



CREW CLOTHING COMPANY

UNAPPROVED SUBCONTRACTING POLICY

Monitoring our supply chain is essential to ensure that working conditions across sites manufacturing for Crew Clothing Company meet our Ethical Code of Conduct. An important aspect of being able to do this is having confidence in the supply chain information provided by our suppliers. Unapproved subcontracting puts workers at increased risk of exploitation as we cannot monitor conditions at unapproved sites.

While we recognise the complexity of fashion supply chains and the need for approved subcontracting, we expect all suppliers to guarantee that Crew Clothing Company products are only manufactured in sites that have been declared and approved by Crew Clothing Company. For the purposes of this policy, manufacturing sites include any subcontractor involved in the production (eg CMT, knitting) and processing (eg printing, embroidery, laundry, packaging) of Crew Clothing Company products.

This policy sets out the consequence to Suppliers where unapproved subcontracting is found in Crew Clothing Company's supply chain. As an Crew Clothing Company Supplier, it is your responsibility to have full visibility, oversight and to keep detailed records relating to every site involved in the manufacture of Crew Clothing Company products. It is also the Supplier's responsibility to ensure that all manufacturing sites involved in the manufacture of Crew Clothing Company products are aware of and uphold the Crew Clothing Company Ethical Code of Conduct.

All manufacturing sites must be declared to and approved by Crew Clothing Company before any production and/or manufacture of Crew Clothing Company products takes place.

If manufacturing sites are not declared and approved by Crew Clothing Company this will be considered to be "Unapproved Subcontracting".

From **1st January 2023**, any supplier found to have unapproved subcontracting within their Crew Clothing Company supply chain will face the following consequences:

1st finding of unapproved subcontracting - A deduction of **£5,000*** to be immediately debited against your Crew Clothing Company supplier account.

2nd finding of unapproved subcontracting
A deduction of **£10,000** to be immediately debited against your Crew Clothing Company supplier account.

Crew Clothing Company will also be entitled to:

- Conduct an immediate ethical assessment at the unapproved site at the Suppliers' cost, resulting in a worker remediation and corrective action plan
- Suspend all orders until ethical issues are resolved and trust in the management of the supply chain is regained
- Insist all goods (finished or unfinished) are moved to an approved site at the Suppliers' cost
- Cancel orders; and/or
- Review the business relationship

**Unapproved subcontracting deductions will be used or donated by Crew Clothing Company to support ethical supply chain initiatives or charitable causes.*