



BARED FOOTWEAR

Voluntary Modern Slavery *Statement*

FY 2024



This Modern Slavery Statement has been voluntarily prepared by Bared Trading Pty. Ltd. (ABN 60 606 777 164) (referred to as 'Bared Footwear', 'Bared', 'we', 'our', or 'us') in accordance with the requirements of the Australian Modern Slavery Act 2018 (Cth) ('the Act').

This statement pertains to the reporting period from 1 July 2023 to 30 June 2024 and identifies Bared Footwear as the reporting entity for the purposes of the Act.

This document represents Bared Footwear's second Modern Slavery Statement under the Act and includes contextual references to actions undertaken prior to the reporting period to provide a comprehensive overview of the business's current approach to identifying, managing, and mitigating modern slavery risks.

The registered office address for Bared Footwear is:

15 HAMILTON ST
OAKLEIGH, VIC 3166
AUSTRALIA

Acknowledgement of *Country*

This statement has been prepared on the unceded lands of the Wurundjeri people of the Kulin Nation. Bared Footwear acknowledges and honours the Wurundjeri people as the Traditional Custodians and Owners of the land on which we work and play.

We pay our deepest respects to Elders past and present as Traditional Custodians of this land and extend that respect to all Aboriginal and Torres Strait Islander peoples throughout Australia, on whose Country our staff members live and work. We recognise Aboriginal and Torres Strait Islander peoples' continuing connection to land, skies, waters, culture and community, which has been passed down over the last 60,000 years.

We also acknowledge the colonial history of slavery in Australia, including blackbirding and forced labour, to which Aboriginal and Torres Strait Islander peoples were subjected up until the 1960s. We acknowledge that the sovereignty of this land was never ceded.

We acknowledge that the land on which we live always was and always will be Aboriginal land.

Statement from *Anna Baird*

This statement marks Bared's second year of voluntarily reporting under the Modern Slavery Act 2018. As a business, we decided to voluntarily report as a reflection of our commitment to eradicating modern slavery within our supply chains and improving the lives of those who bring our footwear to life. As we enter our third year as a proud BCorp, this report is just one of the many ways we support the BCorp vision of continuing to build a business that benefits people, communities, and the planet.

Ensuring the safety and well-being of our makers is a core value at Bared. Over the years, we have built a strong and trusting relationship with our primary manufacturer in Dongguan, China who still produces 89.7% of our women's shoes. This long-standing partnership has demonstrated to us just how crucial it is to work closely with your suppliers—it's a win-win for everyone.

In FY24, we conducted a review of the way we approached modern slavery mitigation, primarily through benchmarking our processes against others in the industry. In this statement, we present our 6-phase approach to combatting modern slavery in our supply chains, along with case studies to show our strategies in action.

We also focused on enriching our visibility deeper into our supply chain by extending the scope of our Intertek Workplace Condition Assessment (WCA) audits into our tier 2 suppliers. We also continued our work with Intertek on our mission to ensure a living wage for our tier 1 makers.

Working with Intertek on both the WCA Audits and our Living Wage Audit Program has been invaluable. Their expertise has ensured that we maintain best practices and has helped us upskill our internal team along the way.

Whilst we do take time to highlight our wins, we also want to be clear that there is always more work to be done. Our teams remain firmly pointed towards continuous review and improvement of our partnerships and processes.

At Bared, committing to the pursuit of eradicating modern slavery is a must. It's a pillar of our commitment as a Bcorp, integral to achieving the UN's SDGs, and critical to our business mission to be a force for good.

Anna Baird

Anna Baird
Founder & Director

This statement was approved by the Board of Directors of Bared Trading Pty Ltd on 19th of December 2024.



¹ Bared Footwear 'Living Wages'

MANDATORY REPORTING REQUIREMENT UNDER MODERN SLAVERY ACT (CTH) 2018	DESCRIPTIONS
16 (1) (a) Identifying the reporting entity	Bared Trading Pty. Ltd. (ABN 60 606 777 164) (referred to as 'Bared Footwear', 'Bared', 'we', 'our', or 'us') in accordance with the requirements of the Australian Modern Slavery Act 2018 (Cth) ('the Act').
16 (1) (b) Describe the structure, operations, and supply chain of the reporting entity	Bared Footwear is an Australian footwear company founded in 2008 by Anna Baird. It is an Australian-owned private company with 236 staff members in Australia, New Zealand and United States.
16 (1) (c) Describe the risks of modern slavery in the reporting entity or any entity it owns or controls	Bared Footwear has identified modern slavery risks related to the following areas in our supply chain: <ul style="list-style-type: none"> - Industry - Geographic - Materials - Product
16 (1) (d) Describe the actions taken by the reporting entity to assess and address those risks including any due diligence or remediation processes	Bared has implemented a 6-phase approach to mitigating modern slavery risk. The topline of these steps includes: <ul style="list-style-type: none"> - Policy and Guidelines - Supplier Evaluation - Audits & Training - Supplier Collaboration - Reporting - Road Mapping

MANDATORY REPORTING REQUIREMENT UNDER MODERN SLAVERY ACT (CTH) 2018	DESCRIPTIONS
	This report also highlights the following case studies demonstrating our actions to mitigate modern slavery risks: <ul style="list-style-type: none"> - Sourcing Certified - Monitoring Outsourced Processes - Intertek Workplace Conditions Audits (WCA) - Intertek Living Wage Audits - Supply Chain Tracing
16 (1) (e) Describe how the reporting entity assesses the effectiveness of such actions	Bared uses the following avenues to assess the effectiveness of our modern slavery approach: <ul style="list-style-type: none"> - Our Intertek Partnership - Annual Review and Benchmarking - BCorp Recertification 2024 - Consistent Supplier Communication - Green Team
16 (1) (f) Describe the process of consultation with any entity that the reporting entity owns or controls	Bared Footwear owns two sister companies that are currently non-operational and, as such, do not present any risk of modern slavery.
16 (1) (g) Describe any other relevant information	In Bared's Modern Slavery Statement for FY23, we set several ambitious targets for the subsequent reporting period and beyond. The timelines of these goals and our approach have been adjusted following learnings and consultations in FY24. Bared remains committed towards the principles that guided these targets.

Introduction: Our structure, operations, and supply chain

236
Staff Members

Across Australia, New Zealand,
and the USA.

7
Retail Stores

In Victoria, New South Wales, Queensland,
New York, and Auckland.

As of June 30th, 2024, the brand has seven retail stores and one warehouse. These facilities are located in Victoria, Queensland, New South Wales, Auckland and New York.

3
Board Members

One Non-Executive & Two Executive

1
Warehouse

In Victoria

Our Operations

Bared Footwear is an Australian-owned private company, founded by Anna Baird in 2008. Bared Footwear's board comprises one non-executive and two executive members. Bared's team members sit at the heart of the brand; 236 people work across the retail stores, the distribution centre, and head office support roles. Within the reporting period, Bared employees operated across 3 countries; Australia, U.S.A, and New Zealand.

Bared Footwear offers a comprehensive range of footwear, shoe care, belts, and socks for men and women. Each Bared shoe features our Biomechanical footbed that stabilises and cushions your feet, promoting proper foot function and providing added support. The majority of Bared's sales are made through our Australian and international websites, and our products are exclusively available through our brick-and-mortar stores and online platforms. We do not sell wholesale.

Our Product & Supply Chains

At Bared Footwear, our supply chains include:

1. Materials and Components for Manufacturing of Product

- LEATHER
- TEXTILES
- FOOTWEAR COMPONENTS AND HARDWARE
- ADHESIVES
- PACKAGING

3. Indirect Procurement

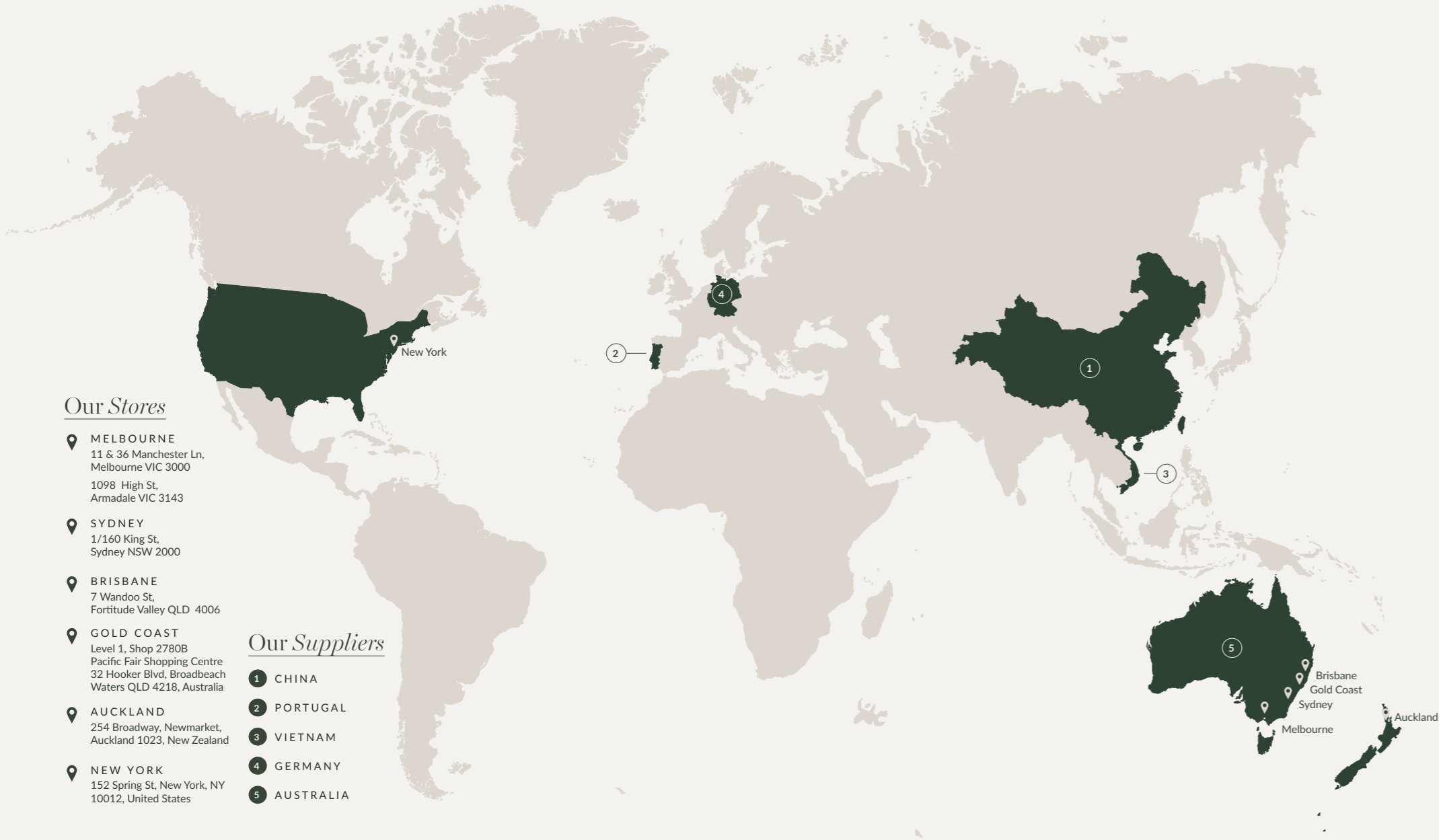
- OPERATIONAL SUPPLIES
- SERVICES

2. Finished Goods

- FOOTWEAR
- SOCKS
- ACCESSORIES
- SHOE CARE

Bared Footwear products are designed in Melbourne, Australia and manufactured by highly specialised suppliers located in China, Portugal, Vietnam, and Australia. Bared also stocks shoe care products produced by specialised producers based in Berlin and Australia. When selecting suppliers, we prioritise fair labour standards,

environmental practices, and quality, as well as our ability to work together effectively. We have established strong commercial relationships with all our suppliers and engage in regular dialogue. Our focus is on building strong, long-term partnerships with our suppliers that are mutually beneficial.



Our Purpose Partners

Bared Footwear also participates in charitable activities and partners with local organisations, to increase community support and to enhance our social and environmental impact.



Since 2019, Bared Footwear has partnered with The Hunger Project (THP), a non-profit organisation dedicated to ending hunger and poverty through sustainable, locally-led initiatives in communities across Africa, South Asia, and Latin America. Each year, Bared produces a limited-edition sneaker in collaboration with THP - \$50 from the sale of each sneaker is donated to the organisation. In 2024, Bared released a permanent line of organic cotton socks - 100% of the profits from this range are donated to the Hunger Project. As of December 2024, Bared has donated \$735,526.31 to The Hunger Project since 2019.



We are proud to collaborate with Children's Ground. Led by local elders, Children's Ground is dedicated to celebrating and uplifting First Nations knowledge; creating access to high quality education, health and strong economies in communities. Since 2020, Bared has engaged with First Nations artists to showcase their artwork on a sneaker. \$50 from the sale of each sneaker is donated to Children's ground. In 2024, Bared worked with proud Wiradjuri woman, Lauren Freestone to create a sneaker adorned in art inspired by the coal seams that run through the sandstone cliffs of Wiradjuri Country. As of December 2024, Bared has donated \$122,479 to Children's Ground since 2020.



In 2024, Bared Footwear partnered with Fitted For Work and Thread Together to donate unsaleable and unworn stock, supporting their missions to help others. Fitted For Work empowers women by providing them with professional attire and support services, enabling them to achieve sustainable employment. Thread Together accepts new clothing from fashion retailers and redistributes it to people via a range of charitable organisations. Through these collaborations, Bared Footwear ensures that unsold items are given a second life, benefiting individuals and communities.



² thp.org.au; ³ childrensground.org.au; ⁴ fittedforwork.org; ⁵ threadtogether.org



As of December 2024, Bared Footwear has committed \$215,000 to the non for profit Greenfleet since 2020, supporting their mission to plant biodiverse native forests across Australia and New Zealand, and protect those forests for up to 100 years. We also offer Bared customers incentives to offset their emissions with Greenfleet – mobilising our community to participate in effective climate action. Our donation will assist with the sequestering of 11,795 tonnes of carbon.



Our Progress

Moving out of Turkey & Brazil

Since the previous reporting period, Bared no longer produced in Turkey and Brazil. By reducing the number of locations we produce in, we improve our ability to manage the mitigation of modern slavery. Not only are we able to consolidate our tier 1 suppliers, but also consolidate our tier 2 suppliers – allowing us to significantly improve our supply chain visibility. This assist with our plans to continue the rollout of Intertek’s Workplace Conditions Assessment (WCA) into our tier 2 suppliers – first with those with the highest materiality. This decision is part of our commitment to ethical labour practices and safeguarding worker welfare.

New internal Onboarding Manual

In FY24, we introduced updates to the Bared Internal Onboarding Manual. The manual outlines clear, non-negotiable guidelines to prevent modern slavery within our supply chain. It mandates that suppliers comply with ethical labour standards, including signing the Fair Labour Association Code of Conduct and completing the Modern Slavery Supplier Questionnaire. Regular Workplace Conditions Audits (WCA) are required, covering labour practices, wages, health, and safety, with corrective actions enforced for any non-compliance.

The manual also ensures supply chain transparency by requiring suppliers to disclose all sub-suppliers and their locations, promoting full visibility across the supply chain. Additional policies, such as prohibiting engagement with suppliers linked to forced labour in the Xinjiang Uyghur Autonomous Region, further strengthen our efforts to address modern slavery risks.

Our Progress

Three Years of BCorp Certification

Being a B Corp for three years has significantly strengthened Bared Footwear's ability to prevent modern slavery in our supply chain. As a B Corp, we are held to the highest standards of social and environmental performance, accountability, and transparency, ensuring that our operations prioritise ethical practices at every level. The rigorous certification process requires us to assess and continuously improve our supply chain policies, including labour practices, human rights, and sustainability. This commitment to responsible business practices not only supports the elimination of modern slavery but also fosters long-term partnerships with suppliers who share our values. By aligning our operations with the B Corp framework, we reinforce our dedication to fair treatment of workers, transparency in sourcing, and the protection of human rights across our global supply chain.

Our Supply Chain

In the reporting period, we redefined our tier structure to align more closely with standard industry practice.

We define our *Tiers 1-4* as follows:

- TIER 1
Cut Make Sew Factories (Manufacturers producing our finished product)
- TIER 2
Material Finishers (Suppliers making our finished components and materials)
- TIER 3
Raw Material Processing (Factories processing raw materials)
- TIER 4
Material Extraction (Farm level – Raw Material Origin).



Risks of modern slavery practices in *Bared Footwear* operations and supply chains

Bared Footwear has carried out risk assessments to identify any modern slavery risks that we may be causing, contributing to, are directly linked to in our operations and supply chains over the reporting period. We understand modern slavery as the Act⁷ defines it - eight types of serious exploitation, including:

- TRAFFICKING IN PERSONS
- SLAVERY
- SERVITUDE
- FORCED MARRIAGE
- FORCED LABOUR
- DEBT BONDAGE
- DECEPTIVE RECRUITING FOR LABOUR OR SERVICES
- CHILD LABOUR

We examined potential risks in the following categories:

- INDUSTRY - *Defined as the footwear industry*
- GEOGRAPHIC - *Defined as the geographical areas of our tier 1 manufacturers*
- MATERIAL - *Our most used materials*
- OPERATIONAL - *Our entity*

Industry Risks

The footwear industry holds an inherent risk of modern slavery, largely due to the complexities of footwear. The average shoe at Bared requires 34 different components, each made from varying materials and processes – therefore the supply chain of footwear is much vaster than that of standard apparel.

Migrant Workers

The rapidity of production in fashion has put more pressure on supply chains and created greater reliance on low-cost labour in Asia. Increasing demand has led to heightened use of internal migrant workers who are often unable to find work in their rural hometowns. These workers often take on low paying jobs where they are sometimes not given equal access to social benefits due to insecure legal status. This risk is further inflamed by gender, as women migrant workers face heightened rates of gender discrimination and gender-specific violence. Further labour risks for migrant workers include, trafficking, debt bondages, and deceptive overtime⁸.

Sub-Contracting

Some factories are often unable to meet production targets with their contracted work force and opt to employ sub-contracted workers and factories. These are often small factories or home-workers with low legal protection who are employed on short term contracts that do not offer employment benefits in areas such as collective bargaining, labour law, and social security⁹.

Visibility

Brands operating at the top of the supply chain may not have direct control over their supply chain due to the complexities of sourcing. In footwear, this is particularly prevalent due to the number components and material types used in the product. Many of the materials used within footwear have traceability challenges due to the intersections with agricultural industries - such as the meat industry.

⁷ [Modern Slavery Act 2018 \(Cth\)](#)

⁸ [cleanclothes.org/issues/migrants-in-depth/issues/multiple-issues](#); ⁹ [cleanclothes.org/bad-contracts](#)

Product Material Risks

The following materials represent those most used in FY24. A key mitigation strategy for risks in our material supply chains is the creation of our Bared Preferred Materials Chart which preferences the use of materials that hold recognised third party certifications that promote labour rights throughout the supply chain.



MATERIAL	RISK	FURTHER INFORMATION	HOW WE MITIGATE
Leather	Forced Labour Debt Bondage	Poor working conditions in leather supply chains are documented across Asia. China and Brazil have been particularly highlighted for risk of forced labour ¹⁰ .	100% of leather suppliers we sourced from in China held a LWG gold-rating. Beginning within the next reporting period, Bared is increasing the scope of its WCA audits to include tier 2 suppliers with high materiality.
Cotton	Forced Labour Home Workers	There is a risk of forced labour for cotton produced in China due to the use of internment camps in Xinjiang. Around 1 in 5 garments produced worldwide are likely to contain cotton produced with Xinjiang forced labour ¹¹ . This forced labour is well documented in the Xinjiang region where Uyghurs and other Turkic and Muslim groups are forced into textile production. Furthermore, at the ginning stage of producing, home-based subcontractors are often outsourced to, increasing the likelihood of oversight ¹² . At the processing stage, raw cotton from multiple locations are combined at the textile mill, increasing the difficulty of tracing the fibre.	We have a firm policy, banning suppliers from sourcing cotton from the Xinjiang region. We keep suppliers updated on new developments to the UFLPA Entity List. Wherever possible, suppliers must source GOTS certified or GRS certified cotton. Our primary cotton use is within our socks. This supplier has produced chain of custody documentation demonstrating the cotton is sourced from Australian distributors.

¹⁰ commonobjective.co/article/how-companies-are-tackling-slavery-in-leather-supply-chains

¹¹ internationalaffairs.org.au

¹² cdn.walkfree.org

MATERIAL	RISK	FURTHER INFORMATION	HOW WE MITIGATE
Rubber	Forced Labour Child Labour Debt Bondage	Most Brazilian rubber in the global supply chain is tapped from trees in the Amazon. There are high instances of debt bondage found in this area, and workers have historically been exploited in the Brazilian rubber industry. The debt bondage economy was first introduced in the Amazon in the 19th century rubber boom and continues today, despite changes in labour laws.	<p>In the reporting period, we increased our usage of Natural Fibre Welding's 100% biobased outsole, PLIANT. All natural rubber used by PLIANT has full supply chain transparency, and is certified deforestation free ¹³.</p> <p>In 2024, 76% of outsoles used at Bared held a recognised third-party certification which mandates mitigation of labour risks. This certification requires full chain of custody traceability.</p>

¹³ nfw.earth/materials



Geographic Risks

The following identified geographies reflect the sites of our tier 1 suppliers during the reporting period. Risk level is defined primarily by assessments made by Walk Free's Global Slavery Index 2023 and independent non-profit, Fair Wear.

COUNTRY	PRODUCT PRODUCED	RISK LEVEL	FURTHER INFORMATION
China	Women's Footwear	High	<p>According to the 2023 Global Slavery Index (GSI), 5.8 million people were living in modern slavery in 2021 – equating to 4 in every 1000 people in the country. In 2018, the GSI published evidence of state-imposed forced labour of Uyghurs and other Turkic and Muslim majority people. Forced labour is reported alongside numerous other human rights abuses in detention camps in the Uyghur Region. This forced labour is enforced under the guise of vocational training and as a poverty alleviation tactic.</p> <p>As a result, risk of forced labour is potentially present at all levels of supply chain in China. Products made in this environment are exported throughout Chinese and global supply chains and are difficult to trace once they have been incorporated into different goods.</p> <p>There are also governance issues to consider in China and Chinese supply chains. The state exercises a high level of control over workers and limits their union activity while prohibiting most forms of collective bargaining. The All-China Federation of Trade Unions (ACFTU) is the only authorised trade union in the country and operates under the control of the Chinese Communist Party. Curbed rights of freedom of association heighten the risk of worker exploitation that could lead to forms of modern slavery ¹⁴</p>
Vietnam	Women's Footbeds	High	<p>The Global Slavery Index estimates that 4.1 in every thousand people were living in modern slavery in Vietnam during 2021. Vietnam is a hot spot for human trafficking and child labour. Many workers are exposed to forced labour practices due to the widespread absence of full terms and conditions of employment in work contracts. Young workers are especially vulnerable to modern slavery practices, as age verification systems and recordkeeping practices are unreliable and insufficient, making child labour a risk ¹⁵.</p>

¹⁴ CSIS 2019. ¹⁵ Walk Free

COUNTRY	PRODUCT PRODUCED	RISK LEVEL	FURTHER INFORMATION
Portugal	Men's Footwear	Low	<p>Fair Wear categorise Portugal as a low-risk for modern slavery. Portugal presents a lower modern slavery risk than other geographies, largely due to strong governance practices. Portugal's Labour Code covers a wide range of areas and includes mandated consecutive rest hours, maximum working periods, and overtime compensation. Labour reporting is required by the Portuguese government ¹⁶. However, the following risks still need to be considered:</p> <p>In March 2023, Portugal's governmental report on internal security found an increase of 18.2% in the number of people experiencing human trafficking – half of which was related to labour exploitation. In many cases, these individuals were found to be migrants ¹⁷.</p> <p>Sub-contracting is common in Portugese textiles and garment sectors – policies concerning sub-contractors are often not formalised.</p>
Australia	Home Boots	Low	<p>Australia has a low risk of modern slavery with 0.6 victims for every thousand people¹⁸. The country has a high level of transparency and low levels of corruption according to Transparency International, as well as robust anti-slavery and workers' protection legislation¹⁹.</p> <p>In the GSI measurements of national efforts to end modern slavery, Australia achieved a score of 67%.</p> <p>This makes it the highest-ranking country in the Asia-Pacific region and joining Portugal as the equal second highest ranking globally, closely following the United Kingdom.</p> <p>Recorded cases of modern slavery in Australia have occurred predominantly within the agricultural industry and have involved exploitation of migrant workers.</p>

¹⁶ International Labour Organisation. ¹⁷ Amnesty. ¹⁸ Walk Free ¹⁹ Walk Free

Operational Risks

The Bared head office is located in Oakleigh, Victoria and is positioned within the Bared dispatch centre – ensuring full visibility of dispatch operations. All staff directly employed by Bared Footwear within Australia are treated in keeping with strong Australian legislation regarding employment rights and human rights, including the Fair Work Act 2019, the Occupational Health and Safety Act 2004, and the Protected Disclosures Act 2000.

Bared also has operated international retail stores during the reporting period in New Zealand and the USA. The New Zealand store, located in Auckland, and the U.S. store located in New York, are staffed by full-time and part-time employees. Additionally, Bared has a remote customer service team based in Mallorca, Spain, ensuring 24-hour support for international customers.

Bared Footwear considers the risk of modern slavery in its direct operations to be low, however, Bared continues to remain diligent in monitoring and identifying risks, and maintaining resources and policies that manage such risks. These include:

- BARED CODE OF CONDUCT
- EMPLOYEE HANDBOOK
- WHISTLEBLOWER POLICY
- ANTI-BRIBERY AND CORRUPTION POLICY
- EMPLOYEE ASSISTANCE PROGRAM



Our Approach

1. POLICY & GUIDELINES

Bared has a range of policies that act to mitigate modern slavery and further human rights risks within our supply chain. These policies and procedures and set standards for procurement and operations across the business.

SOURCING GUIDELINES

- UFLPA ENTITY LIST²⁰
- BARED PREFERRED MATERIALS CHART
- SOURCING GUIDELINES: GEOGRAPHICAL RISK
- BARED AUDIT & ONBOARDING PROTOCOL
- BARED SUPPLIER ONBOARDING MANUAL

SUPPLIER GOVERNANCE

- MODERN SLAVERY QUESTIONNAIRE
- BARED SUPPLIER HANDBOOK
- FAIR LABOR ASSOCIATION CODE OF CONDUCT²¹
- ANNUAL EXTERNAL AUDITS
- LIVING WAGE REPORTING

²⁰ [dhs.gov](#), ²¹ [Code of Conduct, Fair Labor Association](#)



CASE STUDY 1

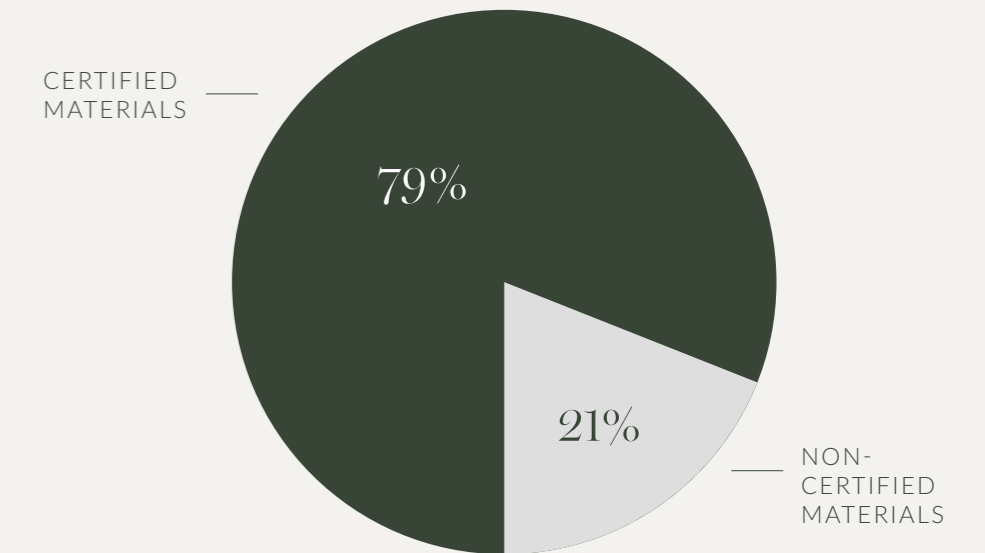
Sourcing Certified

In 2024, we introduced the 'Bared Preferred Materials Chart', specifically tailored for the unique needs of footwear. This chart is based on publicly available research from the Global Textile Exchange and adapted by Bared to support the unique needs of the footwear industry. It encompasses all internal and external components, serving as a guide for our design team and suppliers.

The chart prioritises the sourcing of materials that are certified by recognised third-party certifications. Certifications that require social audits and make assurances regarding labour rights throughout the supply chain are prioritised. These include certifications such as Forest Stewardship Council (FSC), and the Global Organic Textile Standard (GOTS). Sourcing certified materials has become part of the way we design and create—it's just how we work.

USAGE OF CERTIFIED MATERIALS 2024

We calculate our certified materials usage by measuring the weight of each material in a shoe and comparing it to the total weight. We then factor in how many units of each style are made during the year. This gives us a clear percentage of certified materials used across all our products.



CASE STUDY 2

Monitoring Outsourced Processes

At Bared, we recognise that outsourced processes are necessary for many footwear styles due to their complexity and multiple components. For example, handweaving leather is a specialist skill that requires a dedicated factory, which is outsourced to experts outside of our primary manufacturers. We maintain close relationships with our factories and allow for the outsourcing of processes. Our suppliers agree to disclose all details of outsourced processes and are aware of our stringent labour standards. We are also working to include these specialist factories in our auditing program to ensure they meet our high standards for quality, ethics, and sustainability.



2. SUPPLIER EVALUATION

As part of our comprehensive approach to addressing modern slavery, we meticulously evaluate all tier 1 suppliers before onboarding. This process requires suppliers to provide their most recent external audit and agree to an Intertek Workplace Conditions Assessment (WCA) audit commissioned by Bared Footwear. Our selection criteria prioritises compliance, quality, and reputation, alongside adherence to Bared's living wage standards.

This evaluation and onboarding process is guided by the Bared Internal Onboarding Manual which enforces clear, non-negotiable guidelines to prevent modern slavery within our supply chains. Suppliers must comply with ethical labour standards, including signing the Fair Labour Association Code of Conduct and completing the Modern Slavery Supplier Questionnaire. This Questionnaire is crucial for identifying and addressing modern slavery risks, as it collects detailed information on supplier policies and practices, helping us evaluate risks, promote transparency, and ensure accountability. As we trace deeper into our supply chain, these stringent screening procedures will extend to tiers 2 and 3, ensuring new suppliers are thoroughly assessed before joining our network.



3. AUDITS & TRAINING

Third-party external audits are a key element of our 6-step strategy. Integrally, each of our shoe manufacturers agree to undertake a yearly social audit by a recognised third-party auditing firm. We choose to implement Intertek’s Workplace Conditions Assessment which assesses the supplier for labour practices, wages and hours, health and safety, management systems, and for environmental compliance. The WCA audit aligns with ILO standards as well as relevant local laws, ensuring comprehensive accountability and ethical practices across our supply chain.

WHY WE CHOSE WCA:

We select the Intertek WCA audit because it provides a comprehensive, solution-oriented approach to ensuring ethical practices across our supply chain. Unlike traditional audits that only report outcomes, the WCA audit actively supports suppliers by offering targeted recommendations and actionable steps to improve their performance before their next audit.

To provide guidance, the WCA audits generate Corrective Action Plans (CAPs), which describe the specific areas requiring attention. These plans set key goals and expectations that suppliers must meet within a defined timeframe, often with the support of Intertek’s team.

EXPANDING OUR AUDIT PROGRAM INTO TIER 2

In the last reporting period, we expanded our WCA (Workplace Conditions Assessment) audit program to include our tier 2 suppliers. This expansion involved evaluating the materiality of these suppliers by assessing their overall contribution to Bared products based on both mass and quantity purchased, as well as their pertinence to Bared’s future projects. Moving forward, we are continuing to roll out this audit program to include more suppliers – therefore increasing our depth of visibility and strengthening our risk mitigation.

CASE STUDY 3

Our Intertek WCA Audit Program

WHERE WE ARE AT:

- 100% of our shoe manufacturers located in China and Portugal have been audited with a WCA audit commissioned by Bared within the last 12 months.
- 100% of our Tier 1 shoe and sock manufacturing factories have provided records of a recognised audit passed by their premises within the last 24 months.

Bared Supplier Audits – 2024

Tier One

SITE	PARTNER	PARTNER SINCE	LOCATION	FREQUENCY OF AUDIT	% MADE BY SUPPLIER	LAST EXTERNAL AUDIT	PROVIDER
A	Women’s Shoe Makers	2012	Dongguan, China	Annual	89.7% of women’s footwear	1 DEC 2023	Intertek WCA
B	Women’s Shoe Makers	2017	Dongguan, China	Annual	5.2% of women’s footwear	1 DEC 2023	Intertek WCA
C	Women’s Shoe Makers	2020	Dongguan, China	Annual	2% of women’s footwear	28 AUG 2024	Intertek WCA
D	Women’s Shoe Makers	2023	Dongguan, China	Annual	3.2% of women’s footwear	28 AUG 2024	Intertek WCA
E	Men’s Shoe Makers	2020	Felgueiras, Portugal	Annual	96.3% of men’s footwear	12 JAN 2024	Intertek WCA
F	Men’s Shoe Makers	2023	Felgueiras, Portugal	Annual	3.7% of men’s footwear	3 OCT 2024	Intertek WCA
G	Sock Maker	2023	Dongguan, China	Annual	100% of Bared socks	12 DEC 2023	Amfori BSCI
H	Biomechanical Footbed Maker	2021	Dongguan, China	Annual	100% of Footbeds	21 NOV 2023	VF Corporation
I	Home Boot Maker	2022	Melbourne, Australia	Annual	100% of Home Boots range	23 FEB 2023	ELEVATE - LRQA

Tier Two

SITE	PARTNER	PARTNER SINCE	LOCATION	FREQUENCY OF AUDIT	% MADE BY SUPPLIER	LAST EXTERNAL AUDIT	PROVIDER
A	Packaging	2020	Dongguan, China	Annual	100% of Towelling Bags	1 DEC 2023	Intertek WCA
B	Outsoles	2013	Dongguan, China	Annual	Approximately 40% of Women's Outsoles	1 DEC 2023	Intertek WCA
C	Hardware	2023	Dongguan, China	Annual	>95% of Women's Hardware	28 AUG 2024	Intertek WCA

CASE STUDY 4

Our Living Wage Audits

We have worked in collaboration with Intertek, a global leader in auditing and quality assurance, to develop the Living Wage Audit Program, a first-of-its-kind program that takes a holistic, risk-based approach. This program involves quarterly audits on our major suppliers to ensure true transparency on workers' wages, and hours. Our objective with this program is to ensure all workers in our supply chain receive a living wage.

WHERE WE ARE AT:

- Currently, 87.5% of tier 1 factory workers constructing Bared shoes are paid a living wage and 100% are paid above the legal minimum wage.

WHY AREN'T 100% OF TIER 1 WORKERS PAID A LIVING WAGE?

This statistic is not 100% primarily because we have not yet conducted living wage audits on some of our small niche suppliers. Whilst these suppliers have not yet been audited by Bared, they have produced audit reports completed by recognised third-part providers within the last 12 months of onboarding. Bared does not engage with any supplier unless they have undergone a prior third-party audit from a recognised external auditor that meets our stringent standards.

The remaining percentage also accounts for possible freelance staff at these facilities not reviewed by the external auditors. At Bared, we prefer to avoid reporting in absolutes as "you don't know what you don't know."

4. SUPPLIER COLLABORATION

Working towards the outcomes intended to be achieved by our modern slavery risk mitigation strategy must be achieved through collaboration with our suppliers. Bared has continuously displayed a commitment to growing and maintaining our relationships with long-term suppliers to produce mutually beneficial improvements. By engaging directly with suppliers, we have been able to build trusting relationships and implement more effective mitigation of modern slavery risks. This step in our approach is integral to our core aim of creating mutually beneficial outcomes for brand and our suppliers.

CASE STUDY 5

Supply Chain Tracing

Collaboration with our suppliers has been integral in improving our supply chain traceability. Our suppliers provide the names and details of each tier 2 supplier which they source from. We work with our suppliers to ensure that they understand our material sourcing standards and source from suppliers that meet our environmental and social labour standards.

We use the Our Supply Chain (OSC) platform, a tool that helps us track and manage every part of our supply chain, from materials to finished products.



TIER	OUR PROGRESS	FURTHER DETAILS
1	We have mapped 100% of Tier 1 factories	We have direct relationships with all our tier 1 suppliers.
2	We have mapped an estimated 95%-100% of our Tier 2 suppliers.	<p>Why is it not 100%?</p> <p>Our suppliers provide the names and details of every tier 2 supplier from which they source from. As a result, we have actually mapped what we believe to be 100% of our tier 2 suppliers.</p> <p>Whilst we have great relationships with our suppliers, it's always possible that our suppliers have purchased top ups and alternative materials</p>
3	We have mapped an estimated <3% of our tier 3 suppliers.	<p>Why is this number low?</p> <p>The further into our supply chain we get, the harder it is to track our tier 3 suppliers. This is particularly the case with the leather supply chain as leather production involves multiple stages and numerous intermediaries, each operating independently and often without transparent record-keeping practices.</p> <p>Leather accounts for the largest mass in our products, and one of the largest portions of our supply chain. The leather supply chains often intersect through factories and abattoirs that are primarily producing food items. Factory owners often lack the capacity to provide detailed supply chain information. Additionally, cows are typically received at abattoirs in bulk from multiple farms, making it difficult to trace the origin of each hide.</p> <p>What are we doing to improve this number?</p> <p>Sourcing with certified materials is a huge win for our traceability statistics. Qualification for many of our preferred third-party certifications requires manufacturers to substantiate full traceability through chain of custody documentation. For many of our certified materials, full traceability is available but hasn't been collected yet due to resource availability. We are also actively sampling with leathers that ensure full traceability through physical documentation.</p>
4	We have traced <1% of our tier four.	<p>Why is this number low?</p> <p>Many stakeholders are involved between tier 4 and tier 1, meaning a continuous tracing of the chain of custody of materials must be maintained at each step along the way. The challenges in tracing this level are complex and not purely logistical.</p> <p>What are we doing to improve this number?</p> <p>We are actively seeking out certified materials that require chain-of-custody traceability as part of their certification criteria. As mentioned, we are currently in the process of sampling with premium hides which assure fully supply chain traceability through physical marking of the hide. We are also exploring the possibility of fibre testing - in which laboratories such can trace fibres through DNA profiling.</p>

5. REPORTING

Each year, Bared Footwear voluntarily reports under the Modern Slavery Act 2018. By voluntarily reporting, we hold ourselves accountable to review our processes, progress and approach to modern slavery risk mitigation in our supply chain. As a business experiencing growth, it is important we review our procedures so to account for the expansion of our supply chains.

As we reflect on our performance in the previous reporting period, we also consider the steps we must take moving forward to enhance and further formalise our approach in the next year.

6. ROAD MAPPING

This final stage of our six-step approach is crucial for staying proactive and adaptable, ensuring Bared Footwear can effectively address modern slavery risks as we grow. By prioritising our goals, we allocate resources efficiently and focus on areas where we can make the most significant impact. Integrally, we consult with multiple departments in order to create effective roadmaps for the year ahead.

Forward thinking allows us to anticipate potential challenges and opportunities, ensuring our practices remain robust and scalable. Forward thinking and goal prioritisation are not just strategic necessities, they are fundamental to our mission of growing responsibly and ethically.



Assessing the Effectiveness of our Actions

INTERTEK PARTNERSHIP

We partner with Intertek, a leading quality assurance provider, to conduct comprehensive audits and assessments of our supply chains. Intertek's expertise in labour rights and ethical trade ensures that our suppliers comply with international standards, helping us identify and mitigate risks of modern slavery effectively.

ANNUAL REVIEW AND BENCHMARKING

We conduct an annual review of our modern slavery mitigation strategies, benchmarking our performance against industry standards and best practices. This process helps us track progress, identify gaps, and implement improvements to enhance our efforts in combating modern slavery in our supply chains.

BCORP RECERTIFICATION 2024

Our commitment to maintaining BCorp certification involves rigorous assessments of our social and environmental performance, including our efforts to address modern slavery. The recertification process in 2024 has provided an opportunity to validate our strategies and ensure they align with BCorp's high standards for ethical business practices. Our takeaways from this process will carry on throughout the next reporting period.

CONSISTENT SUPPLIER COLLABORATION

We engage in ongoing collaboration with our suppliers to ensure they're meeting our ethical standards and to aid in areas they may be struggling in. This includes regular communication, and support to help them understand and implement best practices for preventing modern slavery. By building strong relationships, we foster a culture of transparency and accountability throughout our supply chain.

GREEN TEAM

The Bared Green Team is composed of passionate team members from various departments. They play a crucial role in promoting sustainable and ethical practices throughout Bared. The quarterly team meetings offer an opportunity for us to review aspects of our modern slavery approach that extend into teams outside of the product and sustainability teams.

Consultation Process with other entities

Bared Footwear owns two sister companies that are currently non-operational and, as such, do not present any risk of modern slavery. Our primary focus is on upholding the highest ethical standards within our active supply chain, dedicated to eliminating exploitation and fostering fair and responsible practices.

Other Relevant Information

In Bared's Modern Slavery Statement for FY23, we set several ambitious targets for the subsequent reporting period and beyond. The timelines of these goals and our approach have been adjusted following learnings and consultations in FY24. Bared remains committed towards the principles that guided these targets.