

**Trimco Group (“Trimco”) Enable Sustainable Supply Chains and Traceability in the Fashion and Apparel Industry**

Trimco is a global supplier of sustainable brand identity products. It provides trims, packaging and care labels for international fashion and sports brands. Trimco’s technology-enabled labels provide the fashion and apparel industry an essential solution to the issue of supply chain traceability and transparency, connecting brand owners to consumers, and driving positive change throughout the supply chain.

Trimco has a global workforce of more than 1,700 employees in 22 countries, serving more than 740 brand owners and 8,600 manufacturers around the world.

Since Affinity invested in Trimco in 2018, we partnered with Trimco to develop its ESG Playbook and built a suite of strategic ESG capabilities, making sustainability a core pillar of the business.

**Key Strategic ESG Initiatives****1. Sustainable Supply Chain in Production**

- Sustainable Materials: 25% of the woven labels and 69% of care labels are produced from recycled material, 54% of paper used is FSC certified.
- Supply Chain Management: Significantly improved supply chain transparency through partnering with the leading external organizations in this area e.g., Higg Index, OEKO TEX, SMETA / SEDEX, BSCI, ISO 9001.
- Human Rights: Active monitoring and zero incidents of child labor forced labor and modern slavery thus we are chosen as a key partner to brands requiring the highest level of supply chain transparency such as Nike and Addias.

**2. Supply Chain Traceability and Transparency**

- Sustainability Track and Trace IT system: Developed proprietary system to rapidly support brand owners to substantiate any sustainable claims, fulfill regulatory requirements, and increase usage of sustainable materials. Since launch in 2020, Trimco has supported clients and enabled supply chain transparency of over 3 million fashion items sold per week.
- RFID Tags & QR Codes: One of the small number of suppliers worldwide who have pioneered the use of this technology. RFID tags embedded in the care labels help optimize inventory management and reduce stock wastage. QR codes printed on tags or labels help provide consumers with supply chain transparency through scanning the QR code.
- Industry education and promotion of technology: Trimco CEO, Amy Wan, spoke at the SG Innovate panel on Supply Chain Traceability and Transparency in September 2021, to share knowledge and best practices since we are seen as an industry leader on this topic.

**3. Environmental Management**

- Sustainability Standards: Since 2020, all 11 wholly owned production sites have implemented Higg Index Sustainable Apparel Coalition standards, the gold standard in the apparels industry. In this short time, 2 sites have been fully endorsed by the Higg Index, with the remainder sites to follow soon.
- Climate Change & Renewable Energy: Trimco recognizes the importance of climate change. In 2020, we developed the ability to measure our Scope 1 & 2 emissions and conducted renewable energy feasibility studies on all production sites. As an outcome of the study, we have installed solar panels at the China production site, providing 0.84MWh of renewable energy.
- Waste Reduction: Committed to reduce waste and aiming to eliminate “all industrial waste to landfill” at all production sites.

**4. Human Capital: Employee Health & Safety, Talent Development**

- Diversity and Inclusion: Committed to create a diverse and inclusive culture with high female staff representation at all levels. 66% “C” level management, 50% board members and 43% overall staff are female.
- Occupational Health and Safety: Established comprehensive safety policy and provided safety training to all employees. Incident rate remains below 0.05%, one of the best in the industry.
- Talent Development: Trimco supports employee talent development through a wide range of learning and development options.

*Affinity Equity Partners (“Affinity”) is a responsible investor. We believe that integrating ESG risks and opportunities in our investments while deepening our orientation towards building purposeful businesses is essential for developing a sustainable long-term investment programme. We are signatory of the UN PRI.*

**Appendix**

**Examples - Sustainable Materials in Production and the Supply Chain Traceability and Transparency**

**Sustainable Trims & Badges**

Trimco provides a range of options of natural and recycled materials for its trims and badges. For example, vegan leather does not use any animal hides instead recycled materials e.g., pineapple or apple peels are used.



**Sustainable Packaging**

Trimco provides a range of sustainable packaging materials. Paper is made from FSC certified paper, whereas bags are made from biodegradable materials.

This example bag is made of 100% post-consumer recycled plastic. As well as being home compost certified, it complies with EN13432 standard which requires that 90% of the material will decompose in an industrial composting facility within 180 days.



**Sustainable Labels**

Trimco provides options for brands to use more ethical and responsible choices in choosing raw materials. This example is a label made of 50% recycled cotton and 50% conventional cotton and is a mix of natural and reused materials.



**Enabling traceable and transparent supply chains**

Trimco’s sustainability track and trace system enables brands to increase their use of sustainable raw materials and ensure the traceability of any sustainable claims made.

As an example of Trimco’s QR code solution, their B2C platform enables brands to engage consumers by communicating all details of sustainability claims made, including where to recycle the garment when it has reached the end of its useful life.

