

Responsible Sourcing

Animal Welfare, Sustainable Materials
& Environmental Commitment

COTTON ON

ANIMAL WELFARE

Animal welfare, as defined by the World Organization for Animal Health (OIE), refers to “the physical and mental state of an animal in relation to the conditions in which it lives and dies.” We fully support the internationally recognized Five Freedoms for animal welfare:

1. Freedom from hunger and thirst: Access to fresh water and a diet that maintains full health and vigour.
2. Freedom from discomfort: Provision of an appropriate environment, including shelter and a comfortable resting area.
3. Freedom from pain, injury, or disease: Prevention through rapid diagnosis and treatment.
4. Freedom to express normal behaviour: Sufficient space, proper facilities, and companionship of the animal’s own kind.
5. Freedom from fear and distress: Ensuring conditions and treatment that avoid mental suffering.

We do not commission or condone any animal testing on our products or formulations, either during production or on finished goods. It is the responsibility of our suppliers to ensure compliance with these standards and to communicate our Animal Welfare policies to all downstream suppliers and factories.

Our suppliers must also ensure compliance with Vegan Certification Standards through third-party audits when required. The following materials are strictly prohibited in all products, beyond any legal restrictions applicable in the country of manufacture or sale:

- All animal furs.
- Endangered species as defined by the Convention on International Trade in Endangered Species (CITES).
- All animal skins except shearling, buffalo, cow, and sheep hides, provided these are by-products of other industries aligned with our animal welfare policy.
- All rabbit fibres.
- Down or feathers sourced from live-plucked birds or farms practicing live-plucking or force-feeding.
- Plastic microbeads.

Additionally, the following practices are prohibited for all products, regardless of local legal requirements:

- Sheep mulesing.
- Sandblasting.
- Animal testing of any product, formulation, or ingredient during production or on finished products.

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CERTIFIED FIBRES & MATERIALS

Our suppliers and their supply chains involved in producing or manufacturing organic, recycled, and/or sustainable fibres and materials must hold certification from globally recognized fibre and material standards. Suppliers are required to provide evidence of their compliance with these certifications.

We strictly prohibit the use of the following materials in all our products, in addition to any legal restrictions applicable in the country of manufacture and/or sale:

Fibers and materials sourced from high-risk regions.

We accept the below globally recognised fibre and material standards:

- Better Cotton Initiative
- Global Organic Textile Standard (GOTS)
- Organic Content Standard (OCS)
- Global Recycled Standard (GRS)
- Recycled Content Standard (RCS)
- Forest Stewardship Council (FSC)
- Certified sustainable man-made cellulosic alternatives as directed by the Cotton On Group

SUPPLIER ENVIRONMENTAL PERFORMANCE

Our suppliers and their factories must actively strive to maximize the use of sustainable resources to reduce their carbon footprint and enhance environmental performance. They are required to comply with all applicable national and international environmental laws, standards, and regulations. Additionally, suppliers must develop, implement, and maintain environmentally responsible business practices.

ENVIRONMENTAL PERFORMANCE AUDIT

Our suppliers and factories are required to conduct comprehensive environmental risk assessments and implement environmental policies addressing all identified risks. Our Environmental Performance Audit, which is integrated into the Ethical Sourcing Audit, evaluates key areas including chemical safety, hazardous waste disposal, and wastewater treatment systems. Any non-conformances identified during the audit are documented along with a Corrective Action Plan, which is provided to suppliers and factory managers for timely remediation.

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CHEMICAL MANAGEMENT

Our suppliers and factories must ensure that all chemicals are handled safely and responsibly, aiming to prevent or minimize workforce exposure and associated health risks. Compliance with all relevant laws and regulations is mandatory. Suppliers and factories must also take effective measures to prevent environmental harm resulting from chemical use. A risk assessment program must be implemented, with an annual review of chemical risks conducted. Furthermore, all harmful AZO dyes, as specified in the American Apparel & Footwear Association Restricted Substances List (RSL), must be maintained at 0 ppm.

MANUFACTURING RESTRICTED SUBSTANCES (MRSL)

A MRSL is a list of chemical substances subject to a usage ban within the facility. The MRSL applies to chemicals used all our product manufacturing including, but not limited to, apparel, footwear, textiles, hard goods, toys, cosmetics. Chemicals in the MRSL include solvents, cleaners, adhesives, paints, inks, detergents, dyes, colourants, auxiliaries, coatings and finishing agents used during raw material production, wet processing, maintenance, wastewater treatment, sanitation and pest control. There should be no intentional use of any MRSL listed substances in facilities that process materials used in the production of our products.

We use the most recent edition of the Manufacturing Restricted Substance List (MRSL) published by ZDHC <https://www.roadmaptozero.com/> and the European Union requirements – Substances of Very High Concern (SVHC) list <https://echa.europa.eu/candidate-list-table>

Article 33(1) of the REACH Regulation states that manufacturers and importers of articles (products) are required to notify their customers of the presence of any Substances of Very High Concern (SVHC) in their products exceeding 0.1% by weight and provide instructions on safe use of the product.

RESTRICTED SUBSTANCES LIST (RSL)

The RSL includes only those materials, chemicals, and substances that are restricted or prohibited (banned) in finished apparel, footwear and textile products because of a regulation or law. In each case, the RSL identifies the most restrictive regulation. The RSL does not include regulations that restrict the use of substances in production processes or in the factory; rather the focus is on whether or not the substance can be found in finished home textile, apparel, and footwear products at a certain level.

We use the most recent edition of the Restricted Substance List (RSL) published by the American Apparel & Footwear Association

https://www.aafaglobal.org/AAFA/Solutions_Pages/Restricted_Substance_List

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RESTRICTED SUBSTANCES LIST (RSL) - cont.

As a supplier of product to the EU, UK and USA we are required to comply with the following restricted and banned substances lists. These include materials, chemicals and substances that are restricted or prohibited (banned) in all our product because of a regulation or law. In each case the lists identify the most restrictive regulation. The focus is on whether the substance can be found in the finished product.

Restricted Substances List (RSL)

https://www.aafaglobal.org/AAFA/Solutions_Pages/Restricted_Substance_List

Proposition 65

<https://oehha.ca.gov/proposition-65/proposition-65-list>

FDA prohibited & Restricted Ingredients in Cosmetics list

<https://www.fda.gov/cosmetics/cosmetics-laws-regulations/prohibited-restricted-ingredients-cosmetics>

FDA Substances Prohibited from Use in Human Food

<https://www.ecfr.gov/current/title-21/chapter-I/subchapter-B/part-189>.

FDA Inventory of Food Contact Substances List

https://www.cfsanappsexternal.fda.gov/scripts/fdcc/index.cfm?set=IndirectAdditives&sort=Sortterm_ID&ore=ASC &showAll=true&type=basic&search=

REACH Annex XVII

<https://echa.europa.eu/substances-restricted-under-reach>

European Food Safety Authority

<https://eur-lex.europa.eu/legalcontent/EN/TXT/PDF/?uri=CELEX:32002R0178&from=EN>

Food Contact Material

<https://eurlex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2004:338:0004:0017:en:PDF>

The Storage, handling, use and disposal of all chemicals used must comply with the MSDS (Material Safety Data Sheet) of each chemical product.

Training on our Manufacturing Restricted Substances List and Restricted Substances List must be provided to all workers in chemical related positions and trainings should be documented. The factory must establish and document an adequate process to systematically identify, monitor and verify compliance of products against Restricted Substances List.

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VENTILATION

- Our suppliers and their factories must ensure that adequate ventilation systems exist in any area where clear ventilation is required in any factory.
- Our suppliers and their factories must consistently manage factory pollution in compliance with all local laws and guidelines regarding the handling of waste emissions.

CHEMICAL SAFETY AND EDUCATION

- Our suppliers and their factories must implement chemical safety policy and procedures to ensure chemical storage, housekeeping, handling and disposal is controlled to prevent injury to workers and the environment.
- Our suppliers and their factories must ensure all training is recorded/documented and the training records held to validate the necessary training has occurred for all workers who handle chemicals.
- Our suppliers and their factories must identify and register a nominated person as the key contact for environmental performance.

RESPONSIBLE DISPOSAL AND WATER MANAGEMENT

Our suppliers and their factories must always comply with all applicable laws and regulations regarding wastewater treatment. They are required to promptly implement any necessary changes to maintain full compliance and ensure all waste discharges meet regulatory standards and limits. Specifically, suppliers and their factories must:

- Ensure hazardous materials are disposed of only by licensed chemical waste management agents and dumped exclusively at approved government sites designated for hazardous waste.
- Maintain all waste discharges within the prescribed regulatory standards and limits.
- Dispose of all sludge through legal processes, with proper documentation available to verify compliance.
- Implement water management programs aimed at recycling and reusing water to minimise the environmental impact of wastewater within the facility.