

Varner Animal Welfare Policy

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INTRODUCTION

Varner is a value-driven company with ‘Responsible’ as one of the core values. Varner aims to do business in line with regulatory expectations and expectations from relevant stakeholders as well as to ensure that the organization acts responsibly throughout our business and value chain.

Although we are a company that is based in the Nordics, we operate in a global context with a value chain that is complex and extensive. Breaches of human rights and decent work, environmental issues and animal welfare are known risks in the textile industry are also present in our value chain. We aim to use the due diligence process to address the risks and prioritize our efforts in the value chain.

Animal welfare is an important aspect of a responsible supply chain and along with environmental impact, animal welfare is a key challenge in the production and sourcing of wool and other animal-derived materials.

Challenges to animal welfare in fibre production include mismanagement during combing or shearing, harmful practices like mulesing, and general livestock management risks. Environmentally, fibre-producing animals emit methane, and overgrazing can damage ecosystems. Leather production involves significant environmental and animal welfare issues, including land use, methane emissions, and water resource impacts. The transformation of raw hide into leather also poses environmental and social risks. While down production poses minimal environmental risks, ethical concerns such as live plucking and sourcing from force-fed birds for foie gras remain significant.

POLICY DESCRIPTION

Our Animal Welfare Policy aligns with regulatory expectations and stakeholder demands, ensuring responsible actions throughout our business and value chain. We aim to mitigate the negative impact of animal fibre production on animals, the climate, society, and the environment. Transparency helps consumers make informed choices and allows us to identify risks and opportunities at the regional supplier level. For example, by signing up for the Fur Free Retailer program, our brands inform consumers about their fur-free policy.

Varner aims to improve animal welfare practices by setting strict requirements for us and our suppliers, focusing on traceability, health, safety, and animal welfare in farms and production units. Our policy covers the raw material stage, setting clear requirements for the use of animal-derived materials and cosmetic products, ensuring ethical considerations when choosing suppliers.

Our policy also bans materials from certain regions and prohibits cruel practices like mulesing and live plucking. Suppliers must meet certification-specific requirements and share our policy with their sub-suppliers. We encourage suppliers to certify according to Varner's standards.

We source virgin animal-derived materials from farms with good animal welfare practices, using credible standards and certifications like the Responsible Animal Fiber (RAF) standards framework, including the Responsible Wool Standard (RWS), Responsible Alpaca Standard (RAS), Responsible Mohair Standard (RMS), and Responsible Down Standard (RDS). Our goal is that 100% of virgin animal-derived materials are certified and traceable in 2030. The Responsible Animal Fiber (RAF) standards framework addresses soil health, biodiversity, land management, and animal productivity as part of Textile Exchange's [Climate+ strategy](#).

For animal fibers not covered by the mentioned standards, suppliers must declare their supply chain, including the raw materials origin if available. This also applies to leather, which currently lacks certifications for ensuring animal welfare and traceability from farm to final product.

When working with credible standards, we prioritize both animal welfare and environmental aspects. The standards under the Responsible Animal Fiber (RAF) framework are based on the Five Domains of animal welfare, which are:

1. Good nutrition
2. Good environment
3. Good health
4. Appropriate behavior
5. Positive mental experience

The Five Domains aim to ensure animals have positive experiences and a life worth living. The Five Domains model delves deeper into the mental state of animals, recognizing that nutrition, environment, health, and behavior impact their mental well-being. This approach emphasizes building positive human-animal relationships and preventing disease, rather than just avoiding bad or abusive handling, and treating illnesses.

For more information please visit: [The Five Domains](#).

As part of our corporate sustainability strategy, Varner aims to increase the use of preferred fibres and fully certified animal-derived materials. Our objectives are:

By the end of 2025, 100% of all textiles are made with Preferred Fibers.

- By the end of 2030, 100% of all animal fibers are certified and traceable.
- By the end of 2030, all products are fully traceable. Main materials shall have a known and verified origin, all supply chains shall be transparent and identified.

By the end of 2025, 100% of all virgin wool and animal hair used by Varner must come from farms certified to a credible animal welfare standard. This commitment ensures the sourcing of certified wool from farms with better animal welfare practices and complements the ban on mulesing practices. More details on the specific standards are found in the policy.

Material production significantly impacts the environment, contributing to carbon emissions. Varner uses recycled animal fibers certified by the Global Recycled Standard (GRS) or Recycled Claim Standard (RCS). Sourcing recycled fibers aligns with our Preferred Fiber Strategy, aiming to reduce emissions, lower environmental impact, and minimize the use of virgin raw materials-

ANIMAL-DERIVED MATERIAL REQUIREMENTS AND GOALS

All material requirements relevant to this policy are outlined below. Any materials not explicitly mentioned here are prohibited. Varner does not allow the use of any animal materials not listed in this policy without prior permission.

WOOL AND ANIMAL HAIR

Varner only allows the use of wool and animal hair from living and domesticated animals such as sheep, goats, and alpacas. The use of materials derived from wildlife animals, endangered species, and exotic animals is strictly prohibited. Varner also bans “higher risk” animal-derived materials and hair from caged animal. More details are listed in the “Additional Requirements: Banned Materials” section of this policy.

WOOL INCLUDING MERINO

Varner is committed to the Responsible Wool Standard (RWS).

- By the end of 2025, all virgin sheep wool used in any product for Varner should be certified to the Responsible Wool Standard (RWS).
- All organic wool must be certified to either the Organic Content Standard (OCS) or the Global Organic Textile Standard (GOTS).
- Varner allows recycled wool that is certified to the Global Recycled Standard (GRS) or the Recycled Claim Standard (RCS).
- Varner does not allow the use of wool from sheep that have been exposed to mulesing.
- Shearing shall be performed by a qualified person and in a humane way.
- For wool from China, Varner accepts only RWS-certified or recycled wool certified to GRS or RCS.
- For wool, including Merino, from Australia, Varner accepts only RWS-certified wool.

MOHAIR

Varner is committed to the Responsible Mohair Standard (RMS).

- All virgin mohair must be certified to the Responsible Mohair Standard (RMS).
- Goats shall not be harmed when clipped and shall be in a protected environment after shearing.

ALPACA

Varner is committed to the Responsible Alpaca Standard (RAS).

- By the end of 2025, all alpaca wool should be certified to the Responsible Alpaca Standard (RAS).
- Shearing shall be performed by a qualified person and in a humane way.
- Alpacas shall be kept in a protected environment after shearing.

CASHMERE

Varner is committed to the Good Cashmere Standard (GCS).

- All virgin cashmere must be certified to the Good Cashmere Standard (GCS).
- Varner allows recycled cashmere certified to the Global Recycled Standard (GRS) or the Recycled Claim Standard (RCS).
- Varner accepts cashmere only from areas with managed grazing to maintain vegetative cover and prevent erosion.
- Goats must have access to outdoor and indoor areas with sufficient space and protection from extreme weather.
- Fibers must be removed using methods that minimize stress, injury, and thermal discomfort.

DOWN AND FEATHERS

Varner is committed to the Responsible Down Standard (RDS).

- All virgin down and feathers must be certified to the Responsible Down Standard (RDS).
- Varner accepts down and feathers only from ducks and geese bred for the food industry.
- Varner does not allow down or feathers from live-plucked or force-fed birds.

LEATHER

- Varner only accepts leather from pigs, bovine, sheep or goats bred for the food industry.
- Kangaroo leather is not accepted.
- Leather from live-skinning or live-boiling is not allowed.
- Leather processes in Bangladesh is not accepted.
- Cow hides from India is not allowed.
- Leather from the Amazon region is not accepted.

SILK

- Varner does not allow silk that is knowingly sourced from areas or countries where breaches to the Supplier Code of Conduct (therein ILOs core conventions) are present.
- Silk from India and Uzbekistan is not accepted until further notice.

ADDITIONAL REQUIREMENTS: BANNED MATERIALS

FUR

- Varner does not allow real fur, including but not limited to mink, fox, rabbit, karakul lamb, and raccoon dog.
- Varner only allows the use of fake fur.
- The term “fur” is defined in the “Key Definition” section of this policy.

ANGORA

Varner has a total ban on angora wool.

YAK

The use of yak in is banned.

ENDANGERED SPECIES

Materials derived from species appearing on the IUCN (International Union for Conservation of Nature) or the CITE (the Convention on International Trade in Endangered Species of Wild Fauna and Flora) lists of endangered species shall not be used in products supplied to Varner.

LIVE-STOCK EXPORTATION FOR SLAUGHTER

Varner does not allow livestock to be exported for slaughter.

EXOTIC SKINS

Hides or skins from exotic animals, including but not limited to crocodiles, snakes, sharks and seals is not allowed.

ANIMAL TESTING AND COSMETICS

Varner prohibits animal testing of cosmetic products and ingredients at all production stages. External brands must not perform animal testing on cosmetics sold under Varner and are advised to follow the EU Directive 2010/63/EU on animal protection.

OUR APPROACH

Our animal welfare policy includes risk assessment, stakeholder engagement, and ensuring animal welfare through credible standards and certifications. We maintain traceability and integrate these practices into our operations.

RISK ASSESSMENT AND MATERIALITY

Since 2008, we have continuously updated our Animal Welfare Policy based on the latest reports and research. As part of our Due Diligence for Responsible Business Conduct, we review and update this policy yearly, ensuring its relevance and progress based on stakeholder feedback. Our primary focus is on the raw material stage of our value chain. To stay informed on global animal welfare developments and ensure responsible sourcing, we participate in international meetings and collaborate with organizations like Textile Exchange.

STAKEHOLDER ENGAGEMENT

Engaging with stakeholders is crucial for our policy commitment. Our policy is shared with suppliers, who must sign it as part of the Varner Supplier Manual. It is also public and available on www.varner.com.

Key stakeholder engagement strategies include:

- Gather feedback from internal and external stakeholders to enhance our risk assessment and materiality exercise.
- Collect and evaluate queries and concerns related to animal welfare from all channels.
- Engage with industry initiatives, experts, and peers to develop solutions for common goals and challenges, based on the latest scientific research.
- Collaborate with direct stakeholders, including employees and value chain partners, to develop strategy, goals and framework.
- We are committed to contribute to the process of remediation where we have caused or contributed to adverse impact on animal welfare.
- We are committed to implement additional policies, both temporary and permanent, in response to campaigns and reports of animal welfare violations.

ANIMAL WELFARE IN VALUE CHAIN

STANDARDS AND CERTIFICATIONS

We aim to source all virgin animal-derived materials from farms certified to credible animal welfare standards, as described previously, to mitigate potential negative risks and ensuring humane treatment of animals. Certification standards provide assurance and a strong chain of custody throughout the supply chain, reinforcing claims of the use of certified materials.

Since 2015, Varner has successfully sourced 100% of its down and feathers as RDS-certified.

TRACEABILITY

In addition to implementing credible animal welfare certification standards, we are committed to improving traceability and transparency across our supply chain. Transparency helps identify and mitigate risks, enabling us to address adverse impacts more effectively. Varner aims for full product traceability by 2030, with main materials having a known and verified origin and all supply chains being transparent.

While we use third-party certified products with traceable materials, full supply chain information often remains opaque. Despite sourcing fibres through credible standards, we lack full visibility into each production step. Our investment in traceability systems like TextileGenesis™ aims to strengthen the integrity of our animal fibres, providing deeper traceability. Following a successful pilot, we will extend our collaboration with TextileGenesis™ to include all Textile Exchange Standards.

To ensure traceability, Varner has established the following general requirements for our suppliers of animal-derived materials:

- The origin of animal fibres and materials must be declared and authenticated, and a declaration of origin must be provided.
- Varner reserves the right to visit and audit all entities in the supply chain including farms and slaughterhouses.
- For all animal fibres certified to any standard of the Responsible Animal Fibers (RAF) standards framework, a valid Scope certification and a Garment Transaction certificate must be provided for each order

- Documentation on mulesing status is required for non-merino wool sourced from areas where mulesing is practiced (e.g., a National Wool Declaration for Australian wool). All merino wool from Australia must be certified to RWS)
- Recycled animal materials must have a full chain of custody and be certified to Recycled Content Standard (RCS) or Global Recycled standard (GRS), a valid Scope certification and a Garment Transaction certificate must be provided for each order.

ANIMAL WELFARE IN OWN OPERATIONS

Introducing new materials and certifications into the supply chain comes with challenges. Therefore, it is crucial to provide internal training for our teams across different brands. Educating them about the value and importance of using more sustainable fibres, our preferred fibre strategy, and setting targets, as well as providing clear policies as guidance in their daily routines, helps motivate our employees and, consequently, our customers to make more sustainable choices

REPORTING AND COMMUNICATION

We believe that transparent and credible communication is essential for keeping our stakeholders informed about our commitments, goals, and actions.

Through our yearly sustainability report and fibre report on the usage of animal-derived materials to ensure that our animal welfare policy and publicly communicated commitments are being implemented, reviewed, and continuously improved and to be transparent on the progress towards our public goals.

In addition to our website, social media updates, annual sustainability report, and all statutory reporting, we also participate in several voluntary reporting requests from various industry initiatives. Information can be found on www.varner.com.

KEY DEFINITIONS

Below are important definitions of terminology that are widely used in the policy, or which are relevant for understanding the policy.

FUR:

The term “fur” in this policy is defined according to the Fur Free Retailer's definition, thus, it means: Any animal skin or part thereof with hair or fur fibres attached thereto, either in its raw or processed state or the pelt of any animal killed for the animal's fur. “Animal” includes, but is not limited to, mink, fox, rabbit, karakul lamb, and raccoon dog. “Fur” shall not include:

1) such skins as are, or are to be, converted into leather or which in processing have, or shall have, the hair, fleece, or fur fibres completely removed, 2) materials clipped, shorn, or combed from animals, such as fleece, sheepskin, or shearling, 3) leather or hair attached to skin that is typically used as leather, e.g., cowhide with hair attached, or 4) synthetic materials intended to look like fur.

MULESING

Any form of breech modification such as removing skin folds with use of instruments, chemicals, clips, temperature etc. This includes all kinds of mulesing, including steining.

REFERENCES

Some of the key legal references that were considered while developing this policy:

- [Animal welfare - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

Some of the key standards and guidelines for animal-derived materials from industry initiatives that we considered while developing the animal welfare policy:

- [Responsible Wool Standard](#)
- [Responsible Mohair Standard](#)
- [Responsible Alpaca Standard](#)
- [Responsible Down Standard](#)
- [Good Cashmere Standard](#)
- [Global Recycled Standard and Recycled Claim Standard](#)
- [Climate+ Vision - Textile Exchange](#)
- [Raising standards for animal welfare - Textile Exchange](#)
- [Animal Welfare in fashion 2023 – Four Paws](#)
- [Animal Welfare Policy Guidelines for Fashion Brands and Retailers - Four Paws](#)
- [The Five Domains model in EU animal welfare legislation - Four Paws](#)
- [The Five Domains \(zooaquarium.org.au\)](http://zooaquarium.org.au)
- [Fur Free Retailer](#)

CONCERNS

If you would like to raise a concern or are aware of any suspected breaches of Varner policies, please report to sustainability@varner.com