

PRINCESS POLLY RESPONSIBLE PURCHASING POLICY

Princess Polly is dedicated to implementing responsible purchasing practices that uphold our Code of Conduct underpinned by our Human Rights Policy. We recognise that our purchasing decisions can have a significant effect on the people in our supply chain and as a business, ensuring our workers are respected, safe and healthy is at the forefront of all our decisions.

Taking guidance from the Joint Ethical Trading Initiative's 'Guide to Buying Responsibly' Princess Polly's Merchandise Team has collaboratively defined responsible sourcing and purchasing behaviors we implement across all levels of our supply chain. This policy outlines our approach, and our commitment to continuously improving our practices.

PRINCESS POLLY IS COMMITTED TO:

1. Fostering long-term relationships with our suppliers and factories, based on mutual benefit, the utmost respect for everyone in our supply chain and open two-way communication and feedback. We actively seek and consider feedback to improve our responsible purchasing practices.
2. Ensuring timely payments. We've worked with most of our suppliers for over ten years, and in the majority of cases we have short payment terms. This ensures suppliers are not only paid on-time, but before they've incurred costs
3. Understanding the costs and time spent by partners to onboard and maintain a relationship with Princess Polly. Care is taken to consider the long-term growth and sustainability of partnerships before onboarding commences.
4. Seeking to ensure every relationship and purchasing decision has a win-win outcome for both parties. The expectations of our partners should never outweigh the benefits of our partnership.
5. Discontinuing partnerships through a responsible exit strategy to minimize disruption and uphold ethical standards.
6. Clearly communicating our trading terms and production expectations with suppliers. Setting fair and reasonable penalties for non-compliance. Penalties are a last resort after all other avenues are exhausted.
7. Conducting our purchasing practices in a manner that minimizes the need for sampling/resampling, order changes or cancellations.
8. Maintaining and improving detailed records of our factories' capacity and capabilities, and ensuring we are never putting our suppliers in a position where our commercial and ethical requirements misalign.
9. Stepping up our forecasting and projection updates where possible, especially during peak season, to avoid pressure on suppliers and their factories.
10. Improving our understanding of the cost of production, to ensure workers are not adversely impacted by price negotiations. We are dedicated to increasing our understanding of labor requirements for production by using our calculated labor minute value, and rolling out cost breakdowns for each order starting with Polly Design orders, to ensure we understand the actual cost of labor and never negotiate this.

11. Collaboratively working with suppliers to ensure lead times are fair and flexible, and that the impact of changes to orders are discussed and do not lead to negative working impacts including excessive overtime and unauthorized subcontracting.
12. Supporting suppliers and factories to understand and meet the standards defined in our Code of Conduct, through regular communication and training. Where non-compliance is found, working collaboratively and exerting our influence to make change for the benefit of all workers.
13. Increasing our visibility of our supply chain, regardless of where our direct relationship lies. Over time, as new tier 2, 3 4 and 5 sites are uncovered, extend our scope to ensure workers at these sites are also protected by our Code of Conduct.
14. Supporting our most important suppliers to go beyond compliance, engaging in best practice ethical and sustainable activities. Where this high standard is achieved, orders and opportunities will be prioritized.
15. Discontinuing trade with suppliers who consistently demonstrate a disregard for the working conditions of their factories and failure to meet our ethical sourcing requirements.
16. Setting clear responsibilities for Princess Polly team members. All relevant teams will be trained on our Responsible Purchasing Policy, to uphold our shared values when managing supplier relationships.
17. Evaluating the effectiveness of our policies and processes regularly, and strengthening these appropriately. This includes developing and sharing a Responsible Purchasing strategy and key responsible purchasing performance indicators.