

A photograph of three young people sitting in the back of a car, laughing and smiling. The person in the center is a young man wearing a brown and green striped long-sleeve shirt and camouflage pants, holding a football. The person on the left is a young woman with long brown hair wearing a green patterned sweater. The person on the right is a young woman with long black hair wearing a grey hoodie and blue jeans. The background shows green foliage.

THE  
GOOD REPORT

# NOON

COTTON:ON







04/05

### Founder's Note

At the heart of what we believe is that we are here to make a positive difference. It is our individual and collective responsibility to restore and preserve our planet. This task is not simple. I wish it was. And it's not something we take lightly either. We may not always get it right, but taking action and making progress transcends perfection. Across the globe, our team is aligned through our purpose and have come together to be a force for *Good*, knowing that the choices we make every day affect the future generation. I'm so proud to be a part of the solution for a better planet - because it's a legacy we have to leave behind.

Nigel Austin, Founder / Director



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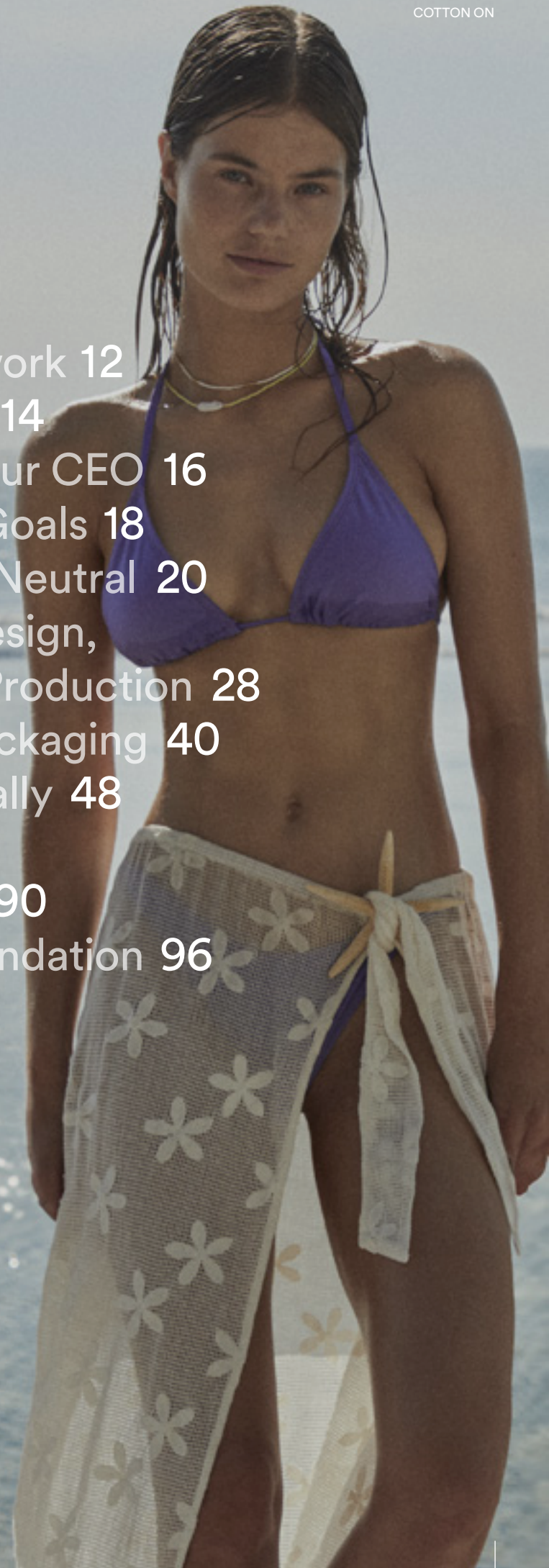
Wadawurrung Country  
Surf Coast, Australia



## Acknowledgement of Country

Cotton On is proud to be an Australian-born business on First Nations lands, and we acknowledge and pay our respects to Aboriginal and Torres Strait Islander Peoples as the original custodians of the land upon which we live and work.

We acknowledge our Global Support Centre is located on Wadawurrung Country. We honour and pay our respects to Wadawurrung Elders past, present and emerging, and extend that respect and appreciation for the thousands of years that they have cared for and conserved this Country's lands, waters and culture, and continue this role today.







60/80

## The Good

Our purpose is to make a positive difference in people's lives. It's not just how we do business, it runs deep in our DNA.

*The Good* is a movement to create meaningful change and channel our focus on what matters most - encouraging others to join in.

And every year, *The Good* keeps growing. It's what guides us, drives us, pushes us forward and holds us accountable. It's putting it all on the table to make our purpose a reality, and it's finding mates who feel the same, working together to get us there.

It's about building sustainable futures through the expansion of the Cotton On Foundation, and supporting and protecting our people and the planet. And it's about celebrating differences while strengthening connections - because we know we're stronger together.

There are three ways we approach delivering *Good*:

### Our Business

Acknowledging our responsibilities as a global fashion retailer to lead by example, including our Ethical Sourcing Program, sustainability efforts and caring for our people.

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### Our Customers

Partnering with our customers to drive change in the areas that mean the most to them through the Cotton On Foundation.

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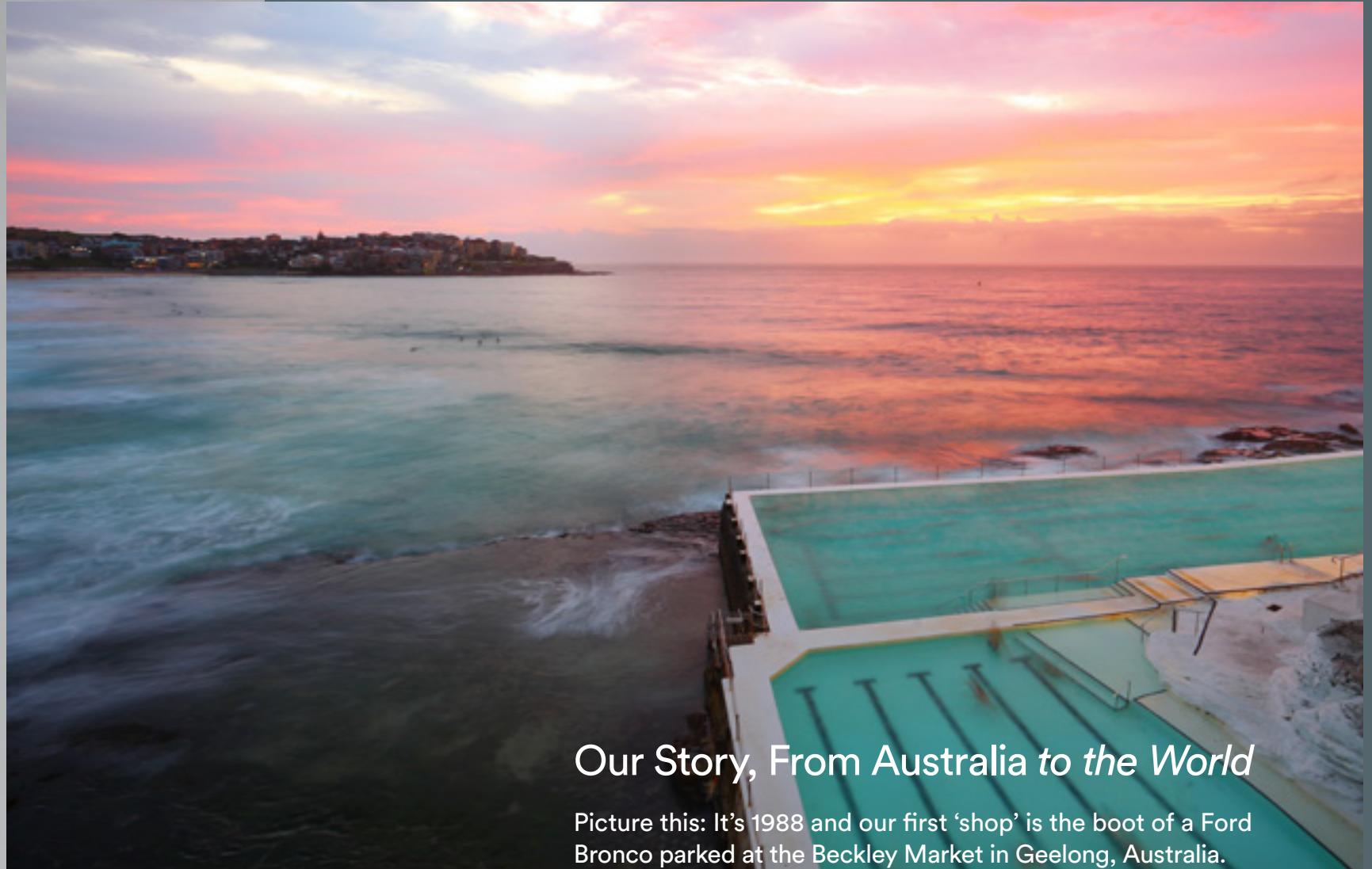
### Our Partners

Rolling up our sleeves and investing in partnerships that build strong, resilient and equitable communities in the places where we live and work.

The commitments we made when we started out, like our business, have only grown. We've made a pledge for the future. For our people and the planet. And we know our journey will never stop. We'll never settle because our work will never be done.

That's our word. That's *The Good*.





## Our Story, From Australia to *the World*

Picture this: It's 1988 and our first 'shop' is the boot of a Ford Bronco parked at the Beckley Market in Geelong, Australia. Inside the Bronco are denim jackets, which doesn't sound like much - but it was the start of something big.

Growing up in Australia, our founder started Cotton On with an epic vision in mind. He wanted to take our Aussie lifestyle to the world, delivering *Good* along the way. It's this simple beginning and the lessons learnt from those early years that forged the path for how we still work today. And it's what set us on track to fulfilling our purpose of making a positive difference in people's lives.

Our Aussie spirit means we don't take ourselves too seriously, except when it comes to the way we do business. The way we go about things is bold, and different, and we're OK with that. We believe some of the best plans are made over beers in the backyard. And so for the last three decades, beers were had and plans were made. Again and again. That's what put us on the map. 20,000 people. 8 brands. 22 countries. 1,500 stores. And counting.





## Our Ethical Framework

As a business built on purpose, all of our decisions must be aligned in one common outcome - to make a positive difference in people's lives.

To do this, we've laid out our values, beliefs and the principles that govern our decision making. We call this our Ethical Framework.

It underpins everything we do and it keeps us on a path to always grow with purpose.

OUR PURPOSE

We exist to make a *positive difference* in people's lives.

OUR VALUES

Ever Better

Personal Leadership

People First

Keeping It Real

Integrity

Fun

### What We Believe

- 'Doing Good' (*The Good*) in society is as much a measure of our long-term success as our commercial outcomes
- Robust discussion, authentic relationships and critical thinking drives ever-better results
- Our culture empowers our people to exercise good judgement and encourages freedom within the framework
- Respecting all cultures and diversity within them is important to our success
- If we develop our people, we'll grow our business

### Our Governing Principles

- We operate within the global laws, regulations, agreements, commitments and codes that bind us
- We are responsible for protecting the wellbeing and safety of our people, customers and communities
- We have a responsibility to participate in stopping the exploitation and sexualisation of people
- We actively promote fairness, inclusivity, diversity and equality
- We pursue real solutions that protect human rights across the supply chain
- We act as a force for change in the industry on ethics and social responsibility
- We have a duty to improve sustainability and minimise ecological harm





### The COG Way

A different kind of people walk the floors of our stores, distribution and support centres. We're the kind that take action, that take the words off the wall and put them into play. We're brave and bold and know that we're part of something bigger. Most of all, we show up for our mates and draw in people who will do the same, who are unashamedly themselves and love what they do. Every team member understands their role in achieving our purpose and lives by a set of values that can't be taught, they form the behaviours of who we are.

This is our way. This is the COG Way.

- Customer obsessed*
- Solution focused*
- Work together*
- Take decisive action*
- Make it simple*
- Act resourcefully*
- Strive to win*
- Embrace change*
- Do the right thing*
- Love our brands*
- Love what you do*







## A Note From Our CEO

We are proud and humbled to share our 2023 impact report with you. This is the third year we have released The Good Report, and we are excited by the momentum it has built with our team, our customers, our suppliers and within our industry.

Our desire to make a positive difference in people's lives started on day one, and it has driven us every day since. We acknowledge the challenges that our business and our industry face, and living our purpose means we are constantly motivated to do things in the most responsible way - to become the most responsible version of who we are as a brand. Every day we strive to fulfill our purpose - we're always hungry to find a better way, and the Good is our way to positively impact social and environmental challenges. We know that to do Good, we need others around us who are willing to join in, and with this report, we are thrilled to capture our collective impact.

In a world that is facing global conflicts, a cost of living crisis and is fighting climate emergency, our duty of care to our people and the planet has never been greater. Over the last 12 months we focused in on the things we could impact the most. We simplified the way we work to break down barriers for our people. We continued our philanthropic work with \$168 million raised to date for Cotton On Foundation projects supporting Holistic Education, Mental Health, Environment and First Nations Partnership. This led to new schools, new partners and new projects that drove impact for Good across the globe.

We took meaningful action for the planet by reducing our total carbon emissions a further 16% and reducing our carbon emissions intensity a further 20%, and we developed our mitigation and implementation plan on our journey towards Carbon Neutral. And while we have made great progress in our carbon reduction work, over the last 12 months we reassessed and reset our carbon goals with a continued focus on Scopes 1 & 2 going Carbon Neutral by 2030 and Scope 3 by 2050. We are constantly checking in on our roadmap and will accelerate our work at the right times to be as ambitious as we can to reduce our impact.

We also acknowledge that we fell short in three of our 2023 commitments and have reset these goals to be achieved in 2026. This includes 100% of our denim washed using water reduction processes, 100% certified responsible viscose used in products and 100% of paper and cardboard made from certified responsible or certified recycled materials. We also updated our goal of 100% of plastics, polyester and synthetic materials made from certified recycled alternatives to be achieved in 2028. We will continue to be transparent on our progress as we realign our processes and initiatives to drive forward these updated commitments.

Our platform to do Good is only possible because of our sustainable growth, and we will continue to build on this momentum together with our dedicated team, valued partners and our incredible customers.

Peter Johnson, CEO

### In 2023 we:

- Calculated our third annual carbon footprint assessment, and we are pleased to announce that we've seen a 16% reduction in total carbon emissions and a 20% reduction in emissions intensity, compared to FY22. Against our baseline year FY19, this is a reduction of 20% in total carbon emissions and a 34% reduction in emissions intensity.
- Raised more than \$16 million for Cotton On Foundation and marked 15 years of impact for our global projects. In partnership with our team and customers, we have raised \$168 million since 2007. These funds have built 19 schools and supported 24 schools in total, served 25 million meals, built and supported three health centres, provided 6.8 million litres of fresh drinking water, supported over 25,000 people in 10 countries with access to mental health services, planted 422,897 trees where they are needed most, and helped preserve The Great Barrier Reef by supporting 8-10 million coral larvae to settle.
- Reached near completion of Busibo and Namabaale Primary Schools in Uganda and Dr JL Dube High School in South Africa, continuing on the course to provide quality education and pathways to meaningful employment for 100,000 young people.
- On our mission to support 10 million young people with access to mental health resources, we kick-started a new partnership with Lady Gaga's Born This Way Foundation to support global youth mental health. The partnership saw 5,000 of our team members and customers earn their Be There Certificate, a free online course that provides participants with the knowledge to help each other through mental health challenges. In addition, 2,000 nominations from young people were received for Born This Way Foundation's 'Kindness in Community Fund', offering grants of up to \$150,000 to local mental health organisations in Australia, Brazil, Hong Kong, Malaysia, New Zealand, South Africa, Thailand, United Kingdom and United States.
- Partnered with five First Nations-led organisations on Wadawurrung Country and Yolŋu Country to ensure community is achieving self-determined futures.
- Supported our global team with access to holistic wellness tools, and saw our team visit our free Body Health & Wellness Club 74,000 times at our Global Support Centre.
- Proudly expanded our global store footprint, opening 150 new stores around the world, and opened our new-state-of-the-art USA Distribution Centre in Dallas, Texas, with a solar energy system installed on the roof for renewable energy use.



# Sustainability

Fashion is made to be loved and lived in every day - and not cost the earth. We recognise our responsibility as a global fashion retailer to reduce our impact and are committed to being part of the solution. We are looking inward and with industry to create meaningful change for the future of fashion.

## Sustainability Goals

We have made great traction to date across our Sustainability Goals, and this year we took the time to reassess and reset some of our goals. We also know that by taking all the right steps towards Carbon Neutral, there will be some hard-to-abate emissions sources that could require offsets. We will continue to drive transparency and evaluate where we can be more ambitious in our targets to fast forward our goals at any given time.



### Carbon Neutral

- Become Carbon Neutral by 2030 (Scope 1 & 2)
- Become Carbon Neutral by 2050 (Scope 3)
- Switch to 100% renewable energy across our operations by 2030



### Responsible Design, Materials and Production

- Make 100% of our products with a sustainable attribute by 2030
- 100% of plastics, polyester and synthetic materials made from certified recycled alternatives by 2028 (previously 2025)
- 100% of our denim washed using water reduction processes by 2026 (previously 2023)
- 100% certified responsible viscose used in products by 2026 (previously 2023)
- 100% of paper and cardboard made from certified responsible or certified recycled materials by 2026 (previously 2023)
- Continue to support 100% sustainably sourced cotton



### Plastics and Packaging

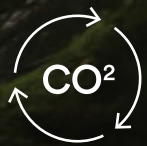
- Design 100% reusable, recyclable or compostable packaging by 2025
- 70% of plastic packaging being recycled or composted by 2025
- All packaging made from 50% recycled content by 2025

View our glossary of terms and phrases [here](#) and our carbon footprint methodology [here](#).



# Going Carbon Neutral

20/21





## How We Do Things

In 2021, we made our biggest sustainability commitment to date - to become Carbon Neutral by 2030. It was the commitment that changed how we looked at every aspect of our business. It meant that the meaningful action we take today would set us on the path to building a stronger future. But not only a stronger future for our people and our business - a stronger future for our planet.

Knowing that we were up against the most urgent crisis we had faced in more than 30 years of doing business, the climate crisis, we knew we had to take an ambitious approach to protect our planet's livelihood - even if we weren't sure how we would get there.

The last few years have taught us a lot, and we are beyond proud of our people for joining us on our carbon reduction journey. We've seen big shifts in how we do things, resulting in a significant reduction in total carbon emissions and emissions intensity - but we know we're only getting started!

Fast forward to today, and we have narrowed in on our roadmap and mitigation plan to be Carbon Neutral across Scope 1 & 2 by 2030 and Scope 3 by 2050. Together with our environmental partner, Edge Impact, we have aligned with science-based targets and evidence as determined by the Paris Agreement to stay within a 1.5-degree warming scenario.

What comes next is even more important, and we know we still have a lot of work to do. It is change on a large scale, and it is focusing on the things that can make the biggest impact.

### We Will

- Become Carbon Neutral by 2030 (Scope 1 & 2)
- Become Carbon Neutral by 2050 (Scope 3)
- Switch to 100% renewable energy across our operations by 2030

### We Have

- Calculated our FY19 (baseline year), FY22 and FY23 carbon footprint assessment
- Developed our mitigation and implementation roadmap using science-based targets and evidence as determined by the Paris Agreement to stay within a 1.5-degree warming scenario
- Commenced an energy monitoring system within our global store fleet to track usage and emissions
- Implemented a rating system for store design and construction, measuring sustainable attributes of each new store we build
- Converted to 100% renewable energy source across 96% of our operations in New Zealand





# Our FY23 Carbon Footprint

## Global Emissions Intensity

20% ↓

COMPARED TO FY22

34% ↓

COMPARED TO FY19 (BASELINE YEAR)

## Global Carbon Emissions

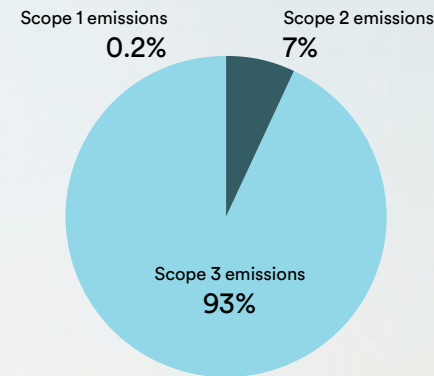
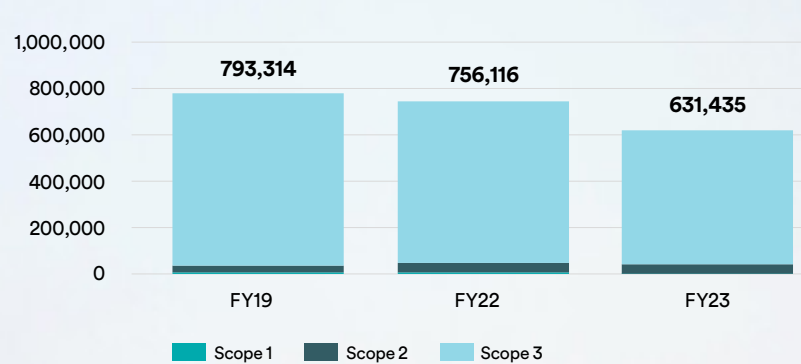
16% ↓

COMPARED TO FY22

20% ↓

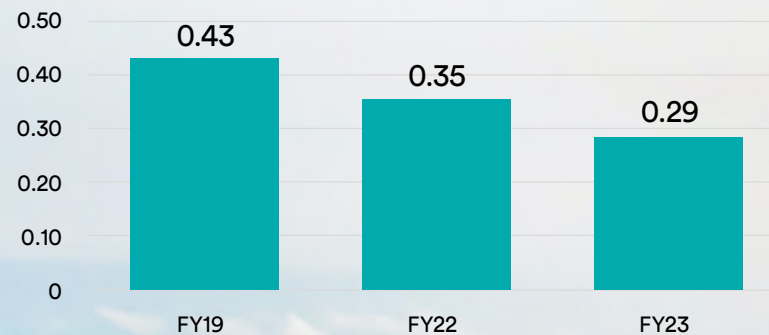
COMPARED TO FY19 (BASELINE YEAR)

## Total Carbon Emissions (tCO<sub>2</sub>e)



## Emissions Intensity (kgCO<sub>2</sub>e/\$)

Emissions intensity shows the total volume of emissions (Scope 1, 2 & 3) per \$, linking carbon reduction to units of GDP. This is a measurement that can be used to compare our progress in carbon reduction as our business grows.



## Total Emissions by Scope

	FY19 (tCO <sub>2</sub> -e)	FY22 (tCO <sub>2</sub> -e)	FY23 (tCO <sub>2</sub> -e)	Description
Scope 1	8,227	7,815	1,186	Refrigerants and fuel combustion.
Scope 2	27,998	39,707	40,690	Purchased electricity. All grid electricity purchased at our retail, warehouse and office locations globally.
Scope 3	757,088	708,594	589,559	Indirect emissions of supply chain and capital goods expenditures, business travel, employee commuting and waste management.
<b>Total</b>	<b>793,314</b>	<b>756,116</b>	<b>631,434</b>	

		FY19 (tCO <sub>2</sub> -e)	FY22 (tCO <sub>2</sub> -e)	FY23 (tCO <sub>2</sub> -e)
Scope 1 & 2 Emissions	Scope 1: Fuel combustion	137	539	490
	Scope 1: Refrigerants	8,090	7,276	696
	Scope 2: Purchased electricity	27,998	39,707	40,690

	Category	FY19 (tCO <sub>2</sub> -e)	FY22 (tCO <sub>2</sub> -e)	FY23 (tCO <sub>2</sub> -e)
Scope 3 Emissions	Cat 1: Purchased goods and services	425,261	421,647	330,719
	Cat 2: Capital goods	37,864	45,343	53,347
	Cat 3: Fuel and energy-related emissions	4,772	5,480	5,528
	Cat 4: Upstream transportation & distribution	22,262	28,910	18,819
	Cat 5: Waste generated in operations	20,736	21,939	23,768
	Cat 6: Business travel	9,549	3,468	4,055
	Cat 7: Employee commuting	4,683	4,221	4,042
	Cat 11: Use of sold products	207,456	155,234	125,745
	Cat 12: End-of-life treatment of sold products	23,409	21,256	18,871
	Cat 14: Franchises	1,096	1,096	4,665

### Methodology:

We will continue to review and improve our methodology and data when calculating our carbon footprint, and this year, we recalculated our data for FY19 and FY22 assessments. To view our methodology, click [here](#).

### Baseline Year: FY19 (1 July 2018 - 30 June 2019)

FY19 was selected as the year that most accurately represented business as usual before the SARS-CoV-2 (COVID-19) pandemic.



# Circular Fashion

We recognise our responsibility towards circular fashion and are committed to being part of the solution.

We will continue to build a supply chain that supports the circular fashion economy, and we will engage with industry peers and partners to get there together.

Our circular fashion framework includes circular design principles, recycled components and packaging, upstream and downstream recycling, and an improved business model where we increase stock efficiency and decrease overproduction.

## Seamless

### Changing the way we design, consume and recycle clothing

In 2023, we were proud to sign on to Seamless as a foundation member. Seamless is Australia's National Clothing Product Stewardship Scheme. It aims to make Australian fashion and clothing truly circular, and significantly reduce the 200,000 tonnes of clothing that currently goes to Australian landfill each year.

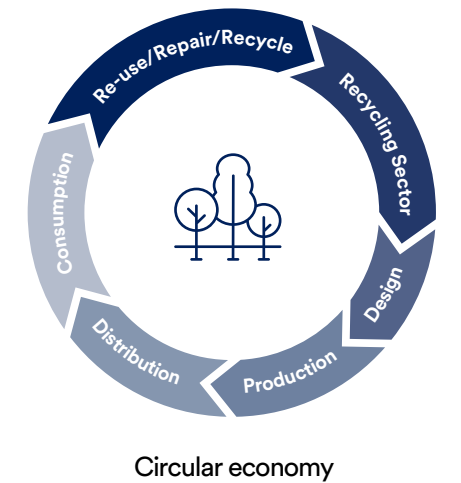
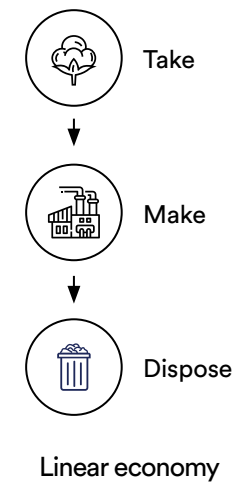
Our foundation membership will support the establishment and priorities of Seamless and play a critical role in leading the Australian clothing industry's transformation towards a circular economy by 2030.

### UPPAREL Textile Recycling

This year, our partnership with UPPAREL saw a 92.6% recycling rate from our faulty goods program across our Australian stores, with a total of 104,747kg of textile was diverted from landfill. We will continue to support and grow our partnership in the year to come as we build on our circular strategies for responsible end-of-life treatments.

### Reverse Resource Scrap Waste Pilot

This year, we created our first range using waste collected through our Reverse Resource Scrap Waste Pilot in Bangladesh. So far, we've mechanically recycled 2000kg of waste by Recover Fibre, and we are working to scale the pilot further over the coming year.





# Responsible Design, Materials and Production

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## How We Do Things

We're focused on transitioning more of our fibres and materials to reduced-impact alternatives such as recycled and organic, and prioritising work in innovation and technology through environmental credentials to assess the carbon footprint of our raw materials with independent consultants.

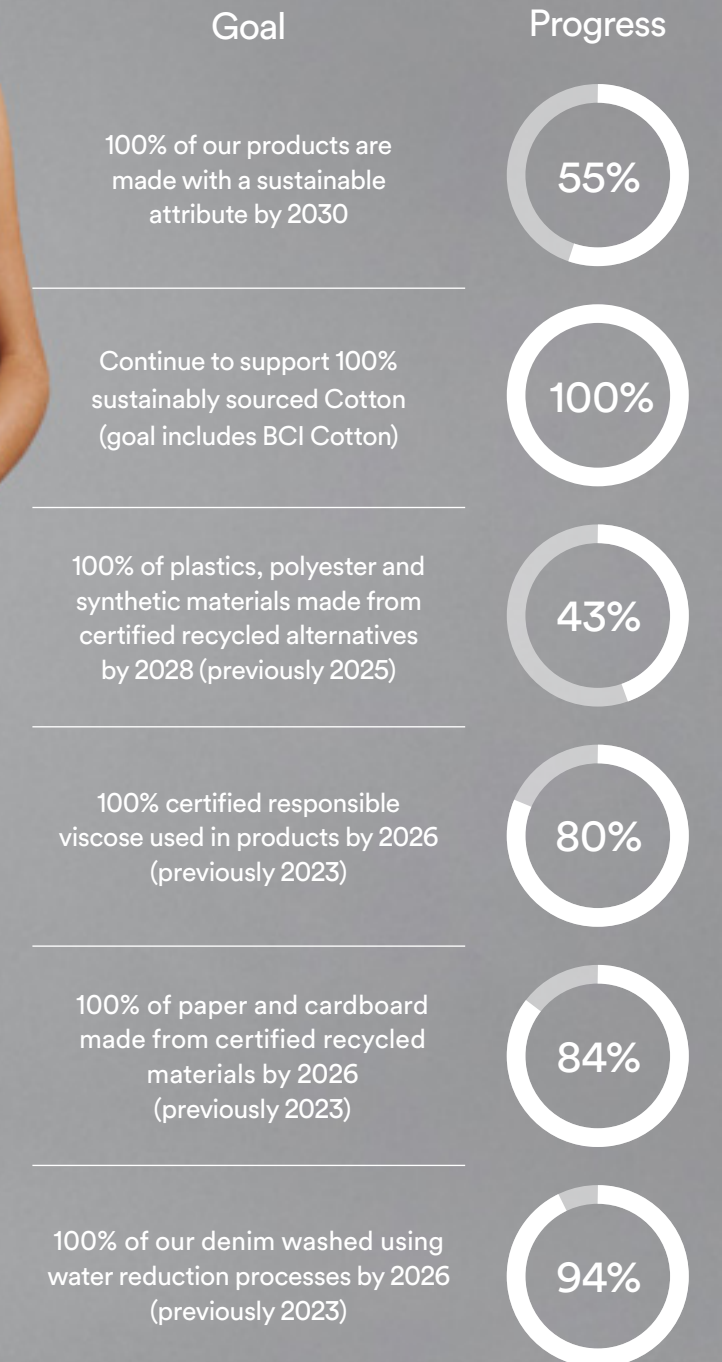
Across our supply chain, we work with supplier partners who are certified to globally-recognised standards, including:

- Global Recycled Standard (GRS)
- Recycled Claim Standard (RCS)
- Global Organic Textile Standard (GOTS)
- Organic Content Standard (OCS)
- Certified viscose (LENZING™ and REPREVE®)
- Forest Stewardship Council (FSC)
- Australian Cotton: Includes unique bale identification number and barcode identifier that is inserted at the time of picking the cotton
- USA Cotton: Permanent bale identification tag

These standards aim to define requirements to verify responsible practices used in production. They offer a chain of custody model that tracks the raw materials from source through to finished product. This process offers a way to verify the sustainability claims of our products for our customers. We will continue to partner with our suppliers to enhance the traceability and sustainability credentials of the fibres and materials we source.

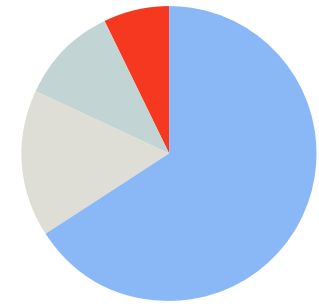
Manufacturing processes are crucial to our goal to source responsibly. Water use is a key challenge the fashion industry is addressing. By continuing to use new and innovative water reduction processes across denim styles, we're using less water to create the vintage-inspired washes our customers love. We're also collaborating with our suppliers on other production processes which form part of our plan to reduce the environmental impact of traditional production methods while maintaining product quality.

## Our Made With Good Goals

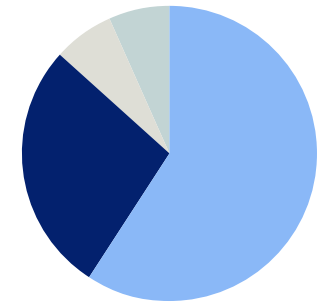




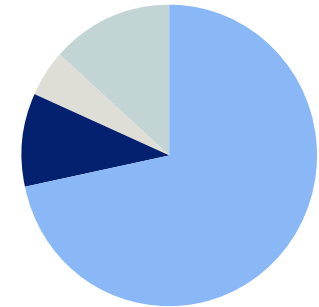
# Responsible Material Sourcing



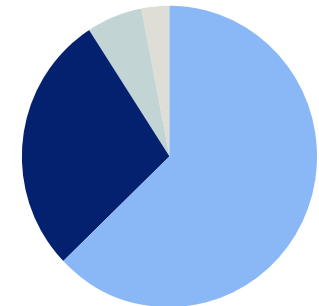
**Cotton**  
 BCI Cotton 66%  
 Recycled Cotton 16%  
 Organic Cotton 11%  
 Other Sustainable Fibre 7%



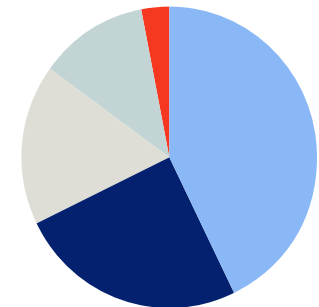
**Synthetic**  
 Conventional 64%  
 Recycled polyester 25%  
 Recycled polyamide 6%  
 Other (sustainable fibre) 6%



**Plastic**  
 Conventional 71%  
 Recycled polyethylene vinyl acetate 10%  
 Post-consumer recycled plastic 5%  
 Other (sustainable fibre) 13%



**Paper and Cardboard**  
 Forest Stewardship Council (FSC) 63%  
 Conventional 28%  
 Other (sustainable fibre) 6%  
 Post-consumer recycled paper 3%



**Viscose**  
 Conventional 43%  
 LENZING™ 25%  
 Preferred bamboo 17%  
 Sustainable viscose 12%  
 Other Sustainable Fibre 3%



Case Study

# Better Denim

For us, Better Denim is denim that our customers will want to live in, day after day. Tried-and-true fits. Washes that get better with wear. Denim made with care and made to last. Better denim from start to finish.

In the last year, we continued to partner with RESET Carbon, a specialist supply chain and environmental consultancy, to measure and analyse the environmental impact of Cotton On denim against industry average denim that uses conventional cotton and washing methods.

### Stage 1 - Raw Material

Today, all our new denim is made with 30% recycled cotton, up from 2022. We first introduced recycled cotton into our denim in 2019 with 10% recycled cotton from pre- and post-consumer waste. We are striving to include more recycled cotton fibres in our denim, while ensuring integrity and durability of the fibre for longevity.

### Stage 2 - Fabric Production

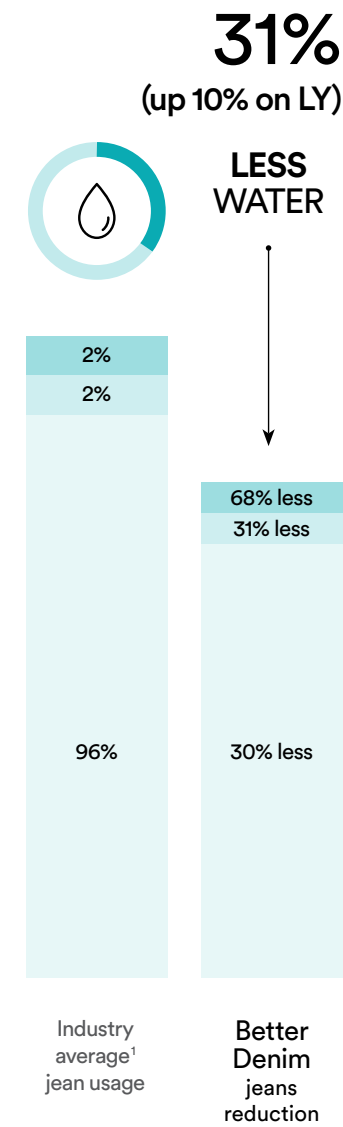
We're committed to supporting suppliers in a process of continuous improvement, as new technologies are developed and introduced.

### Stage 3 - Washing

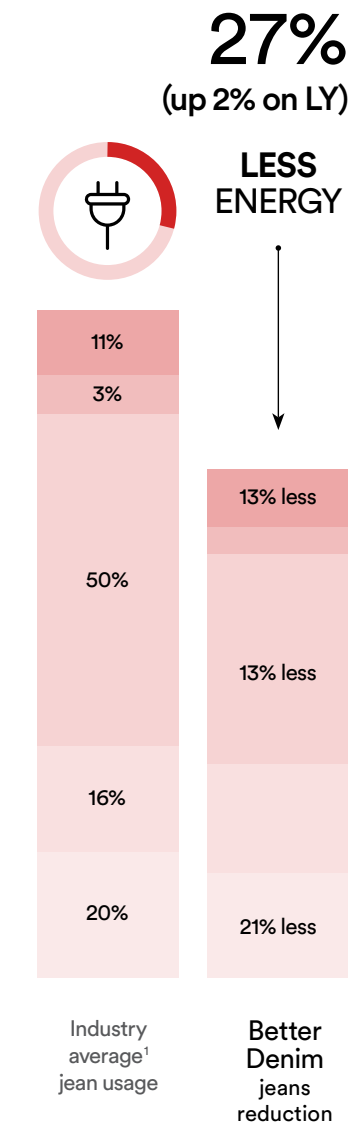
Traditional industrial denim washing processes use a lot of water - a resource we can't afford to waste. We've worked closely with our key denim suppliers to explore innovative technologies that can achieve the same final result with a much lower environmental impact. These include ozone wash, laser, nanobubble and water reduction technology.

## What The Numbers Mean

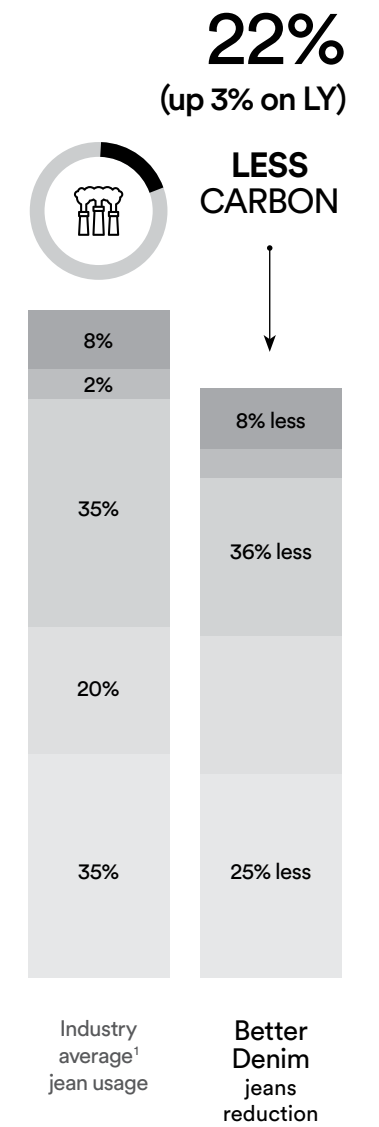
### Reducing our water usage



### Reducing our energy usage



### Reducing our carbon emissions



- Raw material
- Spinning
- Fabric production
- Cut & sew
- Washing

- Raw material
- Spinning
- Fabric production
- Cut & sew
- Washing

- Raw material
- Spinning
- Fabric production
- Cut & sew
- Washing

<sup>1</sup>Compares the industry average published by Jeanologia® to Cotton On's average per unit water consumption in raw materials, fabric processing and washing for the Long Straight Jean and High Mom Denim Short for 2022 and 2023.



Case Study

# Swimwear: Recycled For Now, Recycled For Good

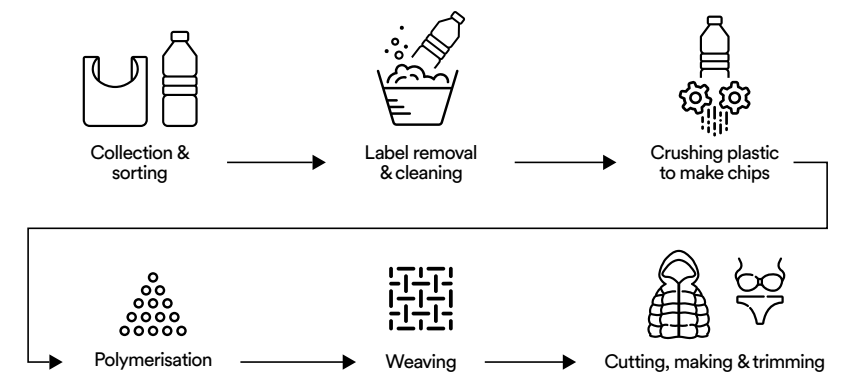
36/37


## Recycled Swim


Since 2020, we have been delivering recycled swimwear and will continue to offer women's and men's swimwear made with recycled polyester and recycled polyamide, commonly sourced from waste plastic materials. These product lines utilise pre and post-consumer plastic, including 80-95% recycled polyester post consumer waste.

Compared to raw materials, sourcing recycled materials helps to reduce reliance on finite resources - making a positive difference in more ways than one.

In this process, plastic waste is converted into chips and then spun into yarn.



 Our swim hangers are also made from post-consumer waste

 Our cover-ups use organic fibres to complete the outfit

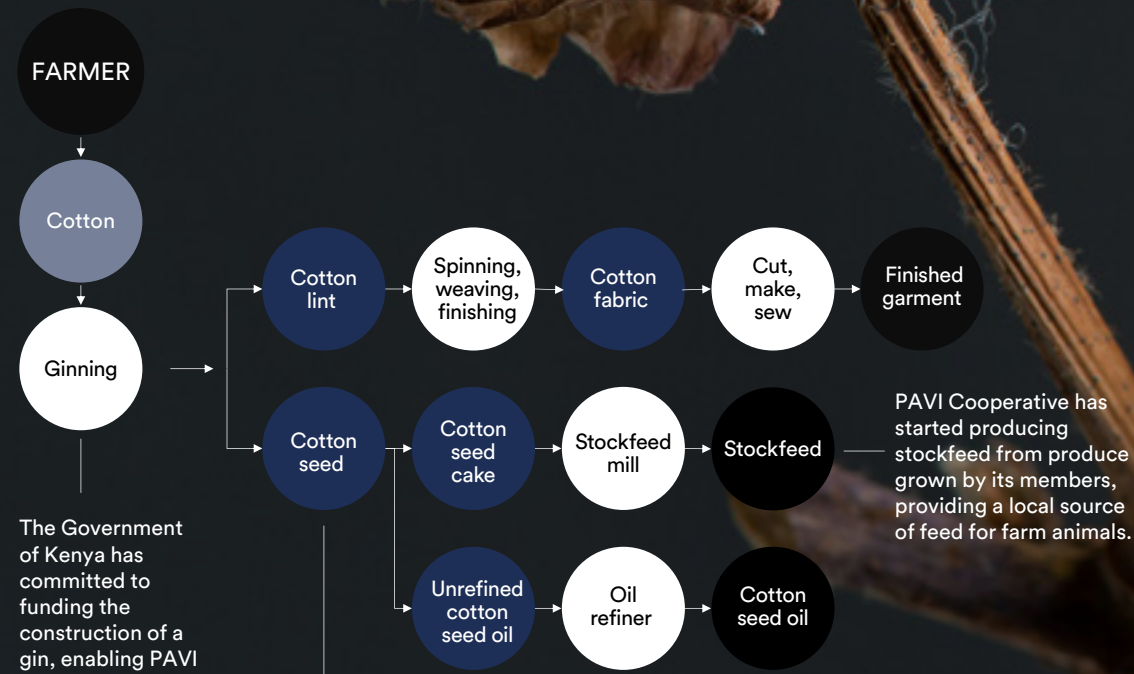
We will continue to strive to redesign all swim components, including trims, foam cups, metal d-rings and wires, elastic, thread and kimbles with more responsible materials that we can feel 100% good about.



Case Study

# Africa Cotton

How it works



The Government of Kenya has committed to funding the construction of a gin, enabling PAVI Cooperative to generate more revenue from cotton on behalf of its members.

From next season, PAVI Cooperative will retain the cotton seed after ginning is completed by a local gin, enabling the cooperative to use the seed cake for stockfeed production and sell unrefined cotton seed oil to a local oil refiner.

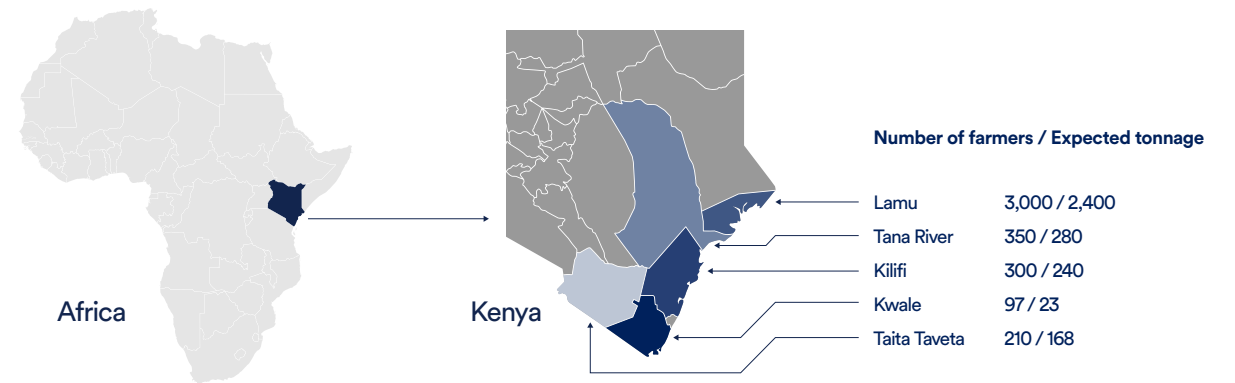
PAVI Cooperative has started producing stockfeed from produce grown by its members, providing a local source of feed for farm animals.

The program focuses on building a holistic system that includes other sources of income and food such as rotational crops and poultry. These crops may go to local market or stay within the farming communities to loop back into the farming system.

Since 2014, we have worked in partnership with Business for Development and now Palladium Group to support smallholder farming communities in Kenya. What started as a pilot program now extends across five regions of Kenya and has moved into Mozambique. The program has supported over 15,000 farmers and the strategy has grown beyond just cotton into a diversified crop approach.

## Our Ongoing Africa Cotton Program

Collaborating with 1,960 farmers across five cotton-growing regions in Kwale, Kenya, the results were hugely impactful to the farmers and their families, generating more than \$530,000 from the production of 851 tonnes of cotton.



- Farmer training attendance increased by 28%
- Piloted new and innovative soil and water management practices for stronger climate mitigation strategies
- PAVI, the farming cooperative, increased collaborators, programs, and enhanced services and technologies
- Introduced a 'Lead Farmer Empowerment' program where lead farmers will aim to expand training to 2000 additional farmers by 2027
- Through focused 'Field Day Sessions', increased farmers' training on Good Agricultural Practices (GAP) and attracted 100 new farmers to join the Africa Cotton program in 2024
- 100% of cotton farmers adopted complementary value chains such as maize and assorted vegetable varieties to boost household incomes and ensure food security
- The launch of the Australian Centre for International Agricultural Research (ACIAR) Project provided increased visibility through media for the cotton program to other farmers in the country
- The Kenyan Government has prioritised cotton growing, processing and marketing as part of its agricultural revitalisation agenda. Earnings to farmers are expected to increase by 25% per every kilo of cotton produced
- A school uniform program commenced where 200 uniforms made from cotton grown in Kwale were given to disadvantaged students from schools around cotton-growing areas. The project intends to increase employment opportunities for women in producing school uniforms



# Plastics and Packaging

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## How We Do Things

Our ongoing key focus areas for our plastics and packaging journey revolve around packaging for customer and packaging for transport. We have identified the products within our business that require the highest rate of packaging, and we're working towards initiatives that support our goals.

## We Will

- Design 100% reusable, recyclable or compostable packaging by 2025
- 70% of plastic packaging being recycled or composted by 2025
- All packaging made from 50% recycled content by 2025





Case Study

# Non-Apparel Packaging Goes Non-Plastic

Our non-apparel range, which includes products such as fragrance, candles and glassware, has traditionally required the most packaging to ensure items keep their shape, breakages are reduced, and they remain safe during transport to our customers and stores.

With our non-apparel range representing 22% of Cotton On products, this was an area our team identified would make a big impact on our goal of 100% reusable, recyclable or compostable packaging by 2025.

So, in 2023 we began removing plastic components from non-apparel packaging. Our production and sustainability team worked together and redesigned packaging solutions with reusable, recyclable or compostable materials and started the rollout.


For example, corrugated board replaced bubble wrap and Expanded Polystyrene, protecting fragile mugs, fragrances, candles and glassware against bumps and falls during transit.

It was important that the new packaging had low environmental impact, and materials were able to be easily recycled, reused or composted by our customers and retail teams to reduce landfill. This meant the focus for the replacement materials was card and paper that is FSC certified or contains a minimum of 50% recycled materials, as well as being recyclable through Australian and New Zealand kerbside recycling streams.

It was equally important to ensure that these changes did not compromise the protection the packaging provided to the individual items, as breakages during transit create landfill of a different form. We developed in-house testing methods and worked with external testing partners to ensure the new and environmentally improved packaging was up to the task of protecting the precious cargo.

Over the next year as we work to scale these new packaging innovations across our non-apparel business, we are monitoring the rollout with in store visits and wastage checks, shipment samples, listening to customer feedback and checking in with our Distribution Centre teams.


## Plastics Removed From Non-Apparel Packaging

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1. Polyvinyl Chloride (PVC)

  - Topline support sticks - used to help products retain shape. Replaced with paper

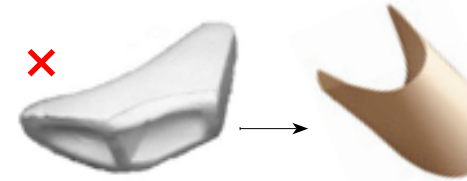
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2. Expanded Polystyrene Foam (EPS)

  - Used as a buffer or impact protection on fragile items such as candles, mugs and glasses. Replaced with corrugated board which can absorb impact
  - Used to help products retain shape. Replaced with moulded card filler or card skillets


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3. Low Density Polyethylene (LDPE)

  - Bubble wrap - used to wrap fragile items and protect against impact. Replaced with corrugated cardboard which can absorb impact
  - Airbags - used to help products retain shape. Replaced with crumpled paper

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4. Expanded Polyethylene (EPE)

  - Used as a filler to help products retain shape. Replaced with card skillets and tissue paper





## Packaging for Customer

We know our business decisions impact our customer’s ability to dispose properly of our packaging. We’re continuing to work to eliminate single-use plastic and focus on the ability to use kerbside recycling streams. The push away from plastic and towards paper has been big in our industry. Where we use paper-based items, we work with suppliers who are certified by the FSC to source virgin or recycled paper and cardboard materials.

## Packaging for Transport

To keep the product safe up until the moment it reaches the customer, we’re focusing on packaging for transport. This type of packaging is vital to make sure all products arrive to our customers without damage.

We’ve continued our APCO assessment process, involving two steps. First, the APCO Packaging Recyclability Evaluation Portal (PREP) online tool verifies whether our packaging is recyclable in Australia and New Zealand kerbside recycling streams, and provides feedback on reasons why an item may not meet recyclability criteria.

All packaging is now designed with APCO’s Sustainable Packaging Guidelines and Principles in mind. Simple changes to packaging design, such as the elimination of separate hooks on the top of sock header cards, have resulted in greater levels of packaging recyclability being achieved. This is because separable components smaller than 50mm in size are too small to be captured during the recycling separation process and are therefore categorised as waste, going directly to landfill. By integrating the hook into the card packaging design, this landfill is eliminated.

Second, we use the Australasian Recycling Label (ARL) Program to generate the appropriate symbols for our packaging, with clear instructions for recycling and disposal at a component level. Our goal is to have all of our customer packaging labelled with ARL symbols by 2025.

Polystyrene	<ul style="list-style-type: none"> <li>Converted to 95% recycled and recyclable card</li> </ul>
Product Care Labels	<ul style="list-style-type: none"> <li>100% of our product care labels are made from 100% recycled polyester</li> </ul>
Product Swing Tags	<ul style="list-style-type: none"> <li>100% of our product swing tags are made from 100% recycled paper</li> </ul>
Typo	<ul style="list-style-type: none"> <li>99% of all packaging is made from certified responsible materials or a minimum of 50% recycled materials</li> </ul>
Cotton On Foundation Water	<ul style="list-style-type: none"> <li>All water bottles in the UK, USA, Australia, New Zealand and South Africa are 70% recycled aluminium bottles that are 100% recyclable</li> <li>Our stores in Asia will follow this trend in early 2024, and a solution for Brazil and Botswana stores is in the works</li> </ul>

However, the waste generated at this stage will often fall to our own distribution and retail teams to dispose of, so we want to make this process as easy as possible. We’re moving away from materials such as polystyrene that are not recyclable and towards packaging that closes the loop.

Since we last reported, we have continued to commit to reducing plastics and packaging in transport. We’ve recapped what we reported last year and the great progress we’re making.

Plastic shopping bags	<ul style="list-style-type: none"> <li>Plastic shopping bags removed in 2019</li> <li>Customers can now choose from paper (over 80% recycled, and 100% recyclable) or a reusable Cotton On Foundation tote bag for purchase</li> </ul>
E-commerce postage satchels and satchel machine	<ul style="list-style-type: none"> <li>Four of our Distribution Centres (USA, Australia, New Zealand and South Africa) installed at least one custom satchel machine that cuts postage satchels into three sizes. Satchels are made from &gt;90% recycled plastic and are 100% recyclable with other soft plastics</li> </ul>
E-commerce cardboard cartons	<ul style="list-style-type: none"> <li>All of our Distribution Centres use recyclable cardboard where cartons are required for shipping</li> <li>A volume reduction automated carton packer has been installed in the UK this year to further limit paper void fill</li> </ul>
E-commerce packing fill	<ul style="list-style-type: none"> <li>Eliminated plastic packaging fill, replacing it with FSC paper alternatives</li> <li>&gt;90% recycled polyethylene and recyclable in soft plastic recycling streams</li> </ul>
Pallet wrap	<ul style="list-style-type: none"> <li>Converted from 385g stretch wrap film to 150-160g film after upgrading all machines. The lighter pallet wrap has allowed us to reduce usage by 55%, or approximately 25,000kg of film annually</li> <li>Our US, Australian, Singapore and South African Distribution Centres have expanded or moved into state-of-the art facilities implementing new storage solutions. This has further reduced the need for stretch film or wooden pallets, reducing global use by more than 30%</li> </ul>



# Sourcing Ethically

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Nurturing and supporting supplier partnerships is at the core of how we work. It's about going on the journey together and building lasting relationships to drive our purpose. And we have a very clear line in the sand when it comes to unethical behaviour - the only option is to do the right thing. There's no room for grey and it's not open for interpretation. It's a zero-tolerance approach and it's as clear as that.





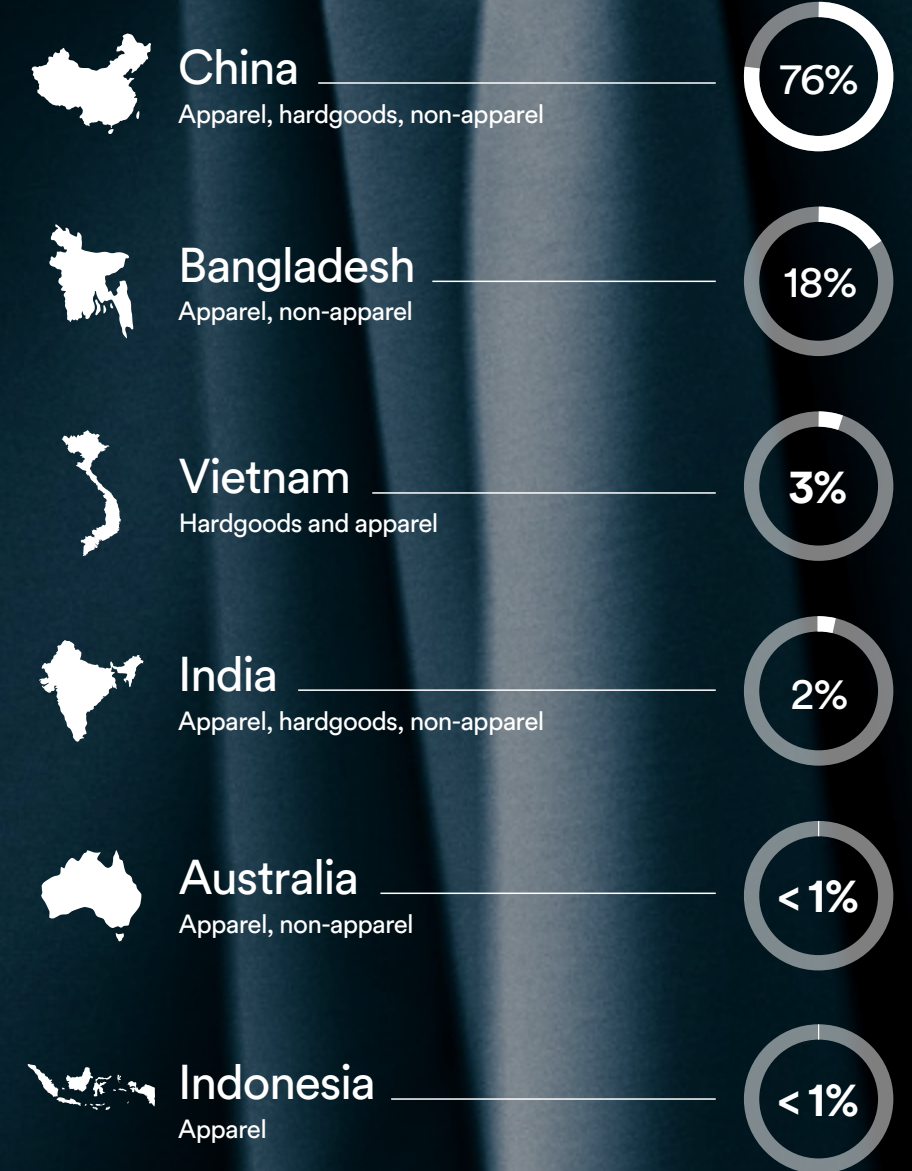


## Where We Source From

Over the years, our supplier base has grown from a small handful to 201 suppliers and more than 347 factories. To build transparency, we have categorised each stage into tiers of production:

- Tier 1 - Final stage, sewing and assembly
- Tier 2 - Wash, dyeing, printing and embellishment
- Tier 3 - Fabrics, yarns and components
- Tier 4 - Raw materials

## Suppliers



162,526 workers employed

58% of workers are female

Percentages based on number of units produced in each region in 2023



## We Will

Create  
**end-to-end**  
supply chain transparency

Drive our

## Ethical Sourcing Audit Program

in line with our 14 Rules to Trade

Strengthen ongoing

## supplier partnerships

to foster continuous improvement programs

Go deeper into our

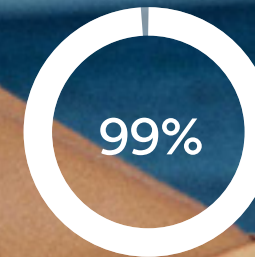
## supply chain tiers

with our Ethical Sourcing Audit Program

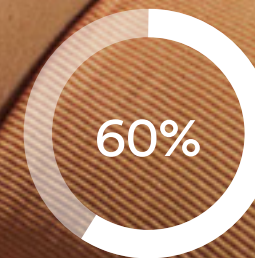
Since 2009, we have driven our Ethical Sourcing Audit Program in line with our 14 Rules to Trade. Over the last 12 months, we've seen the following audit results:



We know 100% of our Tier 1 suppliers and factories



Through strong two-way dialogue with our suppliers, 99% have disclosed the sources of their materials by name and location



60% of our Tier 1 factories have an audit rating of green, up from 14% in FY22

For more on our audit rating criteria, see [page 65](#).



## We Have

### Partnered with our suppliers on continuous improvement programs

#### Training and Education

To continue to educate and drive improvement throughout our supply chain, we developed training material and conducted training sessions with our global suppliers in China and Bangladesh focusing on:

- Working hours, wages and entitlements
- Health and safety
- 14 Rules to Trade
- Traceability

We will continue to identify areas of opportunity within our supply chain to further educate suppliers and workers to keep improving across key areas. We'll remain agile in our training approach to support identified hot spots.

#### Supplier Strategy Improvement Program

This program is designed to identify Tier 1 factories within our Group Production Strategy who require support and substantial improvement within their Ethical Sourcing audit performance. The goal is for all suppliers to achieve and sustain an audit rating of green within our supply chain. To help them get there, our team analyses existing findings and audit performance history and then implements improvement plans, provides recommendations, and delivers support to suppliers and factory management on key focus areas. By providing specific recommendations and support around how the factories can remediate, we can drive improvement to prevent similar findings in future Ethical Sourcing audits.

## We Have

### Expanded our Ethical Sourcing Audit Program deeper into our supply chain tiers

#### Auditing Deep Dive

In FY23 there were 586 audits conducted at all Tier 1 facilities across our global supply chain. Among them, 173 audits were performed at production process and components factories, including fabric mills and yarn spinners.

It is a journey to engage all factories in our Ethical Sourcing Program, to ensure workers have a safe place to work and that the environment is protected.

#### Mutual Recognition

We mutually recognise third-party ethical sourcing audit reports as part of our Ethical Sourcing Program.

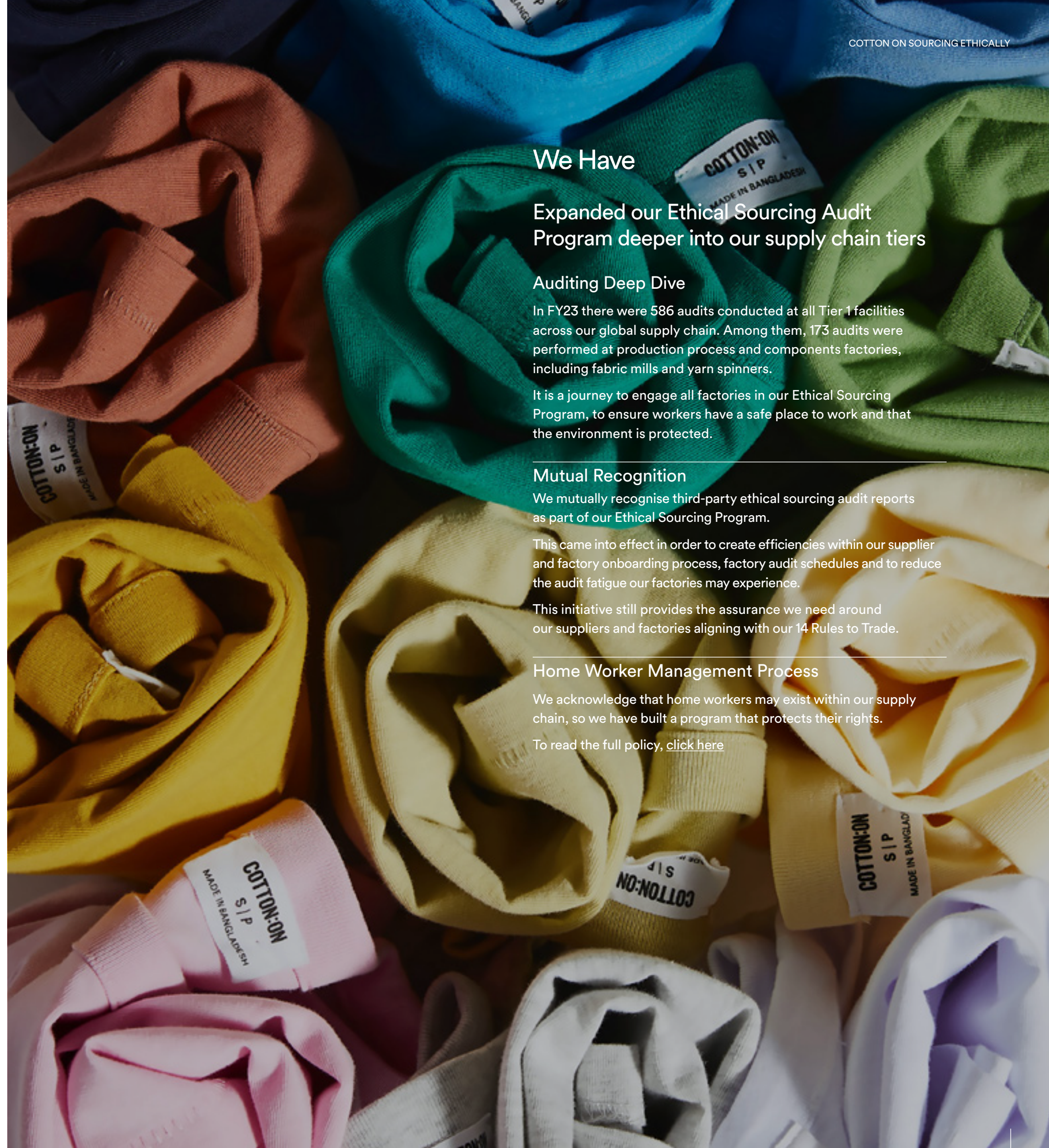
This came into effect in order to create efficiencies within our supplier and factory onboarding process, factory audit schedules and to reduce the audit fatigue our factories may experience.

This initiative still provides the assurance we need around our suppliers and factories aligning with our 14 Rules to Trade.

#### Home Worker Management Process

We acknowledge that home workers may exist within our supply chain, so we have built a program that protects their rights.

To read the full policy, [click here](#)





Formalised in 2009, our Ethical Sourcing Program, including our 14 Rules to Trade, has been put in place to protect human rights and the environment while continuing to strengthen our supplier partnerships.

# Ethical Sourcing Program

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Before partnering with a supplier, we make sure they understand our expectations when it comes to operating ethically, and how to adhere to our 14 Rules to Trade. The rules cover all four of the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. These are: freedom of association and the effective recognition of the right to collective bargaining; the elimination of forced or compulsory labour; the abolition of child labour; and the elimination of discrimination in respect of employment and occupation. The rules have also been translated into Chinese and Bengali to ensure full understanding.

The program is managed by our ethical sourcing team, which is made up of team members in Australia, China and Bangladesh. They work closely with our suppliers to implement the 14 Rules to Trade and manage the supplier auditing process from end to end, conducting education and training where required.

## 14 Rules to Trade

1. No child labour
2. No forced labour
3. Respectful working environment including diversity, equity and inclusion
4. Working conditions are safe and hygienic
5. Advancing to living wages
6. No bribery or corruption
7. Fair working hours
8. All employment laws are followed
9. Disclosure of entire supply chain
10. Respect for freedom of association and collective bargaining
11. Reduce environmental impact
12. Responsible sourcing - raw materials and practices
13. A valid business license and building permit must be held
14. Implementation and proving compliance to the 14 Rules to Trade



We are committed to an ethical and transparent approach to business, ensuring effective systems and controls are in place to safeguard against any form of modern slavery across our entire operations.

# Modern Slavery

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Our Modern Slavery Statement sets out the steps we take to address the risks of modern slavery and human trafficking in our operations and supply chains. This is in accordance with the Transparency in Supply Chains Act of 2010 in California, the Modern Slavery Act 2015 in the United Kingdom, the Modern Slavery Act 2018 (Cth) in Australia nationally, and the Modern Slavery Act 2018 (NSW) in New South Wales.

We also have an established risk team based at our Global Support Centre in Australia and in each of the markets we operate in, as well as having auditors in China and Bangladesh. This combined effort works to identify and mitigate risks, and evolve our zero-tolerance approach across our business.

We are constantly progressing in our approach to modern slavery and work closely with our suppliers, industry leaders, governments and NGOs to ensure our operations are governed by our zero-tolerance approach.

Read more in our policies and statements:

[Modern Slavery Statement](#)

[Anti-Slavery and Human Trafficking Policy](#)

[Child Labour and Forced Labour Policy](#)

[Gender Equality In The Supply Chain Policy](#)



## Supplier Partnership Management

Our supplier partnerships extend far beyond the transactional, working together to build strategic plans for long-term performance goals and growth. Each supplier’s strategic plan is created to align with their own needs as well as those of Cotton On. They are reviewed several times a year to ensure ongoing alignment as well as production availability.

We use our Supplier Strategy Workshops to collaborate with our suppliers, giving visibility on all short- and long-term plans. In these workshops, we elaborate on scorecard results and action plans. These programs allow us to work in partnership with our suppliers.

## Supplier Scorecard System

We work closely with our suppliers to set up a path of success using a scorecard system. This allows us to grade supplier performance annually based on key metrics across production, ethics, sustainability, product quality, compliance and logistics.

The grading system encourages suppliers to not only produce incredible products but to do it ethically, rewarding an increase in business to those scoring in the highest categories and identifying where we need to work with and develop a supplier further.

Scorecard	Explanation
Diamond	Our preferred partner delivering over and above in all areas
Gold	Our key partner delivering in all areas of the business
Silver	Our partner who is working with us to deliver in all areas



## Supplier Partnerships

We might be one of Australia’s largest global retailers, but we take a huge amount of pride in working with a relatively small number of suppliers - our top 20 suppliers produce 53% of our products.

Our supplier base allows us to develop more strategic, long-term partnerships that create mutually beneficial outcomes, while building greater trust and transparency between our businesses.



We provide a confidential hotline that is available to all workers in our suppliers' factories.

# Auditing and Remediation

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Our Ethical Sourcing Program is underpinned by a robust auditing, corrective action and remediation process, managed by our team in Australia and on the ground in the regions where our products are made.

As well as helping us understand where and how our products are made, the audit process enables our suppliers to come on the journey with us and play an active role in our commitment to ethical and sustainable operations.

As our business continues to grow and shift, we are adapting and evolving our Ethical Sourcing Program and audit protocol. We increased the number of audits beyond Tier 1 factories and conducted an in-depth pilot program to gain visibility into risk factors across the supply chain.

## Confidential Reporting Service

A confidential reporting service is available to all workers in our Tier 1 factories. It gives every individual in our supply chain the opportunity to anonymously report any breaches against our 14 Rules to Trade, grievances or workplace issues without fear of retaliation. The anonymous service is accessible 24 hours a day, seven days a week. As part of our Supplier Agreement, all suppliers should display our confidential reporting service information where it is accessible to each and every one of their workers.

Read more in our policies and statements here:

[Supplier Confidential Service](#)



# Auditing

## Audit includes:

- A comprehensive walk-through of the entire factory
- A document review to verify compliance with wage payment, fire and building safety
- Private employee interviews to better understand their working conditions and employment terms
- A final meeting with the management team to discuss the audit result and prepare the corrective action and remediation plan

Following each audit, a corrective action plan is developed in partnership with suppliers and their factory managers. If a supplier is found to be in breach of our 14-Rules to Trade, we will always try to overcome the issue through education and improvement before taking more serious action, as we believe this creates better outcomes for the supplier and their workers.

## Audit Grading System

This table outlines our audit criteria and determines the frequency of audit.

Category	Explanation	FY23 % of factories	FY22 Year-on-Year improvement
Green	<ul style="list-style-type: none"> <li>• 0 Zero-Tolerance findings</li> <li>• 0 critical findings</li> </ul>	60%	▲173%
Yellow	<ul style="list-style-type: none"> <li>• First occurrence of a critical finding</li> <li>• Less than eight critical findings with corrective action and remediation plans</li> </ul>	32%	▼29%
Orange	<ul style="list-style-type: none"> <li>• Eight or more critical findings with active corrective action and remediation plans</li> <li>• Repeated occurrence of a critical finding</li> </ul>	8%	▼75%
Red	<ul style="list-style-type: none"> <li>• First occurrence of a Zero-Tolerance finding</li> <li>• Immediate remedial action required</li> <li>• Factories are to be reaudited every three months</li> </ul>	0%	▼100%

Important issues such as child labour, forced labour, unpaid wages, undisclosed factories, bribery and corruption, physical, sexual, verbal harassment or abuse, and inconsistency among factory records such as fake or false records are classified as Zero-Tolerance findings.

Where a Zero-Tolerance finding is identified by an auditor, the auditor will report the issue within 24 hours. Corrective action plans are issued immediately and need to be completed within seven days. The remediation will vary depending on the Zero-Tolerance breach.

Critical findings include non-compliance around management systems including working hours, overtime, and correct payment of legal minimum wages and entitlements. Critical findings also include building and fire safety, ensuring valid safety certificates, fire extinguishers, smoke detectors, fire alarms, and chemical and waste management.





## 2023 Audit Results

# 201

suppliers

# 479

factories across all tiers

# 586

audits completed

# 54

follow-up audits

to validate the implementation of corrective action plans and deliver training and education

965 workers were interviewed by Cotton On auditors to review working conditions, wages, working hours and entitlements, terms of contracts, training and grievance mechanisms.

We identified a year-on-year improvement of eight Zero-Tolerance findings compared to 17 in FY22. All Zero-Tolerance findings were corrected via consultancy, training and factory improvement actions.

We provided training to suppliers in China, Bangladesh, India and Vietnam on Cotton On ethical sourcing requirements to help and guide them to continuous improvements on overall performance. This year training was focused on:

- Working hours, contracts, wage and entitlements
- Health and safety in work and living spaces

We reviewed and improved our training materials to create an interactive learning environment with suppliers, providing them with knowledge and opportunities to share best practices. In FY23, we provided training for our suppliers, and in total there were 306 participants.



We've long supported a transparent approach to understanding the living and working conditions of the people who produce our products. We're doing what we can to move towards a living wage, not just a minimum wage - it's one of our 14 Rules to Trade.

# Living Wages

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We set clear expectations through our 14 Rules to Trade that all workers in our supply chain must be paid at the legal wage set by the manufacturing country, and we're committed to partnering with suppliers and factories on advancement to living wages. Practically speaking, increasing wages is not as simple as paying more for our products - the extra funds don't always make it into the pockets of workers.

## The difference between a living wage and a minimum wage

A living wage is the income necessary for a worker to meet their basic needs and those of their family, including discretionary income, and should be earned during legal working hour limits.

Minimum wages have been defined as the minimum amount of remuneration that an employer is required to pay wage earners for the work performed during a given period, which cannot be reduced by collective agreement or individual contract.

## Our Living Wage Approach

Wages and entitlements form part of our audit criteria and worker interviews. As a result of any audit conducted at a factory, if we find an issue with wage and entitlements, we:

- Set clear corrective action plans with factory management to remediate
- Undertake training with management to ensure understanding of agreed requirements
- Ensure worker training on rights and entitlements is effectively conducted within an agreed timeline
- Ensure factory managers implement management systems to uphold their legal obligations
- Set follow-up dates for both training and reaudit

## Living Wage Gap Analysis

Over the last 12 months, we have made improvements to our Ethical Sourcing Audit Tool to provide us with greater visibility of payment breakdowns and payment methods across our supply chain.

In 2023, we conducted a Living Wage Gap Analysis for 308 of our suppliers' factories, including data on wages and workers' benefits. The purpose of this analysis was to review and analyse the gap between paid wages and living wages in certain areas of China, Bangladesh and Vietnam where living wage data was available. The data source came from our audit reports and internationally recognised program audits including sustainable supply chain solution SEDEX.

A living wage has been defined by the Global Living Wage Coalition (GLWC) as

*"The remuneration received for a standard workweek by a worker in a particular place sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events."*

The aim of our analysis was to gain greater wage transparency and payment of a living wage using data from the lowest income group in each factory. This group represented employees with low skills and/or entry level. The comparison income used was the total sum of a basic monthly wage plus any allowances and incentives earned within regular working hours (excluding overtime), which was then compared to the regional living wage benchmarks published by the GLWC.

The results of our Living Wage Gap Analysis showed positive progress in our commitment to advancing to living wages, and together with our supplier partners, we will continue to do the work to help get us there. We will now work with each of our individual suppliers on their action plans and align on supplier strategies and scorecard performances to actively improve and advance to living wages.

And, though there is currently no global solution to the challenge of realising living wages for all, we will keep developing the tools and support necessary for the successful transition.



**Ethical Purchasing Practices**

Our approach to Ethical Purchasing Practices is built on our 14 Rules to Trade. These rules are the ways in which we interact with suppliers and factories when sourcing and buying products. Based on the learning journey with Action Collaboration Transformation (ACT) and other signatories during the period of 2018 to 2023, last year we finalised our Ethical Purchasing Practices which serves as a guideline to conduct commercial transactions in accordance with our Ethical Framework.

For our suppliers and factories, Ethical Purchasing Practices can increase stability, leading to productivity gains, sustainable growth and building strong relationships. For workers in our supply chain, Ethical Purchasing Practices can help create an environment that enables improvement in working conditions, efficiencies, productivity and wages. This is achieved through itemised labour costs, fair payment terms, planning, forecasting and training.

**Itemised Labour Costs**

Itemised labour cost is confirmed as part of the product development and costing finalisation in the Ethical Purchasing Practices.

**Fair Terms Of Payments**

We operate a Supply Chain Finance Program in partnership with HSBC, which gives our suppliers access to invoiced amounts within 10 days of shipment. Other inventory purchases are based on fair terms of payment that range from 30 to 120 days and are agreed between both parties as part of the Supplier Agreement.

**Planning And Forecasting**

We work together with our key suppliers to develop annual plans around production planning, capacity forecasting and scheduling. Engaging with our suppliers quarterly on these plans allows us to constantly improve our accuracy and make sure our suppliers can maximise their capacity and efficiencies.

We have developed a scorecard system that allows us to grade suppliers based on the following key performance metrics: quality, on-time delivery, agility, product innovation, price, logistics, and social and environmental sustainability. We hold annual scorecard workshops with our suppliers, providing the opportunity to share areas of improvement, develop action plans and align on growth strategies.

**Training**

Training and stakeholder communication are crucial. Information sharing for business development and product planning strategies with suppliers and factories is provided through regular communications, meetings with supplier senior management, and in-country visits with each respective business partner and stakeholders.

**Responsible Exit Strategies**

We have had strong relationships with our suppliers for many years; while year-on-year factory turnover does happen, in the case of exit, the process aligns with the Ethical Framework and company values. Our Ethical Sourcing function works closely with all stakeholders in production to manage the process, which is worker-focused and has minimal business impact at the factory level.





This is what it boils down to: we need to know who makes our product and where it's made. We're committed to transparency at all levels of our supply chain - which means sharing this information with our customers and the world.

# Traceability and Transparency

72/73

Our traceability program is aimed at identifying and partnering with each of the facilities within our supply chain to drive factory improvement, made possible through strong two-way dialogue with our suppliers.

Supplier and final-stage factories are required to disclose the inputs, components and raw material factories as part of our onboarding process. Suppliers participate in a disclosure survey twice per year to confirm, amend and disclose any additional facilities in their supply chain.

We began publicly disclosing our supplier and Tier 1 factory list in 2016 as part of our journey to achieve 100% traceability and transparency. Our suppliers are updated and published on our website twice a year. [Read the full list here.](#)

We have mandated assigning a factory to every purchase order. This resulted in greater visibility for all teams of where our product should be made. We also introduced an escalation process to remediate unassigned facility production. 100% of our orders are raised in our system at factory level, which means all of our products can be traced back to supplier and final-stage factory.

We take a zero-tolerance approach to working with undisclosed factories, as outlined in our 14 Rules to Trade, and have implemented an unauthorised subcontracting investigation process in our supplier audits. The next phase of our traceability program is at a product level. We will engage our suppliers on the entire product life cycle, from sewing and assembly to where the raw material comes from.

We know 100% of our Tier 1 suppliers and factories. Today, 99% of our Tier 1 suppliers and factories have disclosed the sources of their materials by name and location. We will continue to work with them as part of our commitment to end-to-end supply chain transparency.





### Cotton Supply Chain Traceability Program

Our 14 Rules to Trade strictly prohibits any type of forced labour, discrimination or harassment of workers in our supply chain, regardless of the country or region.



We are signatories to the Responsible Sourcing Network to support collaboration, transparency, traceability and accountability within the cotton sourcing sector to remove slavery out of high-risk cotton sourcing regions. In 2019 we implemented the Cotton Supply Chain Traceability Program to understand how cotton moves around the globe in response to allegations of forced labour across high-risk regions.

We partnered with our Tier 1 cotton sourcing suppliers to identify each of their fabric mills, yarn spinners, cotton ginneries and cotton farms, resulting in additional levels of transparency across this sector. Currently, the majority of the cotton we source is not easily traceable back to its origin, but we are focused on increasing the volume of traceable cotton fibres in our sourcing by using certified organic and recycled cotton, Australian cotton, and cotton grown through our Africa Cotton program.



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# People

People are at the heart of our business, and we work hard to create a culture that reflects that. A culture where our people feel supported, nurtured, and that they are proud to belong to. Because it's more than a job - we want our people to be who they are, and love what they do.






### Team Member Snapshot


 **22** countries | **20,000+** team members | **27** average age

Female leadership **65%** | **78%** Internal promotions and development placements

Female: 71% | Male: 27% | Non-Binary & Other: 2%

**74,000**  visits to our free world-class Body Health & Wellness Club

 **6,696** tenures celebrated | **3 Years** average | **3,086+**  COG Award nominations

— **300 Campus Dogs**  —

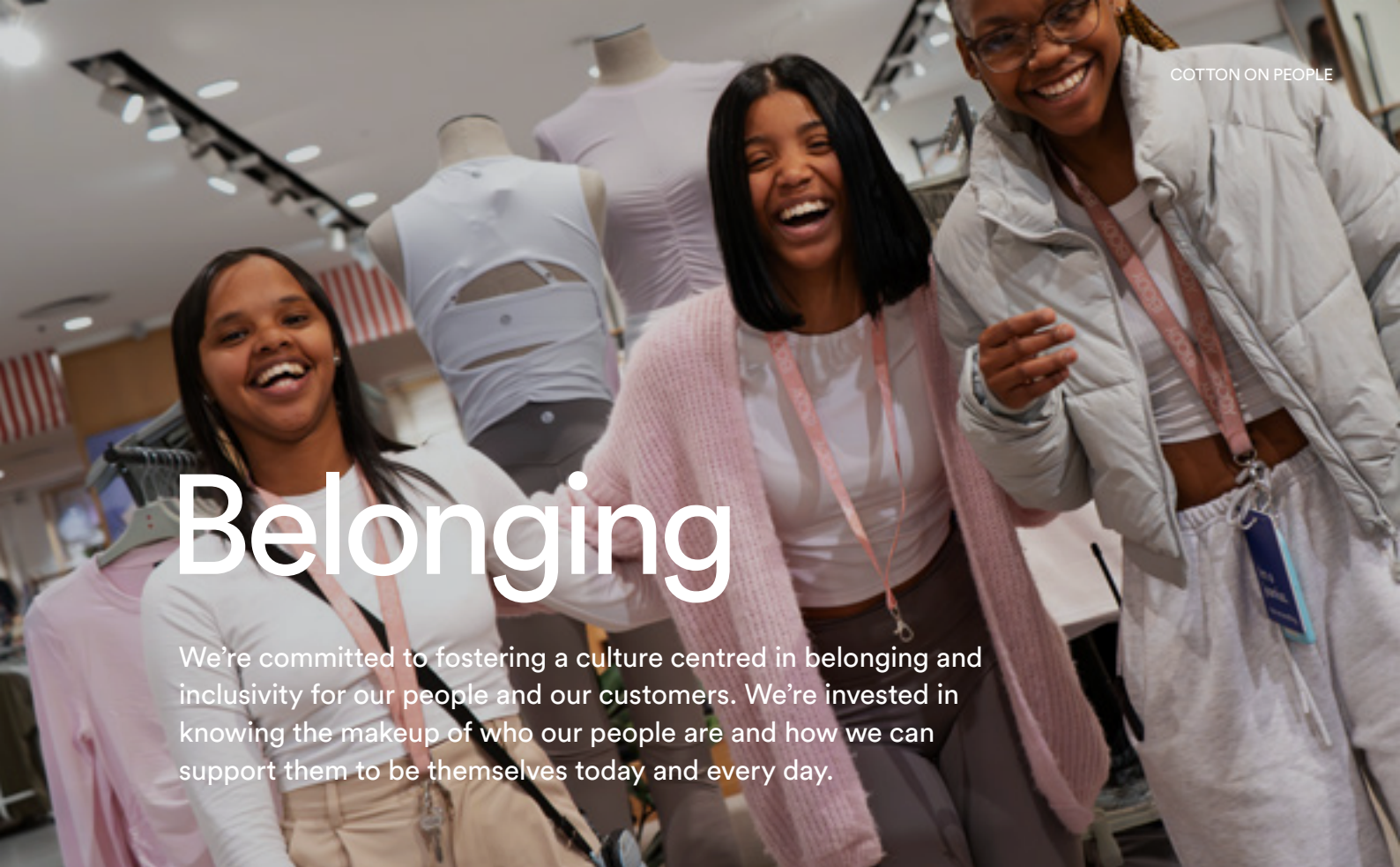


### We Will

- Ensure our global team feels as though they belong by building a culture underpinned by diversity, equity and inclusion
- Invest in leadership programs to nurture the next generation
- Enhance our team members' careers and performance in all areas of their lives through development programs and opportunities
- Champion wellbeing by embedding it in everything we do, every day
- Equip every region with mental health support on the ground







# Wellbeing

We support our people to be the healthiest version of themselves through meaningful work in a well-balanced environment. We're here to support our people, their development and their resilience to enable them to show up as their best, most authentic selves.

# Belonging

We're committed to fostering a culture centred in belonging and inclusivity for our people and our customers. We're invested in knowing the makeup of who our people are and how we can support them to be themselves today and every day.

80/81

## We Have

- We prioritised our internal wellbeing program, Healthiest YOU, with a focus on preventative strategies to support physical and mental wellbeing. This program was also further integrated into retail training programs, launching this to our global retail leadership community.
- We hosted industry professionals, including Dr Libby Weaver, paediatrician and sleep expert Professor Harriet Hiscock and gynaecologist and fertility expert Dr Prue Johnstone, among others, to share their expert knowledge with our global team.
- Our Here For You and Yours program offered free and confidential 1:1 support 24/7 to our team members and their loved ones when they needed it the most. 93% of our team told us they know where and how to access this important support service (*Engagement Survey 2023*).
- We promoted wellbeing initiatives, including Men's Health Week, Women's Health Week, Mindful in May, R U OK? Day and other seasonal wellness challenges.
- In a post-COVID world, we narrowed in on what flexibility looks like for our people, with 89% of our team telling us they feel genuinely supported to work flexibly (*Engagement Survey 2023*).
- Our team logged over 74,000 visits to our Body Health & Wellness Club, with team on campus at our Global Support Centre frequently accessing the gym floor and holistic services. The state-of-the-art facility is free of charge for our team.
- We extended our holistic health services by adding additional spa therapies, acupuncture and breathwork.
- Subsidised seasonal health checks, skin checks and flu shots were available throughout the year at our Global Support Centre and Australian Distribution Centre.
- We served up more than 600 coffees per day in reusable cups and 25,291 chef-prepared meals at our in-house cafe at our Global Support Centre, fuelling our team with healthy meal options to take on their day.

## We Have

- We introduced a 'Belonging' section within our biannual engagement survey, giving us a deeper understanding of the makeup of our global team. 81% of our team feel that people from all backgrounds have an equal opportunity to succeed and be their authentic selves at work (*Engagement Survey 2023*).
- We expanded our acknowledgment of days of significance in our global markets, celebrating meaningful moments with our team.
- In partnership with Wadawurrung Traditional Owners, we hosted First Nations cultural awareness sessions for leadership and team members.
- We increased educational tools and awareness for First Nations days of significance in line with our Reconciliation Action Plan commitments.
- We continued to review and revise HR policies, recruitment selection processes and best practices in areas of race relations to drive equal opportunity outcomes for our team, future talent and customers.
- As a result of our Diversity, Equity and Inclusion action and activities, we have seen positive trends such as 58% of our Australian Distribution Centre workforce being female, in what is a typically male-dominated industry.
- We expanded our Curve range into our everyday offering, introducing sizes 4-24 across more categories, with plans for further size range expansion in the coming year.
- We continued to support equal opportunity and visibility for diverse talent in our brand's campaigns.



# Learning and Development

We're serious about developing our people for today, tomorrow or wherever life takes them. We strive to support and enable our people to create their own opportunities, build their capabilities and develop new skills every step of the way.

# Reward and Recognition

A little thanks goes a long way - and we have it in spades for our people. There's nothing we love more than recognising our global team members who live and breathe our purpose day in and day out, and we'll take every opportunity to do so.

82/83

## We Have

- Our global team found meaningful career progression and pathways to development with 78% internal promotions and development placements. 47% of our team also felt they had access to the learning and development they need (*Engagement Survey 2023*).
- We transitioned to a new global learning platform to improve delivery of digital learning globally. Our global team completed more than 240,000 learning courses to upskill and support their growth, a 46% increase from last year.
- We updated and transitioned our learning management system into a centralised system to further support our people with their development and give our leaders greater visibility.
- We partnered with Cotton On Foundation to design and deliver a leadership skills program to upskill teachers in our sponsored schools in Uganda.
- Our Best of YOU program continued to support our global workforce through everyday development conversations.
- For the second year, we welcomed Oklahoma State University fashion design students to our Global Support Centre for a week-long internship. It provides our business with the opportunity to learn from young people with a US perspective and in return we provide a practical learning experience in a new market.

## We Have

- Our reCOGnise program continued to ensure that recognition is 365, encouraging leaders and fellow teams to call out the people in our business who are doing great things, go above and beyond for their customers, and continue to drive positive change.
- We're committed to pay equity in the workforce, with an ongoing commitment to maintain a zero gap.
- We celebrated team member contributions with nominations for our quarterly COG Awards, receiving more than 3,000 nominations globally.
- We continued our Cotton On Foundation trips, sending 42 team members to see first-hand the impact of our Foundation on the ground in supported regions.
- Our team are growing with us. We celebrated 6,696 team member tenures, an increase from 3,773 last year.



# Family Wellbeing

84/85



We're all about flexibility, making life run a little more smoothly so our people have got more space for the stuff that matters. We understand that balancing work and family can be difficult at times and we want to support our people throughout their journey. Every family in our business is unique, so we've set up systems to back them up no matter what life throws their way.

## We Have

- Supported over 400 parents in their return to work after welcoming a new family member through our Returnity program, and gifted Baby and YOU packs containing essentials for expecting families across the globe.
- Provided our maternity leave team members with up to 10 paid 'keeping in touch days', driving individual connection and confidence.
- Offered a variety of benefits across our regions to support our people and their families, such as health insurance, novated car leasing and financial advice.
- Our on-site, subsidised Cotton On Childcare celebrated its first birthday in 2023. Inside, 133 little mates attend each day. We're proud of the community we are building at our Global Support Centre.
- Our 24/7, confidential Employee Assistance Program was available to all of our team members and their families.
- Responding to our community insights, Australian fertility specialist Monash IVF shared expert information via a virtual connect for our Australian team.
- We welcomed more than 300 furry family members at our Global Support Centre - a photoshoot, treats and pats aplenty!



## Case Study

# Cotton On Childcare

86/87



Boy, does time fly when you're having fun! This year, Cotton On Childcare turned one. It's been such a joy hearing the laughter and seeing the smiles as each child plays the day away in our centre.

We're proud to offer this reputable, world-class childcare facility and service on-site for our Geelong-based team at a discounted rate. Located inside our Global Support Centre with a 133-child capacity, parents who are just a stone's throw away feel at ease knowing their children are in safe hands.

Over the 12 months, the centre celebrated some incredible milestones and days of significance, such as birthdays, NAIDOC Week, Book Week, Easter, Halloween and the festive season. The team also welcomed many different visitors to the centre to further support their learning, get moving and have fun: Kelly Sports, dance programs, even the original Elmo and Abby Cadabby flew in, all the way from the US! We also recognised our incredible educators for their care and support on Early Childhood Educators' Day.



Here's what our parents have to say:

*"The team of educators is amazing, I love the care and passion they show to our kids and the time taken to set up such an engaging, fun space. I feel so lucky that I can bring the kids to work with me. From getting them ready, travelling in the car and then pick-up - our time together is something I hadn't realised how special it would be and something I look forward to each week."*

**Dan**

*"I cannot possibly describe how good the Cotton On Childcare is and how lucky we are to have access to this facility. To all the staff; your support, kindness and patience you share daily with my son is tremendous. You have all created this special environment that will have a lasting impact on our family."*

**Rachel**

*"We have been extremely pleased with our experience at Cotton On Childcare. Our son has truly flourished in such a wonderful environment. The staff here are not only friendly but also nurturing, and they have created an engaging and enjoyable atmosphere for learning. We greatly appreciate how the centre celebrates special occasions such as Book Week and Easter, along with birthday milestones."*

**Rochelle**



Case Study

# Empowering Women in Sport

88/88



Living and breathing our purpose also means that we need to look outside our own walls to drive meaningful change in the community. As a business with more than 70% of our team identifying as female, and a similar percentage of our customers women and girls, causes that engage and empower women are ones that we will always champion.

For more than 30 years, our connection to local sporting clubs has remained a core part of who we are. And when it comes to female empowerment, our partners in this space, along with our support, work hard and play hard.

## FIFA

This year, the world watched on as the 2023 FIFA Women's World Cup™ inspired the masses. Hosted in our backyard, it was more than football. It was and remains a community like no other - a collective strength, seeing women transform the sport, empowering the next generation. As an official licence partner to the FIFA Women's World Cup™, we proudly brought our global customers FIFA x Cotton On Body's Beyond Greatness collection, delivering field-side-ready merchandise to adoring spectators, in a tournament that created such a positive difference for female athletes around the globe.

## AFLW

Back home, we're the official apparel sponsor of the Australian Football League Women's (AFLW). Having longstanding ties as an official sponsor of our local Australian Football League (AFL) team (and 2022 premiers), the Geelong Cats, we became the first on-field partner tasked with supporting the apparel program for the entire AFLW competition in 2017, an industry first. Back then, we knew taking on this endeavour would be big, but the response has blown us away. We've supported the biggest surge of increased participation of girls and women in sport in Australia, all through establishing an elite-level competition.

Now, six years after the first bounce, we create sportswear and playing kits for 18 clubs, ensuring that more than 600 players and their support teams are decked out in industry-leading products that bring to life how they want to be represented as sportswomen.

We also work closely with the LGBTQIA+ community within the AFLW and the AFL, designing Pride guernseys in conjunction with individual clubs and players for the league's Pride round, and with First Nations artists to bring their stories and culture to life through on-field gear throughout the season.

Game on!



# Reconciliation

As an Australian-born business, our Reconciliation Action Plan is an important step in working towards our purpose. We also know that just acknowledging First Nations peoples is not enough. Reconciliation for us must be authentic and underpinned by growth, connection, justice and respect.

The You Yangs  
Wadawurrung Country  
Little River, Victoria



Reconciliation Action Plan launch at Cotton On Global Support Centre  
Wadawurrung Country  
North Geelong, Victoria



## Our Reconciliation Vision

As an Australian-born business, our Reconciliation Action Plan is an important step in working towards our purpose.

We also know that just acknowledging First Nations peoples is not enough. For us, reconciliation must be authentic and underpinned by growth, connection, justice, and respect. It's a journey of many footprints, and we're approaching that journey with curiosity, humility and heart.

We know we must listen, learn and come together with a genuine desire to create a future that supports cultural safety, diversity and inclusion. For us, it's all about building a culture of belonging and self-expression where everyone has a voice and every voice is heard.

We will celebrate First Nations peoples, including their continuous survival on their unceded lands - the same lands where our business was born. We will reflect, open our hearts and walk together with Aboriginal and Torres Strait Islander peoples and our global team through our reconciliation journey, for *Good*.

In doing so, we're reshaping our identity as we continue to fulfil our purpose to make a positive difference in people's lives.

## Our Reconciliation Journey

Over 30 years ago, we started out in Geelong, Victoria on Wadawurrung Country, and today, our stores are represented all across First Nations land in Australia. Our deep connection to our roots in Geelong extends beyond the time we've been here and into the thousands of years that came before us. We acknowledge and pay our respects to Wadawurrung Elders past, present and emerging and deeply value their continued care and connection to their lands, waters and traditions. We extend this respect and acknowledgment to all First Nations peoples.

Guided by our Ethical Framework, we're here to create meaningful change and channel our focus on the things that matter most. It's all about enabling positive change in the communities where we live and work, and reconciliation is an important part of this commitment. It's for First Nations peoples. It's for our team, for our customers and for a more unified Australia.

We have more than 10 years of connection and partnership with First Nations-owned and led organisations and their communities - communities filled with inspiring people who we have built lasting connections with. These include organisations on Wadawurrung Country, Yirrkala in the Northern Territory, and in Northern Queensland with the Yirrganydji and Gunggandji peoples. Focused on ensuring community is achieving self-determined futures, we partner to deepen connection to culture, foster creative expression and support young people to thrive.

Equally, it's about First Nations peoples regaining their voice - a voice that isn't heard as loud as others, nor is sitting on a level playing field. In 2023, these voices fell even further behind, and we acknowledge the pain the failed referendum has caused.

It's in this moment - a moment that could be considered one of the most poignant in modern First Nations' history - that we are choosing to stand even stronger in our commitment to reconciliation. Our desire remains to support and take action to positively affect First Nations peoples and their communities.

We know we have a lot of work to do, and we are looking at how we move forward with a greater focus on action. We'll continue evolving our Reconciliation Action Plan as part of this, and we'll continue to support our First Nations partners by amplifying the voice of their communities.

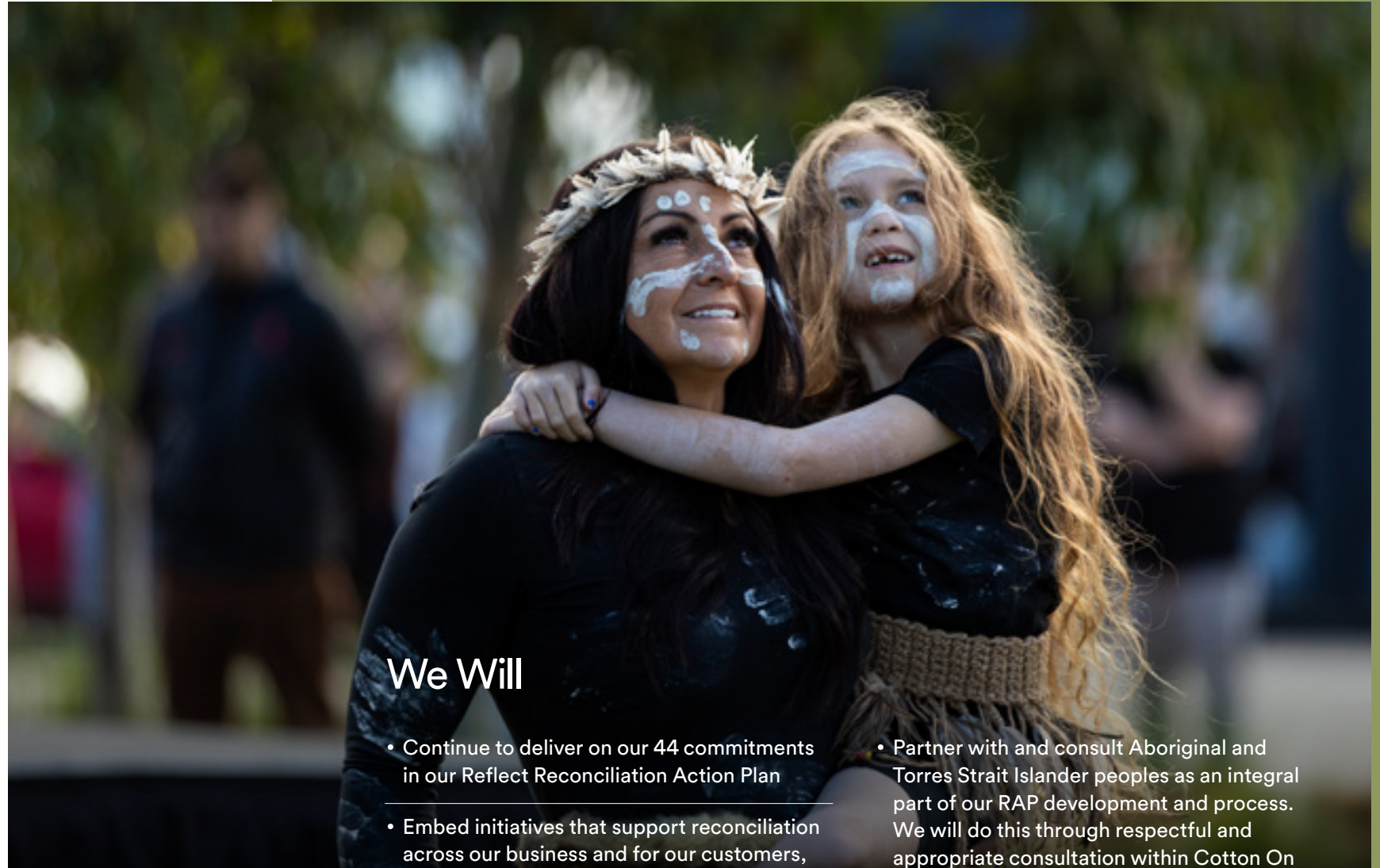


NAIDOC Week at Cotton On Global Support Centre  
Wadawurrung Country  
North Geelong, Victoria

## We Have

- In partnership with Reconciliation Australia, our First Nations RAP Advisor and Traditional Owners, launched our first Reconciliation Action Plan, Reflect
- Contributed more than \$2 million to First Nations projects and partners
- Carried out team cultural education sessions with First Nations peoples and led team leadership trips to First Nations community projects in the Northern Territory
- Partnered with First Nations artists to design guernseys for the Geelong Football Club and for the AFLW
- Partnered with Stars Foundation, committing \$375,000 to support more than 200 education places for Indigenous girls and young women in Stars Foundation in-school mentoring programs in the Northern Territory
- Recognised National Reconciliation Week, National Sorry Day and celebrated NAIDOC Week
- Raised the Aboriginal flag at our Global Support Centre
- Continued to embed an Acknowledgement of Country across several touchpoints of our business and the use of Acknowledgement of Country and Welcome to Country protocols
- Promoted First Nations artists, product collaborations and events, including with King Stingray and Nardurna
- Made product donations to First Nations organisation Uprising of the People in Darwin to support young people in the youth justice system and to Wadawurrung Traditional Owners to support their annual Woorrangalook Victorian Koori Surfing Titles, strengthening culture and bringing together the local First Nations community
- As part of our ongoing commitment to reconciliation, we will continue to participate in each of the above initiatives and more over the next 12 months and beyond, reviewing each as we go to maximise impact

To view our full Reconciliation Action Plan, [click here](#).



## We Will

- Continue to deliver on our 44 commitments in our Reflect Reconciliation Action Plan
- Embed initiatives that support reconciliation across our business and for our customers, using our voice to enable positive change for Aboriginal and Torres Strait Islander peoples
- Build new relationships with and create meaningful opportunities for Aboriginal and Torres Strait Islander peoples
- Educate and raise awareness through our RAP, turning intention into meaningful action for our team members, customers, and in the communities we live and work in
- Continue building a culture of Belonging where every team member can thrive through self-expression and cultural safety and be celebrated for who they are
- Partner with and consult Aboriginal and Torres Strait Islander peoples as an integral part of our RAP development and process. We will do this through respectful and appropriate consultation within Cotton On and with our external partners
- Be transparent about our RAP journey with our people and our customers as we enable long-term and meaningful change
- Improve policies to recruit and support Aboriginal and Torres Strait Islander peoples in our business
- Report on our progress and work with Reconciliation Australia



# Cotton On Foundation

96/97

From day one, Cotton On Foundation has stood up against inequality. Over 15 years later and with more than \$168 million raised, our commitment to creating positive change is stronger than ever.



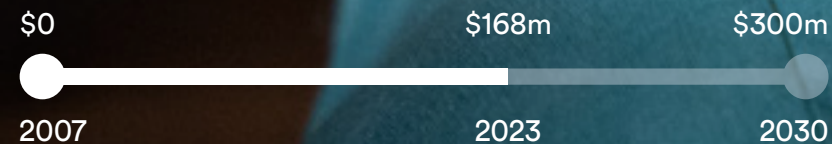


# Vision

To create a world where every young person can thrive.

# Mission

\$300 million by 2030 for education, mental health and the environment.



We will deliver our vision by focusing on these key areas:



## Holistic Education

Create learning environments that inspire future leaders of tomorrow.

### We Will

Provide education and pathways to meaningful employment for 100,000 young people by 2030.



## Mental Health

Make sure every young person has someone to turn to.

### We Will

Reduce stigma and increase access to prevention and mental health services for 10 million people by 2030.



## Environment

Protect and preserve the earth's natural assets.

### We Will

Plant 10 million trees to regenerate biodiverse forests and protect wildlife habitats by 2030.

Deliver activity that will protect and preserve our oceans, starting with reef conservation along the Great Barrier Reef.



## First Nations

Partner with First Nations led and owned organisations to ensure community is achieving self-determined futures.

### We Will

Build upon capacity of partners to amplify and support culture, language and the wellbeing of young people.



# Since 2007

## \$168+ million raised

### Highlights:

#### HOLISTIC EDUCATION

**19 SCHOOLS BUILT**  


**24 SCHOOLS SUPPORTED IN TOTAL**

Providing 150,000 students a full primary to secondary education by 2050

**25 MILLION MEALS SERVED**  


**642 scholarships awarded**  


12,907 sanitary pad kits distributed

**14,521** STUDENTS ENROLLED ANNUALLY

**5,158** STUDENTS GRADUATED

**491** TEACHERS SUPPORTED ANNUALLY

  
**3 health centres supported**


 **303,731**  
total healthcare centre visits

**118 WATER TANKS BUILT**  
6.8 million litres of fresh water available

#### MENTAL HEALTH

**Over 25,000** young people in 10 countries will receive access to mental health services via our partnership with Born This Way Foundation

**40,000 will access the Be There Certificate in 2024**

 **30,000 young people reached**  
through LifeChanger workshops in school-based settings

#### FIRST NATIONS

**259 First Nations young people reached**  
through Strong Brother Strong Sister youth programs in FY23

#### ENVIRONMENT

**422,897 trees planted**  
  
in partnership with One Tree Planted and WWF-Singapore in 2023

**200 MARRS Reef Stars**  
installed on the Great Barrier Reef to support ongoing reef conservation

  
**Supported 8-10 million CORAL LARVAE**  
to settle on the Great Barrier Reef in partnership with The Reef Cooperative

**5 First Nations partnerships**  
supported, on Wadawurrung Country and Yolŋu Country



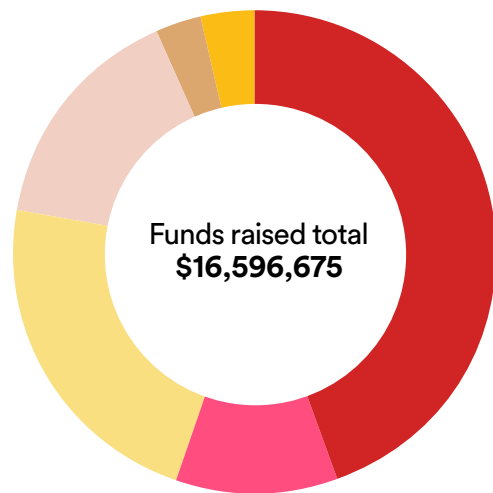
# The Year in Numbers



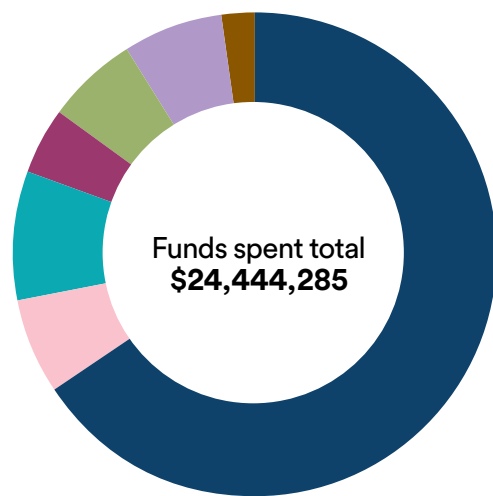
## Our FY23 snapshot

Funds reported in AUD

102/103



- Charity Bags \$7,413,622
- Water \$1,765,257
- Donations \$3,754,948
- Essentials \$2,587,331
- Team Giving \$504,471
- Home & Wellness \$571,046



- Education \$16,083,842
- Mental Health \$1,523,424
- Environment \$2,091,198
- First Nations \$1,137,261
- Disaster Relief \$1,436,841
- COF Administration \$1,687,982
- Non Cash (Depreciation) \$483,737

In FY23 we spent \$24.4 million towards:

### Highlights

#### HOLISTIC EDUCATION

- Supported 14,521 students with quality education
- Supplied more than 2,900 home learning kits
- Delivered professional training for 491 teachers
- Awarded 439 university and vocational scholarships
- Continued construction of our three biggest schools ever - two in Uganda and one in South Africa. These will add 3,100 educational places to our supported schools

#### MENTAL HEALTH

- Supported 20,566 Australian students and 10,933 New Zealand students through access to LifeChanger programs
- Raised NZD \$638,000 for New Zealand's Pink Shirt Day, to raise awareness and understanding of the prevalence and impact of bullying on young people's mental health and wellbeing, with programs and resources that reduce bullying
- Inspired 5,000 of our team and customers to earn their Be There Certificate through our partnership with Born This Way Foundation

#### ENVIRONMENT

- Planted 422,897 trees where they're needed most
- Fabricated and installed 200 MARRS Reef Stars on the Great Barrier Reef

#### FIRST NATIONS

- Reached 259 First Nations young people through Strong Brother Strong Sister youth programs
- Had 23 Yolŋu participants in the Community-Based Aboriginal Teacher Education (C-BATE) program, supporting aspiring teachers in meaningful pathway courses





# Holistic Education

104/105



## Our Goal

We will create learning environments that inspire the future leaders of tomorrow.

## We Will

Provide education and pathways to meaningful employment for 100,000 young people by 2030.



## We Have

Delivered projects in **Uganda, South Africa and Thailand** which include:

- Providing long-lasting sustainable infrastructure to ensure future generations can continue to access education. This year we are working on three new locations in Uganda and South Africa, to create 3,100 quality educational places
- Training teachers across early childhood, primary and secondary schools
- Providing clean drinking water in schools and two meals each day for all students
- Ensuring every student has access to healthcare in their local community
- Delivering student wellbeing programs through social and emotional learning
- Providing pathways advice and scholarships for students to pursue study beyond school in vocational and university courses

Through strong partnerships our impact extends beyond the classroom with the following activities:

- **In Botswana**, The Africa Women's Leadership Academy (TAWLA) empowers young women through a 10 month program covering leadership and life skills training, mentoring and networking.
- **In South Africa, the US and Australia**, Retail Academy is an employment program delivered to high school students to prepare for their own search for meaningful employment. This year we have partnered with the following organisations to bring Retail Academy to more than 260 young people:
  - Dr JL Dube High School, South Africa
  - Da Vinci RISE High, LA, United States
  - Afrika Tikun, South Africa
  - St Joseph's Flexible Learning Centre, Geelong, Australia



## Case Study

### Antonie Lubega's Story Teacher at Mannya Primary School

Antonie Lubega was born and raised in Mannya Village and is a Cotton On Foundation alumni of Mannya Primary School, where today he teaches maths.

Prior to sponsorship by Cotton On Foundation, Antonie missed school when his parents were unable to afford fees.

*"[After receiving support from Cotton On Foundation] my life was out of worry. I wasn't worried about being sent home for school fees anymore. My parents would now use the money they kept for school fees to provide scholastic materials and this made me a happy child because I was finally receiving the basics I need to stay in school."*

Antonie now describes himself as a contributing citizen of the Mannya community.

*"As a contributing citizen, I have to give back to myself, my community and my country. It makes me so happy that I can now contribute towards enabling a child here in a deep village [to] stay in school with the little that I have."*

*"Cotton On Foundation's support in my community, Mannya, has changed lives, it has made what some of us thought was impossible actually possible. When I look back to what my community was, and what it is now, I thank Cotton On Foundation for its contribution towards the development of our communities."*



Antonie Lubega - Teacher at Mannya Primary School in Uganda



# Infrastructure Progress Update

Quality education. For us, that's where it all started. Today, supporting holistic education globally remains a defining pillar of the Cotton On Foundation, working to bring unique and tailored education solutions to each of the communities we work in from the day we partner with a school.

For every child to thrive, we are now also focusing on non-traditional learning spaces within schools, and training teachers in how to make the most of creative, flexible spaces around the school grounds to keep learning fun, engaging and effective for all.



Namabaale Primary School, Uganda - under construction (opening in 2024)

## Busibo & Namabaale Primary Schools - Uganda Due for completion early 2024

Busibo and Namabaale Primary Schools are being redeveloped to create three campuses on the one site. This is our newest model of a primary school. Inspired by our commitment to the social and emotional learning of every child, each campus has been designed to create a safe sense of community and to build facilities that are age-appropriate for every stage of a child's journey through early childhood education and primary school.

### The three-campus model will include:

- 20 traditional classrooms
- Teachers' accommodation
- A variety of indoor and outdoor non-traditional learning spaces
- Individual play areas for the three levels of the school
- Two kitchens
- Multipurpose facilities at each campus
- A library
- Inspiring teacher facilities to encourage professional development and collaboration among the educators

### In addition to these facilities, the learners are provided with:

- Two meals per student per day
- Five litres of water per student per day
- Scholastic materials
- Access to healthcare
- Sanitary products for girls

## Dr JL Dube High School - South Africa

Phase one completed in August 2023

Phase two opening in April 2024

We've been partnering with Dr JL Dube High School since 2019, the closest high school to Ethekewini Primary School (a Cotton On Foundation supported primary school). By eliminating the barrier of transportation, students will be able to continue on their education journey with the best resources available to them, without having to leave their neighbourhood. By upgrading infrastructure and resources, we hope to ensure that students are set up to continue their journey through school and pursue their chosen pathway after graduation.

In March 2022, we celebrated the turning of the soil at the school, marking the commencement of the first major renovations at the learning facility since it was built in 1979.

When complete, the refurbished Dr JL Dube High School will support more than 1,280 students from Grade 8 to Grade 12. With educational pathways that are more accessible than ever, students are empowered to seek more opportunities beyond school.

### The renovated school will include:

- 42 new world-class classrooms, including computers and internet access
- A new Pathways Hub offering wellbeing and leadership programs
- A multipurpose field and indoor sports hall
- A performing arts hall
- A brand-new kitchen
- New toilets and washrooms



Students at Dr JL Dube High School







# Completed Infrastructure

Over the last 16 years, funds raised by our passionate teams and customers have helped support essential and sustainable infrastructure in pursuit of developing inspiring, holistic learning environments that support students and their broader communities.


## Schools




**Mannya Kindergarten,**  
Rakai District, Uganda  
300 educational places




**Mannya Primary School,**  
Rakai District, Uganda  
1,000 educational places



**Mannya Secondary and Multipurpose Building,**  
Rakai District, Uganda  
1,000 educational places



**Busibo Secondary School,**  
Lwengo District, Uganda  
1,000 educational places



**Busibo Primary School,**  
Lwengo District, Uganda  
500 educational places



**Bwe K'Lar Primary School,**  
Mae Sot, Thailand  
150 educational places



**Ethekwini Primary School,**  
KwaMashu, South Africa  
1,280 educational places



**Ntebbe Za Ddungu Primary School,**  
Rakai District, Uganda  
500 educational places




**Kyaterekera Primary School,**  
Lwengo District, Uganda  
500 educational places




**Bunjakko Primary School,**  
Lwengo District, Uganda  
500 educational places


2007 - 2012 2014 2016 2017 - 2020




**Nseese Primary School,**  
Rakai District, Uganda  
500 educational places




**Phitsanulok Education Centre,**  
Thailand  
150 educational places



**Nabbunga Primary School,**  
Rakai District, Uganda  
500 educational places



**Kyalulangira Primary School,**  
Rakai District, Uganda  
500 educational places



**Mbazzi Primary & Secondary,**  
Rakai District, Uganda  
1,200 educational places

2017 - 2020



**Kasomolo Primary School,**  
Rakai District, Uganda  
500 educational places



**Kyaterekera Primary School,**  
Lwengo District, Uganda  
500 educational places



**Kamunuku Primary School,**  
Rakai District, Uganda  
500 educational places



**Kalyamenvu Primary School,**  
Rakai District, Uganda  
500 educational places




**Kensekka Primary School,**  
Rakai District, Uganda  
500 educational places


2021

## Healthcare


2007 - 2012 2014




**Ross Langdon HIV Education Centre,**  
Rakai District, Uganda  
Community training, HIV testing and counselling




**Busibo Health Centre,**  
Lwengo District, Uganda  
52,500 patients seen



**Mannya Maternity Ward,**  
Rakai District, Uganda  
5,000 babies delivered



**Mannya Health Centre,**  
Rakai District, Uganda  
145,000 patients seen



**Namabaale Health Centre,**  
Lwengo District, Uganda  
30,000 patients seen

## Additional Infrastructure



**Boreholes,** Rakai and Lwengo Districts, Uganda  
13 constructed



**Coffee Drying Structures,** Rakai District, Uganda  
Supporting 3 coffee cooperatives



**Biogas Digesters**  
13 biogas digesters installed



**Teachers' Accommodation**  
Supporting 171 teachers



**Rhino Tanks,** Rakai and Lwengo Districts, Uganda  
118 tanks installed = 6.8m litres of clean water harvested



**Cotton On Foundation Office,** Masaka, Uganda  
Accommodating 40 team members





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# Mental Health



## Our Goal

Every young person should have someone to turn to.

## We Will

Reduce stigma and increase access to prevention and community-based mental health services for 10 million people by 2030.



## We Have

### LifeChanger Foundation

Supported 15,089 students out of a target of 40,000.

### Mental Health Foundation of New Zealand - Pink Shirt Day

Raised NZD \$638,000 to raise awareness and understanding of the prevalence and impact of bullying on young people's mental health and wellbeing, with programs and resources that reduce bullying.

### Strong Brother Strong Sister

Supported 117 children and young people to attend youth groups and school holiday activities.

Provided 76 children and young people with 1:1 support.

Supported 132 individuals with access to social, emotional, health and wellbeing programs.

### Students participating in social and emotional learning in school

Embedded social and emotional learning (SEL) in all Cotton On Foundation supported schools reaching more than 9,500 students.

### Born This Way Foundation

Launched partnership in 2023, supporting the global rollout of the mental health resource called the Be There Certificate and Kindness in Community Fund grants across 10 countries, supporting 25,000 young people.

*If you are struggling with your mental health and you need to talk to someone, reach out to a trusted friend, family member or trained professional.*

*Cotton On Foundation is not a provider of mental health support services or guidance. If you feel you are in need of mental health support, please visit [findahelpline.com](https://findahelpline.com) who have identified more than 1,600 free and confidential support resources available over phone, text or web chat.*



## Mental Health Foundation of New Zealand, Pink Shirt Day Everyday Upstander

From 24 April - 21 May, 100% of proceeds from all Cotton On Foundation products and donations in New Zealand supported the Mental Health Foundation of New Zealand to raise awareness and understanding of the prevalence and impact of bullying on young people’s mental health and wellbeing with programs and resources that reduce bullying.

In total, our team and customers helped us raise more than \$638,000.

Pink Shirt Day started in Canada in 2007 after two students stood up for another student who was bullied for wearing pink. The next day, hundreds of students wore pink to stand in solidarity with him.

While a bystander is someone who sees or knows about bullying happening to someone else, an Upstander uses words or actions that can help the person being bullied. By wearing a pink t-shirt on Friday 19 May, supporters across New Zealand demonstrated their commitment to being an Upstander every day of the year.

### Seeing someone being bullied?

#### UPSTANDER ACTIONS

##### 1. Awahi/support the person experiencing bullying

- Awahi the person being bullied, even if you just stand beside them and let them know you’ve got their back.
- Encourage them to ask a kaiako/teacher for help or go with them to get help.
- Give them our Getting Help and Advice page.
- Let them know they’re not alone!

##### 2. Distract

Interrupt the bullying in some way:

- Ask the person experiencing bullying if they want to go for a walk or do something else.
- Help them to leave the situation they’re in.

##### 3. Call it out!

- If you feel safe to, let the person/people doing the bullying know what they’re doing isn’t OK.
- Use your words to show aroha and kindness to those involved.
- Don’t stand by and watch. It can be hard to speak up in the moment, but it can make a huge difference.

##### 4. Leave and act

If you don’t feel safe to step in while the bullying is happening:

- Move away from the situation.
- Later, let the person experiencing the bullying know you saw and ask what might help.
- You might want to have a quiet word with the person doing the bullying.

##### 5. Get some other help

- Support the person being bullied to get help from others - whānau, kaiako, a trusted adult or a helpline - and then act on their advice.

\*Financials reported on this page are in NZD.

*Everyday*  
**UPSTANDER**







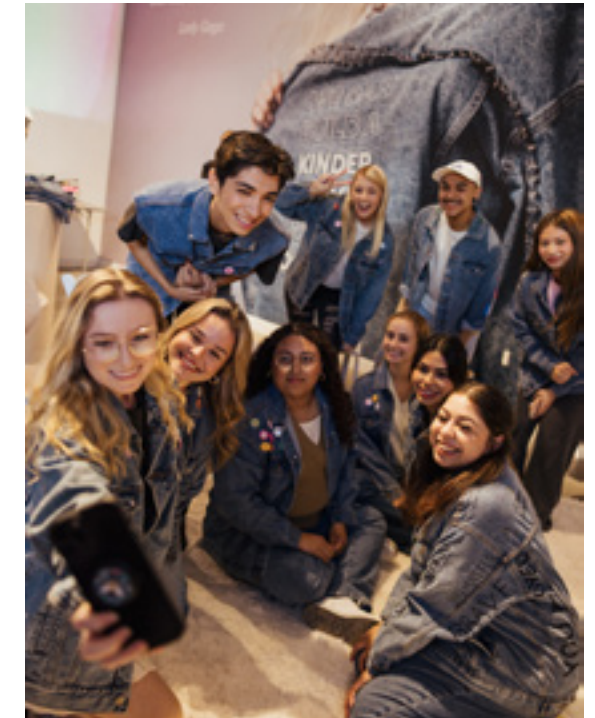
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## BORN THIS WAY/ FOUNDATION

*A kinder world is our kinda world*

We're so proud to share our latest partnership with Born This Way Foundation, co-founded by Lady Gaga and her mother Cynthia Germanotta, to build a kinder, braver world where every young person can thrive.

From 1 September to 10 October 2023 (World Mental Health Day), 100% of proceeds from Cotton On Foundation products, donations and Born This Way Foundation products supported Born This Way Foundation in sharing mental health resources and inspiring a global movement of kind action.



Raising USD \$5 million through this partnership makes us one of the biggest corporate partners to provide global mental health resources and support in 2023.

These funds will be directed towards amplifying the Be There Certificate, a free self-paced, interactive online mental health course for young people. The Be There Certificate is designed to increase mental health literacy and provide youth with the knowledge, skills and confidence they need to safely support their peers struggling with mental health.

The Kindness in Community Fund grants will distribute up to USD \$150,000 to local organisations (nominated by young people) that support youth mental health in 10 of our operating regions.



# Environment

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## Our Goal

We will protect and preserve Earth's natural assets.

## We Will

Support partners to plant 10 million trees where they are needed most by 2030.

Support partners to preserve oceans across the globe through reef conservation, starting with the Great Barrier Reef.



## We Have

### Soil

- Supported our partners to complete five projects in Australia, Singapore, Uganda, Brazil and New Zealand, with 422,897 trees in the ground.

### Sea

- Supported the settling of 8-10 million coral larvae on the Great Barrier Reef in partnership with The Reef Cooperative.
- Supported the installation and fabrication of 200 MARRS Reef Stars on the Great Barrier Reef to improve ongoing reef conservation.
- Supported the Great Reef Census for the collection of 24,324 images from 164 reefs on the Great Barrier Reef (half of which were analysed by our Cotton On team across the globe!)



This April, Cotton On Foundation partnered with One Tree Planted and WWF-Singapore to plant one million trees over two years where they are needed most.

# Planting a Better Future

## Where we're planting trees:

### AUSTRALIA

Project: BUSHFIRE RECOVERY NURSERIES

Partner: ONE TREE PLANTED

- We have contributed 182,747 trees
- Restore the habitat destroyed by the 2019-2020 summer bushfires through tree planting projects
- Rebuild infrastructure to enable long-term bushfire recovery
- Support local and Indigenous communities with long-term forest restoring initiatives

### NEW ZEALAND

Project: WAINGAKE NATIVE RESTORATION

Partner: ONE TREE PLANTED

- We have contributed 80,000 trees
- Restore the habitat destroyed through climate and natural disasters
- Rebuild infrastructure to support local vegetation and animal habitats
- Support local and indigenous communities with long-term forest restoring initiatives

### UGANDA

Project: ALBERTINE RIFT

Partner: ONE TREE PLANTED

- We have contributed 80,000 trees
- Rehabilitate land by planting mixed local native trees to create conservation forests
- Buffer restored community forests through community agroforestry woodlots, and plantation of selected fast-growing timber / fuelwood species to ensure sustainability
- Support more than 3,500 households in sustainable livelihoods through various initiatives

### SOUTH AFRICA

Project: KRUGER TO CANYONS: BLYDE EXPANSION RESTORATION PILOT

Partner: ONE TREE PLANTED

- We will contribute 80,000 trees
- Conserve ecosystems in South Africa to improve soil, water and carbon storage
- Enhance development with local communities to support long-term native planting initiatives
- Restore and protect forest landscapes in Hoedspruit by planting local native trees

### USA

Project: CALIFORNIA WILDFIRE FOREST RESTORATION

Partner: ONE TREE PLANTED

- We will contribute 100,000 trees
- Restore the habitat destroyed by the largest wildfires in Californian history through tree planting projects
- Rebuild infrastructure to enable long-term wildfire recovery and support community engagement in California

Project: 10 MILLION TREES FOR PENNSYLVANIA PARTNERSHIP

Partner: ONE TREE PLANTED

- We will contribute 53,000 trees
- Plant native trees to help stabilise stream and river banks
- Support communities through workforce development, economic resilience and an improved ecological landscape

### BRAZIL

Project: COURAGEOUS LAND

Partner: ONE TREE PLANTED

- We have contributed 80,000 trees
- Plant trees in Jundia, Roraima, on degraded land so local landowners can reforest profitably
- Work with two local indigenous tribes for ongoing land stewardship

## Potential Carbon Sequestration: Tree Planting

**1,388 tCO<sub>2</sub>-e**

Total potential carbon sequestered through One Tree Planted partnership.

This is non-certified for offsetting, and outside of the decarbonisation plan.

### BORNEO

Project: ORANGUTAN CORRIDOR PROJECT

Partner: WWF-SINGAPORE

- Plant more than 100,000 trees to restore degraded forests in Sarawak, Borneo
- Protect a wildlife corridor to secure connectivity of orangutan habitats
- Improve livelihoods of local communities through agroforestry initiatives

### SINGAPORE

Project: RIFLE RANGE NATURE PARK

Partner: WWF-SINGAPORE

- We have contributed 160 trees
- Facilitate tree planting activities in various locations in Singapore
- Host community outreach activities in Rifle Range Natural Park to increase awareness and appreciation of Singapore's local biodiversity

### UNITED KINGDOM

Project: ENGLAND 2024 - COMMUNITY FOREST RESTORATION

PARTNER: ONE TREE PLANTED

- We will contribute 80,000 trees
- Support various projects across England to grow forests that link to existing woodlands, weave through urban areas and wrap around communities

Just over 100,000 trees are still to be assigned to a location (including Namibia and Botswana) - scouting is underway!



# First Nations

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## Our Goal

Partnering with First Nations led and owned organisations to ensure community is achieving self-determined futures.

## We Will

Build upon capacity of partners to amplify and support culture, language and the wellbeing of young people.

We work with First Nations partners to create impact across all of Cotton On Foundation's strategic pillars of holistic education, mental health and the environment.

We partner with communities who lead with vision, and have established and long-standing programs. Our funding provides flexibility to these organisations to follow the path they choose, as we know community-run programs are the most effective way to create lasting change.

We're proud of our First Nations partnerships and their impact.

## We Have

### Wadawurrung Country

On Wadawurrung Country, we provide funding to Strong Brother Strong Sister who support young people and their families with access to regular youth groups, one-on-one mentoring and family services.

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### Northern Territory

In the Northern Territory, our partnerships support Yolŋu-led and owned organisations who enhance young people's connection to culture and identity. Partners include Djalkiri Foundation, Dhimurru Aboriginal Corporation, The Mulka Project, and Community-Based Aboriginal Teacher Education (C-BATE) through a partnership with Yirrkala School and Laynhapuy Homelands School.





Downtown Lahaina after wildfires destroyed town



## Case Study Community Response: Disaster Relief

This year, with a heavy heart, we witnessed as New Zealand and Maui, Hawai'i, were the victims of extreme weather events. When we heard our mates were in dire straits, we knew we had to help fast.

As a business who has operated in these regions for many years - NZ since 2006 and USA since 2009 - our team and customers came together and rolled up their sleeves to fundraise for support that would assist the most affected areas.

From 21 February to 7 March, we donated 100% of proceeds from Cotton On Foundation product sales and donations online and in-store in New Zealand to the New Zealand Red Cross Disaster Fund. We had a goal of delivering NZD \$50,000 over the two-week period, and as usual, our team and customers smashed this target.

In total, NZD \$63,500 was raised to help New Zealand Red Cross provide vital humanitarian support to the people and communities affected by Cyclone Gabrielle and prepare for future emergencies in New Zealand.

From 18-20 August, we came together with our team and customers in the US to take action and show our support by dedicating all Cotton On Foundation funds raised in store and online in the US to Hawai'i Community Foundation's Maui Strong Fund.

Together we raised USD \$23,873, which was used to support evolving needs, including shelter, food, financial assistance and other services as identified by partners doing critical work on Maui.

## Case Study Supré and Stars Foundation

We advocate for a world where girls and women can reach their full potential. We're committed to funding and collaborating with partners and programs that break down the barriers to education, support mental health and wellbeing, and amplify climate-positive initiatives.

Stars Foundation provides holistic mentoring support to Aboriginal and Torres Strait Islander girls and young women across Australia, providing students with a space where they feel safe and can take pride in their culture as well as helping give them the self-belief to complete their secondary education.

Supré supports more than 200 Indigenous Australian girls aged 16-18 through the in-school mentoring program and some of the Supré team were lucky enough to visit the Stars Foundation in the Northern Territory in November 2022 to see first-hand the powerful impact of this work.

Supré team members visited three Stars Foundation programs within schools in Darwin and Katherine, hearing from the students themselves on how the programs have dramatically improved their lives.





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All the work Cotton On Foundation achieves is only possible with the support of our team, customers and incredible partners.

Thank you.

### Our partners



\* And our community partners across Uganda, South Africa and Thailand.





## Thank You

The *Good* we do is only possible because of the hard work of our people, collaboration of our partners and passion of our customers. We are proud and humbled by what we achieved together over the last year. We also know that that our force for *Good* won't stop, it won't slow down and the momentum is building.







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*Supré*

**CERES**  
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