



MINDFUL FASHION NZ
Our clothing & textiles collective

**INDIVIDUAL
PARTNERSHIP
AGREEMENT
&
CODE OF CONDUCT**

Introduction

Mindful Fashion New Zealand Inc. (MFNZ) is an Incorporated Society made up of a collective of New Zealand designers and brands (Signatory Brands) established to strengthen the New Zealand clothing industry, and manage and improve the industry's social and environmental impacts. To achieve this, MFNZ has developed a Partnership Agreement and Code of Conduct, a collaborative contract that defines responsible business standards and forms a shared commitment between the MFNZ Signatory Brands and their partners (Partners).

The standards in this Agreement and Code are based on international guidelines including the International Labour Organisation's Core Conventions, the Ethical Trading Initiative Base Code, the United Nations Global Compact and industry-specific codes of conduct. Mindful Fashion New Zealand and its Signatory Brands aim to work with Partners who recognise that they too have a responsibility in this endeavour and are committed to meeting these standards.

Scope

The MFNZ Partnership Agreement is an agreement between MFNZ Signatory Brands and their Partners. All MFNZ Signatory Brands and Partners who sign this document are demonstrating their commitment to meet the standards outlined in it. Partners are expected to communicate the standards outlined in this document to their subcontractors and suppliers, and for this to be done in the local language where required.

Legal Obligations

MFNZ Signatory Brands, Partners, and their subcontractors are expected to comply with all local and national laws and regulations of the locations where they operate, including but not limited to, those set out below and all laws related to bribery, corruption, and other prohibited business practices. Where there are differences between the standards of this Agreement and Code, and national laws or regulations, or other applicable standards, Partners are expected to adhere to the higher standards, that is, those most in favour of the employees.

Governance

Partners agree that representatives from MFNZ, its Signatory Brands or an organisation nominated by MFNZ can conduct visits to the Partners' and its subcontractors' production facilities to monitor standards specified in this Code, and will be allowed unrestricted access, the right to review any employee time and wage records maintained by employers and to interview employees.

Privacy & Confidentiality

MFNZ, its Signatory Brands, and Partners will ensure that all information gathered is kept strictly confidential and for the internal use of Mindful Fashion only, unless otherwise required by law. Where a Partner considers subcontractor information to be confidential, MFNZ agrees to treat this information as such, and any records will be retained in a confidential manner accessible only to MFNZ administration staff for the purposes of assessment and program development. This information will not be made publicly available to brands or other Partners.

Standards

EMPLOYMENT

- The employer must keep a written record of all employee agreements, whether they be collective or individual. All record-keeping is expected to be accurate and transparent at all times.
- Partners must follow all legislation relevant to employment relationships in their country of operation.
- To every extent possible, work performed should be based on a recognised stable employment relationship established through national law and practice.

WAGES & BENEFITS

- Employees shall be paid at a minimum, for a standard working week, any wages, overtime pay, benefits, and paid annual leave which respectively meet or exceed legal minimum requirements, collective agreements, or industry benchmark standards, whichever is higher.
- Wages are expected to meet basic needs and provide some discretionary income for employees and their families, relative to the region of employment.
- All employees shall be provided with written and understandable information about their employment conditions concerning wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.
- Overtime pay shall be calculated at the legally required rate, regardless of whether workers are compensated hourly or by piece rate.

WORKING HOURS

- Employers shall comply with applicable laws, collective bargaining agreements (where applicable) and industry standards on working hours, breaks and public holidays.
- Standard working hours, excluding overtime, should be defined by contract and not exceed 48 hours per week.
- Working hours including overtime shall not, regularly, exceed more than 60 hours per week.
- All overtime hours are voluntary and shall not be requested regularly. Overtime pay shall be calculated at the rate defined by national law or established by a collective bargaining agreement, regardless of whether workers are compensated hourly or by piece rate.
- Employers shall ensure that employees receive at least one full day off every seven days.

CHILD LABOUR

- No person shall be employed on a full time basis at an age younger than 15 years old, or younger than the age for completing compulsory education, whichever is higher. Regardless, all employees shall meet legal minimum age for employment as stipulated by the International Labour Organization and local laws.
- Employers must verify the age of their employees and maintain copies of their workers' proof of age. Employers must follow all applicable laws and regulations regarding working hours and conditions for minors.
- Workers below the age of 18 may not be employed in hazardous conditions including at night or completing dangerous tasks.

FORCED AND BONDED LABOUR

- All forms of bonded, forced or involuntary prison labour are prohibited, including compulsory overtime and retention of passports or other identity documents. Partners shall not permit or encourage workers to incur debt through recruitment fees, fines or other means.
- The withholding of bonds or deposits is not allowed.
- Employees must be able to voluntarily end their employment without any restrictions, provided they meet any obligations as outlined in their employment contract. Employers shall respect the right of workers to leave the workplace after their shift.

MIGRANT AND/OR AGENCY WORKERS

- Migrant workers shall have the same entitlements as local employees.
- No migrant worker should be subject to any form of exploitation, coercion, or discrimination.
- Migrant workers shall not be required to pay any fees, expenses, or deposits in connection with their employment.

HARASSMENT AND ABUSE

- Employees shall be treated with respect and dignity and may not be subject to any form of actual physical abuse, discipline, or corporal punishment; and the threat of physical abuse, sexual or other harassment, verbal abuse or other forms of intimidation.
- Written disciplinary procedures shall be established and be explained to employees in clear and understandable terms. All disciplinary actions shall be recorded.
- Employees must be able to express criticism and concerns about conditions in the workplace to their supervisor or management without fear of retribution, loss of employment or other reprisals.

DISCRIMINATION

- All employees must be hired and treated based on their ability to carry out their work and their performance, and given equal opportunities and treatment regardless of race, caste, colour,

gender, religion, political opinion, nationality, social origin, familial situation including marital status or pregnancy origin, disability or other distinguishing characteristics.

- There must not be any form of discrimination or preferential treatment in recruiting, remunerating, providing training, promoting, dismissing or in retirement.
- All employment relationships should include effective mechanisms to protect migrant, temporary or seasonal workers from any form of discrimination.

GRIEVANCE MECHANISMS

- Employers must provide effective, respectful, and transparent systems for employees, whereby any internal disputes can be addressed and resolved collaboratively.

FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

- Employers shall recognise and respect the rights of employees to join or form trade unions of their choosing and to bargain collectively. Employers shall not interfere with, obstruct or prevent such legitimate activities, or discriminate against or otherwise penalise worker representatives or trade union members for their involvement.
- Where the right to freedom of association and collective bargaining is restricted or prohibited under law, employers shall facilitate, and not hinder the development of parallel means of independent and free association and bargaining.

HEALTH AND SAFETY

- Partners shall comply with all applicable laws of the countries in which they operate regarding workplace sanitation and safety.
- Employers must ensure all employees are provided with a safe and hygienic working environment. Adequate steps shall be taken to prevent accidents and/or injury arising out of or occurring during work or as a result of the operation of facilities.
- Health and safety training shall be provided and practiced on-site. Employees must be provided with adequate safety training and equipment when handling hazardous material or working with dangerous tools.
- Employers shall ensure that employees have access to clean drinking water, sanitary washing facilities and an adequate number of toilets, fire extinguishers, and fire exits and that workplaces provide adequate lighting and ventilation. Employers shall ensure that the aforementioned standards are also met in any canteen, dormitory and rest and recreational areas that are provided for employees.

SUBCONTRACTING

- The standards outlined in this Code are applicable to all stages of the MFNZ Signatory Brands' supply chains. Partners are expected to communicate the standards outlined in this Code to their subcontractors and suppliers.

TRANSPARENCY & TRACEABILITY

- MFNZ Signatory Brands and their Partners are jointly responsible for ensuring social and environmental responsibility within their respective businesses. Working towards this goal requires transparency and traceability into all levels of the supply chain. MFNZ reserves the right to request information from Partners regarding subcontractors, country of origin, identity and location of raw material and component sources.

ENVIRONMENTAL PROTECTION

- All signatories are expected to embrace a fundamental concern for environmental protection and conduct their operations and services consistent with local and national environmental regulations, to ensure the environmental impact of their business practices are minimised.
- Resources shall be used in a way that minimises waste; where waste is unavoidable waste to landfill shall be minimised, and recycling and/or reuse prioritised.
- Water should be used as efficiently as possible. All outgoing wastewater from wet processes is expected to be appropriately treated to meet the requirements of local legislation before discharge.
- Energy shall be used efficiently, and all measures taken to minimise air pollution and greenhouse gas emissions.
- Up to date original copies of all relevant environmental permits and licenses for operations shall be maintained.
- Procedures and policies shall be maintained to ensure all chemicals are used safely and responsibly, and that all applicable laws and regulations are adhered to. Hazardous materials and substances that are banned by local and international organisations/regulation (e.g. New Zealand Law, European Union Regulation) must not be used in the manufacturing process.

BRIBERY & CORRUPTION

- The offering, paying, soliciting or accepting of bribes including facilitation payments is strictly prohibited. MFNZ Signatory Brands and Partners are expected to comply with local, national and international regulations, including regulations related to anti-corruption, bribery and other prohibited business practices.

DISPLAY OF THIS PARTNERSHIP AGREEMENT

Partners agree to explain this Agreement and Code of Conduct, and their commitment to it to employees and display this document translated into local languages, in a place readily visible and accessible to employees in their workplace. Commitment to the Code must be communicated to all employees within the business and throughout the supply chain.

MFNZ invite any employees to raise any concerns they might have regarding this Partnership Agreement using the links provided at www.mindfulfashion.co.nz.

Updates to Agreement

This Partnership Agreement and Code of Conduct may be amended and updated. An up-to-date copy will be available at all times on the Mindful Fashion website at www.mindfulfashion.co.nz When a change is considered material, that is, a change is made to a clause, requirement or level of commitment that impacts the intention of the document, an updated copy and outline of changes will be sent to MFNZ Signatory Brands and Partners for their own records.

Withdrawal of Agreement

By signing this Agreement and Code of Conduct, MFNZ Signatory Brands and Partners are making a commitment to meet the standards outlined in it. If at any point a signatory to this agreement wishes to withdraw, they are obliged to give a minimum of 1 months notice, and must notify MFNZ in writing by sending an email to ask@mindfulfashion.co.nz. This withdrawal will be communicated to all MFNZ members, and made available via the MFNZ website.

Brand Commitment

MFNZ Signatory Brands are committed to working with Partners to meet the standards outlined in this Agreement. We recognise that our business practices can impact our Partners' ability to meet our standards, and we are committed to addressing any challenges that arise through open and transparent dialogue. We will work to ensure our lead times allow our Partners to meet demand within a reasonable timeframe.

We will facilitate the implementation of the Partnership Agreement and Code of Conduct into our company philosophy and assign a responsible person(s) to oversee and support its successful execution in our agreements with Partners.

Partners Commitment

Partners agree to implement this Agreement and Code and applicable laws into business practices and submit to assessment along with any applicable training programs. Partners commit to take responsibility for their practices related to the standards in the MFNZ Partnership Agreement and Code of Conduct and work to implement management practices and improvement programs to prevent problems recurring. Partners are expected to communicate with MFNZ any challenges that arise in the course of their business arrangement and commit to addressing these challenges collaboratively.

Partners are expected to be fully transparent when providing MFNZ Signatory Brands and affiliates with information, providing information concerning their operations when requested.

Partners will provide MFNZ, or its Signatory Brands, on reasonable notice, access to production facilities, worksites, and relevant records insofar as they relate to contracts and purchase agreements with MFNZ Signatory Brands, to verify information provided in any assessment.

The Partner confirms that it has read the MFNZ Partnership Agreement and Code of Conduct, agrees with its statement of requirements and commits to working to comply with these.

AGREEMENT

Partner Company _____

Representative _____

Position _____

Date _____

Signature _____

AGREEMENT

On behalf of Mindful Fashion New Zealand

Representative _____

Position _____

Date _____

Signature _____

GLOSSARY

MFNZ Mindful Fashion New Zealand

SIGNATORY BRAND Any designer or brand that is a paid member of Mindful Fashion New Zealand. A current list of signatory brands is displayed at www.mindfulfashion.co.nz

PARTNER Any supplier providing goods or services to a Signatory Brand, and who has signed this Agreement.

BASIC NEEDS The minimum necessary for a worker and two dependents to have access to resources, including food, safe drinking water, clothing, shelter, energy, transportation, education, sanitation facilities and access to health care services.

DISCRETIONARY INCOME The amount of a worker’s wages available for spending or saving after basic needs have been met.

EMPLOYEES All men and women directly employed by an employer, including executives, managers, supervisors, and workers.

MINIMUM WAGE The minimum wage level established by national or local law.

INDUSTRY BENCHMARK STANDARDS The level of wage generally paid in the relevant country or region of the country for work in the same sector and for comparable levels of responsibility and experience.

WORKER All non-management personnel working at an applicable facility.

SUBCONTRACTOR Any subcontracted process or production that occurs outside of the factory or CMT facility that orders are placed directly with.