

Rapha Cotton Sourcing Policy

Document owners: Linda Crosa, Laura Haydon

Contact: enquiries@rapha.cc

Version: 3

Date: 20th December 2023

Scope

This policy applies to all Rapha cotton and cotton blend materials and trims, used in Rapha production.

The policy covers the social, labour and environmental risks present in the cotton supply chain tiers 1 to 4 of the supply chain.

Supply chain tiers are defined as follows:

Tier 4 - raw material origin

Tier 3 - raw material processing and suppliers of components to tier 2 materials

Tier 2 - materials suppliers (fabric mills, trim manufacturers)

Tier 1 - finished garment manufacturers

Background

Since Rapha's Logo range was first introduced in AW19, Cotton has become a huge part of our raw material strategy. For the AW21 season our nominated cotton supplier represents 7% of overall Tier 2 and is the 5th mill on our Top 10 mills by volume. It has, therefore, been necessary to turn our attention to the environmental and social risks involved in Cotton supply chains and ensure we are supporting ethical practice.

Cotton is the [most widely used natural fibre in textiles accounting for more than one third of total fibres manufactured worldwide](#). Globally, cotton is grown in 80 countries on 33 million hectares (around 2.5% of global arable land) and the majority of it is grown with the use of pesticides and fertilisers. Cotton is the highest ranking globally-traded product at risk of being produced using modern-slavery, therefore this policy details our stance on human rights abuses.

The typical cotton supply chain is complex, and often involves multiple facilities from farm to ginning, pressing, spinning, weaving or knitting and dyeing. Cotton is often traded multiple times and agents may be used at each stage. This can make tracing cotton from finished garment back to its original source, and therefore the enforcement of environmental and social and labour standards at each stage, challenging. To counter this, there are multiple traceability models available to solve this problem, with varying levels of attached complexity and cost.

Policy Fundamentals

1. Rapha requires all cotton to be organic or in-conversion by 2023
2. Impacts at farming and processing stages
3. Supply Chain Traceability
4. Human Rights Abuses

1. Rapha requires all cotton to be organic or in-conversion by 2023

To address the aforementioned environmental and social challenges, Rapha has committed to source only organic cotton by 2023. To this end, Rapha will work with its suppliers to meet our requirement for all cotton across every Tier (4-1) to be organic. We would like all our organic cotton to be GOTS (Global Organic Textile Standard) certified at fabric/trim level. When this is not possible, we also accept GOTS and in-conversion GOTS certification at fibre or yarn level, and Organic Content Standard (OCS) certification for the remainder of the Tiers.

A textile product carrying the [GOTS label](#) contains a minimum of 70% certified organic fibres, a product with the label grade 'organic' must contain a minimum of 95% certified organic fibres. Organic fibres are natural fibres grown without the use of synthetic toxic and persistent pesticides and fertilisers, and GMOs (Genetic Modified Organisms) according to the principles of organic agriculture. Organic agriculture is a production process that sustains the health of ecosystems, soils and people.

In-conversion cotton is the crop grown during the transition period from conventional to organic. It typically takes [three years](#) for the soil health and farming practices to be considered organic. There are risks to farmers during this process, which include potential drops in yields where chemical assistance is prohibited, which together with increased labour intensity lead to rising costs, and no guarantee of demand for their organic crop at the end of it. Buying in-conversion cotton supports farmers through the conversion process by signalling market demand for the in-conversion crop. In return, this helps secure the supply of organic cotton to meet increasing demand.

2. Reduce the impacts at farming and processing stages

Impacts of cotton fiber farming at Tier 4

According to Textile Exchange LCA of Organic Cotton Fiber, organically grown cotton has the following potential impact savings (per 1,000kg Cotton Fiber) over conventional: 46 percent reduced global warming potential, 70 percent reduced acidification potential, 26 percent reduced eutrophication potential (soil erosion), and 62 percent reduced primary energy demand (non-renewable).

Impacts of cotton processing

During processing, we encourage our suppliers to reduce the environmental and health impacts of synthetic chemicals as well as make an efficient and responsible use of water and energy. GOTS certification guarantees that harmful environmental and chemical impacts are minimised.

Rapha requires its Tier 1 and 2 suppliers to comply with the UK and [EU REACH](#) legislation to ensure that no hazardous or restricted substances are present in finished goods. In addition to this, we require Tier 1 and 2 suppliers to measure their chemical management performance through the [Higg FEM](#). This ensures that hazardous and restricted substances are not used during manufacturing through adherence to the [ZDHC MRSL](#), and the monitoring of water and waste treatment processes.

3. Supply chain traceability

Supply chain traceability is necessary to prevent, record and remedy social and labour risks in the cotton supply chain. Due to the complexity of the cotton supply chain, traceability to farm level is difficult. GOTS uses the segregation chain of custody model - which ensures that cotton is segregated at each stage of the supply chain, therefore guaranteeing traceability after farm level. At farm level, additional documentation is required to verify the country of origin. Any cotton, if covered by GOTS from ginning onwards, must be certified organic, therefore any cotton that has GOTS certification guarantees by proxy that no forced labour has been used at farm level (GOTS Social Requirements are based on the principles of ILO Declaration on Fundamental Principles and Rights at Work, guaranteeing that good working conditions are upheld).

4. Human Rights Abuses

Rapha requires that no cotton shall be sourced from regions with human rights abuses within their cotton supply chains as detailed in our Supplier Code of Conduct. Furthermore, no cotton shall be sourced where the monitoring of human rights practices is inhibited, such as the restriction of movement or freedom of speech which would prevent the operation of social and labour auditing.

Disclosure of process and documentation commitments to ensure this policy is upheld

Rapha commitments

1. Rapha commits to nominating all cotton suppliers where possible at tier 2 level. This allows us visibility of our cotton fabric suppliers, and allows us to build strong relationships. These relationships foster trust and cooperation that are necessary to tackle the complex nature of tracing cotton.
2. Rapha may audit our suppliers' compliance with this policy through the use of 3rd party auditors at any stage.

Supplier commitments

1. Sustainability certifications

Rapha requires GOTS scope certificates where available for all Tier 2 facilities at the onboarding process, and subsequently when each certificate expires. Rapha requires GOTS transaction certificates where applicable to be supplied at purchase order level by our Tier 1 suppliers, who will acquire these from Tier 2 suppliers at point of bulk shipment for every production batch, if not supplied by Tier 1. Tier 2 suppliers are responsible for gathering transaction certificates from tiers 3 and 4. Rapha commits to forecasting the need for GOTS certificates at fabric shipment level on forecasts to Tier 2 suppliers.

2. Material type and composition

Rapha requires its Tier 2 nominated source and Tier 1 where using local source suppliers to provide a Commercial and Technical Sheet for the specific material/trim, which includes any information related to the fibre/yarn specifications as well as any performance test conducted.

3. Manufacturing processes

Rapha requires all Tier 1 and 2 suppliers to report on environmental and chemical management processes via the Higg Index FEM annually.

4. Material Traceability

Rapha requires its suppliers at Tier 1 (where using local source) and Tier 2 for nominated source to trace and disclose all partners and facilities in its cotton supply chain to tier 4 level, including farming, ginning, trading, pressing, spinning, knitting, weaving, dyeing and finishing.

We require these suppliers to maintain documentation of facility name and location. This may take the form of GOTS transaction certificates for each stage of the supply chain, or

purchase invoices. Rapha may request this information at any time and expects suppliers to maintain records for five years.

Mutual commitments

Both Rapha and our tier 1 and 2 suppliers commit to upholding this policy.

Non-compliance procedure

In the case of a breach of a Rapha policy, we will always strive to rectify the situation with the stakeholder through remedial action. It is our duty to maintain business relationships where it is possible to effect positive change, and recognise that undue termination of contract does not solve problems, it merely pushes problems onto other organisations.

We would resort to termination of contract under the following circumstances:

- If, after repeated attempts at remedial action, it is not possible for an improvement to be made
- If the stakeholder shows no willingness to improve
- If it is not possible to undertake remedial action for reasons beyond our scope of control (for example Rapha is prohibited access to information or verification by an organisation with significant power such as a government, or during times of conflict where information flows are restricted or tampered with).

Communication & Governance

Rapha commits to circulating this policy and training all internal teams involved in the sourcing and use of cotton. We commit to circulating this policy to all Tier 1 and 2 suppliers and receiving their assurance of compliance.

This policy will also be hosted publicly on Rapha's website to make our position clear to all our stakeholders and to hold ourselves accountable to upholding these standards.

It is our duty to update and evolve policies as the situation changes. The Rapha Supply Chain Sustainability and R&D teams commit to ongoing due diligence on cotton sourcing to ensure the relevance of this policy, including a monitoring of the industry for any new developments such as traceability technology. We commit to reviewing this policy annually, and on an ad-hoc basis when significant developments occur.