

Cotopaxi's Salient Human Rights Issues

First, what's a salient human rights issue? And why are we writing about it?

A company's salient human rights issues are those issues that pose the greatest risk to people. .

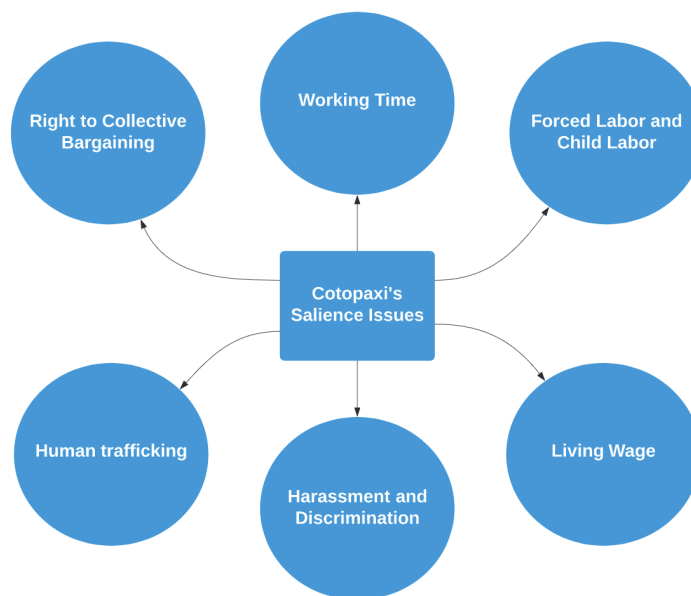
According to the the UN Guiding Principles Reporting Framework: :

The concept of salience uses the lens of **risk to people**, not the business, as the starting point, while recognizing that where risks to people's human rights are greatest, there is strong convergence with risk to the business.

The emphasis of salience lies on those impacts that are:

- **Most severe:** based on how grave and how widespread the impact would be and how difficult it would be to reverse the resulting harm;
- **Potential:** meaning those impacts that have some likelihood of occurring in the future, recognizing that these are often, though not limited to, those impacts that have occurred in the past;
- **Negative:** placing the focus on the avoidance of harm to human rights rather than unrelated initiatives to support or promote human rights;
- **Impacts on human rights:** placing the focus on risk to people, rather than on risk to the business.

Based on our context and focus as a company, Cotopaxi's salient issues have been defined as follows:



Why did we choose these issues as salient risks?

1. Our mission. Our foundational mission as a business remains to alleviate poverty. But we can't drive social equity if we're not considering how our company negatively impacts workers and communities. This is why we assume these salient issues are occurring and are adopting new frameworks to actively try to prevent and eradicate these issues. Going forward, Cotopaxi will use a combination of compliance, collaboration, grants, capacity building, and responsible purchasing methods to drive social performance.
2. Our industry. Textile and apparel companies have complex supply chains that are known to have widespread labor and human rights violations. We would rather *assume* there are violations and do everything possible to prevent, mitigate, remediate, and improve social performance knowing these issues are almost certainly occurring.
3. Audits and partnership communications. Full disclosure: We know our business has links to overtime and unauthorized subcontracting, because they've shown up in audits and supplier surveys. We remediated these issues and are committed to ongoing supplier monitoring and capacity building.
4. Stakeholder input. Through anonymous surveys to external stakeholders, such as NGOs and suppliers, and as discussed during internal stakeholder discussions, these issues repeatedly came to the forefront as the most prevalent risks our brand poses to society.