

Supply Chain and Product Sustainability Policy

PURPOSE

Ralph Lauren Corporation, its affiliates and subsidiaries (collectively, “RLC” or the “Company”) is dedicated to global citizenship and sustainability as outlined in the Company’s Timeless by Design approach. RLC believes a industry-level collaboration is required to advance sustainability efforts across our supply chain. In FY20, we established partnerships with various leading initiatives and organizations in order to align our approach with the industry’s best practices, and to guide our supply chain to manufacture products more sustainably. We are constantly evolving and advancing our efforts in creating and maintaining a sustainable and agile value chain.

The purpose of this Supply Chain and Product Sustainability Policy (the “Policy”) is to set forth RLC’s expectations on manufacturing practices, product and materials selection, as well as data monitoring and traceability, which are critical for advancing the Company’s sustainability goals and objectives. This Policy is complementary to the Ralph Lauren [Operating Standards](#), as updated annually. Other complementary Policies include:

- Supplier Engagement Strategy
- Net Zero Commitment
- Sustainable Chemical Management Policy
- Forest Protection Policy
- Animal Welfare Policy
- Conflict Minerals Policy
- Code of Business Conduct and Ethics

All relevant Policies are available on our [Reports & Policies site](#).

SUPPLY CHAIN AND MANUFACTURING SUSTAINABILITY

SCOPE

All suppliers and licensees are accountable for the sustainability performance of each production facility wherein it manufactures or contracts to manufacture any RLC product and its materials and components (collectively “RLC Product”). For avoidance of doubt, all facilities that manufacture RLC Product, including supplier’s or licensee’s own facilities, as well as those of its suppliers, contractors, and subcontractors, are expected to meet or exceed RLC’s sustainability requirements as specified by RLC in this Policy and updated from time to time.

PERFORMANCE IMPROVEMENT

RLC expects each facility to collaborate and engage in a performance improvement program that covers all sustainability focus areas as identified by the Company. Each facility must provide RLC access to all such data in the form and media as required or requested by the Company.

1. Compliance to Environmental Regulations

RLC expects all facilities to comply with all local and national environmental regulations, including but not limited to environmental management and impact assessment requirements, energy and greenhouse gas (“GHG”) emissions, water use, wastewater discharge, hazardous and non-hazardous waste management, air

emissions, ecosystem and biodiversity protection and chemical management requirements, where applicable. Suppliers shall disclose to RLC any non-compliance against the local and national environmental regulations and the remediation measures taken to address and prevent recurrence of such non-compliance.

2. Environmental Footprint Reduction and Data Monitoring

RLC expects that facilities manufacturing RLC Product to track and report their environmental impact data via the Higg Index Facilities Environment Module (“FEM”) on an annual basis. RLC reserves the right to require third-party verification of the FEM data in accordance with protocols set by the Sustainable Apparel Coalition (“SAC”).

RLC is signatory to the *United Nations Framework Convention on Climate Change* (UNFCCC) *Fashion Industry Charter for Climate Action* (FICCA), pledging to limit our emissions in line with the Paris Agreement goals. In FY20, we established a science-based target to reduce our absolute GHG emissions by 30% by 2030, compared to 2020 levels. This target includes reducing emissions from our operations as well as our supply chain. Beyond 2030, we are committed to achieving net-zero GHG emissions by 2040.

As part of our Climate commitment under the UNFCCC FICCA, RLC aims to eliminate coal usage in the supply chain as soon as possible. RLC no longer onboards any new facility with on-site coal usage for any purpose. All existing suppliers and facilities with coal consumption that are onboarded prior to November 2022 are required to submit a formal commitment to eliminate on-site coal usage by 2025, and shall develop a concrete action plan for fulfilling this commitment.

RLC also commits to reducing water consumption across our value chain, and to safeguarding and preserving water resources in our communities. Our goal is to achieve at least a 20% reduction in total water use across our operations and value chain by 2025, compared to a FY20 baseline.

Each production facility utilized or engaged in the manufacture of RLC Product is expected to operate in high resource use efficiency to minimize its energy and water consumption as well as its overall environmental footprint. RLC reserves the right to nominate Facilities to collaborate and engage in performance improvement programs, that drive progress towards our environmental footprint reduction goals.

3. Sustainable Chemicals Management

RLC has adopted the Zero Discharge of Hazardous Chemicals Manufacturing Restricted Substances List (“ZDHC MRSL”), a harmonized list of chemical substances banned from intentional use in the manufacturing and processing of textile, apparel, and footwear products. Each production facility utilized or engaged in manufacture of RLC Product is expected to create and implement an effective chemical selection and procurement process to ensure all chemicals entering the facility comply with RLC’s [Sustainable Chemicals Management Policy](#).

4. Materials and Waste Management

RLC is committed to integrating zero-waste principles across our business and value chain, focusing on reducing waste at its source and diverting waste from landfill and incineration through increased recycling, reuse and other methods. RLC expects facilities in the value chain to collaborate to minimize waste generation and divert waste materials from landfill and incineration to the greatest extent possible.

Disposal standards for un-merchantable finished product at factory – When finished products are deemed un-merchantable by RLC and confirmed to be destroyed, suppliers may not dispose of products through incineration without energy recovery, or through landfilling. RLC requires suppliers to consider the following method options, in order of preference:

- Recycling product back into new yarn/fabric materials (i.e., upcycling);
- Recycling product to lower-grade products like rags or insulation (i.e., downcycling);
- Incineration for energy (last option when others have been first considered)

Disposal standards for un-merchantable raw materials/trims at factory – When raw materials are deemed un-merchantable by RLC and confirmed to be destroyed, suppliers may not dispose of products through incineration without energy recovery or through landfilling. RLC requires suppliers to consider the following method options, in order of preference:

- Resale or reuse (only applicable for non-proprietary, non-branded raw materials/trims);
- Recycling raw materials/trims back into new yarn/fabric materials (i.e., upcycling);
- Recycling raw materials/trims to lower-grade products like rags or insulation (i.e., downcycling);
- Incineration for energy (last option when others have been first considered)

PRODUCT AND MATERIALS SUSTAINABILITY

RLC has made a public commitment to achieve 100% sustainably sourced key materials by 2025. Key materials include cotton, wool, viscose, leather, down, cashmere and polyester and our approach to sustainably sourcing these materials is detailed annually in our Global Citizenship & Sustainability Report.

Raw materials represent a significant portion of RLC's environmental and social impact, thus making fiber production and textile processing an important part of our Timeless by Design strategy. We are continually exploring and assessing sustainable material innovations with a focus on reducing our negative impacts and scaling our positive impacts.

RLC's partnerships with suppliers, manufacturers, and licensees are key to achieving its sustainability goals. Over the next five years, RLC expects suppliers to show year over year progress on providing sustainable, traceable, and verified materials to achieve our goals by 2025.

SCOPE

All suppliers and licensees are accountable for ensuring the selection of materials and components used to manufacture RLC Product meet or exceed RLC's Sustainable Material requirements as specified by RLC in this Policy. For avoidance of doubt, all facilities that manufacture RLC Product, material and components, including supplier's or licensee's own facilities, as well as those of its suppliers, contractors, and subcontractors, are expected to meet or exceed RLC's Sustainable Materials requirements as specified by RLC in this Policy and updated on a regular basis. We expect all suppliers to set a sustainability strategy, seek out preferred fiber suppliers, and begin or continue sourcing sustainable and certified raw materials that meet our sustainability requirements.

SUSTAINABLE MATERIALS

All sustainable material claims must be supported by appropriate documentation and validation tools specific to the initiative. For all chain-of-custody certifications, RLC expects to receive valid Scope Certificates from material and finished goods supplier and Transaction Certificates from the finished goods supplier for all certified product orders. We also ask material suppliers to share raw material Transaction Certificates for confirmation of certified raw material bulk shipments to the finished goods supplier.

Cotton: RLC is committed to sourcing 100% sustainable cotton by 2025.

Sustainable cotton sources include:

- Better Cotton – Better Cotton Claim Units (BCCUs) must be transferred to the RLC account on the Better Cotton Platform (BCP)
- Fairtrade Certified
- Organic – Cotton certified to the Global Organic Textile Standard (GOTS) or the Organic Content Standard (OCS) for raw material, OCS for finished products
- In-Conversion or Transitional – Cotton grown organically, but not yet certified to the recognized organic standards. In-conversion cotton must be verified by an independent third-party accredited certification body.
- Recycled – Cotton certified to the Global Recycle Standard (GRS) or the Recycled Claim Standard (RCS)
- U.S. Cotton Trust Protocol (Trust Protocol) cotton – Protocol Cotton Claim Units (PCCUs) must be tracked and transferred to RLC through the Trust Protocol's proprietary Protocol Consumption Management Solution and ultimately to RLC
- Regenerative cotton – validation requirements are in development.

In accordance with [RLC's Operating Standards](#), suppliers are prohibited from working with or arranging for purchase of any materials or services that supports or utilizes forced, indentured, bonded, or compulsory labor obtained through human trafficking, coercion, or slavery.

CELLULOSIC FABRICS AND WOOD-BASED MATERIALS

RLC is committed to sourcing socially and environmentally responsible wood-based fibers (rayon, modal, viscose, lyocell, etc.), cellulosic fabrics, and paper products. Responsibly harvested wood includes prohibiting the use of ancient and endangered forests sources, eliminating harmful effects on biodiversity and minimizing timber's contribution to climate change while upholding the human rights of indigenous communities. RLC requires all

suppliers who use, product, purchase, invest in, or sell cellulosic-based fibers or wood-based products adhere to the [RLC Forest Protection Policy](#).

- **Viscose and other MMCF:** RLC has committed to 100% of viscose sourced and verified through CanopyStyle audits by 2025. As a member of CanopyStyle, RLC requires all suppliers who use, produce, purchase, invest in, or sell cellulosic-based fabrics or wood-based products to adhere to the RLC Forest Protection Policy to ensure wood is not sourced from controversial sources, including ancient or endangered forests.
- **Wood Substrates:** 100% of our key wood suppliers for new RLC store interiors will use sustainably sourced wood substrates (certified by a forest management system, repurposed or recycled) by 2025.

Polyester: RLC is committed to sourcing 100% recycled polyester, certified to the Global Recycle Standard (GRS) or Recycle Claim Standard (RCS) by 2025.

Nylon: RLC is committed to sourcing recycled nylon, certified to the Global Recycle Standard (GRS) or Recycle Claim Standard (RCS) by 2025.

Wool: RLC is committed to sourcing 100% Responsible Wool Standard (RWS) certified or GRS or RCS recycled wool by 2025.

Cashmere: RLC is committed to sourcing 100% Sustainable Fibre Alliance (SFA) certified or GRS or RCS recycled cashmere by 2025.

Leather: RLC is committed to sourcing 100% of our leather from Leather Working Group (LWG) certified tanneries by 2025.

Down: RLC requires all down and feathers to be certified to the Responsible Down Standard (RDS) and has achieved our goal of sourcing 100% RDS certified down and feathers.

Other Animal Products: In addition to our commitments above, RLC prohibits the use of fur, mohair, and angora rabbit fiber in all products.

All suppliers and licensees must comply with RLC's Animal Welfare Policy, which includes a table of material-specific permissibility guidelines based on country of origin and animal type.

Conflict Minerals: "Conflict Minerals" mean gold, columbite-tantalite (coltan), cassiterite (tin), and wolframite (tungsten) sourced from non-certified mines in the Democratic Republic of Congo, its adjoining countries (Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia), and other areas identified in the U.S. State Department's Conflict Minerals Map (collectively referred to as the "DRC"), which may be used in the manufacture of various consumer products. RLC prohibits the use of Conflict Minerals in its Products. RLC suppliers and licensees shall certify and agree to not knowingly use Conflict Minerals in the production of RLC Product.