### **Protecting Forests through Fabric Choices**

#### Aims

NEXT\* is committed to the responsible sourcing of timber products. We aim to reduce our impact and to increase social and environmental benefits by only using responsibly sourced timber.

To ensure manmade cellulosic fabrics (MMCF) used in the products we sell, such as viscose, modal and lyocell (both generic and branded), which come from timber are responsibly sourced, NEXT is committed to:

### 1. Conserving Ancient and Endangered Forests and Ecosystems

- Supporting a future that does not use ancient and endangered forests in manmade cellulosic fabrics
- Working with industry and NGO partners to move the fabric supply chain towards sourcing practices that ensure protection of the world's remaining ancient and endangered forests<sup>i</sup> and endangered species<sup>ii</sup> habitats, such as the Coastal Temperate Rainforests on Vancouver Island<sup>iii</sup>, the Great Bear Rainforest<sup>iv</sup>, Canada's Boreal Forests<sup>v</sup>, Indonesia's Rainforests vi and The Amazon and West Africa

# 2. Avoiding illegal and controversial sources that do not recognise, respect and uphold human rights and the rights of communities

- Mapping and assessing our existing manmade cellulosic fabrics' supply chains and working to eliminate sourcing of fabric made with dissolving pulp from companies that are:
  - logging forests illegally<sup>vii</sup>
  - logging from tree plantations established after 1994 through the conversion or simplification of natural forests
  - logging in contravention of the Universal Declaration of Human Rights and not acknowledging indigenous and rural communities legal, customary or user rights to give or withhold their free prior informed consent (FPIC) before logging rights are allocated or plantations are developed in their territories, land, and resources<sup>viii</sup>
  - logging from other controversial suppliers

## 3. Move to more environmentally and socially beneficial fabrics and use forest certification for fabrics

- Prioritising and requesting fibres from responsibly managed forests certified to the Forest Stewardship Council (FSC) timbers<sup>ix</sup>. Supporting the use of innovative sustainable materials from alternative feedstocks such as recycled materials and agricultural residues<sup>x</sup>
- By the end of 2020 should we find that any of our fibres are being sourced from at-risk forests (as defined above) we will engage our suppliers and influence our fabric supply chain to change their practices to eliminate the use of these sources
- Working with <u>Canopy</u> through their <u>CanopyStyle</u> initiative to improve the sustainable sourcing of our regenerated cellulosic fabrics

<sup>\*</sup> including all of the Next plc. group of companies

### 4. Reduce greenhouse gas footprint

Recognising the importance of forests as carbon storehouses NEXT will support initiatives
that advance forest conservation to reduce the loss of high carbon value 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.

### 5. Promote industry leadership

 NEXT aims to create a positive impact and as implementation progresses we will work with suppliers, NGO's, other stakeholders and brands that are part of the <u>Canopy Style initiative</u> to support the protection of ancient and endangered forests and solutions to reduce demand on our forests.

### Footnote information provided by Canopy

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. As a starting point to geographically locate ancient and endangered forests, maps of High Conservation Value Forests (HCVF), as defined by the Forest Stewardship Council (FSC), and of intact forest landscapes (IFL), can be used and paired with maps of other key ecological values like the habitat range of key endangered species and forests containing high concentrations of terrestrial carbon and High Carbon Stocks (HCS). (The Wye River Coalition's Endangered Forests: High Conservation Value Forests Protection – Guidance for Corporate Commitments. This has been reviewed by conservation groups, corporations, and scientists such as Dr. Jim Stritholtt, President and Executive Director of the Conservation Biology Institute, and has been adopted by corporations for their forest sourcing policies). 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.

iiA 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.

iiiCoastal 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 are a remarkable global asset and Canopy is working to see these last stands protected.

<sup>Iv</sup>Conservation solutions are now finalized in the Great Bear Rainforest. On February 1st, 2016 the Government of British Columbia, First Nations, environmental organizations and the forest industry announced 38% protection in the Great Bear Rainforest and an ecosystem-based management approach that will see 85% of this region off limits to logging. Provided these agreements hold – sustainable sourcing has been accomplished in this ancient and endangered forest. We encourage ongoing verification of this through renewal of Forest Stewardship Council certification.

<sup>v</sup>Protection of Boreal Forests where the largest remaining tracts of forests are located worldwide is critical and dissolving pulp is becoming an increasing threat. Canada's Boreal Forest contain the largest source of unfrozen freshwater worldwide 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.

<sup>vi</sup>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). Canopy and our NGO partners are focused on forwarding lasting protection of the Leuser Ecosystem. Asia Pulp & Paper (APP) and Asia Pacific Resources International Ltd. (APRIL) have been identified as the primary cause and have been criticized by local and international groups for being implicated in deforesting important carbon rich peatlands, destroying the habitat for critically endangered species and traditional lands of indigenous communities, corruption, and human rights abuses (Eyes on the Forest. 2011. http://www.eyesontheforest.or.id/). APP and APRIL have both put in place forest policies, tracking implementation closely will be key to understanding if either company offers lasting solutions for Indonesia's rainforests. Cellulosic fibre producer Sateri, is part of the Royal Golden Eagle Group along with APRIL.

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

viii http://www.un.org/en/universal-declaration-human-rights/

<sup>&</sup>lt;sup>hr</sup>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: <a href="http://www.fsc.org/download.plantations.441.htm">http://www.fsc.org/download.plantations.441.htm</a>

<sup>\*</sup>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.)