



SUSTAINABLE DEVELOPMENT STRATEGY

2020-22

GO.22





the First Sustainable Development Strategy of the CCC Group

Based on the four pillars of responsibility:



PRODUCT



ENVIRONMENT



EMPLOYEES








SOCIETY



- ✓ The strategy is **based on an analysis** of trends, risks, threats and opportunities that will shape our environment in the coming years
- ✓ During the preparation of the Strategy, **Stakeholder Panel**
- ✓ The strategy has also been subject to **external verification**
- ✓ We have adopted **specific, detailed and parameterized goals**, the implementation of which we will regularly account for










responsible PRODUCT

TOPIC	2020	2021	2022
RAW MATERIALS CERTIFICATION 	Raising the share of leather from certified tanneries in production processes – 15% in 2019		
	17%	19%	21%
RESPONSIBILITY IN THE SUPPLY CHAIN  	Ensuring responsible practices in the supply chain by requiring suppliers to comply with the Supplier Code of Conduct and undergo audits		
	Extending the Supplier Code of Conduct to include service providers		
	Metric 1: percentage of suppliers who have signed the Code ¹		
	INCLUSION OF INVESTMENT SERVICE PROVIDERS	INCLUSION OF DIGITAL SERVICE PROVIDERS	INCLUSION OF OTHER SERVICE PROVIDERS
	Metric 2: percentage of suppliers who have performed audits of compliance with the Supplier Code of Conduct (production) – 39% in 2019		
	45%	50%	60%
POST-CONSUMER FOOTWEAR MANAGEMENT  	Aiming to close the loop by collecting and properly managing post-consumer footwear		
	Metric 1: the number of collected pairs of used shoes to the number of pairs of shoes sold		
	PILOT PROJECT	ANALYSING THE RESULTS OF THE PILOT PROJECT AND SETTING TARGETS FOR 2021 AND 2022	-
	Metric 2: percentage of CCC stores participating in the used footwear collection effort		
	11 STORES IN POLAND	ANALYSING THE RESULTS OF THE PILOT PROJECT AND SETTING TARGETS FOR 2021 AND 2022	-

¹ LWG (Leather Working Group) certified tanneries. LWG certified tanneries are environmentally friendly – the tanning process is done in an environmentally responsible way with water used in a closed loop waste-free process, which significantly reduces water consumption and prevents pollutants from being released into the environment. LWG also monitors chemicals management and carbon emissions. Our main supplier of children's footwear (Shalimar) is LWG certified



responsibility towards ENVIRONMENT

TOPIC	2020	2021	2022
REDUCING GREENHOUSE GAS EMISSIONS 	Calculating greenhouse gas emissions, identifying their sources and reducing greenhouse gas emissions at a rate that facilitates the implementation of the Paris Agreement and the European Union's climate policy		
	Metric 1: accuracy of greenhouse gas emission data		
	CALCULATION OF SCOPE 1² AND SCOPE 2³ EMISSIONS	CALCULATION OF SCOPE 1 AND SCOPE 2 EMISSIONS SCOPE 3⁴ (FROM SOURCES ACCOUNTING FOR 40% OR MORE OF SCOPE 3 EMISSIONS)	CALCULATION OF SCOPE 1 AND SCOPE 2 EMISSIONS SCOPE 3 (FROM SOURCES ACCOUNTING FOR 60% OR MORE OF SCOPE 3 EMISSIONS)
	Metric 2: adoption and approval of greenhouse gas emission reduction targets		
	SETTING REDUCTION TARGETS FOR SCOPE 1 AND SCOPE 2 EMISSIONS	APPROVAL OF REDUCTION TARGETS FOR SCOPE 1 AND SCOPE 2 EMISSIONS UNDER SCIENCE BASED TARGETS⁵ SETTING REDUCTION TARGETS FOR SCOPE 3 EMISSIONS	APPROVAL OF REDUCTION TARGETS FOR SCOPE 3 EMISSIONS UNDER SCIENCE BASED TARGETS
Metric 3: Scope 1 and 2* greenhouse gas emission reduction vs 2019 Reduction of total Scope 1 and Scope 2 greenhouse gas emissions vs 2019 - 92.6 thousands tons of CO2e			
	-2%	-5%	-7%
ENERGY EFFICIENCY  	Increasing electrical energy efficiency across the CCC Group Metric: reduction of electricity consumption per pair of shoes sold vs 2019 (in 2019 4,10 kWh / 1 pair of shoes)		
	-2%	-5%	-7%
CIRCULAR ECONOMY    	Incorporating circular economy principles into the CCC Group's operations to reduce waste and demand for virgin materials		
	Metric: implementing circular economy principles		
	MAPPING (IDENTIFICATION AND ANALYSIS) OF RAW MATERIAL FLOWS WITHIN THE CCC GROUP'S VALUE CHAIN ANALYSIS OF THE PRINCIPLES SET OUT IN THE CIRCULAR ECONOMY ACTION PLAN (UPDATE OF MARCH 2020)	IDENTIFICATION OF POSSIBILITIES TO CLOSE PARTICULAR LOOPS AND IMPLEMENTATION OF SELECTED SOLUTIONS AHEAD OF STATUTORY REQUIREMENTS	IMPLEMENTATION OF SELECTED SOLUTIONS AHEAD OF STATUTORY REQUIREMENTS
	Metric 2: environmentally sustainable packaging		
	PHASE-OUT OF PLASTIC BAGS IN ALL CCC GROUP STORES	RAISING THE PERCENTAGE OF RECYCLED CARDBOARD PACKAGING MATERIAL TO 70% AND MAINTAINING IT AT THIS LEVEL IN SUBSEQUENT YEARS	RAISING THE PERCENTAGE OF RECYCLED CARDBOARD PACKAGING MATERIAL TO 80% AND MAINTAINING IT AT THIS LEVEL IN SUBSEQUENT YEARS
Metric 3: ecodesign			
	IDENTIFICATION OF PRINCIPLES AND CRITERIA COMPATIBLE WITH ECODESIGN	IDENTIFICATION OF POSSIBILITIES TO DEVELOP NEW PRODUCTS COMPLIANT WITH ECODESIGN PRINCIPLES	PLANNING DESIGN WORK TOWARDS ECODESIGN

¹² Scope 1: All direct emissions

¹³ Scope 2: Indirect emissions from purchased energy






¹⁴ Scope 3: All other indirect emissions occurring in the value chain

¹⁵ Targets adopted by companies to reduce GHG emissions are considered 'science-based' if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit the temperature increase to 1.5°C.

¹⁶ At CCC, greenhouse gas emissions are strongly correlated with the effort to cut energy consumption – lighting replacement and in-store screen optimisation efforts, hybrid cars, etc.



responsibility towards EMPLOYEES





TOPIC	2020	2021	2022
PROTECTING EMPLOYEES' LIFE AND HEALTH  	Reducing the number of accidents and reaching a zero accident rate within five years		
	Metric: percentage reduction in the accident frequency rate (accidents at work per 1,000 employees) compared with 2019 – 4,79%		
	3,83%	2,87%	1,92%
EQUAL PAY FOR EQUAL WORK 	Ensuring equal pay for men and women performing the same work		
	Metric: Gender Pay Gap Ratio ⁷ – 14% in 2019 for the CCC Capital Group		
	REVISION OF THE REMUNERATION POLICY AND PREPARATION OF ITS IMPLEMENTATION FROM THE BEGINNING OF THE NEXT YEAR, AND PREPARATION OF A DETAILED SYSTEM FOR COLLECTING AND ANALYSING DATA ON EMPLOYEE REMUNERATION AT INDIVIDUAL LEVELS	IMPLEMENTATION OF A (UNIFORM) REMUNERATION POLICY AND STARTING THE COLLECTION OF DETAILED DATA REDUCTION OF THE GPGR FOR EACH GROUP BY ONE FIFTH OF THE INITIAL VALUE	REDUCTION OF THE GPGR FOR EACH GROUP BY TWO FIFTHS OF THE INITIAL VALUE
WORKFORCE DIVERSITY  	Cresting effective development opportunities for all employees		
	Metric: Increasing equal promotion opportunities for both genders, expressed as the Glass Ceiling Ratio ⁸		
	GCR - illustrating how much more difficult the promotion of women to the group of managers, supervisors and senior management was, in 2019 it was 14.6% (in 2018 it was 21%)		
	REVISION OF EMPLOYEE POLICY AND ESTABLISHMENT OF AN ACTION PLAN TO ENSURE EQUAL PROMOTION OPPORTUNITIES IN SUBSEQUENT YEARS.	IMPLEMENTATION OF A REVISED WORKFORCE POLICY REDUCTION OF GCR TO 12%	REDUCTION OF GCR TO 10%
	Development, implementation and dissemination of the Diversity Policy in the CCC Group		
	DEVELOPMENT AND PUBLICATION OF THE CCC GROUP'S DIVERSITY POLICY	IMPLEMENTATION AND TRAINING OF AT LEAST 50% OF EXECUTIVE STAFF AND 50% OF MANAGERS	TRAINING OF 100% OF EXECUTIVE STAFF, 100% OF MANAGERS AND 50% OF OTHER EMPLOYEES

⁷ The Gender Pay Gap Ratio (GPGR) is calculated as an absolute value of the difference between women's average earnings to men's average earnings * 100%. The GPGR is gender-neutral. The GPGR at 0% means that men and women receive equal pay. As the strategy aims to ensure equal pay for equal work, the goal is to achieve a 0% GPGR.

⁸ The Glass Ceiling Ratio (GCR) shows whether chances of promotion for each gender are equal in an organisation. It is calculated as the absolute value of the difference between the percentage of employees of a given gender and pay grade and the percentage of employees of that gender in total workforce. The GCR is a gender and industry neutral indicator. The GCR is calculated separately for each management level above the basic level.



responsibility towards **SOCIETY**

TOPIC	2020	2021	2022
ETHICS  	Updating and implementing a new Code of Ethics for the CCC Group		
	UPDATING THE CODE WITH THE PARTICIPATION OF EMPLOYEES AND STAKEHOLDERS	DISSEMINATING THE CODE AMONG 100% OF CCC S.A. EMPLOYEES AND 50% OF SUBSIDIARIES' EMPLOYEES	DISSEMINATING THE CODE AMONG 100% OF THE CCC GROUP EMPLOYEES
COOPERATION WITH UNICEF  	Implementation of the Global Partnership programme with UNICEF		
	FUNDING FOR UNICEF PROGRAMMES TO SAVE THE LIVES OF CHILDREN IN THE WORLD	REVISION OF THE PARTNERSHIP WITH UNICEF	-
	Implementation of projects supporting local communities and knowledge transfer to selected partners		
	IMPLEMENTATION OF LOCAL COMMUNITY PROJECTS PARTLY RELYING ON EMPLOYEE VOLUNTEERS	SETTING FURTHER OBJECTIVES AND LOCAL COMMUNITY PROJECTS PARTLY RELYING ON EMPLOYEE VOLUNTEERS	LOCAL COMMUNITY PROJECTS PARTLY RELAYING ON EMPLOYEE VOLUNTEERS AND TRANSFER OF KNOWLEDGE ABOUT SUPPORTING LOCAL COMMUNITIES TO SELECTED KEY PARTNERS IN THE SUPPLY CHAIN
PROMOTION OF SPORTING ACTIVITIES WITH A PARTICULAR FOCUS ON CYCLING AND SPORTSMANSHIP VALUES	Support for training of young sports talent		
	PROMOTION OF CYCLING THROUGH CCC TEAM, AS WELL AS CCC DEVELOPMENT TEAMS COOPERATION WITH MICHAŁ KWIATKOWSKI COPERNICUS ACADEMY AND MKS POLKOWICE (LOCAL SPORTS CLUB)	PROMOTION OF CYCLING AS A SPORTS ACTIVITY SUPPORT FOR TRAINING OF YOUNG CYCLISTS (E.G. CCC DEVELOPMENT TEAM, MICHAŁ KWIATKOWSKI COPERNICUS ACADEMY AND MKS POLKOWICE)	PROMOTION OF CYCLING AS A SPORTS ACTIVITY SUPPORT FOR TRAINING OF YOUNG CYCLISTS (E.G. CCC DEVELOPMENT TEAM, MICHAŁ KWIATKOWSKI COPERNICUS ACADEMY AND MKS POLKOWICE)

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