



SUPPLY CHAIN TRANSPARENCY, MODERN SLAVERY AND RESPONSIBLE SOURCING REPORT 2024

Welcome to our second annual report on supply chain transparency, responsible sourcing and, for the first time, incorporating our modern slavery statement.

We are delighted to share with you our commitment to sourcing Seasalt Cornwall product responsibly. We aim to give clarity on the work we are doing to increase transparency and ensure that all workers' rights are upheld in our global supply chain with the support, increased leverage, collaboration opportunities and valuable resources available to us as full members of the Ethical Trading Initiative (ETI).

ABOUT SEASALT

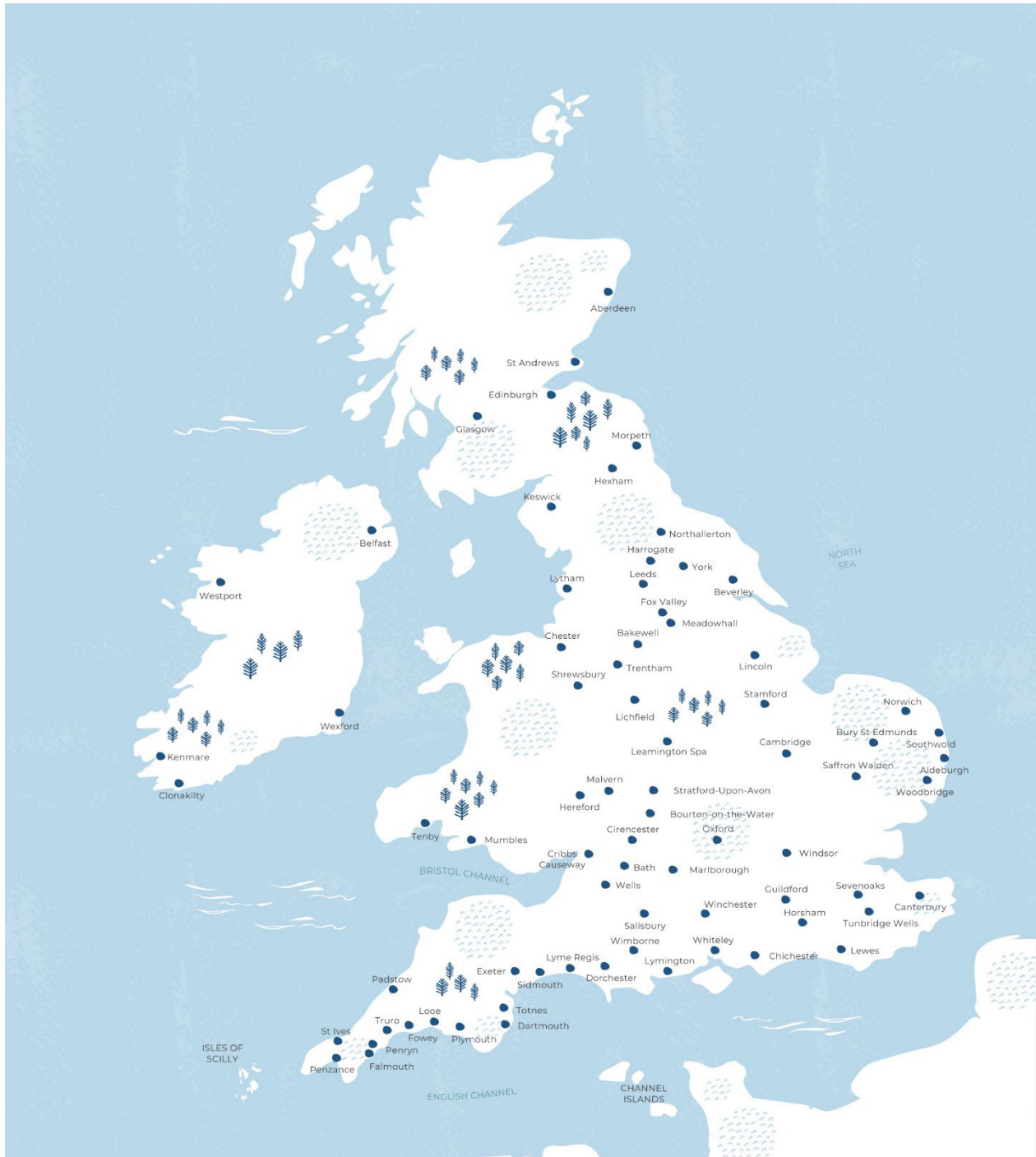
Seasalt is a clothing brand and retailer based in Cornwall in the UK. From the opening of our first shop in 1981, selling traditional workwear, Seasalt has grown into a global brand with 75 stores in the UK and Ireland and 1 store in the USA, 360 wholesale and partners in the UK, Ireland, the Channel Islands, Europe, USA, Australia, and New Zealand as well as an online store that sells our products all over the world. But we have never forgotten what matters. From pioneering the use of organic cotton in fashion, protecting workers' rights in our supply chains to setting ambitious climate targets, Seasalt has been pushing the sustainability agenda from day one.

Seasalt's design ethos is to create beautiful and useful clothing that our customers can enjoy wearing season after season. It's our attention to detail and exceptional quality that have won us such a loyal following.

From our family roots, we have grown to be one of Cornwall's largest employers. We have over 1300 employees in our Head Office, Distribution Centres and stores.

Our head office is in Falmouth, Cornwall, where our creative teams design and develop Seasalt's distinctive products. It is also home to our Sourcing, Compliance and Ethics, Sustainability, Buying, Merchandising, Marketing, Communications, Finance, Property, Administration and Development teams. Seasalt's Central Distribution Centre and Customer Services Team are in Redruth, Cornwall.

MAP OF SEASALT SHOPS IN THE UK & EIRE



GOVERNANCE

A Dedicated Compliance and Ethics Team responsible for human rights in our supply chain.

Our in-house Compliance and Ethics team reviews all supplier audits and self-assessments and analyses and supports both our existing supply chain and new suppliers. This includes Seasalt's extended supply chain as supplier tiers are mapped.

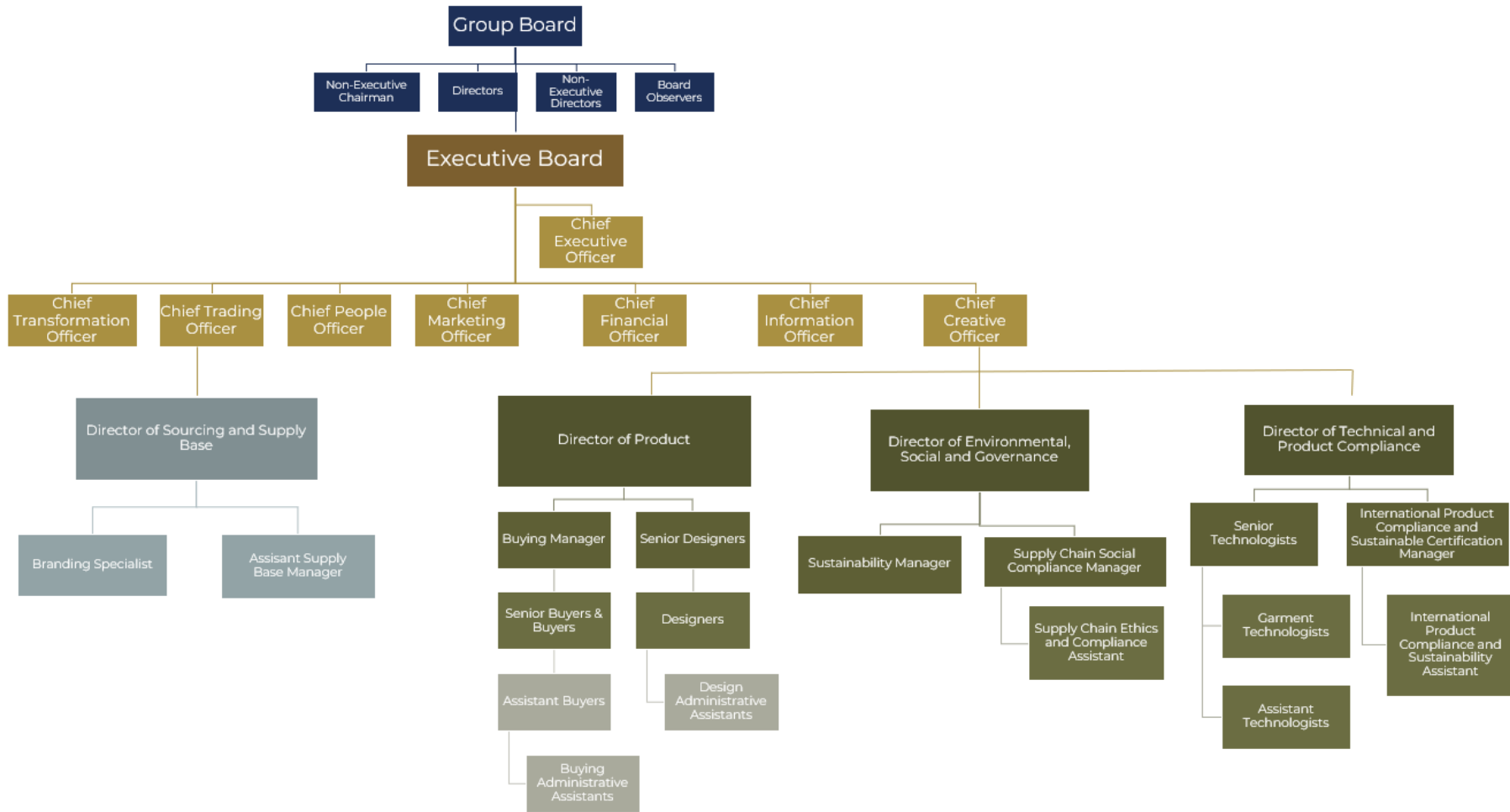
The Compliance and Ethics team provides support and ETI guidance for our suppliers. The team supports suppliers to resolve any challenges they face when implementing best practice through the supply chain. The team receives training and valuable learnings from the ETI, which they cascade to our suppliers, the wider head office, including our Board of Directors. This ensures all areas of our business that work with our supply chain have the necessary resources to manage best practice.

Since November 2024, the Compliance & Ethics Team report directly to our Director of Environment, Social and Governance (ESG), who in turn reports to our Chief Creative Officer. Seasalt's ESG team are pivotal in defining and advancing ESG to develop and execute our approach considering social, environmental and governance priorities and targets in line with business strategy and external facing commitments.

The Compliance and Ethics team create a quarterly report for the Executive Board on supply chain risks. This is used to populate our business risk register where the risk is considered appropriate and plan supportive resolution plans if needed.

Our Executive Board's key purpose is to develop and recommend the Company's strategy, secure Group Board's approval, and implement the strategy to deliver our vision and overall goals. The Executive Board, represented by our CEO, ultimately reports to the Group Board.

The Group Board's key purpose is to ensure the company's security and prosperity by collectively overseeing the company's affairs, while meeting the appropriate interests of its shareholders and stakeholders. The Group Board is ultimately responsible for approving the company's vision and strategy and ensuring that it is shared by all stakeholders; ensuring the Company's Organisation is efficient and effective; and preserving the Seasalt culture and values. This includes setting high standards of corporate governance, corporate social responsibility and corporate ethics, while ensuring that the customer experience and innovation continue to be at the heart of everything we do.



KEY PARTNERS

Global industry challenges require collective action because they cannot be solved individually. Our commitment includes working with credible experts to understand and mitigate the risks faced by people in our value chain.

We recognise that labour and human rights risks are systemic. We actively participate in multi-stakeholder initiatives, and work with other brands and organisations to raise standards and drive change in the industry. Through these efforts, we address employment practices and promote transparency and accountability in supply chains.



The [Ethical Trading Initiative](#) (ETI), a leading alliance of trade unions, Non-Government Organisations (NGOs) and businesses, working together to advance human rights in global supply chains.

Seasalt is proud to have been a member of the ETI since 2018. In 2021, we moved to full membership, reflecting our commitment to ensuring the highest standards of ethics and respect for workers' rights throughout our supply chain, while also increasing our visibility and involvement in the ETI. Through membership, Seasalt is placed at the forefront of best practice for managing our supply chain, allowing us to become aware of potential issues as soon as they arise. We are supported with investigating, challenging and remedying any risks we may find in our supply chain.



Certified B Corporations, or B Corps, are companies verified by B Lab to meet high standards of social and environmental performance, transparency, and accountability.

We're excited to share that in 2024, we became a certified B Corp, joining a global community of like-minded organisations that are using business as a force for good. As a B Corp, we meet high standards of social and environmental impact. We've been independently assessed and scored on a rigorous set of questions that champion transparency, accountability and continuous improvement across all areas of our business.

From source to shop floor, every design and business decision we make is led by a responsibility to look after people and planet. Our score is 100.2, and we're incredibly proud. It's a reflection of a long journey, with a lot of care, consideration and craft along the way. B Corp certification is a celebration of this hard work.



The [Supplier Ethical Data Exchange](#) (Sedex), is a not-for-profit membership organisation that is dedicated to improving responsible and ethical business practices in global supply chains. It has over 75,000 members in 180 countries.

Sedex Membership provides us with a dedicated account manager and access to supplier third party, independently verified audits, self-assessments, reporting tools, analytics and platform dashboards, which enable us to quickly assess key areas of risk in our supply base.



[Women Win](#) is a multi-dimensional women's fund working towards a world where all girls and women can exercise their rights.



[Maitrayana Charity Foundation](#) are an NGO based in India, who's vision is a gender equal society in which girls and women can exercise their rights, through either sport, or female empowerment initiatives.

In April 2024, we formally partnered with Women Win and Maitrayana, who work to advance girls and women's rights to improve gender inequality and women's economic empowerment. We have collaborated on a female worker voice pilot programme, initially with two supplier partners in the Delhi region, India. The project provided an excellent opportunity to hear directly from the workers about the key issues that are most important to them. Full details of this programme can be found in this report.

End Uyghur Forced Labour

The [Coalition to End Forced Labour in the Uyghur Region](#) includes civil society organisations and trade unions, united to end state-sponsored forced labour and egregious human rights abuses against people from the Uyghur Region in China

In June 2021, Seasalt was the first small to medium-sized enterprise (SME) to sign the call to action on human rights abuses in the Xinjiang Uyghur Autonomous Region, to take actionable and accountable steps to ensure no Uyghur forced labour is used in our cotton supply chain. This is further enforced by our compliance to the USA's Uyghur Forced Labour Prevention Act.



[Anti-Slavery International](#) works to end slavery so that everyone can live free from exploitation. Through a long history, they've built the expertise, partnerships and knowledge needed to help prevent slavery in its many forms.

Anti-Slavery International, as a member of The Coalition to End Forced Labour in the Uyghur Region, was key to supporting our interest and signature on the call-to-action on human rights abuses in the Xinjiang Uyghur Autonomous Region. In addition, they supported our due diligence, risk assessment and best practice within our global supply chain.



The [British Retail Consortium](#) (BRC) is the trade association for UK retail businesses, whose purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future.

Through its membership with the BRC, the CSR Community provides a platform for Seasalt to work collaboratively with other retailers to champion sustainability and lead the drive for positive change. This is done through sharing insights, providing a horizon scan of the most pressing legislative and policy priorities and facilitating engagement with the government and regulators. Seasalt is a signatory of the BRC Climate Action Roadmap, which commits the business to reaching net zero emissions by 2040 while supporting the retail industry in doing the same.



[UKFT](#) brings together brands, designers, manufacturers, suppliers, educators and retailers to promote their businesses and the fashion & textile industry, in the UK and globally.

Through our membership with UKFT, the UK's Fashion and Textiles network, we contribute to the growth of the industry in the UK and have a centralised view within the UKFT community to access industry-specific advice and support. This could be in relation to global regulations, legislation, and international trade exports and imports. Membership also offers the opportunity for employee training and collaboration with peers in the industry.

SOURCING COMMITMENT

- Promoting good environmental and labour standards to our suppliers.
- Commitment to work with suppliers who share our commitment to ethical and legal compliant trading.
- Working with suppliers to implement ethical and legally compliant purchasing policies, adhering to our standards.
- Communicating our policies clearly to customers and suppliers.

OUR PRODUCT COMMITMENTS

- 100% of the cotton used in our collections to be fully traceable and certified as organic by the end of 2024.

- 100% of our leather to be sourced from gold and silver rated Leather Working Group tanneries by the end of 2024.
- 100% of the wool used in our collections to be certified by the Responsible Wool Standard by the end of 2024.
- 100% of the viscose used in our collections to be from responsibly managed plant sources and made using closed loop systems by the end of 2024.

OUR ENVIRONMENT COMMITMENTS



- Carbon Net Zero business by 2040 in line with the British Retail Consortium (BRC)'s Climate Action Roadmap. Seasalt is dedicated to a responsible and ethical approach to environmental management, adhering to the BRC's Carbon Road Map, Seasalt has committed to collaborate with stakeholders and partners to achieve net zero greenhouse gas emissions by 2040.

ABOUT OUR SUPPLY CHAIN

We do not own any factories that manufacture Seasalt products. All suppliers are carefully selected and go through a rigorous onboarding process. They work with the Sourcing, Compliance and Ethics, Sustainability and Product teams at our Head Office to deliver high-quality product, to align with our ethical values and to meet our sourcing, product and environmental commitments. We view our suppliers as partners to our business, and the teams continuously work closely with all supplier partners to create strong and close long-term relationships.

SEASALT SUPPLY CHAIN TIER DEFINITION

We define our supply chain tiers as below:

TIER 1		Manufacture of Seasalt finished product, including cutting, sewing, assembly, finishing, quality control, packing.		Fully mapped
TIER 2		Fabric mill, yarn suppliers, dye facilities, wash facilities, printers, leather tannery.		Fully mapped
TIER 3		Components (buttons, zips, trims etc), labels, packaging, polybags, yarn spinners, cotton ginner, leather beamhouse, 3rd party suppliers making product on Seasalt's behalf, viscose fibre.		In progress
TIER 4		Cotton ginner, farm, leather slaughterhouse.		Cotton origins visible Balance to be mapped
TIER 5		Leather farm.		Not mapped

Our Tier 1 suppliers, who make our finished product are in the following countries: India, China, Cambodia, Pakistan, Bangladesh, Vietnam, Spain, Italy, Madagascar, Morocco, Turkey, Bulgaria and Sri Lanka.

Number of Factories by Product Type and Country													
	Bangladesh	Bulgaria	Cambodia	China	India	Italy	Madagascar	Morocco	Pakistan	Sri Lanka	Spain	Turkey	Vietnam
Clothing	12	1	1	20	17	1	0	1	2	2	0	3	2
Footwear	0	0	0	6	4	0	1	0	0	0	1	1	0
Accessories	0	0	0	3	5	1	0	0	0	0	0	0	0
Total no. of factories	12	1	1	29	26	2	1	1	2	2	1	4	2

32,528 WORKERS
Across global supply chain*



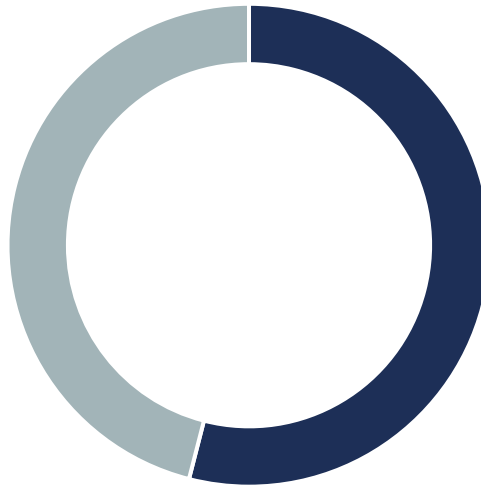
Suppliers located in
13 COUNTRIES



*Total number of workers at Tier 1 factories where Seasalt product is manufactured. Not all workers are involved in the manufacture of Seasalt product, as factories have multiple customer brands.

SUPPLY CHAIN GENDER

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■ 54% Identified as Male ■ 46% Identified as Female

We also work with the following other supplier types:

- Packaging suppliers
- Labelling suppliers
- Suppliers of Goods Not For Re-sale (GNFR), for example stationery and store fittings
- Service providers, for example logistics and energy

SUPPLY CHAIN TRANSPARENCY

Our Tier 1 supplier list is publicly available on the [Open Supply Hub](#) and is updated regularly.

The Open Supply Hub (OS Hub) is a collaborative supply chain mapping platform, used and populated by stakeholders across sectors including many members of the ETI. It is a neutral, non-profit organisation registered in the USA. The OS Hub maps garment facilities worldwide and allocates a unique ID to each. This allows Seasalt to facilitate better collaborative action and will increase our leverage to address any risks in our supply chain.

The OS Hub has mapped 945,900 facilities to date.

LONG-TERM RELATIONSHIPS

We have been working with 13% of our Tier 1 supplier partners for more than 10 years, 35% for 5+ years, 37% for 3+ years and are proud to have on-boarded 8 new suppliers in 2024, with whom we will work closely to develop a strong relationship for the long term.

We are proud of the long-term relationships we have with our suppliers. Seasalt has worked with several of our manufacturers from the very beginning and have grown together for many years. This approach secures us the best quality product, an invaluable level of trust and in-depth knowledge of the supplier and the factory environment. This enables us to grow our businesses together and develop a mutual respect. Furthermore, if any improvements need to be addressed (regarding the product or the supplier's style of business) they can be resolved together, with a mutually beneficial outcome. Long-term business security, product quality, traceability and supply chain integrity are all important considerations for us.

When the Covid-19 crisis started to impact our supply chain, it was our immediate priority to put the wellbeing of all our people first, including the workers at our global supplier partners. The teams at Seasalt engaged with all suppliers to share knowledge and best practise during those unprecedented times. We supported our suppliers through that difficult time in many ways, including full payment for finished goods, the adjustment of order timelines and product details to avoid order cancellations, we remained flexible with delivery times, and we did not demand discounts or request deferred payments.

SUPPLIER MANAGEMENT

ONBOARDING NEW SUPPLIERS

We have a stringent vetting process for all new suppliers. We consider our internal sourcing strategy, product type, the alignment of our values of ethical trade, country mix and country risk. Prospective supplier company profiles, business practice, as well as environmental, ethical, and legal compliance issues are all assessed before they are approved to become one of our supplier partners. Once a supplier is approved, we ensure their continued commitment to ethical trading and compliant business practice, with the support of our policies and procedures.

SEASALT SUPPLIER REQUIREMENTS

All supplier partners are required to:

- Share all company details, including parent group information and disclose any sub-contracted facilities or homeworkers.
- Agree to and sign our Terms & Conditions as part of the onboarding process. Variations to our standard T&Cs may be negotiated on a case-by-case basis to facilitate reasonable requests.
- Sign a formal Statement of Commitment to Ethical Trading and legally compliant business practices.
- Agree to Seasalt's supporting policies including, but not limited to: Purchasing Policy, Responsible Cotton Sourcing Policy, Global Supply Chain Human Rights Policy, Homeworkers' Policy, Animal Welfare Policy, Tainted product Policy and remediation framework, and Anti-Bribery and Corruption Policy.
- Join Sedex and link with Seasalt through the Sedex digital platform.
- Share independent third-party verified audit reports at least every two years.
- All suppliers to grant full and open access to all facilities for Seasalt staff, any third-party representative working on our behalf and to auditors who are conducting Sedex Members Ethical Trade Audit (SMETA) or other social compliance audits.
- To purchase goods, services and manufacture Seasalt own brand products that comply with our labour rights and environmental standards, supplier manual, supporting policies and sustainable product targets. The Supplier Manual provides detailed content in reference to ethical trade standards, compliance to ETI Base Code, Sedex, and all production standards. Suppliers are required to share the manual with their own stakeholders.
- Require our Seasalt brand suppliers to share ethical trading and environmental reporting information upon request.

- Be fully transparent and cooperative in our supply chain mapping initiative.
- To ensure credibility in scope 3, Seasalt will be calculating its scope 3 emissions in line with SBTi framework. Whilst this process is undertaken, we will work with our suppliers to understand their emissions, so that we can work in partnership to seek out solutions for credible and meaningful reduction targets.

SUB-CONTRACTORS

Sub-contractors are businesses who work closely with our Tier 1 suppliers. They may provide a product or service, such as quality control inspections or packaging of finished goods. We do not allow any manufacturing processes to be sub-contracted except by prior agreement. All facilities involved in the production of Seasalt product must be approved, having passed our strict onboarding process.

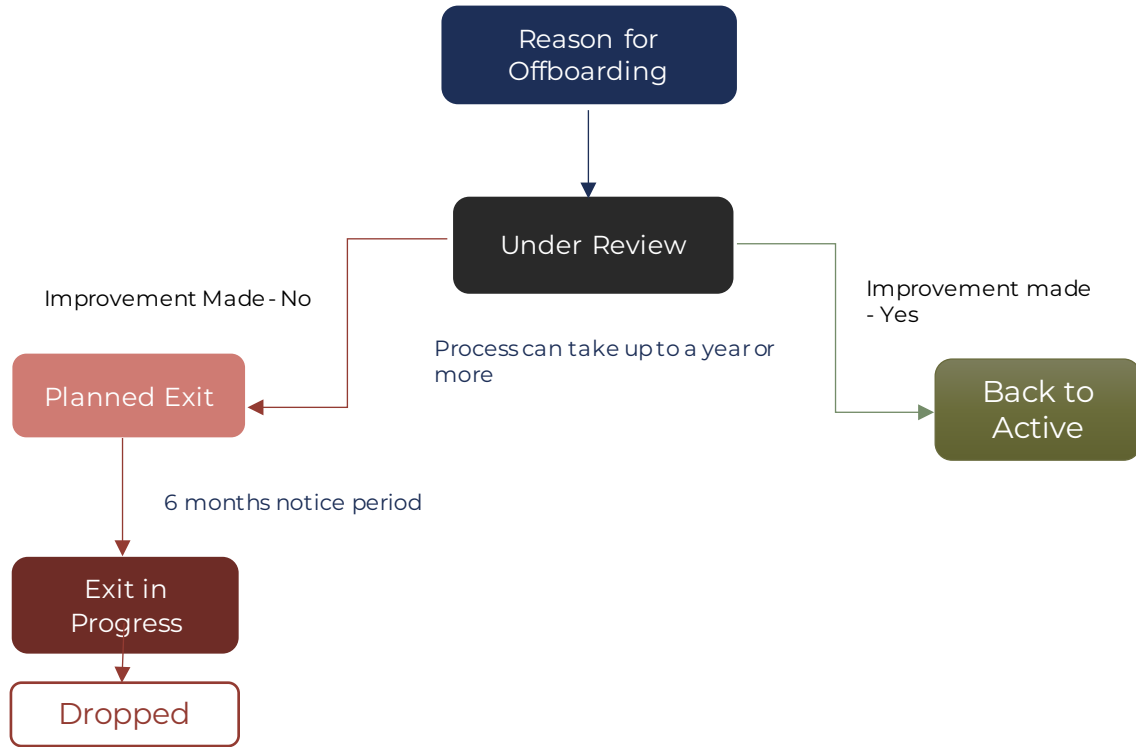
OFFBOARDING SUPPLIER

At Seasalt, we view our suppliers as key partners and work closely with them to build strong, long-term relationships.

All suppliers receive our Terms & Conditions, which require six months' written notice from either party to end the agreement. They are also given a supplier manual outlining our ethical trade standards and production requirements.

Supplier offboarding may occur for various reasons, such as consistently poor performance without improvement, or if a supplier decides to terminate the contract. If a supplier's performance is consistently low, Seasalt engages with them regularly over an often-lengthy period to address the issues and to provide the supplier with the opportunity to resolve the issues with our support. Ending a partnership is always a last resort, however, if improvement is not seen despite the support and hyper-care we offer, the supplier will enter a six-month review period towards resolution or termination of contract.

To minimize the impact on all parties involved, we follow a clear Offboarding Supplier Procedure, outlined as follows:



CERTIFICATION

We are committed to 100% of the cotton used in our collections to be fully traceable and certified organic and all our wool clothing being certified to the Responsible Wool Standard (RWS). This provides us with assurance that products containing these materials have been independently audited through the entire supply chain to ensure they meet strict animal welfare, environmental and social criteria.

We are committed to increasing our fully certified product through the supply chain to support mitigation of salient risks, through independently verified certification standards.

Seasalt's License Number: GOTS-11394



GOTS evaluates the textile value chain for mandatory social and environmental criteria, from assessing chemical inputs to the ethical treatment of workers, using professional third-party certification audit bodies at each stage of the supply chain. The GOTS Standard covers the processing, manufacturing, packaging, labelling, trading, and distribution of all textiles made from at least 70% certified organic fibres, with full chain of custody.



Seasalt's License Number: GOTS-11394

The Soil Association is one of the founding members of the Global Organic Textile Standard (GOTS) with the Soil Association Certification acting as Seasalt's Certified Body, they ensure our compliance with the GOTS Standard. Seasalt Ltd became the first fashion company to achieve Soil Association GOTS certification back in 2005. For more information visit [Organic Cotton Pioneers](#)

GLOBAL ORGANIC TEXTILE STANDARDS (GOTS) ENVIRONMENTAL CRITERIA

- Separation from conventional fibre products and identification of organic and non-GMO fibre products.
- Use of GOTS-approved colourants and auxiliaries in GOTS certified processing chains.
- Prohibited use of toxic chemicals, such as heavy metals and any substances known to be harmful.
- Processing units must demonstrate responsible environment management, including wastewater treatment.
- Technical quality parameters for colour fastness and shrinkage for finished goods required.
- Restrictions on accessories.
- Restrictions on additional fibre materials.
- Environmentally hazardous substances prohibited in chemical inputs.
- Evaluation of toxicity and biodegradability for chemical inputs.

GOTS SOCIAL CRITERIA

GOTS promotes respect for human rights across the value chain with greater emphasis on risk-based due diligence in the latest GOTS Standard v7.0. Based on the key norms of the International Labour Organisation (ILO), United Nations Guiding Principles on Business & Human Rights (UNGP) and Organization for Economic Cooperation and Development (OECD), the social criteria must be met by all processors, manufacturers and traders.

The social criteria are closely aligned with the internationally recognised ETI Base Code and includes, but are not limited to the following:

- Prohibition of forced labour, such as servitude, bonded, trafficked or indentured labour
- Prohibition of child labour. Also, protection of young workers who are above the legal age to work, but who are under 18 years. Young workers must not be subject to hazardous work, or work at night. Their working hours to be less than an adult and they must have access to education or vocational training.
- No discrimination, violence and harassment, including a zero-tolerance policy for sexual harassment and gender-based violence.
- Gender equality, with extra protection for pregnant women, mothers and their children, those on maternity leave and employees with family responsibilities.

- Freedom of association and the right to collective bargaining
- Occupational health and safety
- Remuneration and assessment of living wage gap
- Working hours
- Fair treatment of homeworkers
- Equality in treatment of migrant workers



The responsible Wool Standard (RWS) is an international, voluntary standard that addresses animal welfare in sheep farms and chain of custody of wool from certified farms to the final product.

Seasalt's Licence Number: CUC 885150

Individual sites are certified by independent third-party certification bodies using annual audits. Material is tracked from the farm to the final product using transaction certificates, following the requirements of Textile Exchange's Content.

Seasalt became RWS certified in 2022. RWS certification gives us assurance of responsible wool from “sheep to store” and includes:

- Animal welfare protection based on the Five Freedoms of the Animal Welfare Act.
- Land health preservation: protecting soil health, biodiversity and native species.
- Social welfare protection: the social welfare, working conditions and health and safety of workers are addressed.
- Chain of custody and certification ensure the identity of the RWS wool is maintained from farm to finished product.
- Only products that meet all criteria bear the RWS logo.
- Stakeholder engagement: the RWS is owned by the Textile Exchange and is managed with the input of farmers, animal welfare experts, land conservation experts, brands and retailers across the globe.

WORKERS' RIGHTS IN THE GLOBAL SUPPLY CHAIN

We are committed to respect all human and labour rights in our supply chain activities, in line with international labour Laws, ILO Core labour Standards, the internationally recognised ETI Base Code and the Universal Declaration of Human Rights (UDHR).

HUMAN RIGHTS

The Universal Declaration of Human Rights, proclaimed by the United Nations General Assembly in 1948, sets out fundamental human rights to be universally protected.

Human Rights cover a broad spectrum of issues as summarised in the table. As part of our constant due diligence process, our dedicated Compliance and Ethics team is constantly monitoring for human rights risk and abuse in our supply chain in compliance with all labour rights within the ETI Base Code.

THE UNIVERSAL DECLARATION OF HUMAN RIGHTS				
1. Born free and equal in dignity and with rights	2. No Discrimination	3. Life, liberty and security of person	4. No slavery or servitude	5. No torture or cruel, inhuman or degrading treatment
6. Treated as a person in the eyes of the law	7. Equality before the law	8. Remedy by a competent tribunal	9. No arbitrary arrest, detention or exile	10. Fair Public Hearing
11. Innocent until proven guilty	12. No interference with privacy, family or home	13. Freedom of movement within and across countries	14. Seek asylum from persecution	15. Have a nationality
16. Marriage and to raise a family	17. Own property	18. Freedom of belief and religion	19. Freedom of opinion and expression	20. Freedom of peaceful assembly and association
21. Take part in government of your country	22. Social security	23. Desirable work, equal pay and join trade unions	24. Rest and leisure	25. Adequate standard of living
26. Education	27. Participate in cultural life of community	28. Social and international order	29. Protect others' rights and freedoms	30. Freedom from interference in these rights
Reproduced with permission from the ETI: Human Rights Essential Course training resource: Universal Declaration of Human Rights				

In May 2023, the Compliance and Ethics team attended the first two modules of the ETI's Human Rights Essentials course. This enabled us to understand the origins of human rights and their evolution into the business sphere, assist us to recognise how human rights apply to our organisation, develop our knowledge of important legislation and frameworks, understand what makes people vulnerable to not being able to realise their human rights, confirm the importance of supply chain visibility to uncover any issues and identify root causes, and the assessment of human rights risk.

In July 2024, module 3 of the ETI Human Rights essentials course focused our attention and discussion on mitigating and managing human rights risk and to investigate the root causes behind human rights issues in the supply chain. For example, do the workers have freedom of association (FOA), meaning they have the right to form or join a trade union of their choice. Freedom of association is enshrined in the Universal Declaration of Human Rights (no.20), and it facilitates economic and social advancement through worker equality and protection. We identified lack of FOA as a salient risk, particularly in China and Vietnam in our last report. Please view our salient risk table to view our progress in this area.

Our Global Supply Chain Human Rights Policy forms part of the contract with suppliers, who are required to agree to the policy alongside our terms and conditions and supplier manual. The policy is available on our website.

HOW WE LOOK AFTER OUR SUPPLY CHAIN

Violation of human rights is an ever-present risk in the garment manufacturing industry. Issues such as forced labour, poor working conditions, child labour and discrimination continue to affect factories in the global supply chain.

Our wish is that any person involved in making Seasalt products has their human rights respected. Through our own work, ETI and Sedex membership, we commit to fair pay, a safe environment, the right of all workers to not be discriminated against and our supplier partners to be in full compliance with the ETI Base Code.

ETI BASE CODE

The ETI Base Code is an internationally recognised code of labour practice designed to protect workers' rights, founded on the conventions of the International Labour Organisation (ILO). The ETI Base Code is viewed as a global reference standard and is widely used as a benchmark for social audits and to develop ethical trade action plans. The code covers issues including forced labour, access to freedom of association, safe working conditions, living wages, child labour and discrimination.

The Base Code is integral to our business and forms part of our Terms and Conditions with suppliers. The provisions of the code constitute minimum standards. Seasalt suppliers applying this code are expected to comply with national and other applicable laws. Where the law and the Base Code address the same subject, companies are expected to apply the provision that affords the greater protection to workers.

As a responsible business and ETI member, we commit to the ETI Base Code and are supported by the ETI to continuously improve our approach to tackling human rights issues in our supply chains, taking collective action on systemic issues, and creating an enabling environment for workers.

ETI Base Code



The ETI Base Code is an internationally recognised set of labour standards based on ILO conventions. It is used by ETI members and others to drive improvements in working conditions around the world.

www.ethicaltrade.org



Employment is freely chosen



Freedom of association and the right to collective bargaining are respected



Working conditions are safe and hygienic



Child labour shall not be used



Living wages are paid



Working hours are not excessive



No discrimination is practised



Regular employment is provided



No harsh or inhumane treatment is allowed

For human rights, for better business

Image Source [here](#).

FREEDOM OF ASSOCIATION and COLLECTIVE BARGAINING AGREEMENTS

Freedom of association is the right to form or join groups to express, promote, and defend shared interests, for example, trade unions, political parties and other associations. It includes the protection of one's interests, and the right to peaceful assembly, meaning to meet in public, or in private, and to demonstrate peacefully.

Freedom of association is a human right that is at the core of the values of the International Labour Organisation (ILO) and is enshrined in the ILO Constitution, the ILO Declaration on Fundamental Principles and Rights at Work (1998), and it is proclaimed in the Universal Declaration of Human Rights. The key ILO standards addressing freedom of association are:

- [C087 - Freedom of Association and Protection of the Right to Organise Convention, 1948 \(No. 87\)](#)
- [C098 - Right to Organise and Collective Bargaining Convention, 1949 \(No. 98\)](#)
- In addition, ILO standard [C135 - Workers' Representatives Convention, 1971 \(No. 135\)](#) protects the worker representative from discrimination and recognises their right to access workplaces in order to carry out their representation functions.

Freedom of association is very important for workers as it means they are formally and collectively represented. Open dialogue and negotiations with employers lead to solutions and improved working conditions, for example in health and safety, working hours and wages.

Collective bargaining agreements are legally binding, enforceable documents that outline agreed working conditions between the employer and the trade union representative and so hold more weight than informal agreements.

Within the apparel and textile industry, workers are represented by trade unions, worker committees and/or worker representatives, these are defined below:

- Trade unions

Trade unions are mostly independent organisations of workers and can be legally recognised and registered as the collective representative of the workers. They are often national or international, so have greater leverage with employers and state departments and can provide support, training, and other resources.

- Worker committees

Worker committees are another successful way for workers to raise their concerns and improve working conditions. The focus of committees tends to be in areas such as health & safety or in handling grievances. The agreements between workers and

employers through a committee are informal and not legally binding.

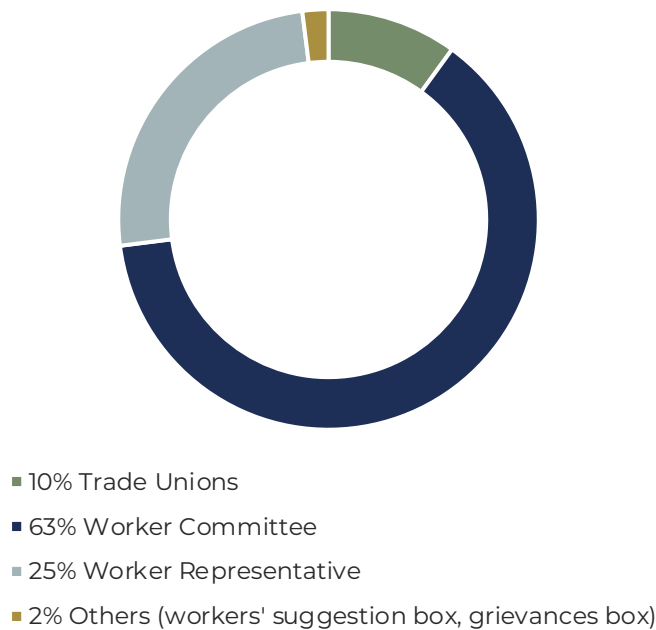
- Worker representatives

Worker representatives are freely elected by the workers, and they meet with management regularly to discuss any issues raised by the workforce and to seek resolution. Formal minutes are written and shared with the rest of the workforce, usually via the staff notice boards.

This year, the compliance and ethics team formally analysed the worker representation across our Tier 1 supply base, the suppliers who make Seasalt's product. The main channels for worker representation include Trade Unions, Worker Committees, and Worker Representatives. In addition, workers can voice their opinions and submit complaints through channels such as a suggestion box and grievance box for factory management review. From our analysis of audit data, all worker representatives are freely elected by the other workers and are not selected by management.

100% of our Tier 1 factory workers have representation and we can share the results of our analysis below:

Form of Worker Representation - Seasalt T-ONE Suppliers (All)



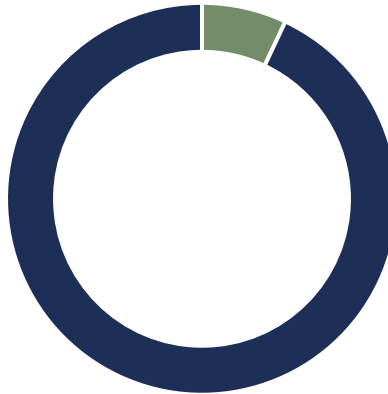
We have identified 2% of our global suppliers have representation via suggestion box feedback. We will have open conversations with the relevant suppliers in 2025 to understand more about worker representation and the grievance mechanisms in their workplace and identify areas of improvement.

Form of Workers Representation - Seasalt T-ONE Suppliers in China & Vietnam



■ 6% Trade Unions ■ 42% Worker Committee ■ 52% Worker Representative

Form of Worker Representation - Seasalt T-ONE Suppliers in South Asia: India, Bangladesh, Pakistan, Sri Lanka



■ 7% Trade Unions ■ 93% Worker Committee

HUMAN RIGHTS DUE DILIGENCE

We carry out extensive human rights due diligence, including third-party verified social audit checks of our suppliers. The results of these investigations directly influence our supplier and sourcing strategy each season and are key to ensuring that we make the best products in the most responsible way possible.

Created in 2016, the [ETI Human Rights Due Diligence Framework](#) serves as a guide to support our Human Rights Due Diligence, and manage and mitigate labour rights risks. The framework was developed through a collaborative approach with the ETI tripartite membership group of businesses, NGOs and Trade Unions and is closely aligned with the ETI Base Code, the ETI membership progression framework, the UN Guiding Principles, the OECD Guidelines for Multinational Enterprises, UNGP Reporting framework and other relevant human rights standards and guidelines.

COUNTRY AND SECTOR RISK

As part of our sourcing strategy, we risk assess potential territories by country and by industry sector. We reference the annual [ITUC Global Rights Index](#), the annual [US Department of State Country Reports on Human Rights Practises](#), [Business and Human Rights Resource Centre](#),

[ETI](#) and NGO information, and through our Sedex membership. We also pursue our own independent research, including the guidance within the United Nations Guiding Principles Reporting Framework. As we proceed with our risk assessments, following the framework will be instrumental in enabling us to focus even more on the areas that are the most likely and have the highest impact.

The ITUC Global Rights Index, published annually, rates 139 countries on a scale from 1-5 based on the degree of respect for workers' rights.

The US Department of State Country Reports on Human Rights Practices, published annually, cover internationally recognised individual, civil, political and workers' rights as set forth in the [Universal Declaration of Human Rights](#) and other international agreements.

Sedex works with global risk analytics experts and has a database that references hundreds of indices, from human rights violations to political risk factors, to flag country and industry risk factors. Their reporting tool provides a score against all labour rights and environmental issues. We collect data for all sourcing countries to allow us to benchmark and to risk assess existing and new sourcing countries.

We have identified regions where we prohibit cotton origin and all manufacturing of any stage of Seasalt product. These regions have been chosen due to publicly documented human rights abuses, forced labour and child labour. This could be due to local governance, breakdown of rule of law or where local circumstances make it impossible to conduct effective due diligence.

THIRD PARTY VERIFIED AUDITS

All Tier 1 suppliers are required to share a semi-announced or unannounced independent audit to enable us to review practices within our suppliers' facilities at least every two years. Seasalt does not accept announced audits.

Our audit preference is SMETA (Sedex Members Ethical Trade Audit) which is based on the ETI Base Code and so encompasses all labour rights, local law and the UN Guiding Principles.

Other audits (for example, Amfori BSCI and WRAP) are considered on a case-by-case basis.

A SMETA 2-Pillar audit is comprised of Labour Standards and Health and Safety, which are mandatory modules for a SMETA audit. It also contains the additional elements of Management Systems (including Land Rights), Universal Rights covering UNGP, Responsible Recruitment Practices, Entitlement to Work, Subcontracting and Homeworking and a shortened Environment Assessment. A SMETA 4-Pillar audit includes all the above elements plus the additional pillars of an extended Environment assessment and Business Ethics.

The Compliance and Ethics team maintains a consistent audit follow-up process to ensure that all suppliers have been audited in the last two years and to address any non-compliance issues identified by auditors, focusing on resolving the most critical issues first. In addition to using the Sedex platform, we have a bespoke custom-built risk assessment digital platform to flag and monitor these issues. This allows us to follow up and address all issues quickly and effectively.

Following a careful review of the audits, we have adopted a systematic approach:

- To meticulously review and categorise the non-compliances raised by the auditor while simultaneously assessing other risk factors and identifying areas for improvement in accordance with the ETI Base Code.
- After conducting a comprehensive audit review, we carefully examine the Corrective Action Plan Report (CAPR), created by the auditor during the audit process, and later signed in agreement by the supplier. This report plays a pivotal role in our process, allowing us to address the risk points identified. Subsequently, we request that the supplier adhere to these action plans and rectify any non-compliance within the given timescale. All information is published on the Sedex platform, enabling us to track progress effectively.
- Once this process is complete, we proactively engage with suppliers, sharing the review results and the action plan to address identified points. Throughout this collaborative process, our team provides essential support and expertise, ensuring thorough adherence to corrective measures and facilitating effective resolution of any issues. Our long-term relationship with our suppliers allows for constructive and open dialogue to ensure compliance and to share best practice.
- A summary of any critical non-compliance issues and resolutions is shared quarterly with our Executive Board. All efforts are made by the team to remediate the non-compliance issues to reach a positive outcome for all parties concerned.

SEDEX SELF-ASSESSMENT QUESTIONNAIRE (SAQ)

Independently verified audits are our preference, as they provide an independent and verified source of data; however, we also collect information via the Sedex Self-Assessment Questionnaire (SAQ) to complement the audit data. The self-assessment includes questions relating to labour standards, health and safety, environment and business ethics, to enable suppliers to self-diagnose areas of concern to be addressed proactively prior to the audit.

The data is used by us in addition to other tools, certification, documents and resources to assist in full risk assessment of our global supply chain.

SUPPLIER VISITS

Supplier visits in country, regular online Zoom and Microsoft Teams meetings and supplier visits at our Head Offices in Falmouth provide the opportunity to strengthen relationships and to work closely together across a broad range of issues from product and social compliance to product development and bulk order management.

We visited suppliers regularly prior to the travel disruptions of 2020. Supplier visits provide an opportunity to discuss all aspects of production and product development, and to review and assess factories and working conditions. Any issues can then be addressed directly with the suppliers. Supplier visits have since resumed, and we hope to get back to our pre-pandemic approach.

SUPPLIER APPRAISALS

We conduct annual appraisals of our Tier 1 suppliers. Most Head Office teams are involved with the process, including Compliance and Ethics, Product Compliance, Buying, Design, Print Design, Branding, Technologists, Product Development, Merchandising, Quality Control, Sourcing, Sustainability and Finance teams. Suppliers are provided with an overall score with recommendations for improvement from over 50 key performance indicators (KPIs). All low scores are followed up by our Director of Sourcing to establish the root causes and work closely with suppliers to address any concerns.

Suppliers are encouraged to share feedback on their annual appraisal score, and at any time on any aspect of our working relationship.

RESPONSIBLE PURCHASING PRACTICES

Through our ETI membership, we have access to resources and learnings in reference to responsible purchasing practices. The [Common Framework for Responsible Purchasing Practices](#) was developed in 2022 by the ETI, ETI Norway and the German Partnership for Sustainable Textiles (PST) and Fair Wear. The framework enables us to internally assess our buying practises and identify areas for improvement.

To further our work in this area, in November, we joined an ETI and brand member introduction session on a new Accountability Framework for Responsible Purchasing Practices (AFRPP) in the apparel industry. The framework is currently a work in progress and is in a consultation phase until 16th December 2024. It is a joint venture with the ETI

who part of a working group on Responsible Purchasing Practices (RPP), working alongside organisations including ETI Norway, ETI Denmark, Fair Wear, PST, Solidaridad, Fair Labor Association, and the Sustainable Terms of Trade Initiative (STTI). Their goal is to establish benchmarks and KPIs that hold companies accountable for their purchasing practices.

The AFRPP is due to be officially launched at the annual OECD forum on Due Diligence in the Garment and Footwear sector in February 2025.

Following the launch of the AFRPP, we will action what is necessary to meet the requirements and will provide an update in our next report.

SALIENT RISK ASSESSMENT

Seasalt recognises that the key territories we source from have risks associated with them. The work we do to aid transparency through our supply chain enables us to correctly risk assess, prioritise and deliver proactive, inclusive resolution.

We prioritise issues that we feel we can have a direct impact on, and work closely with our suppliers to reach resolution.

We use a variety of methods to identify and prioritise risk:

COUNTRY REVIEW

- Annual ITUC Global Rights Index
- US Department of State Country Reports
- 5x5 Risk Assessment Matrix by likelihood and impact of known and potential emerging risks

COUNTRY & SECTOR REVIEW

- Sedex RADAR pre-screen country risk tool. Radar's risk scores are calculated using data from trusted sources including the International Labour Organisation (ILO), Transparency International, and the World bank.

By utilizing Radar, Seasalt can prioritize additional assessments, risk management, and improvement initiatives based on the most prevalent or significant issues. The image below shows an example of how RADAR can assist us with our country and sector risk assessment allowing us to benchmark our sourcing countries.

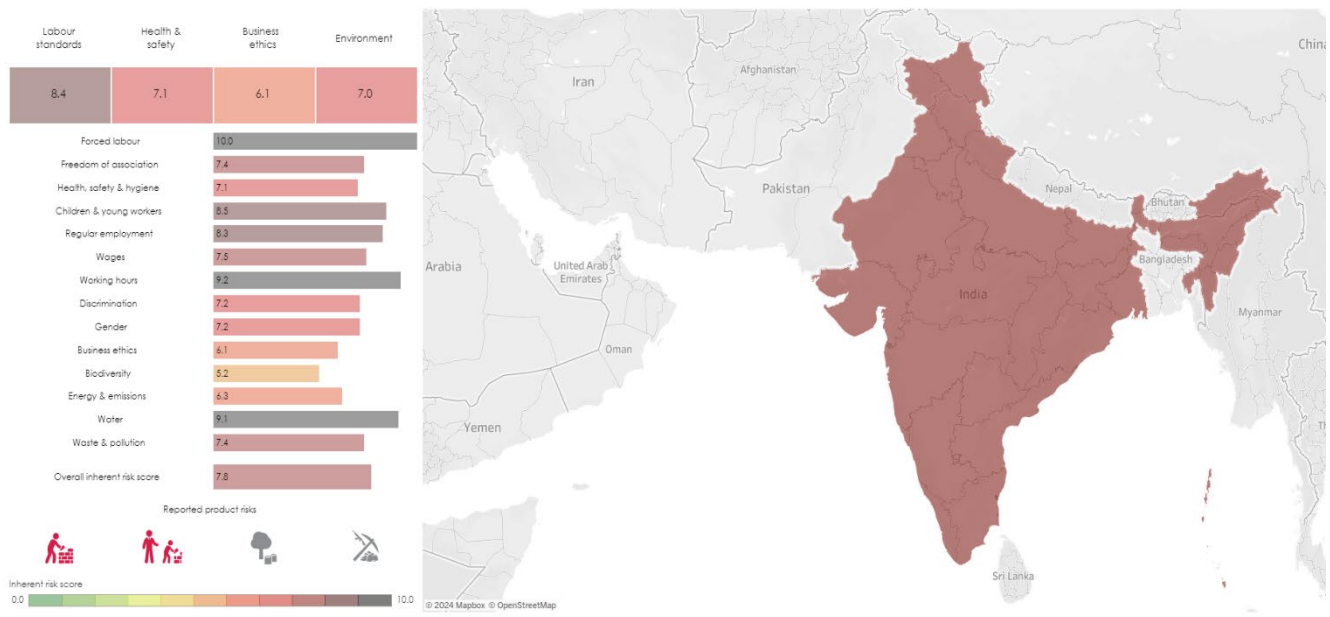


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- ETI community hub and across tripartite member discussions
- Informal industry-based peer groups
- By worker type – looking at those workers who are more vulnerable, for example migrant and female workers
- Desktop research, e.g. NGOs, Business and Human Rights Resource Centre

OUR SUPPLY CHAIN

- Supply chain mapping
- Risk score using internal 5x5 Risk Assessment Matrix
- United Nations Guiding Principles Reporting Framework
- Independent audit data using external and internal digital platform reporting tools
- Supplier visits: Members of the Seasalt team regularly visit our suppliers to review and assess factories, working conditions and employees to check the facilities against audit contents. Any issues can then be addressed directly with our suppliers.
- BSR Gender Data Impact Tool: This was used to gather Tier 1 supplier data prior to the launch of our partnership with Women Win earlier this year.
- Strong supplier relationships allowing transparency and open dialogue
- Internal knowledge and expertise
- Female worker voice initiative

Through our work with the ETI, we recognise the limited ability of the audit process to identify more “hidden” salient issues, such as discrimination and gender issues. We welcome the opportunity, through our membership, to collaborate with the ETI tripartite membership and other brands on salient risk factors and global crises affecting the apparel and textile industry.

FEMALE WORKER VOICE: PILOT PROJECT, DELHI, INDIA



One of the identified salient risks highlighted in our salient risk table, is to look at gender inequality, with a focus on India. This year, we partnered with Women Win and Maitrayana, an NGO based in India, on a pilot programme dedicated to hearing the female worker voice in two of our key supplier partner factories in the Delhi region of India.

The project is structured around the Building Block framework for Women's Economic Empowerment that Women Win and Maitrayana frequently use for supply chain focused projects. This aligns well with Seasalt's own values, where we want the women who work in our supply chain to be economically empowered and resilient. We want the women to have access and power over resources and hold decision making power in their work environment.

A series of worker interactions, that uses a participatory play-based methodology, puts the voices of the women at the centre of the conversation. The sessions create space for women workers to form their own opinions using a set of cards to prompt open dialogue and discussion and to determine what's most important to them. In conversation, they can share their lived experiences and address existing challenges. The framework used for the cards and discussions is known as the '8+2 Building Blocks of Women Economic Empowerment'.

The sessions were conducted in the Summer of 2024 and we are delighted to share insights from the workers within the building blocks framework. We are working closely with our supplier partners, Women Win and Maitrayana to deliver positive results where areas of improvement have been identified.

We are planning to run phase 2 of the pilot programme in 2025 to hear again from the female workers to understand how actions being taken now are changing their working lives.

1. Access to equitable and safe employment

The workers at both suppliers say they feel very safe and free from harm in their workplace. One group explained, *"Women are very strong, and the men wouldn't dare to trouble them."*

2. Education and Training

The workers have been given skill training to enable them to move from less skilled jobs, for example, working in the finishing section, to more skilled tailoring

roles and therefore a higher pay grade. We identified both suppliers can do more to educate and train their female workers to promote growth and opportunities.

3. Access to and control over resources

The focus here is on finances and health. The worker's spend is largely focused on family, school, rent, food and other essentials. Traditionally in India the financial decisions are made by the male members of the family, and this was confirmed by the women. However, a portion of their salary is for themselves, and they work together with their family to handle the household finances.

All workers at the factories have access to health care services, either from the visiting nurse or at the local medical centre. India has an 'Employee State Insurance Scheme' and workers are provided with an 'ESI' card to access healthcare benefits and financial assistance during times of illness. The workshop identified a lack of awareness of the ESI scheme among some workers.

4. Voice in society and influencing policy

In this building block, the focus is on recognition at work and the opportunity to be part of worker committees.

There was a distinct contrast between the two factories. One factory group said they felt they didn't receive enough recognition, whereas at the other factory they were rewarded well. The rewards included applause, free lunch for a week for the whole production line, and gifts for the home.

Both factories have worker committees of which some of the workers were aware. More needs to be done at both sites to increase awareness of what committees are available, their function and how the workers can get involved.

5. Freedom from risk of violence

All women said they felt very safe and free from violence in their workplaces. They feel respected at work and their workplace was a positive environment where they felt protected. They all have access to a trusted member of the management team, Human Resource personnel or welfare officer.

6. Freedom of movement

All workers have freedom of movement, and they independently travel to and from work. They don't suffer any penalties if they are late to arrive for work due to public transport issues and overtime is voluntary. They have two tea breaks plus a lunch break during normal working hours. One factory provides free tea and snacks, and this has been requested at the other facility.

Access to rest rooms at one factory will be addressed as the rest room is on a

different floor of the building to the production area.

7. Access to and control over reproductive health and family formation

Having access to sanitary pads in the workplace is important to the women. One of the factories will ensure there is a free supply going forwards now this has been brought to their attention.

All the women, from both groups, have some knowledge of family planning, contraception and menstruation, but all would benefit from further information in this respect.

8. Addressing unpaid care work

This area relates to women having access to reliable and functioning childcare facilities. It's understood that most women stop work to stay at home and take care of young children up to school age, then return to work when the child is aged 4-6 years. The larger of the two factories has a creche facility, as required by local law (depending on number of female workers), but it was unused as the mothers stayed home to care for the children.

9. Economic and financial security (job security) and understanding rights

All permanent workers at both factories have employment contracts, payslips and can book leave easily. One factory employs part of its workforce on a temporary basis, for example during peak periods of production. The workers are on a 'zero-hour' type contract, so do not receive the same benefits as the permanent workers. We will work closely with this supplier to minimise the use of temporary workers.

Time attendance at both factories is closely monitored to ensure there is no excessive overtime, and at one factory, female workers are not allowed to work after 7:00pm as the factory policy stems from safety concerns (regarding the home commute) or local regulations aimed at protecting female employees. All workers receive their wages on time into their bank accounts, and all workers selected felt the wages were fair and satisfactory and on par with those of other companies.

All voluntary overtime is paid at the correct premium and there is gender equality in pay for men and women.

10. Access to high quality working and living conditions

All workers have access to clean drinking water at any time while working and access to toilets segregated by gender. Bins are provided for sanitary pad disposal. Both factories will provide newspaper for use in this regard.

For additional information, please visit our [website blog post](#)

BANGLADESH STUDY: GARMENT WORKER PROTESTS OVER WAGES

In Bangladesh in November 2023, during the national wage revision process, thousands of workers protested to call for an end to poverty wages after months of negotiations in country. The wage board increased the legal minimum wage from 8000 to 12500 Bangladeshi Taka in December 2023, the first legal minimum wage increase in five years.

We have been closely monitoring the situation in Bangladesh from the outset, alongside the ETI who were pressing the government on behalf of its members to take positive action. We fully uphold the legitimate demands of workers and local unions for increases in minimum wage and stood with the ETI in urging the authorities to respect freedom of association, the right to strike and the right to demonstrate.

Doing business in the right way is part of our ethos here at Seasalt and supply chain integrity is very important to us. As full members of the Ethical Trading Initiative (ETI) all suppliers we work with are required to adhere to an internationally recognised labour code. This year, we also became B Corp certified, following a rigorous independent assessment process, joining a global community of like-minded organisations that are using business as a force for good.

Our compliance and sourcing teams have been in regular contact with our trusted supplier partners in the country to offer support where we could. We issued a short survey and engaged in open dialogue to better understand the impact of the protests on business operations and the impact of temporary factory closures, working closely with our Sourcing and Buying teams to effectively manage product critical path and support our suppliers.

We are committed to stable, long-term relationships with our supplier partners. All Seasalt supplier partners are paying at least the legal minimum wage, with many paying the majority of their workforce more than that legal minimum, on a pay grading scheme that reflects skill and experience.

Bangladesh is currently governed by an interim government, led by Nobel Peace Prize winner Muhammad Yunus, following the former Prime Minister, Sheikh Hussein's exile to India. The interim government is very focused on labour law reforms and is working to advance worker's rights with the creation of two new committees and is working closely with the Bangladesh Garment Manufacturers Export Association (BGMEA).

We understand that the prospect of a further legal wage rise has not been discounted but this would constitute a change in law and subject to the timings and outcome of the current political situation. Please follow this link for further information [UK backs Bangladesh's democratic recovery as Minister meets Interim Government - GOV.UK](#)

We will carry on monitoring the situation as we have been doing, working alongside our partners and suppliers, to ensure we provide continued support.

MODERN SLAVERY

This statement and related contents in this report, are made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Seasalt slavery and human trafficking statement for the financial year ending April 2024. This report was approved by the board on the 20th December 2024.

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; therefore, we risk assess for modern slavery specifically by taking the following actions:

- Mapping our full supply chain to raw material origin by end 2027. This initiative began in 2021 where phase 1 of the project focused on China and was informed by the concerning reports of bonded or forced labour in the Xinjiang region of China and the alleged persecution of Uyghur and other ethnic minorities.

We ask our suppliers to cooperate fully on our request for information, including all supplier details and the completion of a self-assessment questionnaire (SAQ). Suppliers must also 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.

- Phase 2 included mapping Tier 2 suppliers in the rest of our global supply chain.
- From our mapping work, we have identified that our Tier 1 and Tier 2 facilities in China are in the Eastern and Southern provinces, and none are in the Xinjiang region. We are aware that forced labour may not just be present in the risk area of Xinjiang and that people could be moved and so have ensured that our Tier 1 suppliers do not have any evidence of large groups of migratory ethnic minorities in any of their facilities. This commitment continues and now forms part of the day to day work our Ethics and Compliance team perform when reviewing updated audits from our Tier 1 suppliers.

- We risk assess the responses to our bespoke self-assessment questionnaires and discuss with our Tier 1 and Tier 2 suppliers any areas that require clarity or further investigation. No evidence of government provided labour has been found in any of the Tier 2 suppliers to date.
- We have provided information about the issues to our Tier 1 suppliers, discussed it with them and offer guidance and support on how to identify key indicators of forced labour in the supply chain.
- We have cross referenced all Tier 2 businesses against names of companies that have been reported in various publications to have known links to business in the Xinjiang regions or migratory forced labour. We have found no connection to businesses connected to forced or migratory labour practices to date. Our next step is to cross reference our known supply chain with the publicly available companies lists shared by the [Helena Kennedy Centre at the Sheffield Hallam University](#). If we identify any links, we will activate our Tainted Product Policy within our [Responsible Cotton Sourcing Policy](#).
- To bolster our efforts in mapping and resolving any challenges we may find within our Chinese supply chain, Seasalt signed the call to action on human rights abuses in the Xinjiang Uyghur Autonomous Region. The call to action sets out actions for brands to follow to prevent their supply chains – including secondary and tertiary suppliers – from being linked to the human rights abuses in the Xinjiang region. By signing up, Seasalt committed to driving positive change across the retail industry and in our own supply chain, including detailed mapping of suppliers and sub-suppliers across China. Full details of the commitments in the Call to Action can be found here – [Call to action on human rights abuses in the Xinjiang Uyghur Autonomous Region](#)
- As a business we are aware of the connection of cotton farming and harvesting being connected to serious human rights breaches, not just in China but other areas of the world as well. To further ensure that we are not indirectly supporting any type of forced labour or human rights violations Seasalt has committed to ensuring that all cotton in our clothing and products is 100% organic and fully traceable by the end of 2024.

The use of the organic standards that come with fully traceable transaction certificates is key to us being able to trace the origin of all our cotton globally and independently verify the working conditions in our supply chain back to source.

Seasalt has worked with the Global Organic Textile Standards (GOTS) and our global auditing partners to ensure that cotton from prohibited regions are eliminated from their certified supply chains and to ensure we can trace cotton back to origin using the chain of custody process and global auditors.

- This year we published our [Responsible Cotton Sourcing Policy and Global Supply Chain Human Rights Policy](#). Our cotton policy clearly expresses our zero-tolerance approach to cotton sourced from the below locations in line with our commitments as a responsible business and in compliance to the call to action on human rights abuses in the Xinjiang Uyghur Autonomous Region and the USA's Uyghur Forced Labour Prevention Act (2021) .

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.

All organic cotton certificates are checked to identify cotton fibre origins and compliance to our Responsible Cotton Sourcing Policy. Seasalt requires that no cotton (fibres, yarns, fabric, finished products) should be knowingly sourced from the prohibited countries and regions listed above where there is high risk of human trafficking, forced or child labour. 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.

In 2025, we will identify where there is high risk of forced labour by likelihood and severity in the rest of our sourcing countries. We will update our progress in our next report.

SUPPLY CHAIN MAPPING

Supply chain transparency plays a vital role in our commitment to responsible sourcing. Understanding the complex supply chain from raw materials to finished product is essential for managing risks effectively.

Through our supply chain mapping program, a collaborative effort with our suppliers has yielded significant success in mapping and assessing risks across our Tier 1, subcontractor, Tier 2 and this year, our Tier 3 levels. Our mapping objective extends beyond mere listings of names and addresses.

We strive to delve deeper into the business ethics and worker support systems, enabling us to address highlighted risks and uphold workers' rights. The strong relationships we have with our Tier 1 factories enables us to work in close partnership to engage, support, identify and map our lower-level suppliers and pro-actively address any identified risk.

CERTIFICATION TRANSPARENCY

As part of the initiative to enhance transparency within our entire supply chain, we leverage textile certifications such as GOTS and RWS. The certification process provides unique chain of custody through Transaction Certificates that are issued at each stage of the supply chain. We use the certificates to gain a view of suppliers' details, locations and the origins of fibres. Our supply chain mapping and transparency is deepened via certified body digital certificate tracking systems.

This chain of custody allows us to understand both the business's ethics and how workers are supported, which enables us to work with our suppliers on identified salient risks and workers' rights.

SUPPLY CHAIN MAPPING PROGRESS

TIER 1

We have a clear, fully mapped, view of our Tier 1 supplier partners who we work with directly and who make the finished products we sell. All Tier 1 supplier details are regularly maintained and updated in an internal database system to which the Head Office teams have access.

As part of our journey towards greater transparency, we are committed to publishing Tier 1 information including factory name, address and country of origin in the [Open Supply Hub](#) and to update the list on a quarterly basis.

Our transparency on the Open Supply Hub encourages collaboration with other brands in the same facility, allowing us to pool resources and expertise. This collective effort enables us to effectively address any issues related to our supply chain origins, challenges and risk mitigation measures.

TIER 2

Tier 2 supplier mapping specifically covers the following categories:

- Fabric mills
- Yarn suppliers
- Wash facilities
- Dye facilities
- Printer / Embroiderer
- Leather tanneries

Our Tier 1 suppliers are required to provide us with the company name, address, country and the main activity of the Tier 2 suppliers, for example a fabric mill. Tier 2 mapping is conducted every year and is reported on internally every quarter to ensure all details are up-to-date, due to the fluidity and complexity of the supply chain caused by factors such as product requirements, cost comparison and business relationships.

In addition, our bespoke self-assessment questionnaire (SAQ) informed by the ETI Base Code, is required to be completed by all Tier 2 suppliers at least every two years. The SAQ requests Tier 2 suppliers to provide details about their company, along with worker information such as gender split, working conditions and health and safety practices. Key questions are asked in relation to wages, working hours, access to freedom of association and migrant worker origins. This data collection ensures that potential risks related to labour rights, environmental sustainability, and ethical practices are effectively identified.

Since 2021, when we began mapping Tier 2, we have identified over 330 Tier 2 suppliers. To date, we can risk assess 75% either through certification, or by the completion of our SAQ. Work continues to achieve above 90% full risk assessment.

TIER 3

In August 2024, we began mapping our Tier 3 suppliers, starting from our 2024 production season to progress in identifying and addressing any risks within this deeper level of our supply chain. This ongoing mapping initiative is part of Seasalt's commitment to transparency and responsible sourcing practices. The focus of the Tier 3 mapping is to ensure full visibility into the suppliers involved in the production of finished products and to identify any potential risks related to labour conditions, environmental impacts, and supply chain integrity.

Tier 3 supplier mapping specifically covers the following categories:

- Components: All trims, including but not limited to buttons, zips, elastic, thread, labels, eyelets, etc.
- Packaging: Branded packaging, boxes, tissue paper, foam, polybags, etc.
- Chemicals
- Dyes
- Yarn Suppliers to Tier 2 fabric mills.
- Fibre Suppliers to Tier 2 yarn suppliers.

- Leather Beamhouse or other processor to Tier 2 tanneries/finishers.
- Other Products and Services required by Tier 2 suppliers

Tier 3 mapping follows the same process as Tier 2 whereby we work closely with Tier 1 to collect Tier 3 company names, addresses, country and main activity, and request the completion of our self-assessment questionnaire.

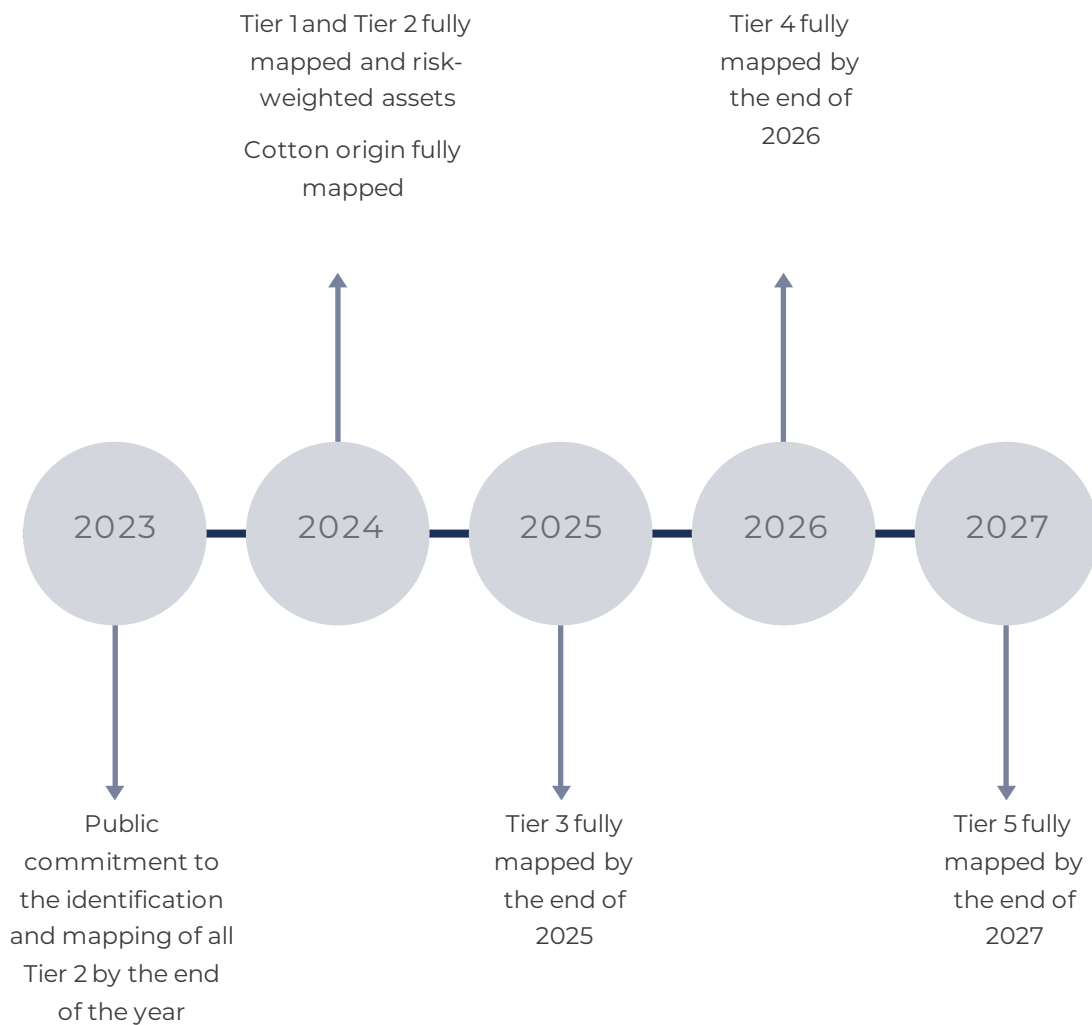
Tier 3 mapping will be conducted every year and will be reported on internally every quarter to ensure all details are up- to-date, due to the fluidity and complexity of the supply chain caused by factors such as product requirements, cost comparison and business relationships.

At the time of publication, Seasalt has successfully mapped 116 Tier 3 facilities across 11 countries. We aim to complete the full mapping of all Tier 3 suppliers by the end of 2025. This will ensure comprehensive oversight and risk management to this level of the supply chain, further strengthening Seasalt's commitment to sustainability and ethical sourcing.

NEXT STEPS: CONTINUE MAPPING TIER 3 AND BEYOND

Our strategic focus for the upcoming years reflects an unwavering commitment to further map the deeper tiers of our supply chain. Specifically, we plan to initiate the mapping process from 2024 through to the end of 2027.

SUPPLY CHAIN MAPPING STRATEGY (TIMELINE)



SALIENT RISK ASSESSMENT TABLE

To provide focus and to work effectively, we have identified the following areas of salient risk where we believe we can take actionable steps to improve.

Salient Risk	Country	Background	Likelihood	Impact	Actions taken/planned
Forced labour and Harsh or inhumane treatment	All sourcing countries Seasalt focus: China	<p>The forced labour of ethnic and religious minorities in the Xinjiang Uyghur Autonomous Region (XUAR) is a significant and growing concern that requires the attention of governments and private actors around the world, as part of a broader pattern of serious human rights violations.</p> <p>Products entering the United States, Europe and other democracies are at risk of being affected by these practices that often occur several steps away from global brands in supply chains.</p>	Likely	Extremely High	<ul style="list-style-type: none"> • First SME signatory of the call to action on human rights abuses in the Xinjiang Uyghur Autonomous Region. • Open communication with our suppliers. Strong relationships and collaborative working are key when we are reviewing topics like this, as are our suppliers' own business ethics. • Ongoing thorough review of independent audits that detail if there are any migrant workers or a large percentage of ethnic minorities in any of the facilities we work with. • Supply chain mapping to increase visibility of all processing and manufacturing facilities and their locations. We are currently identifying Tier 3 suppliers, in addition to updates for Tier 1 and Tier 2. We are working towards full supply chain visibility by end 2027. • To continuously investigate all publicly named companies associated with State Imposed Forced Labour (SIFL) to ensure there are no links to our supply chain. • Check all identified manufacturers and

				<p>processors in our supply chain identified in our supply chain mapping initiative, against the list of over 50,000 companies operating in the Xinjiang Uyghur Autonomous Region (XUAR) of China and companies named as engaging in labour transfers or other XUAR government programmes. These lists are created by the <u>Sheffield Hallam University, Helena Kennedy Centre</u> and are publicly available.</p> <ul style="list-style-type: none"> • In 2025, we will identify likelihood and severity of forced labour and prioritise by highest risk in the rest of our sourcing countries.
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Salient Risk	Country	Background	Likelihood	Impact	Actions taken/planned
Discrimination (gender inequality)	All sourcing countries Seasalt focus: India	<p>The textile and garment industry provides jobs and opportunities for millions of women. However, gender inequality is widespread in the sector, according to a study by the International Labour Organisation (ILO).</p> <p>Women are paid less than men for similar work and have fewer opportunities for promotion and training. They are at risk of violence, harassment and discrimination in the workplace. They are also responsible for caring for their families and children. This adds to their burden and can affect their potential employment opportunities.</p>	Highly Likely	High	<ul style="list-style-type: none"> In April 2024, we formally partnered with Women Win and Maitrayana, a local NGO in India, who work to advance girls and women's rights to improve gender inequality and women's economic empowerment. A pilot project was agreed to work with two supplier partners in the Delhi area of India where the Maitrayana team would conduct a series of workshops with groups of female workers to hear their voice and identify areas of improvement in their working conditions. June 2024, Maitrayana team meet with both factory's management teams to discuss the programme and share in open dialogue and discussion. Having the supplier's senior management team fully onboard is key to the project's success. For all workshops, female workers will be randomly selected from both the production and office admin areas. All worker's identities are anonymous. July 2024, workshops conducted with first supplier. Maitrayana shared with us that the workshops brought out many insights and the workers were very happy to have a space where they could share their thoughts and deliberate on what issues are important for them. September 2024, workshops conducted with second supplier. Maitrayana shared that it was a very good engagement, and they captured many good practises at the factory. In addition to the workshops, they also had open conversations with the Welfare Officer, Nurse and Human Resources Manager at the factory. October 2024, multi stakeholder meeting with the

					<p>first supplier to discuss the workshop findings and agree next steps.</p> <ul style="list-style-type: none"> • November 2024, multi stakeholder meeting with second supplier to discuss the workshop findings and agree next steps. • In 2025 we are planning to conduct phase 2 of the programme. It's very important to us that the workers see positive actions taken, and we look forward to receiving their feedback.
Wages	Protests Bangladesh	<p>In 2023, garment workers in Bangladesh call for higher wages as monthly wage growth had been below the rate of inflation for fifteen months. In response to the demands of workers and unions, a new Ready Made Garment industry (RMG) wage board was formed in April 2023.</p> <p>In November 2023, during the national wage revision process, thousands of workers protested to call for an end to poverty wages after months of negotiations in country. The wage board increased the legal minimum wage by 56% from 8000 to 12500 Bangladeshi Taka in December 2023, the first legal minimum wage increase in five years.</p> <p>Bangladesh is currently governed by an interim government, led by Nobel Peace Prize winner Muhammad Yunus, following the former Prime Minister, Sheikh Hussein's exile to India. The interim government is very focused on labour law reforms and is working to advance worker's rights with the creation of two new</p>	Likelihood of further protests: Likely	High	<ul style="list-style-type: none"> • Compliance and Ethics team notify Seasalt's senior management and executive board. • We formally analysed wages across our Tier 1 supply base using audit data and reached out to all suppliers in Bangladesh to enquire about worker safety during the protests and to gather responses on the rapidly changing situation. Seasalt senior leadership and executive board kept informed. • All Seasalt supplier partners are paying at least the legal minimum wage, with many paying the majority of their workforce more than that legal minimum, on a pay grading scheme that reflects skill and experience. • We issued a short survey to our suppliers and engaged in open dialogue to better understand the impact of the protests on business operations and the impact of temporary factory closures, working closely with our Sourcing and Buying teams to effectively manage product critical path and support our suppliers. • We are committed to continue to monitor the situation. Our compliance and sourcing teams are in regular contact with our trusted supplier partners in the country to offer support where we can.

		<p>committees and is working closely with the Bangladesh Garment Manufacturers Export Association (BGMEA).</p> <p>We understand that the prospect of a further legal wage rise has not been discounted but this would constitute a change in law and subject to the timings and outcome of the current political situation.</p> <p>Protests are reported in the media, up to the time of this report publication, in some areas of Bangladesh.</p>			<ul style="list-style-type: none"> We are encouraged to hear in December 2024, workers in Bangladesh will receive a 5% increment on their wages, plus an additional 4% from January 2025.
Excessive working hours	<p>All sourcing countries</p> <p>Seasalt focus: China</p>	<p>In the global garment industry, it is reported workers often endure excessively long and unrealistic working hours enforced by factory managers, with overtime demanded frequently, especially nearing deadlines. Resistance to overtime can jeopardise job security. These extended hours, coupled with insufficient breaks, lead to reduced productivity, lower quality and increased risks of accidents and health issues.</p> <p>Many workers rely on overtime pay to supplement low wages, but some factories exploit them by avoiding overtime payments through unrealistic targets or time manipulation. The ETI Base Code,</p>	Extremely Likely	High	<ul style="list-style-type: none"> Through internal knowledge, independent audit data, reporting tools and desktop research, we have identified excessive overtime as a country and sector risk. We aim to ensure that overtime does not exceed 60 hours per week for all Tier 1 and Tier 2 suppliers. We have been working continuously with our suppliers to reduce overtime in China. Using third-party independent audits, we analyse the working hours of our Tier 1 supply base. With our focus on China, we have identified one factory out of twenty-nine who has been recorded as working more than 60 hours in a week. China's local law is stricter than the ETI Base Code as it sets the maximum weekly working hours at 58 hours. We have identified four out of twenty-nine Tier 1 suppliers who are above this limit, and we are

		<p>except in rare cases, mandates that working hours should not exceed 60 hours per week, with at least one day off every seven days or two days off every 14 days, as per national laws.</p>			<p>working closely with them to understand the root cause and how to reduce the number of hours per week back to legal and ETI Base Code limits.</p> <ul style="list-style-type: none"> • In China, there are three primary systems that govern employee working hours: The Standard Work Hour System is the most widely implemented, with working hours capped at 8 hours per day and 40 hours per week. The Comprehensive Work Hour System accumulates work hours over a specified cycle (weekly, monthly, quarterly or yearly). The average number of hours is then determined based on this accumulation period. On this system, employees may work for up to 36 hours more before overtime rates apply. This system requires prior approval from the local labour bureau. The Non-fixed (flexible) work hour system also requires approval from the local labour bureau, and employees are generally paid as a salaried employee. • All overtime must be voluntary and paid at a premium of at least 125%. • Ensuring that the working hours of all our employees comply with national laws or benchmark industry standards or relevant international standards. This includes making sure everyone has appropriate rest breaks and time off work.
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Salient Risk	Country	Background	Likelihood	Impact	Actions taken/planned
Lack of access to freedom of association	All sourcing countries Seasalt Focus: China and Vietnam	<p>In China and Vietnam, workers' ability to form and join independent trade unions is restricted by local government. Freedom of association (FOA) is the right of workers to join and form trade unions or other organisations of their own choosing and to bargain collectively.</p> <p>FOA is integral to the ETI Base Code and is covered by two core ILO conventions.</p> <p>When FOA and Collective Bargaining are in place, workers can voice their concerns and disputes and grievances are effectively managed. Brands are expected to respect these rights and to ensure that they are respected in their value chains. International guidelines, including the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, have been established to monitor and safeguard these processes.</p> <p>Not all forms of representation are effective and robust to enable the worker to voice their concerns, feel heard and see actions taken and to receive feedback. A strong worker-management dialogue is essential. Where workers cannot effectively organise, there is increased risk of salient human rights issues, vulnerability and exploitation.</p>	<p>China: Extremely likely</p> <p>Vietnam: Extremely likely</p>	<p>China: Extremely high</p> <p>Vietnam: High</p>	<ul style="list-style-type: none"> China and Vietnam identified as having highest likelihood and highest impact of lack of FOA. To build our understanding of FOA, we review the annual ITUC Global Rights Index with particular focus on our sourcing countries. Seasalt expects all Tier 1 suppliers to have some form of worker representation. This year we formally analysed worker representation across our global Tier 1 supply base, plus a focus on China and Vietnam. The results of the data collection can be found on page 24. This critical view of freedom of association in our suppliers factories enables us to assess where workers have the greatest access, i.e. through an independent Trade Union, or where the worker representation can be strengthened. In 2025, we will analyse worker representation in Tier 2 and Tier 3 of our supply chain based on the responses we receive from our self-assessment questionnaires. Will report our findings in our next report.

<p>Effective operational grievance mechanisms</p>	<p>Initial research: All sourcing countries</p>	<p>A grievance is a problem or an issue that a worker experiences within their workplace. Grievances can cover a wide range of subjects, including disputes between other members of staff, wages concerns, working conditions, and more serious issues including discrimination and sexual harassment.</p> <p>A grievance mechanism (GM) is typically an internal procedure that provides a clear and transparent framework to address the complaints, followed by consideration, management response and feedback. An effective and robust grievance mechanism is essential to protect labour rights and provides the workers with access to remedy.</p> <p>The United Nations Guiding Principles (UNGP) no. 31 outlines the effectiveness criteria for non-judicial grievance mechanisms as:</p> <ul style="list-style-type: none"> • Legitimate – is one that enables trust from stakeholder groups for whose use they are intended, and is accountable for the fair conduct of grievance processes • Accessible – is one that is known to all stakeholder groups for whose use they are intended, and provides adequate assistance for those who may face particular barriers to access • Predictable- is one that provides a clear and known procedure 	<p>High</p>	<p>Extremely high</p>	<ul style="list-style-type: none"> • In 2025, we will formally analyse our Tier 1 supply base to identify the grievance mechanisms (GM) already in place. • Using audit data, we will identify if the GM meets the UNGP criteria for effectiveness. • We will raise awareness to our suppliers and other relevant stakeholders on the various types of grievance mechanisms and share the UNGP criteria with them. • Using resources from the Ethical Trading Initiative and other desktop research, we will proceed to gain a deeper understanding of the GMs within our supply base and request additional information through supplier surveys and open dialogue to identify any gaps and assess GM effectiveness. • Once we have concluded our initial study, we will be able to identify those sites in need of improvement and work closely with them to move towards a more robust and effective mechanism. • We will update our findings in our next report.
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		<p>with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of monitoring implementation.</p> <ul style="list-style-type: none"> • Equitable – is one that seeks to ensure that aggrieved parties have reasonable access to sources of information, advice, and expertise necessary to engage in a grievance process on a fair, informed, and respectful terms • Transparent – is one that keeps parties to a grievance informed about its progress and provides sufficient information about its performance to build confidence in its effectiveness and to meet any public interest at stake. • Rights-compatible - is one that ensures that outcomes and remedies accord with internationally recognized human rights • A source of continuous learning when it draws on relevant measures to identify lessons to improve the mechanism, and to prevent future grievances and harm 			
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Salient Risk	Country	Background	Likelihood	Impact	Actions taken/planned
<p>Non-organic cotton</p> <p>Health & safety, genetically modified seeds,</p>	All sourcing countries	<p>The use of pesticides in regular cotton is damaging to the health of cotton farmers and their pickers. Long-term exposure to chemical pesticides</p> <p>can create acute toxicity, causing respiratory problems, skin and eye irritation, seizures and can even be fatal.</p> <p>Financial hardship is another risk as farmers, under corporate control, accrue high levels of debt from investing in high-cost fertilisers to regenerate depleted soil, and the purchases of mechanised equipment and genetically modified (GM) seeds.</p>	Highly Likely	Extremely High	<ul style="list-style-type: none"> To eliminate this risk, we have made a public commitment to convert all cotton to be organic and fully traceable by the end of 2024. Our Responsible Cotton Sourcing Policy clearly states our position on the sourcing of cotton, including cotton fibre, yarn, fabric and finished product. We prohibit cotton from the following countries due to widely reported claims of forced and child labour and human trafficking: <ul style="list-style-type: none"> Turkmenistan Uzbekistan Azerbaijan Tajikistan Xinjiang province and Xinjiang Uyghur Autonomous Region (XUAR), China Our Responsible Cotton Sourcing Policy and Remediation Framework are available to view on our website. Our Product Compliance team constantly monitors GOTS Transaction Certificates, either manually or through a GOTS Certified Body Transaction Certificate digital tracking system to check all cotton fibre origin. 100% cotton country of origin is visible. We have a robust escalation and remediation policy in place, should cotton from a prohibited region be discovered. This has been informed by Anti-Slavery International, working with the Coalition to End Forced Labour in the Uyghur Region.

Salient Risk	Country	Background	Likelihood	Impact	Actions taken/planned
Homeworkers	All sourcing countries Seasalt focus: India	<p>Homeworkers are reported to be among the most vulnerable and marginalised workers in the supply chain, often having no legal status, no job security, no access to social security, low pay, irregular work and working in unsafe conditions.</p> <p>Homeworkers are present in many textile and apparel manufacturing countries globally, mainly in Southeast Asia, the Middle East and North Africa. It is estimated that there are 5 million homeworkers in India alone.</p> <p>Typical tasks for a homemaker within a supply chain might be embroidery or embellishment, none of which feature on Seasalt product. However, homeworkers can be tasked with other duties within the supply chain, such as assembly, stitching, finishing, trim attachment or packaging.</p>	Likely	High	<ul style="list-style-type: none"> We acknowledge the potential existence of homeworkers in our supply chain, and we are working with our Tier 1 suppliers to review production processes of our product to assess if any functions might include homeworkers. To identify who is involved in the production process and checking product for any hand finishing. Since 2019, we have had an internal Homeworkers Policy that clearly states our position. It was informed by external stakeholders including Home Workers Worldwide and the ETI. All Seasalt suppliers are in agreement with the policy and we ask they share the policy with key stakeholders. Our Home Worker Policy is available to view on our website. As we map our supply chain and increase visibility, we will be able to identify processes that are likely to involve homeworkers and we can take steps to investigate by working closely with our suppliers, through open dialogue, audits and factory visits.

On many country and sector-wide issues, we know that we cannot resolve them alone, and we acknowledge they require a collaborative approach. We are committed to working openly with our peers to add leverage and work to drive improvements. There is a lot to do, and identified salient risks will steer the commitment in future projects to improve resolution and minimise risk in key areas.

We are proud of the work we have achieved so far. The commitment of Seasalt's Executive Board, our employees and suppliers in improving lives in our supply chain is unwavering. We look forward to continuing working with our global supplier partners to deliver beautiful product made in the most responsible way possible and we will provide an update on our progress in our next annual Supply Chain Transparency and Responsible Sourcing Report 2025.

Signed by:

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

Paul Hayes
Chief Executive Officer

Signed: 20th December 2024
Review date: December 2025