At Macpac we are passionate in our commitment to be socially and environmentally responsible while achieving sustainable growth. It is our responsibility to operate in a way that minimises negative environmental impact, fosters positive outcomes for people and the planet, and empowers those connected to us to live sustainable lives. Through our sustainability strategy we seek to use our business as a force for positive environmental and social change.

Our core principle is to design and make quality products that last, and which can withstand the rigors of the outdoors. We recognise that the materials we use in the construction of our apparel and equipment has a significant impact on our environmental footprint.

When making fabric and construction choices we have to balance the performance requirements of our customers while endeavouring to make the right environmental choices. Our Policies below outline the minimum standards we insist on when selecting our materials.

Fabric Choice policy

Macpac is committed to sourcing fabric made using manufacturing processes that meet environmental standards including for air emissions, water emissions and resource productivity as well as meeting consumer safety and occupational health and safety demands.

Our goal is to continue to increase the percentage of fabrics and trim from Trade Partners that are certified with third party standards, such as Bluesign® and Oeko-Tex (or other internationally recognised certifications). By 2025 we aim to be sourcing 90% of our fabrics and trim with these certifications. These certifications provide a credible method for knowing that our materials meet strict chemical and environmental safety standards. With this in mind we can also be assured of the safety of our customers, our Team, and the workers in our supply chain.

Cotton policy

In order to conduct business with Macpac, all Trade Partners and subcontractors supplying product to Macpac must adhere to Macpac's Cotton Policy as outlined in the Macpac Responsible Sourcing Manual. Failure to fully disclose the source of cotton or cooperate with this policy may lead to the termination of business by Macpac.

To demonstrate a commitment to Labour & Human Rights, Macpac is a signatory to the **Responsible Sourcing Network's** Turkmen and Uzbek **Cotton Pledge**. The cotton pledge is an industry-wide collaboration in support of ending forced labour practices in Uzbekistan and Turkmenistan's cotton fields. We are working towards completely eliminating the use of cotton from either of these countries from our product. For more information visit <u>www.sourcingnetwork.org</u>

1. Uzbek and Turkmen cotton fibre is not to be used in any yarn/fabric/ textiles of Macpac product.

2. Spinners and mills that use Uzbek or Turkmen cotton are not to be used in the Macpac supply chain.

3. Trade Partners are to maintain complete, accurate documentation of the source of cotton, to ensure transparency and compliance.

4. Trade Partners must be able to verify compliance to this Policy by providing proof of the cotton fibre country of origin and the name of the mill.

5. Trade Partners are to integrate these requirements into the Macpac procurement processes.

Macpac is committed to using 100% organic cotton fabric in our t-shirts and hoodies that meet either Organic Content Standard (OCS) or Global Organic Textile Standard (GOTS).

Down policy

It has always been Macpac's policy to use down from the most ethical sources available. Since 2016 we have sourced all of our down from Responsible Down Standard (**RDS**) certified suppliers. As a by-product of the meat industry, down is a natural, sustainable choice. By choosing RDS certified product we can be assured that animals are ethically treated from rearing to handling throughout the down supply chain.

The standard also follows the chain of custody from farm to product, so consumers can be confident that the down and feathers in the products they choose meet the RDS. For more information on RDS go to <u>www.responsibledown.org</u>

The RDS certification is audited by Control Union – a third party auditing body. For more information on Control Union go to <u>www.controlunion.com</u>

When down filled products are returned to us and beyond repair we salvage the down filling, wash, and then reuse it when repairing other down products in our Repairs department.

Fur policy

Macpac does not use fur in any products and has committed never to use fur in any products.

Leather policy

We currently use very small leather trims on less than 5% of Macpac branded products. We are committed to using only ethically sourced and traceable leather on Macpac branded products by 2020.

Polyester policy

Currently there is no natural alternative to Polyester that has the properties of being quick drying, light weight, warm and durable. These qualities make it the ideal fabric for many outdoor applications. We recognise this is a vexed choice, so to reduce the environmental impact of this fabric, where possible we choose recycled polyester, made from recycled plastic bottles.

Wool policy

We believe that wool is a good, sustainable choice of fabric. Wool is a renewable, natural fibre that biodegrades. Garments made with wool are naturally odour resistant which requires less washing as well as being insulating. Therefore wool is highly suitable for use in the outdoors. We are committed to using 100% non-mulesed merino.

Wool fabric production is done at a number of Bluesign or equivalent environmentally accredited factories.

Macpac's goal by 2025 is to source 100% from Responsible Wool Standard (RWS) accredited suppliers. This will provide full traceability of the fabric and proof of ethical treatment of the animals as well as responsible management of the land the animals graze on.

Macpac does not use angora mohair wool in any products.