

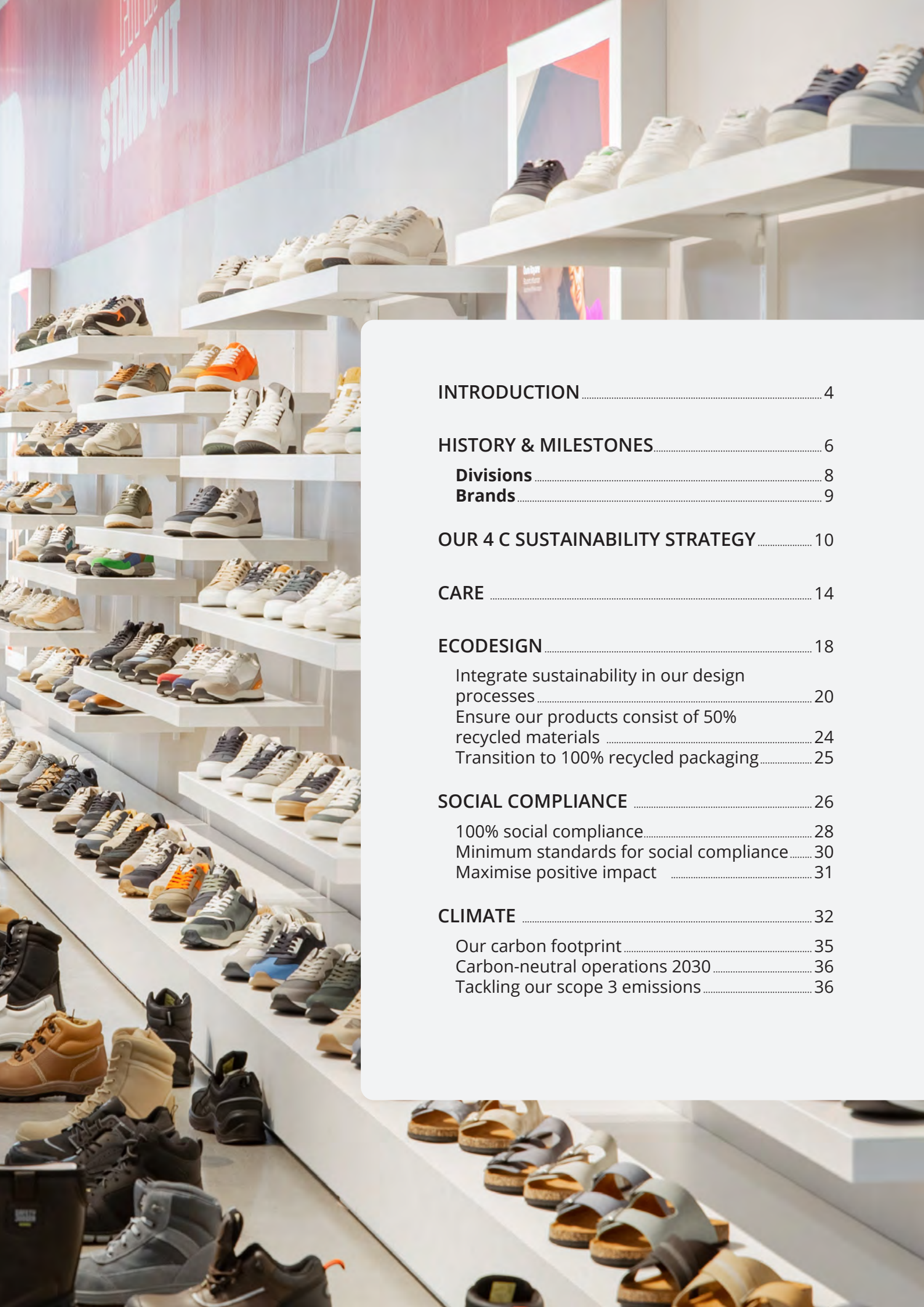
cortina



OUR 4 C SUSTAINABILITY STRATEGY



INDEX



INTRODUCTION	4
HISTORY & MILESTONES	6
Divisions	8
Brands	9
OUR 4 C SUSTAINABILITY STRATEGY	10
CARE	14
ECODESIGN	18
Integrate sustainability in our design processes	20
Ensure our products consist of 50% recycled materials	24
Transition to 100% recycled packaging	25
SOCIAL COMPLIANCE	26
100% social compliance	28
Minimum standards for social compliance	30
Maximise positive impact	31
CLIMATE	32
Our carbon footprint	35
Carbon-neutral operations 2030	36
Tackling our scope 3 emissions	36

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INTRODUCTION



I believe that the responsibilities of a family-owned company extend far beyond the daily operations. **We think long term.**

Future generations are always in mind when growing our business. Every employee is a valued part of our extended family and bounded by our **PECT values**:



- **Passion** fuelling our drive
- **Excellence** defining our standards
- **Commitment** binding us to our goals
- **Team Spirit** uniting us and granting us the freedom to move and grow

The positive impact we strive to achieve not only focuses on our organisation but also on the world around us. We use ethical business practices and have a genuine concern for the wellbeing of all our stakeholders, from employees and suppliers, to customers and society.

Our broader sense of responsibility is reflected in our corporate philanthropy, our projects to reduce our environmental footprint, and our initiatives to optimise work-life balance.

I'm convinced our sustainability strategy will act as a beacon for our business decisions, inspire our employees to help shape the future of our company and lift our social responsibility to a higher level.

We are proud and pleased to share our view on how to strengthen our organisation, whilst reducing the negative impact of our activities and maximising the positive impact we can achieve.

Discover the 4 Cs of Cortina!

*Mattias Vanderschueren,
CEO and Chairman Cortina*



A woman with short dark hair, wearing a dark patterned top, stands in profile in a modern office environment. The background features a bright red wall, a glass partition, and indoor plants. The entire image is overlaid with a semi-transparent red filter.

HISTORY & MILESTONES

cortinag
because we improve you

We are Cortina, a **family business** founded in the **early fifties** in **Oudenaarde, Belgium**. Over the past 70 years, we have grown into an international company that delivers over **30 million pairs of shoes** and **5 million pieces of apparel** to **wholesalers, retailers and customers** all over the world. Our rapid expansion is driven by the dedication of our people and long-term partnerships with suppliers, ensuring we uphold the **highest quality standards**. Cortina is known for being a trusted partner, offering competitive pricing, exceptional quality and reliable delivery times.

History of growth



1950

Establishment of a **small shoe factory** in Oudenaarde, Belgium, marking the humble beginning of our journey.

1979

Start of **importing goods from the Far East** (Taiwan, Indonesia and Thailand).

1984

Start of **importing goods from China**, significantly accelerating our growth. By being one of the first European companies to do so, we ensured **rapid expansion** in our market while upholding **strict quality standards**.



2000

Opening of the **first sample factory in China**, aimed at enhancing the **quality of our products** through local production, innovation and quality control.

1990

Launch of our **first sales office in China**, marking a significant milestone in our **global presence** and market penetration strategy.



2012

Consolidation of our five Chinese sales offices and three sample factories into one **centralised main office and sample factory** located in Dongguan, China, streamlining operations and optimising efficiency.



2014

Transition of our family company to the **third generation**, with new leadership guiding our business forward.

2022

Start of **outsourcing production in India and Pakistan**, allowing us to move closer to our key markets and optimise logistics.

Cortina today

Today, Cortina is an international **industry leader** with **over 70 years of expertise** and a diverse **workforce spanning Belgium, China, and beyond**. Our strong sales figures underpin our commitment to excellence and sustainable growth, with **millions of pairs of shoes and apparel** sold annually worldwide.

+70 years of experience

in the development and distribution of footwear and apparel

200M USD total turnover

making Cortina a financially stable partner

35M pairs of shoes & textile

developed, produced and delivered each year

450 motivated employees

with a passion for our products

5,000 customers

being serviced by our professional sales team in over 120 countries

8 showrooms

in our offices in Belgium and China

2,500 unique models

developed each year

15 global designers

supported by Cortina worldwide

| DIVISIONS

Cortina operates through **three main divisions**:

Brands

We proudly own and operate **successful brands**, including our personal protective equipment (PPE) brand **Safety Jogger**, our lifestyle sneaker brand **SJ** and our sportswear brand **Patrick**.

Licenses

Under the name **Leomil**, we offer a wide range of **licensed footwear** options, featuring world's most popular **brands** and **characters**. This includes Mickey Mouse, characters from Frozen and Paw Patrol, and many more.

Private label

We are a key player in the global **private label footwear** market, annually designing, producing, and distributing a diverse collection of **over 2500 models for children and adults**.

| BRANDS



Founded in 2000, Safety Jogger has grown into a **global leader in personal protective equipment**, available in **143 markets**. Safety Jogger's mission is to provide a **one-stop protective solution**, offering an extensive portfolio of **certified products from head to toe**. In addition, Safety Jogger is renowned for its **competitive pricing, quality, and innovative and sustainable designs**.



SJ is a **lifestyle sneaker brand** dedicated to crafting cool, comfy, and responsible footwear. Drawing on 70 years of shoemaking expertise, SJ revolutionises the sneaker market with **innovative yet affordable sneakers** that combine fashion, comfort, and responsibility. SJ's mission? **To make extraordinary footwear accessible to everyone**, granting each person the **freedom to move**.



Founded in 1892, Patrick has an extremely rich history and **more than 100 years of experience**. Today, Patrick creates **bestseller sports and lifestyle collections** that fit the needs of numerous sports enthusiasts, clubs and teams. Quality products are available from stock or can be customised through own **sublimation facilities** for sports teams in Europe.



OUR 4 C SUSTAINABILITY STRATEGY

“In 2023, we partnered with Sustenuto BV to help us crystallise our vision and transform it into an actionable strategy.”

Engaging many enthusiastic Cortinians from across our business, we evaluated four key categories — **Products, People, Planet** and **Governance** — to identify the most relevant topics for our activities.



As a next step, **we finetuned these topics** for our strategy:

- Topics which are already an essential part of our broader business strategy (e.g. material health & safety) where not retained for our sustainability strategy. These topics are and will remain part of our overall approach.
- Topics we already focus on, but with a clear desire to strengthen or broaden our approach, were identified (e.g. human rights in the supply chain, well-being or our employees) and retained in our sustainability strategy.

To **set clear targets for our priority topics**, we used the following approach:

- Where sufficient data and information were available, we defined clear, quantitative goals and KPIs.
- Where data was lacking, we identified a clear path to collect the required data, allowing us to define targets.

"Our goal is to minimise our environmental impact and carbon footprint for carbon-neutral operations while prioritising the well-being of our people, contributing positively to society."

We captured this ambition

Our pillar Care focuses on the people around us, both our employees and our communities. To strengthen our preferred employer ambition, we have selected the **Great Place To Work** Trust Model as our framework and in 2025, we will initiate the process to achieve the Great Place To Work certificate. In support of our communities, we remain focused on promoting good mental health and well-being, fighting poverty and enhancing quality education by supporting various charities.

Care



Climate



Fighting climate change is essential for future livability of our planet. Our contribution to this challenge focusses on achieving **net-zero emissions for our scope 1 and 3** by 2030. We will also **incorporate the product carbon footprint in our design processes** and **aim to reduce the carbon footprint of our materials with 30% by 2035**.



Cortina proudly achieved the **EcoVadis** world's leading sustainability rating place of all EcoVadis-certified companies working to creating a more sustainable future.

int by incorporating sustainability into our design processes. We strive
r employees, fostering responsible practices in our supply chain, and
itively to society.”

tion in our **4 C strategy**:



We will incorporate the ecodesign principles for all our designs and by focusing on the use of recycled and renewable materials, we aim to **reduce this impact with 25% by 2035**. Furthermore, we will replace **100% of our packaging materials** with recycled or recyclable materials by **2030**.

eCodesign

Social Compliance

Ensuring a sustainable supply chain which respects social and environmental standards is essential to us. We want all our **Tier 1-suppliers** as well as our **nominated Tier 2-suppliers** to be **third-party audited** by 2030.

Platinum Medal, the highest recognition from the platform. This prestigious award places us in the top 1% worldwide and highlights our unwavering commitment

A man in a dark suit and glasses is leaning over a counter, examining a white sneaker. The background shows a retail environment with shelves and other people. The entire image is overlaid with a semi-transparent red filter.

CARE

“Our employees, the Cortinians, are what make this company a success. It goes without saying that their health and well-being are paramount to us.”

The well-being and engagement of our employees is essential to realise our goals. We always strive to treat our employees **equally**, whilst appreciating the cultural differences and local needs which arise from having a significant workforce in Belgium and China.

We want to make sure all our employees feel secure and encouraged to develop their potential and grow within our company, regardless of their location or business unit.

As a family-owned company, we want all our employees to feel connected with each other. We organise companywide events and launch new initiatives in Belgium and China to nurture **a one-company feeling**. We also deploy a corporate social network to engage formally and informally with colleagues and the company.

To further support social interactions, we have coffee corners with refreshments and fresh fruits in our bright and comfortable offices. After work, our employees can enjoy entertainment facilities and coaching to help improve mental and physical wellbeing. Obviously, our biggest connector is the passion for shoes and apparel, so annually, our employees benefit from a number of free products.

Specifically for our **Chinese employees** living further away, we

offer free hot meals and free accommodations (including Wi-Fi, TV, and more). For employees living in the area, we offer free shuttle bus services. For employees who originate from different provinces, we offer transport benefits (including bus, train and flights) allowing them to visit their families during the Chinese New Year period.





To identify how we can take even more steps to encourage and support our employees, we have selected the **Great Place to Work Trust Model™**.

This model **evaluates an organisation's commitment to fostering a supportive, inclusive and rewarding work environment.**

In 2025, we will conduct the initial assessment of our workplace culture and employee experience via the **Trust Index® Survey**. This confidential questionnaire will measure our employees' perceptions of trust, credibility, respect, fairness, and camaraderie within our organisation.

From an employee's point of view, the GPTW® certificate ensures:

- enhanced job satisfaction
- a stronger sense of belonging
- opportunities for growth and development
- increased employee engagement
- a better work-life balance

Based on the survey results, **we will address the opportunities and challenges and implement appropriate action plans.** Our goal is to achieve certifications, and maintain and enhance our status as a Great Place to Work.

"In addition to taking care of the whole."

For over two decades, we have actively been part of the **Social Committee**, which is dedicated to making

Te Gek!

psychosenet

**HERSTEL
ACADEMIE**

**GOODS
TO GIVE**

**HET
LEZERS
COLLECTIEF**

YouStart
Empowering Youth

Mental wellbeing

Firstly, we strive to **ensure healthy lives and promote well-being for all.**

That is why we collaborate with renowned mental health organisations such as **Te Gek, Herstelacademie, Lezerscollectief**, and more. Since 2014, we also fund the operation of **Psychosenet**, an easily accessible online platform with clear and objective information about psychosis, created by professionals and experts by experience.

Through these partnerships, we support psychologically vulnerable individuals in Belgium, ensuring they receive the care and resources they need.

our employees, we also believe in taking care of our society as a

involved in **supporting charity projects all over the world**. Today, we continue this tradition through our making a meaningful impact in **three key areas inspired by the UN Sustainable Development Goals**.



No poverty

Secondly, we are also committed to **helping overcome poverty**.

In addition to our ongoing support for the non-profit organisation **Centrum voor Kansarmen**, we've also been partnering with **Goods to Give** since 2019. Goods to Give is a non-profit organisation that collects non-food products from businesses and redistributes them to those in need, via a network of 500 social organisations combating poverty in Belgium.

Through donations of essential products like shoes and sportswear from our brands Safety Jogger and Patrick, we proudly contribute to this cause. In 2023 alone, we distributed **14,344 products** through 111 poverty organisations, directly impacting the lives of people in need.

Quality education

Thirdly, we want to **ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**.

In Belgium alone, there are 273,000 NEET (Not in Employment, Education or Training) young people. Through our support of **YouthStart**, a non-profit organisation, we're empowering these young individuals to kickstart their journey towards a brighter future.

YouthStart provides training and mentorship to approximately 1,000 of these young people annually, supported by 70 coaches across Belgium. During an intensive 8-day training, these youngsters work on a business plan for the future, which they present to an advisory board on the 8th day. In return for their efforts, they receive the YouthStart certificate, giving a positive and productive direction to their lives.

A red-tinted photograph of a child's room. In the foreground, there are shelves with various toys, including a Minnie Mouse plush toy, a Spider-Man mask, and a Pikachu plush toy. In the background, a child is visible, and there are more toys and a box labeled 'PIXAR' on the floor.

ECODESIGN

“Designing footwear and apparel lays at the heart of what we do and what we are passionate about.”

Our designers excel at creating products that not only meet customers’ expectations in terms of style, comfort and quality, but also reflect our commitment to sustainability.

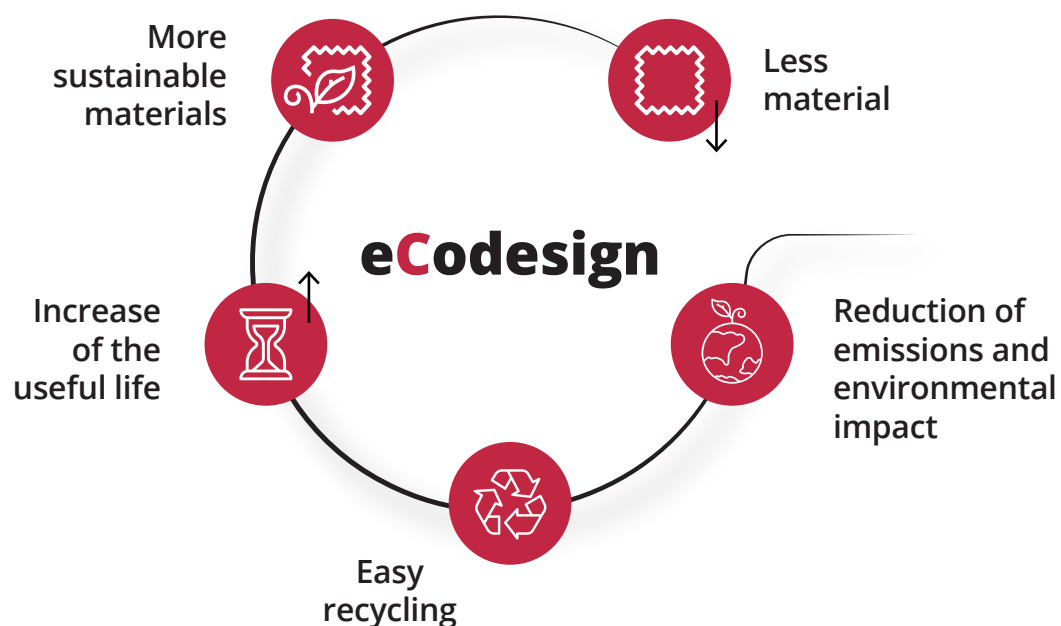
As we strive to become a more sustainable company, **we want to evolve from designers to ecodesigners.**

Ecodesign is a **fundamental strategy to create sustainable products** that meet the needs of today’s environmentally conscious consumers while minimising their impact on the planet.

This involves **considering environmental factors right from the design phase and throughout the entire lifecycle**, from obtaining raw materials to end-of-life disposal.

By doing so, ecodesign plays a crucial role in minimising the environmental impact of products, identifying opportunities to reduce resource consumption, waste generation, and energy use.

Ecodesign fosters innovation by encouraging designers to think creatively and develop new solutions that prioritise sustainability without compromising performance or aesthetics.



| INTEGRATE SUSTAINABILITY IN OUR DESIGN PROCESSES

Sustainability starts at the design phase of a product, considering all lifecycle stages, from raw materials to end of life.

Raw materials acquisition & pre-processing

- raw textile materials
- leather tanning & finishing

Manufacturing

- production of yarn, woven fabric
- bleaching and dyeing
- compound forming
- in-sole production
- assembly

Distribution

- from factory to warehouse
- to distribution hubs
- to retail/stores

Use

- washing, drying, ironing

End of life

- recycling
- incineration
- landfilling

However, **not all stages contribute equally to the impact of a product.**

For example, for footwear, studies show that the materials used create the highest impact (> 50% of Global Warming Potential), while the impact from end-of-life is negligible (< 2%).

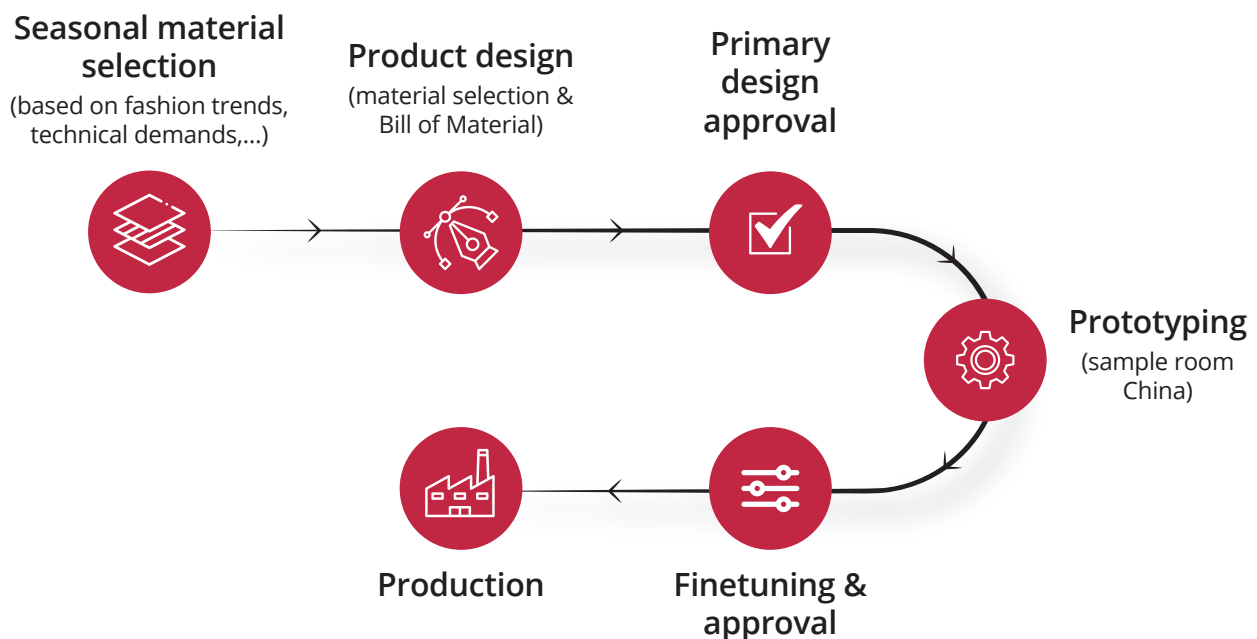
Additionally, **certain life stages are not influenced by design choices:**

- The logistics from our manufacturers to our customers are unaffected by design choices.
- The washing frequency for apparel is mainly determined by its use.
- End-of-life options are mainly determined by local aspects such as collection facilities.

*Given that materials have the most significant impact on the environment, and our designers can influence the choice of materials, we have decided to focus on **integrating the environmental impact of materials into our design choices.***

“Our Private Label division by itself launches about 2,500 models per year. We need a solution capable of dealing with this number of designs without delaying the process.”

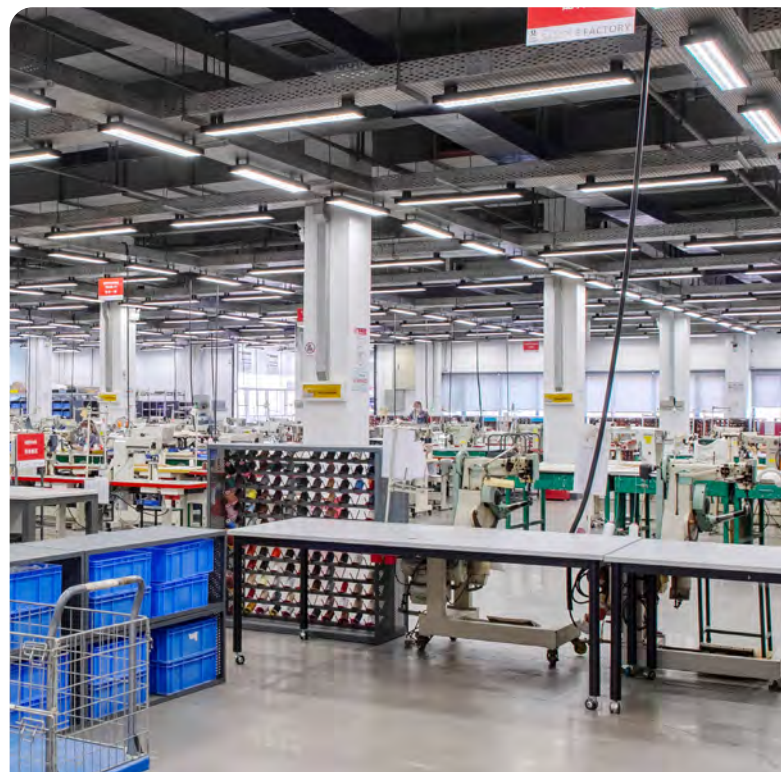
Being able to create that many designs and still exceed our customers’ expectations is key to our success. Our designers and purchasers oversee the complete process, from general material selection to the final manufacturing at our suppliers’ facilities.



To successfully integrate sustainability into this process, we needed a solution providing **easy-to-understand** information about a product’s impact, without requiring much time and effort from our design teams.

Furthermore, we wanted a **science-based solution**, providing quantitative information on how improvements made to our products lower their impact.

Lastly, we needed our solution to **provide automated, objective data** allowing for KPI-management and clear target setting.



"Materials are a designers' playground, with endless textures, colours and creative possibilities."

Our designers have access to a **diverse range of materials** to fulfill their creative needs, carefully selected based on fashion trends and quality standards.

This selection encompasses almost 400 different materials and is **efficiently managed within a centralised database** from which our designers can choose during the design process.

To ensure environmental consciousness, we collaborated with a **Life Cycle Analysis (LCA) expert**. Together, we have allocated each individual material to one of more than **100 different categories** based on their environmental impact, the percentage of recycled content,...

Next, our external LCA-expert **quantified the environmental impact of each material category**. By using the Environmental Footprint database 3.1 (in combination with the Ecoinvent 3.6 database for missing profiles), we calculated a single score for each category according to the Product Environmental Footprint (PEF) approach. Each analysis was conducted using Simapro.

This results in our designers being presented with a single impact score for their design, without having to perform extra tasks. By changing the materials used and/or their quantities, they aim to lower the impact score.

This allows us to **integrate sustainability into the design process** as follows:



Detailed design with BOM

- materials used
- individual quantities used



**Sustainability score
calculated**

- material is linked to material group
- material group score is used to calculate the material score based on the quantity used
- all material scores are summed



Designer receives immediate feedback



The **Product Environmental Footprint**, also the **PEF** methodology, is an important initiative from the European Commission. PEF changes how companies measure the environmental impact of their products throughout their entire life cycle. Rooted in the scientific approach of Life Cycle Assessments, PEF introduces a standardised way to evaluate environmental factors.

The PEF methodology is very similar to a Life Cycle Assessment (LCA) and the common LCA calculation can be used for the PEF calculations.

Just like LCA, PEF is science-based, clear, and quantifies the environmental impacts over the entire life cycle of a product.

The assessment of the environmental impact is quantified through the measurement of environmental impact indicators. **The PEF monitors 16 impacts which can be divided into 3 categories (human health, natural resources, and ecosystems).**

Finally, the overall impact is translated to a single PEF-score, considering the relative importance of each impact category.

We've **integrated the PEF methodology into our ERP software** to simplify sustainability integration in our design processes. Our automated solution provides a **single science-based score**, making it user friendly and easy to understand. Currently, we're conducting tests to validate its effectiveness.

To reduce the sustainability score of our designs, we will focus on the following aspects:

- Reduce the overall material consumption (e.g. lighter shoes)
- Maximize the use of recycled and renewable materials
- Opt for the materials with a lower environmental footprint

Our target is to reduce our average sustainability score by 25% by 2035, considering both the individual scores and the individual sale volumes.



cortina



SOCIAL COMPLIANCE

“Addressing social risks in the supply chain isn’t just about compliance; it’s about safeguarding the dignity and well-being of every individual involved in the journey of our products.”

According to the latest Word Footwear 2023, **87.4% of the global footwear production is situated in Asia.**

Our supply chain is largely situated in Asia (mainly China and India) where sufficient manufacturing plants are available.

Social risks in these regions are complex and varied, encompassing issues like income distribution, labor rights, and demographic shifts. Additionally, cultural and political factors add layers of nuance, affecting social cohesion, community engagement, and individual freedoms.

Despite these challenges, many nations in the Far East are addressing social risks alongside their rapid economic development and urbanisation, leading to improvements for many people involved.

Cortina has a long history of sourcing from the Far East and maintains a substantial local presence, with **employees regularly visiting our existing suppliers and exploring new ones.** Our experience with working conditions is almost always positive.

However, we recognise that **vigilance is necessary.** Addressing social risks requires concerted efforts from all stakeholders to uphold fair labor practices and ensure accountability throughout the supply chain.

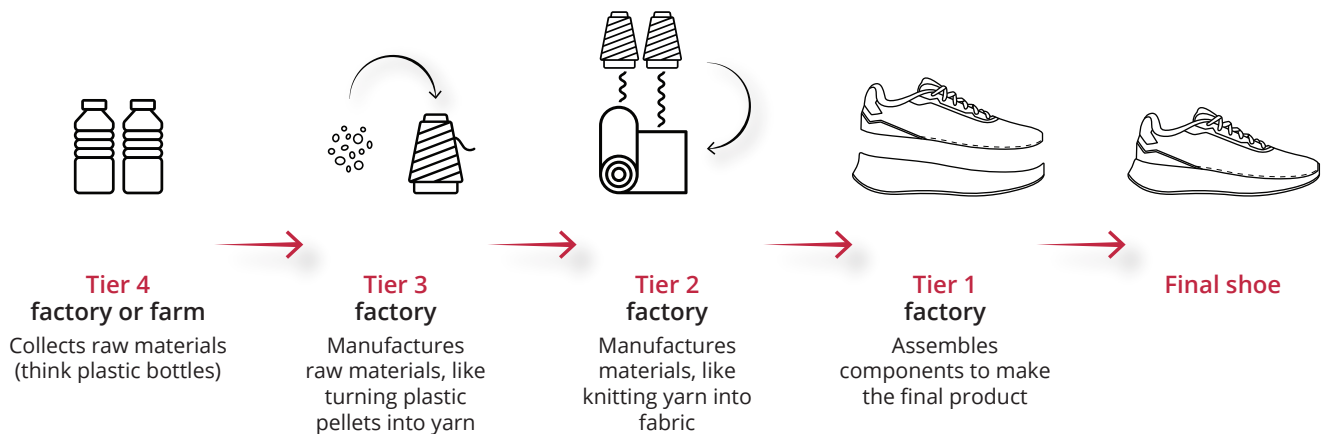


100% SOCIAL COMPLIANCE FOR ALL OUR TIER 1-SUPPLIERS AND OUR NOMINATED TIER 2-SUPPLIERS

We can identify **several groups of suppliers**:

- **Tier 1 suppliers** are those directly contracted by Cortina to assemble our shoes or manufacture our apparel. From these locations, our products are directly transported to our local warehouses to be distributed around the world.
- **Tier 2 suppliers** are companies contracted by the above-mentioned Tier 1 suppliers. They deliver the components and materials needed to manufacture our products.
- Tier 2 suppliers are in turn supplied by the **Tier 3 suppliers**, who are supplied by the **Tier 4 suppliers**, and so on.

Example of a raw material's journey throughout our supply chain



To exceed our customers' expectations, two things are essential:

- Our products must comply with our **quality standards**
- Our products must be delivered **on time** to our customers

Key partners in delivering on these promises are of course the **Tier 1 suppliers**. That's why we carefully select these Tier 1 suppliers and aim for long-lasting relationships with them.

However, to a certain extent, the Tier 1 supplier depends on his **Tier 2 suppliers** to deliver quality components on time.

That's why we have identified **components and materials** that are:

- **essential to the final quality** of our products
- **not readily available**, which could impact continuity

For these components and materials, **we select the Tier 2 suppliers ourselves**. We refer to these suppliers as '**nominated Tier 2 suppliers**'. These suppliers are still contracted by the Tier 1 supplier but are selected by us, Cortina.

This implies that we not only maintain **direct contact with our Tier 1 suppliers but also with our nominated Tier 2 suppliers**.

That's why we decided to include both groups in the scope of our social compliance efforts, to ensure they meet minimum standards regarding workers' rights and environmental protection.



| MINIMUM STANDARDS FOR SOCIAL COMPLIANCE

Evaluating both workers' rights and environmental protection is complex and can be challenging to organise.

Furthermore, company-specific evaluation processes often lead to duplication and audit fatigue for the suppliers involved.

The following systems are accepted by Cortina:

- Business Social Compliance Initiative (**BSCI**)
- Sedex Members Ethical Trade Audit (**SMETA**)
- **OEKO-TEX**

To address these issues, we decided to focus on **third-party compliance systems** that provide sufficient guarantees and are commonly used in the footwear and apparel sector. That way, our suppliers can share their compliance results with multiple customers, reducing redundancy and easing the audit burden.

BSCI (Business Social Compliance Initiative), **SMETA** (Sedex Members Ethical Trade Audit), and **OEKO-TEX** are all initiatives focused on promoting ethical and sustainable practices in global supply chains.

All three initiatives aim to improve social and environmental conditions in supplier factories by setting standards related to labor rights, health and safety, fair wages, and environmental management.

They utilise **audit frameworks** to assess compliance with these standards, typically involving on-site inspections, document reviews, and stakeholder engagement.

BSCI, SMETA, and OEKO-TEX emphasize continuous improvement and transparency, encouraging companies to address non-compliances and implement corrective actions to enhance their social and environmental performance.

BSCI primarily focuses on social compliance, including labor rights and working conditions, while SMETA encompasses broader ethical trade practices, including business ethics. OEKO-TEX focuses specifically on the safety and sustainability of textile products and chemicals used in textile manufacturing.

While all three initiatives offer certification options for companies meeting their respective standards, the certification process, requirements and validity periods may differ.

Companies may choose to engage with one or more of these initiatives based on their specific needs and objectives related to social and environmental responsibility in their supply chains.



| MAXIMISE POSITIVE IMPACT

Our goal is to maximise the **positive impact on social conditions within our supply chain**.

To achieve this, **we focus on guiding our suppliers to join us in using third-party audit systems**, rather than ending our relationships with those who are hesitant to engage with us.

Terminating relationships with suppliers can negatively affect the workers involved. For example, reduced revenue for a supplier can lead to hardships for vulnerable workers. While some might argue that ending a contract could pressure suppliers to prioritise workers' rights, we find this approach unlikely to be effective.

Instead, by motivating suppliers to engage with us, we can make a more sustainable contribution to improving working conditions.

However, if a supplier shows no genuine commitment to meeting our standards or if we observe major non-compliance, we will end the working relationship.



CLIMATE

"Climate change is the defining crisis of our time, threatening our planet's ecosystems and future prosperity. Every action we take today, whether big or small, can make a difference."

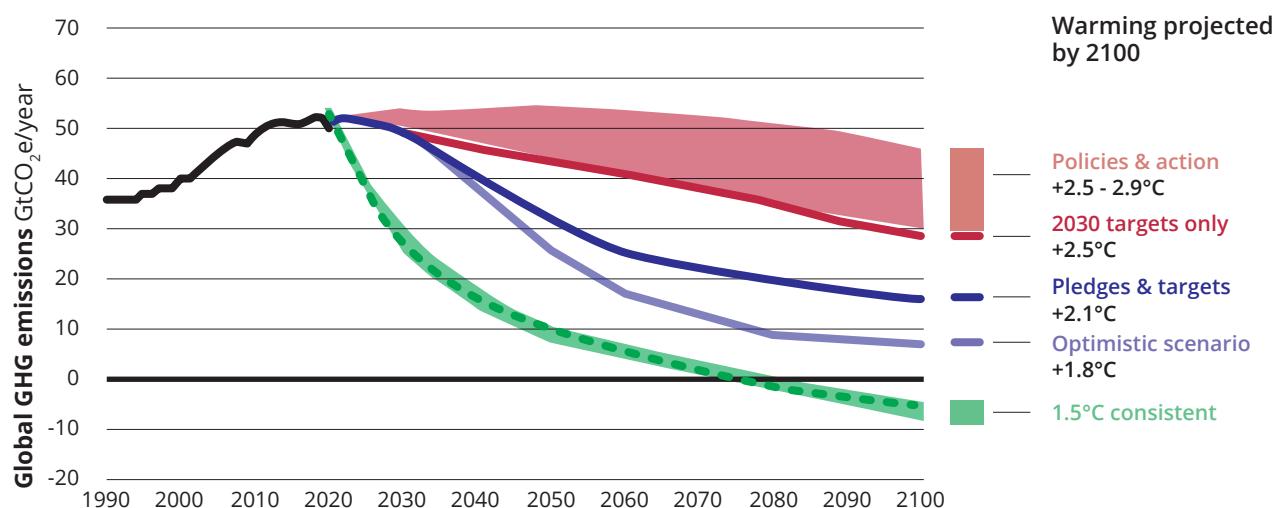
The impact of climate change on society and the ecosystem cannot be underestimated:

- **Rising temperatures** cause more frequent and intense heatwaves, making part of the world inhabitable.
- **Extreme weather events** cause floods, droughts and wildfires with a devastating impact on communities, ecosystems and agriculture.
- **Rising sea levels** threaten coastal communities and low-lying areas.
- **Ecosystems** are undergoing changes that disrupt habitats and the timing of seasonal events, such as flowering, which can have cascading effects on food chains and lead to the extinction of certain species.
- **Agriculture and food security** are at risk due to altered growing conditions and water availability, resulting in reduced crop yields or failures, with serious implications for food production, prices, and availability.

At the **Paris Agreement in 2015**, it was agreed that we should limit global warming to well below 2 degrees Celsius above pre-industrial levels, with efforts to **limit the temperature increase to 1.5 degrees Celsius**.

However, we are not on track to reduce the carbon emissions sufficiently to limit the temperature increase. Based on the 2030 targets of all countries that signed the Paris Agreement, emissions in 2030 will be more than double what they should be.

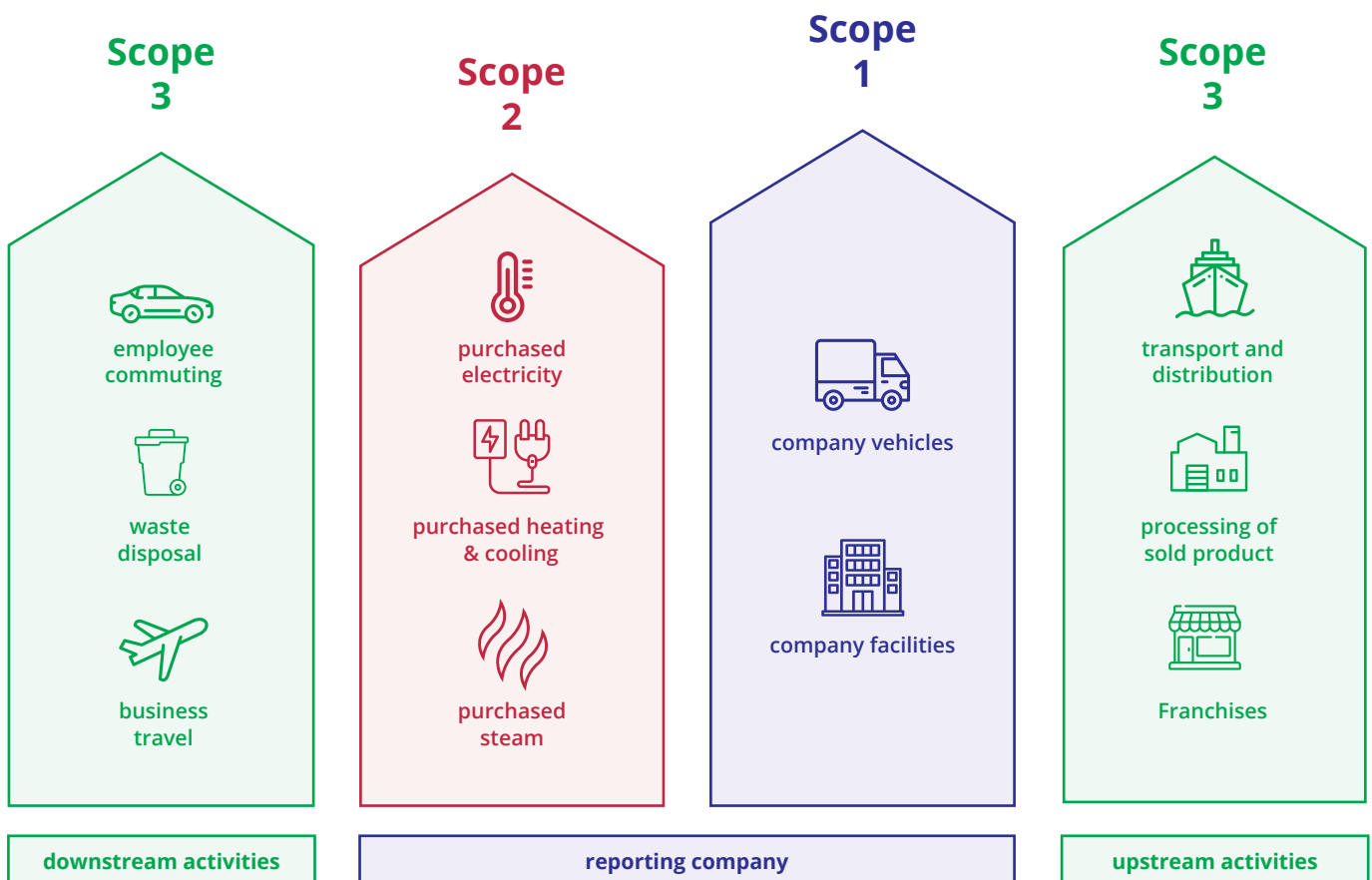
2100 warming projections



As designers of footwear and apparel, we oversee everything, from choosing materials and designing prototypes, to marketing, sales and distribution. However, **our manufacturing activities are outsourced to third-party suppliers.**

This means that while we can influence certain aspects of our carbon footprint, the majority of **greenhouse gas emissions (GHG) occur outside of our direct control**, presenting challenges in mitigating them effectively.

Greenhouse gas emissions are **categorised into scope 1, scope 2 and scope 3 emissions:**



Scope 1 emissions refer to direct greenhouse gas emissions that occur from sources owned or controlled by an organisation. These emissions typically result from on-site activities, such as combustion of fossil fuels in company-owned vehicles, equipment and facilities.

Scope 2 emissions include indirect greenhouse gas emissions associated with the generation of purchased electricity, heat or steam consumed by the organisation.

Scope 3 emissions encompass all other indirect greenhouse gas emissions that occur as a result of an organisation's activities but are not directly owned or controlled by the organisation. These emissions can include upstream and downstream emissions associated with the production and consumption of goods and services, business travel, employee commuting, waste disposal and supply chain activities.

OUR CARBON FOOTPRINT

As stated earlier, we want all our decisions to be data-driven to ensure a positive impact is created.

That is why we've partnered with Climact, a specialist in carbon footprint and decarbonisation

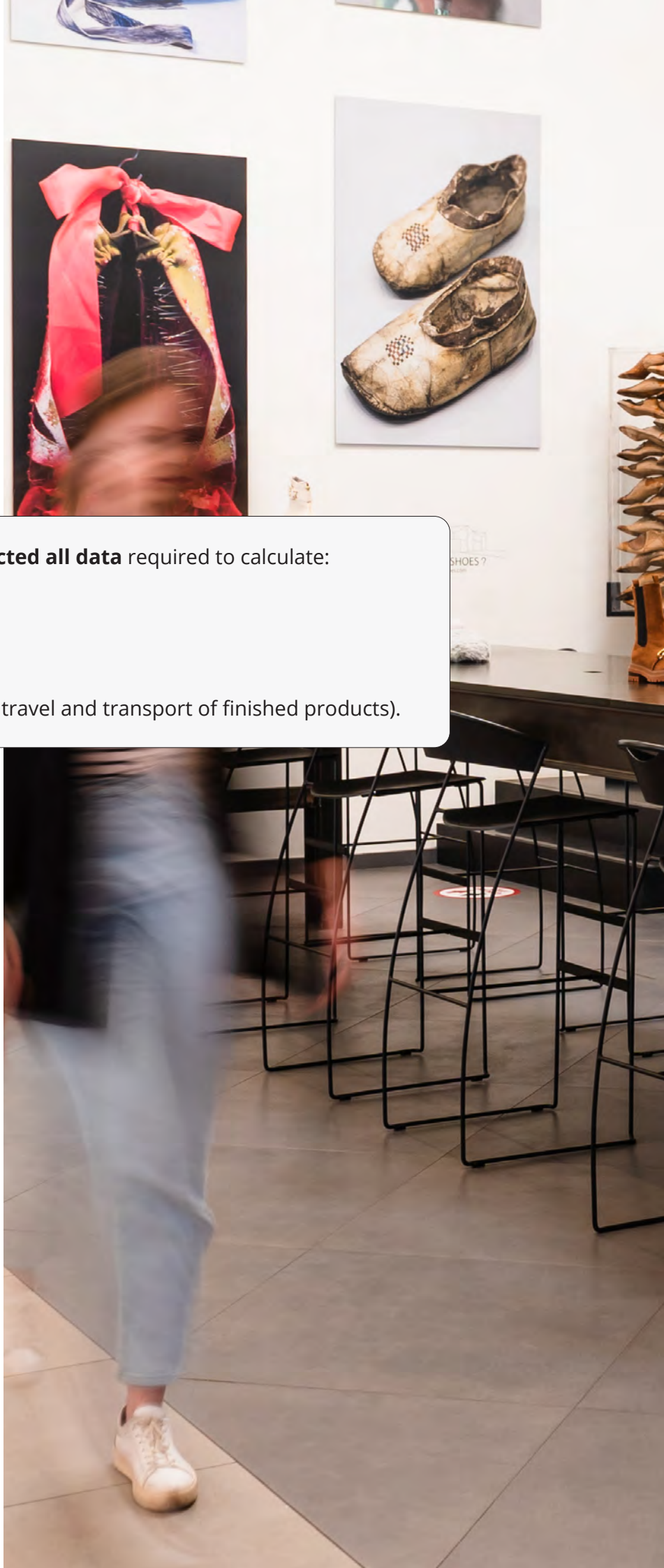
For both 2022 and 2023, we collected all data required to calculate:

- Our scope 1 emissions
- Our scope 2 emissions
- Some of our scope 3 emissions (employee commuting, business travel and transport of finished products).

programs, to start mapping the carbon footprint associated with our activities.

We are now in the process of gathering the extra information required to calculate our **full carbon footprint**.

We expect to have all greenhouse gas emissions calculated by the end of 2024 allowing us to calculate a full carbon footprint on a yearly basis from 2025 onwards.



CARBON-NEUTRAL OPERATIONS 2030

Compared to our total carbon footprint, **our scope 1 and scope 2 emissions are quite limited** and consist of the energy consumption (electricity and heating) of our offices and our sample factory in China.

In both locations, we have installed **solar panels** covering the majority of our electricity consumption.

We are proud to state that since July 1st, all remaining grid electricity used in our Belgian sites and our sample plant in China comes from **renewable production**.

Our next objective is to **either electrify our heating or compensate for the emissions associated with our gas consumption** (only in line with accepted and high-quality offsetting schemes).

TACKLING OUR SCOPE 3 EMISSIONS

The **scope 3 emissions cover a wide variety of GHG sources**: purchased goods and services, waste generated in operations, business travel and employee commuting, transport and distribution, end-of-life treatment of sold goods, and more.

For the footwear and apparel sector, studies show that the scope 3 emissions represent 99% of the total carbon footprint, with the GHG emissions associated with the materials used being the most significant.

To track and mitigate the GHG emissions associated with the materials we use, we included **separate carbon footprint calculations in our BOM software**, next to our sustainability score.

Our target is to reduce the average carbon footprint of our materials used by 30% by 2035, considering both the individual scores and the individual sale volumes.



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