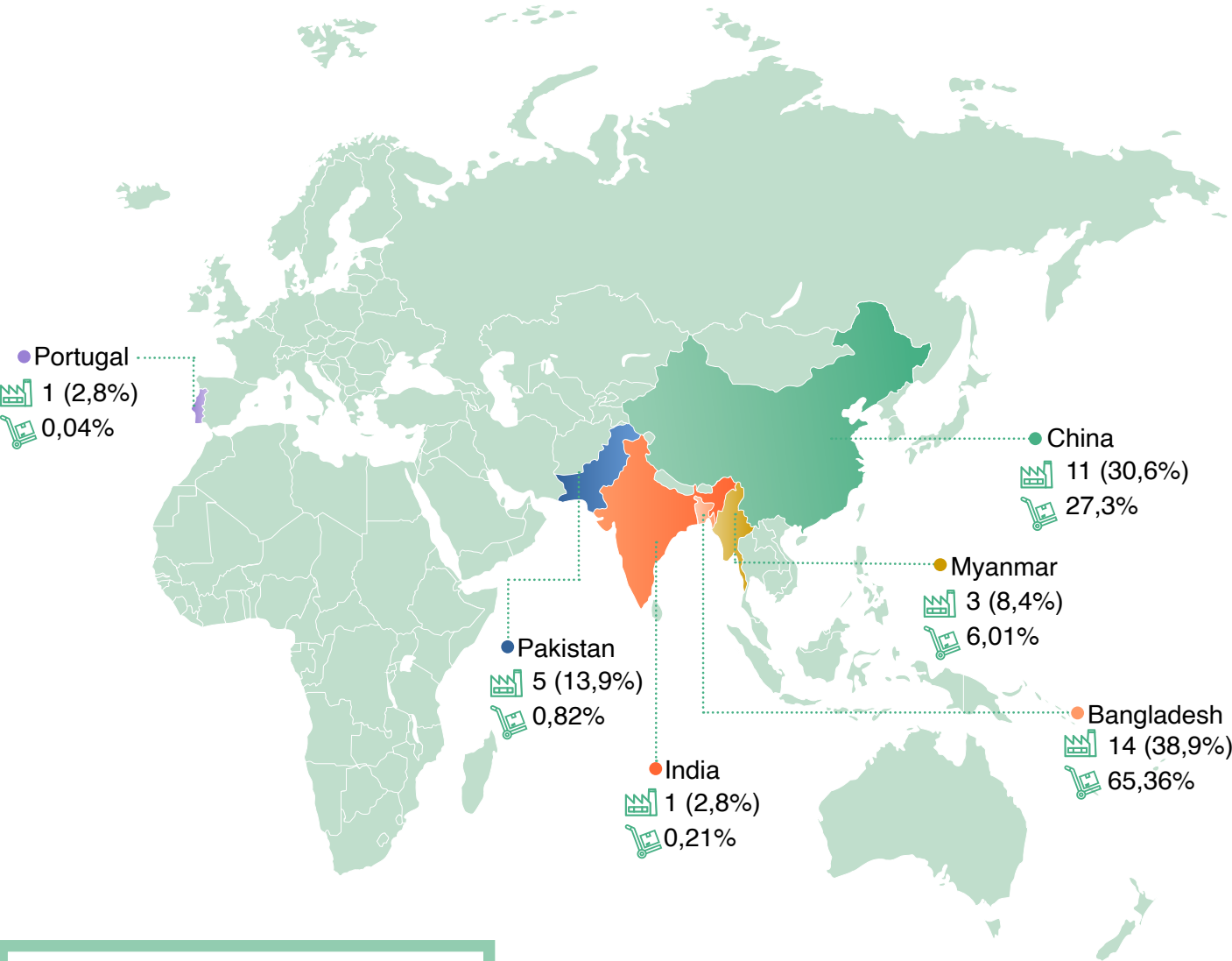
As part of BAY CITY's NOS programme, OKLAHOMA Jeans is the ideal partner for anyone who wants to make a collection that values perfect fit, sustainability and, of course, authentic jeans style.

SALES VOLUME

The year 2020 has developed positively despite the existing pandemic situation. After a continuous growth, the turnover has only slightly decreased. Bay City was currently able to generate a total turnover of over € 120,000,000.

IMPORT VOLUMES AND PROCUREMENT MARKETS

From our activity as importer of textile goods, originating from Europe and Asia, the sourcing of our products is concentrated in the following different countries:

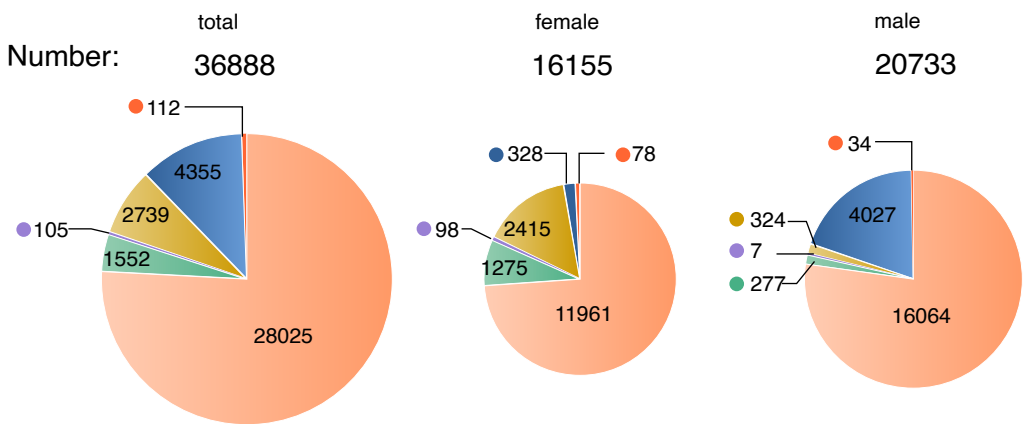


Caption

Percentage breakdown of the factory pool by country (total: 36)

Percentage breakdown of import volume by country

EMPLOYEES IN FACTORIES



In the context of our business activities within a global value chain based on the division of labour, there is a need for increased transparency regarding the entire supply chain. This includes not only the direct business partners (so-called “Tier 1”) but also the indirect business partners of the upstream process stages (so-called “Tier 2/3”).

In 2020, we were already able to ensure this further transparency for more than a third of our total import volume. We are constantly working to further increase our transparency rate, benefiting from our long-term business relationships with our local partners.

We have been working with some of our suppliers since before we opened our own sourcing offices in Bangladesh and China. This has resulted in some business relationships that have now lasted for up to eight years. On average, we have been working with the factories for four years. This continuous cooperation creates trust and thus lays the foundation for the desired transparency.

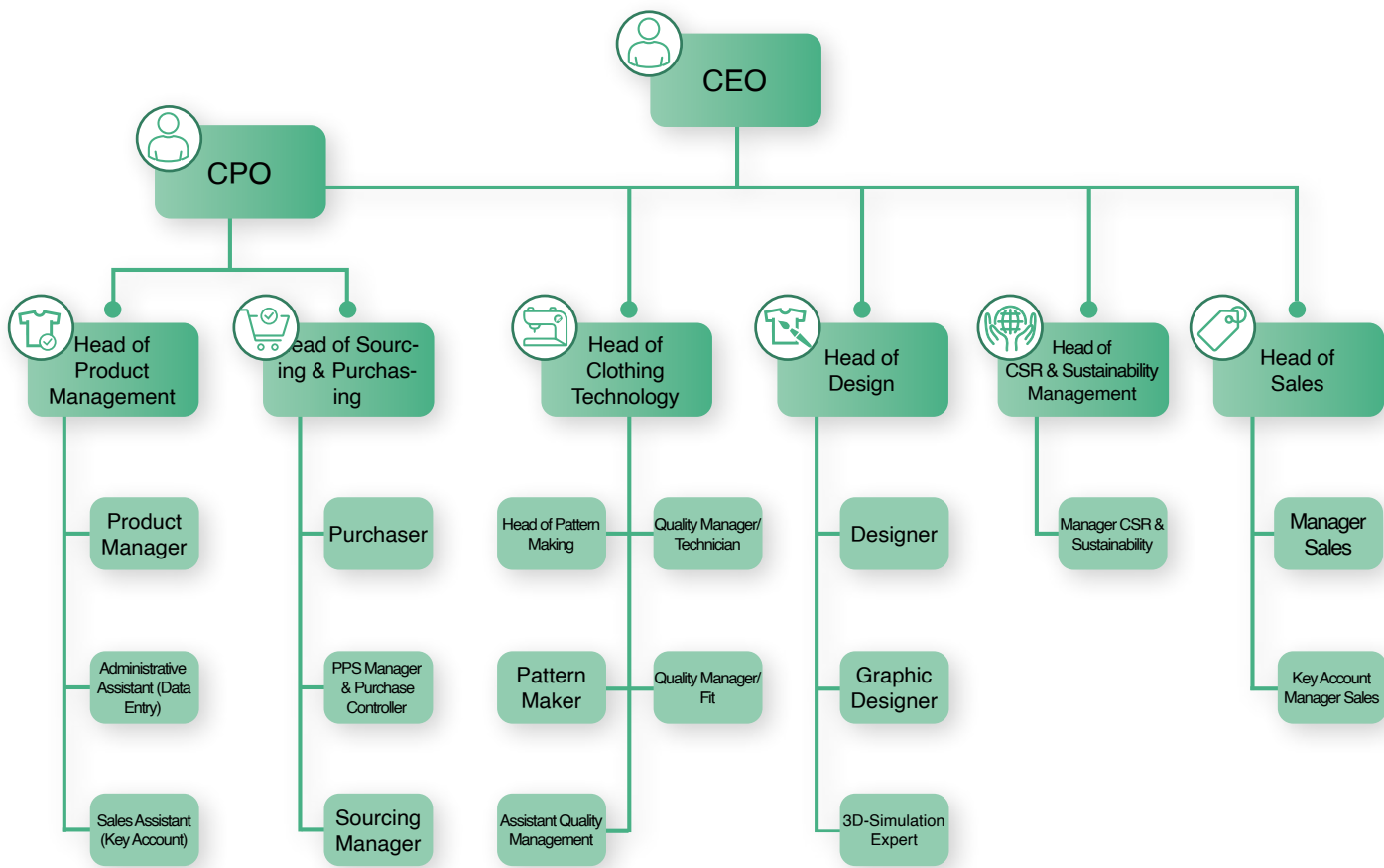
A significant contribution to the transparent supply chain is made by the local purchasing offices already mentioned. We employ a total of 93 people there. While the workforce in our office in Dhaka (Bangladesh) is predominantly male (88%), our office in Shanghai (China) employs 60% women.

RISK REPORT

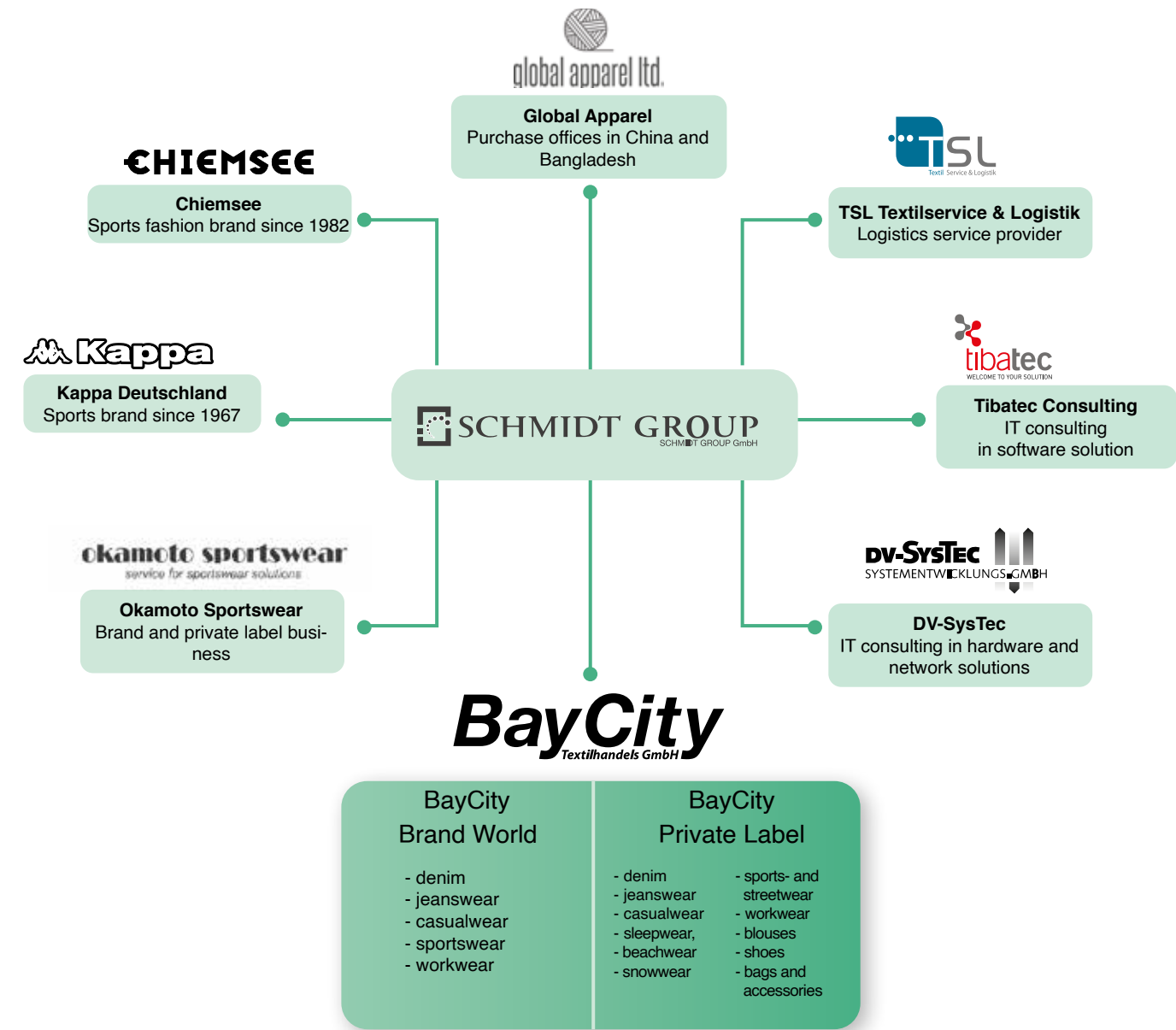
As part of our due diligence and the resulting risks and challenges of our business model, we regularly conduct a risk analysis with predefined industry-specific priorities. This includes country, product and material risks with a focus on possible human rights violations within our value chain. The results obtained from this serve as an essential basis for us to derive measures to be taken, which should ensure a continuous improvement of the conditions on site. The methodology and results are explained and regularly updated in our risk report (see appendix).

COMPANY STRUCTURE

ORGANIGRAM



SCHMIDT GROUP



MEMBERSHIPS / CERTIFICATES

Global Organic Textile Standard (GOTS)



We reached our first major milestone in the direction of sustainable textiles with the Global Organic Textile Standard (GOTS) certification at Bay City in 2016.

We chose this very demanding organic cotton standard because it monitors social and environmental requirements along the entire supply chain and thus enables complete transparency.

Environmentally and socially responsible textile production is guaranteed, which corresponds to our ideas of sustainable product. The current product range of our GOTS certified articles includes different categories in knitted and woven qualities made of organic cotton. Thus, we can offer T-shirts, sweatshirts and trousers as well as nightwear

and daywear with the label grades *“Organic”* or *“Made with organic material”* in our collections.

In 2020, we produced about 19 million knitted articles, of which approx 5% were produced based on the Global Organic Textile Standard. Out of almost 5 million woven articles, 2% of the articles complied with the Global Organic Textile Standard.

Organic Content Standard (OCS)



Bay City has joined another organic cotton standard in 2019 - the Organic Content Standard (OCS). With the “little sister” of the already mentioned GOTS, we can offer additional organic cotton products that are not feasible for GOTS due to a too low cotton content or model-dependent features.

Here, as well, we have the option of using two quality levels. On the one hand, we can use the label *“OCS 100”* or, with a lower cotton content, the label *“OCS blended”*.



Global Recycled Standard (GRS)



In order to be able to give recycled materials a sustainable face, Bay City has had itself certified according to the Global Recycling Standard (GRS) in 2019. This standard gives us the opportunity to use recycled synthetic fibers in the production chain and to trace them back. This standard also places great emphasis on ecological requirements as well as social responsibility in the supply chain, but also in our own company. Bay City uses this standard for the most part for jackets with recycled padding. The proportion of this material covers 50% of the total proportion of the product and can therefore be awarded the GRS logo.

In 2020, Bay City produced approximately 9 million woven items, of which approximately 10% met the Global Recycle Standard.



Recycled Claim Standard (RCS)



Bay City 2021 has also been certified according to the Recycled Claim Standard (RCS) in order to be able to trace recycled raw materials in the supply chain. It is checked whether an end product contains the amount of recycled material specified. In comparison to the already mentioned GRS certification, no social and environmental requirements are checked here. The standard offers two possibilities to label a corresponding article. A product with 95-100% recycled material can be marked with the logo *“RCS 100”* and products with 5-94% recycled material with the logo *“RCS blended”*.



Responsible Down Standard (RDS)



When using down in the supply chain, Bay City places animal welfare in the foreground. The Responsible Down Standard certification (RDS) covers the entire supply chain and thus checks the well-being and species-appropriate husbandry of the animals right from the start. Due to the traceability and transparency in the supply chain, we receive detailed information about the origin of the down and can ensure that the product does not come from animals that have been subjected to unnecessary torture, such as force-feeding or live plucking.

Bay City has completed the RDS certification in 2019.



amfori BSCI



As a member of the amfori BSCI industry initiative since 2010, we are guided by the code of conduct drawn up to fulfil our responsibility towards human rights due diligence.

Through amfori BSCI, the most important international labour standards for the protection of workers' rights are implemented, such as the conventions and declarations of the International Labour Organisation (ILO), the United Nations (UN) Guiding Principles on Business and Human Rights and the Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD).

Compliance with the requirements formulated in the Code of Conduct is checked by regular audits conducted by independent institutes in 13 subject areas. Suppliers receive constructive support from us accordingly in working on and improving the measures that arise.

Our colleagues in the production countries continuously monitor the factories to check and intensify the implementation of the social guidelines.



ACCORD on fire and building Safety in Bangladesh / RMG Sustainability Council (RSC)



As part of the Schmidt Group, Bay City joined the Accord agreement shortly after it was founded in 2013 in order to support our production partners in Bangladesh in the implementation of safety measures.

The Accord is a legally binding agreement between international and local trade unions and brands and retailers in cooperation with various non-governmental organisations (NGOs).

The core of the agreement is essentially the control and improvement of building safety, fire protection and electrical safety. As an active member, we are in regular exchange with our registered suppliers to accompany and promote the improvement processes.

Even after the handover to the government-based body RMG Sustainability Council (RSC) 2020, Bay City will continue to participate in this agreement as part of the Schmidt Group's corporate group affiliation in order to constructively intensify the safety of the factories and their workers.



Green Button



The Green Button is a governmental, consumer-friendly and sustainable seal for textiles. It covers both social and environmental criteria. Bay City was successfully certified for the Green Button in 2020 as part of a company audit. In addition to verifying the implementation of our duty of care towards our suppliers, compliance with the ecological requirements of our products is also ensured.

We also use the Green Button logo to label our GOTS and Made in Green products, for example, in order to signal to the end consumer that we have complied with social and environmental standards

along the entire supply chain. In this way, we create a clear orientation for the purchase of sustainable fashion.

WE CARRY PRODUCTS CERTIFIED WITH THE



Standard 100 by OEKO-TEX®



With the OEKO-TEX® Standard 100 certification, our products (textiles and accessories) are tested throughout the entire supply chain for certain chemicals and substances, the minimum requirements of which must be complied with. Certification can ensure that the end product is safe in terms of health, thus protecting the consumer.

In addition to production site-related pre-certificates, Bay City has had its own certificates for the knitwear, knitted and woven articles product groups since 2011.



MANAGEMENT SYSTEMS

PURCHASING AND SOURCING PROCESSES

The procurement of our products is the central part of our company. Our performance depends on it to a great extent. Internally, but also externally, it is the interface between customers and suppliers.

A **Purchaser (Merchandiser) / Buyer** is responsible for the successful execution and delivery of assigned orders (development order and bulk order) in the right quality, the right quantity, at the right place and at the right time.

The Purchaser is internally responsible for the supervision and coordination of order processing (together with product management, sales, design and quality management).

A **Sourcing Manager** is responsible for developing and maintaining a reliable supplier base. The role is a proactive interface between the product managers and the sourcing team in our purchasing offices. Both areas are also working more closely with the **CSR department**. Increasingly, sustainable and environmental

objectives are linked to orders. Therefore, understanding the requirements for chemical use, sustainable materials and their traceability (e.g. with GOTS) as well as environmentally friendly production methods is elementary for the supplier identification and selection of our products. Increasingly, these aspects are already being taken into account in the relevant departments such as design and product management. Customer specifications as well as the company's own targets play a major role. The CSR team works with all departments and provides support through training and assistance for process definitions.

MONITORING SYSTEMS

In fulfilment of our human rights due diligence obligations, we have developed an internal system to take stock of the current social and environmental requirements at our production sites (especially when a new site is opened) (*“Internal Assessment”*). Based on this, a corrective action plan is developed in cooperation with the respective production site, which is accompanied and technically supported by our colleagues in the local purchasing offices. This gives us the opportunity to identify any weak points at an early stage and to work on them together with the production site.

We also involve our colleagues from quality assurance on site, who fill out a *“Visual Inspection Checklist Onsite (VICO)”* when inspections are due. This includes obvious safety items that are easy to verify. This unannounced inspection gives us additional insights into the production site and improves the process for implementing our human rights due diligence.



Glimpse of a production unit in Myanmar

PURCHASING CONDITIONS

The basis of our order placements is a comprehensive document with relevant purchasing conditions, the so-called *“General Terms and Conditions”*. Each supplier can take the requirements for the respective order from this document.

Even though the requirements were already shared and communicated during the price negotiation, we have created further transparency with this document. Both parties have access to it in order to keep track of relevant basics. In addition to the requirements for the order process

and production, it also contains specific information on shipping and quality and compliance standards as fixed component.

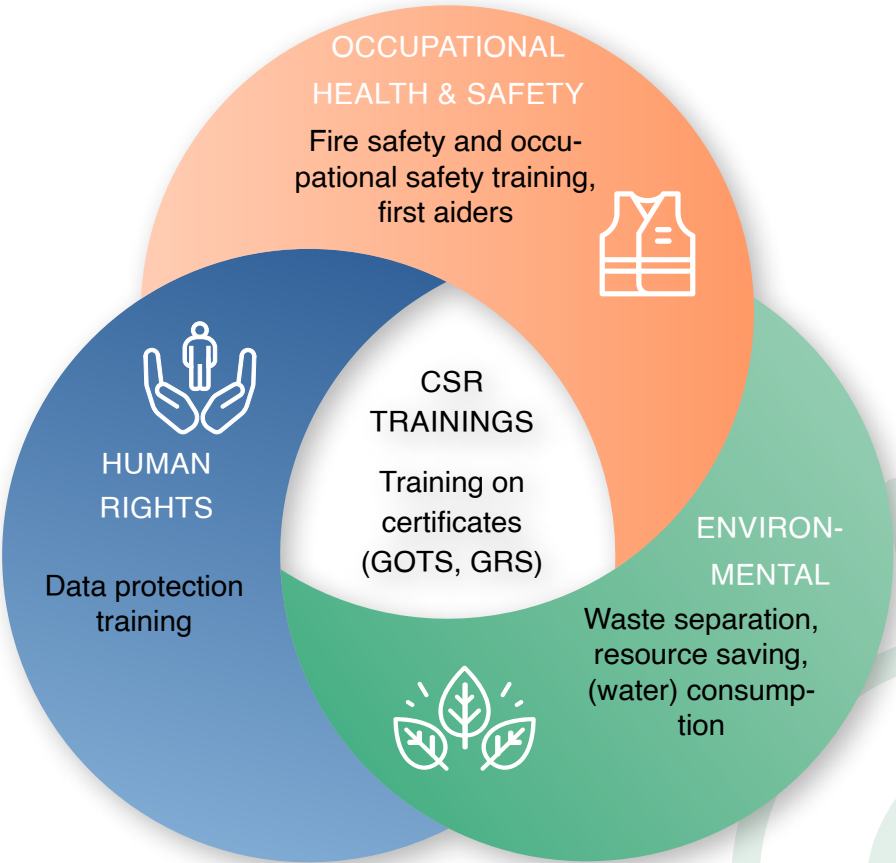
The requirements are relevant for the entire Schmidt Group, but may differ depending on customer requirements.

The terms and conditions of purchase are regularly updated to comply with civil law requirements and to ensure socio-ecologically compatible working conditions.

INTERNAL TRAININGS

The safety of our employees and preventive health care have a high priority for us. At our Norderstedt office, the company receives professional advice, support, and training from external specialists in terms of fire protection and occupational safety. In addition, we ensure that a certain portion of the workforce is trained as first aiders.

The company promotes awareness of the undertaken corporate responsibility (CR) activities among the employees. Training on relevant topics such as the sustainability standards GOTS and GRS are conducted on regular basis. In our monthly published CSR newsletter, we report and sensitize about new developments related to the topic of sustainability. The training offered to our employees based in Germany is supported by various user trainings and instructions on data protection.



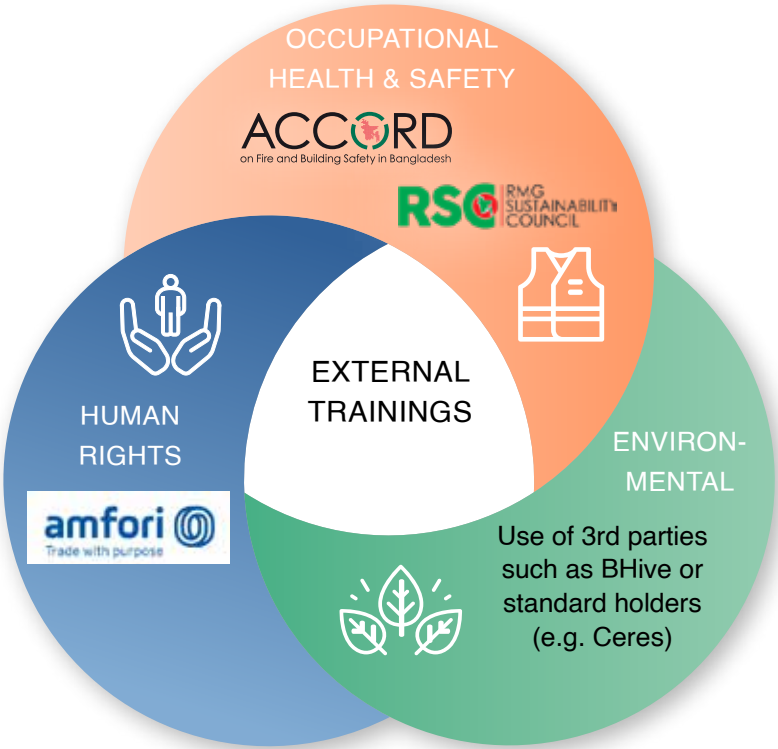
We also organize internal training in our purchase markets, for example on the use of a supply chain mapping tool to increase supply chain transparency. In addition, to support our internal complaints mechanism, our QC/Quality Control staff, who are always present at the production sites, are sensitized to common complaints. Meanwhile, we support our suppliers with a comprehensive range of advice and training on the requirements formulated by standards such as GOTS and BSCI.

In addition, we have, for example, developed information materials on the use of a grievance mechanism, which we make available to our business partners to raise awareness among their employees. These are regularly reviewed and adapted if necessary.



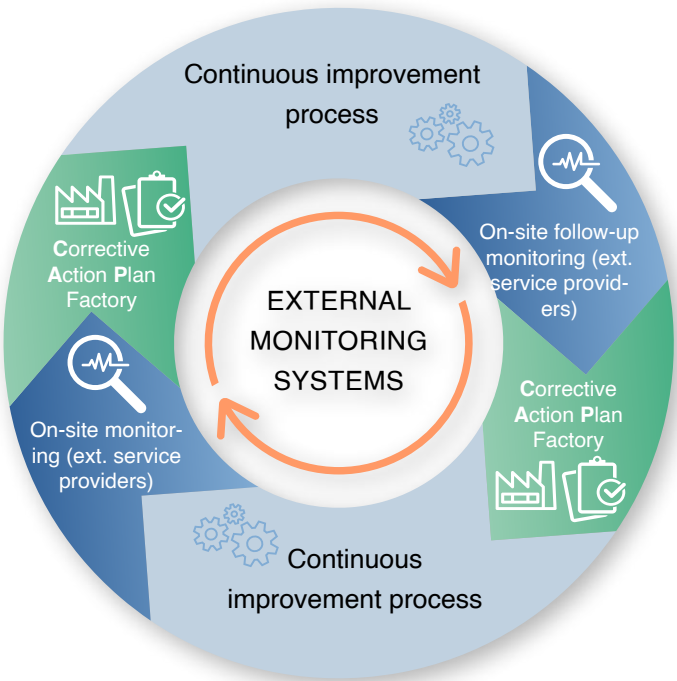
EXTERNAL TRAININGS

Regular and topic-related training offered by qualified partners for our suppliers on site cover essential aspects in regard to the implementation of human rights, safety at work and environmental protection. If required, we also provide on-site support by preparing for upcoming certifications – best possible efficiency through training directly on site.



EXTERNAL MONITORING SYSTEMS ON SITE

Through continuous inspections including follow-up visits by external and accredited auditors to the production sites, we obtain an overview of the ACTUAL state, as well as necessary measures for continuous improvement of the situation on site. Following the documentation of the inspection, we develop a catalogue of corrective measures (so-called CAP) with our production partners in order to implement the agreed improvements in a targeted and sustainable manner. The monitoring takes place in regular cycles, both announced and unannounced.



CHEMICAL MANAGEMENT

To protect people and environment, especially in the countries of production, it is not only necessary to have strict specifications for the chemicals to be used, but also, in addition to the necessary controls and inspections, above all training courses and workshops to impart knowledge and correct handling in terms of safety and use. A product-related “Restricted Substances List” (“RSL”) and additionally a “Manufacturing Restricted Substances List” (“MRSL”) for the production process. The MRSL is based on the standards of the Zero Discharge of Hazardous Chemicals (“ZDHC”) initiative as well as strict specifications such as the Global Organic Textile Standard (“GOTS”) and “MADE IN GREEN” by OEKO-TEX®. Other existing programmes and individual customer requirements are checked, evaluated and integrated into a catalogue of requirements.

Furthermore, we exclude hazardous processes such as sandblasting of denims and are working on a phase-out of the chemical potassium permanganate (“PP spray”), which is also used for the partial brightening of denim fabrics, within the framework of the GOTS specifications.

In this context, the handling and use of textile auxiliaries and dyes are strictly regulated. For example, we work with suppliers who inventory their chemicals and regularly check them for compliance with our strict chemical restrictions using modern software solutions and optimise them with our internal experts.

In this context, we have used the app “BHive” from the company Go Blue and are working closely with the developers on further optimisation solutions. By means of a barcode, existing chemicals are clearly recorded and immediately checked for their suitability for different seals. Various key figures are made available to the user via a dashboard. Further development steps are being planned. Compliance with DETOX requirements is ensured by regular wastewater and sludge tests carried out by accredited testing laboratories at our partner plants with wet processes. The results are discussed with the suppliers and improvement measures are agreed upon.



The BHive®



Local employee of our purchasing office in Bangladesh

SUSTAINABLE FIELDS OF ACTION

OBJECTIVES – MEASURES – CURRENT STATUS

MATERIALITY ANALYSIS



“IT IS NOT ONLY FOR WHAT WE DO THAT WE ARE HELD RESPONSIBLE, BUT ALSO FOR WHAT WE DO NOT DO.”

- MOLIÈRE

VALUES

Corporate responsibility towards people and the environment is a high priority for us. With our sustainable actions in the value chain, we improve social, ecological and economic criteria in the long term. As a forward-looking company, Bay City is continuously working to improve and develop its CR guidelines. In recent years, we have laid the foundations for this, especially by joining important seals and certificates. Through the certification for the Green Button, we have started to make our activities more measurable. In order to be able to measure our actions in the future, we have decided to follow the jointly set up goals of the SUSTAINABLE DEVELOPMENT

GOALS as guiding principle and to adapt our actions accordingly. The corresponding AGENDA 2030, as a global plan, pursues the goals of promoting prosperity and peace and protecting our planet. The UN has drawn up **17 specific goals** that it wants to see **collectively** achieved by 2030. As a company, we will increasingly focus our measures on the outlined six goals.



Further information on the SDGs can be found at: <https://sdg-portal.de/en/>

STRATEGY



As a company, we bear responsibility towards people and the environment – today as in the future. Accordingly Bay City has already been committed to making products more socially and ecologically sustainable for many years. With the expansion of our sustainable activities and the support of the government's “Green Button” seal initiative, we have enhanced our goals and measures. Progress will be reported in future updates of our sustainability report. This gives us a measurable basis for improving the CSR activities we have started. Together with our colleagues from specific departments, as well as increasingly with external stakeholders, we are working on achieving our goals.

In an increasingly global world, our suppliers and partners in the supply chains, as well as our customers, are moving closer together. By providing transparent information about our producers through the seals, such as Made In Green or GOTS, we already offer a deep insight and will continue to do so.

We are aiming to successively expand the development of a sustainable range step by step in all brand areas, considering that sustainability is not just a question of price: By using synergies and anticipatory planning, we are already in a position today to achieve an optimal price-performance ratio while complying with the set standards mentioned above.

With our “Detto Fatto” brand, we will monitor the latest developments in the industry, such as the topic of the circularity of products, and develop solutions. If feasible, a transformation to our other products will then take place step by step.

Our motto “Sustainability for all” is therefore not only directed at the consumer but also at the respective producers. An expansion of the sustainable product range also strengthens social aspects, which benefit the workers at our production sights and offer a long-term perspective.

SUSTAINABILITY GOALS

Based on what has been achieved so far, the following areas and measures are defined as targets:

YEAR	SUSTAINABILITY GOALS
2022	Stakeholder Engagement <p>Regular interaction with stakeholders</p> <ul style="list-style-type: none"> • Round table with direct customers (key accounts, retailers, B2B, B2C) • Online survey with end consumers (social media) • Annual meetings with purchasing and CSR department (supply chain assessment)

YEAR	SUSTAINABILITY GOALS
long-term	Social Compliance <p>Living wages</p> <ul style="list-style-type: none"> • Support and exchange in sector initiatives to jointly define wage gaps and wage systems in producing countries • Support for comprehensive sector strategies on living wages <p>Complaints mechanism</p> <ul style="list-style-type: none"> • Participation in the development of a global grievance mechanism (Participation in a corresponding amfori BSCI working group) • Visual awareness raising through the use of technical tools (e.g. monitors, flyers and posters) • Extension of the Covid DEG (Deutsche Investitions- und Entwicklungsgesellschaft mbH) project measures
2023	Governance (Steuerung) <p>Fair purchasing practices</p> <ul style="list-style-type: none"> • Systematic root cause analysis to prevent sanctions and deductions • Increased integration of CSR in supplier audits (system audit)
2024	Transport and Packaging <p>Recycling</p> <ul style="list-style-type: none"> • Significant increase in the use of recycled materials to date • Systematic root cause analysis for air freight prevention • Compensation of emissions for our air freight
2022	Climate protection (water, air, energy) <ul style="list-style-type: none"> • Control of wet processes through annual wastewater and sludge tests; extension to other stages in the supply chain • Recording of energy consumption, e.g. for the calculation of CO2 emissions • Collection of relevant data with cooperation partners for CO2 compensation • Avoiding unnecessary travel through increased use of videoconferencing
2022	Health and safety at the workplace <ul style="list-style-type: none"> • Location: Adaptation of the home office regulation (new working time models) • Establishment of a general health prevention programme for employees
2021	Materials <ul style="list-style-type: none"> • Creation of sustainable and functional finishes in modular design in cooperation with strategic partners in the textile industry • Implementation of forward-looking washing processes, especially for the denim sector: deepening cooperation with other strategic partners in the textile industry • Expansion of the product range with the state meta-seal Green Button • Expansion of the use of recycled materials in accordance with the GRS standard, especially in the bathing/beach and functional area • Implementation and expansion of the first Cradle2Cradle collection for cotton. Expansion to other products and material types.

STAKEHOLDER DIALOGUE (INTERNAL/EXTERNAL)

CUSTOMERS

The exchange with our stakeholders is very important to us and takes a very high priority in our company. This mainly refers to general certification options for products, the use of sustainable materials and packaging solutions, but also social and ecological requirements in our production countries. The transparent illustration of our sustainability strategy to our stakeholders helps us to take their expectations into account and to implement the necessary measures. The demand of our customers, from specialised retailers to discount stores, to integrate sustainable products is very clear. Therefore, we proactively inform them about activities in the field of sustainability and advise them on detailed questions regarding processes and procedures. Through the expertise in our CSR team, the wishes and requirements are checked and implemented on the basis of our range of services. We openly communicate requirements that we are not yet able to present to our trading partners. Especially in the area of sustainability, we do not promise anything we cannot deliver. We always communicate sustainability in a sustainable manner. However, there are also clients who already have concrete goals as part of their sustainability strategy. In this case, they ask us to implement them accordingly. In this way, we also receive valuable input from our stakeholders.

In personal meetings, physically or also virtually, we create customised articles and collections with our product development, which are discussed in detail with the respective customers. In the future, it is also planned to involve interested customers in special projects, such as the implementation of the increasingly important topic of the circular economy, to increase the transfer of knowledge and to jointly work out the complexity of this topic.

Our goal is to continuously inform our stakeholders about sustainable issues. We are already doing this today through our sustainability website www.eco-facts.eu. We plan to supplement this with further sections, such as a regular blog or a dialogue in the form of Frequently Asked Questions (FAQ).

Furthermore, we see the possibility of coordinating an exchange in the form of roundtable discussions with similar positioned trading partners in order to develop even more intensive and efficient communication on topics such as resource efficiency and sustainable shipping options in a solution-oriented way.



MEDIA/COMMUNICATION

We already use social media channels to inform our stakeholders about our company and our products. We want to take advantage of the opportunities offered by social media for new ideas and suggestions for improvement from our stakeholders and be more engaged in exchange in the future. It is our goal to provide valuable content for our stakeholders in the long term and to use their feedback to further developing ourselves as a sustainable company.



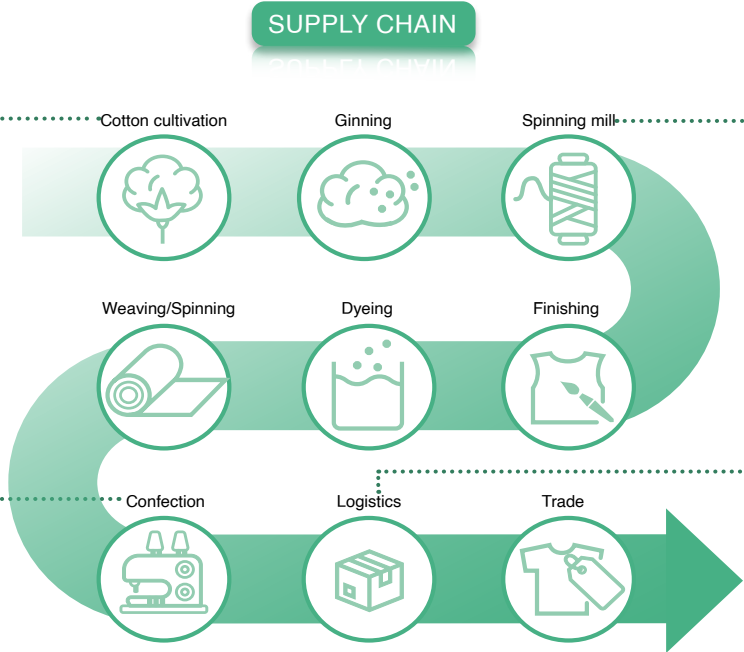
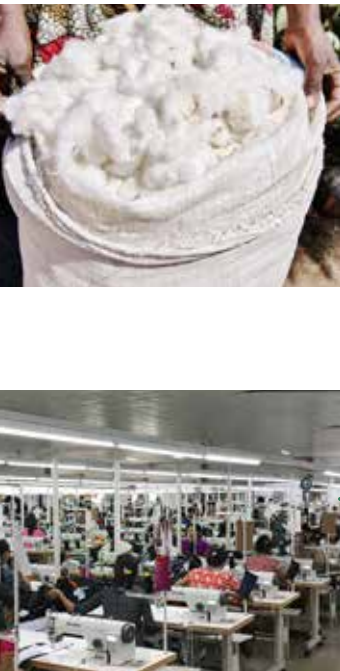
SUSTAINABLE DEVELOPMENT

ECONOMY



The textile value chain is very complex and the more you go into the depth of the product, the more extensive it becomes. Bay City does not see this as a risk, but as an opportunity to set up its processes accordingly. We focus on a concentrated selection of suppliers to keep the size of our pool manageable. This gives us the opportunity to have a direct exchange with our suppliers and to gain a better insight into the rest of the supply chain, which can already start with the cotton cultivation. It is quite possible that individual processes are located at other sites, but here too we strive to maintain the necessary transparency about our producers.

To enable a consistent supply chain, Bay City places a lot of emphasis on making its products and product groups uniform. Even though the portfolio covers a wide range, we can rely on repeat items and use standard qualities from one source of origin across several products. We do not always succeed in presenting complete supply chain transparency, because some of our suppliers still have a “trade secret” in the foreground, but through intensive communication we can make clear how important it is to implement social and ecological due diligence at all stages in order to be able to guarantee sustainable production.



PRODUCT GROUPS

KNITTED ARTICLES



T-SHIRT
9.100.000 pcs.



SWEATSHIRTS &
SWEATJACKETS:
600.000 pcs.



PYJAMA &
NIGHTWEAR
4.500.000 pcs./set

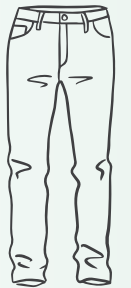


SWIMWEAR
750.000 pcs.

WOVEN ARTICLES



SHIRTS &
BLOUSES
9.000.000 pcs.



JEANS:
600.000 pcs.



PANTS & SHORTS
750.000 pcs.



JACKETS &
VESTS
4.500.000 pcs.

In order to be able to present the supply chain of our products as transparently as possible, we use the product label MADE IN GREEN by OEKO-TEX® :

Made in Green



We achieve a special further development for compliance with social and ecological requirements in our supply chain and its products by the introduction of the Made in Green Standard - a label for sustainably produced textile products that have been tested for harmful substances. The producers in the supply chain of a product are checked in regard to certain social and environmental conditions, which is carried out on the basis of certification according to STeP by OEKO-TEX®. STeP stands for “Sustainable Textile and Leather Production” and promotes not only the efficiency of production processes but also the necessary implementation of social and environmental requirements. In accordance with a customised action plan, we financially support the producers in continuously working

on relevant improvements. The individual product is tested for harmful substances and thus fulfils the OEKO-TEX® Standard 100. Furthermore, the customer has the possibility to view the transparent supply chain of the product by a product ID or a QR code and thus obtain information about the individual production companies. We have already implemented this standard for a third of our suppliers in Bangladesh. The certification of the further suppliers in China is in process.



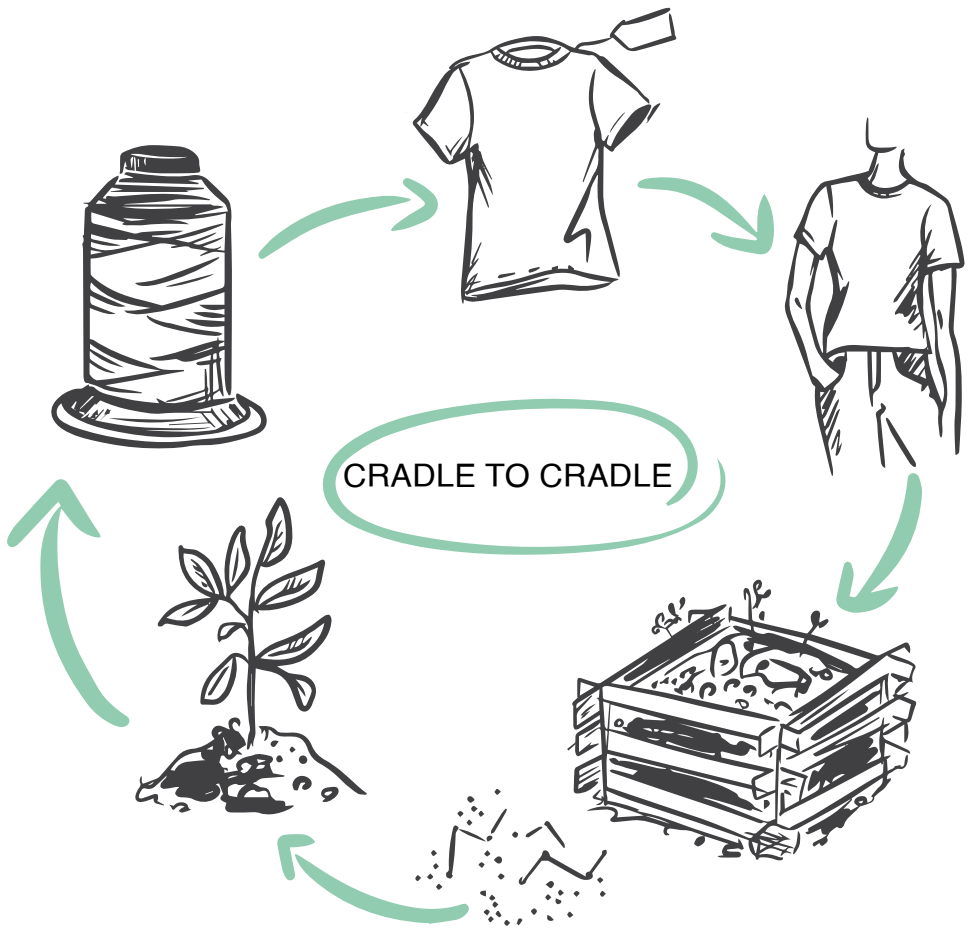
CRADLE 2 CRADLE (C2C)

OUR WAY IN THE CIRCULATION



Amongst many projects that we have planned despite the ongoing pandemic, the most comprehensive topic of the future stands out: circular fashion according to the C2C approach. This complex topic comprise many facets. It always requires a holistic approach. To do justice to this approach, we have decided to bundle all developments in a separate brand. Trends and developments are collected, evaluated, tested and implemented. “Said and done”. This could also be understood as our motto to face new issues. “Detto Fatto”, as it is translated in Italian, will be our next sustainable goal, to design textiles according to Cradle to Cradle (“C2C”) for the long haul as a cycle and not for the short haul as a sprint. We plan to go public with the first comprehensive C2C collection for men and women next

year. We don't want to highlight individual products, but rather successively expand the offer. In any case, we will focus even more on the topic of “nature and environment” alongside people and, in addition, successively incorporate all positive developments into our other collections, thus making them even more sustainable.



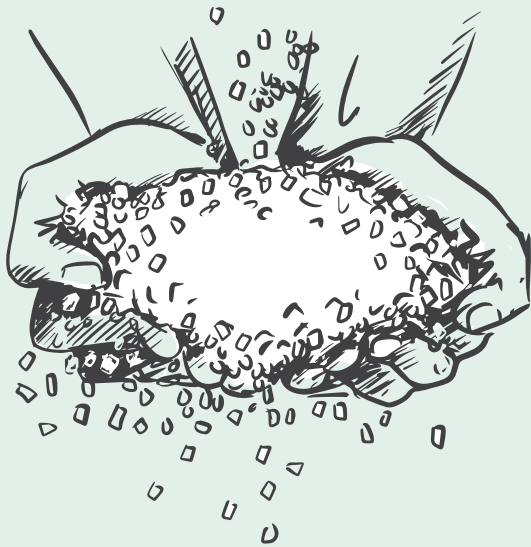
MATERIALIEN



Bay City's mission is to make its customers' shopping more sustainable and to provide the necessary opportunities to make a sustainable choice. Everyone should be mindful of their resources and choose the right material by consideration for animals, people and the environment, especially when purchasing textiles. We have already assigned a majority of our products to different sustainability criteria and are continuously working to align even more products accordingly.

COTTON

has always played an important role at Bay City. In addition to its excellent wearing properties, it is a very durable material that can be used in many ways. It is very suitable to produce clothing because it absorbs moisture and dries well, meets hygienic requirements due to durable care requirements. In order to build on the positive image of this natural fibre, Bay City has decided to focus on organic cotton so that usage of synthetic chemical pesticides and fertilisers can be avoided. It protects the environment and reduces the health risk for the producing farmers.



POLYESTER

This synthetic fibre has taken an important place in Bay City's collections. Polyester is made of polyethylene terephthalate, PET in shortage, and is produced on a conventional basis from petroleum. It is a very durable material, quick-drying and easy to care for. Polyester is actually the most commonly used synthetic fibre globally. But as polyester is generally made of plastic, we also know that it is not biodegradable. The microplastic particles do get smaller over time, but they cannot be completely degraded. In order to be able to implement a sustainable approach to this product as well, Bay City has started to focus on switching to recycled polyester, which is made from already existing plastics (such as PET bottles, ocean plastic, etc.). Since we need different materials for different products, we cannot completely do without polyester and have therefore decided on this sustainable alternative, the production of which is also more energy-efficient and the vast amounts of plastic waste can thus be reduced.

VISCOSE

This is the third important fibre in our products. This regenerative fibre is made from the natural material cellulose and thus is not called a synthetic fibre but a natural man-made fibre. For the production, cellulose (e.g. from beech, spruce or eucalyptus) is mixed with various chemical substances and the fibre is developed from this in a special process. Viscose combines the best properties of natural fibres: The look of skin-friendly cotton and the feel of fine silk. It is easy to care for and absorbs moisture. The original fibre production process is very harmful to the environment and health because large quantities of chemicals are released and a lot of energy is consumed. Bay City has therefore switched its purchasing to an environmentally conscious viscose – LENZING™ ECOVERO™ which is already used for 98% of its products. These fibres are produced from certified renewable wood sources in an environmentally conscious manufacturing process. Viscose ECOVERO™ has been awarded the EU Ecolabel, which indicates a high environmental standard. The fibre can be identified without doubt in the end product.



PACKAGING

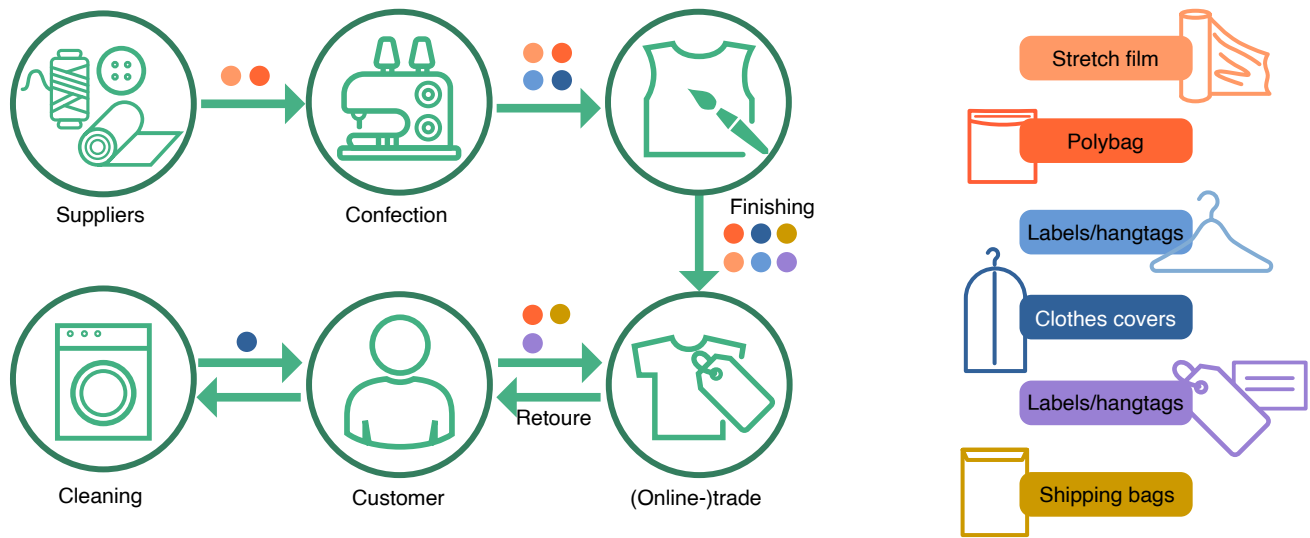


Packaging such as transport or sales packaging plays an important role in our business process. On the one hand, the packaging must protect our products from damage and contamination throughout the entire transport from the sourcing countries to our customers; on the other hand, it carries important information for our customers, such as the material composition of the item. And as important as it is, it must be considered a critical factor, because after use it often ends up as waste. To counteract this negative impact and reduce the associated environmental impact, we at Bay City are continuously looking for options to make our packaging more sustainable. The guiding principle is “Reduce, Replace, Reuse & Recycle”.



In cooperation with customers, alternative packaging units have already been developed in recent years to meet these principles. In principle, packaging should be avoided or reduced as far as possible, or only used if it is necessary to protect the product. Sales packaging, for example, has been partly converted to packaging aids such as banderoles and loop packaging. These ensure the cohesion of the packaged goods and serve to identify them, but do not completely enclose an article, thus saving packaging material.

DIFFERENT TYPES OF PACKAGING ALONG THE SUPPLY CHAIN:



At the same time, we have switched completely to the use of FSC-certified papers. The FSC labels on our sales packaging stand for fair and responsible treatment of people and nature. Sustainable aspects are also taken into account when transporting our goods from the Far East. Well thought-out packing and sealing of the cartons ensures safe transport, so that additional strapping and stapling with staples for more stability can be avoided. The cartons themselves consist of 70% recycled material and be partly used for the further dispatch of the goods to the customer or are themselves returned to the recycling system.

We are also concerned about the global environmental pollution caused by plastic waste and have therefore committed ourselves to reducing plastic consumption. Accordingly, we switched our delivery note envelopes to paper last year. Not only are these a more sustainable alternative, but they can also be disposed of along with the shipping boxes. We use recycled materials at those points in our supply chain where we currently cannot do without polybags due to the need to protect the goods from moisture, mould and dirt. Accordingly, we have decided to use bags made from 100% recycled material for our own brands.

Load securing is very versatile. In addition to sealing cardboard boxes and pallet containers, it can also be used to strap stacked pallet loads. This prevents the products from shifting or tipping over.

In order to make the packaging used for our articles and imports from the Far East even more sustainable in the future, we would like to completely dispense with the use of conventional polybags. We are in constant dialogue with our partners about this and other possibilities in line with our guiding principle “Reduce, Replace, Reuse & Recycle”.

For example, the use of alternative adhesive tapes is currently being tested, which can be disposed of together with the discarded cardboard without waste separation and can be recycled without any process-related detours.

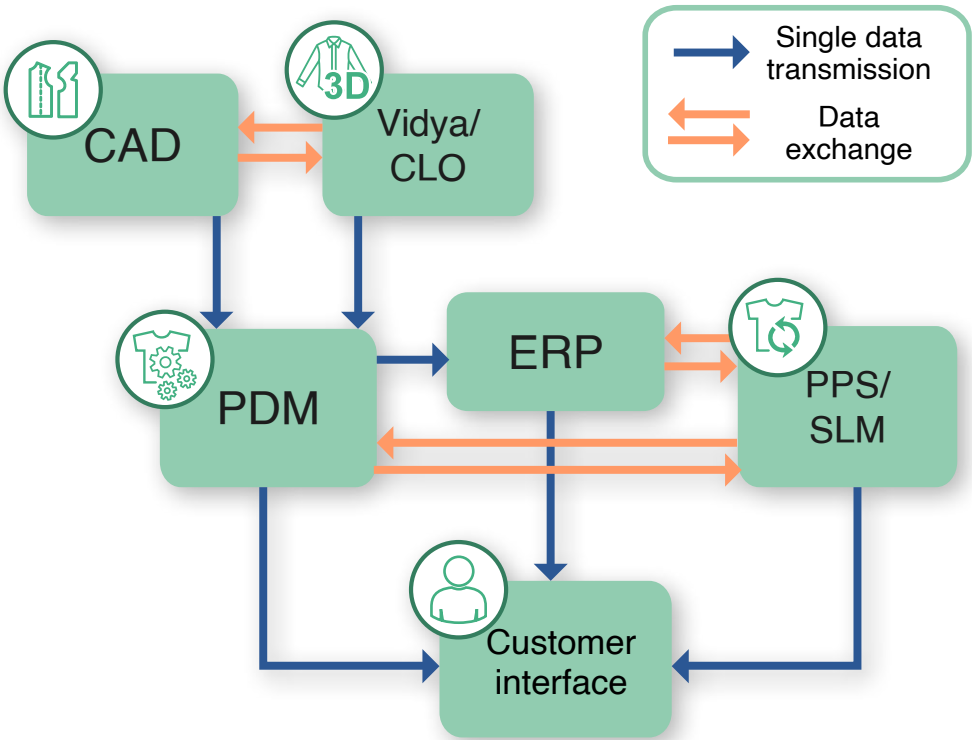


SUPPLY CHAIN MANAGEMENT



With its sustainable supply chain management, Bay City has set itself the goal of aligning the various processes in its value chain in a socially and ecologically responsible manner. In doing so, it ensures that all negative impacts are avoided or minimized as far as possible and that measures for responsible corporate governance are promoted. Strict attention is paid to ensure that social human rights are respected and rules on environmental protection are followed in order to create long-term economic benefits for all parties involved. Transparency is an important cornerstone of Bay City, which is not only implemented at the first production level, but also applies through-

out the entire supply chain wherever possible. This means looking at them holistically. From the extraction of raw materials to product development and production as well as the sale and disposal of a product. This is the only way to implement responsible management. The goal should be to establish an active supply chain management in order to involve all relevant stakeholders in the implementation of a responsible social environment and a conscious use of resources. Our aforementioned “General Terms & Conditions” provide the basis for compliance with national and international social and environmental standards in addition to a long-standing and successful supplier relationship. This enables us to ensure that our products are manufactured in a sustainably compliant manner. Our IT systems enable us to display and monitor the supply chains of our products.



IT SYSTEMS



To comply with current requirements, in particular the presentation of supply chain transparency, we have developed various digital systems and established them in the company. They enable an efficient, sustainable way of working, link the individual processes with each other and offer the possibility of tracking social and ecological requirements in the supply chain. We are working on the further development of a web-based system so that our suppliers will also have the possibility to access it in the future and thus a direct exchange can take place.

Product Development Management (PDM)

Our PDM offers efficient product data management and maps the entire product life cycle including all ingredients, attributes, and production steps. This facilitates access for all users through constant up-to-dateness and joint working within a central data management. Linking to other systems further facilitates the application and enables extensive control over processes. Thus, it is possible to react very flexibly and quickly to trends and save resources.

Production Planning System (PPS)

Our production and supply chain can be quickly and fully visualized in our PPS system. Through digital workflows transparency is given and we are able to adapt to changing situations in a timely manner. Orders, delivery dates and respective documents can be directly and efficiently placed with our suppliers. All users have access in real time without any installation of a program being required. The whole workflow is captured in the system – starting with a collection’s development upon delivery of the goods.

Supplier-Lifecycle-Management (SLM)

SLM gives us the possibility to map a seamless supplier management. We use this system to manage, maintain and modify all of a supplier’s master data. Our compliance guidelines can thus be checked and adhered to efficiently and sustainably. The entire supply chain can be precisely entered and assigned to different categories, so that our work processes are improved in terms of content.



LOGISTICS



The topic of sustainability is also present in the area of logistics. For example, when packing the import cartons, we already make sure that empty spaces between the sales units and thus the packing of avoidable, additional cartons is avoided. To support our suppliers in this regard, we provide them with appropriate instructions via video tutorial.

In addition, the use of software ensures effective loading of the shipping containers in the countries of manufacture, and care is taken to avoid transport by air.

In order to be able to better formulate further future requirements regarding sustainability in logistics for our service providers, we have started to look at the requirements with regard to vari-

ous aspects. In doing so, we were able to establish that we are already working with freight forwarders who are working individually to minimise their ecological footprint. The focus here is on reducing CO2 emissions, for example by converting the vehicle fleets to e-mobility. In addition, our partners train their drivers in particular to a high degree. In addition to driver safety training, the implementation of an environmentally friendly driving style is also part of the training programme.

We also pay attention to the safety of our employees in our own warehouse and regularly conduct first aid and fire safety training. To keep our emissions in the warehouses as low as possible, we have started to switch the lighting in our warehouses to LEDs.

In the future, we would like to take a closer look at the issue of sustainable logistics to implement practicable changes within the scope of our possibilities.



ECOLOGY

DIGITALISATION QUALITY – 3D-VIDYA/CLO 3D



VIDYA and CLO 3D are 3D simulation software and are used in the design of the collections. Garments can be represented individually and very realistically. With the support of digital technologies, we pick up on trends and market changes at an early stage, shorten development processes and offer our customers a reliable service. This not only offers many significant advantages for the designers, but also has a positive and sustainable impact on our environment. By using this software, process steps can be shortened and faster coordination with the customer can take place. The authentic representation of fabrics and cuts on an avatar with standardized body measurements enables a digital fit check. Resources such as fabrics, ingredients and patterns can thus be saved to minimize the effort and costs on the supplier's side as well. Furthermore, it avoids unnecessary waste production. In addition to the cost savings, CO2 emissions



are also reduced because fewer samples must be transported and stored. The systems offer a flexible way of working and can therefore also be used in the home office. CLO 3D allows for a detailed visualisation method and VIDYA offers a meaningful editing expertise, so both systems complement each other perfectly. In order to be able to use these systems, we have implemented a professional editing department in our company, which enables the development of edits with the latest editing software from Assyst.

QUALITY MANAGEMENT

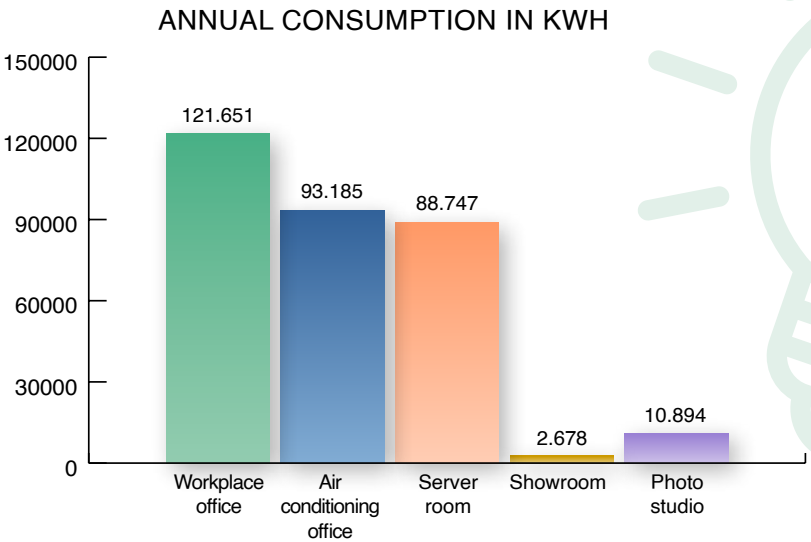
Our current quality management has been built on the classic pillars of product inspections from component tests and final inspections according to international standards in accordance with AQL. In the manufacturing countries, spot checks are carried out by our own employees or accredited testing companies. The departments are currently working on new procedures and digital support. Software programmes, mobile data collection and digital measuring tapes are currently in the trial phase. Apart from compliance with the dimensions and their tolerances, the implementation and execution of the product specifications are also checked.

This includes colour fidelity, processing, textile physical properties (such as colour fastness and rub fastness), as well as compliance with textile chemical parameters according to international standards and alternatives. In this context, we increasingly check the production stages along the supply chain and not only the finished garment. Here in particular, we work according to legal requirements, international standards and industry-specific initiatives for assurance. You can read more about this in the chapter “*Chemicals Management*”

ENERGY, CLIMATE AND ENVIRONMENT



At Bay City, we care deeply about our environment and are aware of our responsibility to develop a future worth living for current and future generations. We are committed to acting in a sustainable and resource-conserving manner and invest in a clean future. In 2020, we had an external consulting firm examine our site in Norderstedt for the entire Schmidt Group in order to present the current state of our consumption and identify potentialities for improving energy efficiency. It became clear that the greatest consumption takes place in the offices themselves and arises from the use of the air conditioning system.



By an energy monitoring system, we also have the possibility of evaluating all consumption meters and can thus ensure sustainable control of these. With various CR measures, we have already actively protected the environment at our site in the past. Through innovative technology with a combined heat and power unit (CHP), we save CO₂ when heating and cover our electricity needs partly with electricity generated by solar panels. We were able to generate further electricity savings by switching from halogen lights to energy-saving LEDs and by partially using motion detectors for lighting. In order to be able to support our factories in the procurement markets in monitoring their consumption, the DEG project for the development

and introduction of an IT-supported management system, which enables the continuous recording of resources such as water and energy, was launched in 2019. Using a developed app, suppliers can record their water consumption, have it displayed on a dashboard and thus analyse it over time in order to identify potential for improvement. Even before the pandemic, we used the technologies available to us and avoided unnecessary travel in order not to impact the climate unnecessarily. Whenever possible, our video conferencing system was used to exchange information with our colleagues in the procurement markets and business contacts.

WASTE



Although we always try to use as little packaging material as possible for the transport and sale of our goods, a certain amount of waste, caused by this transport packaging as well as the waste generated daily in office, cannot be avoided. However, in order to use our resources responsibly, we recycle valuable materials such as paper, wood and plastic at the end of their life cycle. Plastic recycling, for example, offers an ideal opportunity to recycle resources (petroleum) that have already been used up. Waste materials are compressed into commercially available bales through the use of presses in order to comply with the standards of the raw material processing industry and to achieve the lowest possible transport volumes for further transport. Cardboard and films are processed, which can be pressed into bales for more economical disposal and at the same time lead to reduced emissions due to lower transport volumes.

With the goal of switching to a “paperless office”, we also want to keep waste as low as possible in everyday office life and therefore use simple habits such as printing on both sides of paper or completely avoiding printing out documents. We also pay attention to the avoidance of useless waste when supplying our employees with drinks. Our water bubblers, installed in every tap, quickly turn tap water into a carbonated drink that our employees can fill into the glass bottles provided to them. Ceramic mugs are always available for our coffee and tea drinkers. In order to also support our suppliers on site in reducing waste, we rely on our software, which helps to reduce waste during cutting by making optimal use of the textile surface.



ACTIVITIES

Tree planting project



As company, a sustainable future is close to our hearts. In order to keep our own footprint as small as possible, we have decided to gradually offset our water consumption at the Norderstedt site and thus make ourselves groundwater neutral.

We want to achieve this goal by planting deciduous trees, because each tree generates 200 litres of drinking water per year. By the end of 2021, we want to plant a total of 3880 tree seedlings.

We have already taken the first step in 2020 by planting half of the required trees through our partner “Klimapatenschaft”. The nice thing about this is that the trees were planted in Elmshorn, so that we could make a direct contribution to groundwater formation in our region.

In addition to a balanced water supply, the planted trees provide a habitat for animal and plant species. They are thus indispensable for another pressing problem of our time: the preservation of biological diversity. Furthermore, additional trees improve the resilience of the ecosystem and their roots protect the soil from erosion and adjacent areas from wind and frost.



SOCIAL

OUR SUSTAINABLE CORPORATE CULTURE



The topic of sustainability found nowadays in all possible areas of life. We are also happy to contribute making the everyday lives of our employees, whether in the office or in private life, a little more sustainable.

In order to create a balance to everyday office life, we subsidise the membership of our employees in the fitness club of the nearby Athletics Hall. In this way, everyone can keep physically fit, improve their well-being away from the workplace and prevent desk illnesses. In order to prevent these from occurring in the first place, we make sure that our employees' workplaces meet ergonomic requirements and are individually adjusted to each employee. Regular first aid and occupational safety training courses are part of our regular programme.

Anyone who would also like to be vaccinated against influenza can attend one of the annual vaccination appointments with our company doctor.

We also reacted quickly to the pandemic. A comprehensive hygiene concept was developed and implemented in our company. In order to offer our employees a certain kind of security and to fight together against the spread of Covid-19, we provide them with sufficient rapid antigen tests to be carried out regularly.

We have made a commitment to our employees to act consciously and offer them various opportunities outside of working hours. So that our employees can move sustainably on their way to work and also travel in a climate-friendly way in their free time, we offer the HVV (The Hamburg public transport association) ProfiTicket at Bay-City. This offer is currently used by 17% of our employees. Here, too, we are looking for further opportunities to enable our employees to travel in



an environmentally friendly way.

As an employer, we are aware of the importance of sufficient drinking for the performance of our employees and therefore rely on modern water dispensers with fixed water connections (Grohe system), from which the staff can help themselves at any time. At the same time, each employee is provided with a glass bottle that they can refill as needed.

Those who want to enjoy a cup of coffee or tea can get it free of charge at various locations in the company. In general, we pay attention to the selection of sustainable products when supplying our employees.

We offer our employees the possibility of various staff discounts via a dedicated portal. These can be used for numerous offers in the areas of leisure, sports and travel, among others. In addition to sustainable fashion and natural cosmetics, our employees can also find their green energy supplier and the e-car for their next weekend trip.

Our employees receive further discounts at the sample sales that take place regularly. With these, we not only make our employees and their relatives happy, but also prevent the disposal of goods that are no longer suitable for sale.

Health is one of the basic building blocks of well-being, as is as much freedom as possible to organise working hours on a basis of trust. By offering the possibility to work from home, we have scaled down operations at our site in times of pandemic so that contacts can be avoided and safety distances can be maintained. In addition, a flexitime system allows our employees to adjust their working hours individually according to their needs, in addition to the core working hours.

SOCIAL ENGAGEMENT

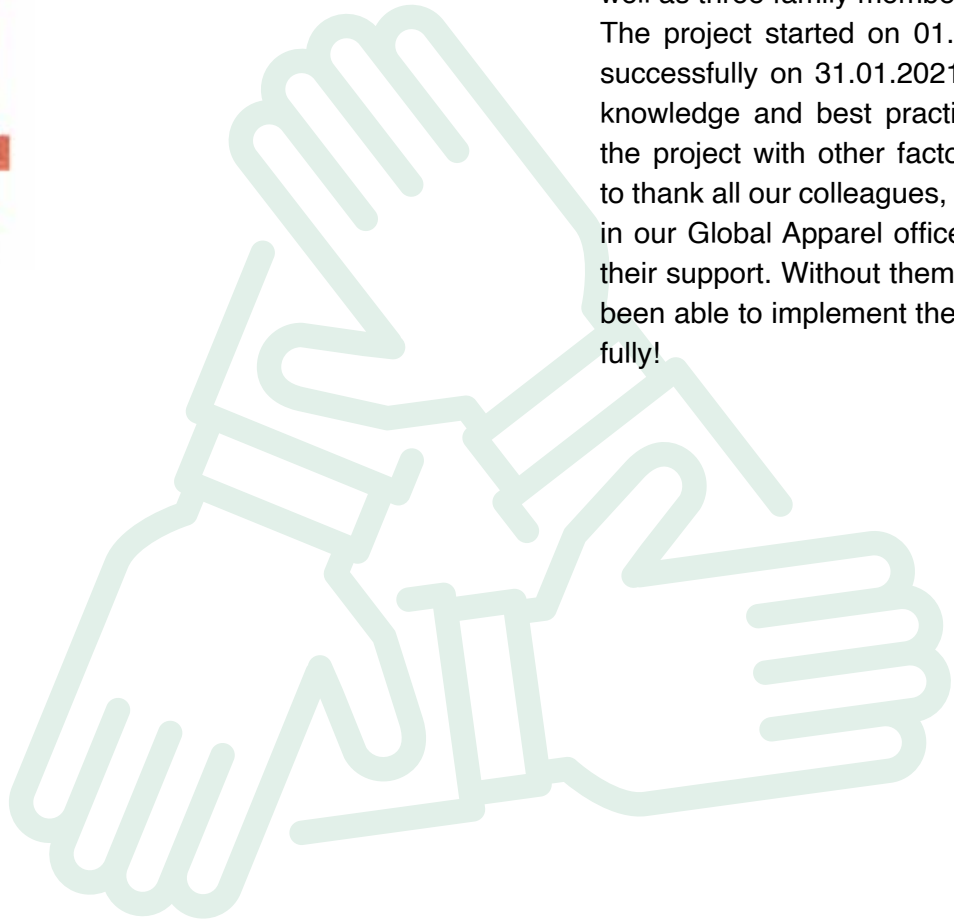
REGIONAL

Locally and throughout Germany, we are involved in projects and fundraising campaigns. In 2019, for example, our company has donated outdoor jackets to “*Giving never goes out of style – give bag Seek*”. This is a project that supports homeless people. But our employees also like to make a contribution. Last year, many of them once again supported the **24 Good Deeds Advent Calendar**. Here, as well, their contributions supported not only disadvantaged children and youth work projects, but also homeless people – not only in Germany, but worldwide.

Despite the best weather conditions, the current situation pandemic unfortunately did not allow us to hold a planting event planned as part of our tree planting project among colleagues and their families. We hope to be able to make up for our planting event in autumn! The tree planting planned for last year was, of course, nevertheless carried out by the forestry staff.



24 Good Deeds Advent Calendar ©Sven Wagenfeld



INTERNATIONAL

DEG – Project “COVID 19 – Response”



Within the framework of a tender by DEG in co-operation with the development bank KfW, we have received a financial grant to support six factories in Bangladesh with regard to the critical Corona situation. The content of this project was, among other things, the improvement of hygiene and safety standards in the factories, which was ensured through the provision of necessary materials, but also through training offers from an external testing institute. Furthermore, we have accompanied and implemented the production launch of nose/mouth masks at three factories. Besides an additional Viro-Block equipment, these masks also received a special quality label from the Hohenstein HTTI testing and certification institute. The masks were distributed free of charge as a two-pack to each employee of the six factories as well as three family members. The project started on 01.07.2020 and ended successfully on 31.01.2021. We will share the knowledge and best practices gained through the project with other factories. We would like to thank all our colleagues, both at Bay City and in our Global Apparel office in Bangladesh, for their support. Without them, we would not have been able to implement the project so successfully!



Mask distribution to a factory employee

APPENDIX

REFERENCE

For more information regarding our core values as well as our activities in the area of sustainability, please visit our website www.bay-city.de/en/ as well as our corporate page on Sustainability www.eco-facts.eu/en/.

Under the heading Sustainability www.bay-city.de/en/sustainability you will also find the following:

- [Declaration of principles \(version 2.0\)](#)
- [Risk report \(version 3.0\)](#)

IMPRINT

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