Environmental Policy

Reviewed annually, updated March 2022.

Introduction

We recognise that sustainability drives value creation, protects and enhances the reputation of our company, ensures future resilience, and is the right way to run the business for our stakeholders. This environmental policy sets out our approach to operating as a Global Sustainable Brand and is informed by the UN Sustainable Development Goals which we are committed to supporting the delivery of. The principles defined in this policy address material environmental impacts we have as a global fashion brand – you can read more about how we manage and mitigate these risks and impacts here.

We accept that as a fashion brand we impact both the local and global natural environment in a variety of ways. Reflecting this, our mission is to integrate environmental consideration into our core business operations, decision making and evaluation procedures.

Scope

This policy is applicable to both our own operations and our supply chain.

The Policy

This environmental policy comprises of three sections:

- 1. Principles
- 2. Governance
- 3. Application of the Principles

1. Principles

In conducting our business, we aim to demonstrate continual improvement in our environmental management, practices, and performance across all areas we influence.

Our most material environmental impacts are in carbon emissions, energy use, transport, waste and packaging, chemicals, water and effluent treatment and raw material sourcing.

As a minimum, all sites and operations must fully comply with all relevant environmental legislation, law, and regulation. Any required permits must be maintained by the relevant site.

i. Carbon Emissions

- **a.** We will assess our climate change impacts through understanding, measuring, and reporting our Greenhouse Gas (GHG) emissions.
- **b.** We will act upon opportunities to reduce GHG emissions associated with the business, including achieving net zero carbon emissions within our direct operations by 2025 and across our entire supply chain by 2040.

c. We will ensure climate change is included, and understood, within business risk and opportunity frameworks.

ii. Energy Use

- a. We will monitor and measure our energy consumption to identify a baseline to which we can report against on an annual basis each year after.
- b. We will improve efficiency in the use of energy; a key resource to all.
- c. We will maximise the use of renewable energy (through self-generation and procurement).
- d. We will follow all principles detailed within our Energy Management Protocol.

iii. Transport

- a. We will work with our global logistics partners to understand their carbon emissions, to publish the relevant Scope 3 emissions on an annual basis.
- b. We will work with our logistics partners to achieve net zero carbon emissions by 2030, through supporting a transition to low carbon transport and encourage driver training and investment.
- c. We will track and report employee business travel each year; exploring practices to further reduce travel needs e.g., using digital meeting tools is encouraged.

iv. Waste and Packaging

- a. We will actively reduce the generation of all waste, and improve the percentage that is recycled, by applying the waste hierarchy.
- b. We will maximise the recycling of all textile waste from pre- and post-production and pre- and post-consumer processes, including but not limited to, offcuts, seconds, samples, overstock, faulty and end of life garments.
- c. We will identify, and design out, unnecessary packaging and design in the use of sustainable packaging alternatives for our products where needed, ensuring all packaging we must use is 100% reusable, recyclable or compostable by 2025.
- d. We will follow all principles detailed within our Waste Management Protocol

v. Chemicals

- a. We have strict standards in place on harmful and hazardous substances, including compliance with REACH requirements throughout our supplier base, which we uphold on an individual supplier basis through our dedicated locally based teams, and our nominated global independent third-party testing lab.
- b. We will test for harmful and hazardous substances as defined by REACH and other globally-recognised standards applying a comprehensive risk-based due diligence approach to product testing, whereby if problematic substances are identified, we will work quickly and appropriately to ensure customer safety remains the top priority.
- c. We will prioritise the identification of any asbestos at any site and monitor the conditions. Should work need undertaking or the conditions of the site deteriorate, then remedial action will be taken immediately, and best practice guidelines followed.

vi. Water and Effluent

- a. We will track and monitor our water consumption and understand where risks exist, making sure we comply with any local water abstraction and use restrictions.
- b. We will improve the efficiency of water use; a key resource to all, though collaborative working, use of water efficient equipment and promoting water stewardship.
- c. We will ensure all effluent sources are identified, with discharge tested on a regular basis, records are produced and kept for inspection to meet local legislation and where effluent is treated on site it is fully treated to meet needs of discharge permits.

vii. Raw Material Sourcing

- a. We will identify areas where lower impact materials can be used across our products, packaging, buildings, and operations. We will progressively and consistently increase the use of more sustainable alternatives certified, where possible. We utilise industry recognised benchmarks including Textile Exchange's Preferred Fibre and Material Exchange Index to define what are considered to be more sustainable, lower impact and certified materials. We also utilise the Sustainable Apparel Coalition's Higg Index to quantify the environmental impacts of materials, driving evidence-based design and decision making.
- b. We will identify and prioritise raw materials with low environmental impact, including transitioning to 100% organic cotton with 100% compositions transitioned by 2025 and our remaining cotton footprint transitions by 2030 while using wider low impact materials at scale.
- c. We will invest in the Organic Sector to support its stability and growth. We will work directly with Implementing Partners and Farmer Groups to support the transition of 20,000 farmers to the best organic practices by 2025, sufficient to meet our demand for organic.
- **d.** We will trace and keep records of all raw material source locations to abate environmental concerns and, where required, restrict sourcing from certain geographies.
- e. Methodology utilised to measure our full fibre footprint is as defined by the Textile Exchange Preferred Fibre and Material Exchange Index. Our annual use of certified sustainable materials is reported yearly in their annual Material Benchmark.

viii. Biodiversity

- a. We will endeavour to ensure that the resulting outputs of business activities do not impact upon natural ecosystems and biodiversity in a negative manner.
- b. We will work closely with our suppliers globally to implement best practices to maintain and improve the biodiversity, safeguard ecosystems and genetic diversity at a regional, relevant, and meaningful level.
- c. We will kickstart projects to improve biodiversity in the regions in which we operate, with focus on projects related to product and packaging raw materials.
- d. Where we are working on Organic cotton farmer projects, we will work with local partners to ensure their regenerative impact on biodiversity are captured.

We will share these principles with all staff and external suppliers. We will apply these principles throughout our supply chain to encourage continual improvement in environmental performance holistically and, where appropriate, we will give support to help meet our principles. We expect all staff and external suppliers to support in meeting these needs and making Superdry a Global Sustainable Brand.

We will aim for best practice in environmental, social and governance (ESG) reporting and explain the medium to long-term value of environmental improvement measures to our stakeholders. Where possible, we will report on environmental issues in the context of financial, as well as social and environmental, consequences. We will report performance against our environmental policy, and wider sustainability goals, within our annual report.

Our supply chain has access to this environmental policy and all other relevant policies via our supplier manual and our corporate website (https://corporate.superdry.com/sustainability).

2. Governance

Whilst all Superdry staff are required to take an active role in maintaining an environmentally conscious workplace, additional responsibilities lie with the following groups or teams:

a. Board of directors / Executive committee

Although environmental responsibilities are disseminated among all colleagues, ultimate accountability for these lie with the Board and Executive committee. Each director must accept their individual role in providing environmental leadership for us by taking the environmental principles into account when making decisions about plans, premises, processes and products.

b. Heads of department and management functions

Heads of departments or managers of a function are responsible for the overall environmental performance of their business area; we consider this to be a responsibility of equal importance to any other business activity. Adequate delegation of any responsibilities to support this continually must be sought, including through your department 'Sustainability warrior'.

c. Sustainability warriors

Our collection of self-nominated sustainability representatives from across both our retail operations and central departments, known collectively as "sustainability warriors", are responsible for ensuring traction and progress towards meeting our environmental principles by providing resource and knowledge between global sustainability team and department heads / store managers.

d. Global Sustainability team

The sustainability team will drive the programme of environmental practice and performance improvement across our business. Responsibilities include setting goals and targets for the brand, monitoring compliance, measurement and reporting of results and supporting the implementation of relevant actions, projects and standards.

3. Application of the Principles

The principles of this policy will be supported through the following tools:

i. Environmental Management Protocols

The following protocols detail how we manage certain environmental matters. You must read these protocols to ensure you understand how you are impacted by them:

- Waste Management Protocol
- Energy Management Protocol
- ii. Ethical Trading Code of Practice

Our Ethical Trading Code of Practice sets out standards for Superdry to uphold in relation to our own colleagues and for our supply chain partners to uphold in relation to their employees to meet the minimum expectation of ethical and sustainable supply chain.

Ownership and Contact Information

This policy is owned by the Global Sourcing and Sustainability Director and managed by the Energy and Environment Manager.

For further information please contact the Sustainability and Ethical Trading Department at: ethical.trading@superdry.com.