ZADIG&VOLTAIRE

Zadig&Voltaire Commitment to Protect Forests Through Our Paper, Packaging and Fabrics Choices

Sustainability is fully part of Zadig&Voltaire's corporate project and strategy, which has been formalized through its *VoltAIRe* program launched in 2021. This latest discloses the brand's commitments and objectives aimed at developing sustainable products and packaging, fighting against climate change and for protecting biodiversity. For this reason, Zadig&Voltaire is committed to protecting the world's forests through our approach to procurement of pulp, paper, packaging and fabrics.

As substitutions for single use plastics are sought out it is recognized that the environmental issues arising with an increase in demand for forest-based products as a substitute must be addressed. This policy looks to support the necessary shift away from single use plastics concurrent with the pressing need for conservation of Ancient and Endangered Forests.

Conservation of Ancient and Endangered Forests and Ecosystems

Zadig&Voltaire will support approaches and systems to build a future that does not use Ancient and Endangered Forests[i] in the packaging, paper or in man-made cellulosic fabrics, including rayon, viscose, lyocell, modal and other trademarked brands. We will influence these supply chains in order to protect the world's remaining Ancient and Endangered Forests and endangered species[ii] habitat.

To do this, we will:

1. Work with Canopy and our suppliers to support collaborative and visionary solutions that protect remaining Ancient and Endangered Forests in the Coastal Temperate Rainforests on Vancouver Island[iii] and the Great Bear Rainforest[iv], Canada's Boreal Forests[v], and Indonesia's Rainforests.[vi]
2. Assess our existing use of man-made cellulosics, packaging and paper and eliminate sourcing from endangered species habitat and Ancient and Endangered Forests such as the Canadian and Russian Boreal Forests; Coastal Temperate Rainforests; tropical forests and peatlands of Indonesia, the Amazon and West Africa by 2025.
3. Work to eliminate sourcing from: companies that are logging forests illegally[vii]; tree plantations[viii] established after 1994 through the conversion or simplification of natural forests; or areas being logged in contravention of First Nations/tribal/indigenous peoples' and community rights or from other controversial suppliers.
4. At any time prior to 2025, if we find that any of our products are sourced from Ancient and Endangered Forests, endangered species habitat or illegal logging, we will act immediately and engage our suppliers to change practices, eliminate these sources and/or re-evaluate our relationship with them.

Design and Prioritization of Reduction and Reuse

The reduction and reuse of paper and packaging is of paramount priority for the protection of the world's limited forest resources and has a clear and beneficial impact on reduced costs.

Therefore, over the next year, Zadig&Voltaire will prioritize the development of a reduction and reuse strategy with targets and timelines. Over the next 3 years Zadig&Voltaire will:

- Source or design re-usable/refillable shipping boxes to reduce corrugated paper and

paperboard
- Design and implement e-commerce, shipping, display and wrapping systems that minimize the use of paper
- Utilize re-useable packaging systems for intra business applications
- Increase the use of digital communication, marketing and accounting systems
- Adopt best practices including researching and applying emerging and circular economy innovations.

Shift to More Environmentally and Socially Beneficial Fabrics
Zadig&Voltaire will collaborate with Canopy, innovative companies and suppliers to encourage the development of fibre sources that reduce environmental and social impacts, with a focus on agricultural residues[ix] and recycled fabrics. We will participate in trials where appropriate.

In 2024, Zadig&Voltaire will put in place a preference for purchasing man-made cellulosics products that include minimum of 50% of these innovative fibre sources and develop a 2025 procurement target for these closed-loop solutions based on viscose fibre producer innovation.

Improve Environmental Quality of Packaging and Paper
Zadig&Voltaire will collaborate with Canopy, innovative companies and suppliers to encourage the development of Next Generation Solutions and packaging and paper[x] that reduce environmental and social impacts, with a focus on agricultural fibres (particularly residues)[10] and recycled content. We will use Canopy's Ecopaper database and The Paper Steps as a guide for paper and packaging sourcing.

To help reduce the footprint of the paper and packaging we use[xi], Zadig&Voltaire will:
- Do an annual review of all of our paper and packaging use in order to identify areas where we can increase paper use efficiencies, reduce paper and packaging basis weights, and save money and resources.
- Give preference to paper/packaging with high-recycled content, specifically post-consumer waste content reaching an overall recycled fiber content in our papers and packaging of at least 50% average within 3 years;
- Encourage our suppliers to continuously improve and expand the availability of recycled content in papers/packaging;
- Source packaging and paper from alternative fibres such as wheat straw or other agricultural residues, when possible;
- Support research and development of commercial scale production of pulp, paper and packaging from alternative fibre sources such as wheat straw, and other alternative fibres including participation in trials as appropriate.

Forest Certification
Where the above conditions are met (including 1-4), Zadig&Voltaire will request that all fabric, packaging and paper sourced from forests are from responsibly managed forests, certified to the Forest Stewardship Council (FSC) certification system, and where FSC certified plantations[xii] are part of the solution.

Recognizing, Respecting and Upholding Human Rights and the Rights of Communities
Zadig&Voltaire will request that our suppliers respect the Universal Declaration of Human Rights and acknowledge indigenous and rural communities legal, customary or user rights to their territories, land, and resources.[xiii] To do so, we request that our suppliers acknowledge the right of Indigenous People and rural communities to give or withhold their Free, Prior and Informed Consent (FPIC) before new logging rights are allocated or plantations are developed. We request that our suppliers resolve complaints and conflicts,

and remediate human rights violations through a transparent, accountable, and agreeable dispute resolution process.

Reduce Greenhouse Gas Footprint
Zadig&Voltaire recognizes the importance of forests as carbon storehouses and their role in maintaining climate stability. As part of our ongoing leadership on climate we will support initiatives that advance forest conservation to reduce the loss of high carbon stock forests, by encouraging suppliers to avoid harvest in these areas, and by giving preference to those that use effective strategies to actively reduce their greenhouse gas footprint.

Safeguarding Water and Critical Systems
Zadig&Voltaire recognizes that Ancient and Endangered Forests are vitally important systems for the protection and regulation of water from the local to global level. Large areas of contiguous forest act as a biotic pump helping to move moisture from coastal areas to the interior of continents. We give preference to those suppliers that use effective strategies to actively maintain and restore forest intactness to maintain forests' function of regulating the flow and purity of water at a micro and macro scale.

Support Best Processing Practices and Procurement
Zadig&Voltaire requires that our man-made cellulosic suppliers use best available environmental practices for processing, such as the 'closed-loop' lyocell processing.

We will give purchasing preference to paper and packaging that has been processed utilizing technologies such as chlorine free bleaching[xiv].

Promote Industry Leadership
Zadig&Voltaire looks to create a positive impact together with our suppliers, partners and customers. As implementation progresses, Zadig&Voltaire will work with suppliers, non-governmental organizations, other stakeholders and brands that work with Canopy to support the protection of Ancient and Endangered Forests and forward solutions to reduce the demands upon forests. We will also seek opportunities to educate and inform the public on these issues and solutions through our marketing and communications.

Arnaud Gillier,
Chairman
Zadig&Voltaire



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[i] Ancient and Endangered Forests are defined as intact forest landscape mosaics, naturally rare forest types, forest types that have been made rare due to human activity, and/or other forests that are ecologically critical for the protection of biological diversity. Ecological components of endangered forests are: Intact forest landscapes; Remnant forests and restoration cores; Landscape connectivity; Rare forest types; Forests of high species richness; Forests containing high concentrations of rare and endangered species; Forests of high endemism; Core habitat for focal species; Forests exhibiting rare ecological and evolutionary phenomena. Key endangered forests globally are the Canadian and Russian Boreal Forests; Coastal Temperate Rainforests of British Columbia, Alaska and Chile; Tropical forests and peat lands of Indonesia, the Amazon and West Africa. For more information on the location and definitions of Ancient and Endangered Forests, please go to: https://canopyplanet.org/tools/forestmapper/

[ii] A good source to identify endangered, threatened and imperiled species is NatureServe's Conservation Status rankings for imperiled species that are at high risk of extinction due to very restricted range, very few populations (often 20 or fewer), steep declines in populations, or other factors.

[iii] Coastal temperate rainforests are rare and only ever covered 0.2% of the planet. On Vancouver Island only 10% of Vancouver Island's productive old growth rare coastal temperate rainforest remain. These stands of 1,000-year old trees continue to be

harvested despite their immense value to local communities for tourism. Their accessibility and beauty is a remarkable global asset and Canopy is working to see these last stands protected.

[iv] A legal conservation plan is now finalized for the Great Bear Rainforest. On February 1st, 2016 the Government of British Columbia, First Nations, environmental organizations and the forest industry announced an Ecosystem-based Management framework that sets 85% of this region off limits to logging and stringent logging rules in the other 15%. Provided these agreements are fully implemented – sourcing from this Ancient and Endangered Forest region can be considered to be within sustainable levels. We encourage ongoing verification of this through renewal of Forest Stewardship Council certification.

[v] Protection of Boreal Forests where the largest remaining tracts of forests are located worldwide is critical. Canada's Boreal Forest contain the largest source of unfrozen freshwater world-wide and are part of the world's largest terrestrial carbon sink – equivalent to 26 years worth of global fossil fuel use. Canopy is committed to working collaboratively on the establishment of new protected areas, the protection of endangered species and the implementation of sustainable harvesting in Canada's Boreal Forest.

[vi] Indonesia experiences the second highest rate of deforestation among tropical countries, with the island of Sumatra standing out due to the intensive forest clearing that has resulted in the conversion of 70% of the island's forested area (FAO Forest Assessment 2010; Margono, B.A. et al. 2012).

[vii] Legal forest management is management that complies with all applicable international, national, and local laws, including environmental, forestry, and civil rights laws and treaties.

[viii] Plantations are areas planted predominately with non-native trees or other commercial plants. Forests comprised of native species can also be managed as plantations, including via single species plantings on sites that would normally support multiple species, exclusion of other species via herbicide applications, short logging rotations that preclude the development of forest composition and structure, and/or other practices.

[ix]Agricultural Residues are residues left over from food production or other processes and using them maximizes the lifecycle of the fibre. Fibres used for paper products include cereal straws like wheat straw, rice straw, seed flax straw, corn stalks, sorghum stalks, sugar cane bagasse, and rye seed grass straw. Where the LCA (life cycle analysis) shows environmental benefits and conversion of forest land to on purpose crops is not an issue, kenaf can also be included here. Depending on how they are harvested, fibres for fabrics may include flax, soy, bagasse, and hemp. (Agricultural residues are not from on purpose crops that replace forest stands or food crops.)

[x] Environmentally friendly fibre sources include:

- Post-consumer recycled waste fibre
- Pre-consumer recycled fibre
- Agricultural residue defined below
- Fibre from FSC certified tenures (no controlled wood from controlled wood tenures)

[xi] Paper Task Force Report and the Environmental Paper Network Paper Calculator. "The scientific basis for these conclusions is the analysis of the Paper Task Force, a three-year research project convened by Environmental Defense and involving Duke University, Johnson & Johnson, McDonald's, Prudential Insurance, and Time Inc. The Paper Task Force examined environmental impacts through the full lifecycle of paper, along with economic and functional issues across major paper grades. Its findings were extensively peer-reviewed by scientists, academics, environmental experts, and government and industry representatives."

[xii]Plantations area areas that have been "established by planting or sowing using either alien or native species, often with few species, regular spacing and even ages, and which lack most of the principal characteristics and key elements of natural forests". Plantations prior to 1994 are *often FSC certified. Source FSC International Generic Indicators:* https://ic.fsc.org/en/document-center/id/335. Forest plantations can play an important role in supplying fibre for products, it is also recognized that clearing of primary forests for plantations has contributed significantly to the destruction of forests in many parts of the world. [INSERT COMPANY NAME] recognizes that credible regional conservation plans that identify areas to be conserved and also restored back to natural forests is the best way to ensure that sourcing from plantations is done sustainably. We will use the FSC plantation requirements as a baseline. Additionally, we will advocate for our suppliers and national and regional governments to engage in, and develop, conservation plans for the regions from which we source as a means to distinguish those plantations that are contributing to solutions and those that are exacerbating the problem.

[xiii] http://www.un.org/en/universal-declaration-human-rights/

[xiv] Unbleached, Process Chlorine Free (PCF) and Totally Chlorine Free (TCF) is preferred with ECF as a minimum.