

POLICY FOR PROTECTING FORESTS

OUR COMMITMENT

Protect Forests Through Our Paper, Packaging and Fabric Choices

At Piping Hot, we understand the role ancient and endangered forests play in the protection and regulation of water inland and on the coast. These forests work together with the ocean to maintain healthy ecosystems that are essential for life. We must protect ancient and endangered forests.

Piping Hot is committed to protecting the world's forests through a responsible approach to the procurement of pulp, paper, packaging and fabrics. To ensure we are sourcing responsibly harvested trees, we have partnered with Canopy. Canopy is a non-profit organisation that works with industry to conserve forests and transform unsustainable forest-product supply chains.

More than 150 million trees are logged every year and turned into cellulosic fabric such as viscose. We have sourced 100% of our viscose from CanopyStyle Audited low-risk suppliers including Lenzing[™] Eco-Vero[™]. We are committed to continually improving our sourcing with our main focus to transition to low impact viscose fibres.

At Piping Hot, we are committed to the responsible sourcing of packaging and paper. Piping Hot swing tags are made from 100% recycled paper. We are continually improving our sourcing and transitioning to FSC (Forest Stewardship Council) certified paper. Our parcel packaging is biodegradable and compostable.

Protection of Ancient and Endangered Forests and Ecosystems

Piping Hot supports systems that protect ancient and endangered forests in packaging, paper or in man-made cellulosic fabrics, including rayon, viscose, lyocell, modal and other trademarked brands now and in the future. We will influence these supply chains in order to protect the world's remaining ancient and endangered forests and endangered species habitat.

To do this, we will:

- 1. Work with Canopy and our suppliers to support collaborative and innovative solutions that protect remaining ancient and endangered forests in the Coastal Temperate Rainforests on Vancouver Island and the Great Bear Rainforest, Canada's Boreal Forests, Indonesia's Rainforests and Australia's old growth forests.
- 2. Assess our existing use of man-made cellulosics, packaging and paper to 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, Australian old growth forests; the Amazon and West Africa.
- 3. Eliminate sourcing from: companies that are logging forests illegally; tree plantations 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. Should we find that any of our products sourced from ancient and endangered forests, endangered species habitat or illegal logging, we will engage our suppliers to change practices and/or reevaluate our relationship with them.



Prioritise Recycled Fibres and Reduce the use of Resources

Piping Hot is committed to protecting our oceans and forests by prioritising recycled fibres, reducing our dependence on clean water and virgin resources. Utilising recycled feedstock for paper and packaging is a key consideration.

At Piping Hot, we have committed to:

- Only use recycled paper and cardboard in all marketing collateral and packaging.
- Utilise recycled, renewable or biodegradable packaging systems for intra business applications
- Prioritise 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

Piping Hot 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 and recycled fabrics. We will participate in trials where appropriate.

In 2021, Piping Hot has committed to sourcing man-made cellulosics and launching products that are made from verified low environmental impact cellulose materials such as Eco-Vero viscose. Piping Hot will prioritise transitioning to innovative recycled cellulose fibres from 2022 and closed-loop solutions based on viscose fibre producer innovation by 2025.

Improve Environmental Quality of Packaging and Paper

Piping Hot will collaborate with Canopy, innovative companies and suppliers to encourage the development of next generation solutions and packaging and paper that reduce environmental and social impacts, with a focus on agricultural fibres and recycled content. We will use Canopy's <u>Ecopaper database</u> and <u>The Paper Steps</u> as a guide for paper and packaging sourcing.

To help reduce the footprint of the paper and packaging we use, Piping Hot 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.
- Give preference to paper/packaging with high-recycled content, specifically post-consumer waste content to reach our commitment of 100% recycled paper and packaging.
- Encourage our suppliers to continuously improve and expand the availability of recycled content in papers/packaging.
- Continue to source packaging and paper from alternative fibres such as corn starch or other agricultural residues, when possible.
- Support research and development of commercial scale production of pulp, paper and packaging from alternative renewable fibre sources.



Forest Certification

Where the above conditions are met Piping Hot 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, where FSC certified plantations are part of the solution.

Recognising, Respecting and Upholding Human Rights and the Rights of Communities

Piping Hot requires all Tier 1 and Tier 2 suppliers to adhere to the Piping Hot Code of Conduct, which requires a commitment that our suppliers respect basic Human Rights.

We prioritise raw material suppliers that meet FSC or Canopy Audits. This ensures 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 Carbon Emission Footprint

Piping Hot recognises the importance of the oceans and forests as carbon storehouses and their role in maintaining climate stability. Piping Hot prioritises recycled fibres in order to reduce carbon emissions. As part of our ongoing leadership on climate we will support initiatives that advance ocean and forest conservation to reduce the loss of high carbon stock ecosystems, by giving preference to those that use effective strategies to actively reduce their greenhouse emissions footprint.

Protect Water Systems

Piping Hot recognises that together with the ocean, 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 water quality in coastal areas such as the recycling and treatment of water at wet processing facilities. We also give preference to raw material suppliers that 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

Piping Hot prioritises suppliers that use the best available environmental practices. We currently source a portion of viscose fibres from suppliers that apply 'closed-loop' practices. By 2025 100% of our viscose will be processed using the 'closed loop' method to further reduce water and waste usage and protect our ecosystems.

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

Promote Industry Leadership

Piping Hot is committed to creating a positive impact together with our suppliers, partners and customers. Piping Hot will continue to work with industry stakeholders that take action to protect oceans and forests such as Canopy. These partnerships are focused on systems that reduce our impact on natural ecosystems. It is also important that we educate and inform the public on these issues and solutions through our marketing and communications.