Preferred Fiber & Materials Benchmark 2018
Company Feedback Report for Sharks Don't Bite
How can companies judge progress in their sustainability efforts - both year-on-year and in comparison with their peers? The Preferred Fiber & Materials (PFM) Benchmark provides a robust structure to help companies systematically measure, manage and integrate a preferred fiber and materials strategy into mainstream business operations, to compare progress, and to transparently communicate performance and progress to stakeholders.

PFM Benchmark Participants 2018

111 brands/retailers • 17 Countries | Estimated turnover of US$ 1.64 trillion

Multi-Sector/Apparel (XL)
ALDI Einkauf GmbH & Co. oHG
ALDI South International
C&A Global
Coop Switzerland
Gap Inc.
H&M
Inditex Group
Kering
Levi Strauss & Co.
Marks and Spencer
Otto Group
PVH Corp
Target Corporation
Tchibo GmbH
Tesco
VARNER
WOOLWORTHS (PTY) LTD

Apparel (S/M)
Amberoot
ALANAdrogerie markt
ARMEDANGELS (Social Fashion Company GmbH)
Arthur and Henry
Continental AG
Cotonea (Gebr. Elmer & Zweifel)
Cream Workwear
Dedicated
EarthPositive
Ethicus
Fair Share
Forest srl
Hanky Panky
HempAge AG
Hess Natur-Textilien GmbH
Indigenous Designs
KnowledgeCotton Apparel
Kuyichi B.V.
Loomstate
Mantis World
Mara Hoffman
METAWEAR
Mini Rodini
MUD Jeans International BV
Nature USA/ BGREEN
Outerknow
Pact
People Tree
Ramblers Way Farm, LLC
RE.SUSTAIN
Salvage
SKFK
Stanley/Stella

Outdoor & Sports
adidas AG
Bluey Merino
Brooks Running
Burton
Columbia Sportswear Company
DECATHLON
Fjällräven International
FRILUFTS
Helly Hansen AS
Icebreaker
Kathmandu
MEC
New Balance Athletics, Inc.
NIKE, Inc.
Norrona Sport
Patagonia
prAna
PUMA SE
REI
Samsonite
Teva (Deckers Brands)
The North Face
TERRA
Timberland
toad & co
Veja
Volcom

Apparel (L)
AB Lindex
ASOS
Burberry
Country Road Group
EILEEN FISHER, Inc.
Esprit
Fat Face Ltd
G-Star RAW C.V.
Gucci
House of Fraser
HUGO BOSS
KappAhl Sverige AB
MARC-O-POLO
MQ
Next Retail Ltd
Nudie Jeans
Sainsbury's
Stella McCartney
Ted Baker (No Ordinary Designer Label Limited)
UGG (Deckers Brands)
Waschbär (Triaz GmbH)
zLabels GmbH

Home Textiles
Boll & Branch
Coyuchi, Inc.
Dibella
greenfibres
Hemtex
Inter Ikea Group
KALANI-Home
LA SIESTA
Trendsetter International
Under the Canopy
WestPoint Home LLC
Williams-Sonoma, Inc.

In total, 111 companies participated in the PFM Benchmark Program: 87 completed the full PFM Benchmark survey, and 24 (marked above) completed the Consumption Tracker only. The 87 benchmarking companies receive a PFM Index score and ranking, overall fiber and materials (FM) results, plus scores for all completed modules. Sector and sub-sector scores are based on the 85 companies that completed the full survey (excluding those in development). The Consumption Tracker is composed of a limited set of non-scoring questions. However, for a holistic view of PFM uptake, consumption volumes from all 111 companies have been aggregated.
Index Summary
Sharks Don't Bite

Benchmarked Sub-Sector: Outdoor/Sports

Index Summary

Sharks Don't Bite
Benchmarked Sub-Sector: Outdoor/Sports

Index Score

Company: 84.9 - Leading
Sub-Sector: 52
Sector: 33

Index Ranking

Company: 2 out of 87
Sub-Sector: 2 out of 26

Your company’s Index Results are based on your top three PFMs. All scores presented are out of 100 and rounded to remove decimal places, except your Company’s Index Score which is rounded to one decimal place.

Section Scores

Section 1: Corporate Strategy
▶ 78 | 57 | 36
Section 2: Supply Chain
▶ 85 | 48 | 33
Section 3: Consumption
▶ 89 | 61 | 35
Section 4: Consumer Engagement
▶ 88 | 33 | 23

PFM Module Scores

Organic Fair Trade Cotton
▶ 68 | 58 | 66
Organic Cotton
▶ 65 | 50 | 54
Fair Trade Cotton
▶ 57 | 60 | 35
Cotton made in Africa
▶ 54 | 54 | 42
Better Cotton Initiative
▶ 45 | 53 | 40
REEL Cotton
▶ n/a | n/a | n/a
Recycled Cotton
▶ 57 | 45 | 35

Recycled Polyester
▶ 81 | 36 | 36
Preferred Lyocell
▶ 81 | 41 | 34
Preferred Modal
▶ 61 | 33 | 30
Preferred Viscose
▶ 50 | 50 | 29
Preferred Down
▶ 85 | 68 | 52
Preferred Wool
▶ 97 | 46 | 35

Performance Bands

Starting Out (<40) - Beginning the journey.
Developing (40-59) - Laying the foundations.
Establishing (60-69) - Building on the foundations.
Progressing (70-79) - Activities maturing and leadership is emerging.
Leading (>80) - Leading the field.

Note: The above chart will only display the results of modules that have been completed in the PFM Benchmark Survey between 2016 and 2018. Small decreases from 2016 to 2017 may result from adjustments made in the survey and not necessarily reflect a drop in your company’s performance.

PFM Performance Trend

Corporate
Strategy
Corporate
Strategy
Company – 2016
Company – 2017
Company – 2018
Organic Fair Trade Cotton
Organic Cotton
Fair Trade Cotton
Cotton made in Africa
Better Cotton Initiative
REEL Cotton
Recycled Cotton
Recycled Polyester
Preferred Lyocell
Preferred Modal
Preferred Viscose
Preferred Down
Preferred Wool

Note: The above chart will only display the results of modules that have been completed in the PFM Benchmark Survey between 2016 and 2018. Small decreases from 2016 to 2017 may result from adjustments made in the survey and not necessarily reflect a drop in your company’s performance.

Topline Results

Level 1: PFM Index Results

The PFM Index result is comprised of your company’s Section 1 score plus the average score for Sections 2, 3 and 4 of your company’s top three performing modules. Your company’s PFM Index Result is the underlying score used to determine your company’s position in the Index, which is reported confidentially to each company.

<table>
<thead>
<tr>
<th>PFM Index Score</th>
<th>Company: 84.9 - Leading Sub-Sector: 52 Sector: 33</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The sector PFM Index Score is 57, a 3-point improvement from 2017. Section 1: Corporate Strategy (62) is still the leading section, followed by Section 3: Consumption (61) which increased 8-points since last year. Section 2: Supply Chain (56) and Section 4: Consumer Engagement (40) both progressed 2 to 3 points since 2017.</td>
</tr>
</tbody>
</table>

+ Company, Sub-Sector, and Sector PFM Index Results by Section

Level 2: FM Results

The second level result includes all PFM modules (not just the top 3) and ties back to your company’s overall fiber and materials (FM) usage, both conventional and preferred. It is based on the Section 1 score plus the score for Sections 2, 3 and 4 for all modules completed and weighted against your company’s overall FM usage. Each module carries a sustainability weighting.

<table>
<thead>
<tr>
<th>FM Score</th>
<th>Company: 70 - Progressing Sub-Sector: 26 Sector: 22</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The sector has an average FM Score of 38, a 5-point increase from 2017. Section breakdowns include Supply Chain 26, Consumption 39, and Consumer Engagement 22. The significant jump of 13 points in Consumption signifies closing of the gap between conventional and preferred not just specific to a fiber module but at a portfolio level – taking into consideration the sustainability weight and PFM usage as share of its overall fiber use.</td>
</tr>
</tbody>
</table>

+ Company, Sub-Sector, and Sector FM Results by Section

Note: FM Results are based on a company’s reported PFM usage as a share of its overall FM usage. If your company could not provide this breakdown, a sub-sector average is applied as a proxy to provide your company’s indicative FM Result.
Section 1: Corporate Strategy

All participants must complete Section 1, as Corporate Strategy is positioned as essential to effective management. Since Sections 2, 3, and 4 are specific to the fiber and materials used by a company, these need to be completed for each PFM module submitted.

This section asks if and how companies are placing PFMs at the core of their business. Is there a strategy in place and have policies been set to address key sustainability issues in the sourcing of fiber and materials? Goal setting helps a company stay focused, and the use of rating tools to inform decision-making can strengthen internal systems. It is essential that staff members are responsible for getting the job done, and that accountability sits with decision-makers. Public reporting is a gateway to transparency and demonstrates a company's strength of commitment.

The sector is performing steadily in Corporate Strategy with a 1-point increase between 2017 and 2018. The biggest improvement is seen in Textile Circularity, Sustainable Development Goals and Sustainability Strategy which saw a 12, 7 and 6 point increase respectively. Corporate Reporting and Corporate Value saw a 3-point dip in the same period. Sustainability Development Goals (30), Risk Assessment (32), and Textile Circularity (32) remain the key areas for improvement.

+ Company, Sub-Sector, and Sector Results for Q1-Q11
All participants are asked to estimate their overall fiber and materials (FM) usage, irrespective of whether it is conventional or preferred. This data provides a birds eye view of a company’s dominant FM usage. Not surprisingly, most companies tend to be either cotton or synthetics dominant.

**FM Usage Breakdown**

<table>
<thead>
<tr>
<th>FM Usage: Company, Sub-Sector, and Sector Estimated Averages (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Textiles</td>
</tr>
<tr>
<td>Outdoor/Sports</td>
</tr>
<tr>
<td>Apparel (S/M)</td>
</tr>
<tr>
<td>Apparel (L)</td>
</tr>
<tr>
<td>MS/Apparel (XL)</td>
</tr>
<tr>
<td>Sector</td>
</tr>
<tr>
<td>Company</td>
</tr>
</tbody>
</table>

*Note*: The percentage breakdowns in the chart above have been rounded up to the closest digit and may be adjusted +/- 1% to ensure the portfolio breakdown sums up to 100%.

The overall fiber usage breakdown is 53% cotton, 30% synthetics, 5% man made cellulosics, 8% animal fibers and 4% other fibers (such as linen, silk, hemp, flax, jute, latex, wood, metal, flax, rubber, ceramic, plastic and leather) for the sector.

Cotton remains the largest share despite a drop from 58% in 2017 to 53% in 2018. The drop was made up in an increase share of synthetics from 26% in 2017 to 30% in 2018 and Animal Fibers from 4% in 2017 to 8% in 2018.

With the exception of Outdoor/Sports, all sub-sectors have a cotton share greater than 45%. Home Textiles (78%) and Apparel S/M (77%) are the two sub-sectors with highest cotton proportion of fiber usage. Outdoor/Sports leads the use of synthetics with a 67% share of fiber usage. All other sub-sectors have less than one-third synthetic share in their fiber usage. Man made cellulosics share of fiber usage is less than 10% across all sub-sectors with MS/Apparel (XL) (7%) and Apparel (L) (9%) reporting the highest percentage. The share of animal fiber usage is between 2% to 4% across all sub-sectors, except Apparel (L) and Outdoor/Sports which is reporting 11% and 15% share respectively.
The preferred Cotton (pCotton) portfolio offers the largest number of module options. Options include: Organic Fair Trade Cotton (OFT), Organic Cotton (OC), Fair Trade Cotton (FT), Cotton made in Africa (CmiA), Better Cotton Initiative (BCI), REEL Cotton (REEL) and Recycled Cotton (rCotton).

Cotton Usage Breakdown

Cotton usage was based on data from 111 companies that completed one or more of the pCotton modules in either the full PFM Benchmark survey or the Consumption Tracker. 94% of the 111 participants completed one or more pCotton module. The OC module has the highest number of participants by far and accounts for 78% of participants. This is followed by BCI at 43 participants (39%), rCotton at 34 participants (31%) and OFT at 20 participants (18%). It should be noted that the number of participants in the OC and FT modules excludes participants who are using cotton certified to both FT and OC, which is accounted for in the OFT module.

+ pCotton Participation Breakdown for Full Benchmark Program (Survey + Tracker) (Number)

<table>
<thead>
<tr>
<th>Sector (Total)</th>
<th>OFT</th>
<th>OC</th>
<th>FT</th>
<th>CmiA</th>
<th>BCI</th>
<th>REEL</th>
<th>rCotton</th>
</tr>
</thead>
<tbody>
<tr>
<td>111</td>
<td>20</td>
<td>87</td>
<td>5</td>
<td>6</td>
<td>43</td>
<td>-</td>
<td>34</td>
</tr>
<tr>
<td>MS/Apparel (XL)</td>
<td>1</td>
<td>15</td>
<td>4</td>
<td>3</td>
<td>14</td>
<td>-</td>
<td>8</td>
</tr>
<tr>
<td>Apparel (L)</td>
<td>1</td>
<td>17</td>
<td>-</td>
<td>1</td>
<td>16</td>
<td>-</td>
<td>8</td>
</tr>
<tr>
<td>Apparel (S/M)</td>
<td>10</td>
<td>27</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>10</td>
</tr>
<tr>
<td>Outdoor/Sports</td>
<td>2</td>
<td>20</td>
<td>1</td>
<td>-</td>
<td>7</td>
<td>-</td>
<td>6</td>
</tr>
<tr>
<td>Home Textiles</td>
<td>6</td>
<td>8</td>
<td>0</td>
<td>2</td>
<td>5</td>
<td>-</td>
<td>2</td>
</tr>
</tbody>
</table>

Note: The above participation rate includes modules marked as “In Development” which are excluded from analysis and scoring. The number of companies that selected “In Development” for pCotton are: OFT 1, OC 1, FT 1, CmiA 1, BCI 6 and rCotton 3.

+ Cotton Usage: Company, Sub-Sector and Sector Estimated Averages (%)

Note: The percentage breakdowns in the chart above have been rounded up to the closest digit and may be adjusted +/- 1% to ensure the portfolio breakdown sums up to 100%.

The cotton percentage breakdown is: 33% Conventional, 41% OC, 14% BCI, 9% OFT, 2% rCotton, 1% CmiA, 0.1% FT and 0.1% Other Cotton. No REEL use was recorded amongst the benchmark participants in 2018. MS/Apparel (XL) has the largest share of conventional cotton (59%) and Apparel (S/M) the least (13%).

Cotton Usage Ratio

Your company’s preferred cotton modules consist of: BCI, CmiA, FT, OFT, OC, REEL, rCOTTON.

<table>
<thead>
<tr>
<th></th>
<th>Preferred</th>
<th>Conventional</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>100%</td>
<td>0%</td>
</tr>
</tbody>
</table>
**OFT Module Score**

<table>
<thead>
<tr>
<th>Company</th>
<th>Sub-Sector</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>68 – Establishing</td>
<td>58</td>
<td>66</td>
</tr>
</tbody>
</table>

Organic Fair Trade (OFT) cotton is cotton that is certified to both Fair Trade and organic standards. Fair Trade standards ensure farmers are paid a minimum price and require farmers to organize into democratic producer organizations. Organic farm standards ensure that the cotton is grown within a rotation system that builds soil fertility, protects biodiversity, and is grown without the use of any synthetic fertilizers, hazardous pesticides or GMOs.

**OFT Module Participants:** 17

MS/Apparel (XL): 6% | Apparel (L): 6% | Apparel (S/M): 47% | Outdoor/Sports: 12% | Home Textiles: 29%

**Section 2: Supply Chain**

**S2 Score**

<table>
<thead>
<tr>
<th>Company</th>
<th>Sub-Sector</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>96 - Leading</td>
<td>83</td>
<td>84</td>
</tr>
</tbody>
</table>

OFT Section 2: Supply Chain sees an 8-point from 73 to 81 in the last year. Chain of Custody (88) leads in this section with 88% OFT participants moving beyond farm level organic certification to adopt OCS and GOTS. The sector score for Mapping jumped 16-points with 94% of OFT participants able to map their suppliers of OFT cotton to some degree. Sustainability Investment improved marginally from 56 to 58 with 69% of OFT participants making Sustainability Investments in their supply chains – this score is remains the highest among all modules.

**Section 3: Consumption**

**Section 3 Score**

<table>
<thead>
<tr>
<th>Company</th>
<th>Sub-Sector</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>42 - Developing</td>
<td>41</td>
<td>53</td>
</tr>
</tbody>
</table>

The sector score is 54 for Section 3: Consumption – a 5-point improvement in the last year. 88% of OFT participants have a SMART Target driving Uptake of OFT cotton and 13% are maintaining an OFT-only status (100% of cotton usage). Reporting improved by 17-points with 94% participants reporting consumption. Uptake maintains a score of 41%.
Company and Sector SMART Targets (% Participant's Response)

<table>
<thead>
<tr>
<th>Sector</th>
<th>No Targets</th>
<th>In Dev’</th>
<th>Yes</th>
<th>Cotton Overall Target</th>
<th>OFT Specific Target</th>
<th>Achieve/Maintain 100% Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6%</td>
<td>6%</td>
<td>88%</td>
<td>88%</td>
<td>69%</td>
<td>13%</td>
</tr>
<tr>
<td>Company</td>
<td>N/A</td>
<td>N/A</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Company YOY Consumption Dashboard (mt)

Note: Dashboard data is only available if data has been provided in portfolio breakdown and uptake. All consumption values below 1mt are rounded up to 1mt in the consumption dashboard.

Section 4: Consumer Engagement

OFT leads in Section 4: Consumer Engagement with a sector score of 55. 88% of OFT participants regard their use of Organic-Fair Trade as core to Establishing Brand Value, 75% communicate/label OFT products using organic or fair trade standards, and 81% of OFT participants engage customers on the benefits of OFT. Monitoring Business Benefits dropped from 36 to 24 points whilst Calculating ROI increased by 10 points in the last year – both remain areas for greatest improvement in OFT.
PFM Module: Organic Cotton

**OC Module Score**

<table>
<thead>
<tr>
<th>Company: 65 – Establishing</th>
<th>Sub-Sector: 50</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector: 54</td>
<td></td>
</tr>
</tbody>
</table>

Organic Cotton (OC) is grown within a rotation system that builds soil fertility, protects biodiversity, and is grown without the use of synthetic fertilizers, toxic pesticides or GMOs. The Organic Content Standard (OCS) and the Global Organic Textile Standard (GOTS) provide third party assurance on organic product claims. In addition, GOTS includes environmental and social responsibility in processing.

**OC Module Participants: 70**

- MS/Apparel (XL): 17%
- Apparel (L): 23%
- Apparel (S/M): 29%
- Outdoor/Sports: 23%
- Home Textiles: 9%

**Section 2: Supply Chain**

<table>
<thead>
<tr>
<th>Company: 74 – Progressing</th>
<th>Sub-Sector: 44</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector: 54</td>
<td></td>
</tr>
</tbody>
</table>

The sector score for OC Section 2: Supply Chain remains the same as last year at 55. Chain of Custody stays strong at a sector score of 76 with 88% of OC participants using OCS or GOTS to verify their organic content. With 65% OC participants mapping their organic content along the supply chain, effort is still needed in Mapping (46). Sustainability Investment (32) is the lowest scoring area in this section and reflects the 36% OC participants currently investing in supply chains.

**Section 3: Consumption**

<table>
<thead>
<tr>
<th>Company: 42 – Developing</th>
<th>Sub-Sector: 60</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector: 58</td>
<td></td>
</tr>
</tbody>
</table>

OC Section 3: Consumption rose 6-points to 60 this year – moving it from "Developing" to "Establishing" stage. SMART Targets improved from 60 to 68 and Uptake improved from 46 to 49 between 2017 and 2018. With 86% OC participants reporting data, the biggest improvement came from Consumption Reporting which saw a double-digit growth from 73 to 84 this year. 59% of OC participants have specific SMART Targets in place for organic cotton and 39% are maintaining their target of 100% OC usage.

Textile Exchange Preferred Fiber & Materials (PFM) Benchmark Company Feedback Report © 2018
**Section 4: Consumer Engagement**

Section 4: Consumer Engagement saw a 1-point increase from 2017 to 47 in 2018. The biggest increase came from Product Marks & Labelling from 53 to 60. 97% of OC participants are communicating/labeling OC products – 75% using their own communication and 45% using third party standard labels. Consumer Strategy saw a 3-point dip to 60 with 71% OC participants conveying the benefits of OC to customers (a drop from 75% in 2018). Scores for other areas remained fairly constant. Improvement areas include Monitoring Business Benefits (39), Calculating ROI (23) and Evaluation of Consumer Strategy (27).
PFM Module: Fair Trade Cotton

**FT Module Score**

Company: 57 - Developing  
Sub-Sector: 60  
Sector: 35

Fair Trade (FT) is a global movement to support small-scale, marginalized farmers and workers. Fair Trade standards require farmers to organize into democratic producer organizations and to have environmentally sound agricultural practices. In return, they are guaranteed the Fairtrade Minimum Price and a Fairtrade Premium that goes towards community development. GMOs are banned in the Fair Trade standard.

FT Module Participants: 4

MS/Apparel (XL): 75% | Apparel (L): 0% | Apparel (S/M): 0% | Outdoor/Sports: 25%  | Home Textiles: 0%

**Section 2: Supply Chain**

Company: 79 - Progressing  
Sub-Sector: 80  
Sector: 45

Section 2: Supply Chain in FT scored 48 in 2018. Chain of Custody dropped 32-points to 68, Mapping dropped 17-points to 50 and Sustainability Investment dropped 1-point to 1. All FT participants are physically tracing their fair trade products beyond mass balance to some degree. 67% participants are mapping their FT use to varying tiers of the supply chain. While 33% participants are considering additional Sustainability Investments in their supply chain; none are currently investing beyond the requirements of the FT standard.

**Section 3: Consumption**

Company: 29 - Starting Out  
Sub-Sector: 31  
Sector: 24

The sector score for Section 3: Consumption is 29. SMART Targets improved 10-points from 48 to 58 in the last year due to all FT participants having an overall pCotton target in place and 33% having targets specific to FT. Consumption Reporting also rose 8-points from 67 to 75 and Uptake saw a 1-point improvement from 4 to 5. It should be noted that this result does not include the 19 participants that are driving FT uptake through a combined OFT strategy and are reported in a separate module.

**Company, Sub-Sector, and Sector Results for Q16, Q18 and Q21 (Score)**

**Company, Sub-Sector, and Sector Results for Q24, Q25 and Q26 (Score)**

**Company and Sector SMART Targets (% Participant’s Response)**

Section 4: Consumer Engagement

Section 4: Consumer Engagement for FT performed poorly this year with a drop from 46 to 36. Setbacks were seen across all areas including Establishing Brand Identity (from 67 to 63), Product Marks & Labeling (67 to 50), Monitoring Business Benefits (33 to 26), Consumer Strategy (68 to 50) and Evaluation of Consumer Strategy (29 to 24). 33% of FT participants regard FT cotton as core to their brand value and monitor business benefits from FT sales. All FT participants communicate/label their FT products but only 67% do so with fair trade label. 67% convey the benefits of FT to their customer and 33% evaluate the success of their consumer engagement programs. None of the participants are calculating ROI on FT sales.

+ Company, Sub-Sector, and Sector Results for Q30 to Q35 (Score)
Cotton made in Africa (CmiA) is an initiative of the Aid by Trade Foundation (AbTF) that helps smallholder cotton farmers in Africa improve their living conditions. Growers must meet minimum environmental and social requirements for their cotton to qualify as CmiA. GMOs are banned in the CmiA standard.

CmiA Module Participants: 5

CmiA Module Score

Company: 54 – Developing
Sub-Sector: 54
Sector: 42

Section 2: Supply Chain

Section 2 Score

Company: 64 - Establishing
Sub-Sector: 64
Sector: 49

Section 2: Supply Chain for CmiA jumped from 24 to 46 points in 2018. Improvements were seen across Chain of Custody from 41 to 81, Mapping from 8 to 16 and Sustainability Investment from 20 to 32. All participants are using CmiA Chain of Custody Guidelines to some degree, 50% of participants are mapping their CmiA content through the program and investing in the CmiA supply chain beyond the requirements of the standard.

The sector score for Section 3: Consumption sits at 36 – a 15-point increase from 2017. Although Consumption Reporting (100) in CmiA is strong for the sector, it is not driven by SMART Targets (31) specific to CmiA, nor is it translating into Uptake (21). This is because of the 75% CmiA participants with targets, all are set at a pCotton portfolio level rather than specific to CmiA. Where the sample size is small (as it was with CmiA) there is a dis-proportional impact on sector and sub-sector Uptake scores.
### Section 4: Consumer Engagement

**Section 4 Score**

**Company: 82 - Leading**

**Sub-Sector: 82**

**Sector: 44**

The sector score increased from 26 to 37 in the Consumer Engagement section in 2018. Improvements mainly came from Product Marks & Labeling (from 30 to 43), Monitoring Business Benefits (from 26 to 40) and Consumer Strategy (from 28 to 60). Areas that dropped this year include Establishing Brand Identity (from 51 to 41) and Evaluation of Consumer Strategy (from 22 to 20). This result aligned with the two-thirds of participants communicating/labeling CmiA products and conveying to consumers the benefits of CmiA. No efforts are made in calculating ROI for CmiA sales.

### + Company, Sub-Sector, and Sector Results for Q30 to Q35 (Score)

**Establishing Brand Identity (Q30):**

- Company: 61
- Sub-Sector: 63
- Sector: 60

**Product Marks & Labeling (Q31):**

- Company: 53
- Sub-Sector: 56
- Sector: 55

**Monitoring Business Benefits (Q32):**

- Company: 100
- Sub-Sector: 100
- Sector: 100

**Calculating ROI (Q33):**

- Company: 17
- Sub-Sector: 22
- Sector: 31

**Consumer Strategy (Q34):**

- Company: 63
- Sub-Sector: 63
- Sector: 68

**Evaluation of Consumer Strategy (Q35):**

- Company: 68
- Sub-Sector: 68
- Sector: 88
The Better Cotton Initiative (BCI) sets out to improve the sustainability of mainstream cotton production. Growers must meet minimum environmental and social requirements for their cotton to qualify as Better Cotton. Continuous improvement is a key element of the BCI Assurance Program.

BCI Module Participants: 33

Section 2: Supply Chain

The sector scored 52 for Section 2: Supply Chain. Chain of Custody saw a 4-point improvement from 79 in 2016 to 83 in 2018 due to 4% of BCI participant adopting identity preservation. More work is still required for Mapping (29) and Sustainability Investment (38). 33% of participants are mapping their BCI content beyond the program and 41% are investing in the BCI supply chain beyond the requirements of the initiative.

Section 3: Consumption

Overall, the sector scored 44 for Section 3: Consumption. SMART Targets stays at 48. While 89% of BCI participants have overall preferred cotton targets, only 41% have a target that is specific to BCI. Consumption Reporting increased by 9-points to 76 this year reflecting a rise in participants tracking and reporting consumption. The sector score for Uptake saw a 16-point improvement to 33 reflecting the growing use of BCI.
Section 4: Consumer Engagement

At a sector score of 27, Section 4: Consumer Engagement remains in “Starting Out” stage. Performance improved across all areas of this section in 2018 except Monitoring Business Benefits which saw a 2-point dip from 24 to 22. 67% of BCI participants are communicating/labeling BCI products and 48% are conveying to consumers the benefits of BCI. Calculating ROI (12) and Evaluation of Consumer Strategy (14) remains the areas requiring most attention with 11% monitoring business benefits and 19% tracking customer engagement activities associated to BCI products.
PFM Module: Recycled Cotton

**rCotton Module Score**

<table>
<thead>
<tr>
<th>Company: 57 - Developing</th>
<th>Sub-Sector: 45</th>
<th>Sector: 35</th>
</tr>
</thead>
</table>

Recycled Cotton (rCotton) has been reprocessed from reclaimed cotton. The Recycled Claim Standard (RCS) and the Global Recycled Standard (GRS) are Chain of Custody standards to track the use of recycled cotton through the supply chain. The GRS, in addition, includes social and environmental requirements that must be met during the processing stages.

**Section 2: Supply Chain**

**rCotton Module Participants: 30**

<table>
<thead>
<tr>
<th>MS/Apparel (XL): 23%</th>
<th>Apparel (L): 27%</th>
<th>Apparel (S/M): 27%</th>
<th>Outdoor/Sports: 20%</th>
<th>Home Textiles: 3%</th>
</tr>
</thead>
</table>

**Section 2 Score**

<table>
<thead>
<tr>
<th>Company: 56 - Developing</th>
<th>Sub-Sector: 53</th>
<th>Sector: 44</th>
</tr>
</thead>
</table>

Section 2: Supply Chain for rCotton has a sector score of 44, moving this section from “Starting Out” to “Developing” stage. Chain of Custody saw the biggest improvement from a score of 37 to 48, followed by Mapping from 40 to 48 and Sustainability Investment from 22 to 26. 63% of rCotton participants are using either RCS, GRS or SCS as their Chain of Custody, 59% participants are mapping their rCotton contents along the supply chain and 33% participants are making additional investment in the supply chain beyond what is required by third party standards.

**Section 3: Consumption**

**Section 3 Score**

<table>
<thead>
<tr>
<th>Company: 42 - Developing</th>
<th>Sub-Sector: 35</th>
<th>Sector: 28</th>
</tr>
</thead>
</table>

The sector scored 27 for Section 3: Consumption of rCotton – the lowest among all the pCotton modules. SMART Targets (43), Consumption Reporting (73) and Uptake (8) increased by 14, 23 and 3 points respectively. 81% of rCotton participants have an overall pCotton target while only 22% have targets specific to rCotton. The performance in SMART Targets and Consumption Reporting relative to Uptake reflects rCotton as a supplementary rather than core fiber in the pCotton portfolio.
Section 4: Consumer Engagement

Section 4: Consumer Engagement has a sector score of 31. Improvements were seen in Establishing Brand Identity (69), Product Marks & Labeling (36) and Evaluation of Consumer Strategy (22) which saw a 11, 14 and 4-point increase respectively over the last year. 59% and 26% of rCotton participants reported that rCotton is core and complementary its brand value while 78% participants are communicating/labeling their rCotton products. However, commitment to rCotton is still not coming through in other areas such Monitoring Business Benefits (21), Calculating ROI (23) and Consumer Strategy (32) which saw a small dip in scores between 2017 and 2018.

Company, Sub-Sector, and Sector Results for Q30 to Q35 (Score)

Note: Dashboard data is only available if data has been provided in portfolio breakdown and uptake. All consumption values below 1mt are rounded up to 1mt in the consumption dashboard.
The Polyester Portfolio currently includes Recycled Polyester (rPET) as the only PFM option. A Biobased Polyester module may be an option in the future.

Polyester Usage Breakdown

rPET usage was based on data from 71 companies that took part in the full PFM Benchmark survey or Consumption Tracker, and make up 64% of the total number of participants. This is a significant increase from the 58 companies last year.

+ rPET Participation Breakdown For Full Benchmark Program (Survey + Tracker) (Number)

<table>
<thead>
<tr>
<th>Sector (Total)</th>
<th>71</th>
</tr>
</thead>
<tbody>
<tr>
<td>MS/Apparel (XL)</td>
<td>13</td>
</tr>
<tr>
<td>Apparel (L)</td>
<td>14</td>
</tr>
<tr>
<td>Apparel (S/M)</td>
<td>15</td>
</tr>
<tr>
<td>Outdoor/Sports</td>
<td>23</td>
</tr>
<tr>
<td>Home Textiles</td>
<td>6</td>
</tr>
</tbody>
</table>

Note: The above participation rate includes modules marked as “In Development” which are excluded from analysis and scoring. In all, there are 4 companies that selected rPET as “In Development”.

+ Polyester Usage: Company, Sub-Sector, and Sector Estimated Averages (%)

| Home Textiles | 23 |
| Outdoor/Sports | 24 | 2 |
| Apparel (S/M) | 11 | 63 |
| Apparel (L) | 11 | 99 |
| MS/Apparel (XL) | 2 | 98 |
| Sector | 26 | 1 |
| Company | 98 | 72 |

Note: The percentage breakdowns in the chart above have been rounded up to the closest digit and may be adjusted +/- 1% to ensure the portfolio breakdown sums up to 100%.

The polyester usage proportional breakdown is: 72% Virgin, 26% Recycled, 0.1% Biobased, and 0.6% Other (e.g. PET certified to processing standards, such as bluesign).

In 2018, MS/Apparel (XL) had the largest share of virgin PET (98%) and Apparel (S/M) the least (36%). Apparel (S/M) has the largest share of rPET (63%) and MS/Apparel (XL) the least (2%).

Polyester Usage

Your company’s polyester modules consist of: rPET,

<table>
<thead>
<tr>
<th>Preferred</th>
<th>100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virgin</td>
<td>0%</td>
</tr>
</tbody>
</table>
Recycled Polyester (rPET) uses mainly post-consumer plastic (PET) bottles, or pre/post-consumer textile waste as the raw material. rPET can be either mechanically or chemically recycled into filament or staple fiber. The Recycled Claim Standard (RCS) and the Global Recycled Standard (GRS) are Chain of Custody standards to track recycled polyesters through the supply chain. The GRS, in addition, requires social and environmental criteria to be met during the processing stages.

**rPET Module Score**

| Company: 81 – Leading | Sub-Sector: 36 | Sector: 36 |

**rPET Module Participants:** 60

| MS/Apparel (XL): 18% | Apparel (L): 20% | Apparel (S/M): 22% | Outdoor/Sports: 32% | Home Textiles: 8% |

### Section 2: Supply Chain

**Section 2 Score**

| Company: 74 - Progressing | Sub-Sector: 37 | Sector: 35 |

Overall, the sector scored 35 for Section 2: Supply Chain. Chain of Custody score stayed constant at 42 over the last year while improvements were seen in Mapping (from 29 to 36) and Sustainability Investment (20 to 21). 71% of rPET participants are using either RCS, GRS or SCS as third-party standard to verify recycled content and 39% participants are extending beyond the standard to map their own recycled content along the supply chain. Sustainability Investment remains the area requirement most attention with just 25% of rPET participants actively investing in their supply chain.

### Section 3: Consumption

**Section 3 Score**

| Company: 84 - Leading | Sub-Sector: 37 | Sector: 41 |

Overall, Section 3: Consumption scored 42 – a 13-point jump from 2017, moving this section into “Developing” stage. Improvements were visible in Consumption Reporting (from 69 to 80), Uptake (21 to 29) and particularly in SMART Targets (27 to 51). 69% of rPET participants have an overall target on recycled content, 59% participants have a target specific to rPET and 13% are maintaining their target of 100% rPET usage. 84% participants are tracking and reporting consumption data.
## Section 4: Consumer Engagement

### Section 4 Score

- **Company:** 91 - Leading
- **Sub-Sector:** 34
- **Sector:** 31

Overall, the sector scored 31 for Section 4: Consumer Engagement in rPET. While 43% and 45% rPET participants have reported the fiber as complementary and core to Establishing Brand Identity (64), commitment to rPET is not coming through in Monitoring Business Benefits (21), Calculating ROI (13) and Evaluation of Consumer Strategy (19). On the positive note, 80% participants are communicating/labeling their rPET content and 54% are conveying the benefits of rPET to its customers – this is reflected in the scores of Product Marks & Labeling (36) and Consumer Strategy (42).

### + Company, Sub-Sector, and Sector Results for Q30 to Q35 (Score)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>Sub-Sector</td>
<td>Sector</td>
<td>Company</td>
<td>Sub-Sector</td>
<td>Sector</td>
</tr>
<tr>
<td>100</td>
<td>85</td>
<td>100</td>
<td>20</td>
<td>88</td>
<td>81</td>
</tr>
</tbody>
</table>

**Consumption Ranking:** 30 out of 47
- rPET Share of Polyester Portfolio: 90%
- Growth 2016-17: 260%
- Growth 2015-16: -33%
- Growth 2014-15: 200%
- Growth 2013-14: 0%

Note: Dashboard data is only available if data has been provided in portfolio breakdown and uptake. All consumption values below 1mt are rounded up to 1mt in the consumption dashboard.

### + Company and Sector SMART Targets (% Participant's Response)

<table>
<thead>
<tr>
<th></th>
<th>No Targets</th>
<th>In Devʼl</th>
<th>Yes</th>
<th>Recycled PFM Overall Target</th>
<th>rPET Specific SMART Target</th>
<th>Achieve/Maintain 100% Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector</td>
<td>16%</td>
<td>20%</td>
<td>64%</td>
<td>64%</td>
<td>59%</td>
<td>13%</td>
</tr>
<tr>
<td>Company</td>
<td>N/A</td>
<td>N/A</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>N/A</td>
</tr>
</tbody>
</table>

- **Company YOY Consumption Dashboard (mt)**

- **Company**

- **Sub-Sector**

- **Sector**

- **Consumption Ranking:** 30 out of 47
  - rPET Share of Polyester Portfolio: 90%
  - Growth 2016-17: 260%
  - Growth 2015-16: -33%
  - Growth 2014-15: 200%
  - Growth 2013-14: 0%
The definition of a “preferred” Man Made Cellulosic (pMMC) is under development. Preferred options, that are more sustainable, hold opportunities to improve the impact of MMCs on the environment and people. Preferred MMCs in this benchmark are composed of feedstock sourced from certified forests or plantations and are manufactured using more sustainable processes (reduced use of hazardous chemicals, better chemical management, reduced water and energy consumption and reduced emissions of pollutants) according to Life Cycle Assessment. The PFM Benchmark Program currently offers modules for MMCs that fit these criteria: Preferred Lyocell (pLyocell), Preferred Modal (pModal) and Preferred Viscose (pViscose). Sustainability weightings vary between the three modules. Technologies for recycling cotton and cellulose materials provide opportunities to avoid virgin inputs and will be considered in this program in the future.

MMC Usage Breakdown

pMMC usage was based on data from 61 companies that took part in the PFM Benchmark survey or Consumption Tracker and make up 55% of the total number of participants – a significant increase from 47 companies last year. Except for Home Textiles (with a participation rate of 5%), responses across sub-sectors are fairly evenly distributed at 26% for Apparel (S/M), 25% for Outdoor/Sports, 23% for MS/Apparel (XL), and 21% for Apparel (L).

+ pMMC Participation Breakdown for Full Benchmark Program (Survey + Tracker) (Number)

<table>
<thead>
<tr>
<th>Sector (Total)</th>
<th>pLyocell</th>
<th>pModal</th>
<th>pViscose</th>
</tr>
</thead>
<tbody>
<tr>
<td>MS/Apparel (XL)</td>
<td>13</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>Apparel (L)</td>
<td>12</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Apparel (S/M)</td>
<td>16</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>Outdoor/Sports</td>
<td>14</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Home Textiles</td>
<td>4</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Note: The above participation rate includes modules marked as “In Development” which are excluded from analysis and scoring. The number of companies that selected “In Development” for pMMC are: pLyocell 5, pModal 5 and pViscose 2.

+ MMC Usage: Company, Sub-Sector, and Sector Estimated Averages (%)

<table>
<thead>
<tr>
<th>Sector</th>
<th>pViscose</th>
<th>pModal</th>
<th>pLyocell</th>
<th>Other (such as Cupro)</th>
<th>Conventional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Textiles</td>
<td>38</td>
<td>62</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Outdoor/Sports</td>
<td>50</td>
<td>32</td>
<td>18</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Apparel (S/M)</td>
<td>27</td>
<td>5</td>
<td>68</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Apparel (L)</td>
<td>44</td>
<td>3</td>
<td>22</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>MS/Apparel (XL)</td>
<td>27</td>
<td>7</td>
<td>5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Company</td>
<td>75</td>
<td>78</td>
<td>30</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Note: The percentage breakdowns in the chart above have been rounded up to the closest digit and may be adjusted +/- 1% to ensure the portfolio breakdown sums to 100%.

The MMC usage proportional breakdown is: 37% Conventional Viscose, 41% pLyocell, 11% pModal, 8% pViscose and 3% Other (such as Cupro).

In 2018, MS/Apparel (XL) had the largest share of viscose (74%) and Apparel (S/M) the least (14%). Apparel (S/M) reported the largest share of pLyocell (62), followed closely by Outdoor/Sports (60%) and MS/Apparel (XL) the least (5%). Apparel (S/M) reported the largest share of pModal (19%) and Apparel (L) the least (2%). Apparel (L) reported the largest share of pViscose (22%). No pViscose portfolio breakdown was reported in the MMC portfolios of Outdoor/Sports and Home Textiles.

Man Made Cellulosics Usage

Your company’s man made cellulosic modules consist of: Lyocell,pModal,pViscose.

<table>
<thead>
<tr>
<th>Preferred</th>
<th>Conventional</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>0%</td>
</tr>
</tbody>
</table>
PFM Module: Preferred Lyocell

Lyocell is a MMC made in a closed-loop system that recycles the majority of the solvent used. A preferred Lyocell must use feedstock from a sustainable source (e.g. FSC certified forest). The closed-loop Lyocell process is considered the Best Available Technology (BAT) for MMC production and processing.

<table>
<thead>
<tr>
<th>pLyocell Module Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company: 81 – Leading</td>
</tr>
<tr>
<td>Sub-Sector: 41</td>
</tr>
<tr>
<td>Sector: 34</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>pLyocell Module Participants: 48</th>
</tr>
</thead>
<tbody>
<tr>
<td>MS/Apparel (XL): 21%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Forestry Standards Reported:</th>
</tr>
</thead>
<tbody>
<tr>
<td>No info: 26%</td>
</tr>
</tbody>
</table>

Section 2: Supply Chain

All pLyocell participants (100%) are using Lenzing-Tencel, with a small number (16%) using Tencel and/or pLyocell from other suppliers. Overall, the sector score for pLyocell Supply Chain is 29. Code of Conduct (33) is the highest scoring area in this section with 35% of pLyocell participants having a forestry code of conduct or policy in place and 42% partnering with Canopy for the same. 37% of pLyocell participants are able to map their fiber to varying degrees through the tiers, which resulted in a sector score of 39. 37% of pLyocell participants carry out further Sustainability Investment (22) within their supply chain.

Section 3: Consumption

The sector scored 42 for Section 3: Consumption. SMART Targets (27) and Uptake (40) saw a 6 and 7-point rise respectively in 2018 while Consumption Reporting (69) dropped 2-points. 37% pLyocell participants reported overall pMMC targets, 30% reported specific targets on pLyocell and 23% are maintaining their exclusive pLyocell usage. 74% pLyocell participants are reporting consumption.
Section 4: Consumer Engagement

Section 4: Consumer Engagement for pLyocell scored 30. Improvements are seen in Establishing Brand Identity (54), Product Marks & Labeling (38), Calculating ROI (15) and Consumer Strategy (39) in 2018. Monitoring Business Benefit (23) and Evaluation of Consumer Strategy (17) saw a slight drop in scores over the same period. 40% and 30% of pLyocell participants reported the fiber as complementary and core to its brand identity. 79% participants communicate/label their pLyocell products either through own communication (53%) or supplier label (28%) while 53% convey the benefits of pLyocell to their customers. Areas to improve include Calculating ROI and Evaluation of Consumer Strategy which is currently being carried out by 16% and 21% of pLyocell participants respectively.

Note: Dashboard data is only available if data has been provided in portfolio breakdown and uptake. All consumption values below 1mt are rounded up to 1mt in the consumption dashboard.
PFM Module: Preferred Modal

**pModal Module Score**

| Company: 61 – Establishing | pModal Module Participants: 22
| Sub-Sector: 33 | Forestry Standards Reported: |
| Sector: 30 | MS/Apparel (XL): 45% | Apparel (L): 9% | Apparel (S/M): 18% | Outdoor/Sports: 27% | Home Textiles: 0%

A preferred Modal must use feedstock from a sustainable source (e.g. FSC certified forest) and be manufactured using more sustainable processes (chemical management, reduced waste, water and energy consumption and reduced emission of air and water pollutants).

**Section 2: Supply Chain**

**Section 2 Score**

| Company: 79 – Progressing | All (100%) of pModal participants are using Modal-Lenzing (Edelweiss® fiber technology) and 18% of participants are using Modal from Lenzing and/or other suppliers. The overall sector score for Supply Chain is 27. 59% of the pModal participants have a forestry policy or code of conduct in place, which resulted in a Code of Conduct score of 38. With only 29% participants carrying out supply chain mapping, Mapping dropped 12-points from 33 to 21. Sustainability Investment stayed at 16 in the last year and remains the area requiring most attention with only 24% participants making investment in the supply chain. |
| Sub-Sector: 31 | Sector: 31 |

+ Company, Sub-Sector, and Sector Results for Q16, Q18 and Q21 (Score)

**Section 3: Consumption**

**Section 3 Score**

| Company: 35 – Starting Out | pModal Section 3: Consumption for the sector is 29. While the sector improved 4-points in Consumption Reporting to 64, SMART Targets (25) and Uptake (21) both dropped 2 and 9 points respectively in the last year. Majority of pModal participants continue to have No Targets (41%) or are currently Developing Targets (18%). 41% of participants have an overall target for pMMC while only 24% have specific targets for pModal. |
| Sub-Sector: 38 | Sector: 30 |

+ Company, Sub-Sector, and Sector Results for Q24, Q25 and Q26 (Score)
**Section 4: Consumer Engagement**

The sector score for Section 4: Consumer Engagement is 25. Establishing Brand Identity (46) remains the strongest area in this section despite a drop of 5-points in the last year with 24% and 41% pModal participants reporting the fiber as complementary and core to their brand respectively. Product Marks & Labeling (29) improved by 6-points with 71% communicating/labeling pModal products either through own communication (47%) or supplier label (12%). Monitoring Business Benefits (18), Calculating ROI (18) and Evaluation of Consumer Strategy remains areas for improvements.
A preferred Viscose must use feedstock from a sustainable source (e.g. FSC certified forest) and be manufactured using more sustainable processes (chemical management, reduced waste, water and energy consumption and reduced emission of air and water pollutants).

Forestry Standards Reported:
- FSC: 92%
- PEFC: 58%
- SFI: 8%
- Other: 0%
- No Breakdown Given: 8%

Section 2: Supply Chain

Section 2: Supply Chain for pViscose scored 33 in 2018. Code of Conduct stayed constant at 35, Mapping fell by 8-points to 32 and Sustainability Investment improved by 6-points to 32. 42% of participants have their own policy or code of conduct in place for sourcing pViscose and 42% partner with Canopy to do so. 42% pViscose participants have a system to map their pViscose and 42% of the participants of pViscose make additional Sustainability Investments in their supply chains.

Section 3: Consumption

The sector score for Section 3: Consumption is 38. 75% of the pViscose participants reported consumption data, resulting in a score of 64 for Q25. SMART Targets (35) improved 9-points and Uptake (32) dropped 1-point in the last year. Only 25% of the pViscose participants have specific SMART targets for the fiber. Almost two-thirds (67%) maintain an overall target at pMMC level while 33% either have no targets or are in the process of development targets.
Section 4: Consumer Engagement

At 18, the sector score for Consumer Engagement is the lowest among all PFM sectors. Establishing Brand Identity (47) improved by 10-points in the last year reflecting the 88% of pViscose participants reporting the fiber either as core or complementary to their brand value. This result however is not carried through in Product Marks & Labeling (8) where 83% of participants are not labeling products, Consumer Strategy (16) and Evaluation of Consumer Strategy (8), all of which suffered a drop of between 8 to 18-points. Only 17% of pViscose are communicating/labeling their products and 8% are monitoring customer engagement activities.
The preferred down (pDown) module currently incorporates products certified to Responsible Down Standard (RDS), Traceable Down Standard (TDS), Downpass, recycled standard (i.e. Recycled Claim Standard (RCS), Global Recycled Standard (GRS) and SCS Recycled Content (RC) Standard) or organic standard (i.e. Organic Content Standard (OCS) or Global Organic Textile Standard (GOTS)).

Down Usage Breakdown

Down usage was based on the 45 companies who took part in either the full PFM Benchmark survey or the Consumption Tracker and make up 41% of the total number of participants – a 22% increase in participation from 2017. The top three sub-sectors participating in pDown were Outdoor/Sports (33%), Apparel (L) (29%) and MS/Apparel (XL) (22%).

+ pDown Participation Breakdown For Full Benchmark Program (Survey + Tracker) (Number)

<table>
<thead>
<tr>
<th>Sector (Total)</th>
<th>45</th>
</tr>
</thead>
<tbody>
<tr>
<td>MS/Apparel (XL)</td>
<td>10</td>
</tr>
<tr>
<td>Apparel (L)</td>
<td>13</td>
</tr>
<tr>
<td>Apparel (S/M)</td>
<td>2</td>
</tr>
<tr>
<td>Outdoor/Sports</td>
<td>15</td>
</tr>
<tr>
<td>Home Textiles</td>
<td>5</td>
</tr>
</tbody>
</table>

Note: The above participation rate includes modules marked as “In Development” which are excluded from analysis and scoring. In all, there are 8 companies that selected pDown as “In Development”.

+ Down Usage: Company, Sub-Sector, and Sector Estimated Averages (%)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Downpass</th>
<th>Organic</th>
<th>Traceable</th>
<th>Responsible</th>
<th>Recycled</th>
<th>Other</th>
<th>Conventional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Textiles</td>
<td>25</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td>Outdoor/Sports</td>
<td>13</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>80</td>
</tr>
<tr>
<td>Apparel (S/M)</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>64</td>
</tr>
<tr>
<td>Apparel (L)</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>64</td>
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<td>MS/Apparel (XL)</td>
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<td>0</td>
<td>0</td>
<td>68</td>
</tr>
<tr>
<td>Company</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>77</td>
</tr>
</tbody>
</table>

Note: The percentage breakdowns in the chart above have been rounded up to the closest digit and may be adjusted +/- 1% to ensure the portfolio breakdown sums up to 100%.

The down usage proportional breakdown is: 5% conventional, 65% RDS, 10% TDS, 5% Downpass, 3% organic down, 1% recycled down and 11% Other (including IDFL and second party certifications).

As only 1 Apparel (SM) participant reported its down portfolio breakdown, the average presented here is not representative and, therefore, will not be discussed further here.

In 2018, Home Textiles down portfolio had the largest share of conventional down (25%). Down certified to the Responsible Down Standard (RDS) is represented in all sub-sectors: Outdoor/Sports reported the largest share (84%) and Home Textiles the least (0.3%). Down certified to the Traceable Down Standard (TDS) is reported to be used in MS/Apparel (XL) (14%), Outdoor/Sports (13%) and Apparel (L) (10%). Few companies reported use of Downpass in MS/Apparel (XL), Apparel (L) and Home Textiles. Organic down was only reported within the Apparel (L) sub-sector (10%). Recycled down was also only reported in one sub-sector: Outdoor/Sports (2%).

Down Usage

Your company’s down modules consist of: cDown.

<table>
<thead>
<tr>
<th>Preferred</th>
<th>Conventional</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>0%</td>
</tr>
</tbody>
</table>
PFM Module: Preferred Down

Preferred Down (pDown) comes from farms certified to either the Responsible Down Standard (RDS), the Traceable Down Standard (TDS), or Downpass Standard (revised in 2017). Among other animal welfare criteria, pDown excludes feathers/down from birds that have been live plucked or force-fed. The portfolio of pDown options also includes recycled down (e.g. certified to the Global Recycled Standard (GRS), Recycled Content Standard (RCS), SCS Recycled Content (RC) Standard).

Section 2: Supply Chain

The sector scored 55 overall for Section 2: Supply Chain. In 2018, this module extended to cover organic and recycled down which may have impact on the scores. Chain of Custody (78) improved by 2-points, Mapping (49) dropped 6-points and Sustainability Investment (21) stayed constant. 84% of participants rely on RDS/TDS. 9% on Downpass, 6% on RCS/GRS/SCS and 3% on OCS/GOTS to verify more sustainable down content. 66% of pDown participants have a system in place to map their down content and 31% are making additional investment in the supply chain.

Section 3: Consumption

Section 3: Consumption sits in “Progressing” performance band, with a score of 71 – the highest across all modules. SMART Targets saw a 14-point rise from 53 to 67 in 2018 due to 84% participants reporting specific SMART Targets and 78% participant maintaining 100% usage. Consumption Reporting also increased from 55 to 60 based on 66% participant being transparent about their consumption data. Despite a 1-point drop in Uptake (75), pDown’s Uptake score remains the highest amongst all modules.
+ Company and Sector SMART Targets (% Participant’s Response)

<table>
<thead>
<tr>
<th>No Targets</th>
<th>In Dev’t</th>
<th>Yes</th>
<th>Responsible PFM Overall Target</th>
<th>pDown Specific SMART Target</th>
<th>Achieve/Maintain 100% Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector</td>
<td>6%</td>
<td>3%</td>
<td>91%</td>
<td>91%</td>
<td>84%</td>
</tr>
<tr>
<td>Company</td>
<td>N/A</td>
<td>N/A</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
</tr>
</tbody>
</table>

+ Company YOY Consumption Dashboard (mt)

<table>
<thead>
<tr>
<th>Year</th>
<th>Consumption Ranking: 10 out of 21</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>pDown Share of Down Portfolio: 10000%</td>
</tr>
<tr>
<td>2015</td>
<td>Growth 2016-17: 60%</td>
</tr>
<tr>
<td>2016</td>
<td>Growth 2015-16: 75%</td>
</tr>
<tr>
<td>2017</td>
<td>Growth 2014-15: n/a%</td>
</tr>
<tr>
<td>2018</td>
<td>Growth 2013-14: n/a%</td>
</tr>
</tbody>
</table>

Note: Dashboard data is only available if data has been provided in portfolio breakdown and uptake. All consumption values below 1mt are rounded up to 1mt in the consumption dashboard.

---

Section 4: Consumer Engagement

<table>
<thead>
<tr>
<th>Section 4 Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company: 89 - Leading</td>
</tr>
<tr>
<td>Sub-Sector: 43</td>
</tr>
<tr>
<td>Sector: 28</td>
</tr>
</tbody>
</table>

The sector score for Consumer Engagement is 28. The use of Product Marks & Labeling scored the sector 37 points due to 72% of participants communicating or labeling their pDown products. Calculating ROI scored 18, with 16% of participants calculating a return (ROI) on pDown product sales. The sector scored 29 for Consumer Strategy, with 38% engaging with consumers about the benefits of certified down. Interestingly compared to 2017, areas that saw improvements were Monitoring Business Benefits and Calculating ROI. All other areas dropped between 2 to 6 points.

+ Company, Sub-Sector, and Sector Results for Q30 to Q35 (Score)

- Establishing Brand Identity (Q30)
- Product Marks & Labeling (Q31)
- Monitoring Business Benefits (Q32)
- Calculating ROI (Q33)
- Consumer Strategy (Q34)
- Evaluation of Consumer Strategy (Q35)
The preferred wool (pWool) module currently incorporates products certified to Responsible Wool Standard (RWS), recycled standard (i.e. Recycled Claim Standard (RCS), Global Recycled Standard (GRS) and SCS Recycled Content (RC) Standard) and organic standard (i.e. Organic Content Standard (OCS) or Global Organic Textile Standard (GOTS)).

Wool Usage Breakdown

Wool usage was based on the 29 companies who took part in either the full PFM Benchmark survey or the Consumption Tracker, and make up 26% of the total number of participants. Participation from the top three sub-sectors in pWool were MS/Apparel (XL) (24%), Apparel (L) 21% and Outdoor/Sports (31%).

<table>
<thead>
<tr>
<th>Sector</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>MS/Apparel (XL)</td>
<td>7</td>
</tr>
<tr>
<td>Apparel (L)</td>
<td>6</td>
</tr>
<tr>
<td>Apparel (S/M)</td>
<td>6</td>
</tr>
<tr>
<td>Outdoor/Sports</td>
<td>9</td>
</tr>
<tr>
<td>Home Textiles</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: The above participation rate includes modules marked as "In Development" which are excluded from analysis and scoring. In all, there are 8 companies that selected pWool as ‘In Development’.

Wool Usage: Company, Sub-Sector, and Sector Estimated Averages (%)

<table>
<thead>
<tr>
<th>Sector</th>
<th>2nd Party</th>
<th>Organic</th>
<th>Responsible</th>
<th>Recycled</th>
<th>Other</th>
<th>Conventional</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Textiles</td>
<td>68</td>
<td>60</td>
<td>34</td>
<td>9</td>
<td>18</td>
<td>68</td>
</tr>
<tr>
<td>Outdoor/Sports</td>
<td>100</td>
<td>79</td>
<td>100</td>
<td>100</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>Apparel (S/M)</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>Apparel (L)</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>MS/Apparel (XL)</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

Note: The percentage breakdowns in the chart above have been rounded up to the closest digit and may be adjusted +/-1% to ensure the portfolio breakdown sums up to 100%.

The wool usage proportional breakdown is: 54% conventional, 10% RWS, 10% organic down, 7% recycled down, 6% second party wool certification and 13% Other (supplier certifications and company standards).

In 2018, MS/Apparel (XL) wool portfolio had the largest share of conventional down (78%), followed closely by Apparel (L) (77%). Wool certified to the Responsible Wool Standard (RWS) is represented in all sub-sectors, except Apparel (SM). Outdoor/Sports reported the largest share of RWS (29%). Organic wool was reported in all sub-sectors: the largest share is reported by Apparel (L) (16%). Recycled wool is reported in all sub-sectors, except Home Textiles. Apparel (L) (16%) includes the largest share of recycled. Second party wool certifications appear to be relatively common as well, the largest share is reported in the Apparel (SM) sub-sector (22%).

Wool Usage

Your company’s preferred cotton modules consist of: pWOOL.

<table>
<thead>
<tr>
<th>Preferred</th>
<th>Conventional</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Textile Exchange Preferred Fiber & Materials (PFM) Benchmark Company Feedback Report © 2018 | 33
PFM Module: Preferred Wool

**pWool Module Score**
- **Company:** 97 – Leading
- **Sub-Sector:** 46
- **Sector:** 35

**Preferred Wool (pWool)** includes wool that is grown with a progressive approach to land management, and animal welfare. The portfolio of options includes organic, Responsible Wool Standard (RWS) and its equivalencies, and recycled wool (e.g. certified to the Global Recycled Standard (GRS), Recycled Content Standard (RCS), SCS Recycled Content (RC) Standard).

**pWool Module Participants:** 27

MS/Apparel (XL): 26% | Apparel (L): 22% | Apparel (S/M): 22% | Outdoor/Sports: 26% | Home Textiles: 4%

### Section 2: Supply Chain

**Section 2 Score**
- **Company:** 100 - Leading
- **Sub-Sector:** 50
- **Sector:** 39

The sector scored 40 for Section 2: Supply Chain. Chain of Custody received a score of 54 with 16% of pWool participants using OCS or GOTS standard, 32% participants using RCS, GRS or SCS standard and 37% using RWS standard for to verify content claim. With 47% participants having a system in place for mapping pWool supply, this area of Supply Chain practice achieved a sector score of 33. 42% of participants make additional Sustainability Investments in their pWool supply chain, keeping the sector score at 27.

### Section 3: Consumption

**Section 3 Score**
- **Company:** 95 - Leading
- **Sub-Sector:** 50
- **Sector:** 36

Section 3: Consumption sits in the “Starting Out” performance band, with a score of 38. SMART Targets scored 29 with 58% participants having overall pWool target and only 26% targets specific to organic, recycled or responsible. Consumption Reporting performed above par at 56 with 68% participants providing data. Uptake scored 37.
+ Company and Sector SMART Targets (% Participant’s Response)

<table>
<thead>
<tr>
<th></th>
<th>No Targets</th>
<th>In Dev’</th>
<th>Yes</th>
<th>Responsible PFM Overall Target</th>
<th>pWool Specific SMART Target</th>
<th>Achieve/Maintain 100% Usage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector</td>
<td>21%</td>
<td>21%</td>
<td>58%</td>
<td>58%</td>
<td>26%</td>
<td>16%</td>
</tr>
<tr>
<td>Company</td>
<td>N/A</td>
<td>N/A</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
</tr>
</tbody>
</table>

+ Company YOY Consumption Dashboard (mt)

Consumption Ranking: 9 out of 13
pWool Share of Wool Portfolio: 100%
Growth 2016-17: 380%
Growth 2015-16: n/a%
Growth 2014-15: n/a%
Growth 2013-14: n/a%

Note: Dashboard data is only available if data has been provided in portfolio breakdown and uptake. All consumption values below 1mt are rounded up to 1mt in the consumption dashboard.

Section 4: Consumer Engagement

The sector score for Section 4: Consumer Engagement is 24. 84% of pWool participants are reporting the fiber either as core or complementary to their brand value resulting in sector score of 60. However, this is not carried through in other areas which are reporting relatively low scores: Product marks & Labeling (25), Monitoring Business Benefits (16), Calculating ROI (11), Consumer Strategy (20) and Evaluation of Consumer Strategy (22).

+ Company, Sub-Sector, and Sector Results for Q30 to Q35 (Score)
The PFM Benchmark Program

The Preferred Fiber & Materials (PFM) Benchmark Program supports a company’s strategic approach to integrating preferred fiber and materials into business strategy. To help you on your journey, Textile Exchange provides a range of tools and resources (including the PFM Benchmark and Consumption Tracker surveys, feedback reports, guidance notes and getting started webinars). We offer our members customized support to help accelerate their PFM journey. For more details contact us: Support@TextileExchange.org or visit: http://textileexchange.org/pfm-benchmark/support

+ PFM Benchmark Framework

<table>
<thead>
<tr>
<th>Section 1: Corporate Strategy [25%]</th>
<th>Section 2: Supply Chain [30%]</th>
<th>Section 3: Consumption [30%]</th>
<th>Section 4: Consumer Engagement [15%]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 Sustainability Strategy [15%]</td>
<td>Q13 FM Profile [Non-scoring]</td>
<td>Q20 Trade Relations [Non-scoring]</td>
<td>Q28 Key Markets [Non-scoring]</td>
</tr>
<tr>
<td>Q3 Risk Assessment [10%]</td>
<td>Q17 Processing Standards [Non-scoring]</td>
<td>Q21 Sustainability Investment [20%]</td>
<td>Q29 Estimated Sales [Non-scoring]</td>
</tr>
<tr>
<td>Q4 Policies [7.5%]</td>
<td>Q18 Traceability [40%]</td>
<td>Q22 Product Use [Non-scoring]</td>
<td>Q30 Establishing Brand Identity [10%]</td>
</tr>
<tr>
<td>Q6 Accountability [10%]</td>
<td>Q20 Trade Relations [Non-scoring]</td>
<td>Q24 SMART Targets [25%]</td>
<td>Q32 Monitoring Business Benefits [20%]</td>
</tr>
<tr>
<td>Q7 Responsibility [10%]</td>
<td>Q21 Sustainability Investment [20%]</td>
<td>Q25 Consumption Reporting [Non-scoring]</td>
<td>Q33 Calculating ROI [10%]</td>
</tr>
<tr>
<td>Q11 Corporate Reporting [10%]</td>
<td>Q31: PFM Module Selection &amp; Materiality [Non-scoring]</td>
<td>Q32 Monitoring Business Benefits [20%]</td>
<td>Q37 Leading (&gt;80) - Leading the field</td>
</tr>
</tbody>
</table>

PFM Benchmark Scoring Methodology

+ Data
Questionnaires are completed on a voluntary and self-reporting basis. While Textile Exchange carries out a consumption data review, a survey review and a consistency check, it assumes that all data provided is inherently correct.

+ Construct of Question Scores
Question scores are achieved based on responses entered for each question, and are always out of 100. Each question carries a question weight. (Refer to page 7 for full list of question weights.)

+ Construct of Section Scores
Section scores are the aggregation of question scores, multiplied by the question weight in a particular section. There are four sections - 1: Corporate Strategy, 2: Supply Chain, 3: Consumption and 4: Consumer Engagement. Sections 2, 3 and 4 are module based. Each section carries a section weight (see above).

+ Construct of PFM Module Scores
PFM module scores are the accumulation of section scores, multiplied by the section weight in a module. There are thirteen scoring modules to select from: OFT, OC, FT, CmiA, BCI, REEL, rCotton, rPET, pLycocell, pModal, pViscose, pDown and pWool. Modules are based on a company’s selection.

+ Construct of Portfolio Scores
Your preferred cotton score reflects your overall preferred cotton conversion based on the uptake, preferred cotton versus conventional usage and the sustainability weight of the preferred cotton used. If this data is not provided, "n/a" will be displayed.

+ Construct of FM Usage Scores
FM usage scores reflect your overall PFM conversion. It is based on the uptake, PFM versus conventional usage and the sustainability weight of the PFM used. If this data is not provided, "n/a" will be displayed.

+ Construct of PFM Index Result
The PFM Index Result comprises of a company’s Section 1 score plus the average score for Sections 2, 3 and 4 for a company’s top three performing modules. A company’s top three performing modules are ranked on the entirety of the module and not according to sections.

+ Performance Bands
• Starting Out (<40) - Beginning the journey
• Developing (40-59) - Laying the foundations
• Establishing (60-69) - Building on the foundations and developing further
• Progressing Well (70-79) - Activities maturing and leadership is emerging
• Leading (>80) - Leading the field
  • pCotton: REEL 0.50, BCI 0.60, CmiA 0.70, FT 0.80, OC 0.90, OFF 1.00, rCotton 1.00
  • pPET: pPET 1.0
  • pMM: pViscose 0.50, pModal 0.80, pLycocell 1.0
  • pDown: RDS 1.0, TDS 1.0

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