

RALPH LAUREN

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 [Design the Change](#) initiative. RLC believes a broader industry 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 the way our supply chain manufactures our products more sustainably. 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 towards the Company’s sustainability goals and objectives. This Policy is complementary to the [Ralph Lauren Operating Standards](#), as updated from time to time.

I. 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 material 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”), water use, wastewater discharge, hazardous and non-hazardous waste management, air emissions, 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 *UN Fashion Industry Charter for Climate Action*, 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.

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 is expected to operate in high resource use efficiency to minimize its energy and water consumption as well as its overall environmental footprint. Facilities are expected to collaborate and engage in performance improvement programs as defined by RLC from time to time, 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](#).

II. PRODUCT AND MATERIALS SUSTAINABILITY

RLC has made a public commitment to source 100% sustainable materials for all key materials by 2025.

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 Design the Change strategy. We are continually exploring and assessing sustainable material innovations with a focus on reducing our negative impacts and scaling our positive impacts.

In FY20, RLC's Sustainable Materials working group created a sustainable raw material road map to outline the pathway to achieving our 2025 goals. As further detailed in the Company's [2020 Global Citizenship & Sustainability Report](#), RLC has a sustainable raw materials sourcing strategy with timebound targets for all our key raw materials.

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 100% 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 from time to time. 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 the appropriate documentation. For all chain-of-custody certifications, RLC expects to receive Scope Certificates from the sustainable material and finished goods supplier and Transaction Certificates from the finished goods supplier.

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

Sustainable cotton sources include:

- Better Cotton Initiative (BCI) - 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)
- Transitional – Cotton grown organically, but not yet certified to the recognized organic standards. Transitional 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)
- US Cotton Trust Protocol – TBD, standard in development.

The prohibition of forced labor is an important element of [RLC's Operating Standards](#). Due to reports of widespread forced labor and in some cases, child labor used to harvest the cotton fields in Uzbekistan and Turkmenistan, we have joined other brands and retailers to voice our concern with a goal to eliminate this practice. Our expectations are that our business partners will not knowingly source cotton from Uzbekistan and Turkmenistan.

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.

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.

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.

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

Cashmere: RLC is committed to sourcing sustainable cashmere. We are currently evaluating standards and partnerships, including the Sustainable Fibre Alliance (SFA), to source cashmere fiber from transparent supply chains with certified animal welfare and land management practices.

Leather: RLC is committed to sourcing 100% of our leather from Leather Working Group (LWG) certified tanneries by 2025, and LWG-Gold certified tanneries by 2030. We are currently evaluating standards and partnerships, including the Textile Exchange's Leather Impact Accelerator, to source leather from transparent supply chains with certified animal welfare and land management practices.

Down: RLC requires all down and feathers to be certified to the Responsible Down Standard (RDS) or the Traceable Down Standard (TDS).

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](#). Although leather is permissible to use, there are restrictions 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.