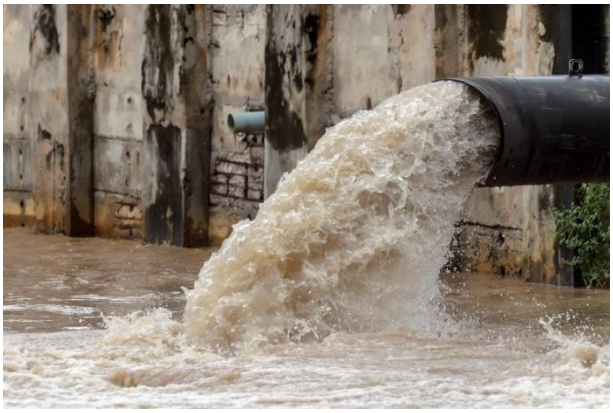
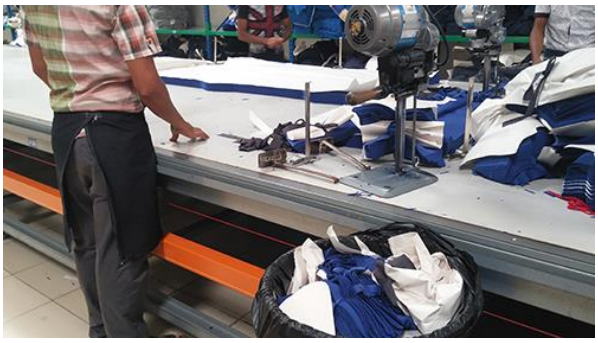
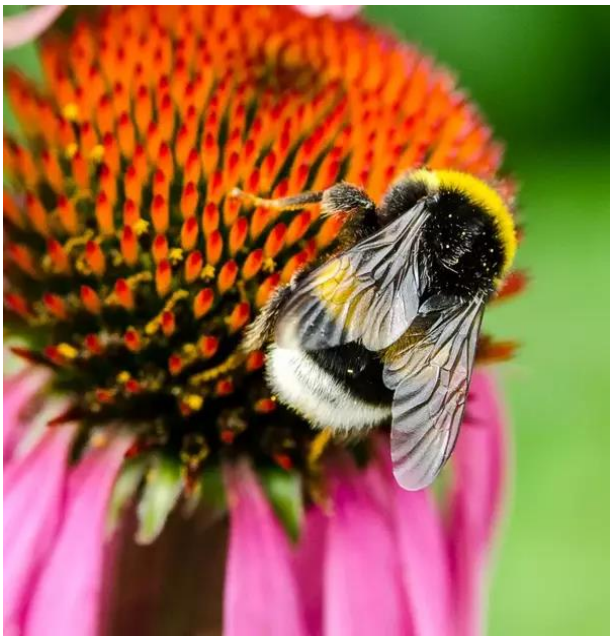
Environmental Protocol

Suppliers' guide to sustainable environmental practice







1.0 Introduction

1.1 Purpose

This Environmental Protocol serves as a comprehensive guide for suppliers to understand and align with our environmental expectations, ensuring practices within the supply chain are consistent with our sustainability standards, industry best practices, and international legislation. Alongside this document there is supportive documentation in the form of policies that will be referenced under the required protocols.

1.2 Supplier Cooperation

All facilities that supply materials and products for N Brown Group must comply with the requirements of the Environmental Protocol. The primary objective of this protocol is to ensure the safety of our customers, facility workers, and the environment. Our view is to work with suppliers who are cooperative, constantly looking to innovate, evolve, and improve. Our commitment to sustainability necessitates that we build trustworthy partnerships. As we strive to reduce our emissions, we anticipate full collaboration from our suppliers in disclosing and sharing information in line with the requirements and expectations specified within the EP (Environmental Protocol).

Policies that must be read in conjunction with this documentation include N Brown Group's:

- Responsible Sourcing Policy (RSP)
    - Animal Welfare
    - Forestry
    - Responsible Cotton Sourcing
    - Chemical Management
- Environmental Policy
- Climate Policy

1.2.1 Compliance

Sections in the EP are summarised into Requirements and Expectations. Suppliers must declare their compliance with these requirements in the EP before N Brown will onboard and source from them. It is the responsibility of N Brown's suppliers to share the EP with the rest of their supply chain and ensure that all information shared is compliant with the EP and the supporting policies and guidelines.

Requirements	**Expectations**
*These are mandatory practices that suppliers **must** adhere to. Non-compliance with these requirements may lead to fees, liquidated damages, reduced partnership opportunities, or the termination of the supplier relationship. Details of non-compliances can be found within the Supplier Charter.*	*These are strongly encouraged practices that suppliers are urged to adopt. While not mandatory, adherence to these expectations demonstrates a supplier's commitment to sustainability and innovation, positively influencing our ongoing and future partnerships.*

1.2.2 Failure to Comply

Failure to comply with the EP's requirements may result in **fees, liquidated damages, termination of the business relationship, or the rejection of the supplier's product**. N Brown Group reserves the right to Return to the Manufacturer (RTM) the product at the supplier's cost. Further details on Environmental and Social compliance can be found in the Supplier Charter.

1.2.3 Monitoring

Suppliers will undergo regular audits to ensure compliance with environmental practice and will be evaluated on our Sustainability Scorecards. Those who show a lack of development, progress, poor communication, and non-compliance after several escalations may result in those actions highlighted in 1.1.2. Our best performing suppliers on sustainability will be adhering to both the requirements and expectations outlined within this protocol. This evaluation process helps ensure that our partnerships remain strong, trustworthy, and focused on continuous improvement.

Monitoring Requirements & Expectations:

	Requested	Required	Expectation
SSQ	Annually	x	
Tier Mapping Survey	Every 6 months	x	
Certifications/ Declarations	Upon request		x (Dependent on product and facility)
Environmental Assessment Report	Upon request		x
Water Risk Assessment	Annually		x
GHG Measurement Report	Upon Request		x
Water Measurement Report	Upon Request		x
Waste Measurement Report	Upon Request		x

1.2.4 Transparency & Disclosure Requirements

We prioritise transparency throughout our supply chain to effectively track, measure, and mitigate the environmental impacts associated with the production of our goods. This commitment is underscored in section 3.0 of the Supplier Charter, where suppliers are expected to adhere to our Transparency Protocol, which outlines requirements for information disclosure.

Suppliers are mandated to provide a comprehensive overview of their entire supply chain (upon request). As part of our initiatives to track and measure impact, these requirements can be related to detailed information about materials, environmental impacts, resource utilisation, and supplier details at the raw material sourcing level. We will use verification processes aligned with certifications, standards and initiatives as discussed in section 5.0 Sustainable Product of the EP. Requests with a particular focus on sourcing regions harbouring potential legal or ethical concerns will require urgent attention.

To maintain the integrity of our supply chain and uphold transparency standards, N Brown reserves the right to assess the legitimacy of the information provided by suppliers. Any instances of falsified or inadequate disclosure may necessitate further action to mitigate potential risks and ensure compliance with the EP.

Requirements	Expectations
1. Upon request, suppliers must provide detailed information on materials, environmental impacts, resource use, and supplier details down to raw material sourcing.	1. Suppliers should demonstrate a commitment to continuous improvement in transparency practices, striving for enhanced visibility and accountability.

2. Suppliers must provide comprehensive details of their entire supply chain, focusing on sourcing regions with potential legal or ethical concerns. 3. Suppliers must respond promptly to requests for information, ensuring timely and accurate disclosure.	2. We rely on the cooperation of our suppliers to identify and address environmental risks associated with the production process. Suppliers are expected to support us in providing information regarding external or wider geopolitical issues that may impact N Brown.

1.2.5 Continuous Improvement

N Brown will look to reward and incentivise those suppliers who are meeting the requirements, expectations and adhering to best practice within the industry by achieving emission reduction targets and other sustainability goals.

2.0 Background

2.1 N Brown's Commitments

We are acutely aware of the environmental challenges posed by climate change and resource depletion. The concept of Planetary Boundaries (see ***Appendix A***), led by the Stockholm Resilience Centre, identifies the limits within which humanity can safely operate to maintain the Earth's stability and resilience. These boundaries include critical thresholds for climate change, biodiversity loss, freshwater use, and chemical pollution, among others.

By adhering to these boundaries, N Brown aims to minimise our environmental impact throughout our supply chain, thereby protecting ecosystems and mitigating the effects of climate change.

Our ESG Strategy, 'SUSTAIN,' has been developed with these planetary boundaries in mind. This approach ensures that our efforts are scientifically grounded and focused on maintaining the health of the Earth's vital systems. SUSTAIN allows us to monitor our progress and impact on environmental preservation and social responsibility. It is designed to ensure that we work collaboratively with our partners and suppliers, aligning them with our commitments, ambitions, and targets.

Reducing Emissions: The fashion industry is known to be one of the highest polluting industries, and N Brown recognizes that climate change is one of the greatest challenges facing our planet. Mitigating the impacts of climate change and rising temperatures, such as increased droughts, famine, and flooding, requires urgent action. We are striving to minimise greenhouse gas emissions and carbon footprint across our internal operations and supply chain by improving energy efficiency and promoting renewable energy use. These can be defined and measured through our scope 1, 2, and 3 emissions.

Nature & Conservation: Poor management of resource extraction, water, and material use deplete natural resources and adversely impacts communities reliant on these resources, as well as the species and nutrients necessary for a stable biosphere. Our commitment is to prioritise these areas of risk by ensuring sustainable land stewardship, responsible water and waste management, and the adoption of sustainable processes within our operations and by our suppliers. This approach aims to protect ecosystems, support community well-being, and maintain biodiversity. We strive to ensure that our practices and products lead to safety and minimise the amount of waste ending in landfill.

Circularity & Traceability: Circularity is critical for addressing the negative environmental and social impacts of waste and pollution. This is achieved by adopting sustainable materials, reducing waste generation, and eliminating the need for virgin materials through recycling, reusing, and regenerating resources, consequently offering financial benefits across the supply chain. To support these efforts, N Brown must consider how it looks to develop infrastructure, design practises and business models that implement circular economics. Enhancing traceability is essential for providing clear and transparent information to our stakeholders about the origins, materials, and processes involved in our products. This visibility ensures that our entire supply chain aligns with our sustainability goals, facilitating effective transitions towards more sustainable practices.

Our priorities are aligned with the United Nations Sustainable Development Goals which address global challenges including poverty, inequality, climate change and sustainable economic growth. In connection with our strategy and commitments, we align this to individual initiatives that act as steering frameworks to ensure our goals align with international expectations.

2.2 Steering Initiatives

INITIATIVE	DESCRIPTION	COMMITMENT
Canopy	Through mapping our use of MMCF's (Manmade Cellulosic Fibres) and paper, we are aligned to Canopy's continuous efforts to eradicate the use of ancient and endangered forests within textiles and packaging by 2025, ensuring effective chemical management in line with ZDHC guideline and preferences towards Next Generation Solutions.	Nature & Conservation
Textiles 2030	Developed a Textile 2030 Roadmap to increase sustainable and circular practices as well as innovation within our operations. Through this initiative, we aim to reach an aggregate reduction in our product carbon footprint (50%) and an aggregate reduction in water use (30%) by 2030.	Reducing Emissions Nature & Conservation Circularity & Traceability
British Retail Consortium (BRC) Climate Action Roadmap	Using the BRC Roadmap, N Brown Group is committed to becoming net zero by 2040 through reducing greenhouse gas emissions and mitigating against climate change.	Reducing Emissions
Science Based Targets initiative (SBTi)	Our commitment to the Science Based Targets initiative (SBTi) has defined a pathway to reduce our Scope 1, 2 and 3 emissions by 42% by FY30 compared to FY22.	Reducing Emissions
Carbon Disclosure Project	Our partnership with the Carbon Disclosure Project drives us to measure risks within our supply chain. Disclosing this information allows us to discover opportunities to reduce carbon emissions and natural resource use.	Reducing Emissions Nature & Conservation
Transparency Pledge	Openness and transparency regarding our SUSTAIN commitments to enable ourselves and stakeholders make more informed decisions	Circularity & Traceability

3.0 Environmental Impact and Damage

N Brown acknowledges its responsibility to address the environmental impacts of its operations and supply chain activities. This section of the Environmental Protocol focuses on understanding and mitigating these impacts across various domains, including land, water, air, and wildlife.

3.1 Land Rights, Animal Welfare and Biodiversity

3.1.1 Impact on Indigenous Peoples & Land Rights

The United Nations Guiding Principles on Business and Human Rights (UNGPs) require companies to respect human rights, therefore N Brown requests that our suppliers recognise and acknowledge the indigenous communities' rights over their territories, land, and resources as well as their right to grant or withhold their Free, Prior and Informed Consent (FPIC) before new plantations are developed. N Brown does not condone land grabbing, and any complaints or conflicts must be resolved transparently, accountably, and agreeably.

Requirements	**Expectations**
1. Suppliers must not partake in or be linked with operations that involve land grabbing. 2. Complaints or conflicts surrounding land rights must be resolved transparently, accountably, and agreeably.	1. Recognise and acknowledge indigenous communities' right over their territories, land, and resources as well as their right to grant or withhold their Free, Prior and Informed Consent (FPIC) before new plantations are developed.

3.1.2 Animal Welfare

N Brown is dedicated to upholding high standards of animal wellbeing through our Animal Welfare module in the Responsible Sourcing Policy (RSP). Suppliers using animal products must adhere to industry best practices to ensure the welfare of animals at all stages of production. We strictly prohibit the use of materials from endangered, wild, or exotic species, as well as fur, shell, cashmere from unsustainable sources, and ivory. Transparency in sourcing, along with prohibitions on practices like mulesing, is essential to ensure ethical and sustainable practices within our supply chain.

Requirements	**Expectations**
1. Alignment with the Five Domains of animal welfare, ensuring animals used within products achieve an overall positive quality of life. 2. Suppliers shall not use any banned materials listed within the Material Specific Requirements of the RSP. 3. Suppliers must consider the materials listed within the Material Specific Considerations of the RSP. 4. Only source animal derived materials as a byproduct of the meat industry from suppliers that exhibit and comply with good animal husbandry.	1. Suppliers are expected to have full transparency on source of animal related materials. 2. Suppliers are up to date with industry best practice regarding animal welfare. 3. Explore and discuss sustainable alternatives to animal derived materials with N Brown sustainability, buyers, or sourcing teams.

3.1.3 Biodiversity

Suppliers are expected to engage in responsible sourcing practices to protect biodiversity and minimise harm to ecosystems. This includes measures to avoid sourcing from areas with significant ecological value or endangered species habitats. Supplier partners must minimise the harm of their operations on ecosystems and are responsible for assessing risks and putting in place measures to ensure that their sourcing, farming, manufacturing, or distribution activities do not compromise and damage biodiversity. Supplier partners must consider the use of pesticides on surrounding biodiversity and ecosystems and minimise use where possible. Supplier partners are encouraged to protect and restore natural habitats where possible to build resilience and protect threatened and endangered species.

Requirements	**Expectations**
1. Avoid sourcing from areas with significant ecological value or endangered species habitats. 2. Suppliers must assess the risks to biodiversity and the ecosystem from their operations and have measures in place to minimise the damage to ecosystems and biodiversity. 3. The use of pesticides and its impacts on biodiversity must also be considered.	1. Engage in responsible sourcing practices to protect biodiversity and minimise harm to ecosystems. 2. Protect and restore natural habitats where possible to build resilience and protect threatened and endangered species. 3. Explore alternatives to pesticides within agricultural practices.

3.2 Land Use

3.2.1 Responsible Sourcing of Cotton

As part of our dedication to responsible sourcing of cotton, our Responsible Sourcing Policy sets clear guidelines for suppliers, emphasizing environmental and ethical practices throughout the extraction and farming process. Our policy aligns with industry standards such as Better Cotton and Textile Exchange, ensuring that our cotton procurement meets stringent sustainability criteria.

Our section below on Sustainable Product will explain the standards and certifications accepted.

Additionally, N Brown prohibits the sourcing of cotton from specific regions due to macro political, ethical, and environmental concerns. These countries and regions are outlined in our RSP, providing transparent guidance for our suppliers to adhere to.

Requirements	**Expectations**
1. Must **not** source cotton from any of the prohibited country listed within the Responsible Cotton Sourcing section of the RSP. 2. In line with our commitment to source 100% of our cotton from less impactful sources by FY26. Suppliers are required to source cotton under the identified responsible sources specified in the RSP.	1. Cotton is sourced from less impactful sources such as Better Cotton, Organic and Recycled sources alongside all the relevant certifications. 2. Suppliers are actively searching to source regenerative cotton, whilst engaging in open discussions with our sustainability, buying, and sourcing teams.

3.2.2 Forestry

At N Brown, we prioritise responsible land stewardship and sustainable sourcing practices as fundamental components of our environmental strategy. The Forestry module in the RSP outlines our responsibility, along with our suppliers, to ensure the responsible use of timber within our supply chain. We aim to protect global forests and biodiversity by ensuring that raw materials do not originate from ancient, endangered, or protected forests, or from operations that are detrimental to conservation efforts.

Suppliers are required to adhere to strict guidelines, refraining from sourcing materials from illegally logged forests, endangered species habitats, or areas where indigenous rights are violated. To demonstrate compliance, certifications such as Forest Stewardship Council (FSC) accreditation or evidence of raw material origin will be requested.

Requirements	**Expectations**
1. Must not source materials from illegally logged forests, endangered species habitats, or areas where indigenous rights are violated. 2. Disclose compliance/ certification upon request.	1. Opting for high recycled content paper for paper packaging where used. 2. Partaking in regular audits, conservation, innovation, adopting Forestry Policies whilst promoting traceability and transparency. 3. Supporting innovation in Next Generation solutions within packaging and Man-Made Cellulosic Fibres (MMCFs). 4. Actively searching for more responsible alternatives, whilst engaging in open discussions with our sustainability, buying, and sourcing teams.

3.3 Chemical Management

3.3.1 Use Restrictions

It is the responsibility of N Brown Group suppliers to ensure that all chemicals and materials used in the manufacturing of N Brown Group's products are compliant with the Chemical Management module of our RSP. Supplier partners are required to select and purchase chemicals in line with our RSP and Restricted Substances list (RSL). All EU and UK REACH regulations must be adhered to in production of all raw materials and finished product.

Our suppliers must adhere to strict regulations governing the use of hazardous chemicals to ensure the safety of both our products and the production processes. Adhering to these standards not only ensures compliance but also demonstrates a commitment to best practices and transparency across the supply chain. N Brown Group expect all suppliers to establish and implement robust chemical management procedures at their facilities.

The N Browns stance on hazardous chemical use and management is developed based on various factors, including:

- We closely follow existing laws and regulations regarding chemical usage and safety and proactively consider upcoming regulations to stay ahead of compliance requirements.
- N Brown refer to recognised RSLs, such as the Apparel & Footwear International RSL Management Group (AFIRM), REACH, and OEKO-Tex Standard 100, for industry best practices.
- N Brown consider chemicals that have been flagged by NGOs, pressure groups, or scientific research as being of concern due to their potential adverse impacts.

Requirements	Expectations
1. Upon request suppliers must provide evidence of a chemical management policy/ process. 2. Suppliers must adhere to international regulations (e.g., REACH in the EU) governing hazardous chemicals. 3. Suppliers must complete a PCD for each product style, including BOM and a compliance declaration. 4. Suppliers must comply with N Brown's random, unannounced due diligence testing of products. 5. Suppliers should maintain transparency in their chemical management practices and provide accurate documentation.	1. Suppliers are encouraged to align with standards such as ZDHC and OEKO-TEX Standard 100. 2. Suppliers should strive for continuous improvement in their chemical management practices, considering pending or anticipated regulations to stay ahead of compliance requirements.

3.4 Energy Efficiency and GHG Emissions

Climate change is a pressing issue and the release of greenhouse gas emissions (GHG) to the atmosphere by burning fossil fuels, livestock farming and deforestation must be reduced to ensure we limit global warming to 1.5°C above pre-industrial levels by the end of the century.

3.4.1 Energy Efficiency

Supplier partners must ensure that the energy within their facilities and operations is used efficiently. Supplier partners are expected to put in place systems for tracking their energy consumption and work towards optimisation of energy use. Supplier partners are encouraged to consider transitioning to clean energy sources wherever possible.

Requirements	Expectations
1. Suppliers must ensure energy is used efficiently where possible. 2. All energy efficiency related information shared must be legitimate and supported with evidence	1. Have systems in place to track energy consumption and work towards the optimisation of energy use. 2. Transitioned towards clean and renewable energy sources for operations.

3.4.2 GHG Emissions

Supplier partners are required to minimise air pollution and to develop and implement plans supporting N Brown's emissions target of net zero emissions by 2040. Supplier partners are encouraged to assess their own climate-related risks and implement adaptation and resilience plans.

We expect our suppliers to have targets and actionable plans in place to reduce their energy use and GHG emissions by becoming more energy efficient and considering renewable energy infrastructure. These targets should align with international standards, such as the Science Based Targets initiative (SBTi). Looking forward and implementing sustainable alternatives can prepare our suppliers for potential regulation changes in the future and evolving industry expectations.

Examples of ways a facility can improve energy efficiency and reduce energy consumption may include:

- Installation of LED lighting and/or motion sensor lighting.
- Use of renewable energy to power operations, such as solar panels.
- Switching off unused appliances.
- Encouraging employees to use public transport or cycle to work.

Requirements	Expectations
1. Compliance with local and national legal emission and pollution requirements. 2. GHG emissions must be measured, recorded, and tracked. 3. Engage in collaborative discussions with N Brown concerning energy use and emissions.	1. Assess own climate-related risks and implement adaptation and resilience plans. 2. Have targets and goals in place to reduce energy use and GHG emissions. 3. Minimise GHG emissions and implement plans to support N Brown's emission targets of net zero emissions by 2040. 4. Encourage own suppliers to measure and disclose GHG emissions.

3.4.3 Measuring and Reporting on Energy Impact

As part of N Brown's ESG Strategy, we require our suppliers to measure and report their energy use and greenhouse gas (GHG) emissions, so we can gather further information regarding our Scope 3 emissions. We are working towards net zero emissions by 2040 and already making efforts internally to reduce our Scope 1 and 2 emissions. Scope 3 emissions represent the largest proportion of emissions for N Brown, therefore receiving accurate emissions data from our suppliers is important to assess our impact and opportunities for reduction across the entire value chain.

As we work towards our own targets, we expect our suppliers to have set GHG emission reduction targets as well as implementing their own strategies to reduce their emissions, such as transitioning to renewable sources or sourcing materials with reduced environmental impacts.

Measuring GHG Emissions

The GHG Protocol was created to ensure a consistent framework for greenhouse gas reporting. Therefore, we require our suppliers to align to the industry standard in reporting data regarding GHG emissions.

Firstly, emissions sources must be identified and categorised as Scope 1, 2 and 3. GHG emissions can be calculated from energy usage. Examples of energy use data may include:

- Electricity and natural gas (kWh) used from electricity and gas bills
- Water usage and water treatment (m^3) from water bill
- Fuel use in litres from company owned vehicles which can be obtained from receipts
- Tonnes of waste treated by waste type

This data can be further categorised into Domestic or Industrial Use and into Purchased Energy, Renewable Energy, Non-Renewable Energy and Biomass. This should be tracked in a format that is clear to read and understand, such as a spreadsheet. The reporting of GHG emissions commonly takes place over the financial year.

Trained staff are required for handling energy and GHG emission data to ensure accuracy. Energy use values should be converted into GHG emissions measured in tonnes of CO_2e. We require any data disclosed to N Brown to

be complete, accurate, consistent, and transparent. We advise that this data is used to track progress against goals and targets.

N Brown reserves the right to check the legitimacy of reported GHG emissions (such as through 3rd parties), and any supporting evidence and documentation for the reported emissions should be readily available to provide upon request (e.g. metre readings or energy bills etc.).

3.5 Water Usage

The increased worldwide demand for water is creating water scarcity in areas most vulnerable to climate change. At N Brown, we understand the importance of both conservation and efficient use of water within our operations. Our suppliers must fully comply with legal regulation and acquire the relevant permit and licenses required. N Brown suppliers must also measure, record and track both industrial and domestic water consumption across facilities.

Limiting water consumption can reduce the increased costs that are associated with both global water scarcity and regulations. We expect that suppliers who strive for responsible water stewardship have implemented targets and plans to limit their water consumption and improve water efficiency.

Examples of ways a facility can reduce water consumption and improve water efficiency may include:

- Reusing and recycling water.
- Identifying and remediating any leakages.
- Educating employees on water conservation.
- Dye-fixation ratio optimisation to reduce rinses.

Requirements	**Expectations**
1. Compliance with all legal water regulations and have acquired all relevant permits and licenses required under local and national legislation. 2. Suppliers must measure, record and track both industrial and domestic water consumption across facilities. 3. Suppliers must use water efficiently where possible. 4. Must disclose all water sources, management and disposal practices for water used within operations.	1. Implement targets and goals to limit water consumption and improve water efficiency. 2. Reuse and recycle water through operations. 3. Responsible sourcing of products with a reduced water impact. 4. Acquire more water efficient appliances and adopt innovative solutions that reduce water consumption.

3.5.1 Measuring and Reporting on Water Impact

Our suppliers must identify all water sources and operations which use water at the facility and report on their water consumption.

Both the source of water and all the points where water is used within facilities should be identified. Water use data can be collected from water metre readings and water bills. This data can be helpful in identifying the facility's highest water consuming processes and opportunities for improvement.

We recommend that the volume of water (m^3) used from each source is recorded regularly. All records of data sources, calculations and methodologies must be maintained and disclosed to N Brown upon request. N Brown reserves the right to check the legitimacy of recordings provided, which may involve the use of 3rd parties.

3.6 Waste and Wastewater Management

Waste and wastewater disposal to landfill and water systems pollute local ecosystems and has the potential to harm human health. It is therefore important to ensure waste is managed correctly, and where possible recycled to minimise waste to landfill, and wastewater to water systems.

3.6.1 Waste Management

Suppliers must implement waste management practices that minimise environmental impact. Such examples may include:

- Reuse and recycle waste within facility operations, such as using fabric scraps to create new products for insulation and cleaning rags.
- Efficient machinery and practices that minimise waste.
- Optimisation of materials usage through practices such as pattern nesting or software which reduces scrap material.

Requirements	**Expectations**
1. Full compliance with all local and national waste legislation and regulations. All legally required permits and licenses must be acquired. 2. Measure, record and track waste generation and disposal. 3. Safe handling, storage, and disposal of waste. 4. Only staff who have been trained on how to handle and store hazardous waste must interact with any waste at the facility. 5. Implement wastewater management practices that minimise environmental impact.	1. Improving the efficiency of waste management by collaborating with waste contractors and the industry to recycle wastewater to use in facility's operations. 2. Invest in innovative solutions that reduce waste generation such as low impact dyes, dry dyeing techniques, and sustainable finishing processes.

3.6.2 Wastewater Management

Suppliers must disclose sources, management, and disposal practices for wastewater used in production.

Requirements	**Expectations**
1. Full compliance with all local and national waste legislation and regulations. All legally required permits and licenses must be acquired. 2. Disclose sources, management, and disposal practices for water used in production. 3. Measure, record and track wastewater generation and disposal.	1. Improving the efficiency of waste management by collaborating with waste contractors and the industry to recycle wastewater to use in facility's operations. 2. Invest in innovative solutions that reduce waste generation such as low impact dyes, dry dyeing techniques, and sustainable finishing processes.

4. Operation and treatment of wastewater within a working effluent treatment plan by trained staff (ETP). 5. Implement wastewater management practices that minimise environmental impact.	

3.6.3 Measuring and Reporting on Waste Impact

We require our suppliers to identify all sources of waste and track the quantity generated, ensuring this is compliant with local environmental laws, permits as well as wastewaters and solid waste management systems. Wastewater may be treated via on-site/off-site wastewater treatment, zero-liquid discharge, or septic systems. The percentage of water treated by volume and returned to the environment must be disclosed.

To report on the waste generated and disposed, we advise identifying where the waste is generated within the facilities, as well as classifying domestic/industrial waste into Non-hazardous, Hazardous, Recyclable or Non-recyclable waste. Waste generated can be measured by using scales and waste invoices daily, weekly, or monthly for up-to-date accurate data. Waste weight should be measured within a sealed container or bin bag depending how contents should be stored and multiplied by the number of sealed containers or bags disposed over a specified period. Only staff who have been trained on how to handle and storage hazardous waste must interact with any waste at the facility.

N Brown is working towards circularity within our systems to divert waste away from the landfill. It is important for information regarding the waste produced, disposed, or treated within a facility to be reported so that opportunities can be identified for more efficient operations to reduce waste input into landfills or the local environment.

4.0 Sustainable Product

4.1 Responsible Material Use

We set clear guidelines both above and within our Responsible Sourcing Policy (RSP) regarding our requirements for sourcing practices involved within Cotton, Forestry and Animal Welfare. Our requirements align with industry standards, however, we encourage our suppliers to engage within industry best practice within responsible material use, such as using more sustainable licensed materials or certifications.

Other materials such as metals, stones and minerals sometimes used within our products also have a range of negative environmental impacts. Where possible, we recommend the use of recycled metals, minerals, and stones. In cases where these cannot be recycled, both N Brown and our suppliers should continue efforts pinpointing the materials source of origin, so that informed purchasing decisions can be made.

Suppliers must provide N Brown with all required documentation that provides evidence of claims (e.g. organic cotton or recycled polyester), and licensed materials used within products upon request. We are required to provide sufficient and accurate evidence of certifications and licensed materials for both our stakeholders and customers to advertise materials as responsibly sourced or recycled by law. Please refer to the ***Appendix B*** describing certifications and licenses that may be required, as well as banned materials outlined within the Animal

Welfare section of our RSP which are prohibited from being included within products. Falsified documentation or failure to provide documentation may lead to liquidated damages.

Requirements	Expectations
1. Suppliers must provide N Brown with the required, complete, and correct documentation that provides evidence of claims and licensed materials upon request. 2. Align to our ambitions of making 100% Sustainable Product through the use of Responsible materials. 3. Suppliers must provide all evidence available to trace source of material	1. Engage with industry best practice by adopting sustainable licensed materials or certifications. 2. We expect our suppliers to use improved and recycled materials where possible to minimise harmful environmental impact. 3. Openly discuss more sustainable alternatives with N Brown's Buying, Sourcing or Sustainability teams.

4.2 Certifications and Licenses

Most listed standards in ***Appendix B*** are set by the Textile Exchange (e.g. GRS, RCS, OCS, RWS), whereas GOTS sits independently. Nonetheless, both standards focus on a Chain of Custody (CoC). Textile Exchange has implemented two certification documents to ensure a product is genuinely sustainable. Sustainable claims must be backed up with certification and the correct chain of custody in place. N Brown will not accept a product if it does not have **both** the below certified documentations to support claims.

Scope Certificate (SC) – provided to companies that meet standards set by governing body for handling sustainable materials. Proves company has been inspected and found compliant in storage of raw materials, the production process and handling of finished products. These are usually a valid for a year and must be renewed annually.

Transaction Certificate (TC) – issued for each transaction or shipment of goods. Confirms that a particular batch of goods meets criteria set by standard in question. The transaction certificate tracks products through the supply chain, includes information such as raw materials, processes they underwent and how they were handled at every stage. **This is required for every transaction.**

To declare a product as recycled, we must have accurate certification and documentation such as Textile Exchange's Global Recycling Standard (GRS) which ensures responsible production such as water treatment and prohibiting hazardous chemicals. The final product must contain a minimum of 20% recycled material. Textile Exchange's Recycled Claims Standard (RCS) certifies a product contains a minimum of 5% recycled material and undergo 3rd party certification of the Chain of Custody (CoC).

Organic content certifications include the Textile Exchange's Organic Content Standard (OCS) which provides 3rd party certification that the amount of organic content declared within the final product is accurate and supports labelling. The Global Organic Textile Standard (GOTS) is a standard for products which include at least 70% organic natural fibres.

We align to the standards set out in the Responsible Wool Standard (RWS), the Leather Working Group (LWG) and similar. The Forest Stewardship Council (FSC) is an international organisation that promotes the responsible management of the world's forests. FSC sets standards for forest products, certifying and labelling them as environmentally appropriate, socially beneficial, and economically viable.

A licensed fibre refers to a specific type or brand of fibre that has been developed, trademarked, and owned by a particular company. Suppliers that wish to use a licensed fibre within their products must follow the guidelines set

by the owning entity and may be subject to quality checks, audits, or other forms of oversight to ensure they adhere to the stipulations of the license.

Licensed fibres may include Better Cotton which aims to make global cotton production better for the environment by using less water, chemicals, and energy. Lenzing fibres, such as EcoVero, Tencel, and Modal are environmentally responsible and are manufactured using less harmful processes.

Requirements	Expectations
1. Sustainable claims must be backed up with certification and correct chain of custody in place. 2. Where a Textile Exchange certification is used, the supplier must provide both a **Scope Certificate** and **Transaction Certificate**.	1. Increased adoption of certification and licensed materials within operations.

4.4 Misleading Information

Suppliers providing false or misleading information may lead to liquidated damages, with amounts determined based on the severity of the misrepresentation. We reserve the right to conduct audits and assessments to verify the accuracy of disclosed information.

4.4.1 Misrepresented Materials

Type of material included, and information provided, such as origin or certification must be accurate. For example, faux fur must be accurately labelled on product labelling and product description. Substituting real fur or shells for faux fur or shells may result in the termination of contract.

4.4.2 Green Claims

The Competition and Markets Authority (CMA) has developed the Greens Claims Code to ensure customers are not misled by environmental claims. Green claims must:

1. Be truthful and accurate
2. Be clear and unambiguous
3. Not omit or hide important information
4. Only make fair and meaningful comparisons
5. Consider the full life cycle of the product
6. Be substantiated and backed up with evidence

If found to be misleading in any way, both the retailer and manufacturer can be liable for claims under consumer protection legislation.

4.5 Circularity & Traceability

4.5.1 Circularity

We are working closely with industry partners to transition to a circular economy by reducing the need for virgin materials and eliminating waste. Circularity is centred around using resources effectively, keeping them in the loop and out of landfill. By harnessing circular principles such as reduce, reuse, repair, and recycling, we can improve the efficiency of our operations and help support the planetary boundaries.

A circular product lifecycle considers the following Circular Design Principles:

1. **Responsible Materials**: Sourcing materials that are sustainable, recyclable, or have minimised environmental impact.
2. **Green Processing**: Utilising energy-efficient and less environmentally intensive production processes, with a focus on wet processing techniques.
3. **Minimising Waste**: Reducing and recycling wastage through the use of technology and innovation.
4. **Rework**: Designing products that can be easily repaired or reworked to extend their life.
5. **Durability**: Creating long-lasting products that reduce the need for replacements.
6. **Versatility**: Designing products that serve multiple purposes and are adaptable to reduce consumption.
7. **Disassembly**: Ensuring products can be easily taken apart for repair, reuse, or recycling.
8. **Mono-material**: Using single materials where possible to simplify recycling processes.

N Brown Group views circularity as a valuable practice to minimise waste, we therefore request that our suppliers collaborate and cooperate with N Brown by fulfilling potential requirements for circular design. We expect that our suppliers are integrating circular practices within their own operations to improve overall efficiency, potentially lower costs, and provide supply chain resilience.

Requirements	**Expectations**
1. To cooperate with N Brown product teams in working towards circular design.	1. Promote and share sustainable alternatives in line with the circular design principles 2. Constantly review production and processes to encompass circular practise.

5.2 Traceability

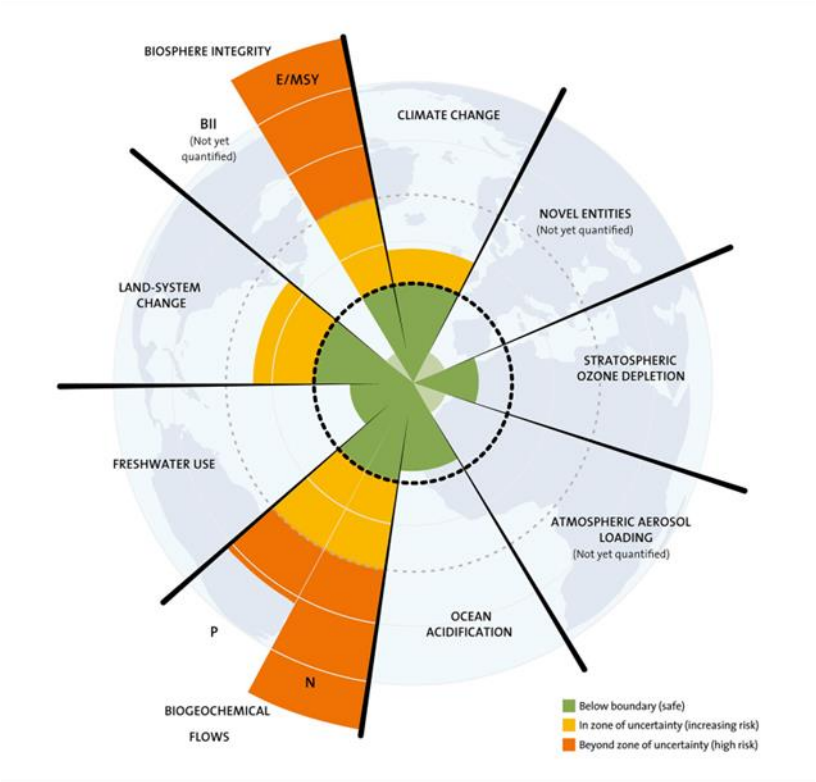
N Brown is striving for increased visibility over our products such as the source of origin, processes involved with production as well as an overview of our chain of custody. Increased traceability enables both us and suppliers to provide clear and transparent information to our stakeholders and identify risks and opportunities for improvements within our sourcing practices. We hope that both this Environmental Protocol and our collective efforts will enable us to build a stronger relationship with our suppliers and have a positive impact on the textile industry.

6.0 Closing Statement

This Environmental Protocol sets clear expectations for suppliers, aiming to foster a collaborative effort towards sustainable practices throughout the supply chain. By adhering to these guidelines, suppliers contribute to our overarching commitment to environmental stewardship and social responsibility.

Appendices

Appendix A: The Planetary Boundaries Framework



Stockholm Resilience Centre (https://www.stockholmresilience.org/research/planetary-boundaries.html)

Appendix B: Table of Certifications and Licenses for Responsible Materials

Certifications	Description	Materials
Textile Exchange Global Recycling Standard (GRS)	GRS ensures traceability and responsible production of products from recycled materials. Final product must contain **20% recycled material minimum** Hazardous chemicals prohibited GRS has criteria for social and environmental practices, including responsible water treatment N Brown require that recycled cotton contains at least 50% recycled content, 30% recycled poly	**Synthetics** Recycled Polyester, Nylon, Acrylic, PP/PU, Elastane, **Plant Based** Recycled Cotton, Wood/Paper **MMFCs** Circulose, Infinna, NuCycl **Protein Fibres & Leather** Recycled Wool and Leather
Textile Exchange Recycled Claims	Sets requirements for 3rd party certification of recycled input and chain of custody. Intended for use	

Standard (RCS) 	with any products that contain a **minimum of 5% recycled material.** N Brown require that recycled cotton contains at least 50% recycled content. 30% recycled poly	**Trims** Recycled Metals, Plastics, Wood **Labels** Recycled Polyester, Cotton, Paper **Metal** Recycled Metals, Aluminium **Stone & Glass** Recycled Glass, Gems/Stone
Textile Exchange Organic Content Standard (OCS) 	Tracks amount of organic material in final product and supports accurate labelling. OCS provides 3rd party certification that finished product contains accurate amount of organically grown material	Organic Cotton, Linen, Hemp
Textile Exchange Responsible Wool Standard (RWS) 	Addresses animal welfare within textiles. These standards ensure animals are treated with respect to their Five Freedoms and land is managed responsibly	Responsible Wool
Textile Exchange standards (GRS, RCS, OCS, RWS) – two further certifications required to back up sustainable claims. N Brown **will not** accept product if it does not have **both** certified documents	**Scope Certificate (SC)** – provided to company that meets standards set by governing body for having sustainable materials. Proves suppliers has been inspected and found compliant along chain of custody **Transaction Certificate (TC)** – proof of transaction issues for every transaction or shipment of goods. Confirms that specific batch of goods meets standards set. Required for every transaction.	
Global Organic Textile Standard (GOTS) 	Standard for organic fibres which includes the following: **70% certified organic natural fibres** Strict environmental criteria along the entire organic textiles supply chain and Chain of Custody (CoC) Social criteria based on the ILO (International Labour Organisation)	Organic Cotton, Linen, Hemp

Forest Stewardship Council (FSC)	International organisation that promotes responsible management of the world's forests. FSC sets standards for forest products, certifying and labelling them as environmentally appropriate, socially beneficial, and economically viable. Independent certification bodies accredited by FSC undertakes this task.	FSC Wood, Paper
Leather Working Group (LWG)	Ensures responsible sourcing of leather considering the environmental impacts and livelihoods of animals. Tanneries' performances are assessed via bronze, silver, and gold measuring indicators.	LWG Leather
Licensed Materials	**Description**	
LivaEco™	Sustainable viscose by Aditya Birla Group which ensure wood sources are FSC certified. Supplier would need to provide evidence through GreenTrack™ platform.	
Lenzing Fibres	Sustainable fibres from verified and certified wood sources and ensures a closed-loop system where chemicals are almost all recycled. Suppliers must provide evidence their products come directly from Lenzing as well as documenting path taken from sources to final products ensuring no mix with non-Lenzing fibres	
Better Cotton	Aims to make global cotton production better for the environment by using less water, chemicals and energy as well as ensuring better livelihoods for cotton farmers. Better Cotton can be mixed with conventional cotton during spinning. Documentation must be provided to ensure BCI cotton claims matches amount initially purchased	
Repreve®	Fibre produced by Unifi made from recycled materials, including used plastic bottles. Uses U Trust® verification programme and FiberPrint® technology to certify and validate recycled materials in products. Supplier must provide evidence of purchase from Unifi and participate or support the U Trust® and FiberPrint® verification programme. Crucial for suppliers to maintain regular documentation and participate in any validation or verification programmes.	
Banned Materials		
Animal Fur including Mongolian Lamb's fur and rabbit hair Cashmere that is not responsibly sourced Mother of pearl Teeth Bone Antler Mohair Angora Ivory (as required by law)		

Glossary

Term	Definition
Biodiversity	The variety of plant and animal life in a particular location.
Biosphere	The global sum of all life and ecosystems.
Carbon Footprint	Measure of the amount of amount of carbon dioxide released into the atmosphere due to the activities of a particular individual, organisation, or community.
Circular Economy	Allows products and materials to stay in use by circulating them through repair, reuse, refurbishment, and recycling.
Circularity	Involves practices which minimise waste from a product's manufacturing to end of life through more sustainable and efficient processes.
Climate Change	Climate change is the shifts in temperature and weather patterns over a long period of times. These shifts can be natural, but human activities such as burning fossil fuels have exacerbated climate change.
Ecosystems	System of organisms interacting with their physical environment.
Energy Efficiency	The process of reducing the amount of energy or water required for, or waste produced from, the exact same process.
Environmental Policy	N Brown Group's and international environmental requirements for our suppliers to comply with

Environmental Protocol (EP)	A guide for suppliers to understand and align with N Brown's environmental expectations, ensuring practices within the supply chain are consistent with N Brown sustainability standards, industry best practices, and international legislation.
Green Claims Code	Sets out the principles that companies are required to abide by to ensure the environmental or sustainability claims being made are accurate.
Greenhouse Gas Emissions (GHG)	The emissions from human activities which trap heat within the atmosphere and contribute to Climate Change.
Land Grabbing	The acquisition of large areas of land without the free, prior, and informed consent of communities which often leads to them being evicted from their homes.
Liquidated Damages	Also referred to as ascertained damages, these are a fixed or agreed monetary sum that must be paid as damages for a breach of contract.
Net-zero	The balance between the amount of GHG emissions produced and the amount that is removed from the atmosphere.
Planetary Boundaries	This concept is a framework which describes the nine key systems that human activities influence, threatening global stability. These nine boundaries include: climate change, biosphere integrity, land-system change, freshwater use, biogeochemical flows, ocean acidification, atmospheric aerosol pollution, stratospheric ozone depletion and release of novel chemicals (heavy metals, radioactive materials, plastics, and more).

Renewable Energy	Energy that comes from a source that will not run our, such as solar, wind, biomass and hydroelectric. These sources produce energy with much less GHG emissions than those released from non-renewable sources.
Responsible Sourcing Policy (RSP)	The policy addresses areas of sourcing with significant concern considering Animal Welfare, Forestry Risk and Timber Use, Cotton Sourcing and Chemical Management.
Science Based Targets initiative (SBTi)	A collaboration between the CDP, the United Nations Global Compact, World Resources Institute (WRI) and the Worldwide Fund for Nature (WWF) to set a science-based climate targets.
Scope 1, 2 and 3 Emissions	Scope 1 (Direct) – covers emissions from sources that an organisation can control directly. Scope 2 (Indirect) – covers generation of purchased electricity, steam, heating, and cooling consumed. Scope 3 (other indirect emissions) – not directly controlled by supplier but related to upstream and downstream emissions.
Sustainability	The UN refers to sustainability as “meeting the needs of the present without compromising the ability of future generations to meet their own needs”.
Traceability	This is the ability to track the product along the supply chain from the source of origin to the finished product.
UN Sustainable Development Goals (SDGs)	Adopted by the United Nations Member States in 2025, the 17 SDGs are integrated goals to address global poverty, climate change and ensuring peace and prosperity for all people by 2030.