



# CSR Report 2021

Ball Group Denmark ApS



BALLGROUP

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# *INTRODUCTION*

# Sustainability report 2021

## WELCOME LETTER FROM OUR CEO

Fashion allows us to express who we are and be who we want to be. It has become an inherent part of our society and culture, and this is very much in line with our mission as a company.

We believe that fashion is beyond size and by promoting a positive body image, we are a part of making the world a better place for women in all shapes and sizes.

But being in the world of fashion is a privilege that comes with a responsibility, and the need for action cannot be underestimated. Consumers are increasingly demanding more accountability, and we in the industry are making significant changes to progress and act accordingly. This is the dynamic mechanism that we believe some day will make fashion a more sustainable business that we all can be proud of taking part in. As Zizzi grows internationally and touches upon more consumers, our responsibility towards society and the environment grows concurrently.

In 2021, we have increased our efforts and implemented new actions across our business, including a new audit program, an increase in the share of organic fibres, mapping of fibre usage, reduced travel policies, whistle blower solutions, waste management solutions and development of more responsible strategies for products and packaging.

We will continue our efforts in the year to come and use our strengthened commercial position to leverage even more solutions that support a more cohesive sustainable fashion brand for our customers.

This report covers activities, data and objectives for Ball Group Denmark ApS and constitutes our non-financial report on CSR and sustainability, addressing the requirements outlined by The Danish Financial Statements Act § 99a & 99b (FSA) about reporting on corporate social responsibility (CSR).

This report is also our COP (communication on progress) as we are a proud member of the UN Global Compact. It contains information about our activities and progress according to the ten principles of the UN Global Compact.

At Ball Group, we are committed to support UN Global Compact and communicating our progress and objectives within the 10 principles and doing our part to implement the necessary changes to our business and industry.

We support the 17 UN Sustainable Development Goals (SDG's), and we have chosen to work dedicatedly with goal number 12: Responsible Consumption and Production.

Kuno Kildetoft Mehlsen  
CEO

# 1. Company presentation

# WHO ARE WE

Zizzi is a Danish womenswear plus-size brand established in 1988 owned by Ball Group. Our headquarter is located in Billund and we have 187 skilled employees. Ball Group owns 80 retail stores across Scandinavia and Europe, alongside webshops in nine countries and a fast-growing online business in Europe.

Ball Group has a strong passion for plus-size fashion and want to be the first option, when it comes to fashion apparel for all shapes. Every person in the company works hard to provide the customers with the best products, the perfect fit, and the greatest service.

Ball Group is owned by Findos Investor. Along with Ball Group, Findos Investor owns fifteen other brands within different industries.



# OUR RETAIL STORES

Total 80 stores

Denmark	33 stores
Norway	31 stores
Netherlands	2 stores
Sweden	5 stores
Finland	9 stores





# OUR E-COMMERCE

We have our own webshops in these countries

Denmark

Sweden

Finland

Netherlands

Norway

Germany

Austria

Belgium

France





Zizzi

ACTIVE   
By ZIZZI



*Swim*  
By Zizzi

devoted  
By Zizzi

## OUR MISSION

### OUR WINNING ASPIRATION

We want to be the  
European leader within  
plus-size fashion

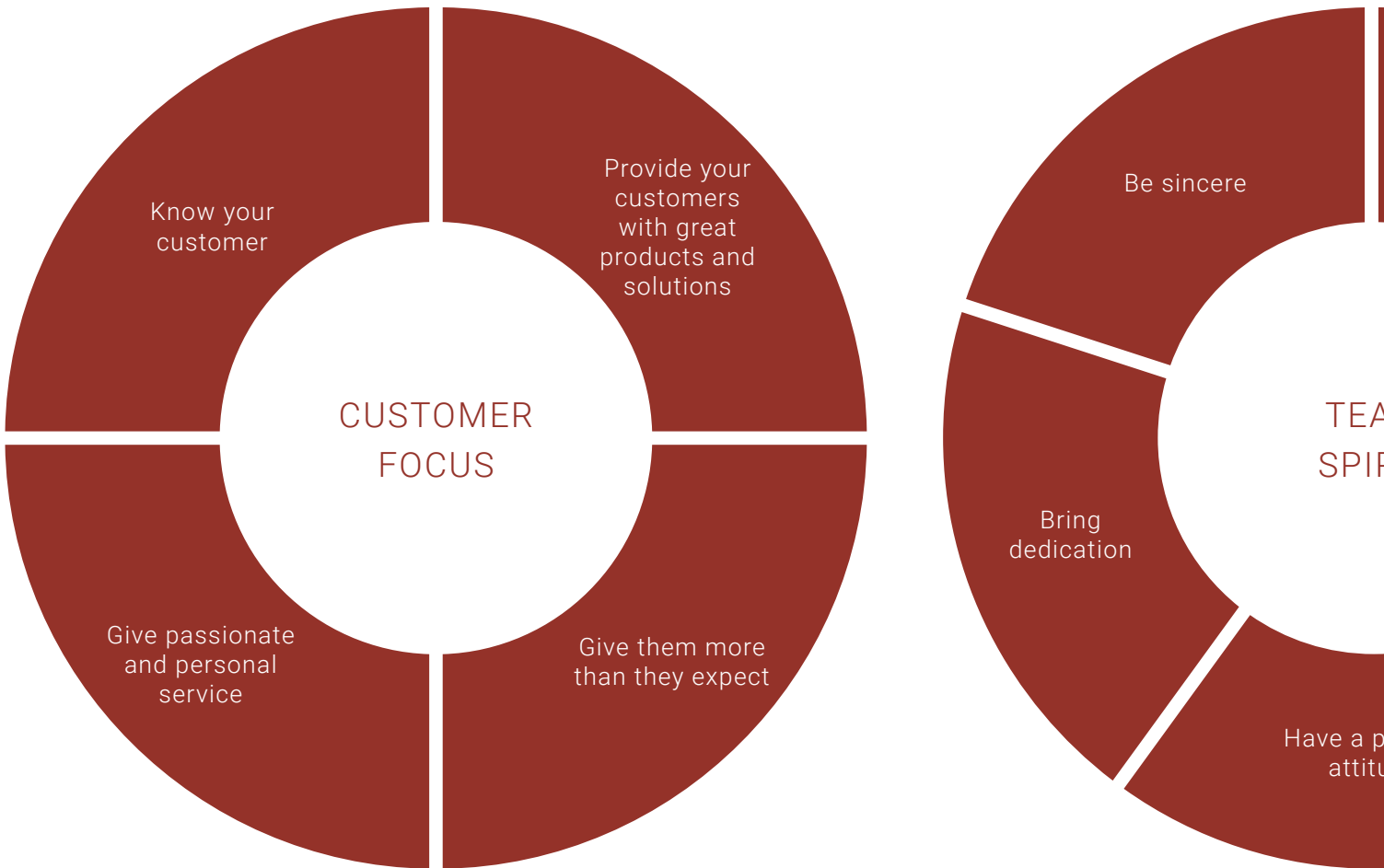
### OUR CORPORATE DNA

Always striving  
for world class  
performance



# OUR VALUES

Our values are the essence of our corporate culture and our compass, guiding all employees of Ball Group in their work life.

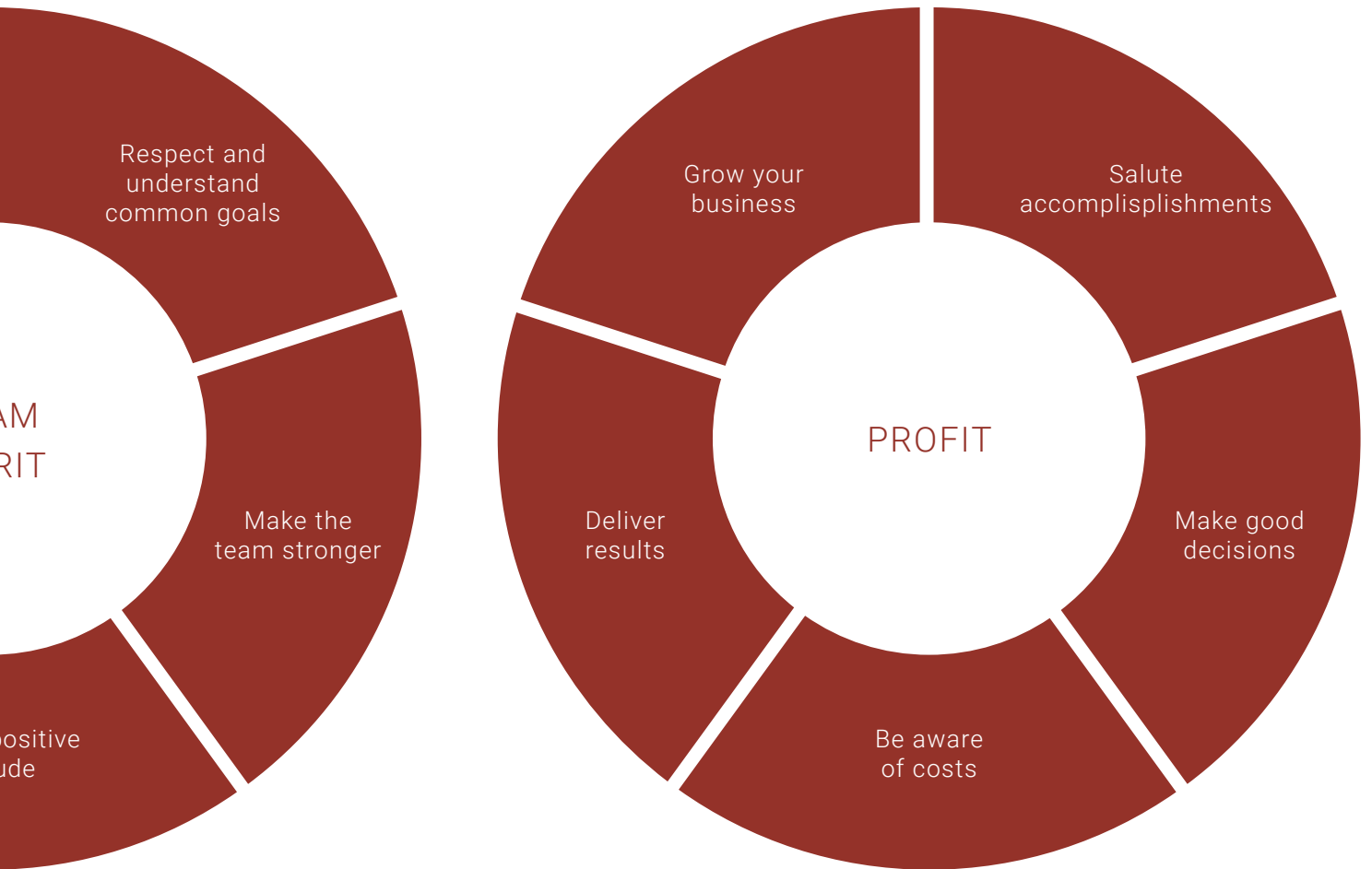


## CUSTOMER FOCUS

Customers and consumers will not be able to make better and more responsible shopping decisions, if they do not have access to better options or sufficient information. We want to play a part in the education of consumers on sustainability in the fashion industry by communicating transparently about our work on a regular basis.

## TEAM SPIRIT

It is important to us that sustainability is not treated as a separate project. It needs to be integrated into all departments and corners of our company and throughout our entire value chain. In order to do that, we need everyone on board and working dedicatedly on becoming a more responsible player in the fashion industry.



## PROFIT

We cannot exist without profit, but we believe that profit should be achieved by making responsible and reflected decisions considering and protecting the planet as well as the people and animals living on it.

## 2. Our approach to sustainability

Sustainability is a continuous effort. It is a work in progress – not a project. There is always more that can be done, and ways we can improve. Sustainability is a big word and we use it with caution, because we know what it entails. But it is also a word that holds aspirations for the future.

CSR and sustainability are both integrated into our general business strategy, and we seek to increasingly integrate it into our everyday mindsets as well. This way, it is present in every decision-making process and the planning and development of new corporate initiatives.

Sustainability is more than carbon emission, water use and chemical pollution. It is also about people. We are very concerned with the welfare of the people producing our products, those who wear them, and of course our employees.

At the core of our work with CSR and sustainability, our due diligence process is placed. Continuous work of assessments, mapping, prevention and remediation to lower risks and adverse impact in our supply chain. This and our additional initiatives are structured by recognised sustainability frameworks, including the UN Global Compact and the 10 principles as well as the UN Sustainable Development Goals.

Our efforts are focused within these areas:

- Human and Labour Rights
- Environment
- Climate
- Animal Rights

Combined, the work within these areas gives us the opportunity to make a positive change in our supply chain and in our internal processes for the benefits of workers, employees, animals, and the climate.

### THE CSR COMMITTEE

Our CSR Committee initiates short- and long-term actions and defines our overall goals and objectives. In this CSR report, Ball Group's overall CSR and sustainability work is described including the activities initiated and undertaken from January 2021 to December 2021, as well as plans and goals set for 2022.

We commit to continuously raise the knowledge level within our organization to deal with the increasing demands related to sustainability and to support the ongoing implementation of current activities.

The CSR Committee is headed by Camilla Kjær Arentoft (Buying & Sourcing Director) and further comprises of Kuno Kildetoft Mehlsen (Chief Executive Officer), and Charlotte Bahr Skøtt (Back Office Coordinator).



# THE UN SUSTAINABLE DEVELOPMENT GOALS

At Ball Group, we have chosen to work with the UN Sustainable Development Goals (SDGs) as an additional approach to focus our work within sustainability. We believe they provide a useful, tangible framework and they emit hope for a sustainable future.

All 17 of the UN SDGs are important. For now, we have chosen to work dedicatedly with the one, we believe we have the biggest opportunity to make the most impactful change by, 12: Responsible Consumption and Production. We will be identifying a few additional SDGs to work with in 2022.

## UN GLOBAL COMPACT

Ball Group have been part of the United Nations Global Compact since 2011, and we commit to the 10 principles that are part of the world's largest corporate sustainability initiative.

## OUR COMMITMENT TO THE 10 PRINCIPLES

### HUMAN RIGHTS (PRINCIPLE 1-2)

Ball Group supports and respects the Universal Declaration of Human Rights and the UN Guiding Principles on Human Rights. We take continuous steps to assure that we are not complicit in human rights abuses by implementing these principles in our due diligence process.

### LABOUR RIGHTS (PRINCIPLE 3-6)

Ball Group supports and adheres to the fundamental labour principles and International Labour Rights. We are dedicated to the elimination of all forms of forced and compulsory labour, the abolition of child labour, and the elimination of discrimination in respect of employment and occupation. We also respect and adhere to the principles of freedom of association and the effective recognition of the right to collective bargaining.

### ENVIRONMENT (PRINCIPLE 7-9)

Ball Group supports a precautionary approach to environmental challenges and undertake initiatives to promote greater environmental responsibility. Furthermore, we encourage the development and diffusion of environmentally friendly technologies.

### ANTI-CORRUPTION (PRINCIPLE 10)

Ball Group works against corruption in all forms, including extortion and bribery.



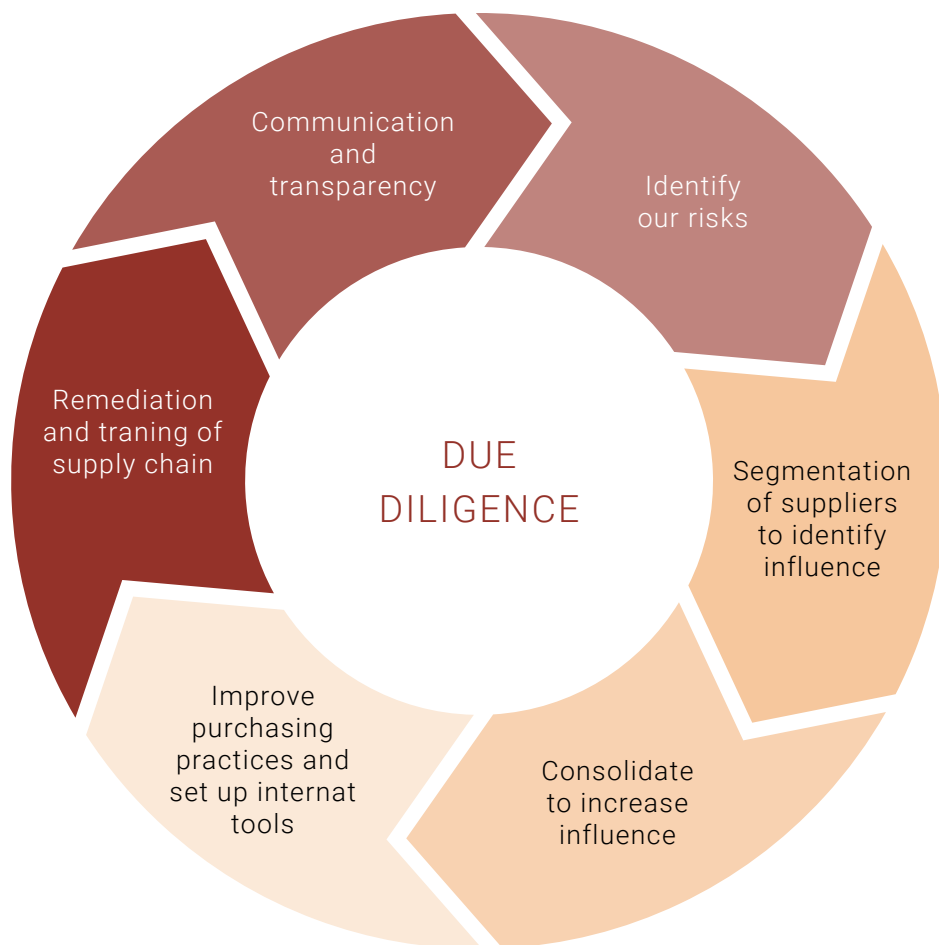
# 3. Our due diligence process

We do our due diligence in the following areas:

- Human and labour rights, including the rights of the child
- Animal welfare
- Chemical management
- Environmental protection
- Anti-corruption

Our due diligence process consists of these steps:

- Identifying of our risks
- Segmenting our suppliers to identify our influence
- Seeking to increase our influence through consolidation
- Improving our purchasing practices and set up internal tools to make sustainability visual to all employees.
- Remediating and training of our supply chain
- Communicating and providing transparency



The actual steps we have taken in 2021:

1. Had all policies signed by suppliers.
2. Developed a new onboarding procedure for suppliers. All new suppliers should have an audit or complete a self-assessment which needs to be approved by the CSR department.
3. Developed a new audit program and introduced it to the product team.
4. Developed a new overview of certificates among our suppliers and a system to control certificates continuously.
5. Maintained mapping of our tier 1 suppliers.
6. Made a risk assessment of our supply chain.
7. Trained our product team in the development of more responsible products and responsible supply chain management.

In 2021, we have not identified specific breaches on Human or Labour Rights. But as our new audit program starts in 2022, it will be investigated further.

## 1. POLICIES

In 2020, we revised our Code of Conduct and sent it to our supplier to be signed. By the end of 2020, 81% had signed it.

We are happy to report that as we exited 2021, it had been signed by all our suppliers. Our Code of Conduct is based on the UN Guiding Principles on Human Rights. In our Code of Conduct, we explicitly mention the concern towards human rights and the rights of the child.

Apart from our Code of Conduct, we have the following policies:

- Animal Welfare Policy
- Child Labour Policy
- Anti-corruption Policy
- Anti-Slavery Policy

When we engage with new suppliers, they must sign and commit to our supplier manual and policies before the placement of any order.

The Code of Conduct and our policies extend to all our tier 1 suppliers including all their workers, regardless of their status or relationship with the supplier. Therefore, it also applies to workers engaged informally, on short-term contracts or on part-time basis.

### OUR SOURCING POLICY

It is our responsibility to keep developing and improving our supply chain. Only so we can increase our efficiency and consequently become more sustainable in our ways of working.

We have a close cooperation with all our suppliers, and we always set common goals that benefits both parties to ensure sufficient motivation.

Before entering a new partnership with a supplier, we make sure that the partnership is mutually beneficial. This starts by making a general assessment to see if this supplier will fill an existing gap in our supply base. If that is not the case, we will not pursue the new partnership.

We are aware of the risks involved with entering new sourcing markets. Therefore, we always conduct a thorough risk assessment of the market before doing so.

The risks considered in such assessments are:

- Human rights violations in the specific country
- Labour rights – and the right to join a union and bargain collectively
- The risk of exploiting vulnerable workers
- The level of corruption in the specific country

Additionally, we assess the amount of work it would be for us to take on a new sourcing market, to see if this new supplier/market is worth the effort and costs involved.

It is important to us that everyone at Ball Group knows their role in managing a sustainable supply chain. Therefore, we have launched an internal training program. In 2021, our product team has received training in materials and their different degrees of sustainability, as well as responsible supply chain management.

## 2. CONSOLIDATION AND SEGMENTATION

Our current supply chain consists of 45 suppliers. 12 of these suppliers are our A suppliers, which means that they constitute 80% of everything we buy. 9 are B suppliers and 24 are C suppliers. We have gone from 35 suppliers in 2020 to 45 suppliers in 2021.

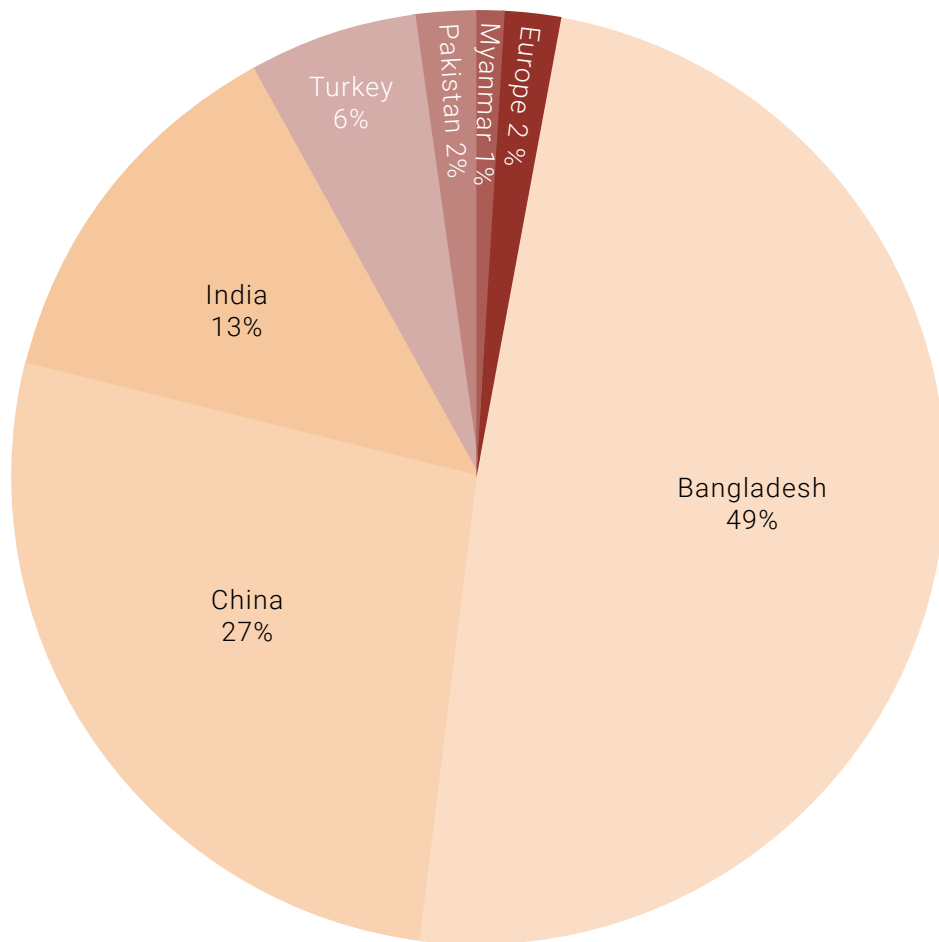
## 3. MAPPING & 4. TRANSPARENCY

We map our supply chain continuously to increase transparency and traceability.

The majority of our production takes place in Bangladesh, China, and India in close cooperation with our long-term trusted suppliers.

The first chart illustrates the distribution among the countries based on the volume we buy.

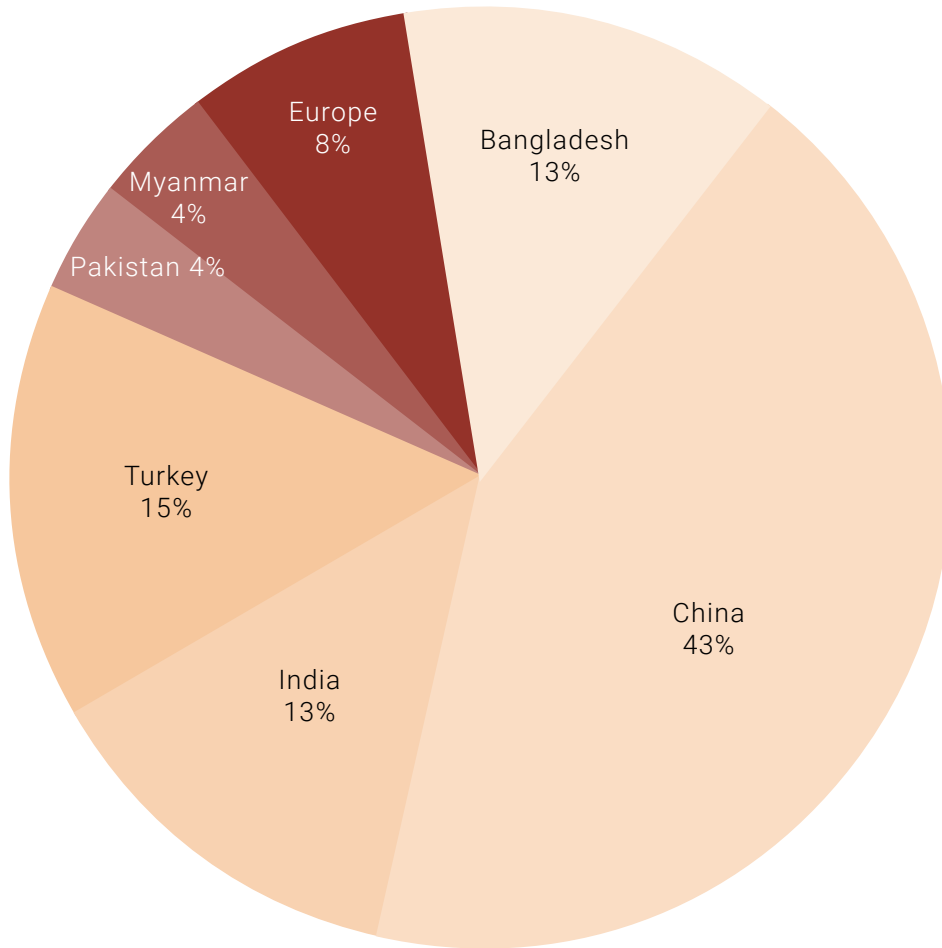
## SOURCING COUNTRIES BASED ON PURCHASE VOLUME



This shows us that almost half of our garments are produced in Bangladesh, around a quarter are made in China, and a substantial share are made in India.

The second chart illustrates the distribution of suppliers among the countries based on our total number of suppliers.

SUPPLIERS PER COUNTRY



A large majority of our suppliers are based in China, Turkey, India, and Bangladesh.

It is important to us to always know the production unit for any order placed. Therefore, we have developed a system, where we are unable to place an order unless we have identified the factory, where the order will be produced.

# 5. RISK ASSESSMENT

We have made a risk assessment of our suppliers based on five criteria:

1. How big the supplier is for Ball Group
  - a. High risk: A suppliers
  - b. Medium risk: B suppliers
  - c. Low risk: C suppliers
  
2. Which country they produce in
  - a. High risk: Bangladesh, Pakistan, Myanmar, India, and Istanbul (Turkey)
  - b. Medium risk: China and Turkey
  - c. Low risk: Europe
  
3. The type of product they produce
  - a. High risk: Leather, Denim, Jewellery, shoes
  - b. Medium risk: Jackets, sunglasses, knit (jacquard)
  - c. Low risk: Woven, jersey etc.
  
4. If they have social audits for all their factories
  - a. High risk: No audit
  - b. Medium risk: Audit, but expired
  - c. Low risk: Valid audit
  
5. Whether it is a direct supplier or an agent (due to distance to production)
  - a. High risk: Agent in Europe
  - b. Medium risk: Sourcing offices in production countries
  - c. Low risk: Factory producing our goods:

	A Suppliers	B Suppliers	C Suppliers
High Risk	41,7%	0,0%	25,0%
Medium Risk	16,7%	88,9%	37,5%
Low Risk	41,7%	8,3%	37,5%

This shows us that we need to focus on our A suppliers in the high-risk category. And look into whether the C suppliers in the same risk category should stay in our supply chain, or if they should be replaced by alternative suppliers.





## 4. Our audit programme

In 2021, we developed an audit program based on the segmentation of our suppliers. The program outlines our audit requirements to suppliers and our onboarding approach. It is set to ensure that we have far greater knowledge of the conditions in the factories where our products are produced, prioritizing our primary suppliers.

All new suppliers:

- Suppliers that do not have a valid audit must complete a self-assessment questionnaire and have its contents approved by our CSR department, before they can begin any business relationship with Ball Group.

All A-suppliers:

- Must have a BSCI audit or similar for a 2/3 of their factories
- The remaining factories must be visited/audited by Ball Group

All B-suppliers:

- Must have an independent third-party audit for at least 2/3 of their factories
- The remaining factories must fill out a self-assessment questionnaire

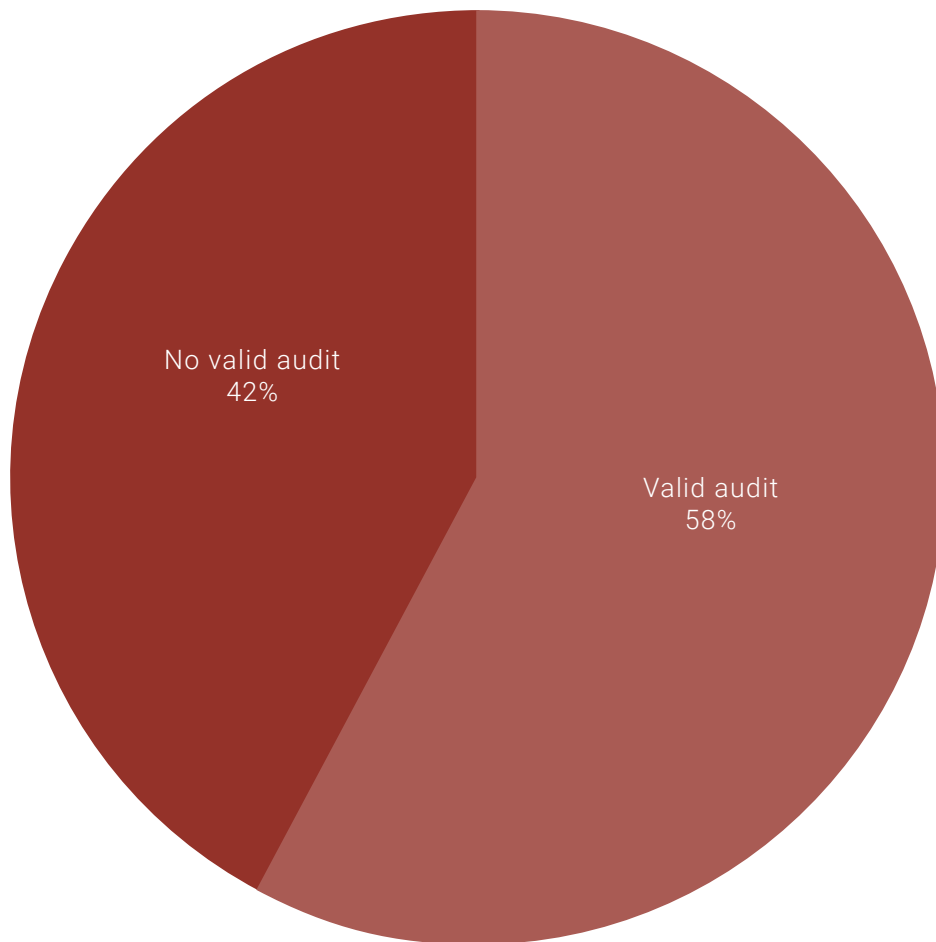
All C-suppliers:

- Must at the least fill out a Health and Safety questionnaire from Ball Group for all their factories

The audit program was set to get started in 2021, but unfortunately, due to the circumstances surrounding the COVID-19 pandemic, we were not able to follow through on our plans. Instead, we have spent time mapping suppliers' social audits, certificates and rated their reports. We look forward to starting up the program in 2022.

Based on the collected data, 58% of the production units used by our suppliers have valid audits.

## VALID AUDITS FOR PRODUCTION UNITS



If we are able to launch our new audit program in 2022, the share of suppliers with valid audits for all their factories are bound to increase.

## 5. Our chemical testing programme

Back in 2017, we launched the Ball Group RSL (Restricted Substance List) and testing program where we inspect for harmful chemicals in our products. The Ball Group RSL is based on REACH.

Due to the high use of chemicals in the fashion industry, it is important that a precautionary approach is followed. The chemical list is updated on an annual basis following other international restrictions.

In 2021, we changed our testing approach. We have employed a strategic testing approach where we focus on testing our biggest suppliers, our A and B suppliers. Consequently, fewer tests have been conducted compared to the previous years, where we did not follow a strategic approach.

In 2021, we conducted 76 tests on 63 products. There were zero fails.

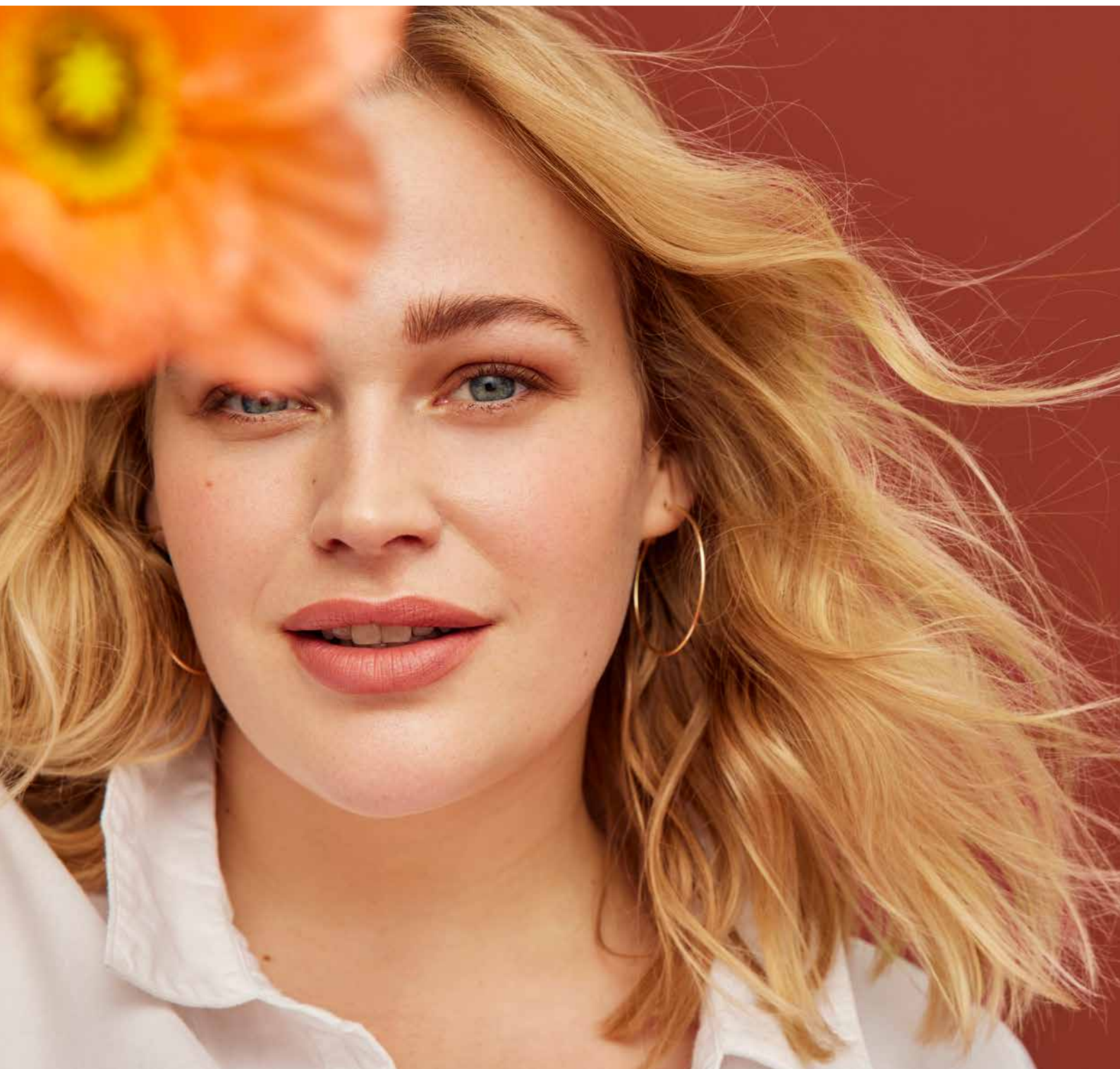
In 2022, we will further develop our strategy and start working even more proactively on preventing chemicals from finding their way to our products instead of only testing for them.

## 6. Our climate

Fashion is one of the most polluting industries in the world. Being part of it, we have a responsibility to reduce our carbon emissions.

Carbon emissions for our entire business originates from the following:

- Inbound transportation
- Outbound transportation
- Our products and packaging
- Emissions from production of our products
- Emissions from our own facilities



# REDUCTION OF CARBON EMISSIONS

It is important to us that we strive to first reduce our emissions, and then, if necessary, compensate with credible carbon offset initiatives.

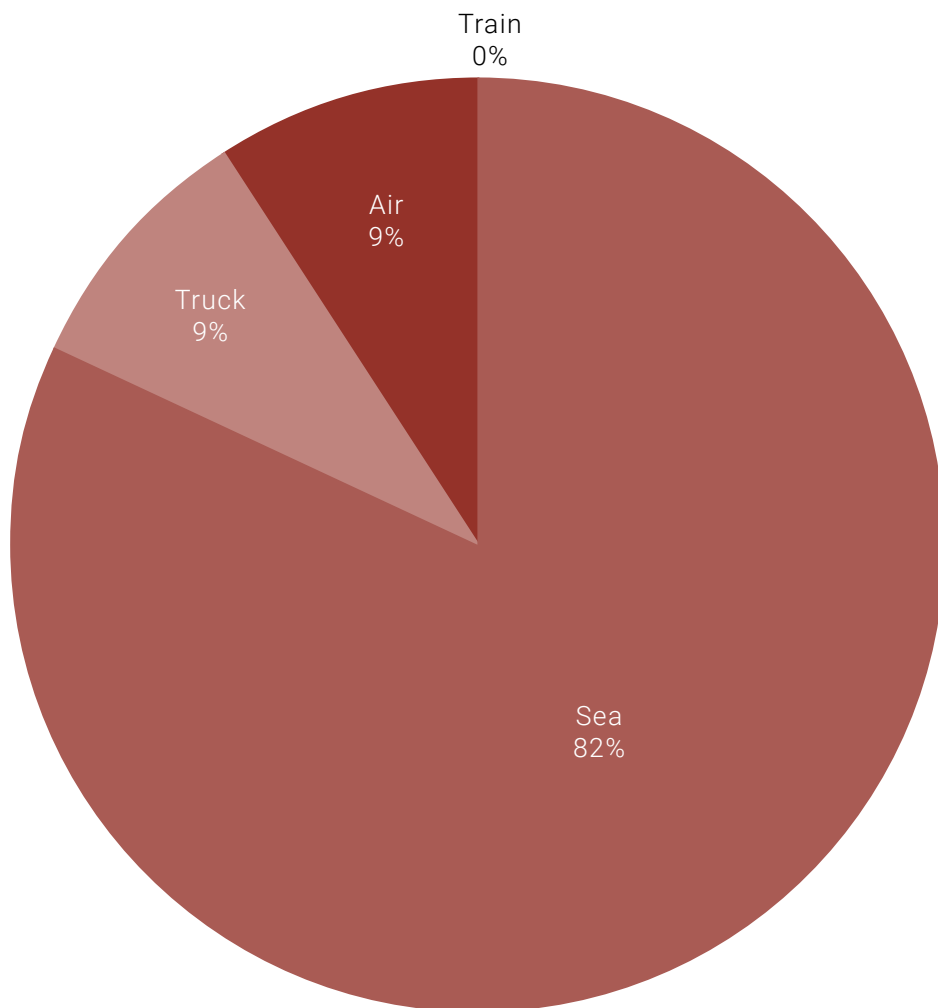
To effectively reduce our emissions, we need to have data on our biggest postings and where there is the biggest opportunity for progress. We did not succeed to collect data on our carbon emissions in 2021. Therefore, it is one of our most important goals for 2022 to collect thorough data and set ambitious objectives for ourselves and our business partners.

## TRANSPORT INBOUND

Data on transportation inbound shows us how our products are transported from our suppliers to our warehouse. This indicate our level of emissions from transportation.

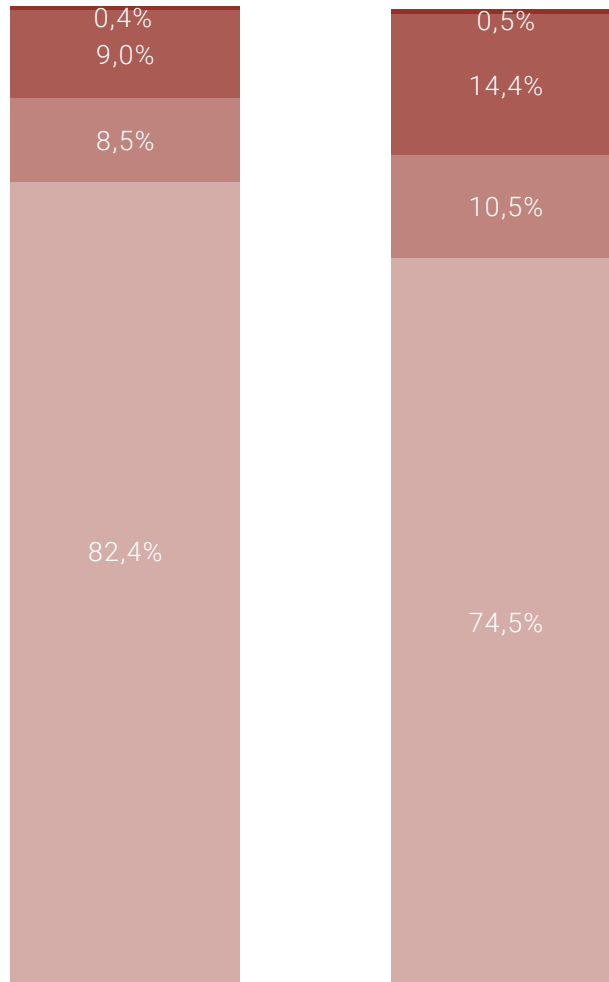
### TRANSPORT INBOUND

0% = < 1%



Below is a comparison of our transport inbound from 2021 and 2020. The charts show our shift in transportation methods.

### TRANSPORT INBOUND 2021 & 2020



We have limited our use of air freight and truck by 5,1% and 2%, respectively. We have done so by increasing our use of sea freight.

## TRANSPORT OUTBOUND

All outbound transportation in 2021 has been by use of truck.

## CARBON EMISSIONS FROM OUR PRODUCTION

Through our choice of materials, we can affect our carbon emissions.

Therefore, we have trained our buyers in making better and more reflected material choices and set goals for an increase in the share of preferred materials in our collections.

In 2022, we will be implementing a system that will allow us to track our carbon emissions and help us identify our biggest postings, so we can act where the biggest opportunity for effective reduction of our emissions is.

## IN OUR FACILITIES

In 2020, we initiated two initiatives to purchase green energy for our Danish Headquarters and our stores in Denmark. We do this by ensuring that 100% of our electricity comes from renewable energy sources, such as windmills.

In 2022, we will be looking further into what other solutions we might invest in, which can bring down the emissions from our own facilities. The decision will be based on the upcoming report on our carbon emissions.

# 7. Environment

We especially see a risk of negatively impacting these three areas:

- Waste management in our facilities
- Our production
- Chemical management in production

## WASTE MANAGEMENT IN OUR FACILITIES

At our headquarter we have introduced a new waste management system for the office and warehouse, and we have initiated our work with a waste management service provider, so we now sort our waste into five categories: paper, plastic, cardboard, metal and residual waste.

Our product samples are also carefully sorted, so no useful and valuable resources go to waste. Some are sent to innovative partners working on circularity solutions for the fashion industry and others are sent to partners that use the fabric as is.

## OUR PRODUCTION

Environmental issues were addressed in most of the third-party audits conducted in 2020.

Therefore, we planned to focus our efforts on this in 2021, but due to COVID-19, this was not possible. It remains an important and relevant area which we will be focusing on in 2022.

We would like to target our focus within the following areas when dealing with environmental issues in our supply chain:

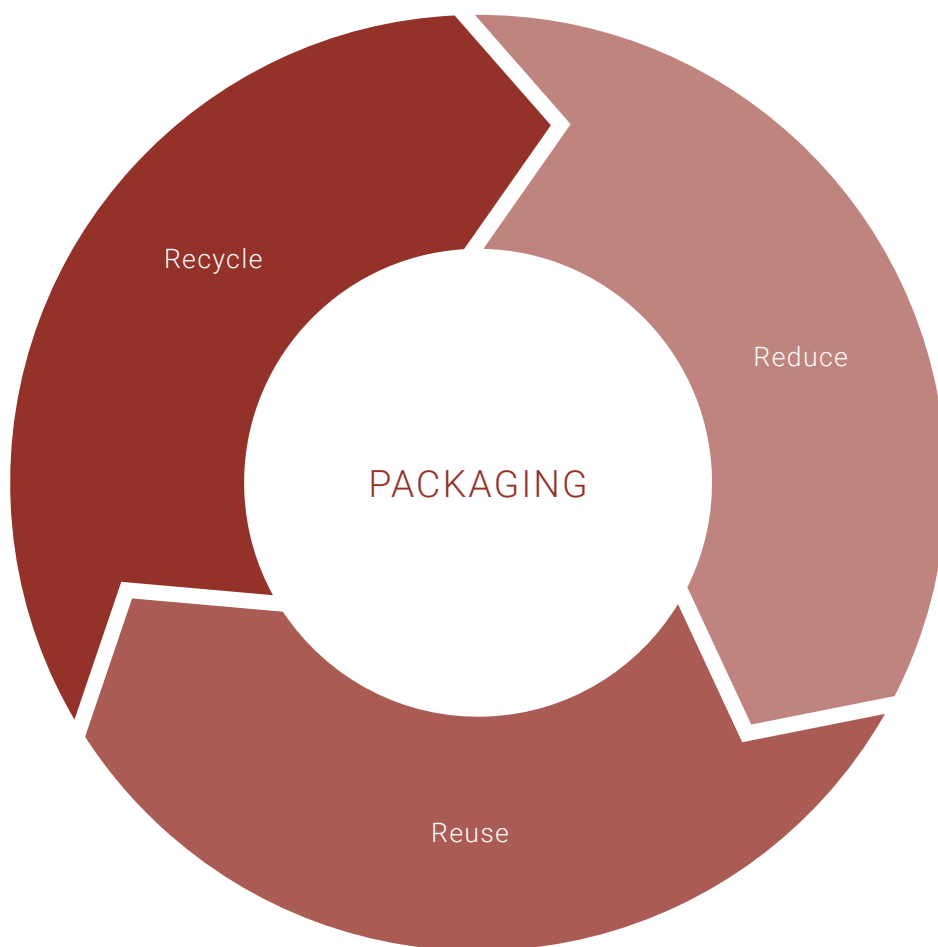
- water discharge
- water use
- waste management

# CHEMICAL MANAGEMENT IN PRODUCTION

Through our Chemical Restrictions and testing program, we inspect for and limit hazardous substances in our garments. By purchasing more organic materials, we also limit use of chemicals.

## 8. Our packaging materials

We follow a reduce-reuse-recycle approach to packaging materials, in order to lower our impact in this specific area.



### REDUCE

In order to reduce the amount of packaging we use, we are investigating multiple actions:

- Using less packaging material by re-evaluating the different packaging options' purposes (Without risking any damage to our products during transportation or storage)
- Decreasing the weight/thickness of the packaging materials (Without risking any damage to our products during transportation or storage)
- A different sample process, where we gradually replace the physical samples with digital samples, so there will be less transportation and hence less need for packaging.



Also, we wish to reduce the impact of our packaging materials. Therefore, we are slowly switching to certified cardboard and paper in packaging to ensure that the raw material derives from responsible and sustainably managed forests.

## REUSE

We are in the process of replacing all polybags made of virgin plastic with polybags made from recycled plastic to lower the use of resources and limit waste.

## RECYCLE

We have introduced a new waste sorting system throughout our organisation, to ensure that packaging which can be recycled is recycled. In 2022, this will be developed to include even more materials.

We wish to continue the process of replacing virgin and conventional packaging materials with recycled and certified options. But we will keep our eyes open for new options that can lower the impact of our packaging materials. Our goals and plans for 2022 for packaging are to investigate what sustainability and quality requirements we are able to set for the boxes that we receive inbound.

# 9. Our anti-corruption policy

In our anti-corruption policy, it is stated that we work against corruption in all forms, including extortion and bribery. It has been signed by all our suppliers.

With a global supply chain, Ball Group and our employees are at risk of being exposed to attempts of corruption. In our employee handbook, we state that Ball Group personnel and appointed associates are not permitted to accept any monetary incentive or encouragement. In case of special anniversaries, weddings and the like, gifts are allowed of maximum value 50 \$.

Acceptance of any kind of gift must be approved by the management as described in our employee handbook which has been explained to all new or present employees.

Suppliers should display the highest level of ethical integrity when dealing with workers, subcontractors, second tier suppliers and Ball Group employees. They should work against corruption in all its forms, including extortion and bribery.

In 2021, we have not observed any breaches to our anti-corruption policy.



# 10. Our animal welfare policy

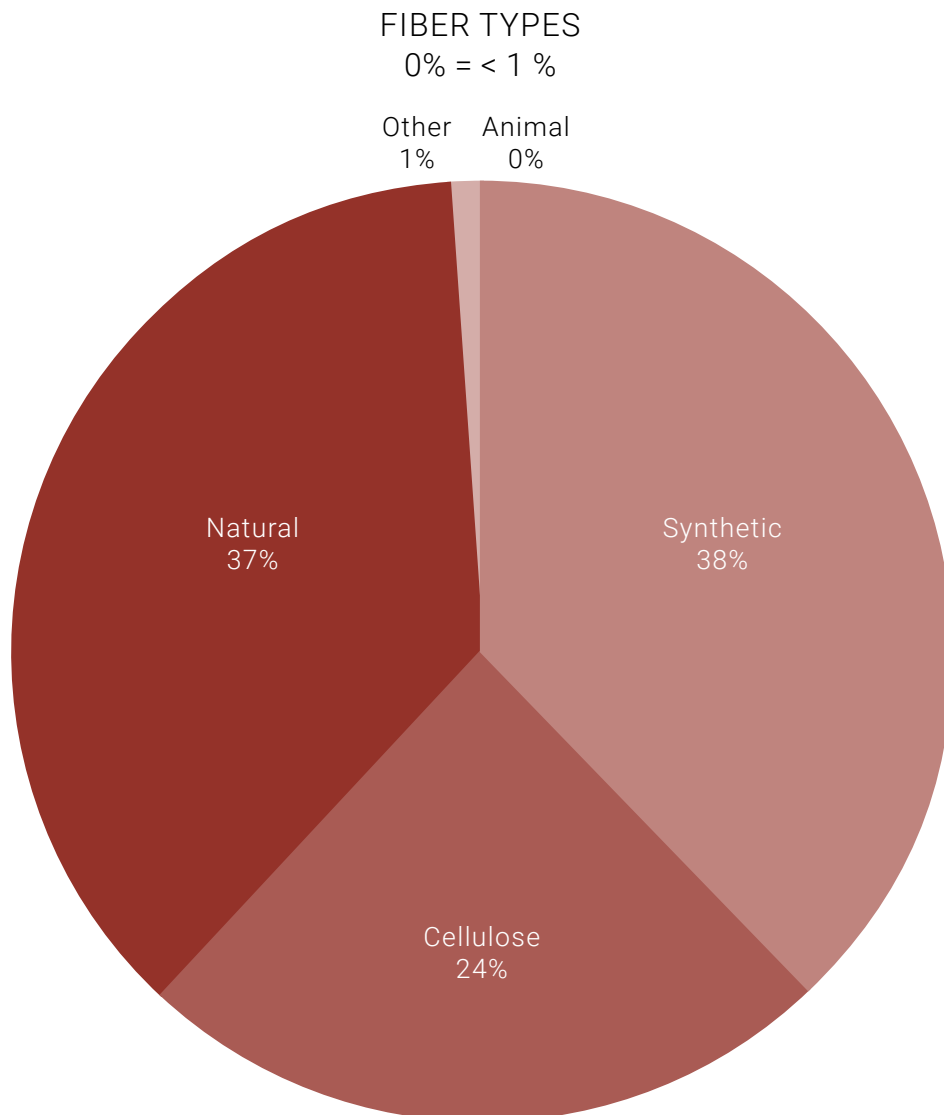
We are aware that animal welfare is an issue in the fashion industry, especially because of the limited transparency and traceability in the supply chain. For many years, Ball Group has been a fur-free company and we take a strong stance on animal welfare. Therefore, we have an animal welfare policy signed by all our suppliers.

The policy is based on the Five Animal Freedoms and states which animal derived fibres or procedures that are banned by Ball Group.

We produce very few products of animal fibres, less than 1%.

# 11. Our materials

Every year we make sure to map our material usage, so we can track our progress. Our material usage in 2021 is divided into the following fibre groups:



Organic/GOTS Hemp	TENCEL™ Modal	TENCEL™ Lyocell	Recycled Elastane
Organic/GOTS Cotton	LENZING™ ECOVERO™ Viscose	Recycled Wool	RDS Down
Organic/GOTS Linen	Livaeco by Birla Cellulose™ Viscose	Recycled Polyester	RWS Wool
Organic/GOTS Wool	Re:Down	Recycled Polyamid	Refibra
BCI Cotton	Cashmere	Lyocell	Elastane
Wool	Silk	Alpaca	Down
Recycled Cotton			
Linen	Leather	FSC Viscose	Hemp
Bamboo Viscose	Modal	Cupro	
Cotton	Polyamid	Polyester	Mohair
Acrylic	Acetate	PU/PVC	Viscose
	Fur	Angora	

- Black/prohibited category: fibres that we no longer use
- Red and orange/avoided and tolerated categories: fibres that we wish to move away from
- The yellow/accepted category: fibres that are okay to use
- The green/preferred category: reflected fibres, and the fibres we wish to include as our reflected fibres in the future

This is a work in progress, but we are working hard on decreasing our red and orange fibres for yellow and green options.

We have taken small steps in the right direction from 2020 to 2021 and improved the sourcing of materials in the yellow and green category by 5,49%.

2021 was not an easy year to run a fashion company, and especially not an easy year to increase our share of preferred and accepted materials. COVID-19 resulted in large supply chain issues, while a highly increasing demand for more responsible fibres such as organic cotton and recycled fibres made it extremely difficult to reach our objectives. There simply was not enough for everyone.

While this proves a challenge for us, it makes us glad to see that many other brands are also progressing and choosing better and more responsible fibres. We remain hopeful and optimistic for the years to come.

We expect that the range of preferred and accepted fibres will increase to 15% in 2022, where we will make a new plan on how to implement our material strategy in the best manner and reach the goals most successfully.

# A REFLECTED DECISION

At Ball Group, we want to be part of the change the world needs. We can all make better decisions, and we can all do more. But it is in our joint efforts we have opportunity make the most impactful change.

Therefore, we as a fashion brand have a responsibility to make better solutions available. To allow customers to make reflected and well-considered choices when buying clothes.

But to us there is more than one side to a better solution. First and foremost, we want to make clothes that customers love, use, and care for.

Second, we want to offer more clothes made in better materials based on a reflected choice with consideration for the world we live in.

A perfectly sustainable material is yet to be invented, so in the meantime, our approach is to use better materials based on reflected decisions.

In our stores and online, customers can find products made with more responsible materials by looking for the tag Reflect. These are part of our fibre category, preferred fibres.

These products are made in a material that in one or more ways is better than its conventional counterpart.

It might be that the production method uses less water, there is a lower carbon emission, maybe less chemicals are used, or the material is recycled from waste or leftover fabrics.

We encourage all customers to reflect on their shopping choices. Therefore, we provide a balanced and informative guide to our Reflected materials on our site.

## REFLECT MATERIALS

- Organic Cotton
- Recycled Polyester
- LENZING™ ECOVERO™ Viscose
- LivaEco by Birla Cellulose™ Viscose
- LENZING™ TENCEL™ Lyocell

## TAKEBACK SCHEME

The fact alone that we produce garments, means that we are not a sustainable company. Even if all our garments were made of better materials such as organic fibres, we would still be using natural resources to produce our products.

Therefore, we need to be able to turn existing products back into new garments.

This is a challenge in terms of technology available and logistics. Not just to us, but to the industry in general.

We had planned to establish a takeback scheme in 2021 for our shops as well as our warehouse and headquarters. We were not able to do so for our shops, but have made a scheme for our collection samples, so they do not go to waste.

In 2022, we will keep working on creating a takeback scheme that can be implemented in our shops internationally.



*OUR  
PEOPLE*



# 12. Our people

Our employees are the core of our company, and we have to thank them for the success that we have achieved as a company. Every single employee at Ball Group is highly valued and deeply important to us, and it is our greatest pleasure and responsibility to ensure that they have a rewarding, happy, and healthy professional life.

## DIVERSE AND TALENTED WORKFORCE

As part of keeping and attracting a diverse and talented workforce, we aim to have a flat organizational structure, where all employees feel involved and can enjoy the benefits from freedom of responsibility. Key words that define the atmosphere are trust, mutual respect, and a positive, goal-oriented mindset.

Gender and age

AGE	MEN	WOMEN
Under 18	4	1
18-25	7	12
26-35	19	62
36-45	11	40
46+	7	24
Total	48	139

Seniority

SENIORITY	MEN	WOMEN
0-6 months	11	31
7-12 months	8	14
1-2 year	11	41
3-4 year	10	27
5+ year	8	26
Total	48	139

## APPRENTICES

Ball Group wishes to support young people in their aim for education and currently we have one employee following an apprentice. We expect to continue the support of new trainees and apprentices in the future.

## SAFE AND HEALTHY WORKPLACE

It is very important to us that all our employees are healthy and happy. Therefore, we have developed an internal Health & Safety policy.

We conducted a successful fire drill on December 2nd, 2021.

We have identified the biggest risk on health and safety to be at our warehouse, where the risk of a serious accident is greater. We have a safety representative in Ball Group, who makes an internal audit on a regular basis to eliminate any immediate dangers.

In 2021, we have succeeded in maintaining a healthy and safe working environment.

## FLEXIBILITY

We believe that flexibility is one of the most important benefits we can grant our employees. Personal life, family life and especially life with kids can be difficult to balance. Managing both spare time activities and a full-time job is not an easy task. Therefore, we believe in the principle 'freedom of responsibility'. We believe our employees are more than capable of managing their tasks and personal schedule in the manner that they see best fit for their lifestyle.

Working from home was the new normal during the 2020 COVID-19 lockdowns and restrictions, and it was reintroduced at the end of 2021. This has required a different kind of flexibility from Ball Group and our employees with home-schooling and meetings with colleagues. But we have managed with a cheerful outlook and understanding. Multiple employees have also seen the benefits of working from home once in a while and are welcome to do so, when they wish.

## EMPLOYEE BENEFITS

Ball Group offers all employees a pension and health care scheme.

There is free access to tea, coffee, fruits, snacks, and a weekly breakfast and for a small monthly fee a healthy lunch is served every day.

## THE UNDERREPRESENTED GENDER

One of the aspirations of the UN Global Compact is equality across genders, races and religions. In 2021, Ball Group's Board of Directors consisted of two males and one female. One male member has left the Board of Directors in 2021. The ambition for Ball Group is to retain a minimum of one female director by the end of 2022.

Ball Group's policy for the underrepresented gender at management level is embedded in our general employee policies. Through recruitment, internally and externally, Ball Group actively seeks to increase the share of the underrepresented gender at the company's different management levels. We always consider all genders in the recruiting process and hire the best suited person for the position, regardless of gender.

At the end of 2021, there were 15 females and 13 males at management level in Ball Group, a gender representation we are proud of.

## 13. Conclusion / executive summary

Even though the circumstances have been tough in 2021, we have still managed to stay focused on our sustainability work. This despite the fact that certain things have not been possible, because of the circumstances surrounding the COVID-19 pandemic.

In 2021, the last 19% of our suppliers signed our Code of Conduct at policies, and all our suppliers have now committed to following their contents.

We continued the mapping of our supply chain, as we welcomed 10 new suppliers into our supply base, after carefully assessing them through our onboarding procedure. We made a risk assessment of our new supply base and mapped it for certified suppliers with valid scope certificates.

This year, we finalized the development of our new, strategic audit program. It is set to be rolled out in 2022 as soon as the global situation allows it.

A new and strategic testing approach was also employed. Instead of conducting a large series of random tests, we now carefully choose which product that should be sent for testing based on a thorough risk assessment. This resulted in fewer tests compared to the last years. We are happy to report that all products passed their tests.

We installed our new waste management system at our facilities and have successfully sorted both packaging, product samples and other useful resources so that they do not go to waste.

Once again, we lowered the use of air freight in inbound transportation this year and increased our use of sea freight.

While we did not begin measuring our carbon emissions, we established a partnership with a well renowned consultancy with a system that can track our emissions. This work will begin in 2022.

We have continued the process of replacing polybags of virgin plastic with polybags that are both recycled and recyclable. Furthermore, we are also sourcing certified paper and cardboard packaging materials.

We grew our share of preferred and accepted fibres but failed to reach our goal of 15% because of the large supply chain issues all over the world and the circumstances surrounding the pandemic. We look forward to reaching our goal in 2022.

## 14. Our goals for 2022

We have high expectations for 2022. After two years very much affected by the pandemic, we look forward to a world that allows for more changes.

We will continue to work strategically with UN Sustainable Development Goal number 12, Responsible production and consumption, but will further investigate which other goals we could implement into our work within CSR and sustainability.

One of the things we are most excited about for 2022 is our pursuit of certifications for organic and recycled fibres. We want to provide our consumers with a certainty that products carrying a tag saying recycled or organic are indeed so. In addition, such certifications will also mean more transparency and an insurance of better conditions in our supply chain.

In fact, our work in 2022 will be highly focused on our supply chains. After having successfully mapped out our direct suppliers in tier 1, we will begin mapping suppliers in tier 2 and 3 to gain a better understanding of and higher traceability in our supply chain.

Furthermore, we will begin the calculations of our carbon emissions in scope 1 and a mapping of the elements included in our scope 2, to prepare for further calculations. Based on the final report, we will identify the areas where we need to make the first and biggest changes.

We will also be launching our new strategic chemical testing program. The program is based on a risk assessment of the different product types and ensures that all suppliers are tested in the course of the year.

We started the process of implementing a new whistle-blower/complaints mechanism at our company in December 2021. It will be properly implemented and rolled out in 2022, so all employees know how to use it and feel safe doing so.

If 2020 and 2021 has taught us anything, it is that we should also plan efforts closer to home that can still be carried out if the pandemic continues to make it difficult to make changes further out in our supply chain. Therefore, we have chosen to focus some of our efforts on our headquarter. First of all, we will be expanding our waste sorting programme to include both metal, paper, plastic and more. Second, we will work on decreasing food waste in our cafeteria and switch to primarily using organic produce. In 2022, we will be focusing more on the communication of our CSR efforts. We will seek to involve our consumers even more in the change at hand, so they can get a better understanding of our work and the importance of developing a more sustainable fashion industry.

In 2022, we will be implementing a system that will allow us to track our carbon emissions and help us identify our biggest postings, so we can act where the biggest opportunity for effective reduction of our emissions is.

We need to improve our range of preferred materials offered to our consumers. We expect to increase the share of preferred fibres to 15% in 2022.

Investigations into the establishment of a takeback scheme of our products, will be initiated in 2022.