

Worker health and safety are priorities for the U.S. cotton industry and the Trust Protocol contains robust criteria for labor practices supported by a grower questionnaire on worker rights and well-being.

Areas of focus include fair labor and child labor as well as safety and hygiene. If any individual registers for the Trust Protocol but does not adhere to the worker well-being principles, they are denied membership.

While labor and safety practices in the U.S. cotton industry are regulated by multiple federal and state agencies, the Trust Protocol ensures compliance through third-party verification processes, confirming that all standards are met.

U.S. regulations address provisions for minimum wage, overtime pay, record keeping, migrant housing, access to uncontaminated water, personal protective equipment, and the provision of medical assistance in case of emergency. In addition, the U.S. Department of Labor enforces the Fair Labor Standards Act which restricts the employment and abuse of child workers. Provisions under the act are designed to protect children's access to education and prohibit them from jobs that are detrimental to their health and safety. Furthermore, cotton is also considered a food crop and therefore is regulated by the Food and Drug Administration (FDA), United States Department of Agriculture (USDA), and Environmental Protection Agency (EPA).

The Trust Protocol's farm management and worker well-being principles overlap to provide full coverage of safe labor practices which include a focus on safe crop protection practices. EPA regulations mandate that farmers provide training and inform workers about pesticide safety, provide protections from potential exposure, and have plans to mitigate exposure all in ensuring the safety of employees. The EPA also ensures that workers have training on procedures to safely handle, store and apply pesticides.

Criteria for worker well-being: 1. Workers are treated fairly

- 2. Wages are equal to or higher than required
- by lawWorking hours comply with national and
- state law
- 4. Children are not exploited in any form
- 5. There is no forced, compulsory, bonded or trafficked labor
- 6. Workplace is kept safe by minimizing hazards
- 7. Discrimination of all forms is forbidden
- 8. Equal wages are paid to workers who perform the same job, regardless of gender, race, or ethnicity
- 9. Safe and hygienic sanitation is accessible
- 10. Potable drinking water and wash-water are provided
- 11. Workers have freedom of associations
- 12. Abuse or harassment of any kind is not tolerated

Criteria for farm management:

- 1. Assure an effective farm management system
- 2. Keep farm infrastructure safe for workers, farm animals, and the environment
- 3. Provide training to promote safe working habits and practices
- 4. Develop continuous improvement plans using insights from Fieldprint metrics







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SOCIAL

All data under the social aspect is analyzed using the self-assessment questionnaire responses submitted by Trust Protocol grower members.

The responses comprise of five possible outcomes:

- (1) I am in compliance (on required questions),
- (2) I do now on most of my fields,
- (3) I am implementing on one or more fields,
- (4) I will consider in next three years,
- (5) Not appropriate for my farming operations/ Not applicable.

Under worker well-being there are 12 Trust Protocol criteria captured in the 25 questions in the self-assessment questionnaire – 20 of which are mandatory practices for farmers to comply in order to qualify as a Trust Protocol grower member, and five of which are recommended practices.





Criteria 1: Workers are treated fairly.

Required practices: In the United States, the Fair Labor Standards Act (FLSA) mandates a minimum wage, breaks for meals and rest, and forbids child labor and involuntary servitude. In addition, most U.S. states have enacted legislation requiring minimum wage to be equal to the federal minimum wage level. The act applies to both full-time and part-time workers. The Trust Protocol is aligned with all required practices by law.

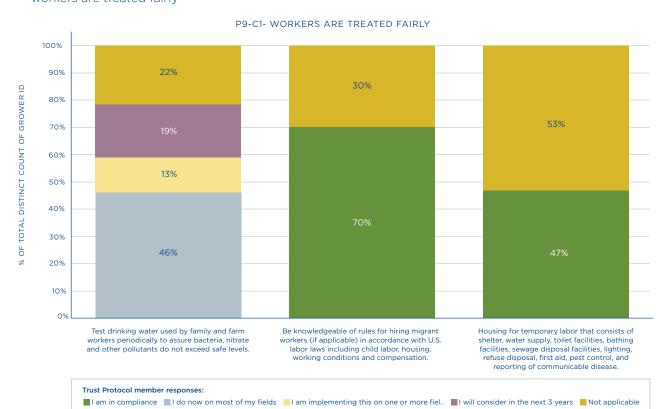
Under the U.S. Department of Labor, the Migrant and Seasonal Agricultural Worker Protection Act provides protection of seasonal or temporary agricultural workers by mandating the employer for disclosing in writing or orally mentioning the wage rates, housing, transportation and working conditions. 70% of Trust Protocol grower members (Figure 9) complied while 30% of the growers answered not applicable as their farming

operations did not hire any migrant workers. 53% of the Trust Protocol grower members answered not applicable for housing for temporary labor and seems likely that the majority of the farms have full-time employees and are family-owned operations. The 2012 Census of Agriculture reported 89% of the cotton farms were owned by family and partnerships within the family.

According to the Equal Employment Opportunity Commission (EEOC), harassment is a form of employment discrimination. Trust Protocol membership strictly prohibits use of corporal punishment, sexual harassment, and any from of verbal/physical abuse.

Recommended practices: Testing drinking water used by family and farm workers had responses of 59% of Trust Protocol grower members are doing on most of the fields, 19% will be practicing it in next 3 years and 22% responded not applicable probably because of sole proprietorship.

Figure 9: 2020/21 percentage of grower's responses on recommended practice under the criteria-workers are treated fairly



Criteria 2: Wages are equal to or higher than required by law are provided.

Required practices: The Trust Protocol requires grower members follow the minimum wage to be equal to the federal minimum wage level.

Criteria 3: Working hours comply with national and state law.

Required practices: Occupational Safety and Health Act (OSHA) rules require that hazardous activities be prohibited for minors, and the farm must follow state laws governing night-time labor.

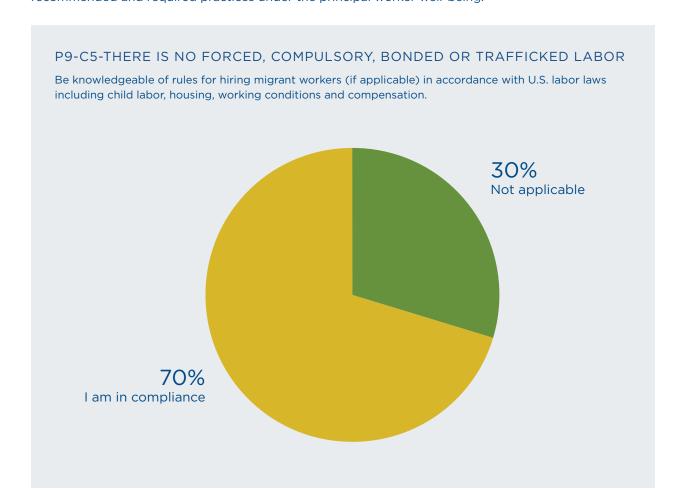
Criteria 4: Children are not exploited in any form.

Required practices: The Trust Protocol is in alignment with the International Labor Organization on child labor and forbids all forms of exploitation. There must be no workers employed below the minimum age for employment defined by law.

Criteria 5: There is no forced, compulsory, bonded or trafficked labor.

Required practices: The Trust Protocol prohibits all forms of forced labor or forced prison labor on the farm. 30% of Trust Protocol grower members responded to not applicable as they do not hire any labor and are family-owned farms managed explicitly by the family members (Figure 10).

Figure 10: 2020/21 percentage of Trust Protocol grower members in compliance with recommended and required practices under the principal worker well-being.





Criteria 6: Workplace is kept safe by minimizing hazards.

Includes both required and recommended practices, explained under the Farm safety principle.

Criteria 7: Discrimination of all forms is forbidden.

Required practice: The U.S. Equal Employment Opportunity Commission (EEOC) enforces federal laws prohibiting discrimination against an employee during a variety of work situations including hiring, firing, promotions, training, wages, and benefits. Trust Protocol grower members are required to take measures such as posting EEOC placards and posters in common areas to advise of the policy to prevent all forms of discrimination in the workplace and advise of grievance procedures.

Criteria 8: Equal wages are paid to workers who perform the same job, regardless of gender, race, or ethnicity.

Required practice: This criterion requires Trust Protocol grower members abide by the laws enforced by the EEOC to prohibit employers from paying employees differently based on race, color, gender, and national origin.

Criteria 9: Safe and hygienic sanitation is accessible.

Required practice: The Trust Protocol requires farm owners/employers to provide employees access to sanitation, consisting of drinking water, toilet, and handwashing facilities.

Criteria 10: Potable drinking water and wash-water are provided.

Recommended practice: In the U.S., rural drinking water comes from artesian sources naturally filtered by sand and gravel deep underneath the earth's surface and is recognized as safe. However, as a precautionary measure against inadvertent contamination, Trust Protocol grower members are recommended to test the drinking water used by family and farm workers periodically to assure bacteria, nitrate, and other pollutants do not exceed safe levels. Testing drinking water used by family and farm employees received a response of 59% while 19% responded they would do it in the next three years, and 22% of the grower member's farms were not applicable likely due to sole owner/operator of the farms (Figure 9).

Criteria 11: Workers have freedom of associations.

Recommended practice: The Trust Protocol grower members guarantee that workers/ employees have the freedom to create or join organizations of their own choosing, and that there is no management interference with the ability of workers to bargain collectively.

Criteria 12: Abuse or harassment of any kind is not tolerated.

Recommended practice: Harassment is a type of workplace discrimination, according to the EEOC. It is forbidden to employ corporal punishment, sexual harassment, or verbal/physical abuse.





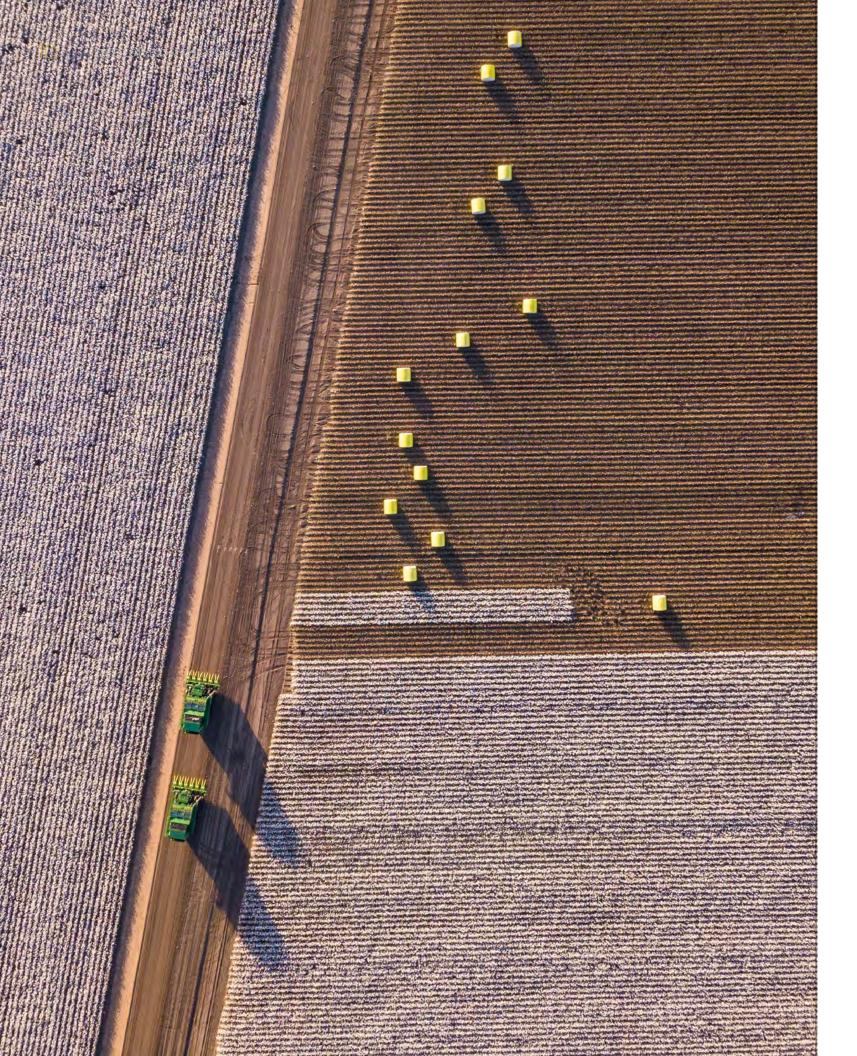


Farms are becoming more advanced each day as they are quickly adopting new technologies and updating machinery and equipment in order to increase their production capabilities. The Trust Protocol requires farm infrastructure to be kept safe for workers, farm animals and the environment.

Required practice: In 2020/21 Trust Protocol grower members were in compliance with the following practices:

- a. Working to assure on-farm disposal sites are in compliance with state and local regulations.
- b. Triple rinsing all jug, bottle or bucket pesticide containers and encourage supplier of totes to rinse totes or take other measures to minimize exposure to workers or the environment.
- Securing all pesticides during transportation and ensuring they do not encounter human or animal food, clothing, bedding, toiletries or similar items.
- Reading labels and following any local ordinances on disposal of pesticide containers.
- e. Maintaining safety guards and/or shield on farm equipment.
- f. Locating above-ground petroleum storage tanks at a minimum of 25 feet from any source of ignition or propane source.
- g. If applicable based on storage volume, providing dikes for petroleum tanks to hold 110% of tank volume.
- h. If applicable based on storage volume, maintaining emergency hazardous spill plan (Spill Prevention Control and Counter measures plan requirements or other regulatory requirements).

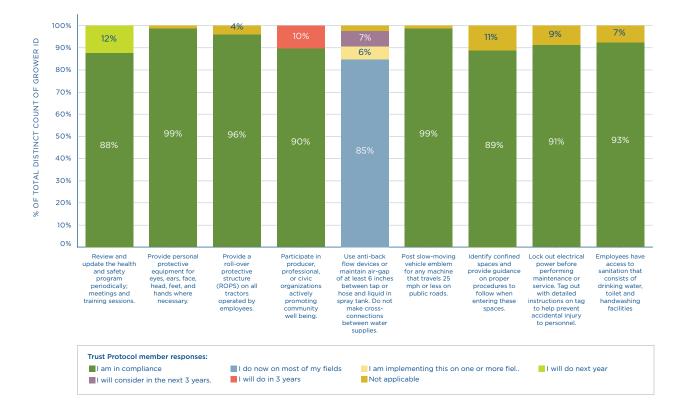
- Ensuring that accident and emergency procedures, including first aid kits and access to appropriate transportation to medical facilities, are in place.
- When required for a specific restricted use pesticide, including Highly Hazardous Pesticides, employing closed application and delivery systems and product-specific mitigation as mandated on label, to prevent exposure of workers and operators, spills and environmental exposure.
- Using only crop protection materials registered and approved by the EPA and state regulators.
- Following label and using directions of crop protection products, and only on the crops specified.
- m. Obtaining necessary permits, licenses, and training for the application of crop protection products.
- Communicating information to employees on hazardous chemicals through labels, safety data sheets (SDS), and training programs as well as a written hazardous communication program and recordkeeping.
- Complying with regulations applicable to agricultural operations under OSHA as well as EPA worker protection standards and other appropriate regulations.
- Complying with Worker Protection Standard regarding protective clothing, posting, restricted re-entry intervals, and training.
- q. Using enclosed cabs on all ground boom application equipment for restricted use pesticides.
- Providing regular employee educational programs dealing with farm safety, pesticide handling and on-farm environmental concerns.



Recommended practice: Trust Protocol recommends grower members keep the farm safe by adopting the following practices (Figure 11):

Figure 11: 2020/21 percentage of growers in compliance with recommended practice under the principle of farm safety





U.S. COTTON TRUST PROTOCOL WORKER WELL-BEING HEALTHY 8

- a. Reviewing and updating the health and safety of the program periodically and conducting periodic meetings and training sessions for the workers. 88% of the Trust Protocol grower members adopted this practice while 12% have committed to conduct periodic training and review in next year.
- b. Providing Personal Protective Equipment (PPE) for eyes, ears, face, head, feet, and hands where necessary. PPE is worn to minimize exposure to hazards that cause serious workplace injury and illness. 99% of Trust Protocol grower members were in compliance.
- c. Provide a roll-over protective structure (ROPS) on all tractors operated by employees. ROPS are metal bars, frames, or crush proof cabs that are designed to provide a protective zone around the tractor operator in the event of a roll over or overturn. 96% of Trust Protocol grower members were in compliance and 4% opted for not applicable.
- d. Participate in producer, professional, or civic organizations actively promoting community well-being. 90% of Trust Protocol grower members participated and actively promoted community well-being and 10% will participate in community activities in the next three years.
- e. Use anti-backflow devices or maintain airgap of at least 6 inches between tap or hose and liquid in spray tank. Anti-backflow devices help prevent water being contaminated by allowing it to flow in one direction. 91% of Trust Protocol

- grower members are currently using antibackflow devices, 7% will start using in next three years, and 2% reported as not applicable to their farming practice.
- Post slow-moving vehicle emblem for any machine that travels 25 mph or less on public roads. 99% of Trust Protocol grower members posted emblems for a slow-moving vehicle on roads.
- g. Identify confined spaces and provide guidance on proper procedures to follow when entering these spaces. 89% of Trust Protocol grower members embraced this practice and 11% responded as not applicable.
- h. Lock out electrical power before performing maintenance or service. Tag out with detailed instructions on tag to help prevent accidental injury to personnel. 91% of Trust Protocol grower members followed this recommended practice and 9% of grower members reported not applicable due to not performing any maintenance or services in their own farm instead taking it to a shop.
- i. Employees have access to sanitation that consists of drinking water, toilet and handwashing facilities. 93% of Trust Protocol grower members were in compliance and 7% responded not applicable as all farms do not have employees and mostly they are family owned where houses are next to the farms and used as offices.



