

APG & Co Hazardous and Restricted Substances Policy

Introduction

APG & Co is dedicated to creating a safer, more sustainable future by eliminating hazardous substances from our supply chain. This policy reflects our firm commitment to safeguarding the health and wellbeing of our customers, employees, and supply chain partners, while reducing our environmental impact.

Our commitment is grounded in internationally recognised standards, including the **Zero Discharge of Hazardous Chemicals Manufacturing Restricted Substances List (ZDHC MRSL)**. This standard ensures that specific harmful chemicals are prohibited at all stages of production, from raw material sourcing to finished products, for textiles, leather, and accessories.

Purpose

The purpose of this policy is to outline our requirements for safe, clean, and more responsible production practices. Specifically, this policy aims to:

- **Ensure Compliance with Global Standards** – Align with Australian regulations and global frameworks, including ZDHC MRSL and EU REACH, to maintain legal and ethical integrity.
- **Eliminate Harmful Chemicals** – Remove and prevent the use of substances that pose risks to human health, the environment, or worker safety across every stage of our supply chain.
- **Protect Human Health and the Environment** – Ensure our production processes safeguard the wellbeing of consumers, workers, and ecosystems, reducing exposure to hazardous chemicals and minimising pollution.
- **Promote Sustainable Practices** – Support continuous improvement in chemical management by adopting safer alternatives, reducing waste, and advancing circular economy principles.
- **Foster Collaboration and Transparency** – Work closely with suppliers, manufacturers, and industry stakeholders to drive innovation in chemical safety and openly share progress towards achieving our sustainability goals.

Scope

This policy applies to the following areas of the business:

- **All APG & Co branded clothing, accessories, and associated packaging**

Includes garments, footwear, bags, belts, jewellery, hats and all packaging materials such as boxes, hang tags, plastic bags, labels, and tissue paper, do not contain substances listed in APG & Co's Restricted Substances List (provided below).

- **All stages of production**

- **Raw Material Sourcing** – Applies to all fibres and materials, such as cotton, polyester, leather, and wool, ensuring they are free from harmful pesticides, formaldehyde, or azo dyes.
- **Dyeing** – Covers the use of colourants and dyes, ensuring compliance with bans on substances like azo dyes that release carcinogenic amines.
- **Finishing** – Includes processes like wrinkle resistance, water-repellence, flame retardancy, or coatings that must comply with restrictions on substances like PFCs, flame retardants, and formaldehyde.
- **Assembly** – Applies to the use of adhesives, stitching threads, and trims, ensuring compliance with VOC limits, heavy metal restrictions, and other chemical safety standards.
- **Packaging** – Encompasses all materials used to ship and display goods, ensuring they meet regulations for inks, coatings, and plasticisers.

- **All suppliers and subcontractors involved in the production of APG & Co goods**

Includes direct suppliers, material vendors, chemical suppliers, and subcontracted manufacturers in all tiers of the supply chain. For example:

- Textile mills sourcing raw fabrics must ensure compliance with restricted substances like nonylphenol ethoxylates (NPEs).
 - Leather tanneries must comply with restrictions on chromium (VI).
 - Printing facilities must avoid using heavy metals in inks or dyes.
 - Packaging manufacturers must ensure plastic bags are free from restricted plasticisers like DEHP or DINP.
- **Finished Products** – Covers the final quality of garments, accessories, and packaging to ensure they meet all chemical safety standards.
 - **Employee Safety** – Includes compliance with workplace health and safety standards related to hazardous substances used during production.
 - **Transportation and Storage** – Ensures all goods remain free of contamination or deterioration that might lead to hazardous chemical exposure during transit or storage.

Supplier Requirements

All suppliers manufacturing APG & Co branded products must:

1. Ensure no banned or restricted chemicals are used in raw materials, processes, or final products. Suppliers must refer to the latest **ZDHC MRSL** (Manufacturing Restricted Substances List) and other applicable regulations.
2. Implement their own Restricted Substances List (RSL) policies and pass on these requirements to upstream suppliers.
3. Ensure adherence to additional recognised standards, such as:
 - British Standards Institute (BSI)
 - Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH)
 - OEKO-TEX® Standard 100
 - ISO/IEC 17065 and ISO/IEC 17021-1

We also strongly encourage our suppliers to consult the **United Nations Globally Harmonised System of Classification and Labelling of Chemicals (UN GHS)** as a comprehensive reference for the classification of chemicals based on their hazard types. The UN GHS provides a globally consistent framework for identifying chemical hazards and ensures clear communication of these risks through standardised labelling, safety data sheets (SDS), and hazard symbols.

Supplier Responsibilities

To meet the standards outlined in this policy, all suppliers must:

- **Develop and Maintain Chemical Management Policies** – Establish robust chemical management policies and procedures that are fully aligned with the ZDHC

Manufacturing Restricted Substances List (ZDHC MRSL) (see links below) and other relevant global standards.

- **Provide Employee Training** – Deliver regular training programs for employees to ensure they understand the importance of chemical safety, the risks associated with hazardous substances, and the company’s commitment to compliance with this policy. Training should also cover safe handling, storage, and disposal practices.
- **Ensure Documentation and Labelling** – Maintain comprehensive documentation for all chemicals used in the production process, including Safety Data Sheets (SDS) if required. All chemicals must be clearly labelled in accordance with the United Nations Globally Harmonised System (GHS) to ensure safe use and transport.
- **Conduct Regular Testing** – Perform regular testing of raw materials, in-process goods, and finished products to verify compliance with the policy. Testing must be conducted by accredited laboratories, with results made available to APG & Co upon request.
- **Monitor Subcontractors** – Extend chemical management policies to all subcontractors and ensure their compliance. Suppliers must regularly monitor and audit subcontractor facilities to confirm adherence to restricted substance requirements and chemical safety practices.

APG & Co Commitments

To support the successful implementation of this policy, APG & Co will:

- **Conduct Regular Audits** – Perform routine inspections of supplier facilities to ensure compliance with this policy and global chemical management standards. Audits will assess chemical storage, handling, disposal practices, and adherence to the ZDHC MRSL.
- **Provide Guidance and Resources** – Offer suppliers clear guidance, tools, and resources to help them adopt best practices in chemical management.
- **Facilitate Third-Party Testing** – Partner with trusted third-party laboratories, such as Intertek, SGS, and Bureau Veritas, to carry out rigorous chemical testing.

- **Encourage Continuous Improvement** – Work collaboratively with suppliers to identify opportunities for improvement, such as transitioning to safer chemical alternatives, reducing waste, and adopting innovative solutions for chemical safety.
- **Promote Transparency and Accountability** – Maintain an open and transparent relationship with suppliers, ensuring clear communication of expectations and fostering a culture of accountability throughout the supply chain.

Continuous Improvement

Our commitment to continuous improvement is embedded in every aspect of our Hazardous and Restricted Substances Policy.

To ensure our Hazardous and Restricted Substances Policy evolves in line with global expectations and emerging opportunities, we are committed to:

- **Incorporating Advances in Scientific Research**
- **Responding to Regulatory Changes**
- **Adopting Emerging Best Practices**
- **Engaging Stakeholders in the Process**

Review and Update Process

To ensure this policy remains a dynamic and effective tool for managing hazardous and restricted substances, we will:

- **Schedule Regular Reviews** – Conduct an annual review of the policy, assessing its relevance, effectiveness, and alignment with industry and regulatory developments.
- **Monitor Performance Metrics** – Analyse data from audits, supplier compliance reports, and testing results to identify trends and areas for improvement.
- **Benchmark Against Industry Standards** – Compare our practices with industry benchmarks and leaders.

- **Communicate Changes Transparently** – Inform all stakeholders, including suppliers and partners, of any updates to the policy.

APG & Co Restricted Substances List

At APG & Co we uphold stringent safety and sustainability standards across all stages of production. Suppliers are required to ensure that the following harmful chemicals, among others, are not used in any phase - from raw material sourcing to the finished products, including textiles, leather, and accessories.

Restricted substances include, but are not limited to:

- **Azo Dyes:** Azo dyes, which can release carcinogenic aromatic amines, are prohibited in dyeing and printing processes due to their potential health risks, particularly when in prolonged contact with the skin.
- **Chlorinated Solvents:** Chlorinated solvents, commonly used for cleaning and degreasing fabrics or metal components, are banned as they pose significant risks to human health and the environment.
- **Heavy Metals:** Heavy metals, such as lead, cadmium, mercury, arsenic, and chromium (VI), are prohibited in pigments, dyes, and metal finishes because of their toxic effects, including risks of cancer and organ damage.
- **Phthalates:** Phthalates, used as plasticisers in materials like PVC and rubber, are restricted due to their links to endocrine disruption and reproductive toxicity.
- **Flame Retardants:** Flame retardants, applied to textile back-coatings and foam, are banned because many types are toxic, persistent in the environment, and linked to hormonal disruption and cancer.
- **Perfluorinated Chemicals (PFCs):** Perfluorinated chemicals, often used in water and stain repellents for clothing and accessories, are restricted as they are highly persistent in the environment and can bioaccumulate, causing long-term health and environmental issues.
- **Organotin Compounds:** Organotin compounds, used in biocides and as stabilisers in plastics, are prohibited due to their toxicity to aquatic life and their role in disrupting human endocrine systems.
- **Formaldehyde:** Often used in wrinkle-resistant treatments for textiles, formaldehyde is restricted due to its potential to cause skin irritation, respiratory issues, and its classification as a carcinogen.

- **Chlorophenols:** Chlorophenols, such as pentachlorophenol (PCP), are used as preservatives in textiles and leather but are banned because of their toxicity to humans and the environment.
- **Nonylphenol (NP) and Nonylphenol Ethoxylates (NPEs):** These substances are commonly used in detergents and textile processing but are prohibited due to their harmful effects on aquatic ecosystems and their potential to bioaccumulate.
- **Short-Chain Chlorinated Paraffins (SCCPs):** Often used as flame retardants or plasticisers, SCCPs are restricted as they are persistent in the environment, bioaccumulate, and are toxic to aquatic life.
- **Dimethylformamide (DMF):** Used as a solvent in synthetic leather production, DMF is banned because it can cause skin irritation, organ toxicity, and is harmful to workers during manufacturing.
- **Polycyclic Aromatic Hydrocarbons (PAHs):** Found in rubber and some synthetic materials, PAHs are restricted due to their potential to cause cancer and harm the environment.
- **Volatile Organic Compounds (VOCs):** Found in adhesives, paints, and coatings, VOCs are restricted due to their role in air pollution, respiratory issues, and contribution to smog formation.
- **Pesticides:** Residual pesticides, often used in natural fibres like cotton or wool, are restricted due to their toxicity to humans and the environment, particularly when they exceed safe thresholds.
- **Bisphenol A (BPA):** Found in synthetic leather, plastics, and coatings, BPA is restricted as it can disrupt hormonal systems and is linked to reproductive health issues.
- **Endocrine Disruptors:** Other chemicals that interfere with hormonal systems, such as certain UV blockers or textile treatments, are restricted to minimise their impact on human and environmental health.
- **Hydrofluorocarbons (HFCs):** Sometimes used in the production of synthetic fibres, HFCs are restricted due to their significant contribution to greenhouse gas emissions and climate change.

For a full list, refer to the links below.

- **Restricted Substances List (RSL) – [Textiles](#)**
- **Restricted Substances List (RSL) – [Leather](#)**