

ARNOTTS

Appendix

Arnotts & Co Ethical Trading Requirements for Suppliers

1. INTRODUCTION

Our Ethical Trading Requirements (**ETRs**) set out our core principles that our suppliers must comply with and are a compulsory part of the terms and conditions of trading with Arnotts Limited (“Arnotts”). We want to ensure that products sold by Arnotts are produced under humane working conditions, with respect of workers and their human rights, that animals are treated and transported humanely and that suppliers minimise their impact on the environment.

It is the supplier’s responsibility to ensure that the manufacture of all products is carried out in compliance with these ETRs which apply throughout the whole of the supply chain. Regular independent audits of production facilities throughout the whole supply chain should be carried out and any shortcomings found and acted upon. Compliance with the law and these ETRs is mandatory and we will view any failure to adhere to these requirements and the law as a potential material breach of contract.

The provisions of these requirements constitute minimum and not maximum standards and these requirements should not be used to prevent companies from exceeding these standards. Suppliers are expected to comply with national and other applicable law and, where the provisions of law and these requirements address the same subject, to apply that provision which affords the greater protection.

Operating our business in a sustainable way to ensure the environmental and ethical impacts of our business and suitably managed is one of our core values. It is vital that products sold by Arnotts are produced under humane working conditions and with respect for workers and their human rights, the environment and ensuring animal welfare. It is the supplier’s responsibility to ensure that the manufacture of all products is carried out in compliance with these ETRs and to this end, regular independent audits of production facilities should be carried out and any shortcomings found and acted upon. Please make every effort to source in a sustainable way. Compliance with these ETRs is mandatory and must be followed without any exception.

We are members of SEDEX, a not for profit organisation dedicated to driving sustainability improvements in business supply chains. It hosts a secure online database which allows members to store, share and report on information and to access sustainability audits. We require all suppliers to be SEDEX members and that they require their factories to be members, or an equivalent scheme/system. The intent of this is to support improved traceability across the supply chain. Further information on SEDEX is in Annex 1.

2. EMPLOYMENT AND WORKING CONDITIONS

2.0 Modern Slavery and Human Trafficking

Modern Slavery includes any form of servitude, forced or compulsory labour, bonded labour, child labour and/or human trafficking. According to the International Labour Organisation, there are some 21 million people worldwide subjected to some form of modern slavery. It includes victims who have been brought from overseas and vulnerable people in Ireland who are forced to work illegally against their will across many different sectors. We recognise that fashion supply chains, hospitality, food and cleaning services are high risk for modern slavery. Under Irish Criminal Law (Human Trafficking) (Amendment) Act 2013, modern slavery is a criminal offence. We do not tolerate modern slavery in our business, including our supply chain. We expect our supply chain (whether direct suppliers, or indirect suppliers) to share the same values. These obligations will apply to our supply chain as well as you.

ARNOTTS

You shall ensure compliance with relevant legislation and industry standards to ensure labour standards and human rights at work are met. These include compliance with relevant legislation on modern slavery and human trafficking and provide evidence of this to us. This can be your Modern Slavery Statement, policies and practices. You shall ensure you are meeting International Labour Organisation (ILO) standards to prevent forced and compulsory labour, child labour, and discrimination in the workplace. Beyond legal compliance, we encourage participation in good practice labour initiatives and compliance with industry standards. Some examples are:

The [Ethical Trading Initiative ETI Base Code](#) on ethical trade
[UN Guiding Principles on Business and Human Rights](#)
[UN Global Compact](#)
[Fast Forward](#) / Stronger Together or other responsible recruitment codes.
[Fair Trade](#) Standard
[Fair Wear](#) Standard
[Social Accountability 8000](#)
[Bangladesh Accord](#) Alliance for Worker safety in Bangladesh
[Better Work](#) factories
[As you Sow](#)

You shall notify us within a maximum of 14 business days of becoming aware, notify us in writing of any actual, suspected or threatened modern slavery instance. Details of the instance and actions proposed or taken to resolve must be provided.

Employment is freely chosen

- 2.1 There is no forced, bonded or involuntary prison labour.
- 2.2 Workers are not required to lodge “deposits” or their identity papers with their employer and are free to leave their employer after reasonable notice.

Freedom of Association and the Right to Collective Bargaining

- 2.3 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.4 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.5 Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.6 Where the right to freedom of association and collective bargaining is restricted under law, the employers facilitates and does not hinder the development of parallel means for independent and free association and bargaining.

Working Conditions are safe and hygienic

- 2.7 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by assessing and minimising (so far as is reasonably practicable) the causes of hazards inherent in the working environment.
- 2.8 Works must not be locked into their places of work and adequate means of fire escape must be provided.
- 2.9 Workers shall receive regular and recorded health and safety training and such training shall be repeated for new or reassigned workers.
- 2.10 Access to clean toilet facilities and to potable water and, if appropriate, sanitary facilities for food storage shall be provided free of charge.
- 2.11 In geographically isolated areas of the developing world, where labour is brought in from surrounding areas to semi-permanent/permanent dwelling, the employer shall provide at least a minimum standard of support services (where possible), including schooling, medical and health facilities and recreational facilities.

ARNOTTS

- 2.12 Where management provides dedicated transport for the movement of the workforce within the workplace, these shall conform to the minimum standards set down in the appropriate national transport legislation. In the absence of such legislation, the management shall make every reasonable effort to minimise risk to the workforce whilst transporting them.
- 2.13 Accommodation, where provided, shall be clean, safe and meet the basic needs of the workers.

Child Labour shall not be used

- 2.14 Suppliers shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child. The International Labour Organization (**ILO**) and the Ethical Trade Initiative (**ETI**) Base Code state that a child is any person younger than 15 years of age, unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply.
- 2.15 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 2.16 Supplier's policies and procedures shall conform to the provisions of the relevant ILO standards.

Living Wages are paid

- 2.17 Wages and benefits outside the European Union paid for a standard working week meet, as a minimum, national legal standards or industry benchmark standards, whichever is higher. Wages and benefits within Europe should meet minimum wage standards. In any event wages should always be enough to meet basic needs and to provide some discretionary income.
- 2.18 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- 2.19 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the express permission of the worker concerned. All disciplinary measures should be recorded.

Working Hours are not excessive

- 2.20 Working hours must comply with national laws, collective agreements and the provisions set out at 2.22 to 2.26 below, whichever affords greater protection for workers. Provisions at 2.22 to 2.26 are based on international labour standards.
- 2.21 Working hours (excluding overtime) shall be defined by contract and shall not exceed 48 hours per week*. (**International standards recommend the progressive reduction of normal hours of work (when appropriate) to 40 hours per week, without any reduction in workers' wages as hours are reduced*).
- 2.22 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all of the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.
- 2.23 The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by 2.25 below.
- 2.24 Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:
 - 2.25.1 It is permitted by local law;
 - 2.25.2 This is permitted by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
 - 2.25.3 Appropriate safeguards are taken to protect the workers' health and safety; and
 - 2.25.4 The employer can demonstrate that exceptional circumstances such as unexpected production peaks, accidents or emergencies.
- 2.25 Workers shall be provided with at least one day off in every 7 day period or, where permitted by national law, 2 days off in every 14 day period.

No Discrimination is practiced

- 2.26 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Regular Employment is provided

- 2.27 To every extent possible work performed must be on the basis of a recognised employment relationship established through national law and practice.
- 2.28 Obligations to employees under labour or social security laws and regulations arising from the regular environment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

No Harsh or Inhumane Treatment is allowed

- 2.29 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

3. NO BRIBERY OR CORRUPTION

- 3.1 The offering, paying, soliciting or accepting of bribes including facilitation payments is strictly prohibited.
- 3.2 A bribe may involve giving or offering any form of gift, consideration, reward or advantage to someone in business or government in order to obtain or retain a commercial advantage or to induce or reward the recipient for acting improperly or where it would be improper for the recipient to accept the benefit.
- 3.3 Bribery can also take place where the offer or giving of a bribe is made by or through a third party, e.g. an agent, representative or intermediary.
- 3.4 Some example of bribes are as follows, please note that this list is not exhaustive:
- 3.4.1 Gifts with a value above a reasonable level, or travel expenses;
 - 3.4.2 The uncompensated use of company services, facilities or property;
 - 3.4.3 Cash payments, loans, loan guarantees or other credit;
 - 3.4.4 The provision of a benefit, such as an educational scholarship or healthcare, to a member of the family of a potential customer/public or government official;
 - 3.4.5 Providing a sub-contract to a person connected to someone involved in awarding the main contract; and/or
 - 3.4.6 Engaging a local company owned by a member of the family of a potential customer/public or government official.
- 3.5 Facilitation payments are small payments or fees requested by government officials to speed up or facilitate the performance of routine government action (such as the provisions of a visa or customs clearance). Such payments are strictly prohibited.
- 3.6 Suppliers and their employees must comply with all applicable anti-bribery and corruption laws. If no such anti-bribery or corruption laws apply, or are of a lesser standard to that prescribed in the UK Bribery Act 2010, suppliers, representatives and their employees must adhere to the UK Bribery Act 2010.
- 3.7 Suppliers must have in place anti-corruption and bribery procedures to prevent employees or persons associated with its business from committing offences of bribery or corruption.
- 3.8 Suppliers and representatives will properly implement these procedures into their business and review them regularly to ensure that they are operating effectively.

ARNOTTS

4. ANIMAL WELFARE AND TRANSPORTATION

- 4.1 As a minimum, suppliers shall adhere to five fundamental freedoms as recommended by the World Society for the Protection of Animals (**WSPA**) which set standards for basic animal welfare. Animals must have:
- 4.1.1 Freedom from hunger and thirst by ready access to fresh water and an appropriate diet to maintain full health and vigour;
 - 4.1.2 Freedom from pain, injury or disease by prevention or rapid diagnosis and treatment;
 - 4.1.3 Freedom to express normal behaviour by providing sufficient space, proper facilities and company of the animal's own kind; and
 - 4.1.4 Freedom from fear and distress by ensuring conditions and treatment which avoid physical or mental suffering in transit.
 - 4.1.5 Freedom from discomfort by providing an appropriate environment including shelter and a comfortable resting area.
- 4.2 Animals must not be transported for longer than 8 hours and should be sourced locally wherever possible, to avoid long journeys to abattoirs.
- 4.3 Animals must go directly from farm to slaughter and not via livestock markets.
- 4.4 Suppliers must ensure that staff are skilled and competent in animal husbandry and welfare and have a good working knowledge of the animals in their care.
- 4.5 Suppliers must comply with EU and national legislation applicable to animal welfare, transportation and slaughter.
- 4.6 Suppliers must not supply any animal products listed on The Convention for International Trade in Endangered Species (**CITES**) Appendix I.
- 4.7 Suppliers should ensure that all necessary certification is in place for any animal products listed on CITES Appendix II and III and that these animal products are sustainably and responsibly sourced.

5. ENVIRONMENT

- 5.1 Suppliers shall seek to:
- 5.1.1 Make continuous improvements in their environmental performance and will identify, monitor and minimise the environmental impacts of their operations ideally by using an externally accredited management process.
 - 5.1.2 As a minimum, comply with the requirements of local and international laws and regulations.
 - 5.1.3 Demonstrate improved environmental performance over time, to prevent, minimise and manage the environmental impacts associated with your activities, including but not limited to:
 - a) energy use and greenhouse gas emissions causing climate change;
 - b) water consumption;
 - c) effluent generation and water pollution;
 - d) chemical and hazardous substance use;
 - e) air pollution;
 - f) reduce use of resources and waste generation; and
 - g) biodiversity loss.
- Beyond legal compliance, we encourage participation in good practice environmental management initiatives and compliance with industry standards. Some examples include:
- a) [bluesign@system](#) and standard - chemicals management
 - b) [Zero Discharge of Hazardous Chemicals \(ZDHC\)](#)
 - c) [Apparel and Footwear \(AFIRM\) Restricted Substances List \(RSL\) Working Group](#)
 - d) [Cradle to Cradle Certified™](#)
 - e) [EU Ecolabel for Textiles](#)
 - f) [NATURTEXTIL iVN certified BEST](#)
 - g) [Nordic Swan](#)
 - h) [OEKO-TEX® Standard 100](#)
- 5.1.4 Minimise their use of raw materials, continually looking for more efficient processes and maximize their use of recycled materials.

ARNOTTS

- 5.1.5 Continually strive to recycle as much of their waste as possible. Waste shall be disposed of in an efficient, safe and environmentally responsible way and in full compliance with national laws.
- 5.1.6 Avoid contamination of the local environment and ensure that air, noise and odour pollution is within nationally defined limits.
- 5.1.7 Innovate to find sustainable alternatives to using fossil fuel-based and non-renewable resources.
- 5.1.8 Minimise chemical use and abide by international, national and sector specific laws and any nationally recognised codes of practice for the use of pesticides.
- 5.19 Measure and report on your environmental performance. Our preference is for the use of recognised industry reporting standards and schemes. Examples are:
 - a) [ISO14001 EMS](#) or Eco Management and Audit Scheme ([EMAS](#));
 - b) [ISO140040-44 Life Cycle Assessment](#) (for measurement);
 - c) [Global Reporting Initiative](#);
 - d) [CDP Reporting Framework](#);
 - e) [Greenhouse Gas \(GHG\) Protocol](#);
 - f) [Sustainable Apparel Coalition Higg Index](#); or
 - g) Such other standard you can reasonably demonstrate is a suitable environmental performance reporting tool.

6. PRODUCTS and SENSITIVE MATERIALS REQUIREMENTS (NEW SECTION)

For products and services sold in our stores and online, we require our brands/concessions and their suppliers to comply with the following requirements regarding materials which can significantly impact the environment and supply chain working conditions.

Beauty

You shall ensure that you, and that your contractors, agents or factories supply beauty products that meet the following requirements.

Reduce the environmental footprint of formulas

Choice of raw materials, sourcing, farming and supply chain management should reduce chemical toxicity, respect biodiversity and prevent deforestation. These include products with no parabens, synthetic colours, dyes or fragrances and are palm oil free.

- Organic products should be certified to third party schemes e.g. Soil Association Organic standard. Organic products contain ingredients from organic farming and are sourced and manufactured using sustainable methods.
- When palm oil/palm based ingredients such as palm kernel oil derivatives are used, our preference is for Certified Roundtable on Sustainable Palm Oil (RSPO), Certified Sustainable Palm Oil (CSPO) and palm oil derived ingredients. Products should be clearly labelled.
- Sourcing of raw materials should be in line with the Convention on Biological Diversity and the [Nagoya Protocol](#) – an international agreement promoting fair and equitable sharing of the benefits of natural resources and that protects biodiversity.

Micro beads and “single use plastic” e.g. Q tips, wipes and glitter

Plastic microbeads are banned from cosmetics and personal care products because of their impact on the marine environment. Microbeads are currently being defined as “Solid micro plastics less than 5 mm in all directions which are designed to go down the drain or go down the drain in practice”. We know many cosmetics and personal care brands have already, or are in the process of banning microbeads from their products. Legislation banning microbeads is in place in the UK ([Environmental Protection Microbeads Regulations 2017](#)) since January 2018, several other countries and pending for other EU countries including Ireland.

Single use plastic products – designed for single use and then disposal – are a major source of marine pollution. These include Q-tips and wipes. Most wipes currently on the market contain non-biodegradable plastics such as polyester and other non-biodegradable materials. Wipes used by consumers which are flushed down toilets cause blocked sewers and are released into the marine environment. The [EU single use plastics legislation and market strategy](#) to ban the top 10 single use plastic products¹ has been drafted and includes wipes and Q-tips. See also [Factsheet](#) for the 10 single use plastic products this law will focus on. Products containing single use plastic including wipes and Q-tips should be phased out by

¹ The EU legislation regarding a ban on Single use plastic products applies to plastic cotton buds, cutlery, plates, straws, drink stirrers and balloon sticks. Single-use drinks containers made with plastic will only be allowed on the market if their caps and lids remain attached.

ARNOTTS

end 2019 at the latest and replaced with non-plastic low environmental impact alternatives such as fully biodegradable. Products should be clearly labelled to support the correct recycling or disposal by customers.

Biodegradable is defined as materials that can be decomposed by either anaerobic or aerobic decomposition, such as food, paper, paperboard, natural textiles and garden waste. 100% biodegradable materials suitable for composting must meet composting and biodegradation standards e.g. [IS EN 13432:2001 Packaging Recoverable through Composting & Biodegradation](#).

Mica

Mica is a naturally occurring group of silicate minerals used to make colour pigments and lustres. Key challenges are illegal mines, child Labour and exploitative practices in mining of mica raw material. We require that supply chains are traceable and ensure fair and sustainable mica collection, processing and sourcing practices. Industry best practice scheme include [Responsible Mica Initiative](#).

Animal testing – Cruelty free, Vegan

In vitro animal testing is not required to put products on the EU market including Ireland. For this reason, we require no animal testing for products to be sold in our stores. However, we understand that to sell products on some markets including the Chinese market, in vitro testing is still required. We welcome brands that prohibit the sale of products in any countries where animal testing is still required. We encourage brands that are:

- Cruelty free and certified in line with the [Leaping Bunny Scheme](#).
- Products comprising no animal products certified Vegan.

Packaging

Reduce the quantity and environmental impact of the packaging used in products for example reducing or replacing plastic packaging, shift to fully biodegradable/compostable packaging, refill and take back schemes plus use of recycled and sustainable paper and cardboard certified to Forest Stewardship Council (FSC) / Programme for Environmental Forest Certification (PEFC). Participation in sustainable packaging initiatives such as Sustainable Packaging Initiative for Cosmetics ([SPICE](#)) are welcome.

Timber and Paper

You shall ensure that you, and that your contractors, agents or factories supply timber that complies with the EU Timber Regulations (EUTR) Regulation, [CITES](#) (Convention on International Trade in Endangered Species of Wild Fauna and Flora) and EU Wildlife Trade Regulations, where relevant.

Under the EUTR, placing illegally harvested timber and products derived from such timber on the EU market is prohibited. The Regulation applies to wood and wood products being placed for the first time on the EU market. Full end to end chain of custody and compliance must be demonstrated. Failure to do so will result in product cancellation and associated costs. Further information is at

<http://agriculture.gov.ie/forests/service/eutr/flegt>
http://ec.europa.eu/environment/forests/timber_regulation.htm

You shall ensure that you, and that your contractors, agents or factories source timber and paper from sustainably managed forests such as certified by the Programme for the Endorsement of Forest Certification (PEFC) or Forest Stewardship Council (FSC). Goods complying with these codes must be labelled accordingly.

Animal Products

You are required to take responsibility for the standard of animal welfare within your supply chain. We do not tolerate the mistreatment of animals in the procurement of any animal product.

Animal fur

We have a strict no fur policy. We will not accept any non-food animal products unless they are a by-product or co-product of the meat industry such as shearling animal hides.

Definitions:

"Fur" means any animal skin or part thereof with hair or fur fibres attached, either in its raw or processed state or the pelt of any animal killed solely for its fur.

"Animal" includes, but is not limited to, mink, coyote, sable, fox, muskrat, rabbit, and raccoon dog.

Faux fur means non-real animal fur.

ARNOTTS

Permitted

Faux fur

Sheep (leather + hair-on hides) that are a by-product of the meat industry

Cow (leather + hair-on hides) that are a by-product of the meat industry

Not Permitted

Fur

Hides that are not a by-product of the meat industry

Other animal hides e.g. mink, coyote, sable, fox, muskrat, rabbit, and raccoon dog

In line with S.I. No 142/2012 - EU (Textile fibre names and related labelling and marking of the fibre composition of textile products) Regulations 2012, any textiles put onto the EU market trimmed with or containing any fur or leather must be labelled with the phrase "contains non-textile parts of animal origin". Garments without this must not contain any real fur. This is designed to allow the consumer to distinguish between real and faux fur contained in a product. More guidance can be found at <https://www.businesscompanion.info/en/quick-guides/goods/labelling-of-textiles>.

The fibre content of the faux fur used should be supported by a test report, carried out at an independent 3rd party laboratory. Testing must be conducted at a minimum of every 12 months, and/or when the supplier changes. This certified test report is necessary in order to verify faux fur fibres do not contain any real fur and only fibres meeting this strict requirement will be accepted. All products containing faux fur, including trims, must have the fibre specified on our product labels.

There are also visual check sheets for identifying real fur from faux fur at <http://www.hsi.org/assets/pdfs/guide-to-identifying-real-versus-fake-fur.pdf> and <http://www.humanesociety.org/assets/pdfs/fur/field-guide-on-real-vs-fake-fur-final.pdf>.

We reserve the right to conduct checks for compliance, for example for restricted substances, like chemicals or real fur, or correct labelling. We may conduct random tests on products supplied by brands and concession partners.

Leather

You shall ensure that you, and that your contractors, agents or factories manage the sustainability impacts of leather sourcing and production. As a minimum this must be in compliance with relevant environmental legislation.

The environmental impacts of leather production are significant and must be suitably managed from cattle ranching to leather production. These include Greenhouse Gas emissions from cattle ranching and chemical pollution, water and energy used in processing and tanning leather.

Country of Origin of cattle used for leather should be identified to ensure cattle ranching is not causing deforestation and biodiversity loss such as in the Amazon biome. In the Amazon region, cattle ranching is linked with over 80% of deforestation.

Our preference is the use of credible third party certified schemes on sustainable leather. Examples are Rainforest Alliance certified ranches, for production, tannery certifications such as The [Leather Working Group](#) (LWG) or Certificazione della Qualita per l'Industria Conciaria ([ICEC](#)).

Feather and Down

You, your contractors, agents or factories must only source:

- Feather and down from geese and ducks that are a by-product of the food industry .
- Have not been force fed.
- Have not been live plucked or live harvested during the moulting period.

Traceability systems including audits back to the farm are required using recognised industry schemes and standards to verify this. Our preference is for suppliers to be compliant with the [Responsible Down Standard](#), [DownPass 2017 Standard](#) or equivalent. This should also be clearly labelled on packaging and consumer facing information for example using the [RDS Logo Use and Claim Guide](#) or [DownPass Label Guide](#).

Wool and Cashmere

You shall ensure that you, and that your contractors, agents or factories manage the animal welfare and environmental impacts of wool sourcing and production. As a minimum this must be in compliance with relevant sustainability legislation.

ARNOTTS

Shearing must be obtained in line with good animal welfare practice. Our preference is for compliance with third party certified schemes including [Woolmark](#), [Zque](#) (for merino wool) or [Responsible Wool Standard](#) (RWS) for animal welfare and land management practices in sheep farming.

Endangered Species and Exotic Skins

You, your contractors, agents or factories must not knowingly source or sell Goods or Goods containing ingredients from endangered species. You must ensure, and that your contractors, agents or factories use only farmed sources and/or provide a CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) certificate before we will trade with you.

CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) is an international agreement between governments. Its aim is to ensure that international trade in specimens of wild animals and plants does not threaten their survival. Ingredients or inputs from species listed in a “threatened category” on the International Union for Nature Conservation (IUCN) Red List or on the CITIES database are banned from our Goods.

Our preference is the use of schemes looking to improve animal welfare standards. For example:

- a) [The International Working Group on Reptile Skins \(IWG-RS\)](#)
- b) [Responsible Luxury Initiative](#)

Fibres and Fabrics

You shall ensure that you, and that your contractors, agents or factories manage the sustainability impacts of fibre and fabric production. As a minimum this must be in compliance with relevant environmental legislation. Country of Origin of origin should be identified to prevent supporting child labour in certain cotton growing regions such as Uzbekistan.

Our preference is to use sustainable fibres and fabrics where available. Some examples include:

- a) Sustainable cotton including:
 - o Organic standards such as [Global Organic Textile Standard](#) which eliminates the use of artificial fertilisers, pesticides and GM seeds; or
 - o [Better Cotton Initiative](#) or [Cotton Made in Africa](#) – both schemes promote better environmental and social practices through the supply chain and provides a degree of traceability; or
 - o [Fairtrade](#) - restricts the use of certain chemicals and GM seeds and set out minimum labour and environmental standards.
- b) Use of recycled fabrics enabling a circular approach such as recycled polyester, cotton and wool to Global Recycling Standard;
- c) Use of other low impact man-made fibres in fabrics such as lyocell (Tencel™) and sustainable viscose;
- (d) Ensuring timber based cellulosic fibres like viscose, rayon, modal and lyocell do not come from endangered or ancient forests. Schemes such as [Canopy Style](#) support the fashion sector to do this.

Chemicals

You are legally obliged to ensure you comply with legislation as relevant to the products you supply us relating to the use of chemicals in consumer products, packaging materials, and production processes. This is intended to protect the environment, as well as our employees and customers from exposure to potentially harmful substances. In particular [REACH](#) Regulation (EC) No. 1907/2006, REACH Directive 2006/121/ and EC [Classification, Labelling and Packaging Regulation](#). (CLP) Regulation (European Regulation (EC) No 1272/2008).

You shall ensure your Goods are certified to ensure compliance and it is your responsibility to check and comply with your current legal obligations.

You will make bill of substances, declarations, test reports and certifications as relevant available to us upon request.

Summary information on these obligations is in Annex 2.

Precious Stones, Metals and Minerals

Precious stones and metals can be used in jewellery, accessories, homewares and electronics. Their production has ethical and environmental impacts. Environmental damage and pollution can be caused by mining and extraction of stones, metals and minerals. Open pit mining, mercury used in artisanal mining and certain sourcing methods for tin cause pollution and health hazards.

You shall ensure that you, and that your contractors, agents or factories manage the sustainability impacts of mining for stones, metals and minerals. As a minimum this must be in compliance with relevant environmental and labour legislation. You shall ensure that you do not, and that your contractors, agents or factories use open pit mining. Good standards of environmental management should be used in the production of stones, metals or minerals.

Our preference is the use of credible third party certified schemes. Some examples are:

- a) [Coloured gemstones](#) – UN mechanism for traceability of ethically sourced coloured gemstones;
- b) [Responsible Jewellery Council](#);
- c) Fairtrade gold and silver standards developed with the [Alliance for Responsible Mining](#) ethical certification system for gold that sets minimum standards for artisanal and small-scale miners on safety, worker rights and the environment; or
- d) [Kimberley Process](#): certification scheme that regulates the trade in rough diamonds and prevents the sale of conflict diamonds.

Food - Sustainable sourcing and supply chains

You shall ensure that, and that your contractors, agents or factories, source food locally and that sustainable products/production systems are used as much as possible. These include sustainable farm and food supply chain schemes including Origin Green (Bord Bia Ireland), Organic, Free Range, Red Tractor (UK) Freedom Foods, Marine Stewardship Council (fish), Rainforest Alliance (coffee, tea, and other commodity foods), Palm oil free/ Roundtable on Sustainable Palm Oil (RSPO), as well as local, in season sourcing. Products should be clearly labelled in line with licensing requirements.

Restaurant Concessions

In addition to the above sustainable food sourcing, restaurant concessions shall ensure that you, your contractor and supplier also reduce resource use and prevent waste through meeting the following requirements:

- No single use plastics e.g. cutlery, plastic cups, water bottles or straws – replace with options that can be reused hygienically.
- Compostable single use plastics only meeting EU composting standards e.g. Vegware can be used as a second option and can go into the food waste/composting collection. However, moving to a reusable option is our preference.
- Take away napkins and take away containers should be recyclable or compostable. If made of cardboard or paper they must be certified to either FSC or PEFC.
- No single use take away coffee cups with a plastic liner. Replace with compostable or take away reusable cups.
- Shift from single use plastic sachets of sauces and other materials.

In choosing menus and food options, our preference for restaurants concessions is to grow healthy/ climate friendly eating & nutrition.

Electrical Products

If you provide us with electrical Goods, you shall ensure that, and that your contractors, agents or factories (as applicable) comply with legal obligations including on energy efficiency, WEEE and ROHS Directive.

Electrical equipment must meet energy efficient equipment requirements in line with the [EU Energy label \(to a minimum of level B and ideally A to A++\)](#) or [Energy Star](#), [Energy Saving Recommended](#) or [EU Eco label](#)

The WEEE Directive sets out measures for collecting WEEE for recovery, recycling and re-use. Under this legislation, it is also the responsibility of the retailer to meet a “Consumer Information Obligation”. This obliges retailers to inform customers as to the availability of WEEE collection facilities throughout Ireland, and assist in developing their knowledge of recycling issues surrounding WEEE. So that our customers can get their waste electrical goods recycled, we contribute towards a national fund to assist local councils to further develop their existing waste electronics collection facilities. In order to assist customers in remembering that electronic goods can be recycled and



ARNOTTS

therefore should not be placed in the general waste, all products of this type are to be marked by the Supplier with a crossed out wheeled bin symbol.

ROHS ([Restriction of Hazardous Substances](#)) Directive (EU) 2015/863 on the restriction of the use of certain hazardous substances in electrical and electronic equipment (EEE) (recast) aims to limit the environmental impact of EEE when it reaches the end of its life. It does this by minimising the use of hazardous substances and ensuring the harmonisation of legislation controlling hazardous substances in EEE across the Community.

Packaging and Signage

Suppliers agents or factories should design and source packaging, fillers and signage to minimise the environmental impact. This includes using low impact and sustainably sourced materials and designs that take into account resource efficiency, waste prevention, minimisation and the ability to reuse and recycle.

For basic, luxury paper bags, cardboard boxes and POS signage:

- a) use paper/board from sustainably managed forests such as certified by the Programme for the Endorsement of Forest Certification (PEFC) or Forest Stewardship Council (FSC);
- b) be made of as much recycled paper/board as feasible for the function and design specification;
- c) use low impact dyes not containing hazardous substances e.g. water based inks; and
- d) shall be 100% recyclable, themselves.

Where laminates are used these should be biodegradable to ensure packaging can be recycled when no longer needed.

For ecommerce mailing bags, transit packaging and any packaging fillers:

- a) Our aim is to shift to eliminating the need for “single use” plastic packaging where possible while still ensuring the product is suitably protected. We will work with our suppliers to support this.
- b) Minimise the use of virgin plastic and polystyrene packaging as much as possible and shift to lower impact materials.
- c) Where plastic packaging is used this should be from as much recycled plastic as feasible for the function or using alternative materials with lower environmental impacts enabling either reuse, recycling, composting or suitable disposal that does not damage the environment.
- d) For compostable materials these must be to the EU Composting standard *ISEN13432:2001 Packaging Recoverable Through Composting & Biodegradation* and be clearly labelled.

Ensure all packaging is clearly labelled to specify the material composition, certifications and waste management required e.g. recyclable or compostable. Labels in line with the Irish REPAK scheme should be used to facilitate consumer communications on recycling etc... See <https://www.repak.ie/for-home/recycling-symbols/>

If you are a concession, then your bags should meet or exceed the above requirements. You will use signage that meets this minimum requirement and shall re-use signage wherever possible to reduce cost and waste.

ANNEX 1: SEDEX – SUPPLIER ETHICAL DATA EXCHANGE



WHAT IS SEDEX

SEDEX is a not for profit membership organisation dedicated to driving sustainability improvements in business supply chains. It is the largest collaborative platform in the world for buyers, suppliers and auditors to store, share and report on ethical supply chain data.

SEDEX has two main aims:

- To ease the burden on suppliers facing multiple audits and questionnaires.
- To drive improvements in the sustainability performance of supply chains.

SEDEX core product is a secure online database which allows members to store, share and report on information and to access audits on issues including:

- Labour
- Health & Safety
- Environment
- Business Ethics

Our company SEDEX Number is ZC202453778

SEDEX is not expensive to join and has many benefits for factories, brands and retailers alike.

For more information and international SEDEX offices see <https://www.sedexglobal.com/>

ANNEX 2 - CHEMICALS LEGISLATION - REACH, ROHS AND CPL

Summary information on REACH, ROHS and CPL obligations is below.

REACH

REACH - Registration, Evaluation, Authorisation and Restriction of Chemicals - is an EU Regulation for the management of chemicals. It applies to chemicals that are manufactured within the EU and/or imported into the EU from other territories. REACH requires all manufacturers; importers and downstream users to register the chemicals they use so that it can be determined if these uses are safe or whether the use of certain chemicals needs to be restricted because of their adverse effect on human health or the environment.

REACH stands for:

- **Registration** of chemicals that are restricted by the European Chemicals Agency (ECHA)
- **Evaluation**
- **Authorisation** for the use of certain hazardous chemicals and by setting maximum levels for **Substances of Very High Concern (SVHC)**, and
- **Restriction of Chemicals** by limiting or banning substances posing high risks to human health or the environment. Examples are Azo Dyes (Textiles) Nickel release (Jewelry), Phthalates (Plastics), Chromium VI (Leather), PAH (Rubber)

REACH Annex XVII specifies the compliance obligations to include the following. This is not exhaustive and updates to REACH regularly occur.

- Azo dyes (*may be found in textiles*)
- Pentachlorophenol (PCP) (*may be found in wood, leather*)
- Nickel (*may be found in jewellery*)
- Chromium (VI) (*may be found in leather*)
- Cadmium (*may be found in glass*)
- Phthalates (*may be found in plastics*)
- Polycyclic Aromatic Hydrocarbons (*may be found in rubber*).

What does REACH mean for The company?

REACH will have an impact throughout the supply chain on products and preparations. The Regulation sets out a number of obligations for producers and importers of "articles". The provision is set out as a safety clause to ensure that there will not be any unknown substances coming on the market via an article produced outside the EU.

REACH imposes conditions on chemicals imported into the EU whereby a high concern for human health or the environment has been identified. These SVHC's are listed in a "Candidate list", the number of which is being extended on an on-going basis. The chemicals listed within the "Candidate list" are closely monitored by ECHA, with a view to being eventually phased out or banned.

Retailers are responsible when they are selling products under their own label.

Accordingly, The company is required to ensure that the manufacturer of the product has registered the use of the substance contained in the same. Find out if the chemical is already been registered for that end use and if not the EU Chemical Agency should be contacted for further advice (<http://ec.europa.eu/echa/>). ECHA website REACH <https://echa.europa.eu/regulations/reach/legislation>.

If a product contains an SVHC above the threshold limit, then both ECHA and The company must be notified. The company can be notified in the form of Safety Data Sheets (SDS) and / or a Bill of Material (BOM).

ROHS

RoHS (**Restriction of Hazardous Substances**) EU Directive 2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment (EEE) (recast) aims to limit the environmental impact of EEE when it reaches the end of its life. It does this by minimising the use of hazardous substances and ensuring the harmonisation of legislation controlling hazardous substances in EEE across the Community.

A producer may not place new EEE on to the EU market that contains any of the following substances in amounts exceeding the set maximum concentration values:

- Lead;
- Cadmium;
- Mercury;
- Hexavalent Chromium;
- Polybrominated Biphenyls ('PBB') and
- Polybrominated Diphenyl Ether ('PBDE').

ARNOTTS

Maximum Concentration Values:

For the purpose of the RoHS Regulations, a maximum concentration value of up to 0.1% by weight homogenous materials for lead, mercury, Hexavalent chromium, PBB and PBDE, and of up to 0.01% by weight in homogenous materials for cadmium will be permitted in the manufacture of new EEE.

There is no prescribed method to demonstrate compliance, but producers can base compliance on material declarations and/or material analysis.

EEE covered by the RoHS Regulations:

- Large Household Appliances;
- Small Household Appliances;
- IT and Telecommunications Equipment;
- Consumer Equipment;
- Lighting Equipment (Including electric light bulbs and household luminaires);
- Electrical and Electronic Tools (With the exception of large scale stationary industrial tools);
- Toys, Leisure and Sports Equipment; and
- Automatic Dispensers.

Exemptions include: products where electricity is not the main power source, products where electrical/electronic components are not needed to fulfil the primary function, items placed on the market before 1st July 2006, Batteries, Medical devices, & Military equipment.

Compliance:

A producer shall at the request of the enforcement authority submit within 28 days of the date of request, technical documents, or other information showing that EEE placed on the market complies with the requirements of the regulations. A producer shall ensure that he retains the technical documents or other information for a period of 4 years from the date that he places EEE on the market.

CLP

If you supply any hazardous chemicals within the EU you must comply with the [Classification, Labelling and Packaging Regulation](#). It complements the REACH Regulation and ensures that the hazards of chemicals are clearly communicated to workers and consumers through pictograms and standard statements on labels and safety data sheets.