



FYNCH-HATTON®

A close-up photograph of traditional wool spinning tools, including wooden spindles and bobbles, some with white wool already spun onto them. The tools are resting on a dark wooden surface. To the right, there is a large pile of raw, white wool fibers.

CSR - Report
2020

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Editorial notes

The sustainability report relates to the 2020 calendar year and was approved by the management of Fynch-Hatton Textilhandelsgesellschaft mbH.

The editorial deadline was 30th January 2021. The report is, of course, available in German and English.

Wherever the male form is used for reasons of better readability, all gender identities are, of course, included.



Our Story

FYNCH-HATTON has been molded nationally and internationally for 23 years, through high quality, sophisticated workmanship and exciting details.

Our philosophy is to design collections that are something special and give you the opportunity to always be perfectly dressed.

Our brand is dedicated to the Briton Denys Finch Hatton, who as a safari guide, farmer and pilot in Africa has skillfully combined adventure with English luxury. At home in the world, he shaped his time like few others. The umbrella acacia in our logo symbolizes this special relationship. It is the typical tree of the African savannah and stands for the fascination that this region has always radiated.

FYNCH-HATTON is the freedom to live your own style. But not at the expense of others. Therefore, we are aware of our responsibility every day.

Responsibility towards our employees, suppliers and - of course - our environment.

Sustainability is a very important aspect of our daily business. We pay attention to environmental compatibility and social aspects. Social aspects, such as fair wages, safety at work and good working conditions in the production of clothing.

For this reason, long-term relationships to our suppliers, and close, permanent and fair partnerships are very important to us.



You want to learn more about our story?
Scan this code for further information!



Flashback 2020

“Despite all the difficulties, we want to keep looking ahead.

At FYNCH-HATTON we have done really well over the past year. This is everyone’s merit and a great team effort.

I am looking forward to starting the new year with my team, to breaking new ground and facing the challenges to come.”

– Roger Brandts CEO



Flashback 2020

The last year has often been rocky. But we can say that at FYNCH-HATTON during this crisis, we have moved together even closer.

Internal, we searched for solutions together and all of us continued to develop personally.

External, we didn't let any of our partners down. Instead, we strengthened our relationships and supported our suppliers and retailers with our FH survival package wherever possible.

We appreciate our long-term partnerships and collaborations even more. These reliable relationships have enabled us to produce consistently even in times of crisis and to maintain our supply chains. This stability gives us the opportunity to break fresh and innovative grounds in the future.

„With our ‚FH Survival Package‘ we were able to help many of our customers during the first lockdown in spring by adapting, supporting and helping them individually, focused on their individual needs. During the second wave of the lockdown, we will support our customers the best we can and try to distribute the resulting damages fairly and in a mutually acceptable manner. We will only manage this epochal crisis together. „

– Christoph Brandts Managing Director

„We put all our heart and soul into each of our collections and each individual product. High quality in the sense of „sustainability“ we live by, is not only recognizable in the products themselves. It is also visible in the entire supply chain. For 2021 we will consistently go steps further on the path of digital product development.

This saves resources and energy. As the FYNCH-HATTON team, we are positive about the year 2021 and the challenges that come with it!

– Christian Bieniek Managing Director



*„When it rains look for rainbows,
when it's dark look for stars!“*

Strategy

At FYNCH-HATTON we take a holistic approach to sustainability and are deeply anchored in our values and basic understanding through our company history and our connection to Africa.

For FYNCH-HATTON on the one hand sustainability means, the interaction of first-class quality, innovation and responsibility. On the other hand, we also want to ensure that our products are manufactured in a socially and environmentally compatible manner. In both we see essential condition for customer loyalty and the ability to innovate and thus strong factors for long-term corporate success.

At the same time, sustainability is an important aspect in order to use resources efficiently and to optimize processes along our supply chain.

It is precisely this understanding of sustainability that supports FYNCH-HATTON's goal of being the world's most sought-after fashion and lifestyle brand in the modern casual segment.

Based on our durable products, we do not only consider the topic of sustainability strategically at all levels (social, ecological, economic). For us, sustainability is not just a buzzword, it is deeply anchored in our values. That is why we understand sustainability as the amalgamation of two words that shape our daily actions: reliability & responsibility.

FYNCH-HATTON stands for reliability, partnerships and product quality. Also, for reliability when faced with challenges. We take responsibility for our products, our actions, our supply chain and our partners right from the start.

We are very proud of that, but we don't want to rest on it.



„There is a challenge in every crisis.
And we accept this challenge!“

Strategy

Stagnation is not an option for us.

That is why we continued to invest in quality and sustainability during the crisis. In mid-2020 we started to set up and implement two new departments in order to manage our understanding of sustainability and quality centrally and to anchor it strategically even more deeply in all divisions of the company.

In the future, we will question each of our own steps, the materials we use and our external actions. Challenging our actions on the one hand, regarding social and ecological impact and compatibility.

On the other hand, regarding the striving to do it even better.

To make our promises and developments measurable and transparent for our customers, we defined our specific goals in a sustainability strategy.

The defined goals relate not only to our products, but also to each of our areas along the supply chain - internal and external.



Partnerships

We believe that we can only achieve the best quality for our customers and our environment if we expand our knowledge through cooperation with partners.

FYNCH-HATTON also draws inspiration from the great continent of Africa.

This moves us to work with various organizations and partners. In this way we can regularly support projects and give something back.

We are also supported by our partners in continuously improving our actions and taking even more responsibility for our partners and the environment.

On the one hand with know-how, that has been growing for years, and on the other hand with resources and “man & woman power” in realizing our projects and visions.

Our partners

- BCI - Better Cotton Initiative
- CmiA - Cotton Made in Africa
- SUPIMA® Cotton
- Partner of Africa & Welthungerhilfe
- Tierschutz - FYNCH-HATTON stoppt Wilderei
- GermanFashion Modeverband Deutschland e.V.



„Be the voice - not an echo!”

Partnerships



BCI - Better Cotton Initiative

The cultivation of conventional cotton consumes an enormous amount of water and pesticides and is therefore anything but good for our environment.

The social aspects of cotton are also to be viewed very critically. Farmers who are poorly paid can rarely support their families. In doing so, they suffer from the environmental impacts of cultivation.

At FYNCH-HATTON, we want to be part of the solution and not of the problem. That is why we are increasingly relying on BCI-certified cotton for our products.

The Better Cotton Standard System is a holistic approach to sustainable cotton production that covers all three dimensions of sustainability: **ecological, social and economic.**

Each of the elements – from the principles and criteria right down to the monitoring mechanisms that show the results and impact – works together to support the Better Cotton Standard System and the credibility of Better Cotton and the BCI (Better Cotton Initiative). The system is intended to ensure the exchange of best practices and to promote the expansion of joint measures to establish Better Cotton as a sustainable mainstream product. The sustainability standards focus on the areas of water consumption, pesticides, soil protection, product quality and social issues. Our shirts are already made from BCI-certified cotton and in the future, we will increase the amount of BCI certified cotton.

These goals are specifically anchored in our sustainability strategy:

- For each main collection from 2021, we will increase the use of sustainable cotton (SUPIMA®, BCI, kbA) and wool (RWS) by 10% each.
- By 2021, all shirts are already made of BCI certified cotton.
- In the summer 2022, we will switch our knitwear piece by piece to BCI and will start with the Superfine Cotton articles
- In 2025, 50% of the cotton we use will be BCI certified.



CmiA - Cotton made in Afrika

We believe that we can only find solutions for the challenges of our industry together. For this reason, FYNCH-HATTON became a partner of the “Aid by Trade Foundation” at the end of 2019 and demands “Cotton made in Africa” (CmiA)-certified cotton for its production.

CmiA, an initiative of the Aid by Trade Foundation (AbTF), is one of the world’s leading standards for sustainably produced cotton. CmiA’s goal is to generate licensing income by activating market forces, which is then reinvested in Africa, thus enabling cotton farmers in Africa to improve living and working conditions and promoting the protection of our environment.

The initiative takes a holistic approach to sustainability. This means: CmiA supports small farmers and is committed to humane employment, gender equality and respect for children’s rights.

CmiA stands for the protection of soil, water, biodiversity, the environment and climate. It rules out any genetically modified organisms and reduces the negative effects of crop protection.

CmiA facilitates access to high-quality resources, increases productivity and fibre quality and is committed to improving living conditions. To ensure the implementation of these goals and the processing of the certified raw material worldwide, the non-profit foundation cooperates with an extensive network in the African cotton-growing countries, numerous

partners worldwide along the textile value chain, as well as government and non-governmental organisations – such as „World Famine Relief“ the „World Wide Fund for Nature“ (WWF) or the “Naturschutzbund Deutschland e.V.” (NABU).

In 2019, Cotton made in Africa worked with approximately one million smallholders in 11 African countries. They benefited from training in sustainable cotton cultivation and successfully implemented the sustainability criteria of the Cotton made in Africa standards. In total, they produced around 100,000 tonnes of sustainable cotton in accordance with the CmiA standard.

We are already using CmiA for a capsule sweatshirt collection and are increasing the amount of CmiA cotton.



COTTON MADE IN **AFRICA**

Supply chain

We are particularly proud of our long-term partnerships with our suppliers.

This consistency gives us the chance to get to know our supply chain in depth.

We are working on reviewing our entire supply chain from our customers to the raw material by 2023. Transparency is important to us.

We believe that transparency and openness are the base for our development.

In addition, it is a matter of course for us to not only take responsibility for our end products, but also for all components and parties involved in our products.

It is our wish to maintain a long-term relationship with all suppliers and manufacturers. This also includes intensive exchange, regular personal contact and, above all, dealing fairly with one another.



Social commitment

The binding base for us, our partner and the implementation of our values is the Code of Conduct of the amfori Business Social Compliance Initiative, for short: the amfori BSCI.

It applies to all suppliers – without exception. This code takes into account the relevant international guidelines and agreements on human rights, occupational safety and fairness in the supply chain.

In addition, we are always in close contact with our long-term partners and would like to further develop ourselves and our partnerships in the future based on our own “Code of Conduct”.

We will support our partners’ projects and expand our cooperation with organizations such as „World Famine Relief“.

Our biggest project in the social field last year is our “FYNCH-HATTON-Survival Package”. We also provided financial support for our partners and dealers where it was necessary. We firmly believe that we can only master the current challenges together and are proud to be able to maintain our partnerships and our supply chain.



Environmental commitment

We face a particular challenge on the ecological level. We know that every year we use more resources than our planet can create. That is why we take this topic very seriously and want to develop further in everything we do. We are already questioning the use of raw materials and chemicals in production.

Therefore, our garments are REACH compliant. REACH stands for “Registration, Evaluation and Authorisation of Chemicals” and has been in force as a European regulation (EC No. 1907/2006) since 1st June 2007. It applies to all types of chemicals, regardless of whether they are found in industrial or everyday processes.

It is accompanied by the CLP regulation (regulation on the classification, labelling and packaging of substances and mixtures).

REACH teaches us what effects chemicals have and what we as a company have to consider when manufacturing our products. This allows us to take precisely these findings into account during production and do justice to the responsibility we bear towards our customers and the environment.

Personal contact and regular communication with our partners and suppliers also prevent harmful substances from being contained in our goods. All materials, individual product components and the products themselves are checked and evaluated in accordance with legal requirements and our quality specifications.

Which substances are particularly concerning?
Scan this code for further information!



Economical commitment

However, REACH alone is not enough for us. That is why we developed our own RSL (Restricted Substances List) in 2020, which not only prohibits the use of harmful chemicals, but also strictly regulates the use of substances. Our RSL is constantly evolving and is always based on the latest market insights.

In our sustainability strategy, we also anchor goals in the ecological area and want to protect our environment and resources in the long term:

- On the basis of our own RSL (Restricted Substances List), we will develop an MRSL by 2023 that will regulate the use of chemicals in the production facilities

- When transporting our goods, we also use slow-moving ships that have lower CO2 emissions than faster ships or planes - we try to avoid flying
- Through digitization, we are significantly reducing internal resource consumption
- We are expanding our quality assurance and testing our goods with independent institutes in the production countries
- We support our partners in the implementation of their projects and in the use of new technologies
- We are currently reviewing the use of solar and photovoltaics on the stream of our logistics hall
- We are also reviewing our CO2 consumption; we want to reduce it significantly by 2023 and offset it

- Examination of new technologies and standards for the production of our products, e.g. chrome-free tanning of leather

Transparency and credibility towards our customers are very important to us. For this reason, we are currently examining various certifications by independent partners and bodies that verifiably certify our actions and disclose them to our customers in an understandable manner.



Ecological commitment

Our products are our greatest strength. Because in the long term, our actions are only sustainable if we use resources sensibly. That is why the longevity of our products is one of the main criteria for the development and production of our fashion.

We achieve the fulfillment of the high demands on the material through the exclusive use of high-quality fibers - mostly of natural origin. We also work with the best suppliers who understand their craft and whom we trust.

Our production focuses on both precision and professionalism. For example, we produce our sweaters by knitting each piece to shape and then linking and overcasting it by hand.

This is how we ensure the particularly demanding requirements for a particularly long service life for our premium product line. In addition, internally and with our producers, we are always on the lookout for innovations and strive for further development in order to make our products even better.



„Detailed quality and workmanship!”

Our collection

FYNCH-HATTON offers men - and soon also women - numerous casual-sporty and laid-back products - all with a stylish look. With the selection of polo shirts, shirts, pullovers, jackets, trousers and accessories, the customer can dress almost completely with us. For our products, we mainly use natural fibers from sustainable production such as Supima cotton.

At the same time, we pay great attention to a long shelf life and a perfect price-performance ratio.

Our goal is not only to establish an environmentally and socially compatible product on the market and thus to have a positive impact on the environment. We also want to offer attractive fashion that everyone can afford. Without compromise about quality and style.

The exclusive use of premium qualities, our attention to detail and a conscious combination of style and function give our collections their own character and that certain something.

After all, we want our customers to be able to enjoy their very own personal look in every situation. Because that's what we want to achieve and express with our fashion:

**„FYNCH-HATTON is not just fashion,
FYNCH-HATTON is an experience.“**



**„We make collections without compromise -
with the best quality at the best possible
price-performance ratio.“**

Our collection

We will establish a transparent supply chain by 2023 and are already producing under fair production conditions.

We align everything to social and ecological standards as well as our high-quality standards. Our reference points are an economical way of working, market-oriented thinking and long-lasting product strategies.

Always taking future-oriented ecological, economic and social solutions into account. In product development, we work according to the principle “from the abstract qualitative to the concrete quantitative”.

We always try to only produce the quantities that are actually consumed.

We achieve this, for example, by producing only a few sample parts to find out whether the product meets the requirements of our customers. In this way, we later only produce the parts that are accepted by our customers and avoid disposable products.

In order to be able to present unique collections again and again, we develop our products very carefully. In concrete terms, this means that we question and revise the results achieved until we are 100% satisfied.

We are also striving for further development in our collection and are aiming for the following **goals by 2023**:

- Switching from conventional fibers to sustainable alternatives
- Increase in stakes by 10% from collection to collection
- Replacement of packaging parts of our shirts to sustainable alternatives by summer 2022
- Elaboration of a new label concept for more transparency by summer 2022
- Reduction of our packaging waste by 2023



Would like to learn more about our collection?
Scan the code for more information!



FYNCH-HATTON Woman

Under this motto we want to make a statement and can proudly announce that we will be able to present “FYNCH-HATTON Woman” in July 2021.

Just as our men’s collection which is based on the adventurer Denys Finch Hatton, our casual women collection is dedicated to the strong woman at his side - Karen Blixen.

Created for a modern, confident woman who lives and feels in her own style.

Our customers can look forward to a mix of natural materials and timeless, modern cuts - especially knitwear in the familiar FYNCH-HATTON premium quality.



„In love with honest qualities
and natural fabrics“



HQ in Mönchengladbach

We understand sustainability as the holistic basis of our actions and not just as a feature of our products.

That is why we also question our daily actions.

We implemented this approach during the renovation of our headquarters in the traditional textile city of Mönchengladbach.

But here too, stagnation is not an option.

Not only externally with our partners - internally or with our products, we also want to develop continuously internally.

What we are already doing:

- We rely on e-cars or hybrid vehicles in our company fleet and consistently expand their use with each new car
- Our company car park is equipped with several charging stations
- Every employee inside separates his waste already at the workplace, in our kitchen we have a four-bin system (organic, residual waste, packaging waste, paper)
- We use economical LEDs and energy-saving lamps in our premises
- We rely on green electricity
- A social and respectful relationship with one another and equal rights for all forms the base of our work
- Thanks to the digital equipment that is available to every employee, we work almost paperless

- We do not use plastic bottles - glass bottles are available for every employee and treated tap water - also sparkling - available

We are currently considering further projects at our location:

- Collection of rainwater and use of the water by a domestic waterwork to flush the toilets and to irrigate our green areas
- Possibility of recycling at your own location



Diversity

Our employees inside are our engine and the focus. Coexistence is characterized by mutual trust, freedom of action, independence and respect. Everyone is committed and motivated to participate in the company's success and actively contributes to realizing the company's goals.

Every employee has a fixed job or area of responsibility with specific competencies. In this context, everyone can and should act independently and make decisions. With creative freedom of action, regular team meetings and intensive collaboration, be it within or across departments, each individual's daily work becomes more interesting and varied. Equal rights for women and men, as well as foreign employees, are a matter of course at Fynch-Hatton.

Since we pay great attention to the well-being of our employees, we take professional and personal needs into account equally. In concrete terms, this means that both part-time and full-time employees benefit from our flexible working time system and a good work-life balance.

The high number of long-term employees underlines the strong identification with the company. Highly motivated and qualified employees: we would also like to inspire, encourage and retain our company over the long term. Appreciating employees is an important prerequisite for motivation, commitment and a sense of responsibility.

Therefore, we offer each individual the opportunity to participate constructively in business processes and to develop new forms of work and offers.

Respect, loyalty, passion, innovation, quality and the recognition of equal opportunities are the benchmarks of our actions. Given the diversity of our employees, this naturally also includes a non-discriminatory work environment. Modern working conditions, a transparent and fair remuneration system, as well as occupational safety are central aspects for us that are observed and adhered to by everyone.



Workplace

We are particularly proud of our modern new building in the middle of Mönchengladbach-Eicken. A modern working environment was created on the foundations of the cloth factory.

Even when purchasing office equipment and materials, we paid more attention to environmentally friendly criteria. The complete delivery was carried out exclusively by local companies in order to ensure short delivery routes. Just as important to us were the smallest possible amounts of harmful substances in the furniture and appliances, which also makes subsequent disposal more environmentally friendly.

In addition, we sensitize our employees to the fact that they should handle all operating resources and materials responsibly in everyday office life.

Even the smallest energy-saving measures, such as switching on the standby mode on the PC during the lunch break or using the dimmability of the screens, are taken into account by every employee. We are currently equipping all rooms for lighting control with presence sensors so that the ceiling lamps only switch on when someone enters or moves.

In order to save electricity even with printers, we work with multifunctional devices that combine print, copier and fax functions.

To save further resources, we rely on digitization and were able to hold our first collection handover and order phase completely digitally at the beginning of 2021.

For our sales partners our showroom in the heart of our headquarters in Mönchengladbach is available in digital form and three-dimensionally access.

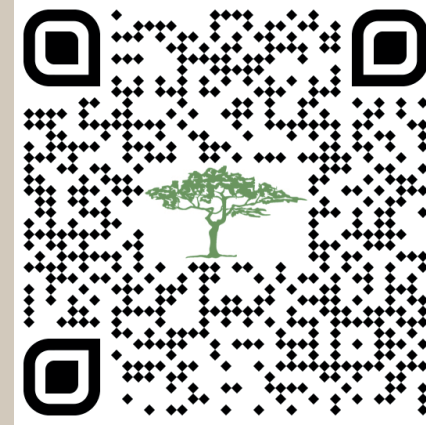
In addition, we are currently developing various portals and systems in order to make our product development and communication with our suppliers more efficient and digital.



Stay in touch!

You want to find out more and
accompany us on our way?

Then visit us online!



List of abbreviations

AbTF	Aid by Trade Foundation	DEG	Deutsche Investitions- und Entwicklungsgesellschaft
BCI	Better Cotton Initiative		
BMGF	Bill and Melinda Gates Foundation		(German Investment and Development Association)
BMZ	Bundesministerium für Wirtschaftliche (Federal Ministry for Economic Affairs)	FSC	Forest Stewardship Council
CHA	Cotton Expert House Africa	GIZ	Gesellschaft für internat. Zusammenarbeit (Society for International Cooperation)
CmiA	Cotton made in Africa	MRSL	Manufacturing Restricted Substance List
CSR	Corporate Social Responsibility	RSL	Restricted Substance List
COMPACI	Competitive African Cotton Initiative		



Legal notice

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Publication date

08th March 2021

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