



Dunelm Group PLC

Responsible Cotton Policy



All Dunelm brand products have to meet relevant legal standards, as well as our stringent ethical / anti-slavery requirements and the minimum materials standards set out in this policy, designed to limit negative impact on people, animals and the planet. Our Responsible Sourcing program sets a higher standard for our materials and is subject to verification.

Why Dunelm cares about cotton and how it's sourced

Cotton is used to make bed linen, curtains and fabric, it is stable, flexible and a prolific raw material that is present in most of the textile-based products that Dunelm sells.

Cotton is farmed in more than 100 countries. Its production and export is vital to the economies of much of the developing world; for instance 37 of Africa's 53 countries produce cotton. It supports the livelihoods of over 300 million farmers.

Cotton is a great natural raw material but cotton farming and cotton processing businesses can have negative impacts on the environment and the quality of the lives of the people involved. We are committed to addressing these issues and using our influence to steadily reduce their impact in our supply chains.

Our commitments, set out in this Policy, are part of a broader and comprehensive initiative covering raw materials used in the products we sell.

Scope

This Policy applies to all Dunelm Group companies and our own-brand products which contain cotton. Dunelm may also require assurances regarding compliance with this Policy for the cotton used in third-party branded products.

Our commitment

All cotton used in Dunelm own brand products is assessed annually against this Policy which covers social and environmental matters. Our aim is for all cotton in Dunelm own-brand products to be more 'Responsibly Sourced' by 2025. Each year we will review this Policy and the requirements for our 'Responsibly Sourced' programme as part of our commitment to continuous improvement. Only cotton supply chains which meet our minimum requirements and our preferred conditions (as set out below) will be eligible for inclusion in Dunelm's 'Responsibly Sourced' programme. Dunelm products that carry the "Responsibly Sourced Cotton" logo comply with this policy.

Process

We work with an independent team of experts to collect, review and verify all our suppliers of own-brand products containing cotton. We require each supply chain to be assessed at least once a year or more frequently if the structure of the supply chain changes. The risk of harm to people's health, safety and wellbeing and to the environment from the supply chain will be risk rated. Suppliers (and their supply chains) rated as High Risk will be required to take immediate action to reduce the level of risk. If action is not taken within an acceptable period, Dunelm will stop buying products from that supplier and supply chain.

Sources of cotton supply chain risks

Farmers establish and manage cotton plantations in sub-tropical regions to produce cotton fibre. The fibre is manufactured into a wide range of products by a variety of businesses located around the world. There are a range of well documented poor practices carried out by some growers and cotton processors - the ones that Dunelm is seeking to avoid. Examples of poor practices are associated with forced and child labour; water quantity and quality issues; inappropriate and excessive use of pesticides and fertilisers; low incomes for smallholder farmers; and soil depletion. The network of organisations in each product supply chain can be complex. Cotton supply chain risks fall into 2 principal categories:

Social - risks to human welfare.

The major sources of social risk are associated with:

- a) cotton farming, and
- b) finished product manufacture.

Environmental - risks to the natural environment

The major sources of environmental risk are associated with:

- a) cotton farming, and
- b) intermediate materials processing and finished product manufacture

Dunelm Cotton Sourcing Policy

Social risk

a) Cotton farming

Cotton fibre for Dunelm products **must not** be sourced from plantations located in the following countries/regions **under any circumstances** due to the severity of potential risk and the suspension of reliable third-party/independent assessment activity in these areas:

- China (Xinjiang Province only)

Cotton fibre for Dunelm products **must not** be sourced from plantations located in the following countries/regions, **unless** there is clear evidence of production under one of the following 3rd party independently assessed programs*:

- Better Cotton Initiative (including all 'benchmarked' schemes e.g., CMiA (including 'CMiA Organic'), ABRAPA and my BMP
- Cotton Connect REEL
- Fairtrade
- Amfori (BSCI)

- Relevant regional organic certification scheme (e.g. APEDA in India, GB/T19630 in China)

Countries and regions exhibiting systemic poor practices and therefore classed as **High-Risk** for cotton fibre production:

- Benin
 - Burkina Faso
 - Kazakhstan
 - Tajikistan
 - Turkmenistan
 - Uzbekistan
- Cotton fibre for Dunelm products originating from plantations located in any country/region other than those listed above, which have been independently assessed to satisfy one or more of the following standards, will qualify as **preferred***:
 - Better Cotton Initiative (including all 'benchmarked' schemes e.g., CMiA (including 'CMiA Organic'), ABRAPA and my BMP
 - Cotton Connect REEL
 - Fairtrade
 - Amfori (BSCI)
 - Relevant regional organic certification scheme (e.g. APEDA in India, GB/T19630 in China)

b) Finished product manufacture

Finished products containing cotton **must not** be manufactured for Dunelm in facilities located in the following countries/regions **under any circumstances** due to the severity of potential risk and the suspension of reliable third-party/independent assessment activity in these areas:

- China (Xinjiang Province only)

c) Finished products containing cotton which have been manufactured for Dunelm in facilities which have been independently assessed to satisfy one or more of the following requirements will qualify as **preferred***:

- ISO26000
- SA8000
- SEDEX (SMETA)
- MADE IN GREEN by OEKO-TEX
- Amfori (BSCI)
- 3rd party assessment to our Ethical Code of Conduct

Link to Ethical Code of Conduct

<https://corporate.dunelm.com/media/2729/dunelm-ethical-code-of-conduct-update-march-2020.pdf>

Environmental risk

a) Cotton farming.

Cotton fibre for Dunelm products originating from plantations which have been independently assessed to meet one of more of the following standards qualify as **preferred**:

- Better Cotton Initiative (including all 'benchmarked' schemes e.g. CMiA (including 'CMiA organic'), ABRAPA and myBMP)
- Cotton Connect REEL
- Fairtrade
- Relevant regional organic certification scheme (e.g. APEDA in India, GB/T19630 in China)
- Certified Recycled Cotton

b) Intermediate materials processing and finished product manufacture.

Intermediate product processing for Dunelm cotton-containing products which is performed in facilities independently assessed to meet one of more of the following requirements qualify as **preferred**:

- c) ISO14001
- d) EMAS
- e) EU Eco-label scheme
- f) GOTS
- g) MADE IN GREEN by OEKO-TEX

h) 3rd party assessment against environmental norms by an internationally respected and suitably qualified independent organization that is approved by Dunelm.

* Where certification/accreditation to alternative standards/programmes are provided, Dunelm's independent assessors will investigate to determine the eligibility of this standard with reference to the area of the Dunelm Cotton Sourcing Policy which is intended to be addressed by the supplier. To be considered eligible as an alternative evidence type, this standard/programme **must**:

- grant certification/accreditation to a business or site only on the condition that it meets a set of clearly defined environmental and/or social criteria,
- include an independent/third party on-site audit as part of the assessment process,
- be awarded by a body which is entirely independent of the business or site under assessment.

Links:

Better Cotton Initiative	https://bettercotton.org/
CMiA	https://www.cottonmadeinafrica.org/en/
ABRAPA	https://textileexchange.org/matrix/abrapa/
myBMP	https://www.mybmp.com.au/
Cotton Connect REEL	http://cottonconnect.org/reel-cotton-code/
Fairtrade	https://www.fairtrade.org.uk/Farmers-and-Workers/Cotton
APEDA	https://agriexchange.apeda.gov.in/Home.aspx
ISO26000	https://www.iso.org/iso-26000-social-responsibility.html
SA8000	http://www.sa-intl.org/index.cfm?fuseaction=Page.ViewPage&pageId=1689
SEDEX	https://www.sedexglobal.com/
GB/T19630	https://www.chinesestandard.net/PDF/English.aspx/GBT19630-2019
ISO14000	https://www.iso.org/iso-14001-environmental-management.html
EMAS	https://ec.europa.eu/environment/emas/
EU Eco-label scheme	https://ec.europa.eu/environment/ecolabel/
GOTS	https://www.global-standard.org/