

Annex II. Prénatal Environmental Policy – September 2020

II.I. Introduction

Prénatal is committed to producing responsibly and sustainably. We recognize that the production of fibres, materials and goods requires a significant amount of natural resources such as water, energy and chemicals. Long-term unsustainable management of these resources can have detrimental effects on the environment and health of people living or working in the community nearby.

This policy outlines the environmental principles that the production of Prénatal label and private brand articles needs to adhere to and the production processes which we prohibit due to the high associated risks.

By working together with our Business partners as well as by making conscious decisions in our product designs and purchase decisions we aim to improve the environmental impact of our articles and the production processes involved in making them.

II.II. Scope

This policy is part of the Prénatal Code of Conduct for Commercial Business partners (hereafter: 'Code'). The Code states principles on protection of the environment, particularly based on Chapter VI. Environment of the OECD Guidelines for Multinational Enterprises (2011).

This policy is specifically written for 'Business partners', which refers to any commercial entity, such as importers, agents, suppliers or producers, with which Prénatal has a commercial relation and which are involved in the production of Prénatal label and private brand articles. Business partners are responsible for cascading this policy's compliance throughout its supply chain, including but not limited to the supply of raw materials, components and/or (semi-)finished goods and services, hereafter collectively referred to as 'Supply chain partners'. Therefore, this policy is applicable to the aforementioned Business partners as well as Supply chain partners.

Business partners supplying non-Prénatal label or private brand articles are expected to follow the Core Environmental Principles as stipulated in our Code as a minimum requirement, but they are encouraged to follow the additional environmental principles in this policy as well. In any case, we expect that they take their responsibility in ensuring that the production of their articles is performed with sustainable environmental management.

II.III. Environmental principles

Business partners are required to respect the below environmental principles on water, waste water, energy and chemicals during the production of Prénatal label and private brand articles.

II.III.I. Water

1. Business partners should monitor water usage per unit output and water source (such as surface water, wells, municipal mains or purified drinking water) in their production processes.
2. Business partners should set targets to reduce water usage and investigate opportunities that help preserve local water sources (such as collecting rainwater or recycling grey water).

II.III.II. Waste water

1. Business partners must treat wastewater before it is discharged and the quality of the treated waste water must meet the requirements of local and national legislation.
2. Business partners should monitor quantity and quality of waste water discharge
3. Business partners should set targets to reduce waste water discharge and improve the quality.

II.III.III. Energy

1. Business partners should monitor energy usage per unit output and energy source (such as electricity from the net, diesel or generator, boiler fuel from gas, wood or coal, steam or compressed air) in their production processes.
2. Business partners should set targets to reduce energy usage and investigate opportunities to use renewable energy (such as solar panels or wind turbines).

II.III.IV. Chemicals

1. Business partners must comply with the chemical substance restrictions in the Prénatal Quality Manual
2. Business partners should monitor chemical usage per unit output in their production processes
3. Business partners should set targets to reduce chemical usage and investigate opportunities to replace hazardous chemicals by more environmentally friendly alternatives.
4. Business partners must keep records of the amount and type of hazardous chemicals used on site with a Material Safety Data Sheet (MSDS). Hazardous chemicals must be safely stored, handled and disposed of in accordance with local and national laws and regulations.
5. Business partners should strive to performing an annual chemical risk assessment about potential risks for the health of employees and the environment.

II.IV. Prohibited production processes

Prénatal prohibits the use of the below production processes involved in Prénatal label and private brand articles production due to the high associated risks.

Prohibited production processes	Due to the following associated risks
Denim sandblasting	Occupational health & safety