

Barbour®

J Barbour & Sons Ltd. MODERN SLAVERY STATEMENT 2021/2022

Summary for Financial Year 1 May 2021 – 30 April 2022
Dated 31 August 2022

This statement has been prepared in alignment with the requirements set out by the UK Modern Slavery Act (2015), section 54 (Transparency in Supply Chains) and is J Barbour & Sons Ltd.'s 6th statement. The previous statement was published on 3 March 2021, with an amended version published on 10 November 2021.

This statement is a summary of the key actions taken by Barbour to combat modern slavery in our Supply Chain, during our 2021-2022 financial year, from 1 May 2021 through 30 April 2022, including a brief overview of some of Barbour's intended next steps for the following financial year. This statement will be uploaded both on the Barbour corporate website, and the U.K. Government's Modern Slavery Statement Registry prior to the deadline of September 30, 2022.

It covers J Barbour & Sons Ltd., which owns and both retails and wholesales two brands, "Barbour" and "Barbour International", and two wholly-owned trading subsidiaries, Barbour Inc. (USA) and Barbour Europe GmbH & Co. K.G. (Germany).

Barbour strives to uphold fair, safe and dignified working conditions for everyone in our value chain.

Our Business

Our Own Operations (United Kingdom) & Wholly-Owned Subsidiaries (USA, Germany)

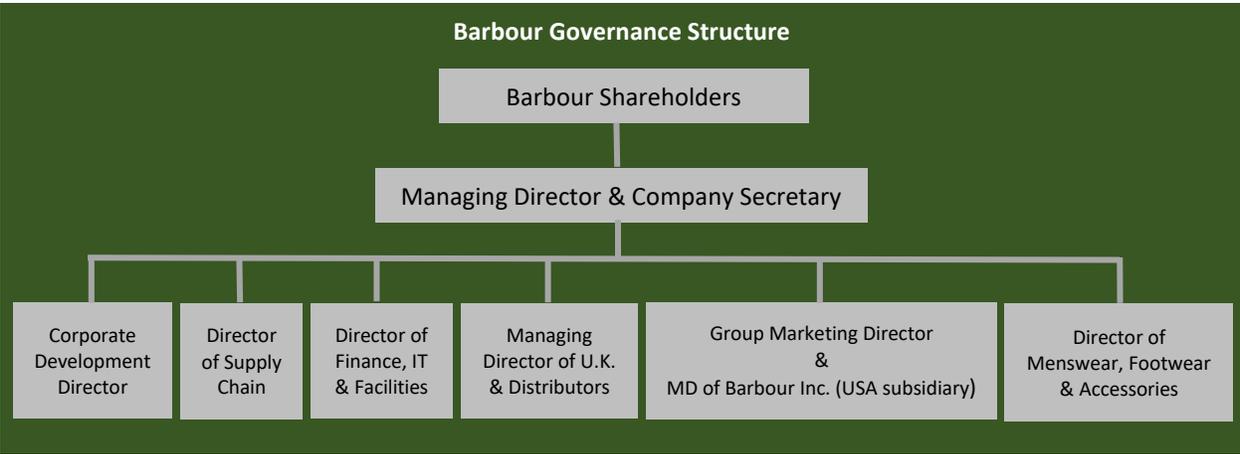
Barbour is a British family-owned business producing premium functional clothing, footwear and accessories, established in 1894, and headquartered in Barbour House, South Shields, Tyne & Wear, U.K., with our own factory and warehouse situated within the same site. Globally, Barbour employs 1005 direct employees: 850 within the U.K., 115 in Barbour Inc. (Milford, NH, USA; est. 1987), and 40 in Barbour Europe GmbH & Co. K.G. (Hamburg, Germany; est. 2014). Our two subsidiaries buy merchandise produced by Barbour House team, and manufactured within our supply chain. Barbour runs 18 retail stores in the U.K., 2 in Germany and 7 in the U.S.A., and supplies wholesale merchandise to r/etailers worldwide.

Our Own Operations Direct Service-Provider Contractors and Labour Agents

Barbour engages two contractors to provide specialist cleaning and security services within our South Shields site buildings and another two labour agents for warehouse staff supply. Our South Shields site coordinates inbound logistics to its wholly-owned warehousing facility in the UK, and to four additional outsourced warehouses in the U.K., Germany, Netherlands and the U.S.A., from which Barbour goods are distributed to our wholesale partners and direct to consumers online and through our own bricks-and-mortar stores. We outsource global transportation logistics.

Our Governance Structure

Barbour is committed to the welfare, health and safety of all of our own employees and Business Partners, our contracted manufacturers, and to delivering socially responsible products to our customers.



Our Supply Chain

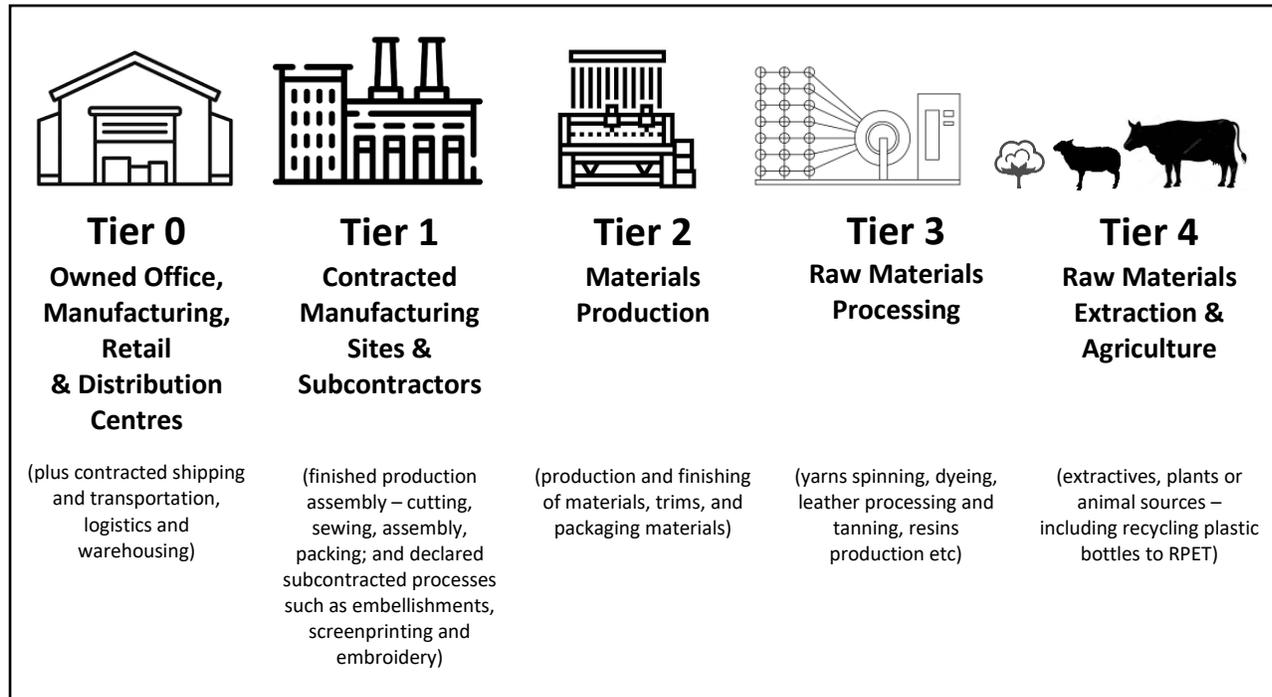
Barbour’s International Supply Chain Manufacturers

Barbour manufactures a portion of our classic wax jackets, Bedale and Beaufort styles, in our own South Shields factory, in the U.K., which also operates our Wax-For-Life jacket rewaxing and repair services. As of April 2022, Barbour apparel, footwear and accessories are manufactured in 145 contracted Tier 1 Finished Goods factories in the U.K., Portugal, Bulgaria, Moldova, Turkey, Mauritius, Myanmar, India, Indonesia, Vietnam and China. All Tier 1 Finished Goods factories are site-visited, assessed and added to our portfolio by Barbour’s Supply Chain and Technical teams, with minor impacts due to restrictions to international travel during the pandemic. Tier 1 factories are required to produce valid social audits

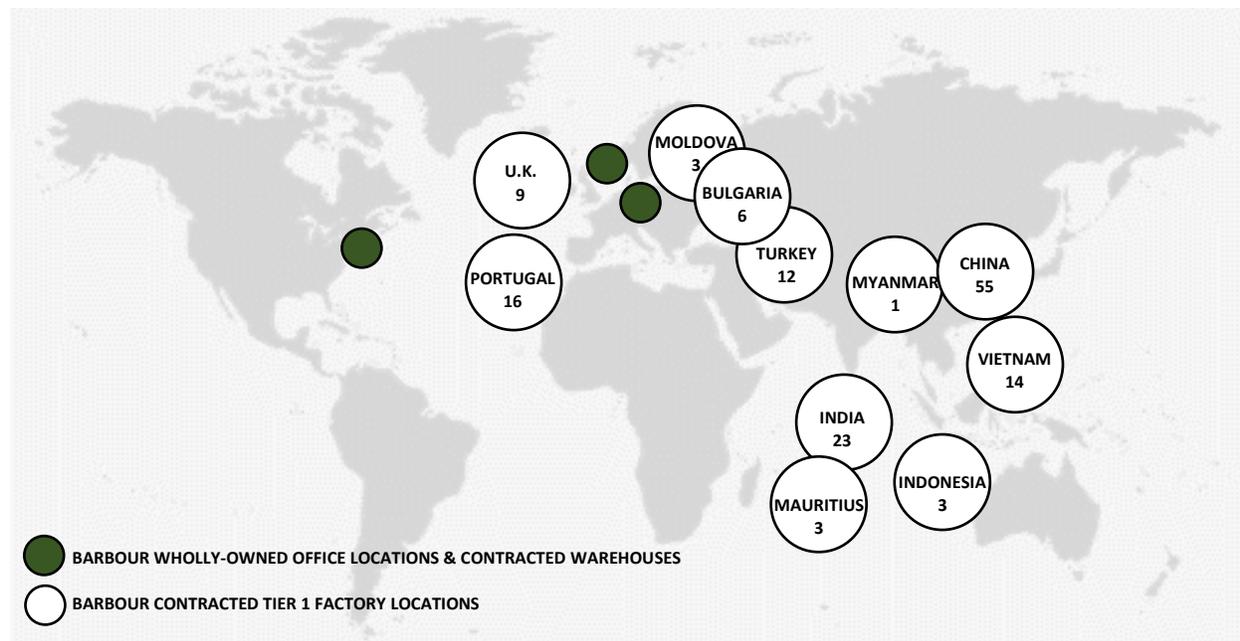
(dated within 2 years) prior to onboarding, which are expected to be maintained on Sedex’s database for Barbour’s regular review.

Our Supply Chain Tiers Definition

Barbour defines our Supply Chain Tiers as below, acknowledging the work that a number of responsible brand-retailers and civil society subject-matter-experts have published to foster industry alignment.



We have published our core Tier 1 Finished Production Assembly factory list, and monitor their social audit and corrective actions. No unauthorised or undeclared subcontracting is permitted.



145 Tier 1 contracted Finished Goods factories	11 sourcing countries	42307 workers in direct Tier 1 contracted factories	66% workers are women	85% factories audited within last 2 years
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Transparency Pledge

Barbour signed the [Transparency Pledge](#) in early 2021, committing to publishing our Tier 1 factory list twice a year, on our corporate website, within the [Barbour Corporate Social Responsibility page](#) in downloadable excel format, with information of number of workers and product type manufactured. We acknowledge that this is an important step in driving greater transparency within the fashion industry, in order to support safe and fair working conditions for all workers in apparel, footwear, accessories and textile factories worldwide. In our December 2021 Transparency (Factory) List, Barbour released an additional set of information, the **Gender Breakdown of Workforce** in each Tier 1 factory, as women are considered workers vulnerable to forced labour conditions: the totals are illustrated above.

Our Ethical Trade Policy

Although Tier 1 undergoes active social audit monitoring, all Tiers of the manufacturing process are contractually required to comply with local laws and standards relevant to the manufacturing site, and meet Barbour Ethical Trade and Sustainability Policies. Barbour communicates its Base Code of Ethics in contracts and in our Supplier Manual, and 100% suppliers have signed commitment to our Code.

Barbour’s Base Code of Ethics, [publicly available on the Barbour corporate website](#), and available as an Appendix of this document, and highlights (below) our supplier expectations regarding **Modern Slavery**. Barbour’s Base Code is derived from both the Ethical Trading Initiative (ETI) Base Code and International Labour Organisation (ILO) core conventions that form the Decent Work agenda.

Barbour’s Sedex policy (January 2022) is also directly sent to our Suppliers for their Manufacturing Sites and Subcontractors, and highlights Sedex’s “Business Critical” rated **Forced Labour Indicators**.

Barbour Base Code of Ethics Modern Slavery Policy Elements	Sedex “Business Critical” rated Forced Labour Indicators
Not to use forced or compulsory labour.	<ul style="list-style-type: none"> • Substantiated evidence of bonded / indentured labour; • Substantial loans held by workers, with excessive interest rates and / or onerous financing schemes and / or unreasonable terms and conditions of repayment; • Passports / ID papers of all workers kept by employer and not a legal requirement; • Substantial evidence of forced / bonded / trafficked / prison labour at subcontractor level; • Child workers – [as above] on site, for supplier subcontractors, with homeworkers, or given false ID cards [granting falsified Right-To-Work access], and/or dismissal of Child Workers without remediation.
Overtime is voluntary, not demanded on a regular basis, paid at a premium rate and compliant with local laws.	
Workers are not forced to lodge or deposit their identity papers, passports or other formal documents required for work and are free to leave employment with reasonable notice given by the worker.	
Workers’ presence in the workplace is voluntary and not as the result of any direct or indirect coercion including force, bonded or prison labour.	

Sedex defines Forced Labour as, “Work that is not voluntary can include mandatory overtime, the withholding of personal documents, possessions or earnings, and restriction of movement; and, the threat of penalty for not working can include loss of wages or debt bondage, loss of return home transport, threat of reporting to the authorities of undocumented status, experiencing or witnessing violence. Vulnerables are more susceptible to conditions of modern slavery, and these groups tend to include migrant workers, workers in an informal setting, geographically-isolated workers, young workers, unskilled or illiterate workers, and women and girls experiencing gender inequalities.” Sedex clearly defines and rates **Freely Chosen Employment** non-conformances’ criticality within its “**(SMETA) Non-Compliance Guidance v2.1 (May 2019)**” document, which is based on the [ETI Base Code and laws](#).

Our Due Diligence Process

Monitoring our supply chain

Since 2010, Barbour has been a member of [Sedex, the Supplier Ethical Data Exchange](#), the ethical trade organisation, which provides a social and environmental data-sharing platform, supply chain assessment tools and auditing protocol for Barbour’s supplier factories to follow.

Barbour requires all of its Tier 1 external manufacturers to:

- **Sign Barbour’s Supply of Goods contract, agreeing with Barbour Supply Chain Policies** including our Base Code of Ethics, and other sustainability and product integrity policies, **and submit a current valid social audit report (within 2 years prior) before manufacturing our products;**
- **Adhere to Barbour’s Sedex Policy (January 2022)**, which requires manufacturers to
 - join Sedex and connect with Barbour, allowing us to view social monitoring data
 - have a Sedex Affiliate Audit Company (Third Party) upload their latest report to Sedex, which allows for Sedex ratings to be applied to any legal non-conformance
 - transparently work on their corrective action plans (CAPs) on the Sedex platform
 - keep their site data current via their Sedex Self-Assessment Questionnaire (SAQ)
 - keep their audit valid within 2 years and in uploadable format to Sedex
 - assure Business Critical rated issues are immediately actioned.

Audit Validity – Barbour and Sedex accept SMETA, amforiBSCI, SA8000 and WRAP reports to be uploaded by the Sedex Affiliate Audit Company (SAAC) executing the audit.

Social Audit Governance and Credible External Inspections

Sedex Affiliate Audit Company (SAAC) auditors are engaged by a Full APSCA Member Firm, which are [transparently listed on Sedex’s website](#). Sedex governs SAAC performance via its [Sedex Audit Quality Programme](#), which aims to improve audit quality, detect audit issues, ensure performance consistency, and promote industry best practice amongst member SAACs. Sedex audits SAACs’ management systems, including auditor recruitment and training, reviewing complaints and grievances.

The Association of Professional Social Compliance Auditors ([APSCA](#)) is the professional standards setting body overseeing professionalism, consistency and credibility of individual auditors and organisations performing independent social compliance audits of the international supply chain, including SAACs performing SMETA (and other) audits and uploading these to Sedex platform. It is a practitioner-led initiative, governed by an Executive Board administered by an independent Chair, with an additional multi-stakeholder Board with industry, initiative and independent representation.

Social Audit Non-Conformance Criticality Ratings and Corrective Action Plans (CAPs)

Barbour's Supply Chain team (Category Managers and Global Ethical Trade Manager) reviews social audit report status according to Sedex ratings applied. All audit legal or ETI Base Code non-conformances, including Forced Labour Indicators for Freely Chosen Employment, are extracted from the audit report, with criticality ratings applied on the Sedex database as "Minor", "Major", "Critical" or "Business Critical". Any new "Critical" and "Business Critical" non-conformances that appear on social audits for existing factories are summarised to the Supplier and Supply Chain Director for discussion of remediation.

Factories are required to log their ongoing corrective actions against all audit non-conformances Corrective Action Plans (CAPs) on Sedex. Corrective Actions evidence is reviewed on the Sedex platform by the audit SAAC, who reviews in local language, according to local laws and standards, and will "verify" or "reject". Barbour holds quarterly reviews with key suppliers to monitor their compliance status.

Barbour has not found any evidence of "Business Critical" Forced Labour or Child Labour reported in audits of our supply chain Tier 1 factories.

Covid Impacts to Social Audit Monitoring

At Q3 2021, Barbour tracked that 18 per cent of our core Tier 1 factories were linked with us on Sedex, which increased to 65 per cent by end financial year, April 2022. Manufacturers cited the Covid-19 pandemic impacting access for Third Party Auditors to their sites, and Barbour's current, valid audit reports status reached 85 per cent by April 2022.

Our Fast Forward / Stronger Together partnership (U.K.)

In January 2022, Barbour joined the Fast Forward programme, and relevant Barbour House personnel undertook initial Stronger Together training in February 2022. Fast Forward is a labour standards improvement programme, which combines a forensic auditing methodology aimed at uncovering hidden worker exploitation alongside support for brands and retailers and their U.K. value chain manufacturers, warehousing, and service providers to embed fair work practices and mitigate Modern Slavery risks, by providing supplier engagement tools, training and advice.

Cotton from the Xinjiang Uyghur Autonomous Region (XUAR)

On 13 December, 2021, Barbour issued an annual follow-up letter for signature to our suppliers, communicating our requirement that suppliers of finished products and cotton raw materials, their intermediary business partners, or subsidiaries, have no links whatsoever to Xinjiang cotton supply, the seizure of indigenous lands within the XUAR, nor have used state-sponsored forced labour, or labour forcibly relocated outwith the region under state-sponsored "labour transfer programmes". All Barbour Tier 1 Suppliers of Cotton Based Finished Goods and Tier 2 Raw Materials Cotton Suppliers have signed confirmation with this letter.

Risk Assessment & Management of Risk

Barbour acknowledges that there is risk in not monitoring Tier 1 fully or beyond the finished product manufacturer, and the greatest risks for Modern Slavery within its supply chain are more likely to occur upstream in its higher Tiers, in less monitored sites, and highlight our next steps later in this document. Additionally, in our U.K. own operations, subcontracted labour suppliers may present a risk to the business, and efforts are underway to understand and assess these contracted service providers.

Training on Modern Slavery & Trafficking

Barbour’s Global Ethical Trade Manager and two Human Resources (People & Organisational Development) Managers have undergone basic Modern Slavery training with three subject-matter-experts in February 2022. These HR Managers are responsible for Barbour House employees, our wholly-owned factory and own operations.

Next Steps – In Financial Year 2022-2023

Using the ILO guidance of [11 Indicators of Forced Labour in 2012](#), Barbour will draft a Modern Slavery Policy, in alignment with the U.K. Government Vulnerable Workers definitions, and will continue with Modern Slavery & Trafficking Training and awareness plans, and in consultation with subject-matter experts. Barbour will adopt the [UN Global Compact \(UNGC\) Forced Labour \(Principle 4\)](#) programme structure.

POLICY	TRANSPARENCY	RISK MAPPING	TRAINING	MONITORING
<ul style="list-style-type: none"> • Publish Barbour Supply Chain Modern Slavery Policy with Remediation Protocol; • Publish Vulnerable Workers Policy; • Communicate Barbour Supply Chain engagement options. 	<ul style="list-style-type: none"> • Begin mapping Tier 1+/2; • Traceability exercise for all production and logistics tiers for core product entering the U.S.A.; • Publish additional information towards our Transparency Pledge commitments. 	<ul style="list-style-type: none"> • Using Forced Labour Indicators, with a focus on Vulnerable Workers, review Modern Slavery risks in Barbour Own Operations and Supply Chain. • Formulate a Risk Heat Map to identify high risk sourcing and manufacturing regions. 	<ul style="list-style-type: none"> • Internal Barbour training for own operations; • Assure external training for core operations contracted Business Partners. 	<ul style="list-style-type: none"> • Include Tier 1+ in Transparency Pledge Factory List; • Work with Fast Forward in the U.K.; • Engage additional monitoring support partners; • Execute global spot-check audits, addressing risks mapped; • Revise all contracts to require Due Diligence; • Establish KPIs.

This statement is made in accordance with section 54(1) of the Modern Slavery Act 2015 and was approved by Barbour’s Board of Directors on 31 August 2022.



Ian Sime, Director of Supply Chain and Board Director, J.Barbour & Sons Ltd.
31 August 2022

APPENDIX: BARBOUR ETHICAL TRADING REQUIREMENTS

Where the Supplier undertakes to supply the Products to Barbour, the Supplier shall ensure that the manufacturing, storage and distribution of the Products takes place in factories or work places either owned by the Supplier or by its sub-contractor (where consent to sub-contract has been given):-

- (a) that apply ethical treatment in relation to their workers as approved by Barbour's reasonable standards;
- (b) where the workers are paid not less than the statutory minimum for the country in which they are employed or industry standard benchmarks, (whichever are higher), all workers are provided with both a) written and understandable information about their employment conditions in respect of wages before they enter employment and b) the particulars of their wages for the relevant pay period each time they are paid;
- (c) no deductions from pay are made which are not permitted by national legislation without the express consent of the relevant worker;
- (d) where working conditions are safe and hygienic according to health and safety legislation within the country of origin and workers shall receive regular and recorded health and safety training which shall be repeated for new or reassigned workers (the responsibility for health and safety having been assigned to a senior management representative);
- (e) child labour shall conform to the strict provisions of the International Labour Office of the United Nations as amended from time to time;
- (f) where there is access to clean toilet facilities, drinkable water and clean facilities for food storage and where accommodation is provided, this meets the basic needs of the workers;
- (g) where no worker employed is under the statutory minimum working age in the country in which the factory or work place is based;
- (h) where no worker works more than 12 hours a day and 48 hours per week and shall be provided with at least one day off for every 7 day period on average;
- (i) overtime is voluntary, not demanded on a regular basis and shall be paid at a premium rate;
- (j) where no worker is forced to lodge or 'deposit' their identity papers, passport or other formal documents required for work and are free to leave employment with reasonable notice being given by the worker;
- (k) where no discrimination is practised in any way including race, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation;
- (l) where the workers' presence in the workplace is voluntary and not as the result of any direct or indirect coercion including force, bonded or prison labour;
- (m) where no harsh or inhumane treatment is allowed including mental cruelty, physical punishment, verbal abuse, sexual harassment or any other form of intimidation;

- (n) where the workers' rights to freedom of association and collective bargaining are respected and there is no prohibition on joining a union which is not under the control of the management of the Supplier;
 - (o) where worker's representatives are not discriminated against and have access to carry out their representative functions in the workplace;
 - (p) where the right to freedom of association and collective bargaining is restricted under law, the Supplier facilitates (and does not hinder) the development of parallel means for independent and free association and bargaining; and
 - (q) that comply with all applicable employment standards, regulations or other legal or statutory requirements for the country in which they are employed including (but not limited to) requirements relating to pay, working conditions, health, fire and safety regulations.
- The Supplier shall ensure that all obligations under applicable national and local legislation are adhered to relating to the payment of taxes arising from the regular employment relationship and the Supplier shall not avoid such obligations through the use of labour-only contracting, sub-contracting, or home-working arrangement, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment. Such obligations will also not be avoided through the excessive use of fixed-term contracts of employment.
 - Either on or before the Commencement Date or upon request by Barbour during the Term, the Supplier shall immediately notify Barbour of the place and country of origin of all factories or work places used to manufacture, store or distribute the Products and will not, without the prior written consent of Barbour, use any other factory or work place until such prior written consent is obtained from Barbour.