



Rana Plaza after its collapse in April 2013

Companies must no longer cause harm to people and planet with impunity

That is the title of a recent EU press release from the 10th of March 2021. The press release concerns a new legislative initiative report, which "calls for the urgent adoption of a binding EU law that ensures companies are held accountable and liable when they harm - or contribute to harming - human rights, the environment and good governance. It must also guarantee that victims can access legal remedies." (EU press release, 10th of March 2021)

With this supply chain law initiative, the EU is now (finally) taking the first steps towards creating a more level playing field when it comes to sustainable business conduct – within and beyond EU borders.

The goal of an EU-wide supply chain law

It is now 8 years ago that Rana Plaza, a textile factory in Bangladesh, collapsed and killed 1.138 workers. A devastating story from the textile industry that a EU-wide supply chain law should help ensure to not repeat itself.

"This new law on corporate due diligence will set the standard for responsible business conduct in Europe and beyond. We refuse to accept that deforestation or forced labour are part of global supply chains. Companies will have to avoid and address harm done to people and planet in their supply chains. The new rules will give victims a legal right to access support and to seek reparations, and will

ensure fairness, a level playing field and legal clarity for all businesses, workers and consumers", said rapporteur Lara Wolters (S&D, NL).

Possible scope of an EU-wide supply chain law:

- » Due diligence requires companies to identify, address and remedy their impact on human rights and the environment throughout their value chain
- » Rules should apply to companies operating in EU internal market, including those from outside the EU
- » Sanctions for non-compliance and legal support for victims of corporations in third countries
- » Ban on import of products linked to severe human rights violations such as forced or child labour

Note: the bullet points stem from the EU press release dated 10th of March.

Beirholms perspective: sustainability is about to become the license to operate

Sustainability is here to stay. Earlier, sustainability was for the few – today it has become the license to operate. Individual EU member states have already begun implementing their own supply chain laws. For instance, Germany passed the new *Lieferkettengesetz* (Supply Chain Law) in March 2021. France enacted its Supply Chain law in 2017. The Netherlands in 2019.

At Beirholm, we focus on the holistic integration of sustainability into our textiles. Holistic sustainability is about acting both socially and environmentally responsible – not just at our own company but beyond. From the cotton farm and all the way to your laundry.

If you haven't started upgrading your textile pool, we recommend you start now

As legislation gains momentum, sustainability moves from a question of differentiation to a question of risk management. Upgrading a pool of textiles is a never-ending process, but for it to live up to future legislation, it is better to start sooner than later. We suggest that our laundry partners take a serious look at their entire pool of textiles and plan for the conversion of non-sustainable textiles to become sustainable to make the textile pool future proof.

How are we positioned with Beirholm as a partner?

Beirholm took the first steps on our sustainability journey back in the 1990's with the implementation of our Code of Conduct to ensure a socially- and environmentally responsible textile manufacturing process. In year 2000, Beirholm was amongst the first in the industry to introduce textiles with the EU Ecolabel. With the introduction of our innovative BeirTex® performance textiles in 2004, Beirholm defined a new standard for textile durability and laundry efficiency offering our laundry partners the potential to decrease resource consumption thereby saving significant CO2e emissions while getting the greatest return on their textile investment.

Today, we are proud to say that our BeirTex® textiles offer a holistic approach to sustainability. Through our holistic approach, we ensure that our BeirTex® performance textiles are sustainable from the cotton farm to your laundry. For instance, our newest collection of BeirTex® textiles are – with



their EU Ecolabel, Green Button, Oeko-Tex® Made In Green and Oeko-Tex® 100 certifications and our support of The Better Cotton Initiative – sustainable from raw cotton to the laundry and end user.

Beirholm has also made the raw materials choice flexible meaning that you can substitute Better Cotton with FairTrade Organic and/or substitute virgin polyester with recycled polyester.

You can find our innovative BeirTex® performance textiles in our <u>new product catalogue</u>. Here, we also provide an overview of the sustainable certification of our textiles. And reach out to us if you have any questions or would like to discuss how to future-proof your textile pool.

Sources:

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