

BARKERS'

Estd. 1972

Buying Policies

Barkers Buying Policies

Barkers Suppliers are critical part of our business eco-system and crucial to the success of our business. We work with our suppliers as partners on the basis of transparency, trust and mutually beneficial business relationships – where all parties win and share in the success of working together.

To ensure we develop and maintain truly mutually beneficial partnerships, our suppliers are required to adhere to Barkers Supplier Code of Conduct and Supplier Policies to ensure they deliver and maintain the standards required by Barkers to ensure our sourcing policies are as Ethical and Sustainable as possible.

Equally Barkers Buying and Production staff are required to adhere to the following Buying Policies to ensure we are working with our suppliers to encourage positive working relationships and ensuring all suppliers provide very high standards for working conditions for their employees.

SUPPLIER SELECTION:

Every potential new supplier must pass a rigorous selection process to ensure they meet the minimum standards set out in Barkers Supply Agreements, Supplier Policies and Audit process as follows

1. Initial Assessment

- New suppliers are required to provide a capabilities report to Barkers Production Manager including
 - i. Business information – Ownership structure, financial stability, commercial capability (references or proof of commercial strengths), ethical & environmental information (audits e.g. BSCI / WRAP / BCI etc.)

2. Site Inspection

- Following acceptable review of an Initial Assessment - Barkers Production Manager and Buyers will conduct a Site Inspection of the Garment Factory, and if / where applicable the Fabric Mills to assess an Ethical Audit.
- This inspection will review – Working Conditions / Standards, Health & Safety practices, Worker policies, condition & quality of the factory equipment, environmental policies & procedures.
- Meet with Senior Management to discuss Barkers Supplier Code of Conduct, Policies and Audit requirements.
- Discuss ways of working and assess if the Supplier aligns with Barkers philosophies.
- Agree to Terms of Trade

3. Trial Order

- On successful completion of step 1. And 2. Barkers may proceed to testing a trial order/s with the potential supplier to assess – quality, production processes, communication etc.
- On completion of a successful Trial Order/s, Barkers will decide if the supplier qualifies to become a Full Supplier.

4. Contract & Child Labor Free Audit

- If both parties agree to move to a Full Supply arrangement, Barkers will issue a Barkers Supplier Agreement for execution by both parties.
- Barkers will arrange for an initial Child Labor Free audit.

5. Supplier Appointment

- On completion of contract signing, and successful audit result – a full Supply Partnership will commence.

BARKERS BUYING POLICIES:

1. Continuously working to improve our policies and practice to enable our suppliers to be able to meet their commitments as outlined in our code of conduct.
2. Treat suppliers with respect and consideration in all our dealings and communications.
3. Communicating clearly, promptly and accurately on all issues concerning orders.
4. When obtaining cost prices we do not set target prices, but rather request a cost price from the supplier on the basis of the very best quality required, which includes paying for highly skilled, well paid workers in the best factories possible.
5. Should an initial cost price require negotiating lower, we never negotiate a price that is below the cost of production, acknowledging this will impact on the wages and working conditions of workers.
6. Staying with our current supplier if a higher price will ensure decent wages and working conditions for workers, rather than moving our business elsewhere purely on the basis of price.
7. Providing suppliers with annual / seasonal and monthly production forecasts, to enable them to plan for peak periods and resource accordingly.
8. Placing orders with lead times that do not trigger excessive working hours or sub-contracting.
9. Where possible – place fabric orders for core programmes to reduce pressure on lead time and fabric sourcing, so fabric is on hand as production is required.
10. Refraining from changing orders repeatedly and with short notice. If changes are unavoidable, amending target delivery times accordingly.
11. Sharing the cost of implementing and monitoring improvements in working conditions.
12. Taking pay and working conditions of workers into consideration when reviewing our business relationship, rather than ending a business relationship purely on the grounds of price or quality.

ANIMAL WELFARE POLICIES:

Barkers are committed to making sure our products are from fair and ethical sources. All suppliers must be socially responsible when using animal products, and are required to adhere to the following policies:

Endangered Species

No Supplier is to use products from endangered species on the CITES (Convention on International Trade in Endangered Species) or IUCN (International Union for the Conservation of Nature) list.

Wool

Barkers are committed to sourcing wool from sheep that are treated ethically and humanely. All wool is to be sourced from non-mulesed certified suppliers such as Responsible Wool Standard.

No angora is to be used in Barkers products.

No Karakul (also known as broadtail and astrakhan), or any skin products from aborted animals is to be used in any Barkers products.

Down / Feathers

Barkers are committed to sourcing down and feathers from birds that are treated ethically and humanely. Barkers only approves the use of down / feathers that are a by-product of the meat industry and does not use down /

feathers from harvesting, live-plucking, or foie gras operations. Barkers down / feather suppliers are required to certify that they are strictly complying with our down / feather policy such as Responsible Down Standard.

Leather

Barkers only approves the use of leather and hides are to be sourced as a by-product of meat production / food industry.

Fur

Barkers does not condone the harvesting of animals for their furs, or allow the use of real fur in our products, with the exception of Possum fur which is harvested in New Zealand from wild pest populations and is considered by the New Zealand Department of Conservation one of the solutions for the control of possums for natural heritage protection.

OTHER POLICIES:

AZO Dyes

Barkers manufacturers and suppliers are responsible for ensuring that all fabric, materials and finishes used in Barkers products meet the standards for restricted and banned chemicals, including the non use of AZO dyes.

Anti Bribery & Corruption Policy

This Policy is compulsory for all Barkers employees, agents, intermediaries, consultants, distributors, sub - contractors, suppliers and Joint Venture partners working on the Company's behalf anywhere in the world ("Business Partners").

No party shall engage in acts of bribery and corruption.

A bribe can include any gift, benefit or payment offered or given with the purpose of influencing a decision or outcome.

The following conduct is prohibited under this Policy:

Prohibited Conduct

- Offering or accepting lavish gifts or entertainment as a reward, inducement or encouragement for preferential treatment or inappropriate or dishonest conduct, especially during a tender process or contract negotiations (see below for more details);
- Appointing any third party or supplier to act on behalf of the Company (or Business Partner) who you know or have good reason to believe to have engaged in any corrupt or unlawful conduct.
- Paying any third party for the purposes of being a 'fixer' to open doors and make connections for Barkers overseas; or making unofficial payments to officials in order to obtain any permit, permission or stamp particularly in connection with importing or exporting goods.

Facilitation Payments

Facilitation payments ('facilitating', 'back - hander', 'kickbacks' or 'grease' payments) are any payments, usually small cash payments made to low - level officials, as a bribe to secure or expedite the performance of a routine or necessary action or level of service.

Company employees or Business Partners must never offer, pay, solicit or accept bribes in any form, including facilitation payments.

Exception: The only exception to paying a facilitation payment is where your life is in danger. If a facilitation payment is made in such circumstances, it must be reported as soon as practicable or possible to the Barkers Managing Director.