BAM Clothing social report

Reporting period (Financial year: Feb, 2021 – Jan, 2022)



BAMBOOCLOTHING.CO.UK

FAIR WEAR MEMBER SINCE JULY, 2021

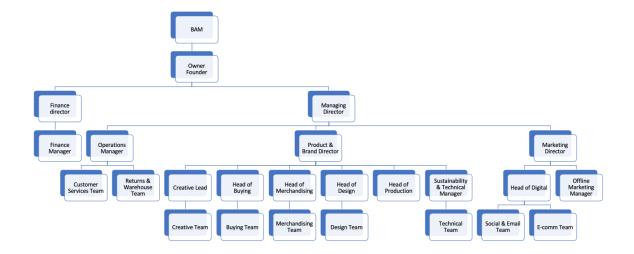
Table of contents

Organisational chart	5
Sourcing strategy	5
Sourcing strategy & pricing	5
Production cycle	
factory relations	6
Integration of monitoring activities and sourcing decisions	6
Coherent system for monitoring and remediation_	6
Factory A/Country A	7
Factory B/Country B	7
External production	7
Complaints handling	8
Training and capacity building	8
Activities to inform staff members	8
Activities to inform agents	8
Activities to inform manufacturers and workers	8
Information management	9
Transparency & communication	9
Stakeholder engagement	9



BAM Clothing Social Report

Organisational chart



Summary: 2021/22 goals & achievements

The biggest achievement of our 2021/22 financial year was joining the Fair Wear Foundation. Considering the size of our business and team, becoming a member was not a small undertaking. We have always maintained close and trusting partnerships with our small supply base, visited regularly, and aimed to work with each on a flexible and individual basis. There could've been an argument to take the easier route stay as we were, but our ambition is to become an impact positive business for our People, Nature and for the Climate. This means going beyond regular responsible sourcing and collaborating to drive the change this industry needs to see.

Our supply base and our team were growing, and we were aware of the risks that this kind of fast growth can bring. We also knew we wouldn't be able to have the same close relationships with all our new suppliers that we had always enjoyed with our existing ones. We needed a more robust system for monitoring conditions. We also felt that supporting and being supported by a larger organisation like the Fair Wear Foundation was the best way to make a real difference as a smaller brand.



Social Report: Feb 2021 – Jan 2022

One of the biggest internal challenges we have faced during our first year of membership was lack of resource due to one of the key team members taking ownership of the process being on maternity leave for most of the year. Another major challenge was of course the global pandemic. One of the biggest consequences on our progress with implementing the Code of Labour practices was the lack of in-person visits and delays in audits being carried out. With this in mind, goals for the year were not over-ambitious and focused mainly on the task of getting our suppliers set up on the Fair Force, system and familiarising key internal staff and suppliers with the Code of Labour Practices and the Fair Wear Foundation itself.

"People are one of the 3 pillars of our Impact Positive Strategy, and we are committed to driving towards living wages and fair treatment throughout the supply chain. For our own team we ensure our pay and employment policies deliver on this. But we recognise we must also take responsibility for the part we have to play in this throughout our supply chain, and we appreciate Fair Wear's support with reviewing our own purchasing practices. The Fair Wear Foundation's approach to implementing and monitoring its Code of Labour Practices also aligns well with BAM's ethos of working flexibly & collaboratively with suppliers."

Ryan Shannon, Managing Director

Sourcing strategy

SOURCING STRATEGY & PRICING

In 2019 BAM set itself an ambitious goal to be impact positive by 2030. It is an all-encompassing goal, for the whole product range and for the entire supply chain impact, starting from the raw material source continuing through to the moment the clothes are recycled by customers. The work we do with our supply chain through the FWF is a key driver to our success within the 'People' pillar of our Impact Positive strategy. We are committed to implementing a sourcing strategy which supports living wages. The focus areas for our first year of membership have been communication of our membership and commitment to the FW Code of Labour Practices & evaluation of our suppliers' performance against the code. This will enable us to create an effective and achievable sourcing strategy. Our aim is to complete the creation of the strategy in our second year of membership and more details will be shared in our next report.



PRODUCTION CYCLE

BAM works to one main drop per season with a small number of more seasonal products launching later in the seasons at either high summer or winter. These products follow the same development critical path as the main range. The development cycle (design-started to orders-placed) is split into two critical paths which run concurrently due to longer lead times for products manufactured in China. Design development for each range starts 1 year before launch and key critical dates are agreed with suppliers at the beginning of each season. Two seasons/launches is common for clothing brands but does mean that there are peak times for production for our suppliers and we understand that this situation can cause issues with over-time and stable employment. We have recently agreed to receive orders from one supplier in 3-4 batches over the season which allows them to spread the work out over a longer period lessens pressure at peak times. We also intend to look at production cycles for our NOOS (never out of stock) products as a part of our sourcing strategy next year to understand if there are ways to support suppliers further by manufacturing these outside of peak times.

FACTORY RELATIONS

Conversations with potential new factories have taken place but we have not placed FOB with any this financial year. We have an initial questionnaire which is sent to all prospective suppliers which gives an overview of our ambitions and requirements and collects basic information about a supplier to allow us to assess their suitability. We would then ideally arrange a video call or in-person visit before orders are placed. This year we began a project to put together a more robust on-boarding process and supplier manual which will include a code of conduct, relevant procedures and policies and sourcing requirements.

We have not terminated any relationships this year.

Coherent system for monitoring and remediation

TURKEY

Turkey is our largest sourcing location with 59% of our FOB coming from 5 factories in this country.

Our efforts in our first year of Fair Wear membership have been focused on informing suppliers about



our membership, introducing them to the FW labour standards as well as getting questionnaires completed and worker information sheets posted. However, towards the end of the year, two of our suppliers had a Fair Wear Monitoring Audits carried out. These audits were requested by other FW member brands that are also customers of these factories – BAM shared the costs and intends to collaborate on any follow up activities. We were not able to follow up on the report findings and CAPs within our 2021/22 financial year so will include details of any follow up actions and outcomes in our next social report.

Factory A:

- 20% of FOB for SS21 & AW21 seasons. Estimated leverage 35%
- Questionnaire completed, worker information sheet posted, transparency letter signed and returned.
- Factory disclosed.
- Fair Wear Monitoring Audit completed Dec 2021. Results & CAP to be followed up on in next financial year. Counts towards monitoring threshold.

Factory B:

- 26% of FOB for SS21 & AW21 seasons. Estimated leverage 32%
- Questionnaire completed, worker information sheet posted, transparency letter signed and returned.
- Factory disclosed.
- External Audit completed June 2021 and verified. Results & CAP to be followed up on in next financial year. Counts towards monitoring threshold.

Factory C:

- 3% of FOB for SS21 & AW21 seasons. Estimated leverage 0.1%
- Questionnaire completed, worker information sheet posted, transparency letter signed and returned.
- Factory disclosed.
- Fair Wear Monitoring Audit completed Nov 2021. Results & CAP to be followed up on in next financial year.

Factory D:

- 7% of FOB for SS21 & AW21 seasons. Estimated leverage 8%
- Questionnaire completed, worker information sheet posted, transparency letter signed and returned.
- Factory disclosed.
- External Audit completed April 2021. Summary received. Results & CAP to be followed up on in next financial year. Does not count towards monitoring threshold as full report still to be sent.

Factory E:

- 1% of FOB for SS21 & AW21 seasons. Estimated leverage 1%
- Questionnaire completed



•

CHINA

China is our second largest sourcing location with 33% of our FOB coming from 4 different factories. Two of the factories are specialist manufacturers sub-contracted by Factory F to produce specific products for us. Similar to Turkey, our efforts in our first year of Fair Wear membership have been focused on informing suppliers about our membership, introducing them to the FW labour standards as well as getting questionnaires completed and worker information sheets posted. All factories have had external audits carried out and we intend to begin dialogue to address results and CAPs in the next financial year.

Factory F:

- 16% of FOB for SS21 & AW21 seasons. Estimated leverage 7.5%
- Questionnaire completed, transparency letter signed and returned.
- Factory disclosed.
- External Audit completed August 2020. Results & CAP to be followed up on in next financial year. Counts towards monitoring threshold.

Factory G:

- 9% of FOB for SS21 & AW21 seasons. Estimated leverage %
- External Audit completed May 2020. Results & CAP to be followed up on in next financial year. Counts towards monitoring threshold.

Factory H:

- 4% of FOB for SS21 & AW21 seasons. Estimated leverage %
- External Audit completed May 2020. Results & CAP to be followed up on in next financial year. Counts towards monitoring threshold.

Factory I:

- 4% of FOB for SS21 & AW21 seasons. Estimated leverage 1.2%
- Questionnaire completed, worker information sheet posted, transparency letter signed and returned.
- Factory disclosed.
- External Audit completed April 2021. Summary received. Results & CAP to be followed up on in next financial year. Does not count towards monitoring threshold as full report still to be sent.



PORTUGAL

Portugal is our smallest sourcing location. We have two suppliers based there. We started working with both of these just before the pandemic so unfortunately were not able to visit them in person during our 2021/22 financial year. We were able to arrange virtual tours of the factories instead. Portugal is a low-risk country and both suppliers have reached 'monitored' status on Fair Force.

Factory J:

- 3% of FOB for SS21 & AW21 seasons. Estimated leverage 3%
- Questionnaire completed, worker information sheet posted, transparency letter signed and returned.
- Factory disclosed.
- External Audit completed June 2021. Results & CAP to be followed up on in next financial year. Counts towards monitoring threshold.

Factory K:

- 8% of FOB for SS21 & AW21 seasons. Estimated leverage 5%
- Questionnaire completed, worker information sheet posted, transparency letter signed and returned.
- Factory disclosed.
- External Audit completed November 2020. Results & CAP to be followed up on in next financial year. Counts towards monitoring threshold.

EXTERNAL PRODUCTION

External production is not applicable to BAM

Complaints handling

We have not received any complaints or reported grievances.

Training and capacity building

ACTIVITIES TO INFORM STAFF MEMBERS

Team members directly involved in developing products & purchasing products and managing supplier relationships have been invited to several meetings throughout the year to start to introduce them to Fair Wear and start to engage them in the process. There is much more to do in this area and this will be a key focus for our second year of membership through specific and shared objectives and workshops.



The wider business has been informed about our membership through our annual impact reports and during follow up workshops/Q&A sessions held by our Sustainability & Technical Manager which are open to all employees.

ACTIVITIES TO INFORM MANUFACTURERS AND WORKERS

All suppliers were informed of our intention to join the FWF several months before we became members through Impact Strategy documents shared via email.

Once we joined, initial introductory letters and questionnaires were sent out to all manufacturers to get them set up on the Fair Force system and begin to monitor any current audit reports.

We have not participated in or requested suppliers to participate in any trainings during our first year of membership but we would like to assign some budget to trainings for our second year of membership.

ACTIVITIES TO INFORM AGENTS

The same introductory letters, questionnaires and worker information sheets that were sent to manufacturers were also sent to agents.

Information management

As new members we followed the recommended initial steps with each existing supplier to introduce them to the Fair Wear Foundation and get them set up on the Fair Force system. We also started to create a filing system internally to collect and store relevant information. The initial steps taken with each factory are

- 1. Introductory letter, questionnaire & Fair Wear Code of Labour Practices sent, signed and returned.
- 2. Worker information sheet in local language sent & evidence returned of it being posted in the factory somewhere visible.
- 3. Transparency letter sent, signed and returned.
- 4. Full audit report shared and uploaded onto Fair Force.



Social Report: Feb 2021 – Jan 2022

Where there was an intermediary such as an agent, we requested they send all documents and information to each factory site and ensure the relevant person at that factory read and signed documents themselves.

Transparency & communication

So far, our public communications about out Fair Wear membership have been shared in our annual impact reports and through this social report which are both available to download from our site.

Once we have completed another year of membership, we will have made more progress and be able to share more detailed information in our reports.

Stakeholder engagement

Bam took part in the Better Buying Partnership Index survey this year to provide our suppliers with the opportunity to feedback about our purchasing practices anonymously. The results were received in early 2022 and are being followed up on with the support of the Better Buying institute. More details of any follow up actions and results will be reported on in next year's report. BAM's results were 67/100 compared to an average of 39/100. Although we're pleased to score way above average, there is clearly scope for improvement. Taking part in this survey has highlighted how crucial supplier voices are in the drive towards fair working conditions and true partnerships and how important it is that their voices can be heard without any fear of commercial consequences.

Environmental & Social Governance

Please refer to our annual impact report for more information but some key highlights listed below:

- BAM is a living wage employer
- BAM has applied for B-corp accreditation this year
- As of 2021, 89% of the fibres we use are biodegradable and made from natural, renewable raw materials
- In 2021 we launched our first certified fully recyclable outerwear a significant step towards our goal of a fully circular range by 2030.
- Every item is Climate Positive:
 - Full life cycle emissions are offset for each product including 50 customer washes.



Social Report: Feb 2021 – Jan 2022

 Since 2019 BAM has planted over 9000 mangrove tree saplings and offset 3000 additional tonnes of CO2.