

# HOBBS

## Hobbs Cotton Procurement Policy

This Policy is intended to help all organisations that are involved in the manufacture or supply of goods to Hobbs, collectively known as suppliers, in order that they understand the steps required to comply with Hobbs' Cotton procurement Policy.

We are committed to ethical trading as part of our global sourcing principles. These standards seek to ensure the integrity of the Hobbs brand and the welfare of all workers involved.

In this context we have serious concerns about the use of cotton from Uzbekistan and Turkmenistan as there is overwhelming evidence of Government sponsored use of forced and child labour in the harvesting of cotton. In 2016 Uzbekistan and Turkmenistan were the 5th and 9th largest exporters of cotton in the world respectively and responsible for producing approximately 10 percent of cotton globally.

Hobbs commits to not knowingly source Uzbek and Turkmen cotton, or indeed cotton derived from forced and child labour sources, for the manufacturing of any of our products. As a result of this, Hobbs has made the decision to ban the use of cotton coming from these regions. This pledge will stand until the International Labour Organisation (ILO) has verified that the respective governments have ended this unacceptable practice.

As such, Hobbs:

- Has established a company policy that prohibits the use of cotton from Uzbekistan and Turkmenistan and prohibits business with companies that are either invested in the cotton sector in Uzbekistan and Turkmenistan or using Uzbekistan and Turkmenistan's cotton.
- has incorporated this ban in all our supplier agreements.

We require our suppliers to establish the following controls:

- Set a company policy that prohibits the use of Uzbekistan and Turkmenistan's cotton and prohibits business with companies that are either invested in the cotton sector in Uzbekistan and Turkmenistan or using Uzbekistan and Turkmenistan's cotton.
- Incorporating this ban into your vendors' agreements.
- Request that their suppliers do the same.
- We continue to learn more about these practices. To support with this Hobbs are looking into opportunities to map our cotton procurement supply chain and will work with our suppliers and stakeholders to develop and implement practices that promote adherence to ethical standards across the Hobbs supply chain.

Hobbs may elect to perform random audits on fabric mills and factories to ensure the country of the origin of cotton is not from Uzbekistan or Turkmenistan. Should cotton be found to be from either of these countries Hobbs reserves the right to refuse all merchandise connected to the contracts with no liability or obligation to the supplier.