

THE PRADA GROUP'S  
ANIMAL WELFARE POLICY

I

---

MP

---

ACT

# — Index

1. VISION AND GOALS	2
2. GOVERNANCE	2
3. CORE PRINCIPLES	3
4. ANIMAL WELFARE COMMITMENTS	3
5. ANNEX	6

## — Vision and Goals

The Prada Group (the "Group" or "Prada", meaning here Prada S.p.A. and its subsidiaries) recognizes that contributing to safeguarding the planet requires taking bold actions to protect nature.

As stated in the Group's Sustainability Policy, approved by the Board of Directors of Prada S.p.A. on March 15, 2019, Prada commits to operate in full respect of the environment, as well as through the responsible selection and purchasing of raw materials.

The best quality raw materials are of primary importance for all the Prada Group's brands. The understanding of fibers and materials and their strengths is rooted in the design and development process, and the Group takes great care in sourcing the right materials from responsible sources and suppliers, addressing the potential impacts on biodiversity.

For these reasons, the Group aims to achieve the highest standards of animal welfare within all its animal-based supply chains as it is aware of the importance and evolution of wildlife conservation. The Group is fully committed to complying with all applicable national and international laws and regulations and strictly complies with the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the EU Regulation on the protection of species of wild fauna and flora (EC Regulation No. 338/97).

To meet these commitments to nature and its ecosystems, the Group aims to source animal fibers and materials only from responsible supply chains through robust verification schemes, with measurable metrics and built-in traceability. The Group recognizes brands' positions within the value chain and the opportunity to improve industry practices by selection of trustworthy suppliers and building knowledge and capacity in collaboration with suppliers and other stakeholders. The Group aims to carefully consider and refine selection of animal materials based on availability of best-practices within the industry.

The publication of this Animal Welfare Policy (the "Policy") is an important first step and opportunity for the Prada Group to formally set out the policies and principles that the Company has adopted to promote the welfare of animals. The Group recognizes that improvement of animal welfare is a constant and evolving process, and that supply chain transparency, traceability and

management are integral to driving change in the Group's business. To begin this journey, Prada has the clear goal of mapping every step of all animal-based materials' supply chains to understand both risks and risk mitigation opportunities. In order to create a measurable impact, the Group will employ a phased approach, focusing on the materials sourced in higher volumes and further adopting the principles set out in this Policy for other materials over time.

This Policy should be read alongside other relevant policies, including but not limited to the Group's Code of Ethics, the Sustainability Policy, and the Suppliers Code of Conduct.

## — Governance

The Policy takes effect on April 01, 2024, and all Group brands are expected to comply with the set of principles and guidance laid out. CSR & Industrial Sustainability Department and Heads of Procurement are responsible for the implementation of the Policy, exercising reasonable oversight with respect to its adequacy and effectiveness.

This Policy applies to all business activities carried out by the Prada Group. The Group expects its business partners to respect the principles and content of this Policy, which is addressed to all raw material and manufacturing suppliers of animal origin (hereinafter referred to as "suppliers"). Suppliers are expected to be responsible for ensuring their compliance with the Policy, as well as disseminating it and requiring compliance with it by their employees, suppliers, external contractors and other persons who are part of the Group's supply chain. Suppliers are required to confirm their acceptance and effort to implement it by signing supplying contracts. This Policy provides information and operational guidance that will enable suppliers to meet the Prada Group's high sustainability and welfare standards.

The Group expects all its suppliers to be aware of the Group's Animal Welfare Policy and to commit to working towards the Five Domains Principles. The Group expects active participation and collaboration to improve traceability of materials and verification of animal welfare practices.

In order to ensure compliance with this Policy, the Group undertakes regular compliance checks to actively assess and prevent potentially harmful practices in its operations. This policy will be reviewed on an annual basis to incorporate updates such as legislation and industry development including availability of certified materials and to respond to scientific evidence and best practices of animal welfare. The list of certifications and protocols requested and applicable to animal-based materials sourced by the Group is to be reviewed on an annual basis.

## — Core Principles

The Group considers the principles of the Five Domains (please refer to "Annex") as the basic guidance to direct efforts of improving animal welfare practices. The Group rejects any kind of cruel farming practices such as mulesing, steining or live plucking.

The Group aims to source certified materials where animal welfare is a priority, including where animals are raised on pasture or rangeland with good nutrition, health care and handling, high standards for animal transport and humane end of life. Besides integrating animal welfare principles into the Group's value chain by sourcing certified materials and engaging closely with trusted suppliers to further build sustainable practices, food industry collaborations are sought to reduce environmental impact by sourcing co-products of the food industry. The Group has excluded altogether the use of fur, in agreement with the Fur Free Alliance, since Spring Summer 2020 Women's Collection, as well as kangaroo leather from 2020, and is committed to phase out in the future other animal-based materials whose sourcing - according to scientific evidence - is not aligned with this Policy.

At the time of publication of this Policy, the Prada Group committed to phase out angora from its material list and is developing alternatives with partners in the supply chain. Existing stocks will be sold until used up.

The Group is aware of the various challenges and risks associated with certain materials such as leather from exotic and wild animals that are not domesticated. These materials do not have industry practices yet established that accommodate the specific welfare needs of the animals involved, and therefore the Group will take special consideration of these materials and

consider which materials it is appropriate to continue to use within Group collections, based on whether they are able to be sourced according to the Group's high expectations for welfare.

## — Animal Welfare Commitments

The following section outlines the range of animal-based materials sourced by the Group and the requested and applicable standards that are prioritized by the Group according to its volume and relevance. Chosen standard schemes are selected based on their performance and must contain sound criteria across the key areas of traceability, transparency, quality of animal welfare practices and verification methodology.

Sourcing certified materials with a chain of custody that can demonstrate a commitment to animal welfare at farm level supports the Group's ambition to ensure that all key materials are 100% traceable by 2026 at least to slaughterhouse or killing facility.

The key materials reflect the priority level of the Group's efforts to implement sustainable sourcing. Key materials include foremost bovine and ovine leather, wool and cashmere. The Group will showcase the amount of certified material coverage in its annual Sustainability Report, starting from 2023 data on leather.

### Leather

#### **Bovine (Cattle & Calf)**

#### **Ovine (Sheep & Lamb) and Caprine (Goat)**

Leather is an iconic material for the Prada Group and remains one of the most important raw materials sourced. The Group considers leather sourcing an opportunity to cooperate with the food industry and aims to source leather as a co-product of the food industry. The Group is well aware of the environmental and social challenges across the long and diverse leather supply chain (from farm to slaughterhouse, tannery and further processing). Therefore, the Group is committed to ensure that its leather is sourced in the most responsible and sustainable manner, where there is accountability for reducing the negative impacts associated with livestock production, both on the animal and the planet, such as cruel practices during

transport and slaughter and the risk of deforestation due to increased grazing and intensive farming. The Group is aware that leather traceability is an industry-wide issue. Therefore, the Group has commenced a supply chain mapping programme for its leather, engaging with tanneries to record upstream data back to slaughterhouse and farm level.

Leather is purchased from selected tanneries following criteria that meet environmental, traceability and social parameters for production. The Group is aiming to source from tanneries adopting primarily the following schemes:

- **Leather Working Group (LWG)**
- **Institute of Quality Certification for the Leather Sector (ICEC)**

## Wool and Hair

Wool is the second most relevant animal-derived raw material for the Group after leather. The Group understands that wool and hair are produced for the main purpose of textile industry and aims for products to originate from fully traceable supply chains in order to guarantee respect of high standards of animal welfare. Such criteria are verified through certifications schemes and audits. The key products to the Group are Merino Wool and Cashmere, with use of Alpaca, Camel, Mohair and Vicuna in small variety of products. Goat hair is used as minor component in technical products, such as fillers, reinforcements and linings.

### Wool

The Group relies on the following standard schemes for wool sourcing:

- **Responsible Wool Standard (RWS)**
- **Nativa**
- **ZQ Merino**

The Group aims to achieve full disclosure of certification levels of their wool materials and target 100% mulesing-free suppliers.

### Cashmere, Goat, Vicuna, Mohair and Alpaca

The Group prioritizes the use of certified cashmere (including increasing the volume of recycled cashmere),

mohair and alpaca through the following initiatives and standards:

- **Sustainable Fiber Alliance (SFA)**
- **The Good Cashmere Standard**
- **Responsible Mohair Standard (RMS)**
- **Responsible Alpaca Standard (RAS)**
- **Authentico**

## Down and Feathers

Down and feathers are the Group's third most used animal-derived material, mainly used for down jacket fillings. The term 'down' refers to the soft layer of feathers close to the skin of duck or goose. The Group recognizes risks from intensive farm production, which may include cruel practices such as live plucking, bill trimming and overall poor animal husbandry.

### Down

The Group sources down from **Responsible Down Standard (RDS)** suppliers. The Textile Exchange's certification sets strict criteria to ensure the welfare of the birds from hatching to the end of their lives.

### Ostrich feathers

The Group is committed to fully tracing its supply chain of ostrich feathers and only source from **South African Ostrich Business Chamber (SAOBC)** certified suppliers. The Group is aware that the standard is yet facing full deployment and still requires attention regarding robustness and establishment of a chain of custody. The Group is prepared to actively engage with its direct suppliers and if needed assist in implementing important practices in order to improve industry standards.

### Other feathers

Other feathers sourced from junglefowl, and turkey are used for decorative purposes.

## Exotic Skins

Prada sources different species of exotic skins, the majority of which belongs to species regulated under the CITES convention. These materials are derived

from farmed ostriches and reptiles that are either farmed or wild-caught animals.

The Group is committed to sourcing only exotic leather that is certified to ensure that endangered species are not harmed and that main principles of reptile harvesting are followed. The Convention on International Trade in Endangered Species (CITES), which ensures that wild flora and fauna are not exploited in international trade, is regarded as a key element for sourcing exotic skins. The Group relies on its suppliers to provide a valid CITES permit or verification to demonstrate compliance with CITES requirements. For both CITES and non-CITES species, country of origin and upstream supply chain data is essential to validate the level of risk, therefore, information on the originary source (country of origin, name and location of killing facility and wild vs farmed animals) of the animals is mandatory.

The Group will look to support multi-stakeholder initiatives that are relevant for their sourcing of reptiles, crocodylians and ostriches, and work within these forums to support their development as well as best available sourcing practices for these animals. Such initiatives include the Southeast Asian Reptile Conservation Alliance (SARCA) and the International Crocodylian Farmers Association (ICFA) which the Group is already actively supporting. The Group's suppliers are required to source only from certified upstream facilities and/or are asked to support second party verification in their upstream supply chain where no certification or protocol is available.

# — Annex

## The Five Domains Model

The Five Domains Model now provides an explicit means to effectively and systematically evaluate the animal welfare implications of a wide range of human-animal interactions.

GENERAL WELFARE AIMS	FOCUSING WELFARE TARGETS	PROVISIONS
<b>Good Nutrition</b>	To minimise thirst and hunger and enable eating to be a pleasurable experience.	By providing ready access to fresh water and a species-appropriate diet to maintain full health and vigour.
<b>Good Physical Environment</b>	To minimise discomfort and exposure to adverse environmental conditions and to promote physical comfort.	By providing appropriate outdoor access and suitable shelter against adverse weather conditions, and/or housing with different functional areas, comfortable resting areas, and good air quality.
<b>Good Health</b>	To minimise pain, disease, and other discomforts and to promote the pleasures of vigour, strength, robustness, and harmonious physical activity.	By preventing or rapidly diagnosing and treating diseases and injuries, and by stimulating, among others, proper muscle tone, natural body posture, cardiorespiratory function, and digestive system processes.
<b>Appropriate Behavioural Interactions</b>	To minimise threats and unpleasant restrictions on behaviour and movement, and to promote engagement in rewarding activities.	By providing sufficient space, conspecific company, human interactions that are adapted to the individual needs and appropriately varied conditions to allow for species-specific behavioural expression.
<b>Positive mental experiences</b>	To promote the experience of various forms of comfort, pleasure, interest, confidence, and a sense of control.	By providing safe and species-appropriate environmental, conspecific, and human interactive opportunities to have pleasurable experiences.

## Certifications

### Leather Working Group (LWG)

LWG has introduced an auditing protocol and certification system for tanneries. Overall, this covers raw material traceability, environmental management systems, restricted substances, energy consumption, water usage, air and noise emissions, waste management, and effluent treatment. Bronze, silver or gold level are assigned related to the level of maturity of the tanneries. Animal welfare is not part of the auditing process. Currently, LWG is evaluating steps to introduce a roadmap to traceability back to farm level.

### Institute of Quality Certification for the Leather Sector (I.CE.C)

I.CE.C has prepared two leather traceability certification variations, which are each applicable to farmed or wild species and to split leather:

- Products system in tanneries: a wide range of products is included in the analysis. Traceability of the hides upstream of the tannery is mapped, traceability checks of the production phases of these hides in the tannery are not included.
- Single products in tanneries: analysis of a single product or a single homogeneous product. Traceability of the skins upstream of the tannery is mapped. Verification of the traceability of the production phases of these skins in the tannery is included in the analysis.

The relative rating of both schemes specifies the degree of traceability of raw materials upstream of the tannery.

### Responsible Wool Standard (RWS)

RWS is an international, voluntary standard that addresses animal welfare in sheep farms and includes a chain of custody of wool from certified farms to the final product. The scheme includes third-party certification of individual sites using annual audits and material is tracked from the farm to the final product.

### Nativa

The Nativa Protocol aims to provide traceability, sustainability and animal welfare in wool production and is limited to manufacturing in Argentina, Uruguay, United States, New Zealand and Tasmania. Every step of the supply chain is included in the protocol. The

assessment includes animal welfare, land management and corporate social responsibility.

### ZQ

ZQ is a farm certification programme established by NZM in 2007 and was the first such programme in the world to require growers to meet strict standards with regards to animal welfare, environmental integrity, social responsibility, fibre quality, and traceability. ZQ is aligned with the Responsible Wool Standard (RWS).

### The Good Cashmere Standard (GCS)

The Good Cashmere Standard® (GCS) is an independent standard for sustainable cashmere, developed by the Aid by Trade Foundation (AbTF), which follows a holistic approach and aims to improve the welfare of cashmere goats, the working conditions of farmers and to protect the environment.

### Sustainable Fibre Alliance (SFA) Cashmere Standard

The Sustainable Fibre Alliance is a global multi-stakeholder initiative aiming to ensure the long-term viability of the cashmere sector. The SFA's Sustainable Cashmere Standard comprises three Voluntary Standards and a Chain of Custody programme that work together to achieve the SFA's targets to improve social and environmental performance in the production of cashmere. The Cashmere Standard includes various stakeholders and is based on extensive research and consultation with herder cooperatives, national government, industry experts and conservationists.

### Responsible Mohair Standard (RMS)

Textile Exchange launched the Responsible Mohair Standard (RMS) with the goal to provide the industry with a tool to recognize the best practices of farmers for mohair. This helps ensuring that mohair comes from farms that have a progressive approach to managing their land, practice respect and diligence for animal welfare of the goats and respect the Five Freedoms of animal welfare.

### Responsible Alpaca Standard (RAS)

The international standard "The Responsible Alpaca Standard (RAS)" by Textile Exchange targets the animal welfare practices at alpaca farms and ensures that certified farms adopt the Five Freedoms of animal welfare along with land management and social welfare at the farms. The standard also includes a chain of custody content claim certification.



### **Responsible Down Standard (RDS)**

Textile Exchange's Responsible Down Standard (RDS) is an international, voluntary standard that targets animal welfare in the duck and geese supply chain and chain of custody of down and feather material from certified farms to the final product.

### **CITES**

The CITES permit system aims to prevent and regulate the trade of endangered species as specified in the three Appendices of the Convention. The national CITES Management Authority issue the permits and certificates to traders/brands. CITES does not cover an animal welfare certification scheme but traces the origin of animal materials.

### **International Crocodilian Farmers Association (ICFA)**

The ICFA Standard covers crocodile health, welfare and biosecurity, responsible use of medicines, traceability, personnel competence and environmental and emergency management. All farming activities of ICFA members must be certified within 3 years of joining the Association. Annual audits are undertaken by trained and approved auditors.

### **Southeast Asian Reptile Conservation Alliance (SARCA)**

SARCA is currently developing a Responsible Reptile Sourcing Standard (RRSS) aiming to regulate the reptiles bred for their skin. The RRSS standard is based on four principles, business integrity, animal welfare, social responsibility, and environmental responsibility. The scope covers farms and facilities involved in capturing, processing and also humane killing of animals.

### **South African Ostrich Business Chamber (SAOBC)**

SAOBC has developed the only available best management guidelines for ostrich farming. The best practice guidance includes general management processes, resource requirements of caretakers and facilities, correct husbandry, handling, transportation and transparency.