



**POSITIVE
CHANGE**

BROWN THOMAS | ARNOTTS

SUSTAINABILITY REPORT

2022





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POSITIVE CHANGE

BROWN THOMAS ARNOTTS' POSITIVE CHANGE SUSTAINABILITY PROGRAMME

Positive Change is our purpose-led sustainability programme which addresses the focus areas, material topics and key sustainability challenges faced by our business.

OUR VISION Reinvent Retail

OUR PURPOSE We exist to imagine and create a sustainable future for our people, customers and communities.

OUR VALUES
We Go Above and Beyond
We Drive Creativity and Innovation
We Do the Right Thing

Our Positive Change Sustainability Programme is built on **three impact pillars** which guide our programme forward.



A MESSAGE FROM OUR CEO

It is my pleasure to share with you Brown Thomas Arnotts' second annual Sustainability Report. This report summarises our performance compared to our Positive Change sustainability strategy in the year ending January 31st, 2023.

We have an ambitious vision – to Reinvent Retail. That includes using creativity and innovation in every corner of our business to reimagine the linear, transactional model of traditional retailing and shaping it to a more sustainable model fit for the future.

2022 was a year where we saw many of our plans become reality and our progress accelerate. We opened our new Brown Thomas Dundrum store, our first sustainable-by-design destination, in February. The new store featured a host of circular services, which emerged as a particular strength for us this year, with over 8,500 Circular transactions taking place across all Brown Thomas and Arnotts stores.

All of this is made possible by our incredible Brown Thomas Arnotts team, who consistently go above and beyond to ensure that our customer experience is second-to-none. From narrowing our mean Gender Pay Gap to effectively 0; to introducing new, inclusive policies to support our team through various life stages, we strive to foster a more equitable and inclusive workplace, and this year has been a transformative one for our team experience.

We have big, ambitious goals – and we cannot meet them alone. We work closely with our brands, partners, team members and suppliers to continue to find new and exciting ways to inspire and support our customers in adopting more sustainable lifestyles. We've made incredible progress, but there is still more to do. We look forward to sharing the journey with you.

Sincerely,

September 2023



2022 IMPACT IN NUMBERS



CIRCULARITY & CONSCIOUS CONSUMPTION

Facilitated **5,014** repairs

Sold **37,256** refills across Beauty & Living

Sold **23,925** items made from at least 50% Recycled materials.

EQUITY, DIVERSITY & INCLUSION

Hosted Unconscious Bias training for **1,136** team members

SUSTAINABLE PRODUCTS & MATERIALS

Added **4,387** products to our Sustainable Edit

Mapped baseline volume of **6** priority materials for our own-bought product

Increased revenue generated from sustainable products by **21%**

CLIMATE ACTION

We use **100%** renewable electricity across all our stores

REDUCING WASTE

We sent **ZERO** waste to landfill

LIVELIHOODS & ETHICAL SOURCING

Obtained Self-Assessment Questionnaires from **68%** of our top 190 brands

- 2008** ● Phased out products made from **FUR**
- 2010** ● Launched **CREATE** to encourage and promote Irish design
- 2016** ● Phased out **MICROBEADS**
- 2018** ● Launched our **POSITIVE CHANGE** programme
- 2019** ● Phased out **SINGLE-USE PLASTICS** from our beauty halls
Launched our **SUSTAINABLE EDIT**
- 2020** ● Became the first retailer in Ireland to **SET SCIENCE-BASED TARGETS**
Launched our first **PRE-LOVED** offering
- 2021** ● Phased out **EXOTIC SKINS**
Signed the **CLIMATE PLEDGE**
Launched our **EDI BOARD**
Phased out **PLASTIC-BASED GLITTER** from our beauty halls
- 2022** ● Opened **BROWN THOMAS DUNDRUM** built in line with our Green Build Guidelines
Launched our first **RENTAL SERVICE**

Brown Thomas Arnotts Limited (trading as Brown Thomas and Arnotts) is the business behind two of the most iconic brands in Irish retail, Brown Thomas and Arnotts. We are part of the Selfridges Group.

As one business, we have a shared vision and purpose. We are part of one of the world's leading collections of luxury omnichannel retailers, which includes Selfridges in the UK; de Bijenkorf in The Netherlands; The KaDeWe Group in Germany and Globus in Switzerland.

We have always put people at the heart of our business and our aim is to cultivate retail environments that are conscious, considerate and community focused.

Through our physical and online presence, we put the customer experience and innovation at our core by offering inspirational shopping destinations to excite and inspire.

OUR STORES & OPERATIONS

1 Head Office **1** Central Distribution Centre
7 Stores across Ireland **2** Digital Platforms

OUR CUSTOMERS

Over **15.2 million** customers visited our physical stores, and more than 354,000 customers visited our online stores, in 2022.

OUR PEOPLE

1,200 - 1,500 team members directly employed by us*

3,000 - 4,000 people work with us via agencies, concessions, service suppliers, contractors and consultants

OUR SUPPLY CHAIN

Direct Suppliers

5 private label suppliers Over **30** priority Goods & Services Not for Resale** (GSNFR)**
Suppliers we work with directly to source private label products

Indirect Suppliers

Over **1,650** own bought suppliers Over **1,000** concessions and consignment brands

(Brand partners who we buy product from to sell in our stores or on our digital platform)

(Brand partners who sell their products in our stores or on our digital platform)

* Due to the seasonal and flexible nature of retail, the number of people we employ varies seasonally. Our average number of direct employees is 1200 and peaks during Nov – Dec to 1500.

** Suppliers that provide goods or services that we use within our business and do not sell, prioritised based on spend, or perceived "risk" based on product/service provided.

MAPPING OUR MATERIAL ISSUES

Sustainability has been a key thread in our business for decades, from banning fur and single-use plastic bottles, to becoming the first retailer in Ireland to set science-based emissions targets.

The challenges facing retailers and our environment continue to grow – we recognise that they are often complex, severe and urgent. Notwithstanding this, we remain determined and focused on taking action in areas where it will have the most significant impact.

Being a sustainable business is never achieved once and for all. It involves managing multiple, and often competing, agendas. To guide and focus our efforts, we work collaboratively with our sister retailers and Selfridges Group to identify the issues that will drive our business forward while making real progress against the biggest challenges of our time. We refer to these material issues as our five imperatives.

OUR MATERIAL ISSUES




















In 2021, we conducted a materiality assessment through an analysis and benchmarking of ESG reporting standards, best practice sustainability reports and industry trends. A full range of topics were identified before defining a set of priority sustainability issues. These issues are now framed as five imperatives that underpin our Positive Change programme and drive our sustainability strategy.

Following this exercise, we further reviewed the material issues identified from an Irish perspective to ensure that they were relevant to our market, ambitious and that the imperatives became a framework to support us in delivering on a forward-thinking, change-making agenda.

THE FIVE IMPERATIVES ARE:

- CLIMATE
- MATERIALS
- LIVELIHOODS
- WORKPLACE
- CIRCULAR

For each of our five Imperatives, we have long-term objectives in place, backed by plans and targets, executive ownership and systems of accountability. The table below summarises our imperatives and where they sit in alignment with the UN's Sustainable Development Goals, together with the areas of focus within our business to make progress.

IMPERATIVE		SUSTAINABLE DEVELOPMENT GOALS	AREAS OF FOCUS
 CIRCULAR	Mainstreaming new circular business models	 	<ul style="list-style-type: none"> • Preloved Accessories • Rent It! • Refillable products
 CLIMATE	Responding to the climate crisis and becoming a Net Zero Business	  	<ul style="list-style-type: none"> • Sourcing 100% Renewable Electricity • Science Based Targets and commitment to becoming Net Zero by 2040 • Carbon Reduction Roadmap
 MATERIALS	Switching to environmentally low-impact and responsible materials	  	<ul style="list-style-type: none"> • 2025 Materials Ambitions • Removing unnecessary single use plastics • Sourcing FSC certified paper & cardboard
 LIVELIHOODS	Promoting decent work and healthy livelihood	  	<ul style="list-style-type: none"> • Responsible Sourcing programme • Modern Slavery Statement • Ethical Trade Requirements • Partnerships with Industry leaders
 WORKPLACE	Creating a rewarding and inclusive workplace	  	<ul style="list-style-type: none"> • Gender Pay Gap Reporting • Equity, diversity & Inclusion programme • ibec Keepwell Mark accredited

SUSTAINABILITY GOVERNANCE

Sustainability at Brown Thomas Arnotts is overseen by a Sustainability Executive Group made up of our Executive Directors and all department and store leads. This steering group meets monthly, is chaired by our Head of Sustainability and has ultimate responsibility for measuring, analysing and driving our sustainability agenda forward.

Our dedicated Sustainability Team lead and project manage our programme and work to embed sustainable practices across our business. This team set our direction and track progress against our sustainability targets which are reported on monthly.

Our Positive Change ambition is also integrated into all decision-making, with each department having specific impact-focused objectives. Over 40 Green Champions support implementation and engagement.

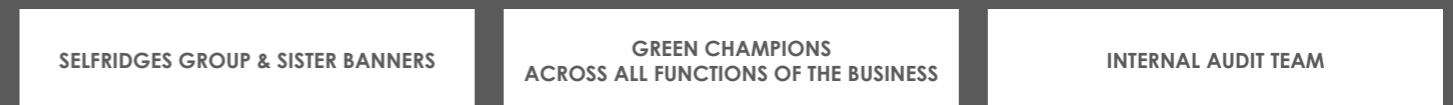
STEERING COMMITTEE: SUSTAINABILITY EXECUTIVE GROUP



PROGRAMME OPERATIONS



STAKEHOLDERS & PARTNERS



EXTERNAL PARTNERSHIPS & ACCREDITATIONS

We believe that collaboration is key to sustainable progress. We work with external experts, NGOs, charity partners and recognised certification bodies to supplement our knowledge and challenge our approach to deliver on our Positive Change strategy.

SOURCING



CARBON, WASTE, WATER & ENERGY



CHARITY & VOLUNTEERING



EDI & WORKPLACE



EXTERNAL AWARDS



We Go Above and Beyond.

Our BELIEVE pillar focuses on **inspiring sustainable behaviour** and supporting our people, customers, community and planet.

We believe that investing in our people, communities and partnerships will make a **positive contribution** to society and the communities where we live and work.

- Initiatives under this pillar include:
- Investing in our People
- Equity, Diversity & Inclusion
- Supporting Communities: Charity & Volunteering
- Customers: inspiring more sustainable lifestyles

BELIEVE



INVESTING IN OUR PEOPLE

We firmly believe that a great customer experience starts with a great people experience.

Our people lie at the heart of our business. Our ongoing aim is to nurture and develop the talent within our team and embed a culture where creativity and learning are valued.

INVESTING IN OUR PEOPLE

To grow sustainably as a business, we recognise the importance of supporting equitable outcomes across our organisation, including addressing our gender pay gap. Additionally, we must ensure that our benefits, programmes and policies reflect where our people are on their life or career path by offering inclusive supports that take a holistic view of their experience at Brown Thomas Arnotts.

KEY FOCUS AREAS

- Publish a **Gender Pay Gap report**
- Broaden **health and wellbeing policies** and team supports
- Expand our **Learning and Development** programme and resources
- **Action feedback** from our Employee Opinion Survey to support and shape our internal policies.

PROGRESS & HIGHLIGHTS

- **Published** our first **Gender Pay Gap Report** in 2022
- Launched our **People Experience Offering** - a framework outlining the inclusive supports available to team members under four themes – Career, Life, Balance and Celebrations
- **Introduced new policies** and associated team supports; these include an **Assisted Fertility Policy**, a **Pregnancy Loss Policy** and a **Menopause Policy**.
- Introduced the **BTA Wellplayer**, a platform featuring online wellness resources and courses to support our team's physical, mental, nutritional and financial wellbeing
- Further developed our **Future Leaders Programme** with 20 leaders across Retail and Head Office attending our 6-month course. The course consisted of various modules and masterclasses, with participants working on projects that would add impact to the business and improve our offering.

NEXT STEPS

- Continue to analyse our Gender Pay Gap data with a view to narrowing the gap further in FY23/24
- Review and enhance our employee growth and progression with a programme of Learning and Development training interventions for all career levels
- Continue to evaluate our People policies in line with industry best practice and our Employee Opinion Survey.



WHAT IS OUR GENDER PAY GAP?

- We reduced our mean gender pay gap by 8.5% and reduced our median gender pay gap by 1.7% from 2021. We achieved this through increasing female representation in leadership roles.
- Our median gender pay gap is effectively 0, indicating a high degree of gender pay equity across the organisation.
- [Click here](#) to read our full results and ongoing commitments in this area.

LISTENING TO OUR TEAM MEMBERS

Every year we share an Employee Opinion Survey, where we ask our team a series of questions about their experience at Brown Thomas Arnotts. We implement initiatives under each survey area in response to the feedback we receive.

Some key initiatives from the most recent survey include:

- An updated Performance Management process, including performance tiers and additional resources for managers and team members
- A comprehensive Career Structure to provide transparency around potential progression pathways
- Service milestone celebration points with gifts and pins for significant service anniversaries and guidelines for marking personal milestones in teams
- An extra Stay Well leave day per year to use for preventative healthcare appointments.

EQUITY, DIVERSITY & INCLUSION

BEING YOUR TRUE SELF IS ALWAYS IN FASHION

At Brown Thomas Arnotts, we focus on providing a workplace and customer environment that is welcoming and inclusive. Our Equity, Diversity and Inclusion (EDI) programme sits at the heart of this ethos.

We aim to offer a workplace and retail experience where diversity is not just present but celebrated. A place where our team members can fulfil their potential, are valued for their uniqueness, recognised for their talents and can truly be themselves. A place where our customers feel welcome, seen and valued.

EQUITY, DIVERSITY & INCLUSION

EDI MATTERS WHEEL

Our EDI programme is structured around six 'EDI Matters' areas identified as core to our ambitions. These are set within our three main objectives: (1) to have an inclusive culture, (2) to be a leading voice for EDI and (3) to foster workforce diversity, which are in turn set within our Vision, Purpose and Values to ensure we prioritise key EDI focus areas and stay true to our principles.

EDI MATTERS AREAS

- ABILITY MATTERS
- AGE MATTERS
- FAMILY MATTERS
- GENDER MATTERS
- PRIDE MATTERS and
- ROOTS MATTER

BROWN THOMAS ARNOTTS' EDI BOARD

Launched in 2021, our EDI Board is now in its second year, meets bi-monthly and acts as the steering committee to plan and set our many EDI objectives in motion. Made up of team members from across the business and chaired by our CEO, the Board engages with internal and external stakeholders to deliver our ambitions against industry best practice.

THE IMPORTANCE OF PARTNERSHIPS

This year we continued our partnerships with Dublin Pride, the Irish Centre for Diversity, and Certified Proud to strengthen our programme and ensure we are aligned to best practice. We also welcomed a new partner DesignOpp, a not-for-profit initiative championing diversity in Irish talent. Design Opp aim to provide more opportunities for designers of colour and was founded in partnership with the Institute of Designers in Ireland (IDI).



PROGRESS & HIGHLIGHTS

- ✓ Awarded the **Silver 'investors In Diversity'** accreditation from the Irish Centre for Diversity in 2022, building on our 2021 Silver accreditation and our Bronze awarded in 2020
- ✓ **Launched Sensory Hours** across our stores to support customers with autism or who are neurodiverse
- ✓ Hosted **unconscious bias training** for 1,136 team members
- ✓ Launched an **education campaign** on the use of **pronouns** and encouraging team members to use them
- ✓ **Raised over €7,900** for LGBT Ireland
- ✓ Continued our **sponsorship** of Dublin Pride
- ✓ **Donated** to Cork Pride, Limerick Pride and Galway Pride
- ✓ Celebrated key dates, including as **Chinese New Year, Black History Month & Pride**
- ✓ **Reviewed people policies**, updating where necessary to ensure policies remained inclusive and promoted diversity
- ✓ **Introduced new policies**, including an Assisted Fertility Policy, Pregnancy Loss Policy and Menopause Policy.

NEXT STEPS

We are focused on working towards being one of few businesses in Ireland to be awarded the **Gold 'Investors In Diversity' accreditation** from the Irish Centre for Diversity, which recognises businesses that are leading in EDI in Ireland.

IRISH CENTRE
FOR DIVERSITY

DesignOpp

INSTITUTE
DESIGNERS
IRELAND



CELEBRATING PRIDE AT BROWN THOMAS ARNOTTS

Our goal with Pride 2022 was to roll out a holistic, integrated campaign to deliver a comprehensive, engaging and inclusive Pride programme.

Pride 2022 activity included:

- Fundraising for **LGBT Ireland** and **Galway Against Homophobia**, as well as having a **Damn Fine Print** pop-up print shop in Arnotts producing Pride t-shirts and tote bags in support of LGBT Ireland.
- Marking Pride across our stores and internal team areas with the **Progress Pride flag**, in addition to a vibrant sensory lighting installation in our Dundrum store.
- Our **in-store teams** celebrated Pride weekend with **special briefings** focused on inclusive messaging and the importance of creating a culture of belonging at BTA; back-of-house **rainbow-themed treats**; and **special appearances** from drag queens.
- Delivering a **comprehensive Pride learning and development programme**, focusing on empowering our LGBTQIA+ communities and allies through education and insight.
- Featuring a **fashion-focused Pride campaign** on our social media channels with gender fluid dressing and stylised visuals for a strong editorial look.
- Sharing an intimate and empowering look into the experiences of **Arnotts Team Members** exploring what Pride means to them and how they are empowered and embraced by the Arnotts community.
- Brown Thomas Dublin featuring a **mural** by artist **Emmalene Blake** of Kevin Twomey and PJ Kirby, hosts of the popular podcast 'I'm Grand Mam' as part of our work to spotlight queer Irish voices. They also featured in our Friends of Brown Thomas Pride campaign on social media.
- Curating **resources and local events** to support the campaign and engage with our teams, covering important LGBTQIA+ themes including Pride History, the Colours of the Flags, Allyship, Terms and Definitions, Pride Events, Pronoun/Gender Expression, Disability Pride, LGBTQIA+ and Family and wellbeing-focused communications on Wellbeing to LGBTQIA+ and Mental Health.



COMMUNITY: CHARITY & VOLUNTEERING

Our Charity and Volunteering programme continued to be a priority in the wake of the devastating events in Ukraine.

Both customers and team members showed their solidarity for the people of Ukraine through various fundraising efforts, along with supporting our core corporate charity partners throughout the year.

KEY FOCUS AREAS

- Raise €100k for UNICEF Ireland's Ukraine Emergency Appeal
- Fundraise for our corporate charity partners (St. Vincent de Paul, Children's Health Foundation, Pieta, Children's Grief Centre and Cork ARC Cancer Support House)
- Identify and organise volunteering opportunities for team members.

PROGRESS & HIGHLIGHTS

- ✓ Over **€215,000** was raised by our team and customers across all fundraising activities
- ✓ More than **130 team members** got involved in our fundraising activities
- ✓ Completed over **90 volunteering days** across numerous team volunteering initiatives.



CHARITY & VOLUNTEERING ACTIVITIES

- **Ukraine Crisis Appeal:** over €124,000 raised by team members in aid of UNICEF Ireland's Ukraine Emergency Appeal through a variety of fundraising initiatives
- **LGBT Ireland:** Team members held a sample sale raising €7,900 for LGBT Ireland in recognition of PRIDE
- **Christmas Fundraising:** Our team members and customers show their generosity year after year and Christmas 2022 was no different. 'Tap to Donate' kiosks across all stores raised over €13,000 for our corporate charity partners
- In addition, all proceeds from our traditional **Santa's Grotto at Arnotts** and in-store Christmas gift wrap, together with other team fundraising initiatives, resulted in **over €52,000** in total being raised as part of our 2022 Christmas charity campaign.

BEACH CLEANING WITH AN TAISCE CLEAN COASTS

In celebration of World Ocean Day and World Environment Day in June 2022, 57 team members across our stores in Dublin, Limerick, Cork and Galway conducted clean ups to divert waste from our oceans and waterways.





BROWN THOMAS ARNOTTS RAISES €124,000 FOR UNICEF IRELAND'S UKRAINE EMERGENCY APPEAL

In February 2022, the conflict in Ukraine sparked a major humanitarian emergency. The Brown Thomas Arnotts team swiftly came together to raise vital funds for UNICEF Ireland's Ukraine Emergency Appeal.

Multiple team fundraising events took place including bake sales, a team 'Prosecco and Paint' event and even a charity single recorded by the Team Arnotts Choir! In addition, our customers were able to support through 'Tap To Donate' kiosks rolled out across all stores.

Most notably, over one hundred team members took part in a store-wide cyclethon on Good Friday 2022 where they collectively cycled 2,500km, the distance from Ireland to Ukraine, in recognition of the journey travelled by Ukrainian people to Ireland.

Twenty-five of our team members also volunteered to collect, donate and pack essential products heading to bordering countries of Ukraine. Our very own team members were among those who transported the goods, making the journey to neighbouring Poland and distributing supplies to those in need.

Over €124,000 was raised for Ukraine in just six weeks through generous donations from our team and customers.

* A further €657 was raised for UNICEF Ireland's Emergency Appeal following presentation of the cheque pictured.

INSPIRING SUSTAINABLE LIFESTYLES

At Brown Thomas Arnotts, we strive to imagine and create a sustainable future for our people, our customers and our communities. Our sustainability programme, Positive Change, invokes a spirit of collective action and a belief that we can all make small changes that contribute to making a big impact.

A key element of our Believe pillar is to support our customers to adopt more sustainable lifestyles.

INSPIRING CUSTOMERS TO LIVE MORE SUSTAINABLE LIFESTYLES

How do we keep customers inspired and engaged? By providing novel ways to shop, such as preloved and rental, and by sharing detailed and transparent sustainability information on the products that we buy and sell, to make it easier for customers to shop more sustainably.

We've been conducting customer sustainability research since 2019. It's clear from our research that customers are influenced by sustainability when making purchasing decisions* but sometimes find it difficult to know how to identify more sustainable products**. Less than a third surveyed were aware of our sustainability programme. These results demonstrated a need for more effective and impactful sustainability communication.

KEY FOCUS AREAS TO SUPPORT CUSTOMERS TO LIVE MORE SUSTAINABLE LIFESTYLES

- **Increase** the number of **sustainable products** in store and online
- **Increase** the **proportion of sales** across our sustainable product offering (our 'Sustainable Edit')
- Introduce more **circular models**
- **Reassess** our sustainability **communication and engagement** with customers and wider stakeholders
- Conduct further research to establish where sustainability sits as a purchase-driver

PROGRESS & HIGHLIGHTS

- ✓ Completed a **reframing of our Sustainability Programme** to make sustainability information more accessible and practical for customers and wider stakeholders
- ✓ **21% increase** in sales of our **Sustainable Edit products** versus FY21/22
- ✓ **4,387 products added** to the Sustainable Edit
- ✓ Conducted our fourth annual **Customer Sustainability Survey**
- ✓ Conducted a **review** of our **Sustainable Edit criteria** to ensure alignment to best-in class third-party certifications and retail industry best practice
- ✓ Published our annual **sustainability issue of our Brown Thomas Digital Magazine**

* 88% of customers surveyed are influenced by sustainability when making purchasing decisions.

** 74% of customers find it difficult to identify sustainable products

Source: Brown Thomas Arnotts' Customer Sustainability Survey December 2022



REFRAMING OUR POSITIVE CHANGE PROGRAMME

Acting on the feedback from our customer sustainability research, and our desire to inspire sustainable lifestyles, we set out to reframe our Positive Change programme and revise our communication and engagement. A review of our Positive Change programme determined that our sustainability communications, while always transparent and accurate, were perhaps overly corporate and very detailed.

A multi-stakeholder working group was created to look at our programme from many angles; as a customer looking to shop our Sustainable Edit, an NGO interested in learning more about our climate ambitions or as a brand looking to identify our stance on sustainable materials or modern slavery. From here, we evaluated areas of our programme that were communicated well and areas of opportunity for more impactful communications.

We concluded that our action pillars, logo, tone of voice and imagery needed elevation to enhance our customer and stakeholder experience. Without ever dumbing down on facts or removing important information, our goal was to make our sustainability communications less corporate, more accessible and digestible. The name of our programme, Positive Change, would remain unchanged as it encompasses everything our programme stands for.

Actions taken to reframe our programme:

- ✓ Developed 3 new impact pillars (Believe, Transform, Act)
- ✓ Modernised our logo
- ✓ Developed a Positive Change manifesto
- ✓ Developed a more accessible tone of voice
- ✓ Updated, edited and revised our sustainability pages on [Brownthomas.com](https://www.brownthomas.com) and [Arnotts.ie](https://www.arnotts.ie)
- ✓ Developed a communications guidance pack.



Under our Positive Change Sustainability Strategy, we identify targets and metrics annually to monitor our progress under each impact pillar.



TARGETS & METRICS

ACTIVITY AREA	GOAL	PERFORMANCE IN FY21/22	PERFORMANCE IN FY22/23
Enabling sustainable lifestyles	<p>Integrate sustainability into the customer experience.</p> <p>Measure: Percentage of total sales coming from our Sustainable Edit</p>	10%	9.5%
Employee engagement on sustainability	<p>Increase employee involvement in and action on sustainability.</p> <p>Measures:</p> <p>1. percentage of new team member completions of Sustainability eLearning Module</p> <p>2. Employee Opinion Survey: percentage of team members who believe that they can personally contribute to sustainability in their role.</p>	75%	73%
Customer research and engagement	<p>Gather customer insights through surveying customers on their sustainability habits and beliefs.</p> <p>Measure: Percentage of customers aware of our sustainability programme</p>	29%	32%
Equity, Diversity & Inclusion	<p>Create an inclusive and diverse workforce.</p> <p>Measure: Achieve Silver 'Investors in Diversity' accreditation from The Irish Centre for Diversity</p>	Achieved	Achieved

We Drive Creativity and Innovation.

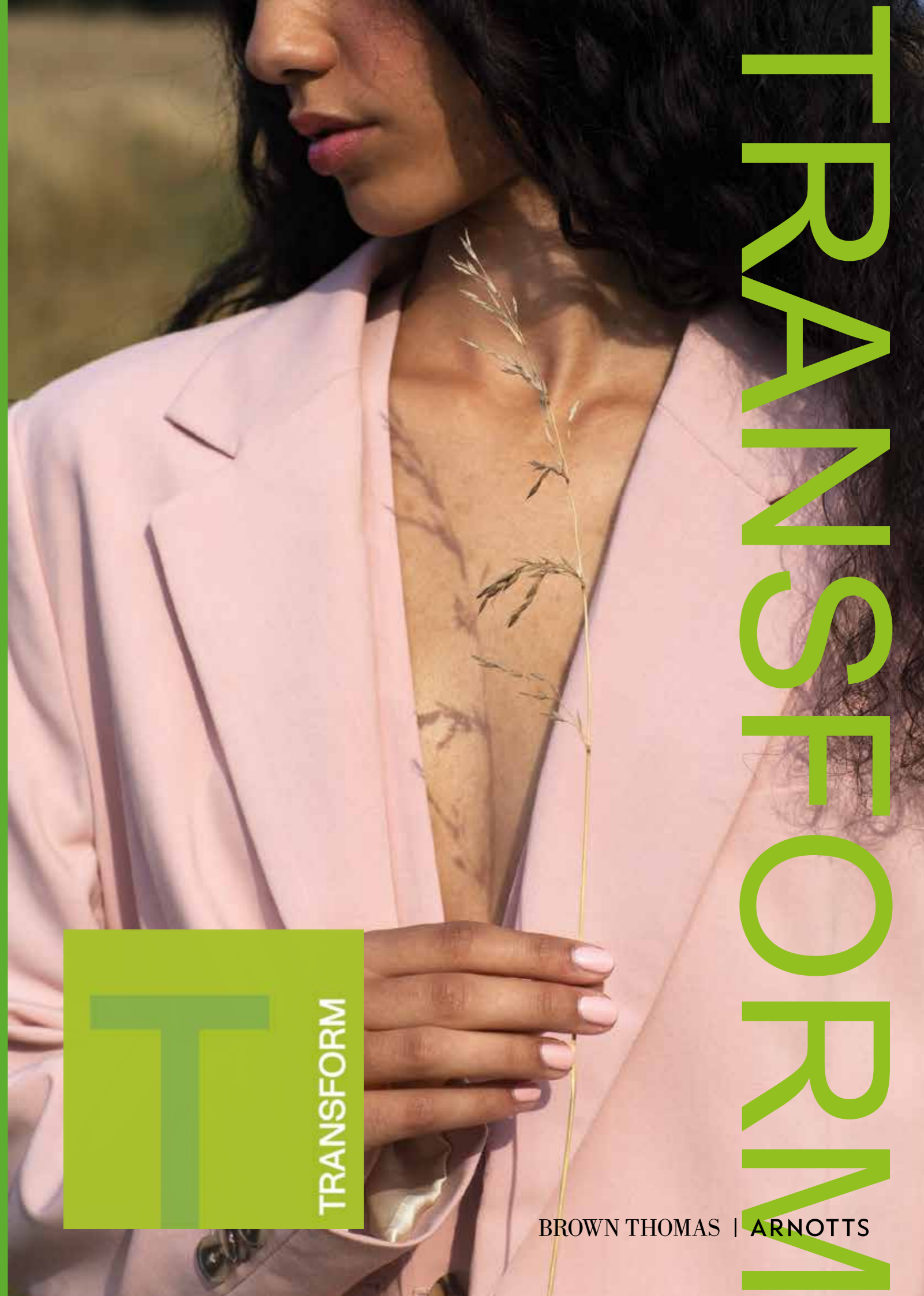
Our TRANSFORM pillar focuses on sustainable, innovative and future-thinking actions to cater for the customer and retail environment of the future.

Initiatives under this pillar include:

- Circular Business Models
- Sourcing More Sustainable Materials
- Supporting Local Irish Talent
- Livelihoods: Promoting Decent Work And Healthy Livelihoods Across Our Value Chains



TRANSFORM



CIRCULAR BUSINESS MODELS

For decades, the fashion industry has operated in a linear way – taking, making and discarding clothing after being worn for a limited time. There is a need to adopt a closed-loop system so that materials can be **endlessly reused and recycled**. This will reduce waste and pollution by reducing reliance on virgin raw materials and decreasing textile waste.

As a retailer, we recognise the need to take responsibility for both waste generated through our operations directly, as well as waste at the end of life of products sold in our stores. We support customers' desire for more sustainable consumption by championing resource reuse. Firstly, by offering quality, timeless products that encourage customers to buy less and buy better. And secondly, by integrating circular models such as **repair, rental, refill, recycling and reuse**.

To be truly circular, the fashion industry needs to focus from the design stage on creating products with reuse in mind. To support this, we are focused on buying and selling **products made with recycled materials** and highlighting these products on our Sustainable Edit.

What do we mean by circular?



RESALE:

A product that has been owned by someone else in the past

RENTAL:

A one-off hire of a product for a period of time

REFILL:

A product that refills a previously sold or customer's own container

REPAIR:

A service or product to restore an item to good condition

RECYCLED:

A product made with pre or post-consumer waste.

CIRCULAR: KEY FOCUS AREAS

RESALE & TAKEBACK

In 2022, we continued to strengthen our resale of pre-loved accessories through our partnership with **Designer Exchange**, hosting a series of pop ups across our regional stores and relocating our offering in Arnotts to a more prime retail space to make it more accessible to customers. **Kindfolk** returned to Arnotts and was introduced to our Brown Thomas Cork customers, facilitating the buyback and sale of communion wear. We introduced **DAYT Vintage watches** to Brown Thomas Dublin and Dundrum and launched **Full Circle**, a take-back service of pre-loved accessories to all stores. We took back 365 preloved items in 2022.

REPAIR

Through our brand partners and pop-ups, we offer repair services across our stores. Facilitating and encouraging our customers to repair what they already own, rather than buying new, keeps products in circulation for longer. We facilitated 5,014 repairs across our stores in 2022.

RENTAL

This year we trailed a **fashion rental service** for the first time, Rent It! In our new Brown Thomas store in Dundrum (learn more on page 24). We rented over 220 items in 2022.

REFILLS

We sold 37,256 refill products in 2022 (including beauty product refills, candle refills etc). We are focused on encouraging customers to use refills where available to reduce unnecessary packaging waste.

RECYCLED MATERIALS

Reusing materials that have been used before and making them into new products significantly reduces textile waste. We are focused on buying products made from at least 50% certified recycled materials and highlight these products on our Sustainable Edit. We sold 23,925 items made from at least 50% verified recycled material in 2022.

RECYCLE

In Arnotts, we offer our customers the opportunity to dispose of their used furniture and mattresses and ensure they are disposed of responsibly. We facilitated the recycling of 2,611 mattresses & pieces of furniture in 2022.

CIRCULAR

PROGRESS & HIGHLIGHTS

- Launched a **dedicated concierge desk** in our new Brown Thomas Dundrum store to support customers with circular services. The concept was later rolled out in other Brown Thomas stores
- **Expanded Full Circle** take back service to all stores (detailed on page 23)
- In Arnotts, we **relocated our pre-loved accessories** offering to a prime retail space within our accessories hall so that circular offerings are as accessible as new products in store
- **Trialled** a fashion and accessories **rental** service
- **Tracked refill products** across our Beauty & Living offering.
- Developed a 3-5 year **circular roadmap**.

What our customers say*...

In 2022...

40%

bought a refill for a product

27%

bought pre-owned fashion & accessories

32%

repaired or refurbished their fashion or accessories

86%

interested in using refill stations

IN 2022, WE...

Sold **37,256** refills

Took back **365** preloved items

Rented **220** items

Sold **190** preloved items

Facilitated **5,014** repairs

Facilitated the recycling of **2,611** furniture & mattresses

Sold **23,925** items made from at least 50% verified recycled material

Source: Brown Thomas Arnotts' Customer Sustainability Survey December 2022

BROWN THOMAS | ARNOTTS



INTRODUCING RENT IT!

The opening of our new Brown Thomas Dundrum store in February 2022 brought an opportunity to **introduce and trial new circular business models** for our customers to enjoy.

We established a **dedicated concierge desk** which brought all circular services together, offering **resale, repair** and the opportunity to **trade in preloved handbags**. These concept was later rolled out in other Brown Thomas stores.

Rental was an exciting initiative to trial in Brown Thomas Dundrum as we know from our annual Customer Sustainability Survey that a number of our customers are interested in the rental of fashion and accessories.

Rent It! allows customers to rent their favourite styles and special pieces from luxury brands curated by Brown Thomas' buying team, fulfilling the desire to have **something 'new to you' that isn't 'new'**. The initial curation included 70 styles across contemporary, designer and a selection of handbags.

SUPPORTING LOCAL IRISH TALENT

We are committed to championing local talent. Our customers are also interested in Irish-made products and Irish designers. In our most recent Customer Sustainability Survey, our customers chose 'supporting local Irish made products and suppliers' in the top 3 initiatives or practices we should prioritise.

CREATE

Now in its twelfth year, CREATE acts as a platform for Ireland's brightest emerging designers and provides an opportunity for brands to retail in Brown Thomas Dublin and online, increase their customer base and gain valuable insight into the world of retail. For six weeks in the summer of 2022, CREATE showcased the work of 27 emerging designers in our flagship Dublin store and online. From ready-to-wear and handbags to jewellery, hats and ceramics, 2022's installation shone a spotlight on the extraordinary mix of unique and diverse design talent in Ireland.

PITCH

First launched in 2021, the annual 'Pitch' competition invites Irish start-ups and entrepreneurs to pitch for an opportunity to retail in Arnotts and online during the festive period. The five shortlisted finalists are mentored by an expert judging panel with the ultimate winner of Pitch securing a €10,000 business development fund.

SUSTAINABLE EDIT

One of our Sustainable Edit categories is dedicated to Irish-made products (further detail on page 29).

LOCAL ARTISTS & SUPPLIERS

Our store design and event teams work with a myriad of local businesses and suppliers to bring the Brown Thomas Arnotts experience to life; sourcing local materials for shop-fits, working with local suppliers, food producers, artists, photographers and many more.

We collaborated exclusively with Irish producers and craftspeople for the Dundrum store opening, which included Ceadogan Rugs (from Wexford) and metalwork installations from 3:rock (Dublin). Galway based artist Ciara O'Neill was Brown Thomas Dundrum's artist in residence for 2022. Ciara also participated in CREATE 2022 and retailed in the Brown Thomas Marvel Room last Christmas.

CAOIMHE MURPHY

Create 2022 showcased Caoimhe Murphy's designs for the very first time. Each piece was **handmade in Dublin** and **created using sustainable certified materials** such as GOTS organic cotton and silk.



Ciara O'Neill,
Brown Thomas Dundrum
artist in residence 2022

"It has been inspiring to see the breadth of flourishing designers in Irish fashion and we're delighted to support with vital retail space to grow their business further."

Fashion Buying Director, Shelly Corkery on CREATE 2022

UNDERSTANDING OUR MATERIALS

We recognise that a significant proportion of our overall environmental impact lies within the materials used across our business in the products we sell, and in our shop fits and packaging.

We know that 'business as usual' cannot continue without evolving. This is why, in 2020, we set an ambition to ensure that the most impactful and widely used materials in our products, buildings and packaging come from certified sustainable sources in the future.

SOURCING MORE SUSTAINABLE MATERIALS

As a multi-brand retailer, we are reliant on our brands and suppliers to provide us with information on the materials used in the manufacture of their products.

DEFINING 'PRIORITY' MATERIALS

We worked with internationally recognised certification bodies and NGO partners to identify six priority materials. We then developed robust criteria to address key environmental and social issues including carbon, water, land use, biodiversity and waste.

Our priority materials are:

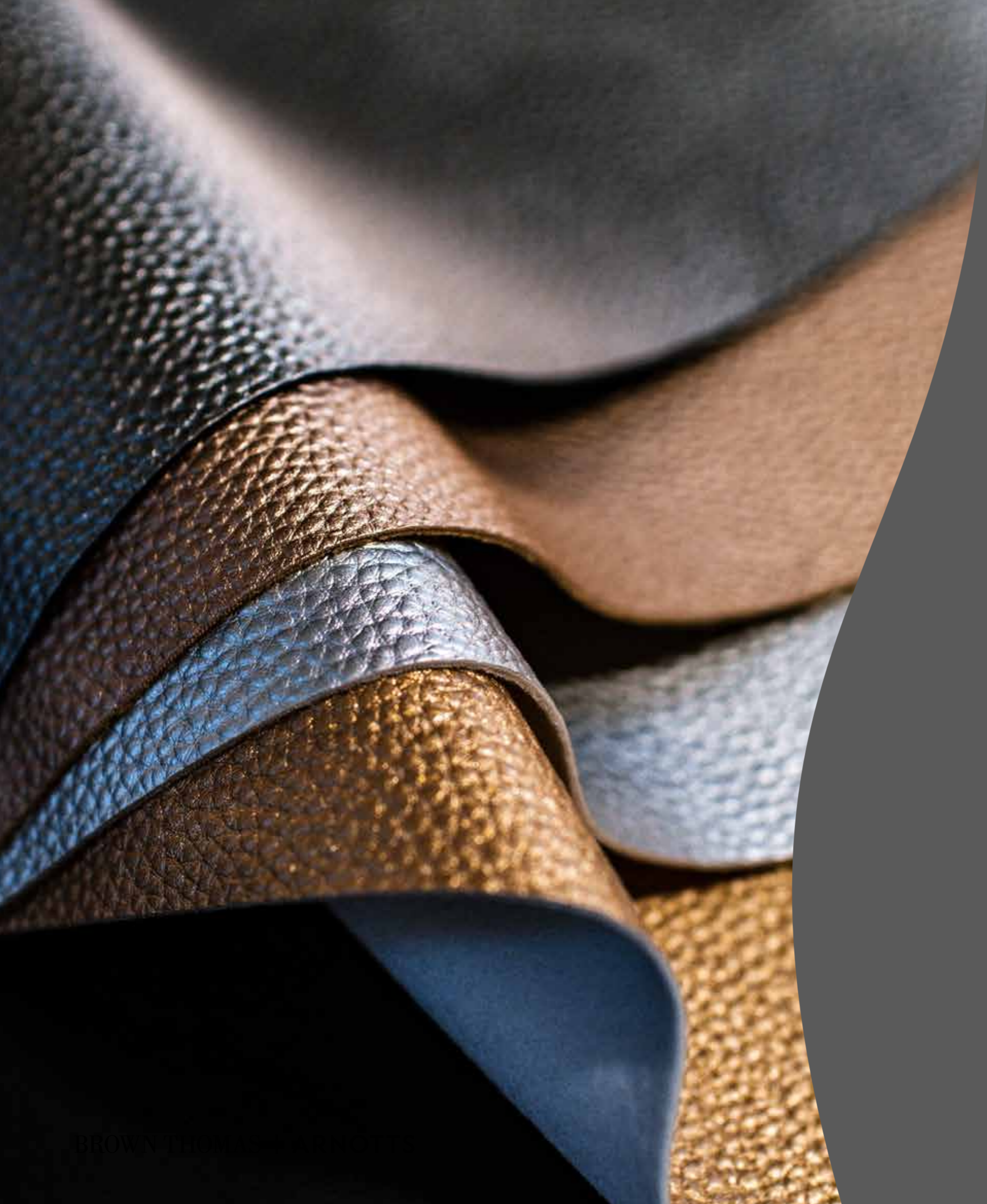
- Cotton
- Leather
- Down and feather
- Wood and paper
- Man-made cellulosic fibres
- Palm oil, and
- Plastic packaging

THE CHALLENGES OF ACCURATE MATERIAL COMPOSITION

Through our extensive work in this area over the last three years, we have learned that there are numerous challenges with accurately capturing the composition of the materials contained in products. Improving data capture is a key focus for us but it is proving a more lengthy and complex process than we had initially envisioned when we started this project in 2020.

Despite these challenges, we continue to proactively engage with brands to increase both composition data rates and the volume of products made from low-impact materials. We remain dedicated to our commitment to increasing the volume of low-impact materials within our business.





PROGRESS & HIGHLIGHTS

- ✓ Investment and trials of various material tracking technologies over the last two years
- ✓ Eliminated all unnecessary plastic packaging from our stores and online packaging
- ✓ Extensive collaboration with brands and suppliers to share our ambition and work with brands to switch to more low-impact materials
- ✓ Launched a materials tracking system and established a baseline volume across our own bought* product portfolio
- ✓ Extended this baseline to understand the prevalence of synthetic fibres such as polyester and nylon in our business
- ✓ Worked to capture composition data for some concession partners who trade online.

NEXT STEPS

- Continue to make improvements across our system and processes to improve composition data capture.
- Focus on beauty ingredient capture to help us to establish an accurate volume baseline of palm oil across our beauty portfolio.
- In our non-fashion product ranges, composition data is more sporadic. Improving this data capture is a key focus for us in 2023.
- Visibility of concession products is restricted to those that trade online. We will continue to engage with our concession brand partners to determine how we can accurately capture data on concession products which do not trade online.

THE SUSTAINABLE EDIT

The Sustainable Edit is a curation of products across fashion, beauty, homewares and food which meet robust sustainability criteria.

Our in-house Sustainability team works closely with our buying team, brands and suppliers to ensure that each product is individually vetted against our criteria before a product is listed on the Edit. This allows customers to shop with confidence, knowing that products on the Sustainable Edit have been verified to meet recognised sustainability standards.



THE SUSTAINABLE EDIT

There are eight categories under which a product can qualify for our Sustainable Edit. A product must satisfy our strict criteria* for at least one category to qualify for inclusion in the Edit.

Since its launch in 2019, the Edit has continued to grow. This year we added over 4,000 products to our Edit.

SUSTAINABLE EDIT CRITERIA

LOW IMPACT MATERIALS

- Products made from materials with a lower environmental impact (for example: lower toxins, more durable, recycled, natural dyes), such as organic and/or recycled materials.
- 50% or more of the product must contain a low-impact material to meet our criteria.

LOW IMPACT PRODUCTION

- Products where materials have been made in facilities designed to have a lower impact on the environment, such as where water, chemical or energy saving production processes are used.
- For example, leather from a rated Leather Working Group (LWG) tannery ensures high environmental standards during the manufacturing process.

ANIMAL WELFARE

- Cosmetic products not tested on animals accredited to a recognised third-party standard.
- Products containing animal-derived materials (such as wool and feathers) which have been responsibly and ethically sourced.
- 50% or more of the product must contain responsibly and ethically sourced animal-derived materials to meet our criteria.

CONSIDERED INGREDIENTS

- Cosmetic products made using organic or sustainably sourced ingredients accredited to a recognised third-party standard.
- Products that are 'free from' certain chemicals and preservatives, such as parabens and sulphates.

VEGAN

- Products that contain no animal derivatives and are accredited to a recognised third-party standard.

COMMUNITY AND ETHICS

- Brands that demonstrate a clear commitment to social and environmental best practice are contained in this category. For example, brands who are leading members of the Fairwear Foundation.

SUSTAINABLE LIFESTYLES

- Products designed to promote more sustainable lifestyles and are designed to reduce waste and a shift away from single-use.

LOCALLY SOURCED AND IRISH

- Focused on supporting local artisan producers and local communities.
- Products made in Ireland or where at least 50% of the product's materials are made in Ireland.

*Our criteria is reviewed annually to ensure we are aligned to Industry best practice. Read more about our Sustainable Edit criteria here: [Brown Thomas](#) and [Arnotts](#)

THE SUSTAINABLE EDIT: PRODUCT VERIFICATION PROCESS



STEP 1: IDENTIFICATION OF SUSTAINABLE PRODUCTS

Our brands complete a **product validation form** to identify the products within their range that meet our strict criteria.

They then **share relevant evidence** (e.g. the relevant certification from an approved body).



STEP 2: ASSESSMENT & EVIDENCE GATHERING

Our **sustainability team** review the product validation form and assess evidence provided to **verify product claims**.

If required, our team request additional evidence or clarification from brands to substantiate claims.



STEP 3: APPROVAL & UPLOAD TO SUSTAINABLE EDIT

Once **approved**, products are highlighted through our online Sustainable Edit using our **Positive Change globe**.

Sustainability information is also added under 'product detail' to communicate why a product has been included as part of our Edit.

CUSTOMERS: INSPIRING SUSTAINABLE LIFESTYLES

BROWN THOMAS

SALE NEW IN BEAUTY WOMEN BAGS MEN CHILDREN HOME TECH GIFTS BRANDS INSPIRE

SIGN UP NOW FOR AN EXCLUSIVE PREVIEW OF THE SUMMER ESSENTIALS BEAUTY BOX, WORTH OVER €200

Home / The sustainable edit

Positive Change

The Sustainable Edit

Welcome to our edit of sustainable fashion, beauty and home. Extraordinary style with a light footprint. From vegan and cruelty free beauty to sustainable fashion, food and homewares, we've got the hero products so you can look and feel good.

We believe luxury should sit lightly on the earth. Extraordinary style and creating positive change in the world. Our conscious customer can have it all.

SUSTAINABLE PRODUCTS DEFINED
READ MORE ON OUR POSITIVE CHANGE INITIATIVE

POSITIVE CHANGE

Sustainable Feature Category Brand Colour Price Reviews

Price High to Low 3,366 products

Product	Price
LONGCHAMP Le Pliage Original Medium Tote	€110.00
MULBERRY Alexa Bag	€1,725.00
MULBERRY Iris Hobo Bag	€1,650.00
MULBERRY Iris Hobo Bag	€1,650.00

LONGCHAMP

The Sustainable Edit

Le Pliage Original Medium Tote

€110.00

SIZE: ONE SIZE

1

ADD TO BAG

Earn 110 Loyalty points

ADD TO WISHLIST **CHECK STOCK IN-STORE**

Nominated day delivery
Pick your delivery date and time slot up to 28 days in advance. Dublin only.

Part of our Sustainable Edit
We place sustainability at the heart of what we buy and sell which is why we'll reward you with double loyalty points when you shop sustainably. [Find out more](#)

Details

- Top handles, gold-tone hardware, flap button fastening, zip fastening, embossed logo, embroidered horse logo
- Composition: Outer: 100% recycled polyamide canvas. Trimming: 100% leather
- Dimensions: H 26 x W 45 x D 15cm. Handle drop: 24cm
- Interior: Main compartment, slip pocket
- Colour: Green
- Sustainability: This product is made with a minimum 50% certified recycled polyamide. Using recycled materials reduces waste, and also the dependence on natural or fossil fuel derived material.

LIVELIHOODS: PROMOTING DECENT WORK AND HEALTHY LIVELIHOODS ACROSS OUR VALUE CHAINS

ETHICAL TRADE RISKS IN OUR SUPPLY CHAINS

As a retailer, we do not manufacture products ourselves. Our indirect supply chains span the globe and include many countries and industries, some with a higher prevalence of human rights risks. As we do not control these supply chains, it is crucial that we work closely with our brands to ensure ethical standards are upheld as this is where our greatest human rights risks exist.

To address these risks, we conduct a **thorough due diligence process**. It is mandatory for all supply partners to meet our **Ethical Trade Requirements (ETR)** as relevant to the goods and services they provide us. We also ask brands to complete a **Self-Assessment Questionnaire (SAQ)** to help identify risks in their supply chain.

KEY FOCUS AREAS

- **Engagement with brands** and suppliers to monitor and manage ethical trade risks
- **Improving our due diligence process** to maximize engagement
- **Elevating purchasing practices** to ensure those in our supply chains are treated fairly
- **Sourcing more sustainable cotton** through the Better Cotton programme in our private label.

PROGRESS & HIGHLIGHTS

- ✓ Published our third **Modern Slavery Statement** in November 2022
- ✓ Require all brands to agree in writing to our **Ethical Trade Requirements**
- ✓ Rolled out a new **shared due diligence process** with our sister retailers in de Bijenkorf in the Netherlands and Selfridges in the UK - sharing the same Self-Assessment Questionnaire (SAQ) in a more streamlined and accessible format
- ✓ Obtained Self-Assessment Questionnaires from 68% of our top 190 brands in 2022 (vs 60% target)
- ✓ Conducted a re-baselining exercise of our top 190 brands to ensure we are targeting and capturing SAQ's from all high value brands. This exercise is conducted every 2 years
- ✓ **Over 7.5 metric tonnes of more sustainable cotton** sourced through the Better Cotton programme in our private label. This accounted for over 53% of our cotton sourced.

NEXT STEPS

- **Increase the number of Self-Assessment Questionnaires** received from brands
- Work to continuously **improve our due diligence processes**
- Launch a **Modern Slavery eLearning module** to educate our procurement teams on the ethical trade risks that may exist, together with key signs to look out for and actions to take.
- **Continue to source more sustainable cotton** through the Better Cotton initiative with the view to increase year on year.



Under our Positive Change Sustainability Strategy, we identify targets and metrics annually to monitor our progress under each impact pillar.



TARGETS & METRICS

ACTIVITY AREAS	GOAL	PERFORMANCE in FY21/22	PERFORMANCE in FY22/23
Sustainable Materials and Traceability	Increase sustainable materials and increase traceability .	System developed to track priority materials . Commenced material baselining .	Completed baselining of priority materials across our own bought & online concession portfolio.
Influencing Brands	Increase sustainable products . Measure: number of products added to our Sustainable Edit.	Over 2,000 products Added	Over 4,380 products added
Managing Ethical Trade Risk and Improving Purchasing Practices	Manage ethical trade risks . Measure: % of brands & suppliers who completed a Self-assessment Questionnaire (SAQ) (or SAC Brand Retailer Module)	Identified high risk GNFR suppliers across our business. 100% of these completed SAQ (32).	68% of our top 190 brands completed SAQ or SAC BRM

ACT

We Do the Right Thing.

Our ACT pillar focuses on taking responsibility for the impact our business has on our planet as we work towards a net zero future.

Initiatives under this pillar include:

- Responding to the climate crisis and becoming a net zero business
- Sustainable Packaging
- Our War on Waste
- Sustainability Governance
- External Partnerships





RESPONDING TO THE CLIMATE CRISIS

Climate change poses a risk to our business, our local communities and the environment in regions throughout our supply chain. We are ever-cognisant of the need to be a low-carbon retailer.

Taking informed and decisive action to help address climate change is a high priority for us and is the reason why, in 2020, we became the first retailer in Ireland to set science-based targets for our scope 1, 2 and 3 emissions under the Science Based Targets initiative (SBTi).

CLIMATE: RESPONDING TO THE CLIMATE CRISIS & BECOMING A NET ZERO BUSINESS

KEY FOCUS AREAS

OUR SBTi COMMITMENT

We have committed to reduce our scope 1 and 2 emissions by 50% and scope 3 by 15% by 2030, from a FY2018/19 baseline. Our GHG target for scope 1 and 2, and our renewable energy procurement target (scope 2), are consistent with reductions required to keep warming to 1.5°C.

Scope 1 are direct emissions generated from the daily running of our 7 stores and offices. Scope 2 are indirect emissions from the purchase of electricity for our stores.

We recognise that our impact extends far beyond our own operations. Scope 3 is where our main emissions lie. Scope 3 includes emissions generated across the value chain and not directly within our control. For example, the emissions of brands and suppliers in the manufacture and transportation of products and, at the other end of the life cycle, the emissions at consumer stage in their use and subsequent end of life of sold products.

PRODUCTS: FOCUS ON LOW-IMPACT MATERIALS

The biggest impact of a product is the materials it is made from. This is why we are focused on increasing the proportion of recycled and/or materials coming from verified more sustainable sources. (More information on our Materials commitments on page 27).

DELIVERY & DISTRIBUTION PARTNERS

With our growing ecommerce trade, addressing our upstream and downstream transportation and distribution emissions is a priority area. We have already begun to analyse internal data on our delivery impact, and we will work closely with our delivery and distribution partners to look at lower carbon logistics and transport alternatives, including electric vehicles.

CARBON REDUCTION ROADMAP



- 1 LED retrofit: BT Limerick & BT Dublin
- 2 100% renewable electricity (wind) operating across the estate
- 3 Set 2030 SBTi target of 50% reduction in scope 1 and 2 emissions
- 4 LED retrofit: BT Dundrum & BT Galway
- 5 Reduced Scope 1 & 2 emissions by (21%) v baseline at end FY22/23
- 6 LED retrofit: Arnotts
- 7 Heating and cooling equipment upgrades: Arnotts & LED retrofit BT Cork
- 8 Will have achieved a 50.4% reduction in Scope 1 and 2 emissions

CLIMATE: RESPONDING TO THE CLIMATE CRISIS & BECOMING A NET ZERO BUSINESS

PROGRESS & HIGHLIGHTS

- ✓ By end of FY22/23, with a full return to business as usual across all operations, our emissions reduced by 21% (from baseline year). This indicates that, while our reductions were slightly inflated in FY20/21 and FY21/22 due to Covid store closures, our emissions reductions can now be attributed to the engineering upgrades completed to date.
- ✓ We continue to source 100% certified renewable electricity across our estate.
- ✓ We signed up to the Climate Pledge, committing to being a net-zero business by 2040.
- ✓ Our 2030 Climate Roadmap energy saving engineering improvements are on track. LED lighting upgrade completed in November 2022 in Brown Thomas Galway.

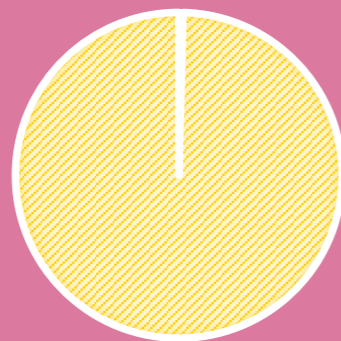
NEXT STEPS

- Continue to **execute our 2030 roadmap** of engineering upgrades, with our next major project, an LED lighting upgrade for Arnotts, on-plan for 2023.
- Continue to **source 100% certified renewable electricity** across our estate.
- Continue to **collaborate with our supplier network** to improve data quality by updating our carbon accounting methodology to provide a more accurate view of our impact and progress.
- Engage closely with delivery partners to track and reduce our Scope 3 emissions.

GHG EMISSIONS

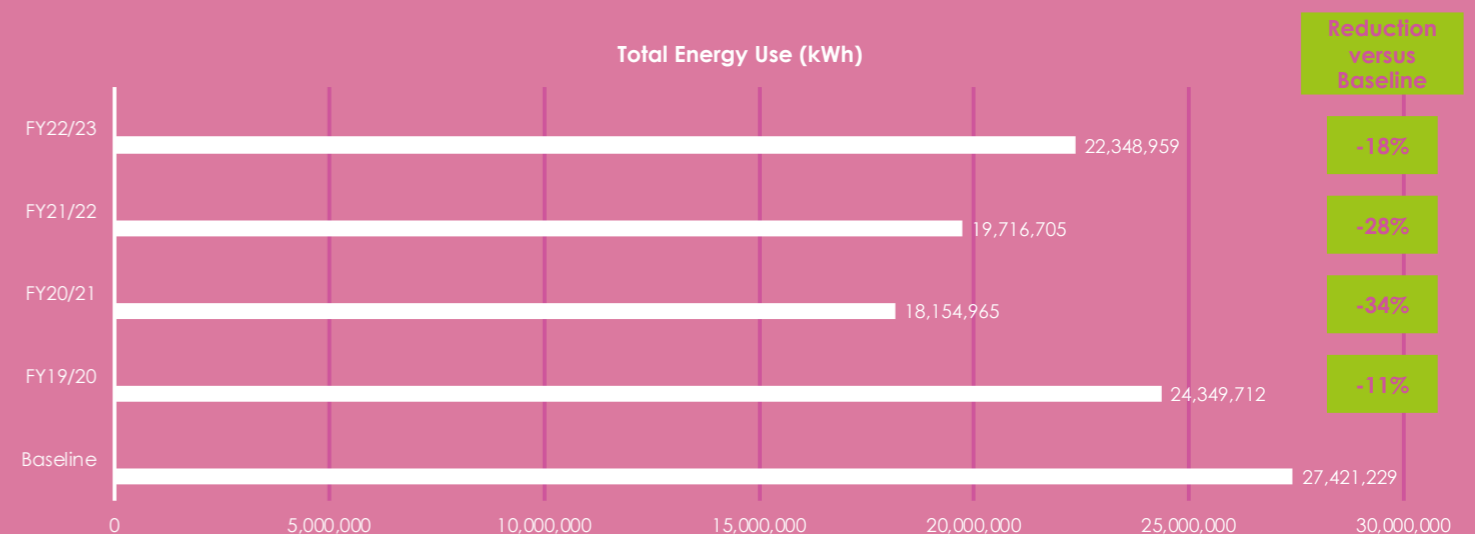
2018 Baseline Footprint
FY18/19

Scope 1 & 2: 1,268 tCO₂e
Scope 3: 307,035 tCO₂e



EMISSIONS BASELINE

■ Scope 1 & 2 ■ Scope 3



BROWN THOMAS DUNDRUM:

THE FUTURE OF SUSTAINABLE RETAILING

Despite delays caused by Covid-19, our ambition to deliver the most sustainable store in Ireland for our customers had only grown stronger by the time we finally opened the doors of our **brand-new 62,000 sq. ft. green-concept store** in February 2022, following a €12 million investment.

Our green concept store was designed to put **sustainability** and **innovation** at the core of the **customer experience**.

A FOUNDATION IN SUSTAINABILITY

Sustainability was a core focus from design stage, through to build and fit-out, with every supplier and contractor adhering to our progressive Green Building Guidelines (detailed on page 40). We continued that focus in-store, with an emphasis on sourcing sustainable materials, including local Irish-made materials, flooring and displays, and low-impact materials throughout the store and back of house areas.

IN-STORE HIGHLIGHTS

- Rent It! Designer Fashion Rental Service
- Full Circle Pre-loved Handbag Exchange
- 12,000 sq. ft. beauty hall, with Planet Beauty concept store focused on Sustainable Edit beauty brands
- Designed and built with sustainability as a core focus

A FOCUS ON IRISH SUPPLIERS

Our creative teams worked exclusively with Irish producers and craftspeople to build an exciting store experience.

Some of the locally sourced materials and suppliers used in the fit-out include:

- Tiles and timber floors from Grain and Groove in Co. Meath
- Paint and varnish from Dulux Ireland
- Lighting from Intensity Lighting Designers
- Flooring from Natura Cork Flooring in Co. Wicklow.

THE FUTURE OF SUSTAINABLE RETAILING



Photograph: Alan Betson
The Irish Times

“*Brown Thomas Dundrum offers an unparalleled retail experience. It sets new standards in innovation and sustainability for Irish retail.*”

Donald McDonald,
CEO of Brown Thomas Arnotts



BROWN THOMAS ARNOTTS' GREEN BUILDING GUIDELINES

These guidelines apply to all builds and fit-outs including new builds, retrofits, maintenance projects, vendor partner shops, pop-up shops, and restaurant fit-outs.

1. DESIGN PROCESS

Design begins with the foundations of sustainability for all projects. All specifications are in line with the minimum requirements of sustainable building standards BREEAM and the Sustainable Development Goals (SDGs) for business.

2. ENERGY

Energy efficient systems, equipment and lighting must be incorporated into the design and fit-out of all projects to help reduce carbon emissions.

3. MATERIALS REQUIREMENTS

Our guidelines include a materials library of certified, renewable and sustainably sourced materials to be considered for any projects.

4. RESOURCES & WASTE

Waste management facilities must include proper waste segregation and encourage a reduction in the amount of waste being produced.

5. LABOUR

All suppliers and contractors must submit a copy of their Modern Slavery policy and adhere to our Ethical Trade Requirements (ETRs).

6. CIRCULARITY & LIFE CYCLE

All contractors, brands and concessions are asked to apply a circular approach to all projects run within our stores.

AN INFORMED CHOICE ON MATERIALS

Our Green Build guidelines also provide our design and construction teams with resources to strategically select building materials and processes that have a lower impact (focusing on energy efficiency and waste minimisation).

PACKAGING AND WASTE

Packaging plays a vital role in protecting products on their journey to our stores, and on their journey to our customers' homes.

While it is critical that products arrive in perfect condition, we are focused on avoiding over-packaging and continuously looking for reusable, recyclable and plastic-free solutions. Sustainable packaging is also of high importance to our customers, with over 71%* stating that waste and over-packaging were concerns of theirs.



*Customer Sustainability Survey, Dec 2022

PACKAGING AND WASTE

Reducing waste is a huge priority in our business. It's not just the end-of-life of waste generated that has such a detrimental effect on our environment - the resources used in the manufacturing and transport of products and packaging before going to waste are also significant.

Impactful waste management requires constant monitoring, measurement and engagement with our teams. To drive improvements, we conduct regular training workshops across all stores and ensure waste segregation signage is clear and prominently displayed at all bins to improve recycling rates and avoid contamination. We also conduct regular floor walks to identify and act on non-compliance. While our waste tonnage continues to decrease from our baseline year, it has increased over the last two years where we saw significant reduction in waste due to Covid-19 related store closures so waste reduction remains a key focus area within our business.

The most effective way to reduce waste is to prevent it at source. We are actively working with our brand partners to avoid sending product wrapped in excess packaging to us.

OUR WASTE TARGETS

- **Reduce waste** across all streams **by 10%** across our estate (from a FY19/20 baseline)
- **Reduce waste contamination by 5%** in our biggest store (Arnotts)
- Maintain **zero waste to landfill** across our estate.

KEY FOCUS AREAS

- **Designing packaging** for reduction, reuse and recycling.
- **Eliminating plastic waste** wherever we can in our business, particularly single-use plastics
- **Reducing packaging** wherever possible and using more sustainable packaging materials where zero packaging isn't an option.

PROGRESS & HIGHLIGHTS

- ✓ In 2022, we introduced **reusable gift bags** as an alternative to wrapping paper and gift boxes
- ✓ We **reduced waste by 30%*** across our business
- ✓ We **reduced waste contamination by 11%**
- ✓ We sent zero waste to landfill across our estate for the third year running
- ✓ Our iconic Brown Thomas and Arnotts carrier bags are 100% plastic free and fully reusable and recyclable. They are made from responsibly sourced Forest Stewardship Council (FSC) certified paper
- ✓ Our online delivery packaging is made using **recycled and FSC-certified** board.
- ✓ We have developed **sustainable packaging guidelines** and completed a review of all packaging to identify additional areas for improvement.

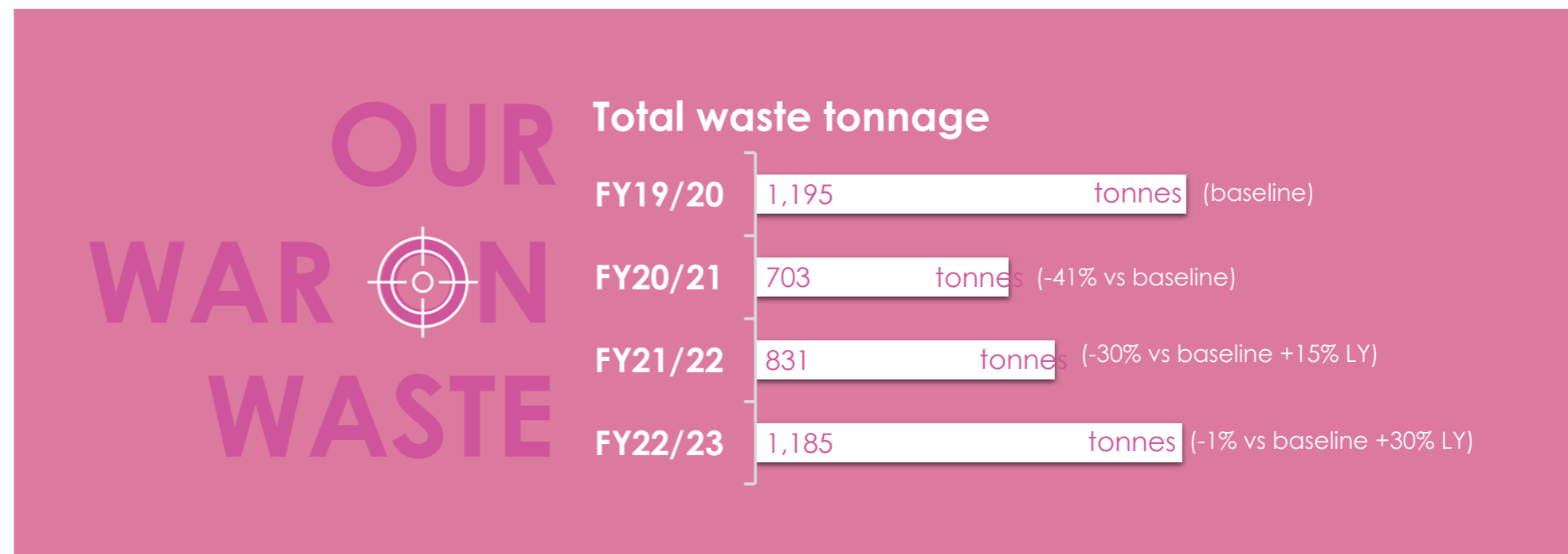


NEXT STEPS

- Continue to **research** reusable packaging alternatives and to identify opportunities to reduce and remove unnecessary single-use packaging
- We are committed to ensuring that all our **paper and board packaging is recycled or FSC certified**
- **Explore reusable packaging** as an option for e-commerce.

* vs FY2019/20 baseline

** In 2020, an external Waste Characterisation Study was conducted in our biggest store (Arnotts). This contamination reduction is versus the baseline in that report.





Under our Positive Change Sustainability Strategy, we identify targets and metrics annually to monitor our progress under each impact pillar.



TARGETS & METRICS

ACTIVITY AREAS	GOAL	PERFORMANCE IN FY21/22	PERFORMANCE IN FY22/23
Responding to the Climate Crisis and Becoming A Net-zero Business	50.4% reduction in scope 1 and 2 emissions by 2030 (in line with our SBTi commitment) from a FY18/19 baseline	31% reduction	21% reduction
	15% reduction in scope 3 emissions by 2030 (in line with our SBTi commitment) from a FY18/19 baseline	Baseline confirmed	Target communicated to distribution and delivery partners
Waste Minimisation and Recycling	Measures: (1) Retain zero waste to landfill (2) Reduce waste across all waste streams (versus FY19/20 baseline)	0% waste to landfill	0% waste to landfill
		30% reduction	1% reduction

*Significant reduction due to Covid19 restrictions





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