MATALAN COTTON FIBRE SOURCING POLICY

At Matalan we recognise sourcing our raw material sustainably with ethical provenance is equally critical of sourcing the best raw material to enhance and deliver the best quality products to our customers. We take ethical sourcing extremely seriously and have a robust ethical sourcing policy in place to ensure our supply chain is transparent and closely monitored.

We recognise our responsibility to the environment, so we are taking every measure to minimise the environmental impact caused by these raw materials while still committed to deliver more sustainably sourced products with best value & quality to our customers. But we also recognise the challenges ahead of us and we won't get this 100% accurate but we believe if we change the way we look at things, the things you look at will change and make our contribution to create a better planet for the future generation.

We made significant changes over the years on how we source our products, where we source and how to be transparent.

Cotton fibre policy

Cotton is one of the most versatile plants in the world. From its natural fibre to its seeds, cotton can be used in many ways. Apart from clothing and bedding, cotton can be used in a variety of commodities, but the most common use of cotton is in the textile industry because it's soft, durable, highly absorbent, and breathable characteristics.

However growing cotton leaves an environmental footprint, due to the large amount of water and pesticides used to grow cotton.

What are we doing?

We are committed to sourcing 100% of our cotton as <u>Better Cotton</u> by 2023. (Excluding small portion of Egyptian Cotton used in our Home Textile products) Matalan partners with Better Cotton & member of Better Cotton Initiative to improve cotton farming globally. Better cotton is sourced via a system of mass balance. Better Cotton supports farmers to grow cotton sustainably,

while helping to improve their working conditions and standards of living. It also helps confront inequalities and helps women in the industry become more empowered.

Our Time Line

- July 2019 Become Better Cotton Member
- By 2020 We achieved 20% against our Better Cotton Target
- By 2021 We achieved 50% against our Better Cotton Target
- By 2022 We achieved 79% against our Better Cotton Target

What we achieved

- In 2021, an estimated 3.4 Billion Litres of water were saved thanks to our sourcing of Better Cotton.
- In 2021, an estimated 2175 kg of pesticides were avoided thanks to our sourcing of Better Cotton.
- In 2021, Better Cotton Farmers benefited from an estimated 1.6 Million EUR additional profit* thanks to our sourcing of Better Cotton.



^{*} Better Cotton Farmers experience profit increases for a variety of reasons, most commonly due to increased yields and/or optimised use of inputs (such as irrigation water, pesticides, or synthetic fertiliser).