

THE VERY GROUP

The Very Group Commitment to Protect Forests Through Our Paper, Packaging and Fabrics Choices

The Very Group are committed to ensuring sustainability in all of our product ranges. For this reason, The Very Group is committed to protecting the world's forests through our approach to procurement of wood, wood pulp, paper, packaging and fabrics (including rayon, viscose, lyocell, modal).

As substitutions for single use plastics are sought 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

The Very Group will support approaches and systems to build a future that does not use ancient and endangered forests¹ 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 species² 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 Island³ and the Great Bear Rainforest⁴, Canada's Boreal Forests⁵, and Indonesia's Rainforests.⁶
2. Assess our existing use of man-made cellulose, 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 2022 for man-made cellulose, paper and packaging.
3. Work to eliminate sourcing from: companies that are logging forests illegally⁷; tree plantations⁸ 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 conduct a full business review.

Paper and Packaging Products

The Very Group recognises the substantial use of paper and packaging in our business operations. In accordance with our commitment to protect forests The Very Group will:

- Source paper and packaging for use in our business operations that is FSC certified or has a third party certification offering equal protection to forests
- Monitor and manage paper usage annually in our operations and encourage recycling within our operations
- Increase efficiencies in our use of packaging to support a reduction in overall material use and explore reusable packaging options.
- Encourage our suppliers to continuously improve and expand the availability of recycled content in papers/packaging, with a target of at least 50% by 2022, as well as the use of alternative fibres, such as agricultural residues.;

Shift to More Environmentally and Socially Beneficial Fabrics

The Very Group 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 residues⁹ and recycled fabrics.

In 2020, The Very Group will put in place a preference for purchasing man-made cellulose 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.

Wood Products

We are committed to source and purchase timber products only where the supplier can verify and provide details that the timber has been obtained legally from known sources which have been certified to credible standards.

Timber is a key material in the production of The Very Group own brand home and furniture products. We are committed

to the responsible sourcing of timber products and aim to ensure integrity in our supply chain by requesting from suppliers:

- Ongoing traceability of their timber supply chain to ensure legal harvesting
- Evidence that timber meets the regulatory requirements under the EU Timber Regulations (EUTR)
- No use of species listed as critically endangered, endangered, vulnerable, near threatened by the International Union for the Conservation of Nature (IUCN)
- Due diligence be conducted on timber supply chain to ensure compliance to this policy
- FSC sources to be prioritised where available

Forest Certification

Where the above conditions are met (including 1-4), The Very Group will request that all fabric, packaging and paper is sourced from responsibly managed forests, certified to the Forest Stewardship Council (FSC) certification system, and where FSC certified plantations¹⁰ are part of the solution.

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

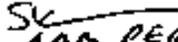
The Very Group will request that our suppliers respect the Universal Declaration of Human Rights and acknowledge indigenous and rural communities legal, customary or user rights to their territories, land, and resources.¹¹ To do so, we request that our suppliers acknowledge the right of Indigenous People 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

The Very Group 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.

Promote Industry Leadership

The Very Group looks to create a positive impact together with our suppliers, partners and customers. As implementation progresses, The Very Group 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.

[Signature] 
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Footnotes

¹ 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/>

² 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.

³ 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.

⁴ 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.

⁵ 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.

⁶ 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).

⁷ Legal forest management is management that complies with all applicable international, national, and local laws, including environmental, forestry, and civil rights laws and treaties.

⁸ 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.

⁹ 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.)

¹⁰ 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.

¹¹ <http://www.un.org/en/universal-declaration-human-rights/>