



beeline
group

What we think, we become.

Sustainability Report
2018/2019

1.1

Facts & figures

	2017	2018	2019
Average duration of key partnerships	> 10 years	> 7 years	> 7 years
Producing partners	71	81	64
Production countries	China, India, Thailand, Vietnam	China, Germany, India, Italy, Thailand, Vietnam	China, India, Italy, Myanmar, Thailand, Vietnam
Total number of employees at our partners in Asia	11,046	7,345	6,772
Women	5,793 (52%)	4,272 (58%)	4,172 (62%)
Men	5,159 (48%)	3,037 (42%)	2,591 (38%)
With permanent contracts	65%	Since 2018 minimum of 85% with permanent contracts	
Locals	43%	3,166 (43%)	2,961 (44%)
Home workers	4%	219 (3%)	54 (1%)
Child workers	0*	0*	0*
Temporary workers	213	71	4
	(values based on the “2017 beeline supplier questionnaire”)	(values based on monthly requested workforce averages)	
	with 84% participation		
	information checked by auditors		

*Age of youngest workers: 16; plating units: 18

1.2

Foreword



In 2019, beeline founder and Managing Director Ulrich Beckmann and his brother and Managing Director Frank Beckmann handed over management of the Group to the current executive team, comprising Hinrich Tode, Chief Executive Officer (CEO), and Marc Olivier Oeuvrard, Chief Sales Officer (CSO).

We view this transfer of operational responsibility as going hand in hand with a great – and very welcome – dual responsibility to continue the

company’s work in the area of corporate responsibility and social initiatives.

With this report, we are very pleased to present our continued efforts at becoming a better beeline. The guiding idea giving shape to all our actions directed at creating a more sustainable beeline is summed up in the headline of this report, and we consider it our motto as well:

WE CARE.

For this is what beeline is all about: caring about our partners, our customers and our communities as well as caring for all workers involved in the production of our goods, our own employees and the environment.

Under the umbrella of WE CARE, we bundle projects which aim to continuously improve our products, reduce our ecological footprint, ensure good social standards in both own operations as well as those of our manufacturing partners, and support social projects. Throughout our efforts, we are guided by the Sustainable Development Goals (SDGs) of the United Nations.

Following up on our last report, we are proud to say that our continued efforts to achieve a smaller carbon footprint have already yielded some remarkable results:

- Starting in 2018, the TOSH production

chain became carbon-neutral, from raw materials to arrival at our warehouses.

- With this foundation, since June 2019 all merchandise of all beeline brands has been made carbon-neutral, from raw materials to arrival at our warehouses.

With respect to matters of social responsibility, we:

- Continued our cooperation with Oxfam
- Initiated a partnership with natureOffice, whose social project in Togo is also our partner for carbon offsetting.
- We added animal welfare rules to our Supplier Code of Conduct.

We are on a journey, and we are working continuously to improve the sustainability of our own operations and cooperate with our partners to make them more sustainable as well.

Outlook

To do so, we are developing several projects which are scheduled for 2021 and 2022:

- “WE CARE about diversity” will launch a bottom-up approach to this important topic.
- At the end of 2020, we decided on a mid-term guideline for the usage of recycled materials in our merchandise to actively reduce our ecological footprint; first products with a 30–50% content of recycled materials will be in stores as early as spring 2021.

- We are on track with our primary packaging transition: all paper materials are now FSC-certified, the number of different plastics used in primary packaging for new orders was reduced to three for 90% of the collection already and packaging material is projected to be more than 98% recyclable by the end of 2021.
- We were forced to recognise that our vision for our next steps was initially too ambitious, and the topic of water consumption has not yet been given significant focus.



1.3

Our values



Our values are an integral part of our success. They give each employee orientation and are a promise to our business partners as well.

PASSION

We love our business – and we love fashion. Each and every one of us invests our heart and soul in our work, to move things forward.

RESPONSIBILITY

We make our decisions based on sustainability and social responsibility. We think and act in a target-oriented and cost-conscious way.

TRANSPARENCY

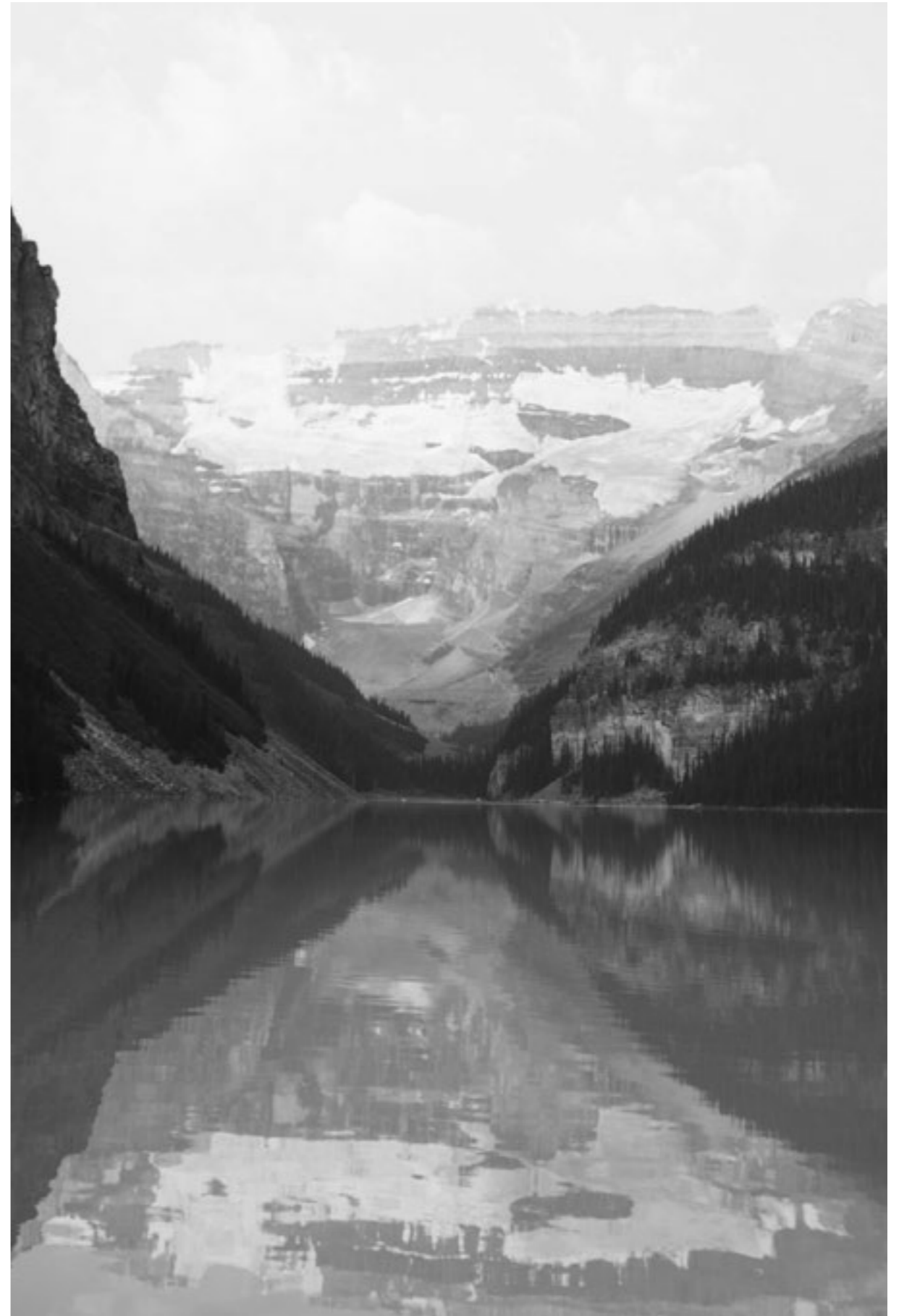
We strive for open communication among ourselves and at all relevant points of contact, and enable easy access to the information required.

QUALITY

Our actions and our constant pursuit of improvement are geared toward the long-term satisfaction of our customers and partners. Our products comply with all mandatory quality standards (EU and US standards) and are tested regularly by independent laboratories.

TEAM SPIRIT

Together we create a working environment based on respect, fairness, trust, approachableness and partnership.





1.4

Quality management

Health is a top priority overall, but especially as regards jewellery and other materials which are worn directly on the skin. beeline strictly implements the following quality standards in order to protect our customers and to protect the people who make the jewellery:

- Defined Chemical Restriction List (RSL) that covers all relevant EU (mainly REACH) and US guidelines (mainly CPSC, California Prop. 65)
- Obligation on suppliers to comply with the RSL
- Regular and risk-oriented review of defined parameters by accredited laboratories (TÜV, BV, etc.)
- Examination and monitoring of quality standards at headquarters and through a quality management team in Qingdao, China
- Close cooperation and exchange with accredited laboratories in the country of manufacture and in Germany

1.5

Supplier Code of Conduct

Our corporate culture contains an explicit pledge to make acting responsibly a fundamental principle of our day-to-day business life. We strive for long-term partnerships with our suppliers and work together with our stakeholders to continuously improve both our own performance and that of our suppliers. This implies regular revision of our guidelines and objectives.

Our Supplier Code of Conduct is based on the conventions and recommendations of the ILO as well as the UN's conventions on human rights and children's rights. It also follows common international standards, such as ISO 9001, ISO 14001, ISO 45001 and standards that are usual in the industry, such as Accord or the Chemical Management System Guidance Manual. We ensure compliance with our Supplier Code of Conduct and our customers' Codes of Conduct through audits carried out at frequent intervals by local auditors commissioned by beeline as well as through customers' own audits (such as at C&A, Tesco,

Disney, Universal Studios) and by external parties (Intertek, Elevate, BV).

THE BEELINE SUPPLIER CODE OF CONDUCT COVERS THE FOLLOWING AREAS:

- Prohibition of child labour (< 16 years old) and supervision of employees who are minors (16–18 years old)
- Prohibition of forced labour, prison labour and degrading disciplinary measures
- Prohibition of discrimination and harassment, promotion of diversity management
- Legal compliance and observation of intellectual property rights
- A functioning management system
- An effective grievance management system and a human rights impact assessment
- A safe workplace environment and workplace health promotion, including building safety, fire safety and chemical safety, among other safety requirements
- Regular working hours and transparent overtime rules

- Appropriate remuneration above the minimum wage
- Social insurances
- Environmental responsibility and sustainability, including effective environmental, chemical and waste management systems
- Respect for animal welfare by prohibiting the use of real fur, harsh treatment of animals and the use of endangered species

- Transparency throughout the production chain, in particular in relation to home workers and subcontractors
- Freedom of association and the right to collective bargaining
- Business integrity, including anti-corruption and anti-bribery measures



2.0

Business explained

2.1

Our value chain

WE OFFER BEAUTIFUL, FASHIONABLE ACCESSORIES FOR EVERYONE AT AFFORDABLE PRICES with our brands created specifically for our different target groups and up to date with international trends. Our product presentation sets trends again and again and thus stays highly attractive to customers. To maintain this position, we need to act with great flexibility and with a strong eye for relevant colours, assortments and trends for upcoming seasons while at the same time implementing quality controls.

beeline does not operate own production units, but we view the manufacturers in Asia from whom we source our products as partners and work closely with them in these areas. The main components in our supply chain are:

- Production (from raw materials to packaging)
- Transportation to the warehouses (mostly by sea or air)
- Distribution to the point of sale

In addition, we design our own store furniture and have it produced and delivered to the point of sale.

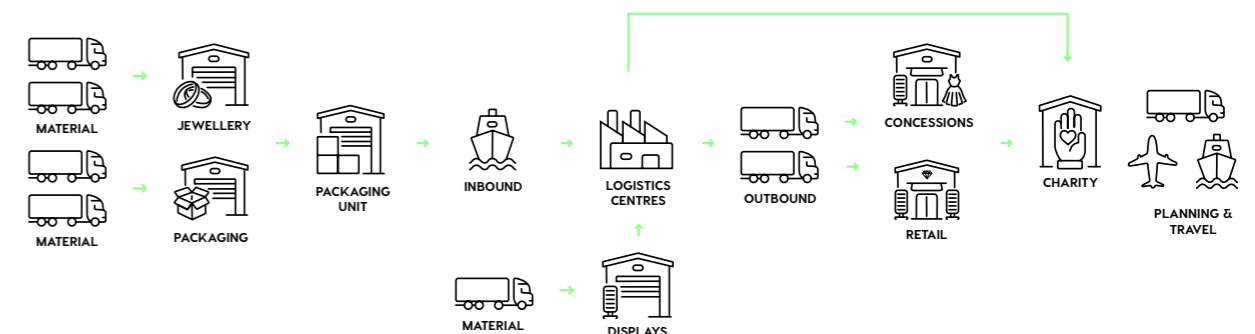
It is the nature of fashion accessories to exhibit great product diversity. The items usually consist of many individual components, which are then assembled.

Thus, many different production steps are involved in producing these accessories, depending on their look and the materials used.

The main production steps for fashion jewellery are: sampling (milling, gluing, welding, coating, spray-colouring, etc.), moulding (plastics and metal), coating/plating, gluing, welding/soldering, polishing, assembling, packaging.

For textile goods and special products like covers for mobile phones, several other production steps are also necessary.

While there is still a high degree of manual labour involved in producing these goods, some production steps are increasingly being taken over by machines (for example vibratory grinding instead of manual polishing).



2.2

Our products

In order to meet our customers’ expectations, the focus of our operations is on continually developing our range of products further. In 2019, we delivered goods in these assortments:

FASHION JEWELLERY

- Fashion brooches
- Fashion earrings
- Fashion rings
- Fashion ear clips
- Fashion anklets
- Fashion bracelets
- Fashion necklaces
- Fashion toe rings
- Fashion nose studs
- Body jewellery

STERLING SILVER

- Silver anklets
- Silver bracelets
- Silver earrings
- Silver necklaces
- Silver rings

EYEWEAR

- Reading glasses
- Sunglasses
- Sunglass cases
- Glasses chains

APPAREL & ACCESSORIES

- Apparel
- Bags
- Belts
- Face masks
- Gloves
- Hats
- Key rings
- Minibags
- Purses
- Scarves, mufflers
- Shoes
- Socks
- Umbrellas
- Watches
- Winter scarves

HAIR ACCESSORIES

- Alice bands
- Claw clips
- Hairbands
- Hair clamps
- Textile hair accessories
- Cosmetic accessories

MOBILE ACCESSORIES

- Mobile phone cases

KIDS’

- Kids’ Alice bands
- Kids’ bracelets
- Kids’ earrings
- Kids’ glasses cases
- Kids’ hair specials
- Kids’ hairbands
- Kids’ key fobs
- Kids’ necklaces
- Kids’ phone cases
- Kids’ rings
- Kids’ silver earrings
- Kids’ small hair clamps
- Kids’ textile hair accessories

MEN’S ACCESSORIES

- Men’s bracelets
- Men’s key rings
- Men’s cufflinks
- Men’s necklaces
- Men’s rings
- Men’s trouser chains



2.3

Business models

CONCESSIONS

- A partnership model in which beeline provides the merchandise displays, the goods, decoration expertise and services, while the partner provides a sales area for the goods and carries out the check-out process.
- After the initial set-up, our mobile merchandisers regularly attend to the sales areas.
- Various brands are possible:
 - SIX
 - I AM
 - I AM NA
 - TOSH
 - WHITE LABEL / ACCESSORIES

RETAIL

- Own retail stores, managed 100% by beeline.
- Locations: busy, top-quality locations such as pedestrian areas, shopping centres, train stations and airports.
- Own staff and own cash register system.
- Store size: between 50 and 120 m² and at least 4-m² storefront.

FRANCHISE

- This model is aimed at strengthening the presence of our brands in metropolises outside of Europe.
- We look for leading retailers with a wealth of expertise in the real estate sector and an existing distribution network.
- We aim to build up a steady, lasting business relationship with these partners.
- This is based on a strategic connection between a brand and a local key player.



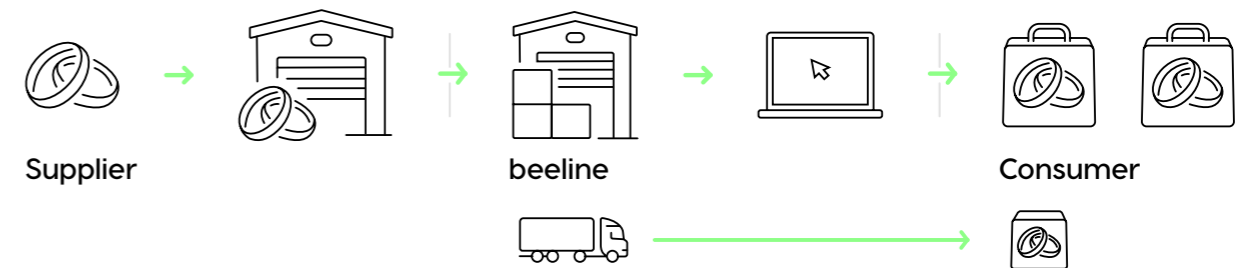
WHOLESALE BUSINESS

- We offer this model in countries where there is no mobile merchandiser structure.
- beeline supplies the displays and regularly sends new goods.
- The partner purchases the goods on a key account basis.
- A minimum size of 1 m² in a first-class location is required in the partner store.
- The presentation of the goods is carried out by the partner's staff with the help of the beeline Visual Merchandising Guidelines.
- The partner is the importer of the goods; beeline provides the export documents.

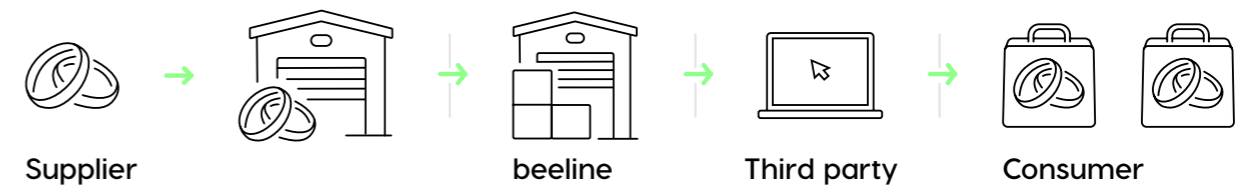
E-COMMERCE

- For SIX and TOSH, online shops have been established in Germany (and in Switzerland for SIX only).
- In addition, all brands are distributed online through a variety of business models and several partners:
 - Marketplace
 - Drop shipment
 - e-concessions
 - Wholesale
- Other brands are distributed via a range of approximately 1,000 items which are permanently on offer.

BEELINE ONLINE SHOP



THIRD-PARTY INVOLVEMENT



MARKETPLACE



DROP SHIPMENT



E-CONCESSIONS



WHOLESALE



2.4

Flow of goods / logistics

- 2010: opening of our 30,000-m² / 98,000-ft² logistics centre in Cologne, Germany
- “Green Building” certified
 - Our turnaround time and accuracy is truly world-class!
 - Best-in-class robotic and rail systems travelling at speeds of up to 60 mph when pulling orders
 - Makes it possible to process more than 600 million articles per year
- 2014: opening of the logistics centre in Memphis, Tennessee, USA



Value chain / IT



- 2018: beginning of optimisation of our IT landscape
- Leads to an improvement in stock transparency throughout the entire product life cycle.
- Makes it possible to plan the supply

of goods and purchasing quantities more precisely ...

- ... which leads, among other things, to optimisation of our POS and DC inventory, lower returns and thus less depreciation.

3.0

Progress together

3.1

Material topics

To ensure this report includes meaningful information, we identified various groups of stakeholders and took their opinions into account regarding which topics are material; we used the GRI Standards as the underlying structure for our questionnaire.

EMPLOYEES: various groups of employees and the Personnel Committee were engaged in identifying material topics. Employees who work in the central units (ISC and BLC) and all employees of beeline Group (beeline GmbH and all the companies owned by beeline GmbH) have appraisal interviews once a year. Further feedback from the employees is gathered by the District Managers. These report to the Regional Managers, who in turn report to executive management. During the annual works meeting, the workers' council holds a presentation as does the Management Board. There are also several blogs and a regular newsletter on the beeline intranet, which inform our staff of current developments.

TEMPORARY WORKERS: due to their temporary relationship to beeline and its goods they were not involved in this report.

SUPPLIERS: the suppliers who were surveyed were selected due to their companies closely interwoven relationship with beeline companies through long-standing, strong cooperation (> 7 years). All suppliers are surveyed at least once per year, and their staff is interviewed as well on a regular basis. These serve to

verify acknowledgement of the beeline Supplier Code of Conduct as well as to provide us with insight into their views.

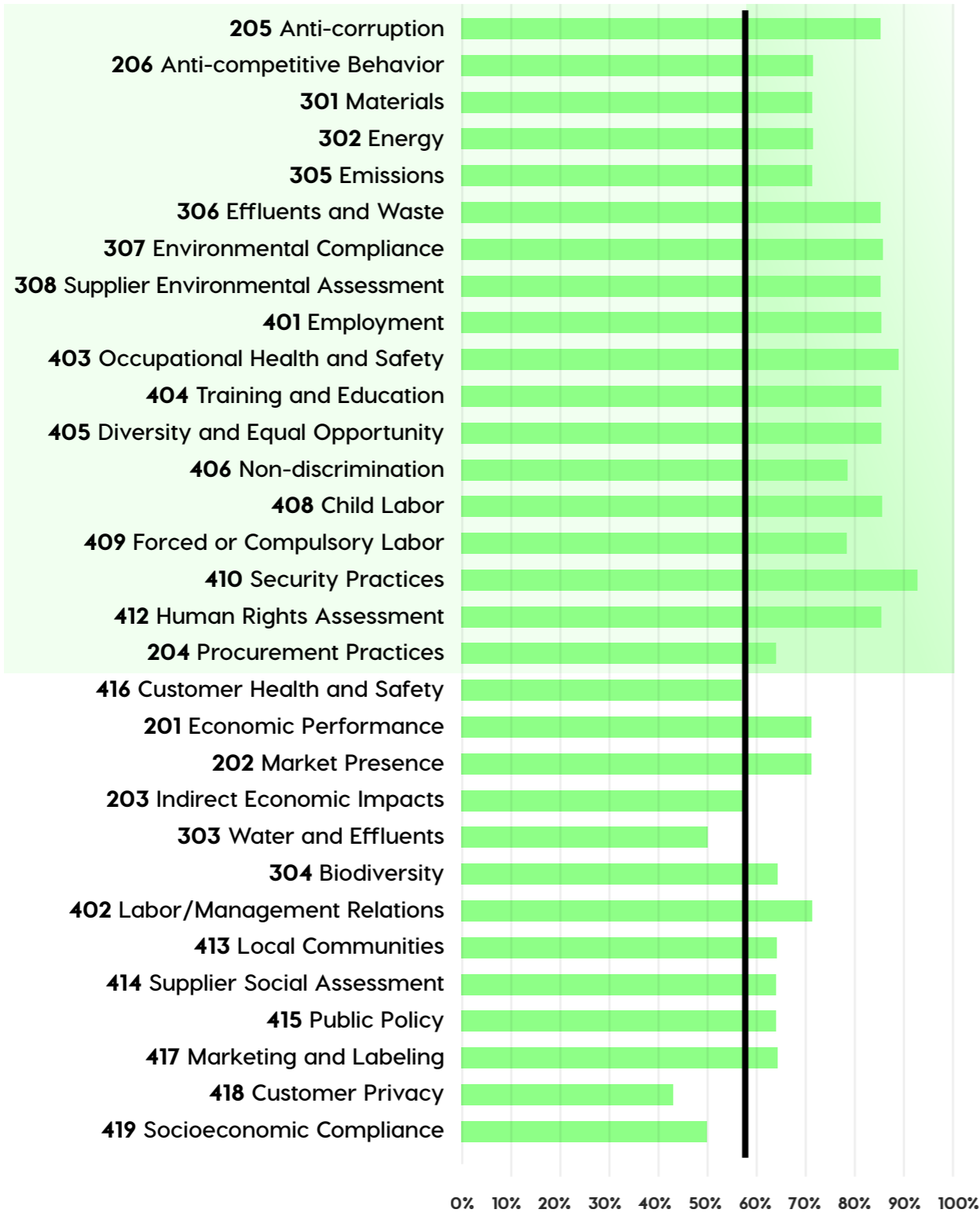
END CUSTOMER: as beeline has not communicated its sustainability efforts to consumers yet, a decision was taken not to communicate them to the wider public until now; as a result, end customers were not included in the stakeholder groups surveyed at this time. This notwithstanding, dialogue with end customers is maintained through our managed Facebook page.

PARTNERS FOR EXTERNAL INITIATIVES: Oxfam Ireland

NGOS: with focus on environment and social matters: Friends of the Earth, as they promote solutions that will help create environmentally sustainable and socially just societies. Both social and ecological matters are important for them: B.A.U.M., as they are a "network of companies for sustainable management" and have expertise in many industries.

Concerns raised: when preparing this report, it was expected that the wide range of stakeholders involved would lead to information on almost every topic of the GRI Standards being required. Although certain stakeholders indeed highlighted a focus on a few specific topics, overall the results of the interviews and questionnaires were as extensive as expected.

Most stakeholders surveyed were at least partly interested in all aspects of GRI 300 "Environmental".



The upper right-hand quadrant represents those topics considered to be material for both for the majority of stakeholders and beeline itself. To define the material topics for this report we focused on the stakeholders’ opinions (questionnaires for employees, NGOs, suppliers) as well as our own core values as they are stated in our Supplier Code of Conduct and they are “lived” through our actions. We have been able to address most of these topics in this document.

3.2

Our commitment

SUSTAINABLE DEVELOPMENT GOALS (SDG)

UN GLOBAL COMPACT (> 2022)*

SUSTAINABILITY REPORT

PRODUCT

- Legal compliance (SDG 3.9)
- High quality (SDG 12.1)
- Circular economy (GRS) (SDG 12.5)
- Carbon-neutrality (SDG 12.2)
- External technical audits (Tesco)
- FSC-certified packaging (SDG 12.2, 12.5)



SOCIAL

- beeline social audits (SDG 4.7, 5.1, 5.2, 5.3, 5.5, 6.1, 6.2, 8.5, 8.7, 8.8, 10.3, 15.5, 16.5)
- External verification with SMETA & SLCP, among others (SDG 4.7, 5.1, 5.2, 5.3, 5.5, 6.1, 6.2, 8.5, 8.7, 8.8, 10.3, 15.5, 16.5)
- Human rights impact assessment (HRIA) (> 2021) (SDG 8.7, 8.8)
- Empowerment of women (SDG 5.5)



ENVIRONMENT

- Environmental & Chemical Management System Audits (> 2021) (SDG 13.2, 12.4)
- ZDHC (SDG 6.3, 12.4)



SUPPLY CHAIN

- Production chain assessments (> 2021)
- Efficient resource management → Circular economy (GRS) (SDG 12.5)



COMMUNITY ENGAGEMENT

- Oxfam
- Reforestation Togo (SDG 11.4, 15.2)
- Support of local refugees



SQM/SUSTAINABILITY: ISO 9001*



As stated in our last report: “We want to achieve our goals in the best possible way”. Learning how to improve our ecological footprint is strongly dependent on knowledge of the status quo of our operations and the opportunities for change available within the market situation. An analysis of the materials we use is key to this approach. The insight such an analysis provides will lead us to a (future) policy for the usage of recycled materials. At the same time, our social standards

as defined by our Supplier Code of Conduct are still being improved. Our latest measure here is the introduction of our Animal Welfare Policy as part of the Supplier Code of Conduct. A strong and close cooperation with our producing partners is necessary in order for our actions to be effective. Our quality management teams, located in the production countries, are helping our producing partners and us to keep awareness high and control the fulfilment of our demands on site.

3.2.1

Social commitment / CSR

Social & environmental commitment:
CSR overview
CSR 2018/19
CSR outlook for 2020/21

INTRODUCTION

In 2017, we created for the first time Guidelines to our Supplier Code of Conduct, which was updated as well. The Guidelines' objective was to increase the transparency of our requirements regarding social and environmental compliance in our production chain. Suppliers were provided with detailed information and trained by our local auditors and by headquarters.

The Guidelines comprise new requirements in the areas of animal welfare, protection of species and nature conservation as well as the introduction of the ZDHC Wastewater Guidelines. With these new guidelines, beeline strictly prohibits the use of any kind of endangered species and specific animal-derived materials as well as cruel treatment of animals. In 2018, we rolled out the ZDHC project. Since beeline is not active in an

industry directly affected, which are apparel, leather and shoe retailers, we started with several representative suppliers from our core product groups of fashion jewellery, sterling silver jewellery and sunglasses, located in all production countries. The project will be expanded to suppliers of all core product groups in 2021. The introduction of stricter requirements was accompanied by a need for technical support. In 2019, we began using a standards-based protocol tool (iAuditor) for conducting beeline audits.

All new suppliers and related tier 1 and tier 2 production units are required to pass an approval audit to demonstrate compliance with the beeline Supplier Code of Conduct. Approval audits are either beeline approval audits and/or social audits carried out by our distribution partners. Compliance can also be demonstrated by providing a current external audit report with sufficient coverage from an accepted audit programme, such as BSCI/amfori, among others. In 2018 and 2019, all new suppliers were screened for compliance with ethical criteria.



All existing suppliers need to be screened for compliance with ethical criteria as well. In 2018 and 2019, we did not yet reach a screening rate of 100%, as only beeline social audits and social audits by distribution partners are counted. According to supplier self-assessments, all suppliers except one can evidence external verification by other social audit programmes. The business relationship with the supplier unable to present ethical screening of any kind was terminated in 2020. Going forward, our approach for 2021 will shift to assuring a 100% screening rate of all new and existing suppliers. On average, our suppliers have undergone four ethical screenings per year by beeline and/or beeline's distributing partners. Additional audits and assessments, e.g. technical audits, quality inspections or audits and assessments from different customers, are not included in this figure. In total, five violations of the ILO Core Conventions were registered in 2018 and 2019, both of which were detected during ethical audits. In two instances, children were found within the production area. Both children were visiting their parents, who worked on-site. We have since reinforced our child labour guidelines accordingly

and explicitly prohibited children's presence within the production area. Another case violated the requirement for a discrimination-free workplace by defining a specific age in the recruitment announcement. The supplier underwent diversity training to avoid such issues in future. In each of 2018 and 2019, we had one violation of the prohibition of indirect forms of forced labour: one supplier issued toilet cards in order for the employees to move about within the factory. This supplier's overall ethical performance was subsequently deemed unsatisfactory, and the relationship has since been terminated. Another case related to the transfer of recruitment fees to a migrant worker. The payment has been repaid and the supplier has received intensive training. There have been no reoccurrences of these infractions since they were registered.



AUDITS:

Our approach consists of an administrative component and verification component.

The administrative component of our efforts comprises reviewing the documentation we request periodically from our suppliers for coordinating our auditors and actions. The focus of our approach is founded on regular visits to all production units. These reviews are conducted by our appointed auditors, who are located in the respective countries of production.

When it comes to assuring compliance with our Supplier Code of Conduct, we expect our suppliers as well as the production units to work together with us and our representatives in a

cooperative and transparent manner. In return, we ensure our dedicated support with respect to implementing any improvements deemed necessary. Fair partnership means to us the joint elaboration of corrective action plans within reasonable time frames. We intend our efforts to benefit our partners as well by bringing about ongoing improvements in working conditions. Our expectations are further summarised in our Principles and Guidelines to the Supplier Code of Conduct.

A detailed explanation of our audit approach can be found in Appendix I, "Audits explained".



3.2.2

Ecological commitment

3.2.2.1

Greenhouse gases

We remain convinced that man-made climate change is the greatest threat to life on our planet – and thus to humankind. This is the reason we have made it our top priority to reduce our greenhouse gas (GHG) emissions footprint.

In line with best practices for the calculation of the CO₂e generated as a result of our business operations, we are analysing our products' life cycle, including mass balance, terms and distances of transportation and the energy needed for production.

The materials used for production are mainly sourced in the production countries. The weight of the materials used to produce our merchandise – in 2019 around 180 different materials – is measured or, in some cases, calculated. These amounts naturally reflect the amount of merchandise purchased.

The information regarding materials was collected as part of the cradle-to-gate study "Product life cycle study CO₂: fashion jewellery and accessories", which describes the calculations and studies performed to determine the amount of CO₂e emitted in connection with the beeline merchandise. The study was published for the first time in

2016 and is now updated annually. It is externally reviewed by TÜV Nord Cert and certified according to DIN EN ISO 14040 every year.

The total mass delivered to beeline in 2018 was around 2,191 tonnes, and in 2019 it was approximately 2,122 tonnes (gross weight; merchandise and packing material). Shipping boxes are recycled. Other packing material – mostly "polybags" (small transparent foil bags made of PE and PP), which are fully recyclable – is collected and disposed of in recycling collections (where available) at the partner's site.

While sales went well in 2018 and 2019, there are still items that are not sellable for several reasons.

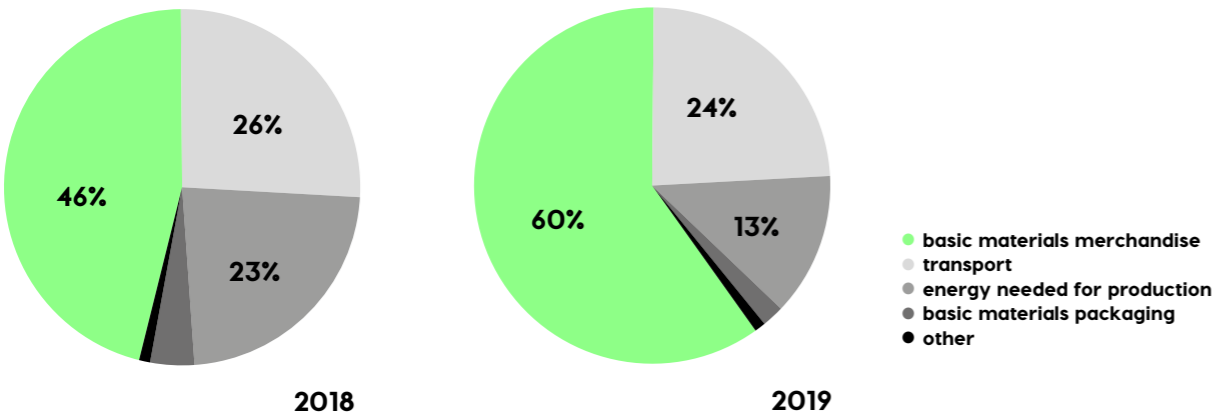
In 2018 and 2019, a substantial portion of the items not sold again related to deliveries to Oxfam Ireland for sale in their stores (see below). Another large part of the goods which could not be sold through partners, our own stores or via e-commerce was goods sold to trading companies operating in countries which are not directly serviced by beeline.

From tests performed in 2016, we know that recycling items that cannot be sold (or recycling items returned by customers) is very difficult as fashion

jewellery is often made up of a high number of different materials. Metal parts, for instance, are not easily detached from the rest of the item. This causes the process of breaking down the merchandise into its basic materials to be too complex to be commercially viable at present.

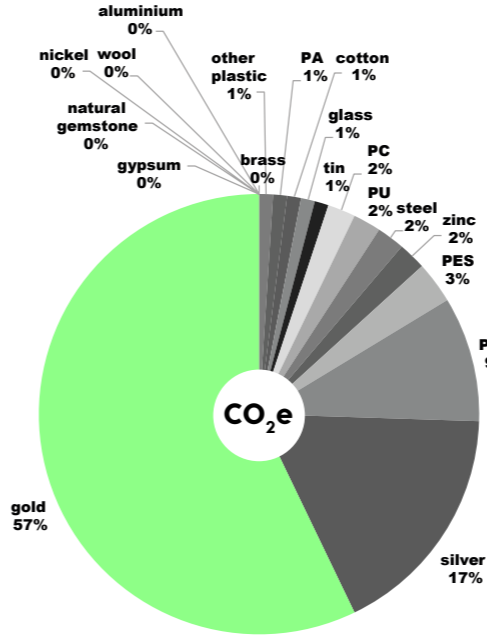
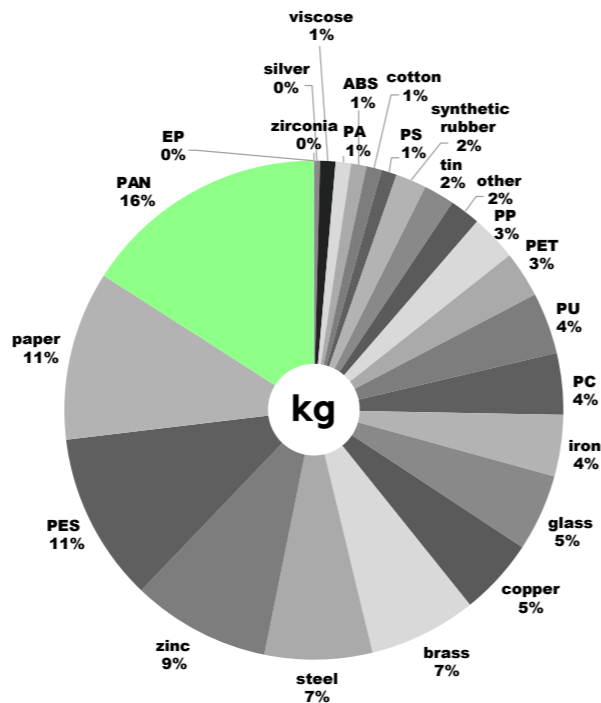
Our carbon footprint research has revealed that the (by far) greatest contribution derives from the production countries, as raw materials production accounted for 46% of emissions in 2018 and 60% in 2019.

Composition of our carbon footprint in 2018 and 2019

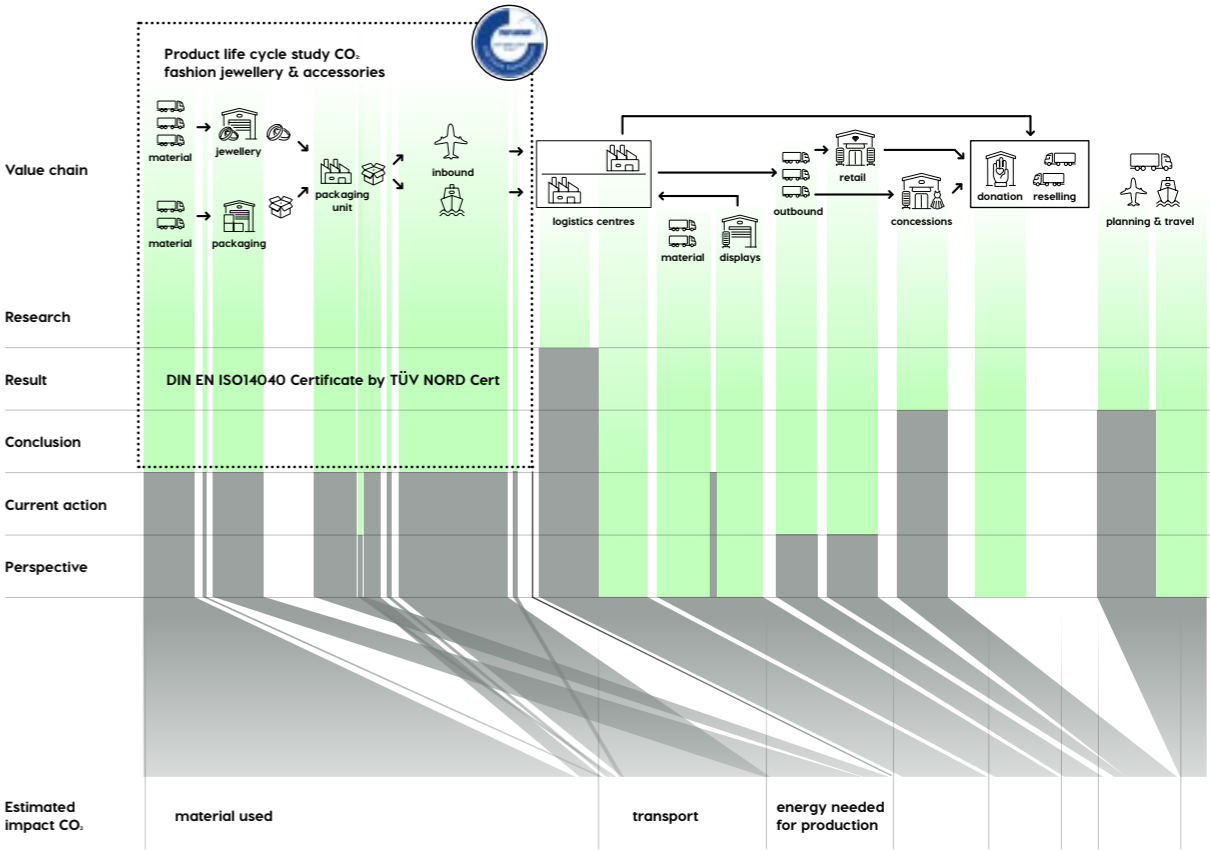


Materials used in 2019

A substantial share of the materials used were plastics (48%, particularly PAN and PES) and metals (34%; mainly zinc, steel, copper). The amount of precious metals used was approximately 0.4%.



As shown in the diagram, our estimated total carbon footprint (updated for 2019) indicates that the greatest share of emissions attributable to our operations relates to the production and distribution of the beeline merchandise and occurs in the production countries. With respect to energy demand, the 2019 supplier questionnaire revealed a highly diverse picture, with demand varying greatly depending on the amount and the kind of production steps required per production unit. Some suppliers have already added renewable energies to their energy mix, but further detailed studies will be necessary in order to reveal ways to reduce overall energy consumption.



Due to their reduced demand for energy, recycled materials can and will be an important part of our strategy for

achieving a smaller footprint. The road-map for this strategy is planned to be released in spring 2021.

3.2.2.2

Other impacts

Conserve resources – recyclability of packaging materials

To reduce overall consumption of new resources, we are looking into the usage of recyclable materials for packaging. As of the time of reporting, materials composition is: 71% recyclability, 15% non-recyclable mixed materials and 13.6% non-recyclable mono-materials. By the end of 2020, we will reach around 90% recyclability for all packing materials for our merchandise in new orders; going forward we plan to achieve approximately 98% recyclability (for new orders) by the end of 2021. Changing the majority of our packaging to paper is part of our efforts to make our packaging more recyclable. As the weight of paper cards is typically higher than that of the plastic packaging we used prior, the overall carbon footprint of using paper cards may not in fact be lower, and may even be higher than if plastic were used. However, the possibilities for recycling paper are broader and more widespread in the countries we deliver to in comparison with recycling possibilities for other packaging. Furthermore, the negative impact of paper materials not being disposed of correctly is much lower than that of most plastics in the same situation.

IN DETAIL:

In 2019, we changed the standard SIX card from a composite card (plastic and paper) to a purely paper card. Likewise, we now use a paper card instead of a plastic card for our customer Old Navy.

If we look at the development over the last five years in the materials used in packaging and marketing materials, we see that in 2014, 78 tonnes of plastic were still used at beeline, whereas by 2018 it was only 37 tonnes. This total has therefore been reduced by more than half. This represents a considerable achievement, one which we intend to continue improving on.

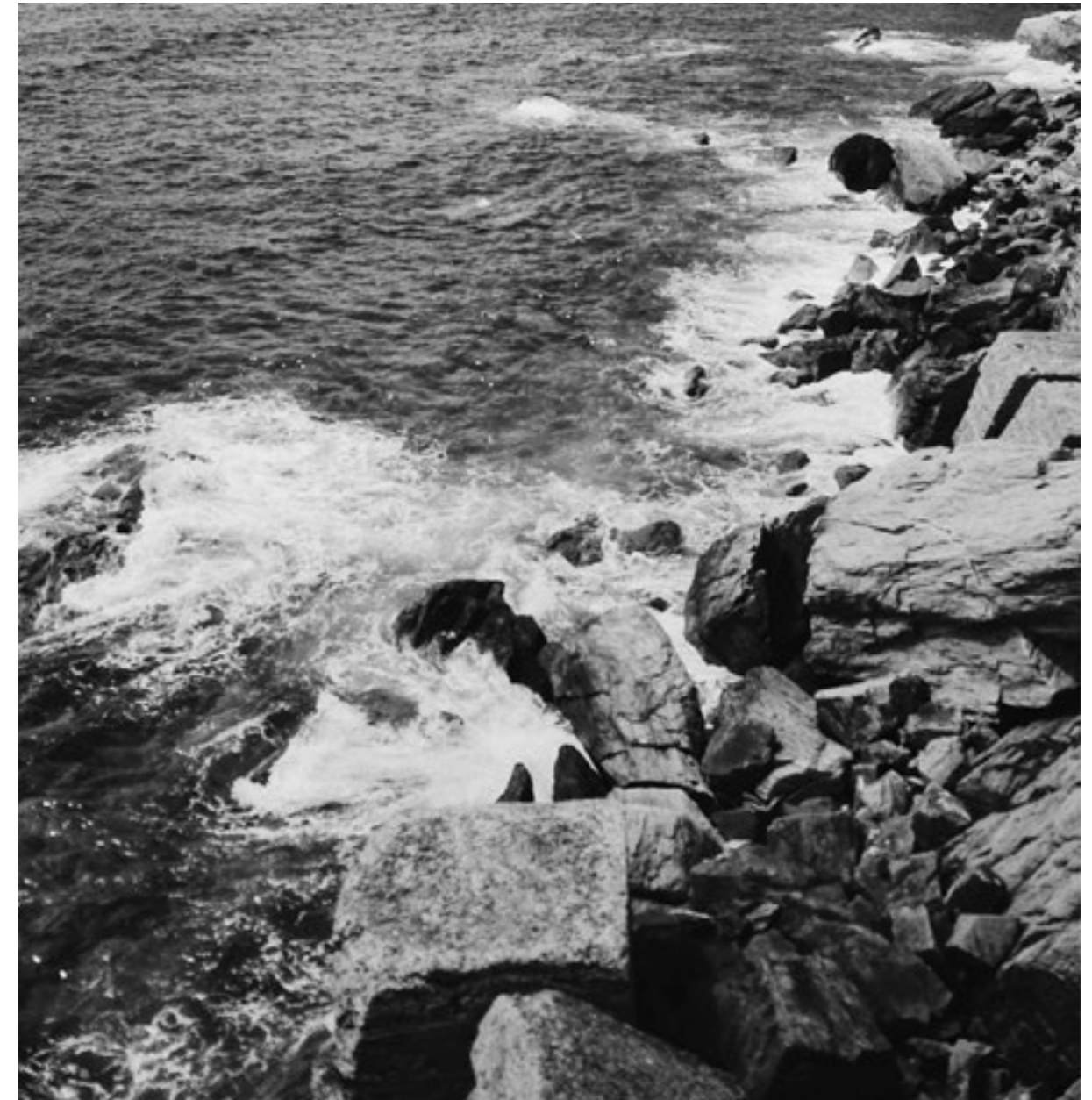
An even larger step (based on total amount) was to develop the ACC standard card – our only remaining purely plastic card – as a paper version, bringing us to 100% paper cards. For all composite cards, last stock quantities are currently being used up, as simply throwing away existing quantities would run contrary to the sense of sustainable operations.

To be sure that the paper used for our packaging is responsibly sourced we choose FSC-certified materials.

WASTEWATER MANAGEMENT – ZDHC (ZERO DISCHARGE OF HAZARDOUS CHEMICALS)

We are fully aware of other areas in which our operations might negatively impact the environment. In 2018, we began carrying out testing in accordance with the ZDHC programme in order to be able to take on the challenge of reducing unwanted, harmful emissions of critical chemicals.

Although the production of fashion jewellery and accessories such as sunglasses comprises different processes compared to those of apparel and



leather products, beeline has set itself the goal of becoming a leader in its industry.

To achieve this, it is necessary to analyse all applied chemicals and production processes carefully. With support from TÜV Rheinland, first ZDHC wastewater tests were carried out in October 2018 at tier 1 core suppliers' production units* that apply wet processes. After reviewing the results together with TÜV Rheinland, the following decisions have been taken:

- The suppliers and production units tested that are in scope will take part in the ZDHC Academy in 2021 for implementing a chemical management system on site.
- From 2021, plating units will be in scope as well.

*These production units cover core product groups (88% of placed order volume in 2018), nearly all production countries (99% of placed order volume in 2018), and a mixture of on-site ETP and central ETP has been considered.

3.2.3

Creating progress together with our partners in communities worldwide

We are proud to be an important partner for Oxfam Ireland, as this letter from Jim Clarken, Chief Executive of Oxfam Ireland, shows:

May 2019

Dear Ulrich,

Thank you so much to everyone at beeline for your continued generosity and support for Oxfam Ireland during the past year. Your significant contribution to our work is having a profound and lasting impact on innumerable lives, families and communities worldwide, helping people build better lives for themselves and enabling us to save and rebuild lives when disaster strikes.

Oxfam has a long-standing strategy of sustainability, through our ability to resell, reuse or recycle everything that is donated to our shops. Our partnership with beeline is an important contribution to that plan as part of our role within the circular economy movement, as Oxfam aims to help reduce the harmful effect of 'fast fashion' on our planet, while helping the poorest people around the world to escape the injustice of poverty.

I wanted to share some details of how your vital donations have had an important impact in the past year, when **22.3 million people** benefitted directly from Oxfam programmes across **more than 90 countries**.

Oxfam Ireland reached **3.34 million people** across **eight countries** during 2017–2018, including in Rwanda, where **625 women** were trained to prevent and respond to gender-based violence; in Uganda the monthly incomes of the young women we work with rose from **\$22 to \$86**, while those of young men also rose substantially – from **\$24 to \$90**; and **100,000 vulnerable people** affected by conflict and political instability across Democratic Republic of Congo, South Sudan and Tanzania got the food and protection they desperately needed.

HOW MUCH THE PARTNERSHIP HAS RAISED

Since our partnership started in 2009, beeline's donations to Oxfam Ireland have raised over **€3.71 million** for our programme work worldwide. This has allowed us to extend and increase the impact of our life-saving work in emergency response and long-term development.

In 2017/18 you sent us 528 pallets of stock, which raised an incredible **€1,110,000** in that financial year. This is **€633,000** more than in 2016/17, an enormous 233% increase. €600,000 enables us to provide combined water, sanitation and washing facilities for more than 80,000 people in a humanitarian emergency, such as our support for Burundian refugees in Tanzania.

And the partnership continues to deliver ever more successful results, with sales of the 2018/19 financial year at a magnificent **€1,524,000** from 297 pallets of stock – meaning that there has again been an incredible increase of €14,000, a 137% jump from 2017/18.

This success is led by the dedicated SIX4GOOD stores, which are now operating in Greater Dublin – in St Stephen's Green; Omni Park Shopping Centre; and in Tallaght. And of course beeline continues to be an integral part of the trading model for all of our 47 shops across the island of Ireland, including in our recently refurbished Oxfam store in Ballymena, County Antrim.

WHERE THE MONEY GOES

Our stores turn shopping into a powerful way to help end poverty. Every time someone buys a beeline item in any of the three dedicated SIX4GOOD stores, or in one of our other 44 donated shops in local communities across Ireland, it has a direct impact on our ability to continue our life-saving and life-changing work worldwide. And our network of committed, passionate volunteers is crucial in helping us maximise income and keep costs low. Having high-quality new accessories to sell in our network of shops raises vital funds that allow us

to be there for people whose lives have been turned upside down by natural disasters, war and drought.

Our programme work also promotes gender equality and women's rights. Over the last year, we worked with women to grow their businesses and thrive by providing tools, training and access to finance. We supported women to access their right to land and tackle violence in their homes and communities. In Malawi we reached **over three million people** with our ENOUGH! campaign to end violence against women and girls.



The SIX4GOOD shop in Omni Park Shopping Centre, Swords, Dublin.



The SIX4GOOD shop in Tallaght, Dublin.



Store within a store – the new Oxfam Ballymena shop includes an extensive SIX4GOOD section. Pictured is shop manager Rebecca McCoy.



Photo: Abbie Trayler-Smith

Another example of our programme to empower women is how we are working with our partners to improve water management in Jordan, one of the most water-poor countries in the world. Oxfam is supporting female plumbers to teach other women the trade. With more than 40 per cent of Jordan's water lost through leakages, we have trained more than 400 women in basic plumbing skills so they can fix leaks in their homes and become plumbers themselves. The project aims to improve environmental sustainability in the water sector, while ensuring that the specific needs and interests of women are addressed.

Mariam, a mother of four from the town of Zarqa became a plumber five years ago and now has several male plumbers working for her. Last year Mariam, 44, branched out by opening a hardware shop. Mariam says: "A year ago, I was selected by Oxfam to train other women to be plumbers and a year ago I opened my hardware shop. I get enough business for it to be worthwhile having the shop, but it is a new business, it's still at the beginning; it's a growing business."

One of the beneficiaries of our women's empowerment programme in Tanzania is 32-year-old Ng'washi Shimba, a small-scale farmer whose cash crop is cotton, although when she produces a surplus of food crops, she also sells them. Ng'washi is the secretary of Mwanga (Light) Group, and a casual labourer in the sisal processor plant during the harvesting season.

The group was advised to start a gardening group to increase their incomes when the sisal season ends and so they hired half an acre of land to garden tomatoes. Oxfam facilitated them with training on techniques for modern gardening, drilling boreholes and supported them with materials for the construction of a greenhouse. Because of their increased knowledge of tomato farming, the Mwanga Group now produces high-quality tomatoes, and sells three for \$0.25, while previously they sold the same for \$0.13.

“I feel the progress and success from where we were before the project, because our knowledge and achievements have increased. We can train others to do the same, they can come here and learn more.”

– Ng’washi



Pictured is Ng’washi Shimba (right) with other Mwanga Group members at the market in Kishapu District, Tanzania.

As well as being able to plan for sustainable long-term development projects, some of the money raised through the sale of beeline goods goes to our life-saving emergency responses. Having flexibility in how your donation is invested allows us to be first and fast when emergencies strike; right now we are providing vital aid including food and safe water to thousands of ordinary families caught up in conflicts in Yemen, Syria, South Sudan, Iraq and Myanmar, or

those affected by natural disasters such as Cyclone Idai.

The cyclone hit Malawi, Mozambique and Zimbabwe in March 2019. While the full scale of the crisis is only now being fully revealed, Oxfam is aiming to reach 500,000 people in the three countries with clean water, toilet and handwashing facilities, food, shelter and other essentials.



Oxfam is assisting people such as Aaron, 41, pictured above standing in front of what is left of his home, surrounded by the devastation caused by Cyclone Idai, in Chimanimani, Zimbabwe.
Photo: Philip Hatcher-Moore/Oxfam

These are just some of the ways the funds raised through our partnership have made a tangible and lasting difference to people affected by poverty and injustice. Thank you.

TURNING CASH INTO POSITIVE CHANGE

Together, the Oxfam and beeline partnership is turning cash into positive change. For example, the sale of just one piece of beeline jewellery for €6 is enough to provide a month's food rations for eight displaced Yemeni families living in a makeshift refugee camp.

€50,000 would build enough toilets, sinks and washing areas for 23,000 people in the aftermath of humanitarian emergency.

€50,000 would also allow us to distribute 9,896 hygiene kits containing everything 61,452 families need to stay clean and safe from diseases in a refugee camp. It also builds 1,200 handwashing facilities for 50,000 people alongside 2,500 latrines.

€100,000 will help us provide combined water, latrine and washing facilities in Yemen to 10,500 people. This includes buckets and jerrycans to allow people to store water. This will help us to provide 4.7 million litres of water in a three-month period.

With sincere thanks,

Jim Clarken

Chief Executive, Oxfam Ireland

So, whether it's clean, safe water in an emergency, empowering women, or refugees and communities being able to access their rights and essential services – people across the globe can feel more confident about their future as a direct result of your generous support.

OXFAM AND BEELINE PARTNERSHIP

I hope that this report has given you a sense of the value of your organisation's generosity, not just in financial terms, but more importantly in the direct impact it has made on the real lives of thousands of people.

I very much look forward to meeting with you to discuss our partnership in person, and for you to take the opportunity to personally visit our overseas work in Tanzania to see your donations in action.

I'd also be delighted to have the opportunity to meet and talk to your staff about our work and its impact if you feel it appropriate, or to provide more materials for you to share with your staff.

We are excited to continue working in partnership with you on these successful initiatives. May I wish you and all employees at beeline the very best from everyone in Oxfam Ireland.

How to reduce our carbon footprint?

Not yet avoided or unavoidable GHGs can be neutralised by planting trees, for example.

Since the beginning of 2018, all merchandise from our TOSH brand has been carbon-neutral, from raw materials to their arrival at our warehouses in Cologne and Mallory, in this way. All our other brands were converted as well from June 2019.

Since then all items imported by beeline have been carbon-neutral through our cooperation with natureOffice and their PROJECT TOGO, which is explained here by Andreas Weckwert, the founder of natureOffice:

PROJECT TOGO

Regeneration of natural forests through strong partnership

Planning for PROJECT TOGO as a climate protection project in the area of natural forest regeneration began back in 2010. Implementation started in 2012. The two years of planning were necessary to ensure it was possible to process or apply all the criteria a project has to fulfil in terms of climate protection standards. Principal criteria enquired about for certification included, for example, the property situation of the land, its original condition (when the land was last forested) and, one of the most important criteria, additionality. All of this information first had to be collected, documented, and prepared



for the certification.

The project's goal was to not only reforest an area of fallow land, but to also improve social structures in the region as well by working together with the local population over the project's 30-year course. Improving day-to-day life is especially important to the rural region, as even today it still lacks a functioning power and water supply.

To date – eight years after the first tree was planted – more than 1.6 million native trees have been successfully

planted on the project land. Care was further taken to make sure that the trees are able to spread well through natural regeneration. 36 kilometres' worth of fire lines within and around the project land guarantee effective protection against fire during the dry season.

In spring 2018, students from the University of Applied Forest Sciences Rottenburg took stock of the trees and counted 86 different species of tree native to Togo. This level of biodiversity surprised even the university's up-





and-coming forest rangers. The young researchers were supported by Togolese students from the University of Lomé and the agricultural school in Kpalimé, who naturally had more comprehensive knowledge of native and non-invasive tree species in Togo.

Just how important structural improvement at a social level is to the success of such a project is demonstrated by looking at forest fires in the region, which are frequent, especially in the dry season. These fires do not begin naturally; rather, they are started solely by people. It is rare to see meat on the table in Togo because it is very expensive; moreover, there is no large-scale production there. This leads

to primarily young men heading for areas of fallow land, where they throw burning coconuts into the open area while waiting to see which animals emerge from the undergrowth, to then kill them. The meat is sold at the surrounding markets or simply eaten within the families.

What this ultimately means is that if the search for meat is the cause of the fires, this issue has to be addressed first if fires are to be prevented. Knowing the demand for meat was having such a strong impact on the interaction with the environment in this region was why we set up our own sheep farming operation in one of the

project villages back in 2014. The aim of this was and still is to supply the region with a more expedient source of meat with the goal of fallow land no longer being set alight in order to get meat. Since this alternative to “hunting with fire” has been in place, fires have been a thing of the past in our project region.

At the same time, there are also a lot of other things we would like to improve or have already improved through the work of the project. Most important of all is creating sustainable and long-term jobs as well as paying them fairly. We have agreed all of this with the villages directly in community work contracts signed by all residents, some of whom signed these with a signature and some of whom did so with a thumbprint.

Over the past few years, this has enabled us to:

- Drill three wells with an average depth of more than 100 metres
- Put two large water filtration systems into operation with a capacity of 6,000 litres each

- Build two meeting houses (which are used for training and schoolwork)
- Construct two toilet facilities, each with six toilets for women and six toilets for men
- Build a fruit production facility where palm oil, peanut butter and other products are made as part of a women’s cooperative
- The fruit does not come from plantations; rather, it is collected in the wild or sourced from small areas of land being cultivated
- Install two solar stations in project villages
- Establish two small company forests
- Begin operations in an agricultural test area of approx. 50 ha
- Carry out school projects in the area of tree nursery and growing lettuce and fruit
- Set up a beekeeping school with up to 12 places for students per year
- Establish a beekeeping operation with over 300 hives
- Set up a sheep farming operation with what are now 200 animals
- Start a rabbit farming programme as a women’s promotion project
- Teach French lessons for adults





All of these social projects do not really have anything to do with a climate protection project in the conventional sense. We believe, however, that they are necessary, as environmental AND social aspects need to be looked at if a climate protection project is to be implemented successfully. Particularly in developing countries and emerging nations, climate protection only works well when local people are involved. With the climate protection project set up this way, we are not only changing perspectives and prospects, but also generating awareness for the environment and nature – but it is a process that will take a long, very long time.

On our own, we would not be in a position to implement PROJECT TOGO in this form and so intensively, with all the social projects. We can only succeed in doing so together with strong partners – partners who share our vision of climate protection and of a more just world: a world in which

we together try to improve the lives of those who are today already suffering the consequences of climate change they did not cause and go some way towards making those lives fairer.

An especially important partner when it comes to implementing PROJECT TOGO is beeline GmbH from Cologne. Since Harald Steber, Sustainability Manager at the company, came to see the project in action locally in order to make sure that the funds spent in the form of CO₂ certificates were being used there in a way that is project-oriented and responsible, the company decided to enter into a long-term contract for the supply of the CO₂ certificates required annually. beeline thereby offsets its own emissions that occur in connection with its merchandise. This is in addition to its own efforts to gradually decrease the company's carbon emissions as part of a larger package of reduction measures.

With the support of beeline, PROJECT TOGO can plan reliably for the years to come and has an indispensable partner that enables the project to maintain a strong focus on the implementation of further social projects.

A project that was only made possible with the support of beeline GmbH is the development, realisation and running of the first adult training centre in Togo, or Beeline tutudodofé as it is known, meaning "Beeline – place of training" in the Ewe language. This training facility is being created close to the border with Ghana, far away from the next motorway. It will offer training and workshops. The area its attendees will be drawn from counts approximately 12,000 people, 7,000 of whom are women of all ages.

Training will initially take place on the following subjects:

- Malaria prophylaxis – using naturally occurring herbs
- Water and hygiene
- The risks of home births – precautions to take
- Introduction to further women's promotion projects in Togo
- Children and education – how important good schooling is
- Preserving food
- Refining food with the aim of selling for higher prices at market
- French course for adults
- English course for adults
- Improving income through domestic projects (hare and rabbit farming, herb growing)



3.2.4

Efforts at “home”

Through our WE CARE initiative, a number of projects were initiated by our employees and supported by our Sustainability Manager. These resulted from numerous and lively discussions in the several WE CARE groups.

NO MORE DISPOSABLE CUPS AT BEELINE

Since 11 September 2019, there have been no more disposable cups at beeline. RECUP cups were provided – in the Cologne edition, of course – for all employees at the ISC and the BLC in Cologne.

RECUP has installed a Germany-wide deposit cup system: the cups can be purchased anywhere in the country for a €1 deposit and can also be exchanged again. The cups are fully recyclable, dishwasher safe and very robust, so they can give us many, many cups of coffee and tea. In addition, you can also buy lids, but for hygienic reasons these can no longer be returned to the deposit system.

POLYBAG RECYCLING

Our commitment to having at least part of our polybags recycled (an amount estimated to be as high as

100,000,000 pcs or 190 tonnes of PE and PP) is one we are still working toward. Due to the pandemic, the final steps for this project were postponed to summer 2021. Final steps will include a meticulous analysis of test collections from numerous points of sale to calculate the actual amounts of recycling materials produced through this initiative.

BEES FOR BEELINE

To help the bees in our hometown Cologne, we plan to place beehives on the roofs of our International Service Centre (ISC) and/or our Logistics Centre (BLC) in 2021.

WASTE MANAGEMENT IN THE ISC AND BLC

As all materials from the point of sale (e.g. demolished display racks) or our suppliers (shipping boxes) that can be disassembled and separated are sold to recycling companies on a regular basis (turnover 2017: €70k), the need for a better solution for separating recyclable and non-recyclable waste from the offices has been growing. Initiatives to realise easy collection of paper and packaging materials are ongoing and will be put into action once the offices are occupied again (post-pandemic; summer 2021).



PROMOTION OF PUBLIC TRANSPORT

Since 1 January 2020, beeline has offered its employees a subsidy of €60 for their local transport ticket – a 100% rise from the €30 support which was paid before. The subsidy can be applied for at any time and makes an important contribution to climate protection.

RECYCLED PAPER IN ALL OFFICES

As a quick and easy enhancement for our daily work, we have made the usage of recycled paper possible for all printers at ISC and BLC offices.

HAND DRYER OR PAPER TOWELS?

In our WE CARE campaign we asked our employees for their input. The result was that many of our employees told us they are concerned about the use of paper towels in our restrooms.

First of all, it is important to note that drying your hands is almost as important as washing them. As bacteria live better in humid climates, wet hands are more likely to spread pathogens further. Thus, clean, dry hands are a key part of preventing their spread.



However, paper towels are not without impact either: according to an older study by the German Federal Environment Agency, both hand air dryers and cotton towels as well as paper towels are very similar in their impact on the environment. (Umweltbundesamt 3179.pdf)

The obvious advantages that an air dryer and the cotton cloth have over paper towels, namely that no waste is produced on site, are offset by the fact that the fan permanently consumes electricity and also has to first be manufactured; in the case of the cotton cloth, the transport of the cloth, but especially the hot laundering, are factors that makes this solution “worse” than initially assumed. In addition, cotton has a relatively poor CO₂ balance compared to paper.

So why did we choose paper?

The decision is particularly related to the (blue) paper itself that we use: it consists of a combination of recycled paper and virgin fibres from wood from sustainably managed forests.

Why not 100% recycled paper?

Paper fibres get shorter through recycling: the more often it is recycled, the shorter the fibres become. This makes the paper more and more unstable and more material is needed in order to achieve similarly stable paper. With the help of virgin fibres, the quality of the paper can be stabilised and less material overall is consumed. Another problem is that 100% recycled paper is less absorbent, so users need more paper to get their hands dry.

TOBACYCLE

We have joined in this project run by a start-up to collect used cigarette filters, which are hazardous to nature, and use them as (new) base materials.

REDUCTION OF ENERGY CONSUMPTION

LED panels were installed throughout the BLC and the ISC to reduce the amount of energy consumed for lighting.

APPENDIX

- I: Audits explained
- II: Supplier Code of Conduct
- III: Certificates for the CO₂ study from TÜV

APPENDIX I: AUDITS EXPLAINED

A BEELINE SOCIAL AUDIT APPROACH

A.1 REQUIREMENTS

Our specific requirements are accessible in the Guidelines to our Supplier Code of Conduct.

A.2 RATING SYSTEM

The total number of findings is converted to a rating. Violations are classified as minor, middle, major or zero-tolerance by the Supplier Code of Conduct. Major infringements are severe labour law violations such as unlawful deductions of the workers’ wages. Furthermore, there are zero-tolerance infringements, which can result in termination of the relationship immediately, such as, but not limited to, evidence of child labour. The supplier is informed of the findings immediately after the audit. Subsequently, the supplier receives a detailed report as well as a specific time frame in which remediation of violations must be performed. In case of major infringements, a follow-up audit is conducted, normally two to four weeks after the initial audit. If the follow-up audit leads to the same unsatisfactory result, there will be a second follow-up audit. The supplier is responsible for all expenses resulting from a second follow-up audit. In such cases, the unit is set to a “no order” and/or “no production” status until all infringements have been rectified. A finding of blatant major infringements during the initial audit can also lead to an order and/or production stop. Ratings are based on a traffic-light scheme, ranging from green, which is the best rating, up to blue, which is the worst rating. Additionally, we can rate a new production unit purple, which is a blue result of a pre-audit. A purple rating result is conditional and therefore has no numeric value. The production unit shall have the opportunity to improve their performance. The rating system is harmonised with our customers’ rating systems and international approaches.

B REQUESTED DOCUMENTS

B.1 STATEMENT OF PRODUCTION PLACES/ WORKFORCE STRUCTURE

The Statement of Production Places form must be completed once per month by each supplier. It is a list of all production units that are involved in the production of beeline GmbH goods. In addition, we must be informed immediately any time there is

a change of a production unit. The auditor group commissioned by beeline GmbH conducts pre-audits before production is allowed at a new unit.

B.2 SUPPLIER AUDIT REPORT

The Supplier Audit Report serves as a self-assessment for our suppliers. It must be completed upon request.

B.3 SPECIAL ITEMS STATEMENT

Suppliers employing home workers are required to list all manufactured items on a Special Items Statement. This procedure helps us regulate the use of subcontractors and employees working from home, which is common practice in India.

B.4 SUPPLIER QUESTIONNAIRE

The supplier questionnaire is sent to our suppliers once a year for collecting operational data, such as production and compliance data, from each tier 1 (direct supplier) and tier 2 (indirect supplier) production unit.

C AUDITS

C.1 INTERNAL SOCIAL AUDITS

Our appointed auditor group works closely with our suppliers and visits their production units periodically. For example, facilities located in India are audited once per month. Chinese production units are audited at least once a year and up to once a quarter. Since production units vary in terms of size and operations, beeline applies different scopes. Small units need to comply with less-detailed requirements than large production units or production units engaged in dangerous activities. However, all production units must comply with baseline requirements that protect human rights and ensure the safety of all employees. Audits are semi-announced, with a four-week time frame communicated. Only approval audits are announced.

C.2 EXTERNAL SOCIAL AUDITS

Production units involved in the production of customers’ items are subject to specific customer audits. These audits are based on the customers’ requirements (e.g. C&A Code of Conduct, Tesco THMS, Disney ILS Programme, ETI Base Code, SMETA [2-pillar]). Usually, audits are carried out semi-announced with a four- to six-week window communicated by the external audit organisation (Elevate, Intertek, BV). Insufficient audits lead to an immediate production stop. beeline is a Sedex member.

C.3 ZDHC

In 2018, beeline rolled out ZDHC wastewater testing with support from TÜV Rheinland.

APPENDIX II: SUPPLIER CODE OF CONDUCT (COMPLETE)

PREREQUISITES

The beeline GmbH Code of Conduct is based on standards set by the International Labour Organization (ILO) and combines other current international standards.

LEGAL COMPLIANCE & INTELLECTUAL PROPERTY RIGHTS

beeline requires all suppliers at all levels of the supply chain to comply with national and other applicable laws and regulations at all times. Where the provisions of the laws, regulations and the beeline Supplier Code of Conduct address the same subject, suppliers must apply that provision which affords the greater protection of workers or the environment. The intellectual property rights of third parties shall be respected by all concerned. Thus, unlawful copies are neither offered nor produced.

EMPLOYMENT CONDITIONS

In addition to the general requirement that all suppliers extend the principle of fair and honest dealings to all others with whom they do business, we also have specific requirements relating to employment conditions based on respect for fundamental human rights. These requirements apply not only to production for beeline, but also to the production for any other third party.

MONITORING & TRANSPARENCY

Suppliers ensure an open and transparent attitude towards beeline which includes full access to documents, facilities and employees, if required. Suppliers must allow beeline and its representatives, as well as authorized third parties, to conduct audits, no matter if announced or unannounced. If the supplier prohibits beeline or its representatives from conducting an audit, beeline reserves the right to suspend open orders or to terminate the business relationship. If any violation is found during the assessment, a reasonable time frame will be given to rectify the infringements. Depending on the severity of the violation, beeline reserves the right to stop placing orders, expect the production to be immediately suspended until all corrective actions have been completed or terminate the business relationship.

I PROHIBITION OF CHILD LABOUR

Suppliers ensure that no worker younger than 16 years, or older if it is required by local laws, is engaged in the production of beeline goods. Workers performing hazardous activities or

working during night shift have to be at least 18 years of age. Suppliers shall apply preventive measures to avoid the hiring of children.

II PROHIBITION OF INVOLUNTARY LABOUR

Suppliers must ensure that workers are only hired on the basis of their own free choosing. All kinds of direct and indirect forced labour are strictly forbidden and thus not tolerated at all, which also includes the withholding of salary or personal documents. Disciplinary measures shall include effective conciliation procedures, be respectful and in line with local laws at all times.

III PROHIBITION OF DISCRIMINATION & HARASSMENT

No worker may be discriminated against for any reason, harassed, abused or treated harshly, physically or verbally, under any circumstances. Suppliers shall offer equal job opportunities and show consideration for diversity management. Vulnerable groups, such as female, migrant, disabled, agency or home workers, among others, must be viewed with special consideration according to their rights and needs.

IV MANAGEMENT SYSTEM IV.1 MANAGEMENT SYSTEM & BUSINESS DOCUMENTS

Suppliers must apply an effective management system and maintain records properly. Business-related documents, permissions and licences have to be up-to-date and in line with local laws and regulations at all times.

IV.2 HUMAN RESOURCE MANAGEMENT

Personnel files, employee rosters, labour contracts, attendance and payroll records must be in line with local laws and regulations at all times and up to date. Suppliers must outline in a policy how they protect the privacy of personal data.

IV.3 HUMAN RIGHTS IMPACT ASSESSMENT (HRIA)

Suppliers are required to perform a human rights impact assessment (HRIA). Suppliers must establish grievance procedures for managing workers’ complaints.

**V OCCUPATIONAL
HEALTH & SAFETY (OHS)
V.1 OHS MANAGEMENT SYSTEM**

Suppliers must provide employees with a safe and hygienic workplace with appropriate light, heating and ventilation. All necessary preventive and emergency response measures must be prepared and applied on the basis of an effective risk assessment. Each worker must be trained according to OHS laws and regulations prior to starting a new job as well as on a regular basis, at least annually. Each worker who is engaged in special and/or dangerous operations must receive special training befitting the performed task. These workers must undergo an occupational health check prior to starting a new job, on an annual basis as well as after quitting a job. Suppliers are requested to appoint a Safety Officer or Safety Committee. The Safety Officer or Safety Committee has to carry out regular inspections on all safety-relevant issues.

V.2 BUILDING SAFETY & FIRE SAFETY

beeline requires all production buildings to be unobjectionable, with compliance evidenced by governmental or qualified third-party certificates. Additionally, firefighting and fire preventing equipment and preventive and emergency response procedures must be provided. Fire and emergency evacuation drills must be held at least every six months. For reasons of building and fire safety there are provisions suppliers must comply with if they are not the only tenant of the production building or the production area. Please refer to the Guidelines of the beeline Supplier Code of Conduct for detailed information.

**V.3 PERSONAL PROTECTIVE
EQUIPMENT (PPE)**

Suppliers must provide personal protective equipment (PPE) to each employee according to the risk assessment of their work space, the Material Safety Data Sheets (MSDS) and Safety Data Sheets (SDS), if applicable.

V.4 FIRST AID

Suppliers must train at least five per cent (in any case no fewer than two employees) of the total workforce to be first aiders. Where legally required, an occupational nurse or doctor must be hired. First-aid kits have to be well stocked, and the medicine may not be expired.

**VI WORKING TIME
& OVERTIME HOURS**

Workers shall not exceed the working hours permitted by local laws, which are usually 40 or 48 hours per week, excluding overtime hours. Information about working time and overtime hours has to be provided to each employee in

line with local laws and regulations. Proper rest periods have to be provided during the working day and between two working days. At least one day off during a seven-day period or two days off during a fourteen-day period must be given. Suppliers have to provide paid annual leave, personal leaves and bank holidays, at least as stipulated by local laws and regulations.

VII REMUNERATION

Payments, including wages, benefits and compensations, must be in line with local laws, on time, above the legally fixed local minimum wage and paid directly to the worker. Cash payments are not accepted. Suppliers must provide a suitable premium rate for overtime hours, not less than 125% of the regular pay rate based on a 30-day period, or higher if required by law. Workers must be informed about all remuneration regulations.

VIII SOCIAL INSURANCES

Employees are entitled to receive occupational social insurances as stipulated by local laws. Suppliers must pay the contributions on time and keep the receipts.

**IX ENVIRONMENT, SUSTAINABILITY &
ANIMAL WELFARE**

**IX.1 ENVIRONMENTAL MANAGEMENT
SYSTEM (EMS)**

Suppliers must comply with local laws pertaining to environmental issues at all times. Furthermore, beeline requires an efficient and proactive environmental management system (EMS).

**IX.2 CHEMICAL MANAGEMENT
SYSTEM (CMS) & CHEMICAL SAFETY**

Suppliers must set up a Chemical Management System (CMS) in order to assure the compliance with beeline's RSL/MRSL. A safe handling of chemical substances according to the risk assessment is mandatory for protecting employees. Chemical substances must always be labelled and stored properly and a chemical inventory and related MSDS must be kept. Suppliers must establish efficient exposure control measures.

**IX.3 WASTE MANAGEMENT
& EMISSIONS**

Suppliers must set up an efficient waste management system. Waste disposal must be in line with local laws and regulations at all times. Suppliers must keep records about their emissions. Suppliers are requested to work towards the elimination of hazardous substances from the supply chain according to the

**> Zero Discharge of Hazardous Chemicals
(ZDHC) Programme.**

IX.4 XIV ANIMAL WELFARE

beeline loves animals. Thus, beeline considers the proper treatment of animals with respect to be universal. beeline does not accept any product from animal-derived raw materials of which production processes included harsh treatment of animals or even torturing animals. Thus, live plucking of feathers or down is strictly forbidden. Animal-derived products are allowed only as a by-product of the food industry. Suppliers must disclose information, such as the scientific name, about plant-based or animal-derived raw materials. Suppliers may not use any kind of animal-derived materials, such as, but not limited to, bones, leather, feathers, skin or hair from: cashmere, shearling, karakul, vicuña, shahtoosh, angora (mohair), cat, dog, rabbit, angora rabbit, marten, racoon, fox, squirrel, chinchilla, pashmina, any exotic animal, such as reptiles. Excluded from sale are products containing leather processed in Bangladesh, any kind of real fur, cotton from Uzbekistan and sand-blasted items. beeline does not accept products, including raw materials, no matter if plant-based or animal-derived, that are listed as any kind of endangered on the **> IUCN Red List**. Suppliers must buy natural-derived materials from domesticated animals and species.

X HOME WORKERS

Suppliers must disclose and maintain records about home-working activities. All regulations outlined in this Supplier Code of Conduct are also applicable to home workers.

XI SUBCONTRACTORS

Suppliers must disclose and maintain records about subcontracting activities. All regulations outlined in this Supplier Code of Conduct are also applicable to subcontractors. Sub-subcontracting is strictly forbidden.

**XII FREEDOM OF ASSOCIATION &
THE EFFECTIVE RIGHT TO
COLLECTIVE BARGAINING**

Every worker is entitled to form, join and organise trade unions of their own choosing and to bargain collectively on their behalf with the company. The rights may not be restricted by the supplier. The supplier must accept and implement collective agreements and inform the employees about their rights.

XIII BUSINESS INTEGRITY

Suppliers must apply anti-corruption and anti-bribery procedures. Suppliers may not offer, pay, solicit or accept bribes, including facilitation payments. Furthermore, compliance with all applicable anti-bribery and anti-corruption laws and regulations is mandatory at all times.





GÜLTIGKEITSERKLÄRUNG

DIN EN ISO 14040 : 2009 / 14044 : 2018
(Produkt-Ökobilanz)

Der Nachweis der regelwerkskonformen Anwendung wurde erbracht und wird gemäß TÜV NORD CERT-Verfahren bescheinigt für

beeline GmbH
Grünstraße 1
51063 Köln
Deutschland



Geltungsbereich

Produkt-Ökobilanz „Fashion Jewelry and Accessories 2018“

Die Forderungen werden erfüllt, nachgewiesen durch eine kritische Prüfung hinsichtlich

- ordnungsgemäßer Methodologien
- repräsentativer Bilanzierungs- und Wirkungskategorien
- durchgängiger Transparenz und Konsistenz

Auditbericht-Nr. 3524 7717

TÜV NORD CERT UMWELTGUTACHTER GmbH

Essen, 2020-01-11



Dr. Winfried Hirt
Umweltgutachter

TÜV NORD CERT UMWELTGUTACHTER GmbH

Am TÜV 1

30519 Hannover

www.tuev-nord.de



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Auditbericht-Nr. 3528 4673

TÜV NORD CERT UMWELTGUTACHTER GmbH

Essen, 2020-12-04



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Harald Steber

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