



ESQUEL GROUP

Esquel Group's Chemical Management System

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ESQUEL GROUP

About Esquel

Vertically Integrated Textile and Apparel Manufacturer

Founded in 1978, Esquel supplied over **120 million** shirts in 2015 to leading brands around the world – from concept to rack



Cotton farming



Spinning



Weaving & Knitting



Apparel Making



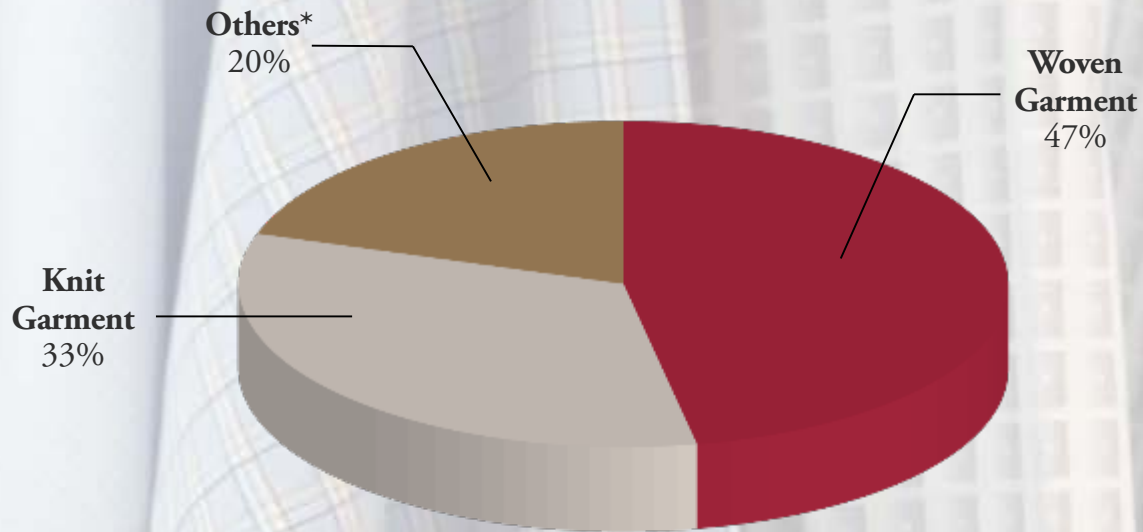
Accessories & Packaging



Retail and Direct Distribution

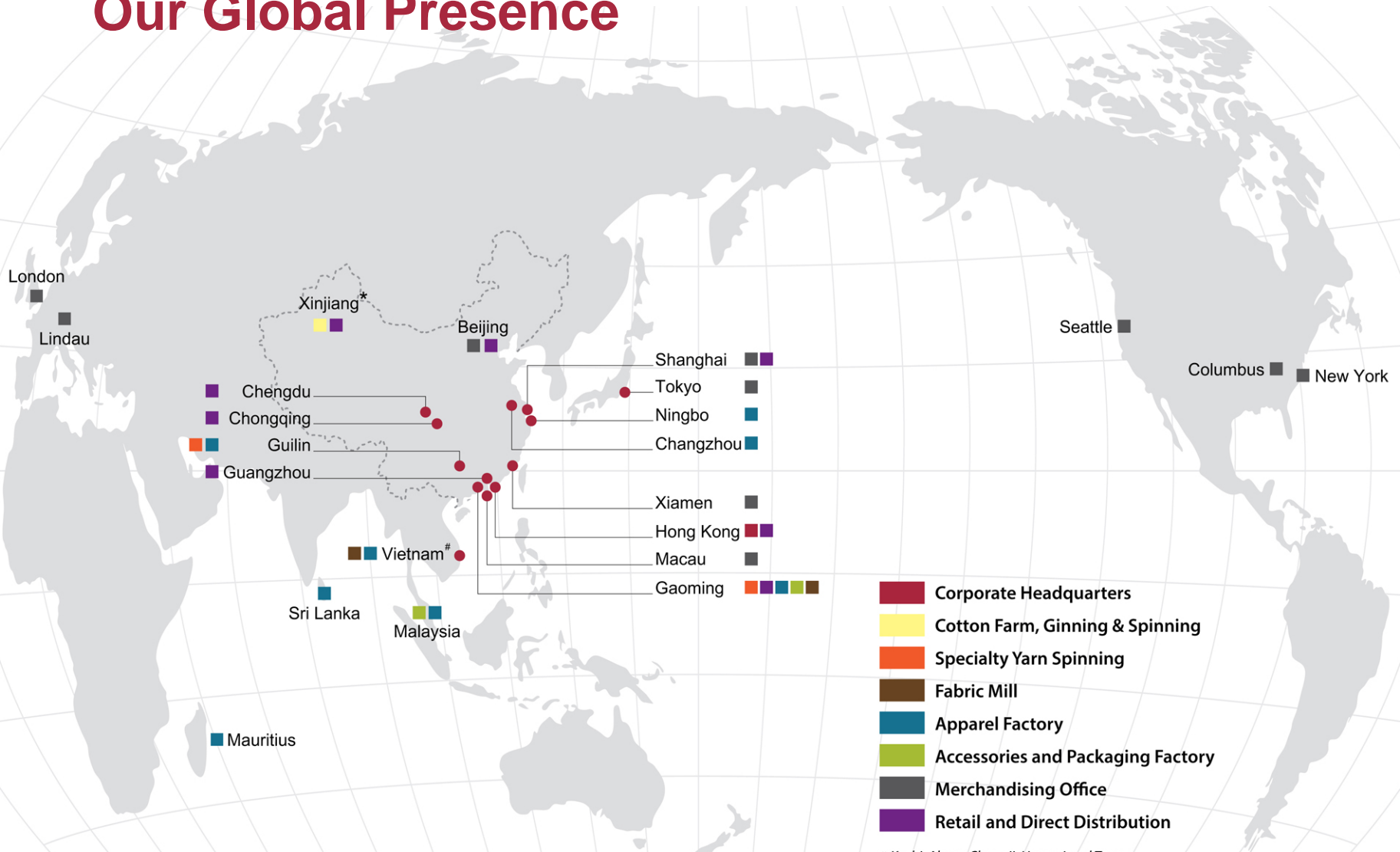
Our Business Performance

Sales Revenue of **US\$1.4 Billion** in 2015



** Woven Fabric, Yarns and Trims*

Our Global Presence



* Kashi, Akesu, Changji, Urumqi and Turpan
 # Ho Chi Minh City, Hanoi

Esquel Chemical Management System

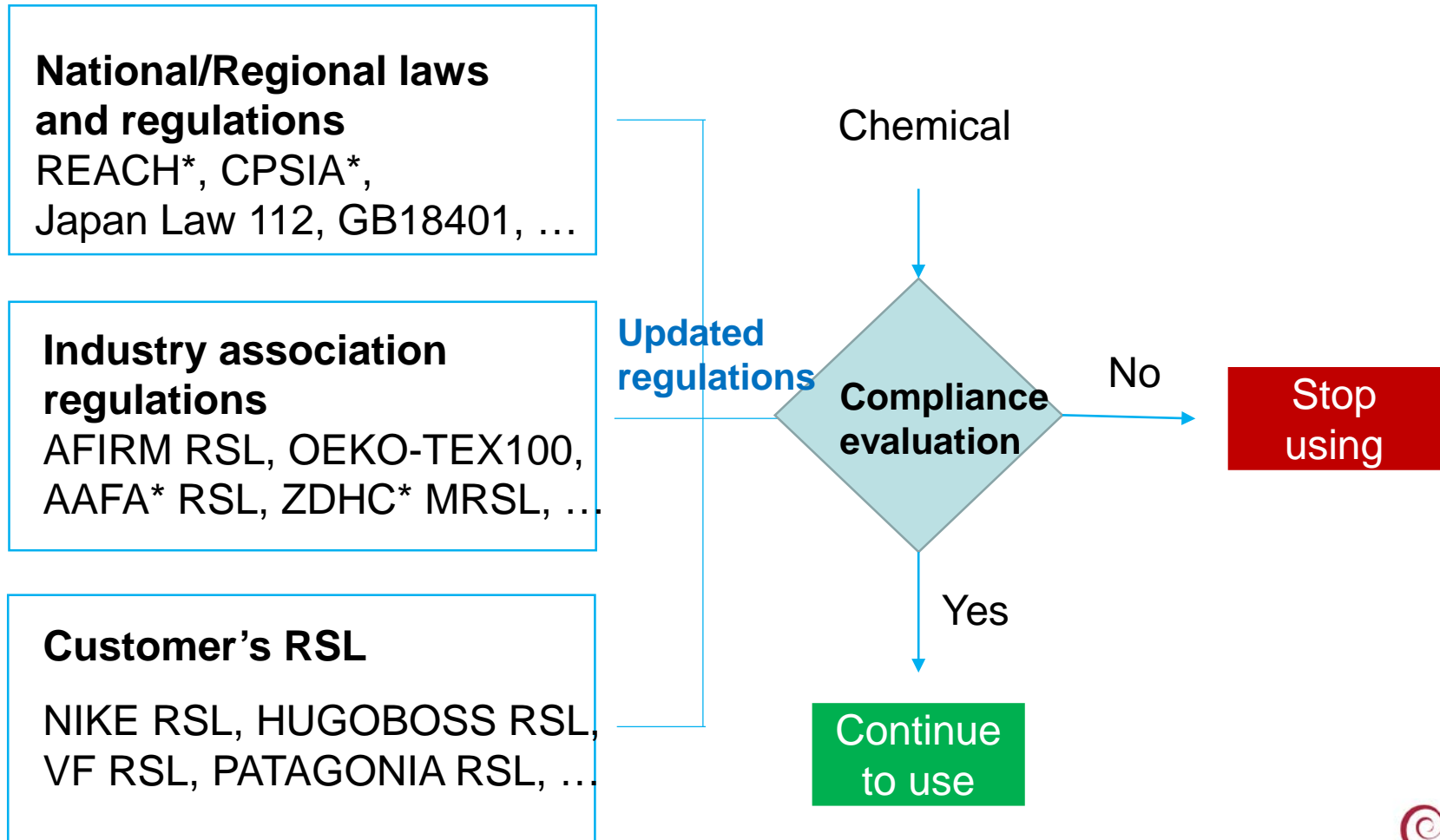
1 Chemical Compliance

2 Policies for New Chemical Introduction

3 Certification and Audit

1. Chemical Compliance

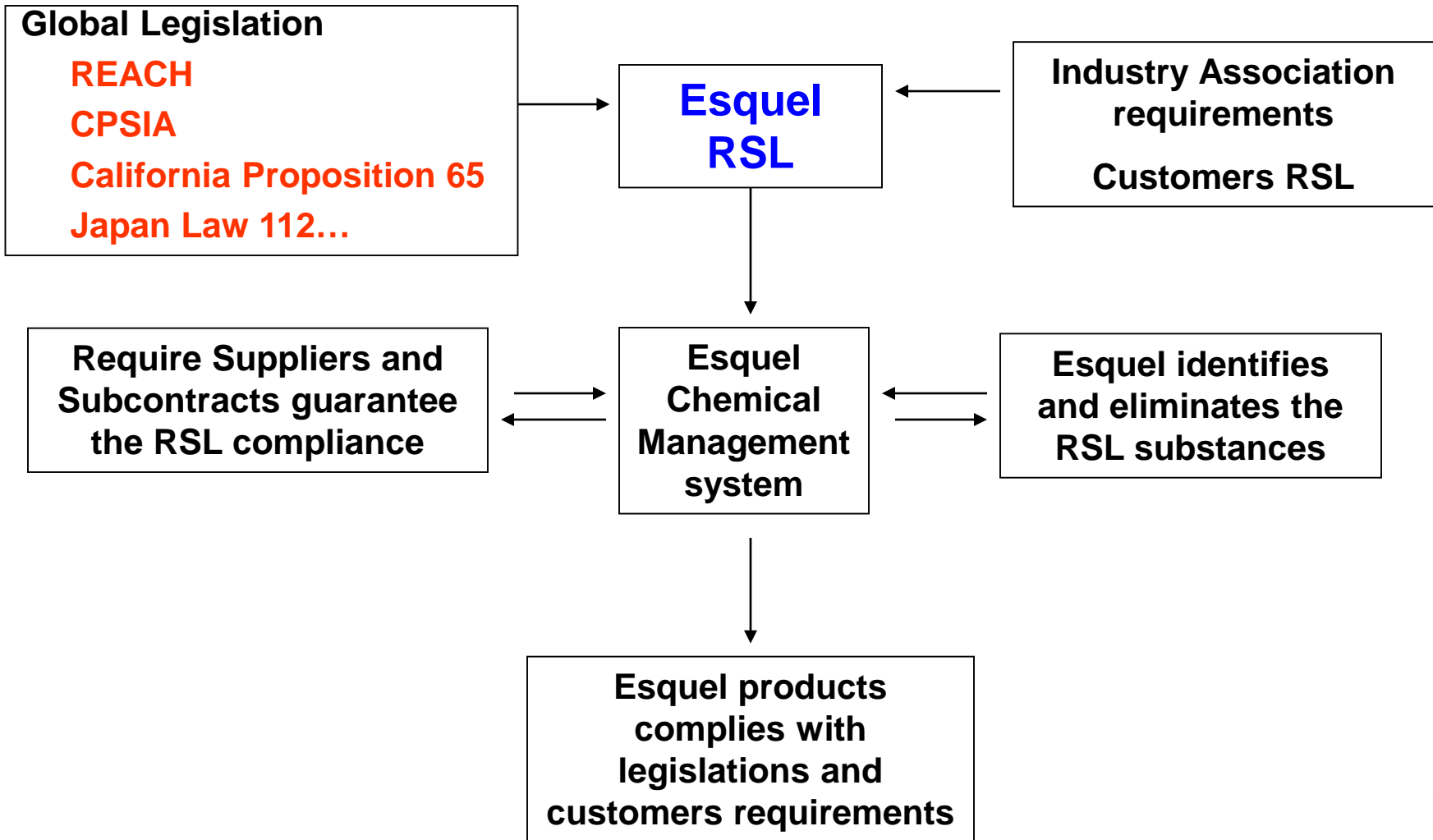
1.1. Regulatory Updates Tracking and Compliance Evaluation



(* Refer to Appendix A.

1. Chemical Compliance

1.2. Esquel RSL



2. Policies for New Chemical Introduction

Supplier Selection Criteria for Sample Request

- Internationally operated company or well known large scale local company
- Good record of environmental protection – should meet local environmental and safety law
- Be able to provide complete documents on chemical product and safety, e.g. Product technical instruction, MSDS and testing report
- Confirmation letter to Esquel's RSL
- For dyestuff, the supplier should be an ETAD* member

ETAD* : The Ecological and Toxicological Association of Dyes and Organic Pigments Manufacturers was founded in 1974 as an international organization of responsible companies. <http://etad.com/en/about-etad.html>

3. Certification and Audit

OEKO-TEX100 certificate

Safety Label for Textile Products

Third-party testing and certification

Testing more than 400 Harmful Substances



3. Certification and Audit

STeP certificate

Sustainable Textile Production (STeP) by OEKO-TEX® is a certification system for the textile chain regarding **sustainable manufacturing processes**



Guangdong Esquel Textiles Co. Ltd.
Cang Jiang Exports Processing Zone,
Gaoming District, Foshan City
CN- Guangdong, China



is granted authorization according to STeP to use the OEKO-TEX® mark for its facility.

LEVEL 3	
CHEMICALS	Level 3
ENVIRONMENTAL PERFORMANCE	Level 3
ENVIRONMENTAL MANAGEMENT	Level 3
SOCIAL RESPONSIBILITY	Level 3
QUALITY MANAGEMENT	Level 2
SAFETY	Level 3
security code y1b2ud2h	valid until 2017-06-30

3. Certification and Audit

WHITELIST QUALIFICATION

Compliance with WHITELIST Management System according to GB 18401-2010 for **Prohibited aromatic amine**



3. Chemicals Related Audits and Certifications

- Customer's audit (VF Chem-IQ, NIKE MSI...)

VF Chem-IQ

Identify the harmful substances for the chemicals used in production

NIKE MSI

MSI (Materials Sustainability Index) is a score system to measure the Environmental profile

Thank you

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Appendix A : Name of governing bodies and their websites

International

REACH: Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). For more information: <https://echa.europa.eu/regulations/reach/understanding-reach>

USA

CPSIA: Consumer Product Safety Improvement Act. For more information: <http://www.cpsc.gov/en/>

USA Regional

California Proposition 65: California's Proposition 65 entitles California consumers to special warnings for products that contain chemicals known to the state of California to cause cancer and birth defects or other reproductive harm if those products expose consumers to such chemicals above certain threshold levels. For more information: <http://oehha.ca.gov/proposition-65/proposition-65-list>

USA Industry Specific

AAFA: American Apparel & Footwear Association. This Restricted Substance List (RSL) was created by a special working group of the American Apparel & Footwear Association's (AAFA) Environmental Task Force. The RSL is intended to provide apparel and footwear companies with information related to regulations and laws that restrict or ban certain chemicals and substances in finished home textile, apparel, and footwear products around the world. <https://www.wewear.org/>

ZDHC: Zero Discharge of Hazardous Chemical. For more information: <http://www.roadmaptozero.com/>

