

Environment and Human Rights Declaration

MELA is a sustainable fashion brand that questions the status quo of the textile industry. We aim to produce sustainable textiles without compromises: 100% Fairtrade Cotton, GOTS and Green Button certified. As a fashion company, we are aware of the social and ecological footprint of our products. Hence, we take the responsibility for our decisions to make our products better day by day and to go beyond existing certifications. This is why, at MELA, we think in terms of continuous and closed material cycles when designing our products. In doing so, we are inspired by the “Cradle to Cradle” concept. This design concept is based on nature, which knows no waste: products are designed in such a way that they do not harm the environment but can be added to it again as nutrients. This is also the reason why we always aim for 100% cotton and do not use mixed fibers in our products. We take care not to create inseparable compounds between different materials. This is also the reason why we are continuously working on improving other ingredients that go into our products, besides the main fabric, such as cotton sewing thread or natural corozo buttons.

Commitment: MELA is aware of the possible risks that can occur in its supply chains in India and Sri Lanka. This is why we are committed to the Guiding Principles on Business and Human Rights by the United Nations from 2011, the UN Convention on the Rights of the Child, the Convention on the Elimination of all Forms of Discrimination against Women, the Conventions of the International Labour Organisation (ILO), and the OECD Guidelines for Multinational Enterprises. We are committed to the prevention, mitigation, and amendment of any actual negative effects on human rights and the environment that might occur through our procurement practice, in accordance with OECD recommendations for the textile sector.

Social and Environmental Standards: To help eliminate risks and negative effects within our supply chains, all our products, our suppliers and we ourselves are certified by the Global Organic Textile Standard (GOTS) and by the Fairtrade Cotton standard. The Fairtrade Cotton standard helps MELA to ensure that a fixed purchase price plus a premium is paid for the cotton to the farmers. Fairtrade Cotton covers social standards along the supply chain that at least meet the ILO criteria. Independent audits are conducted by FLO-CERT on a regular basis. Through compliance with GOTS, comprehensive and binding ecological criteria are met along the entire supply chain, from extraction of raw fibers to the environmentally friendly and socially responsible production of the end products. The certification process is conducted at least once a year by GOTS approved independent auditors. GOTS for example prohibits the 11 hazardous chemicals that are targeted in Greenpeace’s Detox campaign, and we are fully committed to these requirements. Independent laboratory tests on the materials and finished products of all our production lots are conducted.

Subcontracting: MELA sources all its products directly from its suppliers. All tier 1 supplier are based in India or Sri Lanka. In accordance with our certifications, subcontracting is only allowed if the subcontractor is registered with the certification body under the scope of our suppliers. This is also checked by our sourcing agency, which visits each production unit several times a year to conduct inline and final inspections. Second tier subcontracting by the prime subcontractor is not permitted.

Risk assessment: We regularly conduct risk assessments. MELA has identified the most relevant risks according to the supply chain steps and divided them into environmental and social risks. The most relevant environmental topics are chemical management and usage, soil and ground water contamination as well as waste. The most pressing social issues are in the field of labor conditions,

MELA

including contracts and working hours, health and safety at work, wage and remuneration, discrimination and gender, freedom of association, corruption and bribery, and child labor.

Vulnerable stakeholders: We have identified vulnerable stakeholder groups that may be impacted by our operations, in line with OECD recommendations. These groups include women, ethnic, religious and caste minorities, international and domestic migrant workers, indigenous people, home-based workers, and community members. We are committed to consider their needs in the implementation of our own due diligence processes, where possible, by prioritizing and developing measures that take their interests into account. With the assistance of our standards, we can rely on systematic approaches to address the needs of vulnerable stakeholders in our supply chains. For example, our standards require the implementation of committees, trainings, and grievance mechanisms specifically to protect vulnerable stakeholders, such as the Internal Complaints Committee for the prevention of sexual harassment of women at the workplace. Such measures are communicated by our suppliers in all languages spoken by their employees, including those of migrant workers, and confidentiality is ensured. Non-discrimination in employment practices towards vulnerable stakeholders is assessed, including salary, benefits, discipline, termination or retirement, on the basis of vulnerabilities such as race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, political opinion or disability.

Grievance mechanisms: Grievance mechanisms play a central role in strengthening human rights, environmental protection, and integrity in textile supply chains. Effective mechanisms are a fundamental part of identifying problems and giving people the opportunity to communicate their concerns. Therefore, we have implemented a complaint mechanism on our website, easily accessible for everyone in the footer menu. To guide the complaint process, we have developed a process chart outlining the specific steps following a complaint, including responsible staff and timelines. We are dedicated to safeguarding complainants from retaliation.

Living Wages: We see wages as one of the most urgent topics in the supply chain. This is why we have tested the new Fairtrade Textile Standard for the last two years as pilot partner together with our main garment supplier Purecotz. A second supplier of ours was certified against the Fairtrade Textile Standard in 2023. In both cases, we pay a FOB value based on the Anker method used by the Fairtrade Textile Standard, to support our suppliers in surpassing the national minimum wage and moving toward a living wage.

Our commitment towards sustainable business practices is not limited to our design, sourcing and production practices, but is also part of all our other activities, for example: our financial transactions are handled by a sustainable bank, our headquarters' roof top is covered with solar panels and our full-time employees receive wages above the national minimum wage.

Henning Siedentopp

Managing Director, mela wear GmbH

