

SEASALT

CORNWALL

RESPONSIBLE COTTON SOURCING POLICY

We ask all suppliers to read this policy and sign and date to confirm their agreement to the contents. By signing this document, the supplier is committing to working in partnership with Seasalt by sourcing cotton responsibly and tackling human rights and forced labour within our industry.

Introduction

Cotton is grown in over 80 countries and its production supports the livelihoods of over 350 million people. Cotton production can be associated with high social, environmental or economic impacts, unless it is produced sustainably.

Cotton is the most commonly used fibre for Seasalt's products. We are proud to have been pioneers of organic cotton in fashion. The work by our founders, Neil and Sophie Chadwick, with the Soil Association in 2005, helped develop the Global Organic Textile Standard (GOTS) and Seasalt became the first fashion company to gain Soil Association certification. As full members of the Ethical Trade Initiative (ETI), and an equal opportunity employer, we are committed to supporting our supply chain in best ethical industry practice for all those involved in the manufacture of our products upholding humans rights and ensuring all workers to be able to work freely with respect regardless of their race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Our Commitment to GOTS Certified Cotton

Seasalt has made a public commitment that all cotton fibre we use will be fully traceable organic cotton by the end of 2024. We will achieve this commitment by only sourcing GOTS certified cotton fibre and, wherever possible, we will fully certify all qualifying product. GOTS is the worldwide leading textile processing standard for organic fibres, including ecological and social criteria, backed up by independent third-party certification of the entire supply chain to provide full traceability.

Human Rights Risk of Forced Labour, Child Labour and Human Trafficking

Cotton harvesting is labour intensive. In much of the world, cotton is grown by smallholder

farmers. The cotton industry has links to human trafficking, forced and child labour.

Seasalt has been committed to doing business responsibly since the day the business was founded in 1981.

Seasalt strictly prohibits forced labour and human trafficking in all our operations and in those of all suppliers, sub-contractors, and agents in our global supply chain. Workers will not be subjected to any form of forced, compulsory, bonded, or indentured labour. All work must be voluntary, and workers will have the freedom to terminate their employment at any time without penalty, upon giving reasonable notice.

Seasalt recognises its responsibility to every person involved in our business and the manufacture of our products. Forced labour and human trafficking are global issues that are often difficult to detect, but we are committed to collaborating closely with suppliers to uphold our ethical standards and get the most transparent view of our supply chain.

Product and all sourced input materials can be produced with forced labour and/or child labour in any country. Seasalt is in the process of mapping its supply chain and we ask our suppliers to cooperate fully on our request for information. Suppliers must conduct their own human rights due diligence against the ETI framework for extended supply chains, in addition to the independent audits that are required to be a Tier 1 supplier for Seasalt.

All independent auditing companies must be granted full unrestricted access to facilities, including all buildings and any associated locations such as canteens and dormitories at any time and we require all supply chain partners at every level of the supply chain to respectfully cooperate with the auditor during the tour of their premises.

Seasalt has a dedicated Compliance & Ethics Team in place to support suppliers. The team's key responsibility is to carry out extensive due diligence and auditing of our supply chain, working collaboratively with our suppliers to remedy any challenges. Remediation processes may be supported by the ETI and other relevant NGOs where appropriate.

Prohibited Cotton Regions

Seasalt requires that no cotton (fibres, yarns, fabric, finished products) should be knowingly sourced from the prohibited countries and regions identified below where there is high risk of human trafficking, forced or child labour.

Seasalt has a zero-tolerance approach to cotton sourced from the below countries and regions. Seasalt suppliers are required to ensure their extended supply chain are aware of the zero-tolerance approach and that sufficient due diligence is in place at the point of cotton purchase to ensure that cotton does not have any connection with the prohibited areas.

As more cotton is converted to GOTS certified fabric or fully certified product, the chain of custody approach of GOTS Transaction Certificates will aid this due diligence. Seasalt is committed to using a GOTS Certified Body digital tracking and traceability platform to trace all Transaction Certificates back to cotton origin ensuring we have full visibility of our cotton supply chains.

1. Turkmenistan, Uzbekistan, Azerbaijan and Tajikistan

Due to ongoing concerns regarding government sanctioned coercion schemes of forced and child labour, especially during the cotton-picking season. High production quotas, risk of losing jobs and land and low cost of sales of cotton to the state are also reported.

2. Xinjiang / Xinjiang Uyghur Autonomous Region (XUAR), China

More than 80% of China's cotton is grown in the Uyghur region, approaching almost 20% of global cotton production. There have been sustained allegations of forced labour and other serious human rights abuses of ethnic minority groups, including Uyghurs, Kazakhs, Kyrgyz and Tibetans in Xinjiang.

Seasalt has a number of wholesale customers in the USA, and plan to grow business in this territory. The USA have their own law about forced labour in cotton sourcing and manufacture of product which is specific to all cotton product from China.

The Uyghur Forced Labor Prevention Act (USA law)

The Uyghur Forced Labor Prevention Act (UFLPA) establishes a rebuttable presumption¹ that the importation of any goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in the Xinjiang Uyghur Autonomous Region of the People's Republic of China, or produced by entities on the UFLPA Entity List, is prohibited by Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) and that such goods, wares, articles, and merchandise are not entitled to entry to the United States.

The rebuttable presumption applies to downstream products that incorporate these goods as inputs, regardless of where the products are produced, i.e., to goods produced in the People's Republic of China outside Xinjiang, as well as goods produced in third countries or shipped through third countries, if they contain inputs mined, produced, or manufactured in Xinjiang or by an entity on the UFLPA Entity List.

The UFLPA rebuttable presumption came into force on 21st June 2022.
For further information, visit: <http://www.cbp.gov/trade/forced-labor>

¹A 'rebuttable presumption' is an assumption that is taken to be true unless proven otherwise.

Seasalt also requires all suppliers to ensure that no government provided labour (large numbers of workers provided by the government who are largely represented by a high percentage of the above ethnic minority groups) outside of the Xinjiang Uyghur region are present in any facilities they work with.

Government Incentives

Private companies in Seasalt's supply chain are prohibited from accepting subsidies and other incentives from their own government by engaging in government-labour assignment programs or poverty alleviation schemes.

Should evidence of the presence of cotton sourced from the prohibited regions or labour practices be found by Seasalt or our suppliers, Seasalt will take all steps possible to remove such products from our supply chain in partnership with our suppliers. This process will follow our Remediation Framework - Responsible Cotton Sourcing.

If the efforts to remove cotton from prohibited origin is not possible then Seasalt will disengage from business relationships with suppliers who are evidenced to be involved in cotton manufacture and/or labour right abuses in these regions. If the supplier is a contracted supplier of Seasalt directly then the supplier exit policy will be put into action once all other options have been exhausted.

This Responsible Cotton Sourcing policy partners the Global Supply Chain Human Rights Policy, Tainted Product Policy, Remediation Framework: Responsible Cotton Sourcing and Supplier Manual.

Signed by:

A handwritten signature in black ink, appearing to read 'Paul Hayes', with a horizontal line underneath the name.

Paul Hayes
Chief Executive Officer

Signed: 31st January 2024
Review date: January 2025