Generating positive change for our people and planet

Today we have published our <u>2022 Environmental, Social and Governance (ESG) report</u>, which provides an update on the work we are doing to generate a positive change for people and our planet.

Sustainability has always been a part of FatFace's core values, ever since the business began with two friends selling quality clothes out the back of a campervan; with the idea of offering clothes that are made to last and to live life in. Although these values stuck, our sustainability journey properly began over ten years ago when we first joined the Ethical Trading Initiative. Fast forward to today and now an international multichannel business, we are more focused than ever on finding ways to reduce our impact on the planet, and positively support our colleagues and the communities we operate in.

Our Three Pillar Strategy 'Product, Planet and Community' is the fundamental framework that supports our sustainability goals and commitments. Over the last year we have made clear advancements in all areas of the business to ensure FatFace is fit to grow in a more sustainable way and protect our people and the planet. This is all working towards meeting our ambitious 2025 targets.

In the past year, some of our environmental highlights include launching our ground-breaking 75-year partnership with the National Forest with the planting of 60,000 trees in the Midlands, achieving carbon neutral status for operational emissions in the UK, and starting our journey towards becoming part of the B Corp community.

On Product we continue to increase our use of more responsibly sourced materials. 100% of our cotton products have been more sustainably sourced for a few years but in addition this year, over a quarter of the polyester we use is now from recycled materials and nearly half of our viscose is from certified and controlled sources. We have also found ways to improve the circularity of our product life. This year we launched a partnership with Thrift+, 'FatFace PreLoved', to offer an easy way for customers to give unwanted clothes a new lease of life while supporting a charity of their choice.

We have also been supporting local communities too. FatFace and our FatFace Foundation have raised and donated almost £2 million since the Foundation was launched to help support our charitable partnerships with The Prince's Trust, Shelter and the Marine Conservation Society, and numerous other vital causes.

None of this would be possible without the dedication of all our FatFace colleagues, our FatFace crew, who we are very proud of. They make us stand out, bring fresh unique ideas and help both progress our ESG goals and also contribute to supporting local communities too through our volunteering days. The wellbeing of our colleagues has always remained a significant priority for us at FatFace. In 2022, we launched our first engagement survey with over 1,300 of our crew taking part to tell us about the issues they are passionate about, and we celebrated Mental Health Awareness Week with various interactive workshops. Their feedback has been invaluable.

I'd like to thank our colleagues for all their hard work over the past year. We're continuing to make progress in our strategy and embedding ESG into our day-to-day operations so that FatFace is fit for the future, and I'm excited to see what the next 12 months will bring for the business.

Nick Stevenson, Trading Director