

Welcome to your CDP Forests Questionnaire 2023

F0. Introduction

F0.1

(F0.1) Give a general description of and introduction to your organization.

Fossil Group, Inc. is a design, innovation and distribution company specializing in consumer fashion accessories. Our products include traditional watches, smartwatches, jewelry, handbags, small leather goods, belts and sunglasses. We design, develop, market and distribute products under our owned brands FOSSIL, SKAGEN, MICHELE, RELIC and ZODIAC and licensed brands ARMANI EXCHANGE, DIESEL, DKNY, EMPORIO ARMANI, KATE SPADE NEW YORK, MICHAEL KORS, and TORY BURCH. Based on our range of accessory products, brands, distribution channels and price points, we are able to target style conscious consumers across a wide age spectrum on a global basis.

F0.2

(F0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date
Reporting year	January 1, 2022	December 31, 2022

F0.3

(F0.3) Select the currency used for all financial information disclosed throughout your response.

USD

F0.4

(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on (including any that are sources for your processed ingredients or manufactured goods); and for each select the stages of the supply chain that best represents your organization’s area of operation.

Timber products

Commodity disclosure

Disclosing

Stage of the value chain

Manufacturing

Retailing

Are you disclosing information on embedded commodities?

Yes

Palm oil

Commodity disclosure

This commodity is not produced, sourced or used by our organization

Cattle products

Commodity disclosure

Disclosing

Stage of the value chain

Manufacturing

Retailing

Are you disclosing information on embedded commodities?

No, because we have no embedded commodities

Soy

Commodity disclosure

This commodity is not produced, sourced or used by our organization

Other - Rubber

Commodity disclosure

This commodity is not produced, sourced or used by our organization

Other - Cocoa

Commodity disclosure

This commodity is not produced, sourced or used by our organization

Other - Coffee

Commodity disclosure

This commodity is not produced, sourced or used by our organization

F0.5

(F0.5) Select the option that describes the reporting boundary for which forests-related impacts on your business are being reported

Operational control

F0.6

(F0.6) Select the countries/areas in which you operate.

Australia
Austria
Belgium
Canada
China
China, Macao Special Administrative Region
France
Germany
Hong Kong SAR, China
India
Italy
Japan
Malaysia
Mexico
Netherlands
Republic of Korea
Singapore
South Africa
Spain
Sweden
Switzerland
United Kingdom of Great Britain and Northern Ireland
United States of America
Viet Nam

F0.7

(F0.7) Are there any parts of your direct operations or supply chain that are not included in your disclosure?

No

F0.8

(F0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.?)

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker Symbol	FOSL

F1. Current state

F1.1

(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?

Timber products

Activity

Retailing/onward sale of commodity or product containing commodity

Form of commodity

Primary packaging
Secondary packaging
Tertiary packaging

Source

Contracted suppliers (manufacturers)

Country/Area of origin

Cambodia
China
Portugal

% of procurement spend

6-10%

Comment

The primary, secondary and tertiary packaging commodities made with pulp, paper and board were estimated to be around 59% of the total packaging commodities. These packaging commodities are used throughout the business operation from finished goods protection, transportation to presentation at stores.

Cattle products

Activity

Using as input into product manufacturing

Form of commodity

Hides/leather

Source

Contracted suppliers (manufacturers)

Country/Area of origin

Argentina
Australia
Brazil
India

Italy
 Republic of Korea
 United States of America

% of procurement spend

6-10%

Comment

Hides/leather is used in components across multiple product categories. For example, the strap of a watch, leather bag, belt and small accessories etc.. >90% of the consumption of hides/leathers is used in the leather goods product range (handbag, purse, wallet, backpack). The source of hides/leather is mainly cowhide.

F1.2

(F1.2) Indicate the percentage of your organization’s revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.

	% of revenue dependent on commodity	Comment
Timber products	<1%	Most timber products we procured are used for packaging and marketing materials. Timber products are not accounted for separately in our revenue stream.
Cattle products	11-20%	For products in which the major raw materials is cowhide, the revenue is between 1 - 10% in 2022.

F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Timber products	Consumption data available, disclosing
Cattle products	Consumption data available, disclosing

F1.5a

(F1.5a) Disclose your production and/or consumption figure, and the percentage of commodity volumes verified as deforestation- and/or conversion-free.

Forest risk commodity

Timber products

Data type

Consumption data

Commodity production/ consumption volume

2,300

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Partial commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

No, and we are not planning to verify volumes as deforestation- and/or conversion-free

% of reported volume verified as deforestation- and/or conversion-free

Please explain

The production data of the commodity is not available because we do not have any direct operational control over the manufacturing of the commodity or finished goods. The consumption data is calculated based on the inputs from the packaging goods suppliers, internal logistics and procurement data. No data of deforestation- and/or conversion-free is tracked internally.

Forest risk commodity

Cattle products

Data type

Consumption data

Commodity production/ consumption volume

1,096

Metric for commodity production/ consumption volume

Metric tons

Data coverage

Partial commodity production/consumption

Have any of your reported commodity volumes been verified as deforestation- and/or conversion-free?

No, and we are not planning to verify volumes as deforestation- and/or conversion-free

% of reported volume verified as deforestation- and/or conversion-free

Please explain

The production data of the commodity is not available because we do not have any direct operational control over the manufacturing of the commodity or finished goods. The consumption data is calculated based on the inputs from the leather goods

assembling suppliers, straps suppliers, internal records, logistics and procurement data. No data of deforestation- and/or conversion-free is tracked internally.

F1.5c

(F1.5c) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.

Forest risk commodity

Timber products

Country/Area of origin

Unknown origin

State or equivalent jurisdiction

% of total production/consumption volume

0

Please explain

The timber products we procured in 2022 consists of the use of virgin and recycled materials. The lack of information from our direct suppliers lead to our lack of knowledge of the country/area of origin of the commodity (timber).

Forest risk commodity

Cattle products

Country/Area of origin

Unknown origin

State or equivalent jurisdiction

% of total production/consumption volume

0

Please explain

We have extended our traceability information to our tanneries. We are still in the process of tracing the origin of the commodity (cowhide).

F1.6

(F1.6) Has your organization experienced any detrimental forests-related impacts?

No

F1.7

(F1.7) Indicate whether you have assessed the deforestation or conversion footprint for your disclosed commodities over the past 5 years, or since a specified cutoff date, and provide details.

Forest risk commodity

Timber products

Have you monitored or estimated your deforestation/conversion footprint?

No, and we do not plan to monitor or estimate our deforestation/conversion footprint in the next two years

Coverage

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

Known or estimated deforestation/ conversion footprint (hectares)

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

Forest risk commodity

Cattle products

Have you monitored or estimated your deforestation/conversion footprint?

No, and we do not plan to monitor or estimate our deforestation/conversion footprint in the next two years

Coverage

Reporting deforestation/conversion since a specified cutoff date or during the last five years?

Known or estimated deforestation/ conversion footprint (hectares)

Describe methods and data sources used to monitor or estimate deforestation/ conversion footprint

F2. Procedures

F2.1

(F2.1) Does your organization undertake a forests-related risk assessment?

No, forests-related risks are not assessed

F2.1b

(F2.1b) Why does your organization not undertake a forests-related risk assessment?

Timber products

Primary reason

Important, but not an immediate business priority

Please explain

Based on 2022 data, >90% of the consumption volume of the timber commodity is packaging-related. We are in the process to meet our target to procure 100% timber products from FSC certified sources. Our business priority is to increase the proportion of paper sourced from reliable and traceable sources.

Cattle products

Primary reason

Important, but not an immediate business priority

Please explain

Based on 2022 data, over 90% of our partnered tanneries are gold rated and silver rated members of the Leather Working Group. Our business priority is to ensure good practices are being implemented in our leather value chain in order to manage the environmental impact. As the sustainability solutions platform was implemented in 2022, we are looking forward to better data quality and information sharing with the suppliers. This will prepare us for a forest-related risk assessment in the near future.

F2.2

(F2.2) For each of your disclosed commodity(ies), has your organization mapped its value chains?

	Value chain mapping
Timber products	Yes, we have partially mapped the value chain
Cattle products	Yes, we have partially mapped the value chain

F2.2a

(F2.2a) Provide details of your organization’s value chain mapping for its disclosed commodity(ies).

Forest risk commodity

Timber products

Scope of value chain mapping

Tier 1 suppliers

% of total suppliers covered within selected tier(s)

85

Description of mapping process and coverage

The company has a dedicated compliance team to oversee the timber products suppliers. We worked with the team to conduct an online workshop with the active suppliers. We sent out a survey to 100% of the active suppliers to collect relevant environmental sustainability data. In 2022, we received completed surveys from critical suppliers who sourced 85% of our packaging goods. For the remaining 15%, we estimated based on the received data.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers’ production and primary processing sites: attach a list of names and locations (optional)

 Factory List _ Fossil Group.pdf

Forest risk commodity

Cattle products

Scope of value chain mapping

Tier 1 suppliers

% of total suppliers covered within selected tier(s)

85

Description of mapping process and coverage

Most of the consumption and logistics data is available in the internal systems. In order to understand the process flow and environmental performance of the manufacturing process. We sent out surveys to tier 1 suppliers of leather goods and leather straps that covered the top 85% of our manufacturing process. The feedback ratio was around 57%

in 2022. We used the available environmental performance data to calculate the climate impact from the tier 1-related processes.

Your own production and primary processing sites: attach a list of facility names and locations (optional)

Your suppliers' production and primary processing sites: attach a list of names and locations (optional)

 Factory List _ Fossil Group.pdf

F2.3

(F2.3) Do you use a classification system to determine risk of deforestation and/or conversion of other ecosystems for your sourcing areas, and if yes, what methodology is used, and what is the classification used for?

Use of a classification system to determine deforestation and/or conversion risk of sourcing areas	
1	No, and we do not plan to in the next two years

F3. Risks and opportunities

F3.1

(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?

	Risk identified?
Timber products	No
Cattle products	No

F3.1a

(F3.1a) How does your organization define substantive financial or strategic impact on your business?

Not available.

F3.1c

(F3.1c) Why does your organization not consider itself to be exposed to forests-related risks with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Timber products	Not yet evaluated	We do not have sufficient data to evaluate the question.

Cattle products	Not yet evaluated	We do not have sufficient data to evaluate the question.
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F3.2

(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?

	Have you identified opportunities?
Timber products	No
Cattle products	No

F3.2b

(F3.2b) Why does your organization not consider itself to have forests-related opportunities?

Timber products

Primary reason

Opportunities exist, but we are unable to realize them

Please explain

Fossil Group is improving our systems for commodity traceability and as the company does that it will also better understand possible forest-related opportunities.

Cattle products

Primary reason

Opportunities exist, but we are unable to realize them

Please explain

Fossil Group is improving our systems for commodity traceability and as the company does that it will also better understand possible forest-related opportunities.

F4. Governance

F4.1

(F4.1) Is there board-level oversight of forests-related issues within your organization?

Yes

F4.1a

(F4.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.

Position of individual or committee	Responsibilities for forest-related issues
Chief Executive Officer (CEO)	Our CEO currently chairs the ESG Council, which oversees forest-related issues.
Board-level committee	<p>The Audit Committee has an indirect reporting line from the ESG Council to oversee the forest-related issues.</p> <p>The Nominating and Corporate Governance Committee is responsible for the enterprise risk, which includes the climate risk issues.</p>
Other, please specify ESG Council	<p>The ESG Council is composed of members from the executive leadership team and typically reports directly to the CEO. The CEO is currently the chair for the ESG Council.</p> <p>The ESG Council is accountable for the enterprise’s ESG strategy, provides strategic direction to the ESG working group and makes enterprise-level ESG-related decisions. The Council has a direct reporting line to the Executive Leadership Team (ELT) and an indirect reporting line to the Audit Committee.</p>

F4.1b

(F4.1b) Provide further details on the board’s oversight of forests-related issues.

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	<p>Overseeing major capital expenditures</p> <p>Overseeing the setting of corporate targets</p> <p>Overseeing value chain engagement</p> <p>Reviewing and guiding public policy engagement</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p>	<p>ESG Council, chaired by the company CEO, has dual reporting lines. One is reporting to the Executive Leadership Team (ELT), which is composed of our C-suite executives plus senior leaders. The council is also reporting to the Audit Committee of the board which is chaired by another board member.</p> <p>There are 3 core teams under the ESG Council to direct the ESG strategy in environmental, community and social issues. All forest-related initiatives are driven by the “Good for the Planet” core team.</p>

F4.1d

(F4.1d) Does your organization have at least one board member with competence on forests-related issues?

Row 1

Board member(s) have competence on forests-related issues

No, and we do not plan to address this within the next two years

Primary reason for no board-level competence on forests-related issues

Important but not an immediate priority

Explain why your organization does not have at least one board member with competence on forests-related issues and any plans to address board-level competence in the future

The sustainability team has been sharing trends, knowledge and insight of forest-related issues in the quarterly ESG council meeting and select board meetings.

The priority in 2022 was to develop our executive leaders with competence of the topic through appraising and making decisions on climate-related initiatives. For example, our CEO and senior leaders learned about the net-zero topic when we were committing with the Science-Based Targets Initiative in 2022.

F4.2

(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)	Forests-related responsibilities of this position	Frequency of reporting to the board on forests-related issues	Please explain
Other, please specify ESG Council	Assessing forests-related risks and opportunities Managing forests-related risks and opportunities Assessing future trends in forest risk commodity demand	Quarterly	ESG Council, chaired by the company CEO, has dual reporting lines. One is reporting to the Executive Leadership Team (ELT), which is composed of our C-suite executives plus senior leaders. The other reporting line is to the Audit Committee of the board, which then reports to the board. There are 3 core teams under the ESG Council to direct the ESG strategy in environmental, community and social issues. All forest-related initiatives are

			driven by the “Good for the Planet” core team
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F4.3

(F4.3) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?

	Provide incentives for management of forests-related issues	Comment
Row 1	No, not currently but we do plan to introduce them in the next two years	The possibility of providing incentives will be discussed once we understand better about our forest-related risks and opportunities.

F4.4

(F4.4) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?

No, and we have no plans to do so

F4.5

(F4.5) Does your organization have a policy that includes forests-related issues?

No, but we plan to develop one within the next two years

F4.6

(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?

Forest risk commodity	Public commitments made
Timber products	No

F5. Business strategy

F5.1

(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are forests-related issues integrated?	Please explain
Long-term business objectives	No, forests-related issues were not reviewed and there are no plans to do so	The primary reason is the data unavailability for us to understand the source of origin of our timber and cattle products.

		The company's current priority is to improve our business strategy related to decarbonisation.
Strategy for long-term objectives	No, forests-related issues were not reviewed and there are no plans to do so	The primary reason is the data unavailability for us to understand the source of origin of our timber and cattle products.
Financial planning	No, forests-related issues were not reviewed and there are no plans to do so	The company's current priority is to improve the business strategy related to decarbonisation.

F6. Implementation

F6.1

(F6.1) Did you have any forests-related timebound and quantifiable targets that were active during the reporting year?

No

F6.1b

(F6.1b) Why do you not have target(s) for increasing sustainable production and/or consumption of your disclosed commodity(ies) and what are your plans to develop these in the future?

	Primary reason	Please explain
Timber products	Insufficient data on operations	The primary reason is the data unavailability for us to understand the source of origin of our timber and cattle products.
Cattle products	Insufficient data on operations	The primary reason is the data unavailability for us to understand the source of origin of our timber and cattle products.

F6.2

(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

	Do you have system(s) in place?	Supply chain coverage	Description of traceability system	Exclusions	Description of exclusion
Timber products	Yes	Volume from direct suppliers only	This data is tracked on an internal spreadsheet, with data provided by suppliers.	Country/geographical area	Country/geographical origin of our timber products is not available information at this time.

Cattle products	Yes	Volume from direct suppliers only	This data is tracked on an internal spreadsheet, with data provided by suppliers.	Not applicable	
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F6.2a

(F6.2a) Provide details on the level of traceability your organization has for its disclosed commodity(ies).

Forest risk commodity	Point to which commodity is traceable	Countries/areas to which this traceability point applies	% of total production/consumption volume traceable
Timber products	Not traceable		0
Cattle products	Tannery	Brazil China, Macao Special Administrative Region India Italy Republic of Korea	96

F6.3

(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?

	Third-party certification scheme adopted?
Timber products	No, but we plan to adopt a third-party certification scheme within the next two years
Cattle products	No, but we plan to adopt a third-party certification scheme within the next two years

F6.6

(F6.6) For your disclosed commodity(ies), indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards.

	Assess legal compliance with forest regulations
Timber products	Yes, from suppliers
Cattle products	Yes, from suppliers

F6.6a

(F6.6a) For your disclosed commodity(ies), indicate how you ensure legal compliance with forest regulations and/or mandatory standards.

Timber products

Procedure to ensure legal compliance

We expect our packaging goods suppliers to ensure that their components and materials comply with applicable requirements before use in our products and we outline this expectation in our Manufacturer's Agreement. Each supplier is provided with Product Guidelines which lists out the applicable requirement for wood products. The guidelines are regularly updated. Suppliers also sign our Manufacturer's Agreement and Product Guideline verifying that they understand and will follow these expectations. In addition, based on the HS code of the finished products, the trade compliance team will verify if the concerned regulations (e.g. Timber regulation) is applicable, and the supplier shall provide the relevant supporting documents according to the applicable regulations.

Country/Area of origin

Law and/or mandatory standard(s)

EU Timber Regulation
USA Lacey Act
CITES

Comment

As described in F2.1b, we are working to procure 100% of our timber products from FSC certified sources. This will enhance our confidence in our legal compliance.

Cattle products

Procedure to ensure legal compliance

We expect our suppliers to ensure that their components and materials comply with applicable requirements before use in our products and we outline this expectation in our Manufacturer's Agreement which includes the Fossil Animal Skins Policy. Each supplier is provided with Product Guidelines. The guidelines are regularly updated. Suppliers also sign our Manufacturer's Agreement and Product Guideline verifying that they understand and will follow these expectations.

Country/Area of origin

Law and/or mandatory standard(s)

General assessment of legal compliance

Comment

The purpose of the Fossil Group, Inc. (Fossil Group) Animal Skins Policy is to inform employees and its suppliers of Fossil Group's corporate stance to respect current global

regulations, protect animal species and avoid negative environmental impacts of the animal skins production chain. The Animal Skins Policy includes the Fur and Exotic Skins Policy information.

As stated in F2.1b, over 90% of our partnered tanneries are gold rated and silver rated members of the Leather Working Group. This enhances our confidence that we are complying with general legal requirements to source ethical leather in our manufacturing process.

F6.7

(F6.7) Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?

	Are you working with smallholders?	Please explain
Timber products	No, not working with smallholders	The current engagement is with our tier 1 and tier 2 suppliers to improve data quality of our raw material traceability.
Cattle products	No, not working with smallholders	The current engagement is with our tier 1 and tier 2 suppliers to improve data quality of our raw material traceability.

F6.8

(F6.8) Indicate if you are working with your direct suppliers to drive action on forests-related issues and if so, provide details of the engagement.

Forest risk commodity

Timber products

Are you working with direct suppliers?

No, not working with direct suppliers

Action(s) on forests-related issues driven by engagement

Type of engagement

Details of engagement

Description of engagement

Our existing engagement practice with direct suppliers prioritizes our decarbonization strategies and improving our raw material traceability. We aspire to drive action on forest-related issues after we obtain a better quality of raw material traceability.

% of suppliers engaged by procurement spend covered by engagement

Explain the impact of your engagement on the selected action

Is this engagement helping your suppliers engage with their suppliers on the selected action?

Does this engagement contribute to achieving a reported target?

Forest risk commodity

Cattle products

Are you working with direct suppliers?

No, not working with direct suppliers

Action(s) on forests-related issues driven by engagement

Type of engagement

Details of engagement

Description of engagement

Our existing engagement practice with direct suppliers prioritizes our decarbonization strategies and improving our raw material traceability. We aspire to drive action on forest-related issues after we obtain a better quality of raw material traceability.

% of suppliers engaged by procurement spend covered by engagement

Explain the impact of your engagement on the selected action

Is this engagement helping your suppliers engage with their suppliers on the selected action?

Does this engagement contribute to achieving a reported target?

F6.9

(F6.9) Indicate if you are working beyond your first-tier supplier(s) to drive action on forests-related issues, and if so, provide details of the engagement.

Forest risk commodity

Timber products

Are you working beyond first tier?

No, not working beyond the first tier

Action(s) on forest-related issues driven by engagement

Type of engagement

Details of engagement

Description of engagement

Our existing engagement practice beyond first tier suppliers prioritizes our decarbonization strategies and improving our raw material traceability. We aspire to drive action on forest-related issues after we obtain a better quality of raw material traceability.

Explain the impact of your engagement on the selected action

Does this engagement contribute to achieving a reported target?

Forest risk commodity

Cattle products

Are you working beyond first tier?

No, not working beyond the first tier

Action(s) on forest-related issues driven by engagement

Type of engagement

Details of engagement

Description of engagement

Our existing engagement practice beyond first tier suppliers prioritizes our decarbonization strategies and improving our raw material traceability. We aspire to drive action on forest-related issues after we obtain a better quality of raw material traceability.

Explain the impact of your engagement on the selected action

Does this engagement contribute to achieving a reported target?

F6.10

(F6.10) Do you engage in landscape (including jurisdictional) approaches to progress shared sustainable land use goals?

	Do you engage in landscape/jurisdictional approaches?	Primary reason for not engaging in landscape and/or jurisdictional approaches	Explain why your organization does not engage in landscape/jurisdictional approaches, and describe plans to engage in the future
Row 1	No, we do not engage in landscape/jurisdictional approaches, and we do not plan to within the next two years		

F6.11

(F6.11) Do you participate in any other external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?

Forest risk commodity

Cattle products

Do you participate in activities/initiatives?

No

Activities

Country/Area

Subnational area

Initiatives

Please explain

The current priority for forest-related issues is to internally establish a better understanding of our material traceability before we can participate in external initiatives. However, we will keep abreast of external activities that support forest-related policies, especially within the fashion industry.

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

No

Activities

Country/Area

Subnational area

Initiatives

Please explain

The current priority for forest-related issues is to internally establish a better understanding of our material traceability before we can participate in external initiatives. However, we will keep abreast of external activities that support forest-related policies, especially within the fashion industry.

F6.12

(F6.12) Is your organization supporting or implementing project(s) focused on ecosystem restoration and long-term protection?

No, and we do not plan to implement project(s) within the next two years

F7. Verification

F7.1

(F7.1) Do you verify any forests information reported in your CDP disclosure?

In progress

F8. Barriers and challenges

F8.1

(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.

Forest risk commodity

Timber products

Coverage

Supply chain

Primary barrier/challenge type

Value chain complexity

Comment

Our current timber product data system has been designed to improve the circularity disclosure. In terms of the relevant data to support elimination of deforestation, we would need to rely on the information provided by our tier 1 suppliers. The full traceability relevant to the source of origin of our timber would require us to reach up to the tier 4 suppliers. We see this as a huge barrier as it requires a mature traceability system and high financial capital to support this project.

Forest risk commodity

Cattle products

Coverage

Supply chain

Primary barrier/challenge type

Value chain complexity

Comment

Our current cattle product traceability only reaches our tier 1 suppliers and tanneries. The full traceability relevant to the source of origin of our raw hide would require us to reach up to the tier 4 suppliers. We see this as a huge barrier as it requires a mature traceability system and high financial capital to support this project.

F8.2

(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.

Forest risk commodity

Timber products

Coverage

Supply chain

Main measure

Development of certification and sustainability standards

Comment

Development of relevant standards will provide us and our suppliers' motivation to improve the existing traceability.

Forest risk commodity

Cattle products

Coverage

Supply chain

Main measure

Development of certification and sustainability standards

Comment

Development of relevant standards will provide us and our suppliers' motivation to improve the existing traceability.

F17 Signoff

F-FI

(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

F17.1

(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1	Director, Sustainability	Other, please specify Director



Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms