



MADE DIFFERENT.

ICEBREAKER
TRANSPARENCY
REPORT 2017



icebreaker

21 YEARS AGO WE HAD A DIFFERENT IDEA,
AN IDEA BIG ENOUGH TO CHALLENGE AN OUTDOOR
CLOTHING INDUSTRY DOMINATED BY COMPANIES
USING PLASTIC AND SYNTHETICS, WITH A NEW,
DIFFERENT, AND SUSTAINABLE WAY OF THINKING,
DOING AND MAKING.

INSPIRED BY NATURE, OUR IDEA WAS TO HARNESS
THE INCREDIBLE CAPABILITIES OF NATURAL FIBERS
TO MAKE SIMPLE, BEAUTIFUL, HIGH QUALITY
CLOTHING THAT WOULD INSPIRE AND ENABLE
PEOPLE IN THEIR ADVENTURES OUTDOORS, AND
IN EVERYDAY LIFE.

WE SET OUT TO DO IT WITH THE DETERMINATION
TO RUN OUR COMPANY AND MAKE OUR CLOTHES,
WITH CARE, RESPONSIBILITY AND INTEGRITY IN
EVERY PART OF THE PROCESS FROM SHEEP TO
FINISHED SHIRT.

IT IS A DIFFERENT WAY OF THINKING AND BEHAVING
THAT STILL DRIVES OUR BUSINESS TODAY,
AND RUNS THROUGH EVERY STITCH AND
FIBER OF EVERY PRODUCT WE MAKE.

ICEBREAKER. **MADE DIFFERENT.**

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OVER

REPORT
OVERVIEW

VIEW

“We are constantly struck by the irony of the industry to promote the use of synthetic fabrics as the ‘ideal technical’ layer. Really? Plastic against your skin? We believe there is a better way and nature has the answers.”



Jeremy Moon, Founder

FROM OUR FOUNDER

ICEBREAKER IS ABOUT ICEBREAKING

We explore the relationship between people and nature. It's about kinship, not conquering. Nature is our hero. We believe living a life connected to nature is good for us. It's the critical antidote to our busy city life.

Our purpose is to offer our customers a natural alternative to synthetics and to disrupt the outdoor industry towards sustainable solutions. It's why we exist. We are constantly struck by the irony of the outdoor industry to promote the use of petroleum based, synthetic fabrics such as polyester and polypropylene as the 'ideal technical layer'. Really? Plastic against your skin? We believe there is a better way and nature has the answers.

Icebreaker pioneered the ethical and sustainable production of natural performance clothing as an alternative to petrochemical synthetics. And we have a higher purpose beyond the clothes we make.

Our founding purpose defines not just what we make, but how we make it. It guides every design and development choice we make, it guides our manufacturing and distribution decisions, and it powers how we operate as a global team wanting to make a difference. Sustainability isn't just a feature of our products, it's in the values and design of our business.

We are committed to a business based on high performance nature based fabrics, and our supply chain is built on the foundations of transparency and traceability.

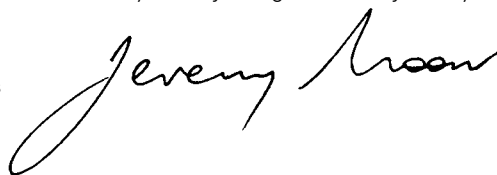
We also recognize that it is impossible to run a completely flawless business. Our commitment means we take responsibility in all four areas - caring for people, animal welfare, the environment and our business. We aren't perfect, but we are conscious of our choices, and are constantly striving for better.

The apparel sector faces some specific challenges. These include: fast fashion and overconsumption, animal cruelty, a reliance on unsustainable materials, toxic emissions, invisible supply chains due to extensive subcontracting and working conditions at the expense of people's fundamental human rights.

Together, with our people, suppliers and customers, we want to make a positive difference. We were born to challenge the industry norms with an outsider perspective - to be not only the natural fiber champions, but together with our customers to be champions of nature.

We are proud to be part of a global movement working on better ways to relate to each other and the natural world around us.

Thank you for joining us on this journey.



Jeremy Moon

To discover more about our founding story visit icebreaker.com/insideicebreaker

A romantic scene of a man and a woman holding hands, silhouetted against a bright sunset over a snowy mountain range. The sun is low on the horizon, creating a warm, golden glow. The couple is in the foreground, looking towards each other. The background shows rolling hills and mountains covered in snow under a clear sky.

OUR PHILOSOPHY

Icebreaker was founded with a purpose.
To offer consumers a natural alternative to
synthetics and to disrupt the outdoor industry
towards sustainable solutions.

Alex Strohl, adventure photographer and his life partner
Andrea Dabene in Wanaka, New Zealand

OUR PURPOSE

Nature always has a better solution.

Through exploring our connections to nature, people and place and uncovering solutions from nature, we have a higher purpose beyond the clothes we make. Sustainability isn't just a feature of our products, it's the design of our business.

We are not perfect, but we are constantly striving for better.

OUR VISION

Living with nature: we see a future where we learn to live with nature, not exploit it.

Living a life connected to nature is good for us. Nature is the antidote to our busy lives.

We believe there is a way to build an organisation that uses the laws of nature as our inspiration.

OUR BRAND ETHOS

Icebreaker is about icebreaking. We explore the relationship between people and nature.

We believe that 'nature knows best'. It's about kinship not conquering. Nature is our hero.

“I started Icebreaker to offer a natural alternative to synthetic outdoor clothing. Our challenge wasn't just how to make a natural product, it was how to build a natural company, from the foundations up.”

Jeremy Moon

NATURAL PRINCIPLES

Nature tends to be guided by three distinct rules. These apply to a high country sheep station, an ecosystem such as a forest floor, and our business philosophy.

Adaptation

Living things thrive or die based on their ability to adapt to their changing environment.

Symbiosis

Living things work together for mutual benefit.

Sustainability

Nature doesn't waste anything. That is a uniquely human trait.

We believe these principles are the ideal foundation for our company. They inform every move we make.



What if our
customers
could see
everything
we do?

Plans to hire ^{more}
young workers due
to cost of healthcare

Increase price
~~of services~~

ABOUT THIS REPORT

THIS REPORT IS OUR FIRST

It has taken us 21 years to craft our business and we haven't finished yet. This report is the result of our 21 years of commitment to building an ethical and sustainable business and while we're not perfect, we are proud of what we have achieved.

We haven't followed a rulebook for compiling this report. It is our first, in what will become an annual publication. The facts are designed to give readers an overview of all the components of our business and supply chain. The case studies are more in depth to allow you to dig deeper if you'd like to.

This report hasn't been rushed together to tick the boxes for the latest industry survey. Nor have we signed up to an ocean of third party certifications, accreditations and badging exercises.

We believe brands must develop their own values and viewpoints. This isn't something that can be outsourced to others. We believe in fostering a conscious business outlook within our company that places us exactly where we want to be. Leading, rather than following. We back this with ongoing research, through regular independent audits and by benchmarking ourselves against best practice. You will see this referenced throughout the report.

WANT TO REACH OUT TO ICEBREAKER?

Ask us anything at
transparency@icebreaker.com

Our global stewardship is the responsibility of our Chief Executive Officer, Greg Smith and Chairman of the Board of Directors, Rob Fyfe.



Greg Smith
CHIEF EXECUTIVE
OFFICER



Rob Fyfe
CHAIRMAN OF
THE BOARD

We aren't perfect. In this report we share with you our journey from our origins to where we are today. We identify where we can improve and our aspirations for the future.

If you think we've missed something we'd like to know – we'll do our best to incorporate more into our next report. Pop us an email at transparency@icebreaker.com



“Transparency encourages scrutiny, vigilance and accountability. It’s like opening one’s front door and allowing others to look inside. And of course, the more doors are open, the more the picture becomes clearer, the better we can understand and ameliorate supply chain workers’ lives and the environment.”

*Orsola de Castro
Founder and Creative Director,
Fashion Revolution*

TRANSPARENCY

WHAT IS TRANSPARENCY?

Transparency means a commitment to full and regular public disclosure of all policies, procedures, progress and real world impacts on workers, animals, communities and the environment.

For Icebreaker, this means opening all our decisions up to scrutiny and assessment. Put simply, our 'inside' needs to be the same as our 'outside' and we accept responsibility for all of it.

We acknowledge that transparency alone is not enough. But it exposes the structures we use so we can better improve them.

WHY IS TRANSPARENCY IMPORTANT?

It is impossible for brands to ensure respect for human rights, sound environmental practices and uncompromised product quality without knowing where their products are made, who is making them and under what conditions.

If we can't see it, we can't fix it. When companies publish information about their supply chains and practices it helps NGOs, unions and local communities to trace their influence and hold them to account. And it helps alert the brands themselves to any issues of concern.

Transparency enables concerned consumers to make more informed decisions.

Transparency helps people scrutinize brands and builds trust.

TRANSPARENCY & ICEBREAKER

Icebreaker was founded on the need for greater transparency, openness and honesty in the clothing industry and to pioneer the availability of nature based performance apparel.

We think people should know exactly what they are putting next to their skin, how it was made and all the effects their choice is having.

Icebreaker has maintained its transparency by developing a business ecosystem based on close, long term relationships. These relationships are open and honest – there is nothing we can hide from each other. We do not use agents or allow work to be outsourced beyond our directly approved suppliers.

We know exactly where our fiber comes from and ensure that growers uphold the strongest environmental and animal welfare practices. We know exactly where our garments are being made. We take responsibility for the whole ecosystem.

Until now, we haven't been great at sharing all the details of this with our consumers and business partners. Thank you for asking us to. We are proud to tell people about how we work and relish any opportunity to do so.

We know that no business is ever perfect. All business requires trade offs. Transparency opens us up to the deepest possible feedback on the decisions we make. We need it. That is what will allow Icebreaker, the industry we work in and our entire economic system to evolve and improve.

OUR BUSINESS

Icebreaker was founded by Jeremy Moon in 1995 in New Zealand.

Icebreaker is still privately owned and Jeremy remains a member of the board, a key shareholder and is still actively involved in the day to day running of the business.

NORTH AMERICA

Icebreaker Stores	17
Markets	2
Employees	173

Founded	1995, New Zealand
Headquarters	Auckland, New Zealand
Ownership Structure	Private Ownership
Management	Rob Fyfe, Chairman Greg Smith, Chief Executive Officer Nicola Simpson, Chief Operating Officer Jason Bloom, Chief Financial Officer Carla Murphy, Chief Brand & Product Officer
Global Sales	NZD \$211M
Global Unit Sales	4.7M units
Distribution	Sold in more than 4,500 stores. Our eCommerce platform is live in 23 countries. We have 46 Icebreaker stores around the world
Global Markets	47 countries. Main markets are Europe, North America, New Zealand and Australia
Employees	418 Direct Employees excluding contractors
Products	A layering system of natural performance apparel for men, women and children

EUROPE

Icebreaker Stores	3
Markets	37
Employees	67

ASIA

Icebreaker Stores	5
Markets	6
Employees	0

Today Icebreaker is sold in more than **4,500** stores in **47** countries worldwide.

AUSTRALASIA

Icebreaker Stores	21
Markets	2
Employees	178

TRANSPARENCY TIMELINE

Icebreaker's history is defined by breakthroughs and actions challenging norms with alternative perspectives.

1995

WILD PARTNERS

Icebreaker is created after a chance meeting between 24 year old Jeremy Moon and a merino wool farmer in New Zealand. Jeremy creates a new category of natural fabric outdoor wear less reliant on petrochemical fibers.



1997

PARTNERS FOR LIFE

Icebreaker is the first company in the world to establish long-term contracts with key merino wool growers. They are based on genuine trust and a mutual concern for animal welfare and the environment.



2003

INTERNATIONAL PARTNERSHIPS

In order to access the best technology, ethics and capacity Icebreaker joins a multinational collaboration of French, German and Chinese companies to pioneer an advanced manufacturing hub in Shanghai.



2008

LEADING THE INDUSTRY

Icebreaker becomes the first company to ban the mulesing of sheep in the outdoor industry. The policy has now been widely adopted by the industry to champion animal welfare.



2010

TRACEABILITY

Icebreaker introduces a 'Baacode' enabling customers to trace the fiber from their clothing all the way back to the farm.



2012

COOLER THAN COTTON

Icebreaker develops Cool-Lite™ – a breakthrough blend of merino and plant based Tencel®. Tencel® is made from eucalyptus, an award-winning, ecologically sustainable, natural fiber.



2013

NO NEED TO DUCK

Icebreaker develops a natural alternative to duck down, made from merino.



2017

TRANSPARENT & PROUD

Icebreaker launches its first Transparency Report, leading the industry in complete public disclosure of our supply chain policies, structure and practices.



GROOV

A woman with long blonde hair, wearing a dark blue jacket and pants, stands in a grassy field at sunset, looking out over a lake and mountains. Several dogs are running and playing in the field. The word "GROOV" is overlaid in large white letters across the center of the image.



OUR
GROWERS
& FIBER

W E R S

Robert Butson and daughter Kate.
Location: Mt Nicholas Station, Queenstown, New Zealand

A scenic landscape at sunset. The sun is low on the horizon, casting a warm, golden glow over the scene. In the background, there are rolling mountains and hills. In the foreground, a field of sheep is visible, with several sheep in the immediate foreground and a larger group in the middle ground. The overall atmosphere is peaceful and natural.

AN INTRODUCTION TO MERINO

Icebreaker was founded on the use of **superfine merino wool**, sourced direct from selected stations in New Zealand. All of our products are still based on this amazing natural fiber.

THE MERINO IS ONE OF THE WORLD'S MOST ANCIENT BREEDS OF SHEEP, AND ONE OF THE TOUGHEST.



Simple, efficient, ingenious. Nature's solutions aren't tested in laboratories; they face the ultimate continuous field test.

How do we make fiber capable of outperforming synthetic material that provides a better choice for the environment?

The answer is we don't. Merino sheep do. At Icebreaker we have over 21 years of experience in specifying the highest quality, ethically sourced merino.

Eons ago, animal hair - designed to keep a mammal warm - evolved to become wool. It then evolved to become superfine merino wool. This was an adaptation developed as the merino sheep broke away from other breeds. They headed to the mountains in search of new food and to seek safety from predators.

Merino aren't regular sheep chewing grass in the lowlands. They have evolved to survive the scorching summers and freezing winters of New Zealand's rugged Southern Alps.

Merino survive these extremes through the incredible natural engineering of their fleece. It is five times finer than a human hair. That's about twice as fine as regular wool. This makes it lighter, more breathable and better insulating.

The merino's summer coat is able to keep cool in temperatures over 30°C (86°F). In winter, merino grow an extra layer of wool. This keeps them warm as temperatures plummet to -10°C (14°F). A regular sheep would not survive.

NATURE'S PERFORMANCE FIBER

The special qualities of our merino make it an incredible natural performance fiber and a beautiful fabric to wear.

RESILIENCE

Icebreaker merino fiber can be extended to more than 30% of its length without breaking*. Its wave-like 'crimp' structure makes it more resilient.

THERMO-REGULATION

Icebreaker merino has the ability to gain and release heat depending on the wearer's next-to-skin environment and the external conditions. As it absorbs moisture it releases a small amount of heat. Hot conditions reverse the effect, cooling the skin.

**Source: Colлие, S.R. and N.A.G. Johnson, 1998. The benefits of wearing wool rather than man-made fiber garments. Lincoln, Christchurch, New Zealand, WRONZ.*

***Source: Leeder, J., Wool - Nature's Wonder Fiber, Australasian Textile Publishers*

SOFTNESS

Icebreaker merino fibers are so soft they bend when they contact the skin. This provides outstanding softness and comfort.

ODOR SUPPRESSION

Icebreaker merino outperforms other fibers in its ability to resist the build up of unpleasant odors. Odor molecules are absorbed into the fiber, effectively locking them away from your nose.

UV PROTECTION

Merino is naturally UVA and UVB resistant.

BIODEGRADATION

Icebreaker merino is a naturally biodegradable fiber. Under the right conditions it will readily biodegrade if buried.

MOISTURE MANAGEMENT

Icebreaker merino absorbs moisture from the skin and then emits it into the air. This leaves you drier and more comfortable. It will absorb up to 35% of its own weight in water before feeling wet – far beyond most synthetic fibers**.

FLAME RESISTANCE

Merino's natural flame resistance exceeds that of all other commonly encountered textile fibers.

“ We were the first company in the world to develop deep, long term relationships with merino farmers. This has allowed us to develop unrivalled expertise in specifying and selecting the finest quality merino.”

Jeremy Moon

WHY ICEBREAKER MERINO?

Icebreaker pioneered the use of merino in high performance outdoor clothing. We still lead the flock.

We were the first company in the world to develop deep, long term relationships with merino farmers. This has allowed us to develop unrivalled expertise in specifying and selecting the finest quality merino.

We specify fiber length, strength, diameter, consistency, colour and cleanliness. We even specify our own Icebreaker 'style' of raw fiber that ensures we get the right crimp and structure.

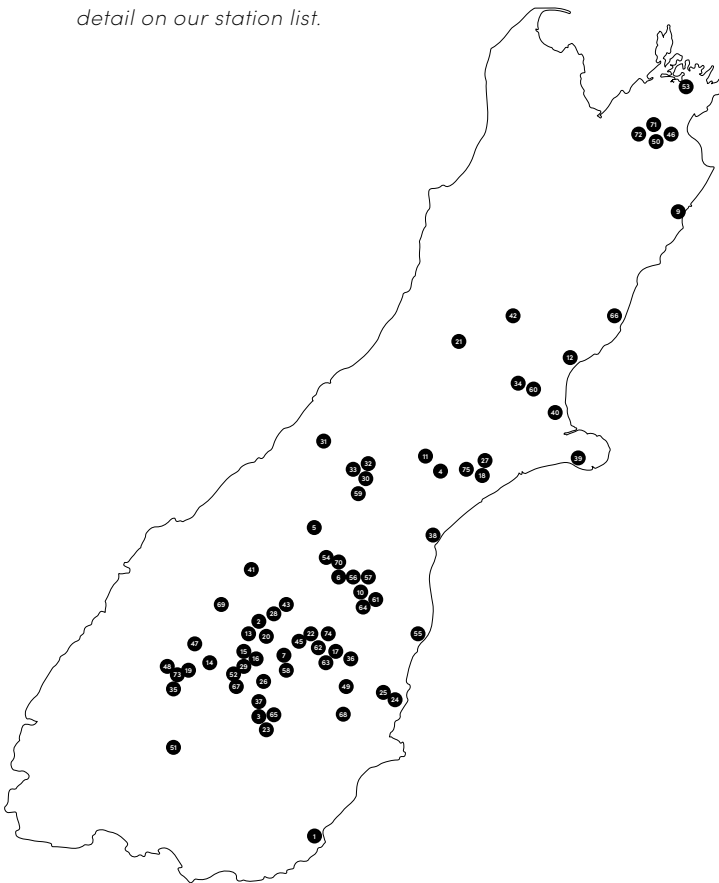
Our partnerships also guarantee the highest standards of animal welfare. Our animal welfare policy ensures a healthy, low stress quality of life for the sheep.

DIRECT GROWER RELATIONSHIPS

In 1997, Icebreaker became the first company in the world to establish long term contracts with key merino wool growers. They were based on genuine trust and a mutual concern for animal welfare and the environment. Today, we work with 75 contracted merino stations in New Zealand, carefully managed in partnership with The New Zealand Merino Company (NZM).

Our contracted stations are showcased on the Southern Alps map below.

See the appendix for further detail on our station list.



COUNTRY OF ORIGIN

We continue to source our merino from New Zealand. Currently this makes up around 84% of our total contracted supply. Due to increasing global demand for our specified merino and consumer demand for our product, we source additional 'top-up' wool offshore when we can't source what we need from New Zealand. This comes from stations in both Australia (11%) and South Africa (5%) who meet our quality and ethical specifications.

STATION NAME

- | | | |
|--------------------|---------------------------|-----------------------|
| 1 Ahuriri Downs | 21 Cora Lynn | 48 Mt Nicholas |
| 2 Ardgour | 22 Cragside | 49 Mt Ross |
| 3 Baldwin | 23 Craiglea | 50 Muller |
| 4 Ben Mcleod Range | 24 Cressbrook | 51 Nokomai |
| 5 Ben Ohau | 25 Dolphins | 52 Northburn |
| 6 Benmore Station | 26 Earnsclough | 53 Okukari |
| 7 Blackstone Hill | 27 Erewhon | 54 Omarama Station |
| 8 Blind E | 28 Geordie Hill | 55 Otekaieke |
| 9 Bluff | 29 Glenfoyle | 56 Otematata |
| 10 Bog-Roy | 30 Glenmore | 57 Otematata A |
| 11 Bonjedward | 31 Glentanner | 58 Pomona |
| 12 Braevaar | 32 Godley Peaks | 59 Ribbonwood |
| 13 Branch Creek | 33 Guide Hill | 60 RL |
| 14 Branches | 34 H A Hold | 61 Roseneath |
| 15 Cairnmuir | 35 Halfway Bay Station | 62 Rough Ridge |
| 16 Carrick | 36 Hartfield | 63 Stonehenge |
| 17 Carrickmore | 37 Hilltop Downs | 64 Te Aka |
| 18 Castle Ridge | 38 Irishman Creek | 65 Teviot River Downs |
| 19 Cecil Peak | 39 Kennethmont | 66 The Gums |
| 20 Cluden | 40 Lake Coleridge Station | 67 The Point |
| | 41 Lake Hawea | 68 The Rocks |
| | 42 Lake Taylor | 69 Tuohys Gully |
| | 43 Lindis Peaks | 70 Twin Peaks |
| | 44 Mangaiti | 71 Tynesfield |
| | 45 Matakanui | 72 Upcot |
| | 46 Middlehurst | 73 Walter Peak |
| | 47 Motatapu | 74 Ida Valley |
| | | 75 Lake Heron |



“Whereas most companies start with the fabric, we start with the fiber.”

Jeremy Moon

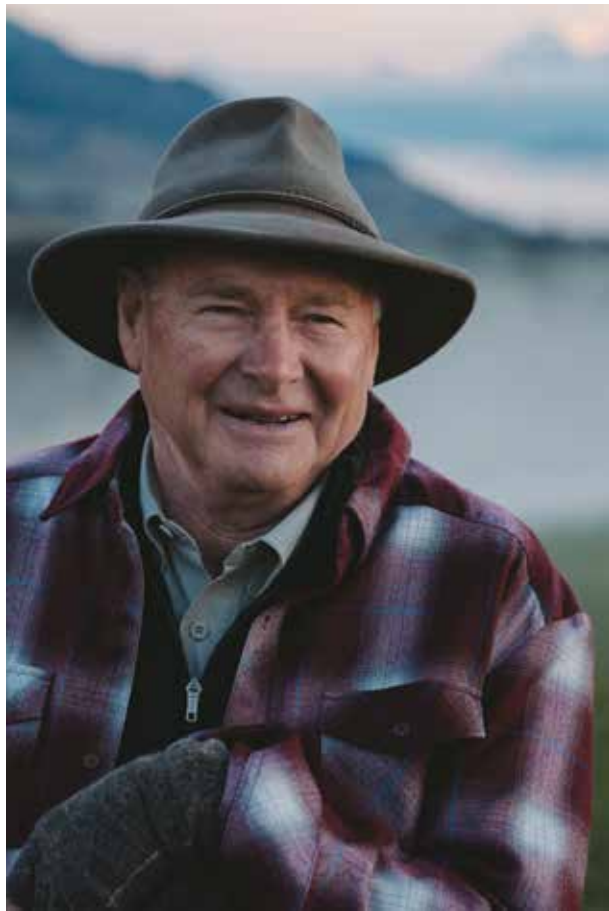
ICEBREAKER MERINO: THE NUMBERS*

6,686 bales of merino wool,
weighing **870** tonnes from
more than **217,500**
sheep.

* Icebreaker 2016 wool consumption

“To farm within those boundaries of nature... You want to preserve what’s here... not to alter the land.”

Robert Butson, Mt Nicholas Station



“The older you get, you notice nature a lot more. The textures, the mountains, the native birds. Everything that connects you to the land. We are part of nature, and we have to do what we can to synchronize with nature.”

Tom Rowley, Lake Hawea Station



“People come to the farm and you say you supply Icebreaker and you feel proud of that definitely.”

Lucy Maling, Lindis Peaks Station



“We breed our sheep to be specifically suited to producing Icebreaker wool and we can only do that because we've got the confidence that the contracts give us. We're signing up to a 10-year contract and that means that our kids have got certainty for ten years. Well, that's unheard of in agriculture.”

Richard Subtil, Omarama Station



MERINO SOURCING PLATFORM

Early on in its evolution, Icebreaker realised it needed a secure long term supply of the highest quality merino. This need was met by growers who wanted the assurance of a secure future.

The contract system Jeremy Moon created set a price that was fair to growers and to Icebreaker and guaranteed up to three years' commitment.

Icebreaker strives for innovation and this has led to the development of another world first. This season, Icebreaker will be offering New Zealand grower families a ten year forward contract for their fiber.

In return, Icebreaker growers commit to delivering quality merino to high ethical standards, covering both the welfare of the animals and the environment.

KEY ISSUE OR AREA	DESCRIPTION OF ISSUE/IMPACT	ICEBREAKER SOURCING POLICY	SPECIFIC ACTIVITIES	RESEARCH/VALIDATION/ EDUCATION INITIATIVES
FAIR TRADE /ECONOMIC SUSTAINABILITY	Ensuring the economic sustainability of growers is critical to the long term viability of the industry and to allow growers to invest in farming standards.	Fiber is supplied via long term forward contracts with prices set at sustainable and mutually agreed levels. This sourcing and pricing model removes price volatility and increases financial security of grower suppliers and has been in place at Icebreaker for over 20 years.	<ul style="list-style-type: none"> - Ongoing engagement between Icebreaker and growers to maintain a close relationship - Attendance at grower roadshows - Growers attend Icebreaker meetings to ensure there is a shared business understanding 	<ul style="list-style-type: none"> - Stanford University Graduate School of Business – Case Study
SOCIAL RESPONSIBILITY AND WORKER SAFETY	Provide for the social and economic welfare of farmers, farm workers and their local communities. Protect the health and safety (H&S) of those living, working and visiting Icebreaker merino accredited farms.	H&S is addressed within the Icebreaker Accreditation Standard. Compliance with this is a condition of supplying Icebreaker fiber. This specifically addresses farm worker and visitor H&S requirements.	Written H&S plan requirement. Growers must also comply with: <ul style="list-style-type: none"> - Health and Safety in Employment Act 1992 - Guidelines for the Provision of Safety, Health and Accommodation in Agriculture - Employment Relations Act 2000 	<ul style="list-style-type: none"> - New Zealand Merino runs grower training and education events and groups to support upskilling and peer to peer learning - NZM on farm research and education stream dedicated to enhancing the people of the industry through training and development.
FIBER QUALITY	Ensuring that all wool supplied to Icebreaker meets key quality specifications.	Fiber quality is specified within the Icebreaker Contract for Merino Fiber. Wool classing and preparation must meet the contract requirements.	<ul style="list-style-type: none"> - NZM runs annual wool classer and wool handler training days - NZM staff visit during shearing season to support quality specifications 	<ul style="list-style-type: none"> - Research to review dark fiber contamination - Genetics research – genetic selection tools to optimize sheep production according to Icebreaker requirements - Traceability systems – trialling and assessing traceability and barcoding technologies - Fiber select – professional wool classer training

KEY ISSUE OR AREA	DESCRIPTION OF ISSUE/IMPACT	ICEBREAKER SOURCING POLICY	SPECIFIC ACTIVITIES	RESEARCH/VALIDATION/ EDUCATION INITIATIVES
ANIMAL WELFARE AND HEALTH	The protection and enhancement of animal welfare and health is a core platform of Icebreaker Merino and a requirement to supply Icebreaker.	<p>Addressed within the Icebreaker ZQ Accreditation Standard.</p> <p>Sheep are free range, roaming in open pastures. They have the ability to display normal patterns of behavior with the minimum of human intervention.</p> <p>Mulesing and live stock shipping are not permitted on farms supplying Icebreaker.</p> <p>Icebreaker growers must provide all livestock with their five basic requirements outlined on page 37.</p>	<ul style="list-style-type: none"> - No mulesing - No live shipping - Growers must comply with all relevant animal welfare legislation - Growers must have an animal health plan that addresses any animal health and welfare issues and risks on the property - Strict standards and procedure for shearing - Standards for all animal health and handling procedures - Growers must have policies and practices in place to manage extreme events 	<ul style="list-style-type: none"> - Happy Sheep – research to better understand and quantify how to measure and minimize stress experienced by merino sheep - Stopping Mulesing – identifying strategies to assist growers to minimize the risks of stopping mulesing - Biodiversity in the high country – understanding the grazing and diurnal patterns of merino sheep in the high country - FeetFirst – identification of genetic tools to predict and minimize footrot in merino sheep - Genetics research – genetic selection tools to optimize sheep production - ‘The Perfect Sheep’ – a toolkit for growers to assist in the optimization of sheep health, wellness and nutrition - Forage research – fodder crops to improve animal nutrition and feed quality
ENVIRONMENTAL INTEGRITY	<p>All activities on land can have adverse effects on the environment. Growers must be aware of, and have strategies in place to minimize impacts on the environment.</p> <p>Growers are required to undertake active positive management to protect and enhance soils, water and indigenous biodiversity.</p>	<p>Addressed within the Icebreaker Accreditation Standard.</p> <p>Growers must plan and be aware of best practice to manage their impacts on the following key indicators of sustainability:</p> <ul style="list-style-type: none"> - Healthy soil - Biodiversity - Water quality - Management of hazardous substances - Nutrient management and waste management 	<p>Growers must have a documented environmental management strategy on their property.</p> <p>This should include:</p> <ul style="list-style-type: none"> -Soil health -biodiversity -water quality -waste management 	<ul style="list-style-type: none"> - Wool’s environmental credentials – industry participation and leadership in the communication of wool’s environmental credentials - Biodiversity in the high country – the impact of merino sheep grazing on high country biodiversity - Chemical residue benchmarking and best practice - Greenhouse gas and water footprinting - Shrink resist treatments - Biodegradation of merino products - Organic merino – feasibility assessment of organic merino production in New Zealand
AUDITING	The Icebreaker Accreditation programme has been developed to provide customers with a high standard of verification so that product quality, animal welfare and health, environmental, economic and social values are positively addressed. Icebreaker certification and auditing is compliant with the Responsible Wool Standard.	<p>The programme is based on encouraging growers to adopt best management practices and to continually improve their performance.</p> <p>Growers are required to comply with the Icebreaker accreditation standard at all times.</p>	<ul style="list-style-type: none"> - All farms audited every three years by JAZ-ANZ accredited AsureQuality Ltd - Additional random vet and shearing audits may also occur. Auditing involves on-site visit, discussion, access to farm stock, facilities and records, citing of supporting documents and written plans 	<p>The ZQ version 4 standard is:</p> <ul style="list-style-type: none"> - Seeking ISO 17065 certification - Recognized formally as being equivalent to Responsible Wool Standard (RWS) (meaning Icebreaker certified wool automatically qualifies as meeting RWS standards)



To provide a snapshot of how Icebreaker grower relations work on the ground here's a brief tour of Muller Station. It's in the words of Steve Satterthwaite, whose family has owned and run the station since his father bought it in 1965.

Ben, Mary and Steve Satterthwaite, Muller Station

GROWER INTERVIEW

CASE STUDY – MULLER STATION

Steve, Mary & Ben Satterthwaite



OVERVIEW

Location: Marlborough, NZ

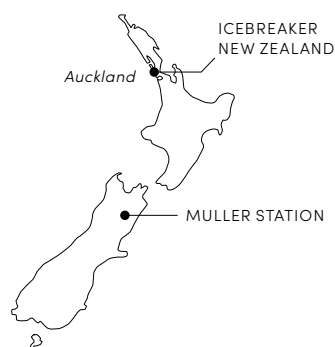
88,500 acres

14,500 Merino sheep and
2,000 beef cattle

Pastoral high country, with some
broad valley floors. Hot, long,
dry summers and relatively cold
winters

Fed by the Acheron and
Awatere rivers

Established around 1850



“We know three years or five years in advance what our wool cheque will be, and it is something you can take to the bank. It’s a high percentage of our income.”

Life at a merino station

“It’s definitely not boring. No days are ever the same. Mostly life on the farm is very seasonal, at the moment we are in the shearing phase and have shorn our ewes. In a week’s time we will be going out into the high country for a week and mustering the sheep in.

Personally, I do not find it isolating. I think we are privileged to be able to live in this environment. It is hard at times. It’s challenging.

You know, four years ago with the earthquakes in Christchurch we began to realise how resilient we actually are to anything that is thrown at us. We could easily manage in here for three months without any stores coming in or any contact with the outside world.”

The relationship with Jeremy Moon

“We’ve been very lucky to have a personal relationship with Jeremy Moon right back from the start. He regularly comes and visits our station and we have hosted numerous teams of Icebreaker people from Europe, America and Asia. Yeah, we have a great

relationship. Jeremy has been here with his girls and he knows our children and yeah, it’s just a nice, easy relationship.

It’s always with a lot of fun and huge amount of enthusiasm. It’s really satisfying for us to see from our point of view that when they come, technically people know the story, know the product, know something about the pipeline of the manufacturing. Then they see a sheep, touch a sheep, and see the wool on its back that now is on their back and then suddenly it’s like the lightbulb gets switched on. It’s a realisation that what they are wearing comes from a sheep’s back.”

The importance of Icebreaker’s long term approach

“We know three years or five years in advance what our wool cheque will be, and it is something you can take to the bank. It’s a high percentage of our income anyway. We produce fiber for Icebreaker which is 70% of our annual income. It gives us the bankability for buying other properties, borrowing money or doing development. That’s something very unique for the market.”



Steve locating stock in the hill country



Steve Satterthwaite inspects a merino fleece

“It’s about growing a fiber that takes 12 months with the right tensile strength, fiber quality and characteristics within the contract parameters. Animal nutrition is the most important part of that.”



Steve, planning shearing with son Ben

Consistently producing to the Icebreaker standard

“It’s about growing a fiber that takes 12 months with the right tensile strength, fiber quality and characteristics within the contract parameters. Animal nutrition is the most important part of that. With long, hot summers and long, cold winters with no growth, you have to carefully manage the production of pastures for the animals’ nutrition. This can become challenging at times. But that’s why you farm conservatively in this environment. Because the minute you break that nutritional cycle, that causes a break in the fiber, then it’s not suitable quality for Icebreaker.”

Why it works

“It’s the satisfaction of producing something we are proud of that we see people wearing. We go into an Icebreaker shop and talk to the retailers, talk to the sales people and they are buzzing about what they are doing. And it is seeing the sustainability of what we are doing, seeing the environment support what we are aspiring to do.”

The future

“I think we are very lucky that we’ve got another generation. At this stage, it’s early, but they are very passionate about what we’ve been doing and the environment and the operation. I think the kids are a bit like me and see it as the only way to farm.”

GROWER ACCREDITATION

Icebreaker stations must undergo strict grower accreditation to ensure ethically and sustainably sourced wool to the highest quality standards.

The Icebreaker Merino Accreditation Programme has adopted NZM's ZQ Grower Accreditation Programme for the ethical supply of merino wool.

The following table identifies the pillars of our grower accreditation manual and how specific wool production standards are addressed within the Textile Exchange – Responsible Wool Standard (RWS) certification.

The table is based on the Icebreaker Merino ZQ Accreditation programme (Version 4.0, March 2016) and the RWS public consultation document: Responsible Wool Sourcing (June 2016).

KEY ISSUE OR AREA	ICEBREAKER MERINO ZQ STANDARD	RESPONSIBLE WOOL STANDARD
SOCIAL RESPONSIBILITY	<ul style="list-style-type: none"> ● YES Farm worker and visitor health and safety Employment relations requirements Written occupational health and safety plan requirement 	<ul style="list-style-type: none"> ● NO
TRACEABILITY	<ul style="list-style-type: none"> ● YES Wool specification declaration and forward contract model Wool bales supplying Icebreaker contracts are accurately branded and identified according to agreed specifications 	<ul style="list-style-type: none"> ● YES Through the Textile Exchange Content Claim Standard
FIBER QUALITY	<ul style="list-style-type: none"> ● YES Wool preparation requirements towards specific contract requirements New Zealand Merino (NZM) runs classer and wool handler training days 	<ul style="list-style-type: none"> ● NO
RESEARCH AND DEVELOPMENT	<ul style="list-style-type: none"> ● YES NZM R&D programme includes production science, sustainability and wool technical performance 	<ul style="list-style-type: none"> ● NO

KEY ISSUE OR AREA	ICEBREAKER MERINO ZQ STANDARD	RESPONSIBLE WOOL STANDARD
TRAINING AND EDUCATION	<ul style="list-style-type: none"> ● YES Active NZM extension work includes wool classer training and farmer best practice workshops	<ul style="list-style-type: none"> ● YES - LIMITED TRAINING
ANIMAL WELFARE AND HEALTH	<ul style="list-style-type: none"> ● YES Must adhere to local legislation plus additional Icebreaker requirements. These include an animal health plan and animal treatment record template	<ul style="list-style-type: none"> ● YES Must adhere to local legislation plus additional RWS requirements. These include a flock welfare plan, grazing and feed plan and monitoring plan templates
NO MULESING	<ul style="list-style-type: none"> ● YES Mulesing is strictly not allowed	<ul style="list-style-type: none"> ● YES Mulesing is strictly not allowed
WELFARE MONITORING	<ul style="list-style-type: none"> ● YES Sheep must be monitored for injury, health and wellbeing, and the condition of other farmed animals must indicate good animal husbandry (assessed by auditor according to national legislation standards)	<ul style="list-style-type: none"> ● YES Sheep must be regularly monitored for signs of disease or production disorders Body condition score maintained
SHEARING BEST PRACTICE	<ul style="list-style-type: none"> ● YES Shearing best practice requirements must be adhered to	<ul style="list-style-type: none"> ● YES Guidance provided and contractors adhere to RWS animal welfare standards
ANIMAL HEALTH TREATMENTS	<ul style="list-style-type: none"> ● YES Animal health plan requirement, animal health treatments must be recorded and withholding periods adhered to. Strategic external parasite management demonstrated	<ul style="list-style-type: none"> ● YES Flock welfare and integrated pest management plan requirement, animal health treatments must be recorded
TRANSPORTATION	<ul style="list-style-type: none"> ● YES Accredited animal transportation required	<ul style="list-style-type: none"> ● YES - LIMITED Animal welfare requirements apply only when animals are under the ownership of the farm
NO LIVE INTERNATIONAL SHIPPING	<ul style="list-style-type: none"> ● YES No live international shipping of sheep for slaughter or breeding purposes	<ul style="list-style-type: none"> ● NO
ENVIRONMENTAL INTEGRITY	<ul style="list-style-type: none"> ● YES Must adhere to applicable national, state/ regional legislation and Icebreaker care for the environment indicators. Must have environmental management plan	<ul style="list-style-type: none"> ● YES Must adhere to applicable national, state/ regional legislation and develop RWS grazing and feeding plan, fertiliser plan and integrated pest management plans
PLANNING AND AWARENESS	<ul style="list-style-type: none"> ● YES Environment plan required and template and support provided	<ul style="list-style-type: none"> ● YES Guidance templates provided

KEY ISSUE OR AREA	ICEBREAKER MERINO ZQ STANDARD	RESPONSIBLE WOOL STANDARD
SOIL HEALTH	<ul style="list-style-type: none"> ● YES Best practice methods are used to conserve and improve soil quality	<ul style="list-style-type: none"> ● YES Soil and land health are addressed in a management plan
BIODIVERSITY AND INVASIVE SPECIES MANAGEMENT	<ul style="list-style-type: none"> ● YES Pests must be responsibly managed. Best efforts are taken to protect and maintain indigenous biodiversity and rangelands	<ul style="list-style-type: none"> ● YES Management plan identifies the sensitive and high conservation value areas and wildlife species on the property. Predation must be carefully managed
WASTE AND HAZARDOUS SUBSTANCES MANAGEMENT	<ul style="list-style-type: none"> ● YES Control and disposal of hazardous substances and waste demonstrates best practice and responsible farm management. Compliance with Nutrient Management Code of Practice, or similar	<ul style="list-style-type: none"> ● YES Hazardous material must not be disposed of on farmland unless specifically allowed by law. Integrated pest management plan required for all chemical applications
TECHNICAL SUPPORT AND TROUBLE SHOOTING	<ul style="list-style-type: none"> ● YES Seasonal wool issues communicated to NZM via Area Managers and resolved in accordance with Icebreaker contract specifications	<ul style="list-style-type: none"> ● NO
AUDITING	<ul style="list-style-type: none"> ● YES Third party – all farms audited every three years by JAZ-ANZ accredited AsureQuality Ltd. Additional random vet and shearing audits. Auditing involves on-site visit, discussion, access to farm stock, facilities and records, citing of supporting documents and written plans	<ul style="list-style-type: none"> ● YES Auditing procedure set out within the RWS documentation. A selection of farms are audited annually by a third party. Auditing involves on-site visit, discussion, access to farm stock, facilities and records, citing of supporting documents and written plans
CORRECTIVE ACTION PROCESS	<ul style="list-style-type: none"> ● YES Continual improvement focus involving consultation with farmers, market and experts. On-farm practice supported through New Zealand Merino Production Science team. Corrective action built into programme through traffic light model results system	<ul style="list-style-type: none"> ● YES Non-compliance relating to animal welfare requirements to be corrected within a given time period. Minor land management requirements to be continually improved
GLOBAL APPLICABILITY	<ul style="list-style-type: none"> ● YES - LIMITED NZ, Australia, South Africa	<ul style="list-style-type: none"> ● YES

ANIMAL WELFARE

Icebreaker growers are committed to a strict animal welfare code, that even applies to the sheep dogs working at the stations.

In 2008, Icebreaker became the first company to ban the mulesing of sheep in the outdoor industry as part of its work to champion animal welfare. This practice removes strips of wool-bearing skin from around the buttocks of a sheep as a means to prevent flystrike. Icebreaker growers have replaced this with integrated methods of management, prevention and treatment that make mulesing unnecessary. We are pleased to see that this policy has now been widely adopted by the industry.

A NATURAL EXISTENCE

A typical Icebreaker merino station covers about 40,000 acres (16,187ha) and supports about 15,000 merino sheep. To put that in perspective, you would need to travel more than 50km (31mi) to traverse the farm's perimeter. If the sheep were spread out evenly, they would each have more than 2.5km² (1mi²) to live in.



Lake Hawea Station, New Zealand

THE FIVE FREEDOMS OF THE FLOCK

Guaranteeing the five key freedoms for our flock means you can feel happy in the knowledge that the sheep felt just as good making your Icebreaker merino as you will wearing it!

01

NEVER HUNGRY OR THIRSTY

Growers ensure their sheep always have access to clean water and adequate nutrition.

02

WHERE SHEEP CAN BE SHEEP

Sheep are free to roam in open pastures, allowing them to behave naturally with minimal human intervention.

03

A PLACE TO CALL HOME

Growers ensure their sheep have adequate shade and shelter available at all times.

04

STRESS FREE SHEEP

Growers must handle sheep to avoid unnecessary stress and pain. Mulesing is not permitted.

05

OUT OF HARM'S WAY

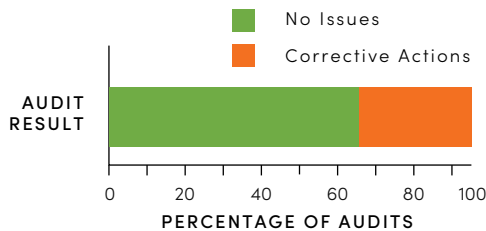
Growers must monitor stock to prevent disease, illness and injury.

GROWER AUDITS AND RESULTS

Icebreaker merino stations are audited on a three year cycle by JAZ-ANZ accredited AssureQuality Ltd. The audit process involves on-site visits, discussions, access to farm stock, facilities and records, citing of supporting documents and written plans. Additional random vet and shearing audits also take place.

AUDIT RESULTS

ICEBREAKER CONTRACTED GROWERS AUDIT RESULT



100% of the Icebreaker contracted merino stations have been audited in the last three years: 66% with no issues and 34% with Corrective Action Plans.

Corrective Action Planning

86% of the Corrective Action Plans (CAP) for Icebreaker stations were classified as minor.

TYPE OF ISSUE	NUMBER	PERCENTAGE
CRITICAL	1	1%
MAJOR	9	13%
MINOR	59	86%
TOTAL	69	100%

One critical instance was found due to underweight sheep affected by lice. An action plan had commenced pre-audit.

Nine major incidences were around chemical and animal health treatment and facilities which needed repair. 60% of the minor CAP can be categorized into three main categories.

1. Animal Health Plan Records

Audits have identified that whilst Animal Health Plan Records are planned for and understood by growers, not all are written down. With NZM, Icebreaker is working with growers to better capture information, improve record keeping and provide templates for growers to use.

2. Land Environment Plan

Audits have identified growers who have either not yet commenced their plan or need to improve records. With NZM, Icebreaker is providing information packs and individual guidance for growers.

3. Animal Health Treatment

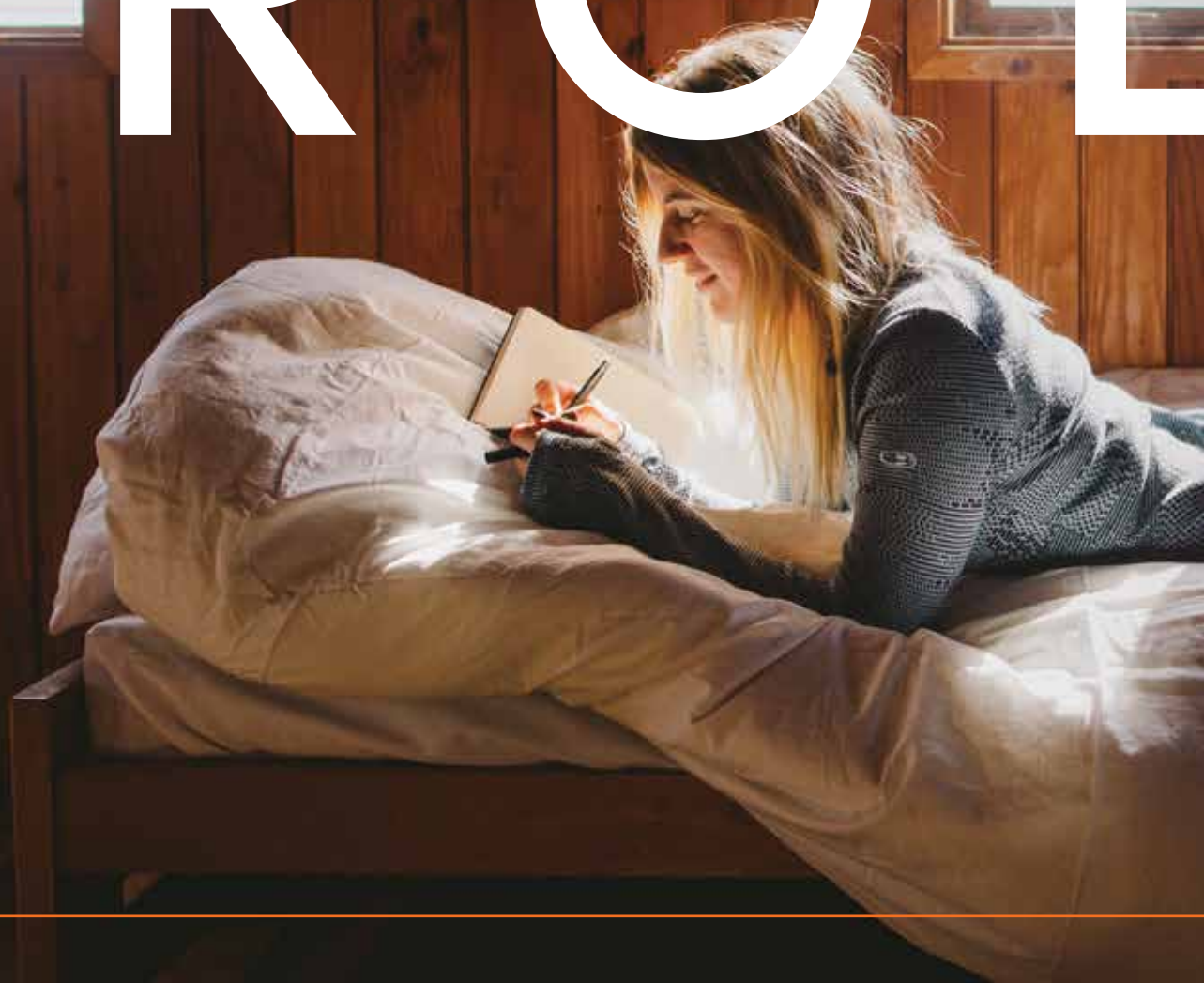
Audits have identified the need for improvement in this area including: Insufficient record keeping, expired treatments not disposed of and insecure storage.

WHERE TO NEXT?

In keeping with our commitment to transparency and continuous improvement, the snapshot in the table below highlights where we are doing well, and where we can improve.

	WHAT'S WORKING	OUR COMMITMENT TO IMPROVE
SOCIAL	<ul style="list-style-type: none"> ● Long term contracts that require growers to adhere to Icebreaker standards for social responsibility ● Direct relationships between growers and the Icebreaker business ● Icebreaker support of local grower community events 	<ul style="list-style-type: none"> ● Establishment of the Icebreaker Growers Club
ENVIRONMENTAL & ANIMAL WELFARE	<ul style="list-style-type: none"> ● Long term contracts that require growers to adhere to Icebreaker standards for environmental stewardship & animal welfare ● Strictly no mulesing ● Long term contracts which require growers to have documented environmental management plan ● Partnership with NZM enables significant sustainability research and validation to occur 	<ul style="list-style-type: none"> ● Icebreaker to work with NZM, audit and industry partners to support growers to establish appropriate environmental management plans ● Scope and establish prototype environmental projects on Icebreaker Grower Club Stations by December 2018 ● Undertake an Icebreaker specific Life Cycle assessment for the on farm component of the Icebreaker supply chain
ECONOMIC	<ul style="list-style-type: none"> ● Long term supply contracts to growers providing price stability and sustainability 	<ul style="list-style-type: none"> ● Establishment of the Icebreaker Growers Club providing 10 year supply contracts
GENERAL	<ul style="list-style-type: none"> ● Icebreaker specifications demand the highest quality, unrivalled merino ● Over 80% NZ wool source ● Grower accreditation addressing environmental integrity, social responsibility, animal welfare and fiber quality. This is by an independent third party ● Strong audit results - over 65% of stations have passed audits with no issues. 86% of issues were identified as minor 	<ul style="list-style-type: none"> ● Icebreaker to review audit results with NZM and work together to set audit targets for the next transparency report ● The ZQ accreditation programme used by Icebreaker is currently seeking certification to ISO 17065

PROOD





OUR
PRODUCT

PRODUCT

Andrea Dabene, partner of Alex Strohl, adventure photographer.
Location: Meadow Hut, Snowpark, Wanaka, New Zealand

OUR DESIGN PRINCIPLES

Icebreaker is not a fashion company. We like to be relevant, but if we're too 'right now' it will probably be over by the time you wear it. We want our clothing to be relevant in your wardrobe for many seasons.

Four key principles guide our global design team:

1. SIMPLICITY

With elegant simplicity comes timelessness that doesn't date.

2. LONGEVITY

Icebreaker is the polar opposite of fast fashion. Through high quality performance clothing our goal is to thrive in your wardrobe and during your activities for many seasons.

3. VERSATILITY

Our clothes transcend single usage - we make multi-functional pieces that adapt to your life and style, on the mountain, in the city and at home.

4. PURPOSE

We make purposeful clothing that responds to your body's active needs.



The design team sketching the next generation MerinoLOFT™ jacket

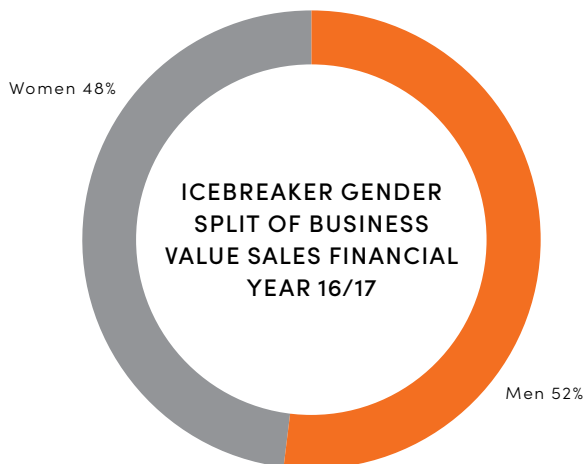


The Icebreaker collection in Globetrotter, Germany

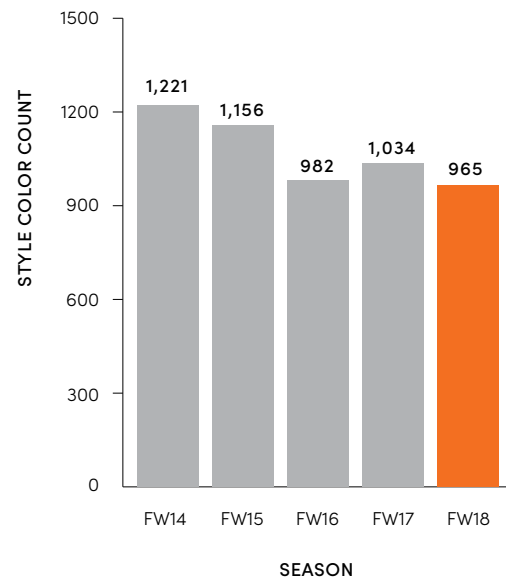
PURPOSE & VERSATILITY IN ACTION

We identified that our global range size was increasing beyond our product design values. To live true to our values we began a clear and ongoing commitment to reducing our range size.

We have achieved a 20% global range size reduction in the last four years.



GLOBAL FALL WINTER RANGE SIZE REDUCTION



OUR PHILOSOPHY ON FABRICATIONS

HOW AND WHY WE USE BOTH NATURAL AND SYNTHETIC MATERIALS

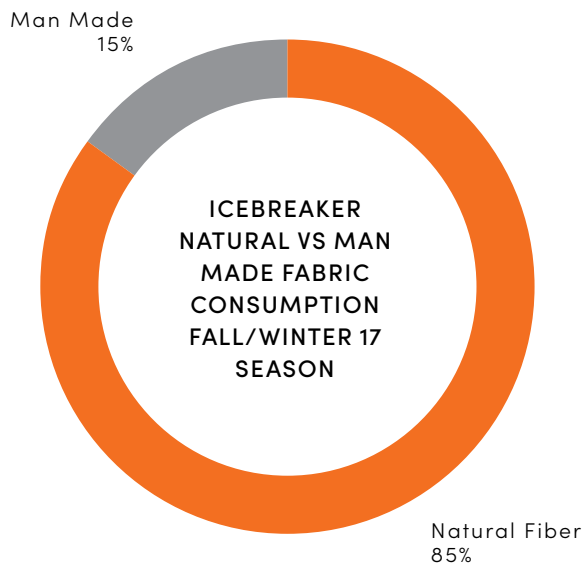
We believe in the power of our superfine merino wool as the basis for our natural performance apparel. It's far superior to regular wool, feels amazing against your body, is highly breathable, regulates temperature, and doesn't hold odor like plastic synthetics.

To make our 'top to toe' layering system possible there are times when we combine our merino with other fibers in order to deliver the performance required by our customers. The role of technology therefore is to enable, enhance or amplify the natural benefits of the fiber for the user.

We never do this to simply make the fabrics cheaper or to compensate for poor quality wool. We do it to enhance the functionality of merino and make new uses for merino possible. Can you imagine your socks and underwear without a touch of Lycra® for stretch and comfort?

Today, our business reflects our dedication to natural solutions. More than 85% of our global fabric composition is natural fiber and only 15% is man made.

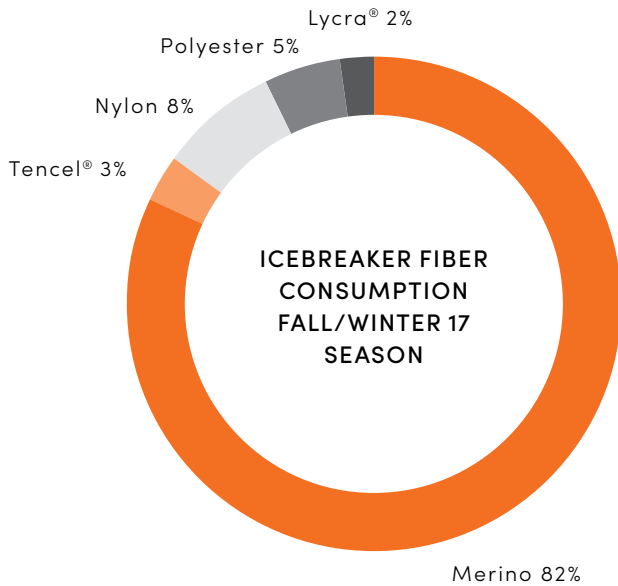
We are committed to inspiring an industry with less reliance on petrochemical fibers. Our research and development team is constantly searching for natural alternatives and solutions.



Today, our business reflects our dedication to natural solutions. More than **85%** of our global fabric composition is natural fiber and only **15%** is man made.

NON-MERINO FIBER

Our non-merino wool source is comprised of 8% Nylon; 5% Polyester, 3% Tencel®, 2% Lycra® and less than 1% organic cotton.



TENCEL®

Tencel®, sourced from Lenzing, has a natural cooling effect and is used in our summer collection Cool-Lite™. Tencel® is a natural fiber made from cellulose found in the wood pulp of renewable eucalyptus trees. It is obtained from sustainably managed farms which have earned the Forest Stewardship Council (FSC) certification.

The chemicals used to produce Tencel® fibers are 100% recycled. In addition, the pulp used for Tencel® is treated in what is known as a closed loop process in which these solvents are recycled. This special process received the 'European Award for the Environment' by the European Union.*

*Source: www.lenzing-fibers.com

NYLON

Nylon is added to select Icebreaker clothing for strength and durability. This is mainly via our technology coespun – a nylon core is added to merino, maintaining signature merino softness next to skin. We currently supplier source our nylon and we'll share supplier details in our next transparency report.

RECYCLED POLYESTER

Where we use synthetics we are committed to finding more sustainable solutions. Currently 72% of our polyester is recycled and we are committed to reducing the 28% non-recycled balance.

Icebreaker recycled polyester is made with 100% recycled PET bottles as the main ingredient. Using PET bottles can help reduce the damage these materials cause to the environment. We currently supplier source our polyester and we'll share supplier details in our next transparency report.

LYCRA®

Lycra® is added to select Icebreaker clothing for excellent stretch, freedom of movement and comfort. We source our Lycra® from Invista.

ETHICAL AND ORGANIC COTTON

Icebreaker guarantees our organic cotton is sourced to the highest human rights standards. Icebreaker organic cotton is sourced from China and is certified organic via the Global Organic Textiles Standards.

OUR CORE FABRICATIONS

CORESPUN

Our customers are demanding lighter weight fabrics, but the risk with lighter weight fabrics is lower fabric integrity leading to holes. We discovered that by wrapping the merino around an ultrafine nylon core we could increase the strength of the fabric. This increase does not affect the comfort or odor resistant properties of merino against the skin but does create a garment that lasts much longer.



“Five+ years and loving it”

★★★★★

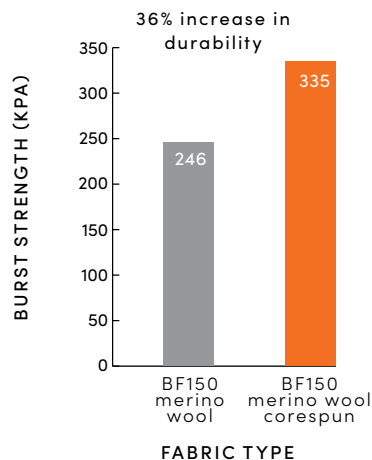
WATERBOY1368, APRIL 1, 2017

My everyday shirt for all climates, as a base layer, or mid layer or top layer. From humid to dry climates, winter to summer.”

REALFLEECE®

It’s shocking that what has become commonly known as ‘fleece’ on the high street isn’t fleece at all. It’s plastic - polyester. We want to reclaim the word, by making fleece out of fleece. RealFLEECE® fabric is brushed to deliver ultimate softness and warmth.

BURST STRENGTH OF 150GM MERINO VS CORESPUN MERINO*



BODYFITZONE™

BodyfitZONE™ is our innovative technology that uses fine merino yarns blended with a touch of Lycra® to enhance muscular performance and recovery. Strategically placed zone mesh panels create natural thermal dumping zones for optimal temperature regulation, breathability and next-to-skin softness.



COOL-LITE™

Our summer fabric, Icebreaker Cool-Lite™, is a remarkable blend of merino and Tencel®. Tencel® is a fiber made from cellulose found in the wood pulp of renewable eucalyptus trees.



MERINOLOFT™

MerinoLOFT™ wool fiber insulation is a natural, intelligent alternative to synthetic insulation and duck down. It's a machine washable, breathable, lightweight insulation, even when wet.



PRODUCT SAFETY

Icebreaker is committed to ensuring that our products meet the highest level of quality and consumer safety.

Since 2006 we have undertaken the STANDARD 100 by OEKO-TEX® certification on an annual basis. 92% of the fabrics in our Fall / Winter 17 range have been accredited with the STANDARD 100 by OEKO-TEX®. The 8% balance is due to seasonal small run fabric.

The STANDARD 100 by OEKO-TEX® is a worldwide, independent testing and certification system used to confirm the absence of harmful substances within a fabric or raw material.

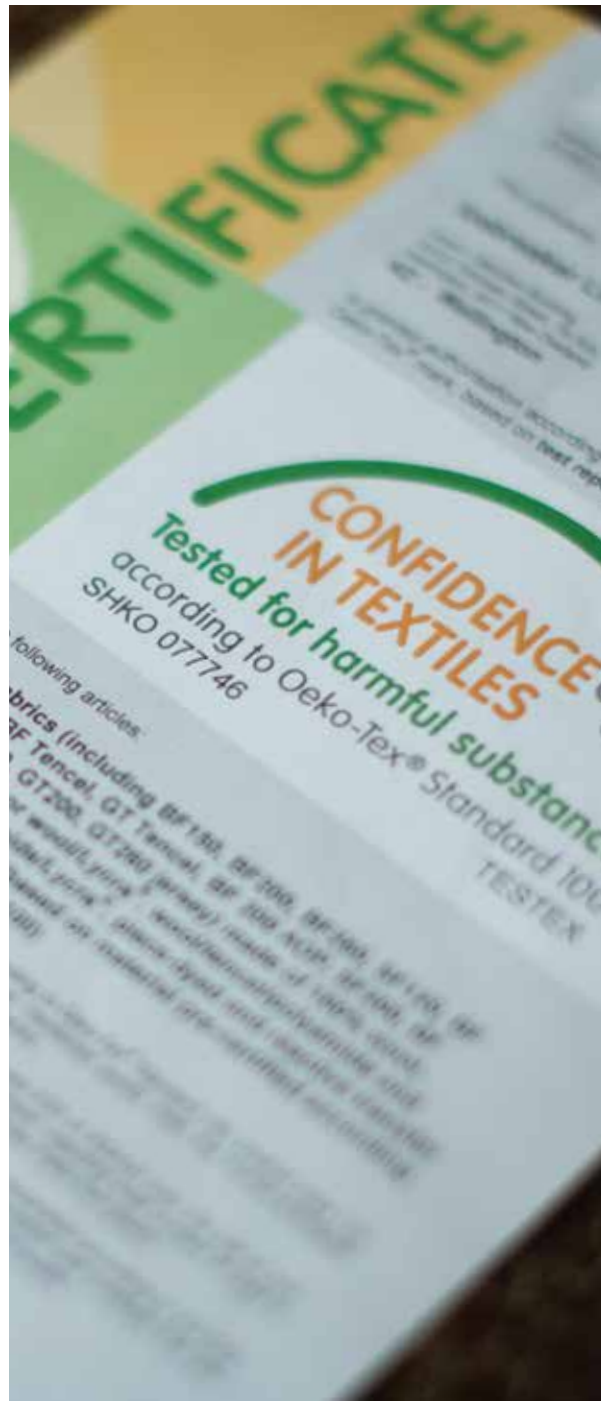
By obtaining this certification for our fabrics we can be sure that our products meet an extremely high level of consumer safety.

The requirements set by this standard ensure that we are meeting requirements of Annexes XVII and XIV of the European Chemicals Regulation (REACH) as well as of the European Chemicals Agency (ECHA) Substances of Very High Concern (SVHC) Candidate List and requirements from the US Consumer Product Safety Improvement Act. Test criteria and limit values in many cases go far beyond applicable national and international standards.

OEKO-TEX®: ENSURES OUR PRODUCTS ARE SAFE FOR CONSUMERS

It ensures we are meeting the:

- + Annexes XVII and XIV of the European Chemicals Regulation on Chemicals and their safe use (REACH)
- + European Chemicals Agency (ECHA) Substances of Very High Concern (SVHC)
- + US Consumer Product Safety Improvement Act



Icebreaker's Oeko-Tex® certification

PACKAGING

Our packaging is created to ensure every product reaches our customers in perfect condition.

SOURCING SUSTAINABLY

Icebreaker is committed to sourcing packaging sustainably and working towards using more recycled packaging wherever we can.








- 79% of our paper and cardboard packaging is Forestry Stewardship Council (FSC) certified. FSC sustainable forests ensure that the productivity of natural systems is maintained and best practices are used to minimize unwanted impacts to soil, air and water.
- Our retail bags are made with 20% Natural Kraft which is FSC certified and 80% post-consumer waste.
- 100% of inks utilized in our product packaging are vegetable based and our glue is water based.
- Our poly-bags, which are critical to ensure garments stay clean and undamaged, are degradable and made from recycled plastic. We are currently working on a water soluble bio-bag.

PACKAGING GOALS

Icebreaker is currently preparing for a comprehensive review and refresh of our global packaging for 2020.

We are taking this as an opportunity to focus our efforts on taking a circular economy approach to our packaging. Our aim is to use materials that can be safely returned to the soil or reused and recycled in closed loops. Our 2020 packaging goals include:

- Remove all non-biodegradable additives from our packaging

TYPE OF PACKAGING		QUANTITY FY 16/17
Boxes (Sleeve + Tray)		1.5 million
Stickers for Boxes e.g. size stickers		6 million
Swing Tags & Barcode Stickers		3 million & 6 million
Sock Wraps		1 million
Accessory Header Cards & Stickers		230 thousand
Degradable, Recycled Poly-bag		3.5 million
Retail Bags		100 thousand

- Increase amount of recycled content in our packaging by 20%
- Implement developments in water soluble bio bags
- Set goals and timelines for removing all plastic from our product packaging or using a bio plastic or recyclable plastic
- 100% FSC certified paper packaging
- Ensure 100% of our packaging educates customers on how to recycle our packaging

CASE STUDY – THE BIO BAG A FOOD SOURCE FOR FISH

No business is perfect and Icebreaker is no exception. We've been on a two year crusade to improve our 'Bio-Bag' (biodegradable garment packaging). We've been making inroads and while we still haven't yet reached our goal we wanted to share the journey with you.



The Past: The Degradable Bag

Our previous bio-bag was a recycled and recyclable Low Density Polyethylene (LDPE) package. This had an additive that made it degrade more quickly.

Further investigation showed the bags broke down into microplastics, rather than completely, and not at all in a landfill in the absence of oxygen. This meant there was still the potential for environmental impacts like leaching into ground water, clogging waterways and being consumed by animals and sea life...

We weren't happy with this solution and so explored alternatives.

The Latest: The Biodegradable Bag

The bag we will be using from February 2018 is biodegradable, proven to the internationally-recognised ASTM D5511 9 test standard. This tests that the material breaks down in airtight conditions like those found in a landfill. In the presence of the micro-organisms you might find in a landfill or compost heap, the bag breaks down in a few years into water, carbon dioxide, methane and biomass.

This improvement still isn't perfect. The bag won't break down as quickly as a truly compostable or water soluble alternative. While it remains in its original form it can still pose a threat to wildlife if improperly discarded.

The Future: The Water Soluble Bag

We are working with our supplier on a water soluble bag. When ready, it will dissolve in water in a matter of days or weeks.

The aim is for this to meet the Ocean Safe certification currently being developed by third party certification organizations in Europe. The bag will essentially be a carbohydrate, so if an animal consumes it before it is completely dissolved, it will have no negative impact and will actually serve as a food source.

WHERE TO NEXT?

In keeping with our commitment to transparency and continuous improvement, the snapshot in the table below highlights where we are doing well, and where we can improve.

WHAT'S WORKING

OUR COMMITMENT TO IMPROVE

SOCIAL	<ul style="list-style-type: none"> ● Standard 100 by Oeko-Tex® rating on all core fabrications for consumer safety 	<ul style="list-style-type: none"> ● Update packaging to include Oeko-Tex® fabric certification details
ENVIRONMENTAL	<ul style="list-style-type: none"> ● A focus on natural fibers - over 85% of our fabric consumption is natural fiber ● A defined stance on blending ● Use of recycled polyester (75%) ● Ethically sourced organic cotton ● Fabrications designed as natural alternatives to synthetics (eg. RealFLEECE® & MerinoLOFT™) ● Reduction in global range size: -20% in four years ● 79% of paper product packaging is FSC Certified ● 100% of product packaging is made with vegetable based inks and water based glue ● Polybags to protect clothing are made from recycled polyester and are degradable. We are currently working on a water soluble bio-bag ● Defined sustainability & environmental goals for our 2020 packaging project 	<ul style="list-style-type: none"> ● We believe nature has a better way and we are relentlessly seeking natural fiber alternatives to the synthetic fibers we use today ● Establish a return and recycle product lifecycle programme, rewarding consumers for returning their Icebreaker for recycling by 2022 ● Hit outlined goals for the 2020 packaging review including: <ul style="list-style-type: none"> - Ensure 100% of our packaging educates consumers on recycling - Remove all non bio-degradable additives from our packaging - Launch a water soluble bio-bag - 100% FSC certified paper packaging
GENERAL	<ul style="list-style-type: none"> ● Defined design values 	<ul style="list-style-type: none"> ● Publish a set of product sustainability targets for the next transparency report



S U P P

C H A I

OUR SUPPLY
CHAIN

PLY

N

Xiao Liang Xu, Machine Operator, 19 years service. Location:
Changshu, Shanghai, China

NARROW & DEEP RELATIONSHIPS

Symbiotic - adjective

- 1. involving interaction between two different organisms living in close physical association.*
 - “the fungi form symbiotic associations with the roots of plant species”*
- 2. denoting a mutually beneficial relationship between different people or groups.*

Icebreaker does not own or manage factories. We outsource all our manufacturing to selected expert partners that meet our high standards around ethics and quality. This makes the traceability and transparency of the relationships we have of paramount importance.

Throughout our history, our approach has been to stay true to a direct sourcing model based on a ‘narrow and deep’ handcrafted supply chain management. We have grown by nurturing a relatively small number of close, long term business relationships.

Many apparel brands only have direct relationships with their ‘tier one’ garment vendors, or access their factories via third parties and agents. We don’t use agents - this creates an invisible supply chain. It makes traceability and transparency impossible.

At Icebreaker we are directly connected with all aspects of our products’ creation - from merino growers to top makers (cleaned merino fiber), yarn spinners, fabric makers and trim suppliers.

This extensive understanding of every link of our value chain has given us a unique advantage in controlling and minimising our footprint as our company grows.

Today our total supply chain is composed of 40 direct suppliers, managing 59 factories. We work directly with only eight fabric suppliers and ten garment suppliers. We know the business owners and management teams personally. All suppliers undertake not to subcontract any operations unless agreed to by Icebreaker. This ensures we know exactly where our products are being made and that all locations comply with the way Icebreaker does business.

Icebreaker directly sources 100% of our fabrics, 90% of our fiber and 93% of our trims. The balance is sourced by our fabric and garment suppliers on our behalf. Any supplier-sourced raw materials must comply with our sourcing standards.

Supplier sourced fiber allows Icebreaker to work with specialists where the specifications are different to Icebreaker sourced products.

LONG TERM RELATIONSHIPS

We pride ourselves on our low turnover of suppliers and our commitment to building long term relationships. Just under two thirds (65%) of our volume is still made by the first two offshore suppliers we started working with 13 years ago .

Over the last three years we have onboarded four new garment vendors and ended business with only two. One of these was due to a business decision to move away from a particular product line. The other was because the supplier was unable to meet our product development requirements.

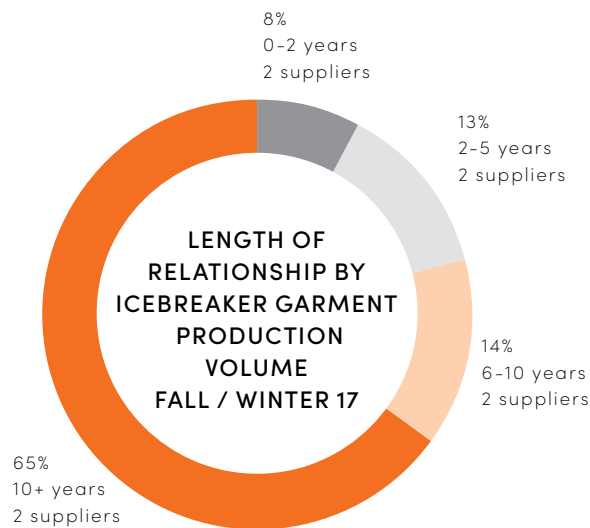
We always seek to grow and improve within our existing relationships. Where this is not possible, we seek out new ones.

ICEBREAKER DIRECT SOURCING MODEL

SUPPLIER TYPE	SUPPLIERS	FACTORIES	ICEBREAKER SOURCED	SUPPLIER SOURCED
Tops Maker	1	1	90%	10%
Yarn Spinner	2	3	94%	6%
Fabric Makers	8	12	100%	0%
Garments Socks & Accessories	10	16	100%	0%
Trim Suppliers	14	19	93%	7%
Packaging Suppliers	2	2	80%	20%
Point Of Sale Fixtures	5	6	100%	0%
TOTAL	40*	59		
Wool Fiber Source			90%	10%
Non Wool Fiber Source			0%	100%

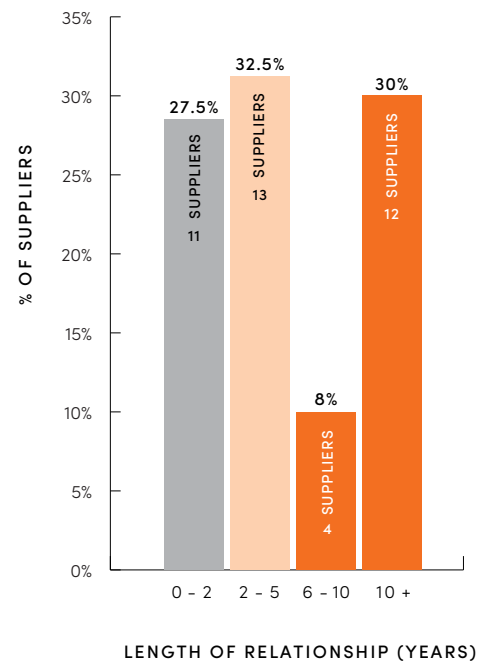
Icebreaker directly sources **100%** of our fabrics, **90%** of our fiber and **93%** of our trims

* Without double counting two suppliers as garment suppliers and fabric makers




65% of our volume is still made by the first **two** offshore suppliers we started working with **13** years ago.


LENGTH OF BUSINESS RELATIONSHIP WITH ICEBREAKER ALL SUPPLIERS




SUPPLY CHAIN PROCESS



1. WOOL FIBER SOURCE (NEW ZEALAND)
Our contracted wool fiber is sourced from long term relationships with merino growers.




2. TOP PROCESSING (CHINA)
Greasy wool is cleaned and prepared for spinning. The top-making process comprises of four main steps: Scouring, Carding, Gilling & Combing.



3. YARN SPINNING (CHINA, ITALY, BULGARIA)
Strands of fiber are drawn out and twisted to form fine yarns.



4. FABRIC MILLS (CHINA, VIETNAM, TAIWAN, JAPAN)
Fabrics are made by either knitting or weaving yarns together, or bonding or felting fibers. Fabrics are either dyed in fabric form, or made using pre-dyed yarns or fiber.





5. GARMENT SUPPLIERS (CHINA, VIETNAM, BANGLADESH, USA, ITALY)
Fabric is cut into panels and sewn into garments, or yarns are knitted directly into knitwear garments and accessories.





6. DISTRIBUTION CENTRES (GERMANY, USA, CANADA, NEW ZEALAND)
Finished garments are transported to distribution centres in our key regions.

OUR SUPPLY CHAIN IS COMPOSED OF SEVEN CORE STAGES

First, we source our merino wool directly with growers based on the highest social and ethical standards. Next, the greasy wool is cleaned and prepared for spinning, followed by being developed into fine yarn form. Fabrics are made by knitting or weaving yarns together, or bonding or felting fibers together. Finally, fabrics are cut and sewn into garments before being shipped to our global distribution centres.



7. E-COMMERCE CUSTOMERS
Via our global eCommerce platform in 23 countries.



7. RETAIL STORES
Over 4,500 stores in over 47 countries.



01



02

- 01 Raw merino fiber from New Zealand
- 02 Greasy merino is cleaned into 'Tops'
- 03 Strands of fiber are twisted to form yarn
- 04 Yarns are knitted by knitting machines into fabric rolls
- 05 Fabrics are dyed
- 06 Fabric is cut and sewn into garments or accessories



03



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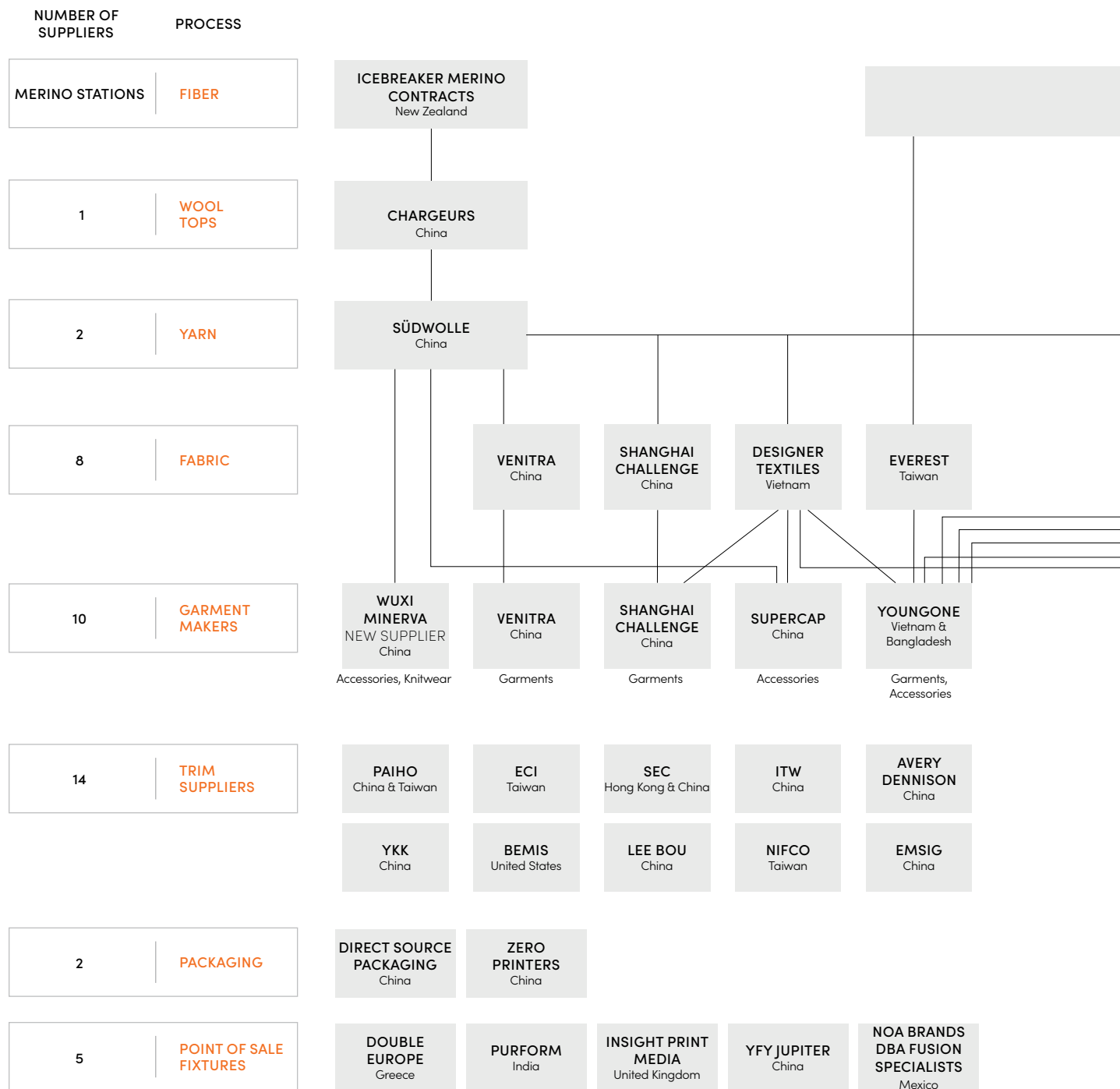


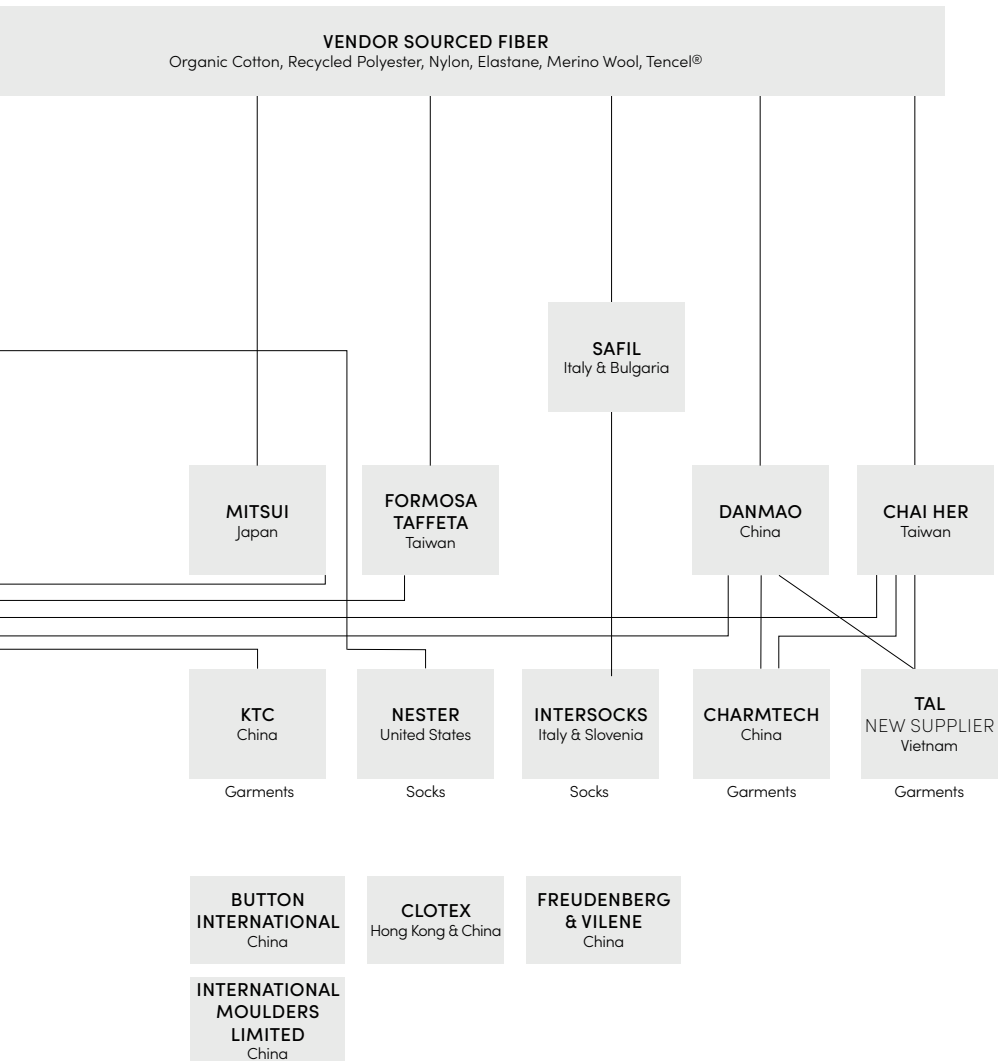
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SUPPLIER MATRIX





WANT TO KNOW MORE?

As part of our drive to increase transparency in our industry, for the first time we have taken the step of sharing a detailed list of our complete supply chain.

Why?

Despite this opening our business up to risk from competitors, we believe complete traceability and transparency is the foundation of global stewardship. We want to champion full disclosure in the outdoor industry.

See the appendix for a detailed supplier listing.

WHO WE WORK WITH & WHERE

We work with experts in state of the art conditions.

But for Icebreaker it is at least as important that our working relationship is based on a consistently innovative, open minded approach and a willingness to improve.

It's vital for us that these relationships work both ways. That way we have real impact and influence on each others' businesses.

The location of Icebreaker's main raw material source in New Zealand makes Shanghai, China an economically and environmentally sensible supply chain hub. Today 33 of our 40 suppliers are based in Asia.



AMERICAS

Suppliers	3
Factories	3
Distribution Centre	2
- Kamloops, Canada	
- Reno, USA	
Largest volume suppliers	
- Nester, USA (Socks)	

Icebreaker's supply chain consists of direct relationships with **40** suppliers across **59** factories.

Icebreaker's ecosystem connects more than **50,000** workers in **15** countries.

EUROPE

Suppliers	4
Factories	9
Distribution Centre - Osnabrück, Germany	1

Largest volume suppliers
 - Intersocks, Italy (Socks)
 - Safil, Italy & Bulgaria (Yarn)

TOTAL

Suppliers	40
Factories	59

THE ICEBREAKER PRODUCTION COUNTRIES

Includes Tops, Yarn, Fabric, Garment Makers, Trim Suppliers, Packaging, Point of Sale Fixtures

COUNTRY	SUPPLIERS*	FACTORIES	EMPLOYEES
Bangladesh	1	1	9,703
Bulgaria	1	1	608
China	22	31	22,396
Greece	1	2	328
Hong Kong	2	2	212
India	1	1	14
Italy	2	3	142
Japan	1	2	329
Mexico	1	1	502
Slovenia	1	2	69
Taiwan	7	7	8,803
UK	1	1	6
USA	2	2	585
Vietnam	3	3	12,399
TOTAL	40	59	56,096

* Total number of suppliers will not be the sum of the column because some of our suppliers are located in two countries. Excludes wool fiber source.

ASIA

Suppliers	33
Factories	47

Largest volume suppliers
 - Chargeurs, China (Wool tops)
 - Sudwolle, China (Yarns)
 - Shanghai Challenge, China (Fabric, garments)
 - Youngone, Bangladesh & Vietnam (Garments)

PACIFIC

Distribution Centre - Christchurch, New Zealand	1
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A CLOSER LOOK

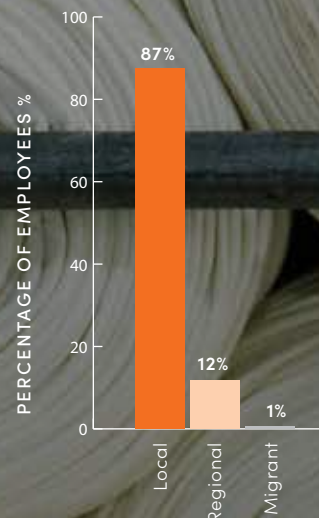
CASE STUDY — SHANGHAI CHALLENGE

Our longest standing fabric
& garment supplier

COMPANY NAME	Shanghai Challenge (SCT)
MAIN FACTORY ADDRESS	No.1918 Tingfeng Road, Tinglin, Jin Shan District, Shanghai 201514, China
COUNTRY	Shanghai, China
CATEGORY	Fabric & Garment Maker
DATE OF LAST AUDIT	June 17
LATEST AUDIT RESULT	9.4/10
TOTAL EMPLOYEES	2,738 72% ♂ female/ 28% ♀ male
MIGRANT WORKERS	87% Local 12% Regional 1% Migrant
ACCREDITATIONS	SCT is the first Bluesign® Factory in China Certifications: Quality & Environmental: ISO9001, ISO14001, OEKO-TEX100, Bluesign®, Social: Worldwide Responsible Apparel Production (WRAP)
ABOUT SHANGHAI CHALLENGE	SCT is the biggest merino wool circular supplier in the world
LENGTH OF PARTNERSHIP WITH ICEBREAKER	Commenced 2004, 13 years



SCT MIGRANT WORKER BREAKDOWN



“We enjoy mutual trust with Icebreaker. The relationship is more than only the supplier and a buyer, we’re a family. We have a lot of emotion involved!”

Interview with Karen Chen
VP of Sales and Marketing, SCT

How did you come to work with Icebreaker?

"I still remember, October 13th, 2003 when Jeremy visited us. Jeremy is a very, very kind person and he has a great vision about the future. Because of the relationship, we feel secure about our investment. So, we invest a lot into the business."

What do you enjoy most about working with Icebreaker?

"We enjoy mutual trust with Icebreaker. The relationship is more than only the supplier and a buyer, we’re a family. We have a lot of emotion involved! It helps to conquer any question, any difficulty."

We also have a very transparent relationship. Everything we can put on the table to discuss and then get agreement."

How do you work with the Icebreaker team?

"The Icebreaker team comes to Shanghai every year and we are constantly on Skype. We also attend the annual Icebreaker Vendor Summit. The Vendor Summit is an annual review of our performance and allows us to also understand the Icebreaker business. This is a very important moment to not only review, but to look for the future."

How do you ensure the highest product quality?

"Excellence is always the thing we are chasing. We have a very strict quality control process in the company. Our quality assurance team of over 200 people report directly to our CEO. We have one unified inspection center where 100% of our garments are checked."



SCT Golden Hill factory, Shanghai, China

How do you care for your workers?

"Some companies talk about technology, but the real asset to our company is our people. Our workers enjoy working here and our turnover rate is less than 5%."

We put an emphasis on a green and comfortable environment in our factory. Workers receive a free meal each day and we invest in a lot of training. If a worker is not local we pay an allowance to help them rent a house in the area."



01



02



03



- 01 Zhao Caihong, Knitting Machine Operator, 1 year service
- 02 SCT owns 180 state of the art knitting machines which make Icebreaker fabric
- 03 Screen printing iconic Icebreaker prints is developed by hand
- 04 Jiang Anqun, Embroidery Machine Operator, 7.5 year's service



How do you work to protect the environment?

"Firstly, we strictly comply with the government regulation, which is now very strict in China.

We are the first Bluesign® partner in China to comply with the European standard. We have a huge water treatment plant in the factory to make sure all the water we discharge will be friendly to the environment.

Icebreaker's auditors, Asia Inspection also audits our factories and on average we receive a score of over 9.3/10."

What do you see for the future of Icebreaker & Shanghai Challenge?

"We believe Shanghai Challenge and Icebreaker will have a long relationship and a brilliant future."



04

SUPPLIER ONBOARDING

STARTING A RELATIONSHIP

At Icebreaker we are very careful about how we grow our ecosystem.

When it comes to selecting who we work with, we invest a huge amount of time and due diligence. All new Icebreaker suppliers undergo a rigorous onboarding process. This ensures they meet our requirements on social and environmental compliance, quality and innovation. It sets the foundation for a long-lasting mutually beneficial partnership.

Suppliers are asked to complete onboarding documents and agree to the Icebreaker Supplier Code of Conduct. The onboarding process includes an independent audit and a visit by Icebreaker management to the factory and its facilities.

Suppliers are given copies of the Icebreaker Vendor Manual and the Icebreaker Quality Manual so they understand our business and product requirements from the outset.



“I am not prepared to sign off on using a facility unless I can personally validate it with my own eyes. I want to be able to clearly articulate to media, customers and our employees that I have confidence that these are facilities Icebreaker wants to be associated with.”

Rob Fyfe, Icebreaker Chairman, on Youngone Bangladesh

POSITIVE CHANGE

Areas of the manufacturing industry in Bangladesh have a disturbing record. Human rights abuses and irresponsibility regarding health, safety and the environment have repeatedly hit the headlines.

However, it isn't correct to assume that no factories in Bangladesh operate to internationally accepted standards. Nor should we refuse to support them in doing so.

In 2013 we began exploring extending our relationship with an existing supplier, Korean-owned manufacturer Youngone. Youngone has operated in Bangladesh since 1980 and has 65,000 employees over three sites.



One of the factories on the site uses 1.5kwh of solar energy per day

Highlights from Youngone



Our chairman, Rob Fyfe with members of the Youngone and Icebreaker team

- The factory has completed the remediation phase as verified by the Alliance for Bangladesh Workers Safety

- The factory has been obtained Worldwide Responsible Apparel Production (WRAP)
- Youngone has been investing heavily to develop the 2,500 acre site into an ecosystem with birds, plants and waterways. This includes planting 1.8 million trees
- The majority of the factory's 14,500 employees are from the local community

Employee facilities include:

- Free healthcare at an on-site hospital
- Bangladesh's first air ambulance
- Free on-site child care
- Standard working hours are eight hours per day, six days a week
- A subsidized lunch is provided to all employees in an on-site canteen
- 16 weeks paid maternity leave

It is our hope that people, especially Icebreaker customers, will continue to make critical enquiries of us and any other company regarding where their products are made.

But rushing to exclude entire countries from our value chain risks being unfair on the people in that country. It is our belief that they can benefit significantly from the kind of working relationships we provide and promote.



Free on-site child care



A subsidized lunch is served for all staff



Employees have free access to the on-site clinic

HUMAN RIGHTS

It is our responsibility that everybody who works on an Icebreaker product, wherever they are, does so in a fair, safe, non-discriminatory and empowering workplace.

Icebreaker will not tolerate abuse of human rights anywhere in our business or supply chain.

Human Rights are fully embedded in our business model, our decision-making and the way we create and share value. It's one of the key areas in which Icebreaker is constantly looking for dialogue and improvement. It is a major focus of our social compliance process, backed with monitoring and support across our entire business.

ICEBREAKER'S SUPPLY CHAIN HUMAN RIGHTS POLICY



Xiao Ying Hou, Gilling Machine Operator, 12 years service, Chargeurs, Shanghai, China

A LIVING WAGE

Our auditors employ a combination of record-checking and personal interviews to ensure factories are meeting their legal obligations for wages, benefits and hours worked.

Unfortunately, in many countries the legal minimum wage is still set lower than what is considered a reasonable living wage for the region. This is a major global issue. We want to play our part in tackling it.

One of the ways we are engaging in human rights and wage issues is through the active participation in the 2017 Government and Business Forum on the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime. The forum's objective is to eliminate modern slavery. Our chairman, Rob Fyfe, was chosen to represent the New Zealand business community alongside the New Zealand Government in this forum set up with the goal of eradicating modern day slavery and exploitation.

In August 2017 we also began a project with Asia Inspection to analyze our supply chain wage data, utilizing the Fair Wear Foundation Wage Ladder. The living wage assessment was one of the main themes addressed with our supply chain partners at the 2017 Vendor Summit in New Zealand.

THE ICEBREAKER SUPPLIER CODE OF CONDUCT

The Icebreaker Supplier Code of Conduct is pivotal to Icebreaker's Human Rights Strategy. It specifies the minimum contractual requirements for anyone employing people to make Icebreaker products or materials.

See the appendix for the full Icebreaker Supplier Code of Conduct.

GRIEVANCE MECHANISMS PROTECTING WHISTLE-BLOWERS

At each visit our auditors leave contact detail cards and make it clear that workers can contact them directly and in confidence.

To date, we have received no grievance complaints through our audit process. However, we recognize that audits alone are not enough and that we must offer a direct and confidential channel of communication for whistle blowers.

In 2017 we set up the email address workersvoice@icebreaker.com for workers to contact Icebreaker directly with guaranteed anonymity. This has now been added to our Supplier Code of Conduct and must be translated and visible to all workers in our supply chain. We will be reporting on any grievances received in future transparency reports.

The Code is founded on:

- International Labor Organization (ILO) Declaration on the Fundamental Principles and Rights at Work
- The United Nations Convention on the Rights of the Child
- The Universal Declaration of Human Rights
- The United Nations Convention to Eliminate All Forms of Discrimination against Women

KNOW THE PEOPLE WHO MAKE YOUR ICEBREAKER CLOTHES





06

- 01 Xiao Ying Hou, Gilling Machine Operator, 12 year's service, Shanghai Challenge
- 02 Deloris Shumate, Change Mechanic, 21 year's service, Nester
- 03 Shen Hongyun, Seamstress, 4 year's service, Shanghai Challenge
- 04 Dai Keyu, Flat Iron Worker, 2.5 year's service, Shanghai Challenge

- 05 Ines Arellano, Folding & Packaging, 9 year's service, Nester
- 06 Gui Liang Kan, Machine Operator, 1 year service, Chargeurs
- 07 Tom Liu, Quality Control, 7 year's service, Venitra
- 08 Manfred Heinrich, General Manager, 22 year's service, Südwole
- 09 Dai Ping, Spinning Operator, 6 year's service, Südwole



07

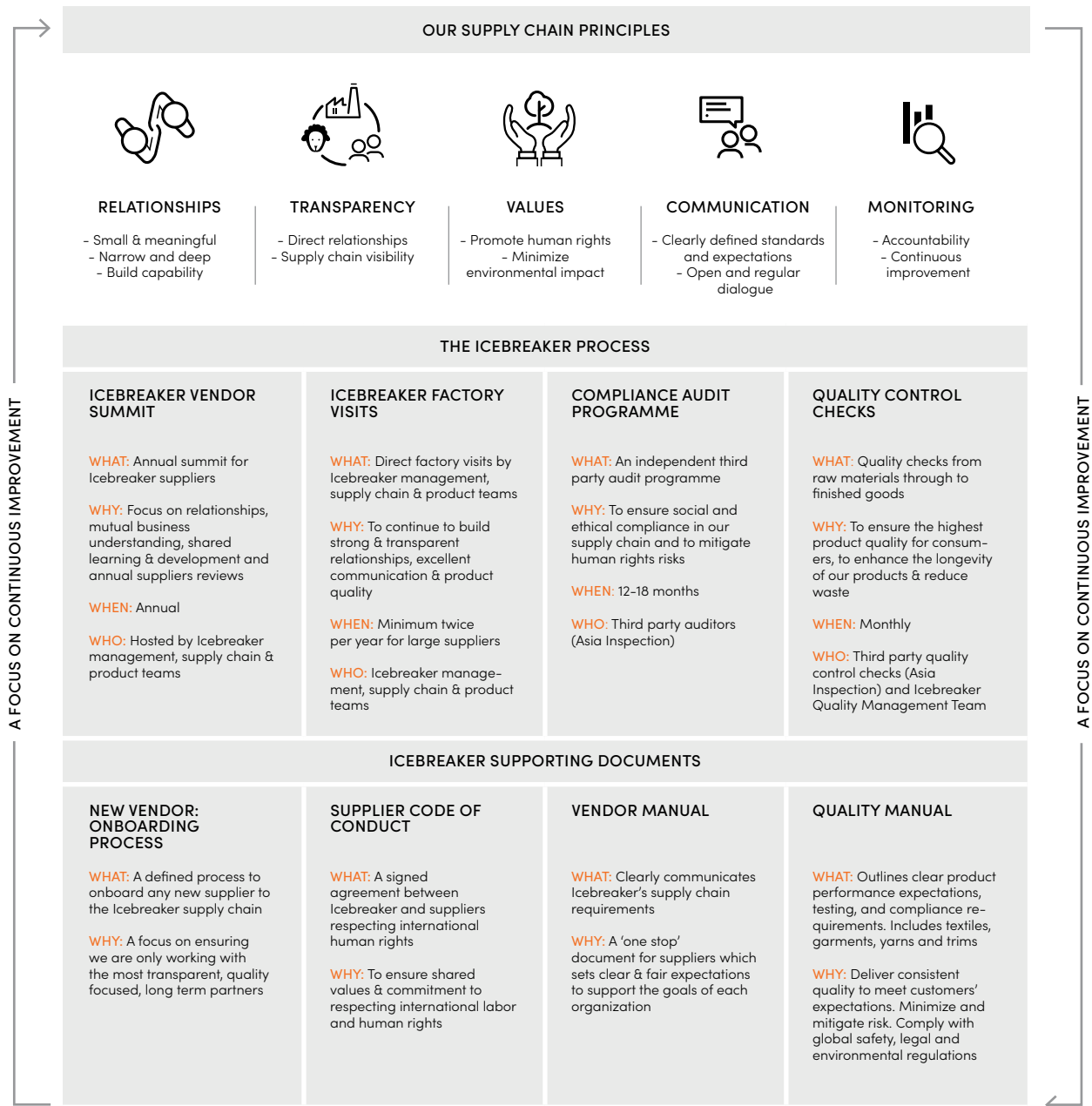


08



09

OUR SUPPLY CHAIN ECOSYSTEM



THE ICEBREAKER VENDOR SUMMIT

Bringing our people together.

Every year Icebreaker holds a three day Vendor Summit in New Zealand. It brings together all our garment manufacturers and our main tops, yarn and fabric suppliers. It is attended by Icebreaker's senior leadership team, full supply chain team and selected Icebreaker growers.

It is an opportunity to share business updates, review the previous year's performance and set objectives for the next.

The focus is on constantly evolving quality, social compliance, innovation, sourcing, planning, and sustainability. The event includes individual evolution sessions with each supplier, as well as group workshops for new processes or to tackle shared issues. The investment in this relationship is seen as truly unique in our industry.



Sharing a meal at the Annual Vendor Summit awards

“I really cherish the partnership with Icebreaker. Our companies share the same core values: work hard, play hard, make quality products and have positive impact.”

Keith Nester, Chief Operating Officer, Nester Socks



Mark Koppes, VP Product, discusses new innovation with a supplier



The 'Icebreaker Yarn' team building game connecting Icebreaker employees, growers & suppliers

INDEPENDENT AUDITING

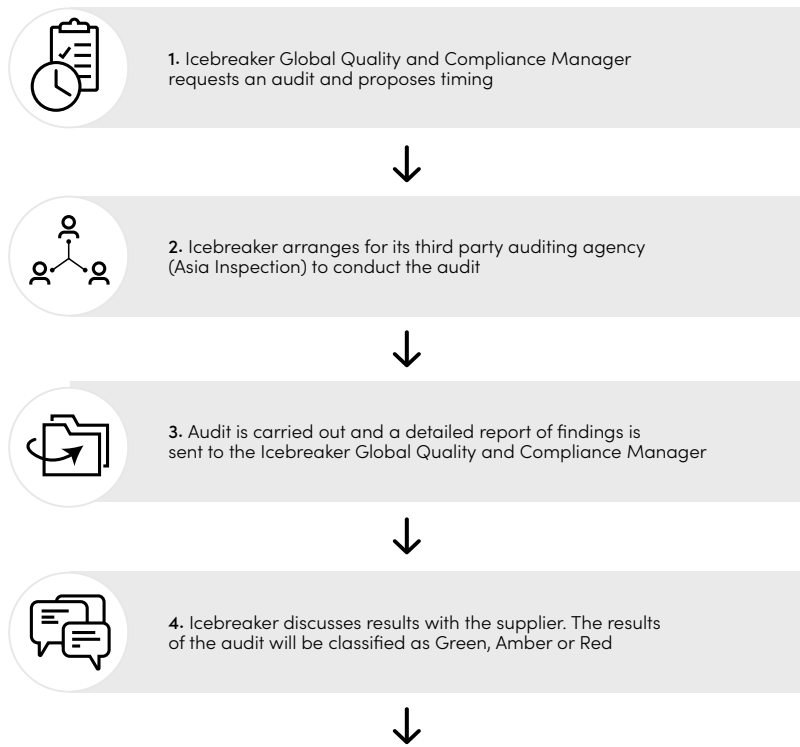
Our auditors are a vital part of our business eco-system.

Independent audits play an important role in assessing the management systems our suppliers have in place to protect and promote human rights. Audits allow us to reliably measure and assess the working conditions and workers' rights within each factory.

This process also encourages factories to take more direct responsibility and accountability for their performance and align with industry best practice by integrating the audit feedback into their process and systems.

Our audit programme encompasses the 26 non-trim suppliers in our supply chain. 100% of our main tops, yarn suppliers, fabric suppliers, garment suppliers and our packaging and fixtures suppliers are regularly checked. The only supply chain category we currently do not audit is our trim suppliers.

ICEBREAKER AUDIT PROCESS



GREEN	AMBER	RED
<p>GREEN: Audit passed</p> <p>Action plan developed to correct any major or minor non-compliances</p>	<p>AMBER: Audit passed (with qualifications)</p> <p>Corrective Action Plan (CAP) to be submitted to Icebreaker immediately following audit</p>	<p>RED: Audit failed</p> <p>CAP to be submitted to Icebreaker immediately following audit. Urgent re-audit, scheduled according to the CAP</p>
<p>NEXT AUDIT 12 - 18 months</p>	<p>NEXT AUDIT 3 months</p>	<p>NEXT AUDIT Less than 3 months</p>

The audit format is based on Social Accountability International's SA8000® standard. It covers five areas:

- Health and safety, hygiene
- Waste management
- Child labor issues
- Hours, wages, benefits
- Labor practices

Each audit includes an inspection of the warehouse, production area, dormitory area, canteen and kitchen. There is also a document review to ensure correct and accurate records are maintained. Finally, interviews are completed with employees to verify that the real life experience of working in the factory accords with the Icebreaker Supplier Code of Conduct and statements made by the supplier's management team.

Suppliers remain highly engaged throughout the improvement process and receive a detailed report after each inspection.

OUR AUDITORS

Our auditor is Asia Inspection. It is trusted by global retailers, brands and importers from 120 countries. Asia Inspection has 20 offices worldwide and 2,100 staff operating in 85 countries, including all Icebreaker's major manufacturing hubs. It audits factories employing 1.5 million workers every year.

Asia Inspection has the international credentials and reach we need. But the company remains small enough for us to have the level of communication and understanding that Icebreaker's approach demands.

Find out more at www.asiainspection.com

AUDIT RATING & SCORES

Asia Inspection's rating system gives each audit report a score out of 10, with 1 being the worst and 10 the best. They then award a corresponding color code (red, amber or green) relating to the number and nature of any non-compliance.

Scores of nine and ten are awarded for outstanding commitment to 'best practice examples'. A score of eight or higher shows the supplier has implemented a social and sustainable system ensuring ongoing compliance with standards.

By the same token, a rating of below eight for child labor, for instance, does not mean that children are actually working in a factory. It indicates missing procedures and measures we require to guarantee minors cannot be employed, even inadvertently, for example through the use of forged identification papers.

Because of the consistently high standards we set it is not unusual for even an excellent factory to have a few minor or major incidences of non-compliance. This is one of the ways we drive our culture of constant improvement.

It is rare that we will encounter a 'red' score. If this occurs we arrange an urgent meeting with the supplier's senior management team. We then arrange regular update meetings to ensure the supplier takes the required remedial action.

Corrective Action Planning

Icebreaker uses jointly agreed Corrective Action Plans (CAP) with suppliers to remedy non-compliances as soon as possible. These provide clear, detailed objectives and timelines for any remedial actions required.

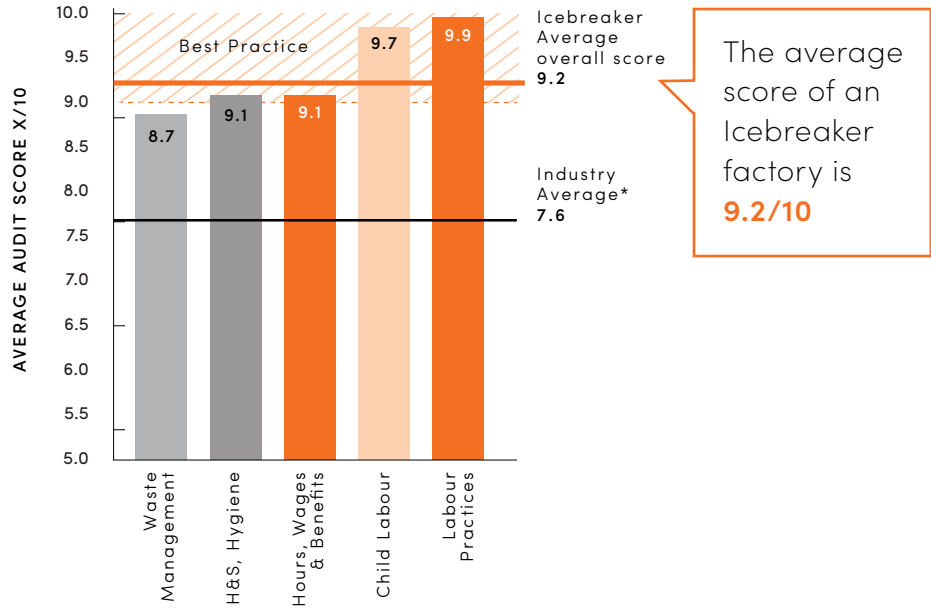
After each audit, Icebreaker is sent a copy of the audit report and we share this directly with our suppliers. This provides the supplier with a clear understanding of any issues identified.

AUDIT RESULTS

Transparency means sharing not only our audit process, but our audit results. In 2016/2017 we carried out 34 audits, including 11 re-audits.

The average score was 9.2/10. This is well above the industry average.

ICEBREAKER FACTORIES AVERAGE AUDIT RESULTS

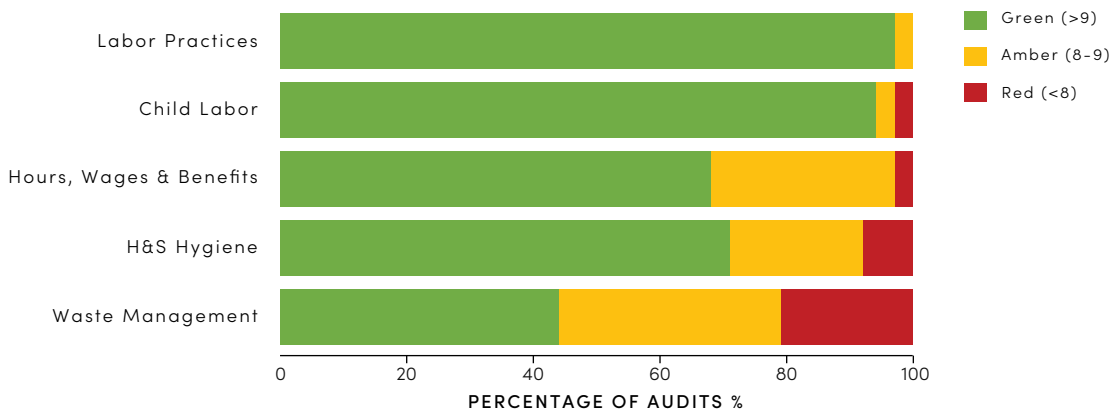


The average score of an Icebreaker factory is **9.2/10**

ICEBREAKER FACTORIES AVERAGE AUDIT RESULTS BY GREEN/AMBER/RED (%)

RESULTS BREAKDOWN BY CATEGORY	LABOR PRACTICES	CHILD LABOR	HOURS, WAGES & BENEFITS	HEALTH & SAFETY, HYGIENE	WASTE MANAGEMENT
Green (>9)	33 (97%)	32 (94%)	23 (68%)	24 (71%)	15 (44%)
Amber (8-9)	1 (3%)	1 (3%)	10 (29%)	7 (21%)	12 (35%)
Red (<8)	0 (0%)	1 (3%)	1 (3%)	3 (9%)	7 (21%)
TOTAL	34 (100%)	34 (100%)	34 (100%)	34 (100%)	34 (100%)

Data represents 34 audits, includes 11 re-audits



*Source: Based on Asia Inspection data from 533 audits over last 12 months

QUALITY CONTROL

Quality and sustainability go hand in hand. Sustainable clothing is clothing that performs year after year.

At Icebreaker we continually strive to extend the life of our products. Durability begins with the raw material. But it also relies on consistently high standards throughout the production process.

The Icebreaker Quality Manual explains our development processes, our wool tops and fabric specifications, our product testing requirements, color management protocols and regulatory information. Nothing is missed.

We make sure our suppliers have all the right quality processes in place before we start working with them. We provide support and training to keep things up to standard as time goes on. This is backed by our regular, comprehensive, independent inspections.



The Charmtech team discuss the latest quality control results

INDEPENDENT QUALITY CHECKS

All Icebreaker suppliers have their own internal Quality Assurance and Quality Control (QC) teams. We supplement this with third party QC inspections that we conduct on 33% of our styles.

Quality inspections are carried out by Asia Inspection. Our suppliers are sent a monthly overview detailing how inspections are tracking so they can chart their progress over time.

“The average return rate is only 0.36%.”

QUALITY & RETURNS

We monitor return rates within our business and try to identify issues as early as possible to prevent waste. Our benchmark for returns is 0.5%, and the average return rate across all categories for August 2016– July 2017 has remained stable at 0.36%.

If our products are returned to us, we strive to do the right thing with them. Generally if they are unfit for wear or unhygienic (used socks and underwear) we dispose of them. If they are in sellable condition they may be sold through outlets as seconds, donated to charity or offered to Icebreaker staff in return for a charitable donation.

We are committed to establishing a global return and recycle product life cycle programme, rewarding consumers for returning their Icebreaker for recycling by 2022.

QUALITY CONTROL AT EACH STEP OF THE VALUE CHAIN



01



02

- 01 Merino goes through the USTER test for yarn evenness, Südwole
- 02 A lab technician runs a final 'cleanliness' quality check before it departs Chargeurs for Südwole
- 03 The Superwash machine is managed to a perfect pH balance at Chargeurs
- 04 Wang Ren, Technology development worker analysing fabric construction at Shanghai Challenge
- 05 Zhengmei Ju, Lab Technician, 10 year's service, inspects color samples in a lightbox, Südwole
- 06 Liu Feng, auxiliary worker turns the fabric to protect it prior to dyeing, Shanghai Challenge
- 07 Fabric undergoes a burst strength test in a Temperature and Humidity Controlled lab, Shanghai Challenge
- 08 Final quality size check prior to packaging, Venitra
- 09 Fabric quality inspection at Shanghai Challenge



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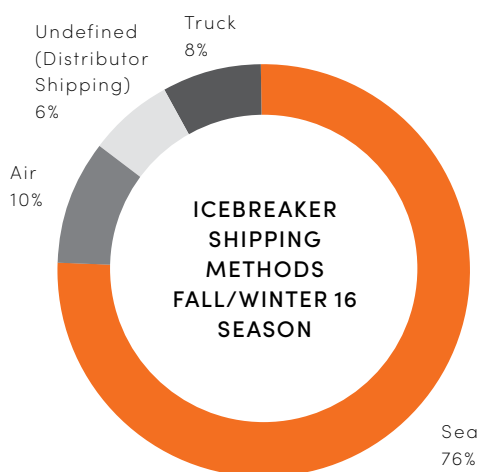
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REDUCING OUR ENVIRONMENTAL FOOTPRINT

LOGISTICS AND TRANSPORT

Wherever possible, we choose to transport goods by sea rather than air, to reduce cost and environmental impact.

Currently 76% of our product is shipped by sea. Through careful planning, last year we were able to keep the percentage of goods transported by air to 10%.



CHEMICAL CONTROL

Icebreaker's production processes must be safe for people and the natural world.

A key part of this is to maintain an effective chemicals management programme. This ensures any chemicals used are selected, handled, stored, used, and disposed of responsibly.

Icebreaker adheres to the American Apparel & Footwear Association (AAFA) Restricted Substance List (RSL). This reference tool is based on the most stringent global standards and laws. It clearly itemizes what materials and substances our vendors can and can't use. By referencing this RSL we can be sure that our requirements are aligned with industry best practice and follow the most current regulations.

All Icebreaker suppliers agree to this list at the outset of our working relationship. Our independent auditing ensures our factories are following best practice for storing, handling and disposing of any chemicals and waste.

CLOSED LOOP WATER PROCESSING: MAKING MERINO MACHINE WASHABLE

Superwash is a process we use to treat merino that allows it to be machine washable. First, merino is chlorinated to remove scales from the fiber. It is then washed and goes through an anti-chlorination process to ensure the chlorine is completely neutralized.

This process is managed by a closed loop process. Fumes are captured and treated by an air extraction system. Waste water is also captured and treated in an on site water treatment plant.

This management system minimizes environmental impact. We will continue working with our partners on reviewing the latest solutions.



Merino passing through the Superwash machine at Chargeurs, Shanghai



Diestuffs in the ColorShop Control Room at Shanghai Challenge in preparation for making Icebreaker colored fabric swatches

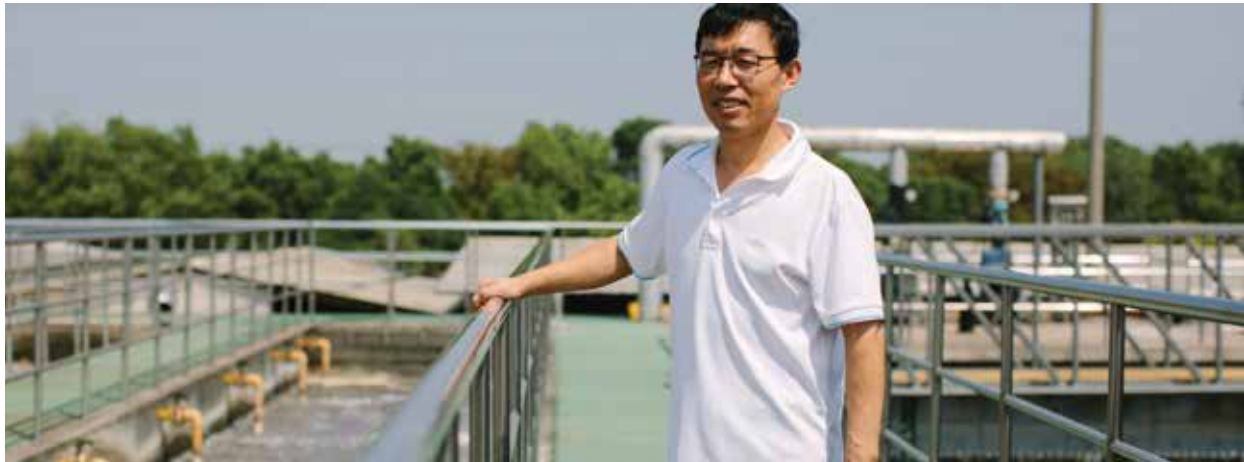
PFC FREE BY 2020

Perfluorinated Compounds (PFCs) are a group of chemicals commonly used in outdoor clothing for durable water-repellent finishes (DWR).

However, there are concerns that PFCs persist for long periods in the environment and have been shown to have toxic effects in animals.

The main focus of concern is on perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA), both of which raise long-term environmental safety concerns. Icebreaker does not and will never use PFOS or PFOA.

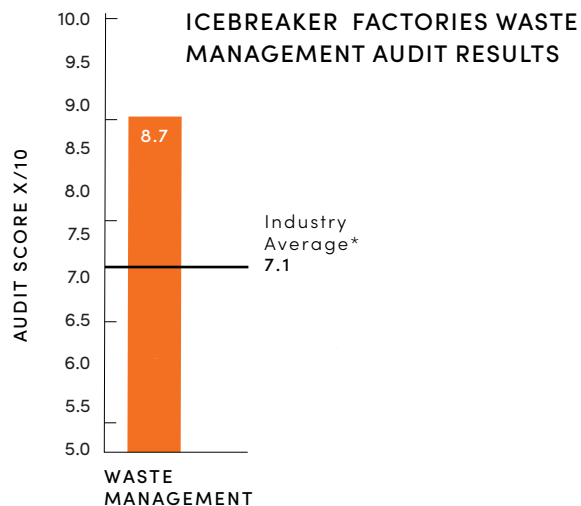
Waterproof jackets make up just 6% of our Fall/Winter 2017 range. Of these jackets, 29% are PFC free. For Fall/Winter 2018 this has increased to 37% and we are on track to be PFC free by 2020.



Li Deqi, Equipment Manager, 11 years service, Shanghai Challenge, oversees the Water Treatment Plant

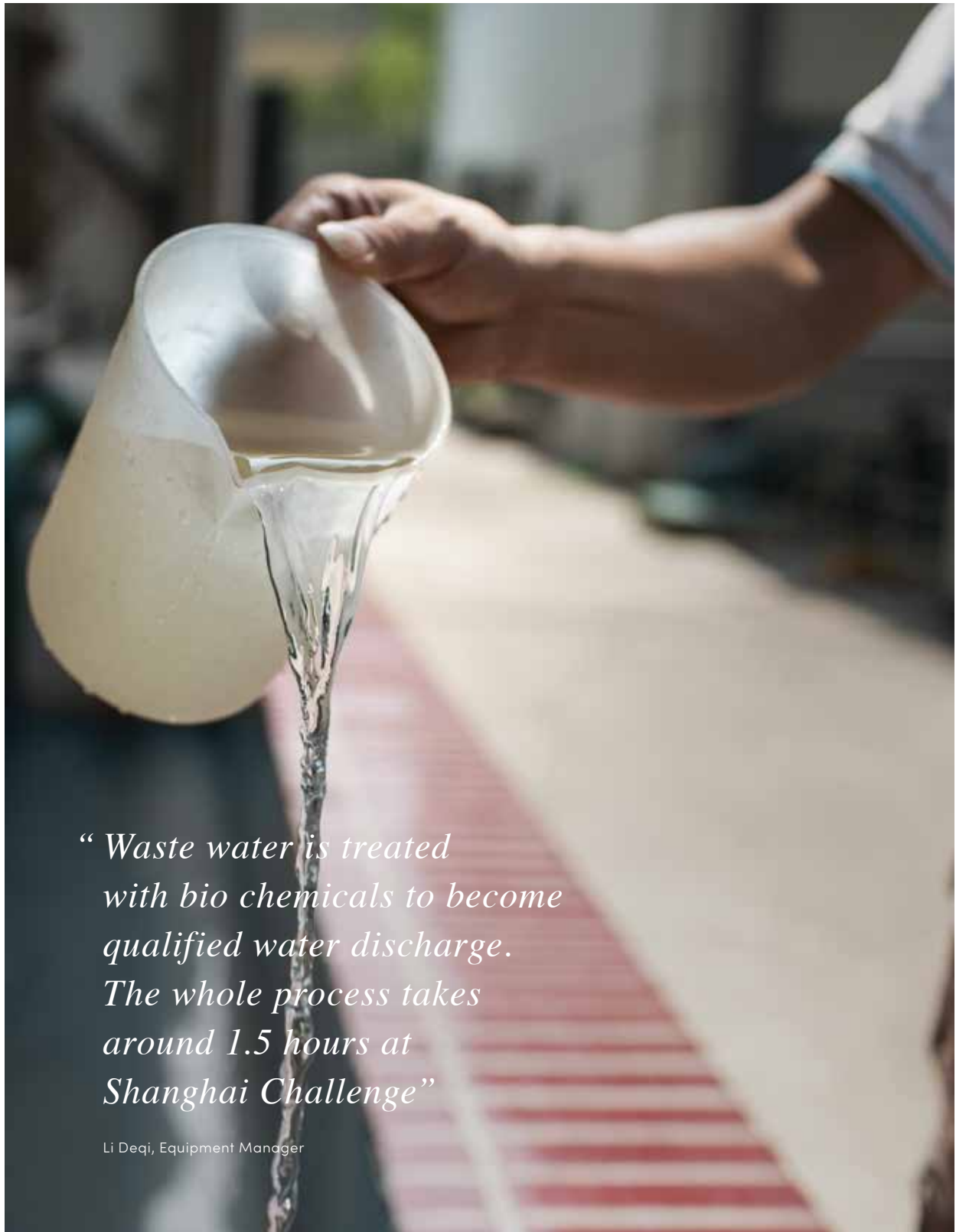
WASTE, WATER & ENERGY MANAGEMENT

All Icebreaker factories must comply with fundamental environmental standards. The Icebreaker audit process monitors factories based on their management of waste. Icebreaker factories currently score an average of 8.7/10 for waste management, above the industry average of 7.1/10.* However, there is still room for improvement and we will be developing a set of clear factory environmental guidelines in our next transparency report. Our audit process includes the following checks outlined in the table to the right.



*Source: Based on 1404 audits conducted by Asia inspections over 24 countries in the last 12 months

THE FACTORY MUST	AUDIT CHECK
MANAGEMENT	
Have a valid written Environmental Impact Assessment Plan	●
HAZARDOUS WASTE	
Inventory all solid waste	●
Separate recyclable from non-recyclable waste	●
Reduce/recycle/re-use solid waste as much as possible	●
WASTE, AIR EMISSIONS & NOISE	
Inventory all waste water	●
Treat water adequately before discharge	●
Ensure waste water at discharge is meeting local standards	●
Inventory all air emissions	●
Ensure air quality is meeting local standards	●
ENERGY & WATER REDUCTION	
Monitor energy use and take actions to reduce energy	●
Monitor water use and take actions to reduce water use	●



*“ Waste water is treated
with bio chemicals to become
qualified water discharge.
The whole process takes
around 1.5 hours at
Shanghai Challenge”*

Li Deqi, Equipment Manager

RESPONSIBLE PURCHASING

THE ICEBREAKER PRODUCTION CYCLE

Icebreaker must follow responsible purchasing practices to support our suppliers in complying with the Icebreaker Supplier Code of Conduct.

Too often in the fashion industry dramatic swings in demand, often on short lead times, can be used by poorly regulated factories as an excuse to abuse the human rights of their workers with irresponsible practices like enforced overtime.

Icebreaker has a clear process for managing long term finished goods planning to ensure consistently compliant working conditions.

Icebreaker produces two collections a year, based on sound production planning principles.

Finished Goods Production Planning:

- We give long term forecasts five to eight months before firm orders are placed based on an agreed set of standard lead times
- Suppliers submit a projected capacity report to Icebreaker each month. We work closely with their teams on managing risks
- We make to order: 65% of our sales are based on 'booked' wholesale orders
- If demand is above capacity we split order quantities to spread volumes over later shipments
- Capacity issues are managed via adjusting monthly forecasts



Icebreaker's Production Planning Process, featured at the Auckland Office

WHERE TO NEXT?

In keeping with our commitment to transparency and continuous improvement, the snapshot in the table below highlights where we are doing well, and where we can improve.

	WHAT'S WORKING	OUR COMMITMENT TO IMPROVE
SOCIAL	<ul style="list-style-type: none"> ● Long term relationships - over 65% of our volume is from two suppliers we have been working with for over 13 years ● Publicly available Supplier Code of Conduct outlining our Human Rights policies, signed by all Icebreaker suppliers ● Grievance mechanisms protecting whistle blowers ● Responsible purchasing practices to provide long term forecasts and minimize human rights risks ● In 2017 we updated our audit format to include measures for checking that the employment rights of migrant workers are protected 	<ul style="list-style-type: none"> ● Report on any 'Whistle Blower' activity in our next transparency report ● Incorporate recommendations from the Bali Process Forum to safeguard against modern slavery within our supply chain ● Complete an analysis of the wages within our supply chain and benchmark these against the Fair Wear Foundation living wage calculator ● Engage with NGOs and our suppliers to understand collective bargaining opportunities in our supply chain
ENVIRONMENTAL	<ul style="list-style-type: none"> ● Chemical control & waste management policies required by all factories ● Reduction in PFC usage: on track to achieve PFC free status by 2020 ● Public disclosure of our Restricted Substance List 	<ul style="list-style-type: none"> ● Publish Icebreaker factory environmental guidelines in our next transparency report
GENERAL	<ul style="list-style-type: none"> ● Traceability & transparency of our supply chain: Publicly listing all supply chain partners ● Direct relationships with our supply chain - we directly source 100% of our fabric, 90% of our fiber & 93% of our trims ● Supplier onboarding process ensuring we work with expert partners ● Annual Vendor Summit based in NZ focused on continual improvement & building relationships ● Ongoing independent auditing with a focus on continual improvement ● Public disclosure of our aggregated audit ratings ● Best practice factory audit results: Icebreaker average 9.2/10 vs industry average 7.6/10 ● Excellent product quality: Global returns at 0.36% per annum 	<ul style="list-style-type: none"> ● Target 100% tracking of supplier names for our next transparency report - including all trims and vendor sourced fibers ● Complete a review of possible industry certification and memberships

PEO



OUR
PEOPLE

PEOPLE

Enjoying a beer with our retail partners.
Location: Motuihe Island, Hauraki Gulf, Auckland.

ICEBREAKER VALUES

“We are Icebreakers. It’s who we are, who we hire, who we attract as customers and how we work together.”

Jeremy Moon, Founder

To us Icebreaker is more than just a company in the business sense; it is the company we keep. At Icebreaker, we attract people who want to make a difference, who share common beliefs and who, like us, have the courage to go their own way.

We care about each other and believe deeply in what we are doing. We’re hard working, passionate and very human.

We’re not perfect, but we are constantly striving for better.



Mt Nicholas Station and fireside in Queenstown, New Zealand





WE ARE
AUTHENTIC
LEADERS WHO ARE
OPEN AND HONEST
ABOUT OURSELVES
AND OTHERS.

CEO, Greg Smith inspiring
suppliers at our vendor summit



WE ARE
**PASSIONATE
ACHIEVERS** WHO
WORK HARD AND
PLAY HARD.

The New Zealand Sales team
enjoying an evening drink at sales
summit

—
WE ARE
—



WE ARE ACTIVE AND
ADVENTUROUS,
DRIVEN BY CURIOSITY
AND A DEEP DESIRE
TO CONTINUALLY
LEARN AND REFINE A
GLOBAL OUTLOOK.

On location shoot, Lake Wakatipu, Queenstown

LIFE AT ICEBREAKER



CODY HILL

“We always try to deal with new technology and what’s the next big thing. It’s exciting to come to work and know there is something new to implement. There’s a fair amount of freedom to experiment here, that’s what excites me to get up in the morning.”

“A few more things I like... I can be myself at Icebreaker. I don’t have to wear a suit. The workplace is super flexible and I don’t need to do as much washing now thanks to Icebreaker clothing!”

Joined: 2011

Position: Global Technical Infrastructure Specialist, IT



ANNE REID

“Having a three-year-old sometimes means unexpected disruptions or a requirement for some flexible hours. Icebreaker has not only accommodated these requests, but supported prioritizing family.”

“As with any role the opportunities are in part determined by an individual’s ambitions and interests. Having identified some of these opportunities I’ve been very well supported in my ambitions to grow and take on more responsibilities.”

Joined: 2015

Position: Regional Head of Finance – North America



DOMINIC EDWARDS

“For me Icebreaker is about the people I work with, a great product with strong ethics, and challenges that keep my mind alive. Icebreaker has allowed me to specialize and get exposed to areas of the business I would never have expected to see, by encouraging me to get stuck in.”

Joined: 2012

Position: Global Supply Planning Manager

“The opportunities in my role are boundless as are the opportunities for anyone at Icebreaker.”

Irena Skukan



JAN-CHRISTOPH MEISTER

“Icebreaker is working with a special, miracle fiber and the atmosphere is special in the team as well - cool combination! There’s a really international spirit. If you want to engage yourself and move something, there are no limits. Icebreaker as a brand is still evolving constantly so it never gets boring.”

“For me it all came naturally - I can grow and develop myself according to the brand’s evolvement while still living the Icebreaker spirit after all these years!”

Joined: 2009
Position: Wholesale Sales Manager - Germany & Austria



IRENA SKUKAN

“The opportunities in my role are boundless as are the opportunities for anyone at Icebreaker. Your career path is in your hands and it unfolds in proportion to your performance, courage and zest for adventure.”

Joined: 2014
Position: Head of Retail Stores - West Coast North America



KEITH CHING

“I’ve just relocated from Singapore to the Auckland office. I’m working with Kiwis... but we also have people from Australia, France, Scotland, Belgium, Germany, United Kingdom, Poland, Slovakia, United States, South Africa, Zimbabwe, Argentina, Brazil, Hong Kong, Burma, and India. Each office is a blend of people from around the globe. It’s awesome!”

Joined: 2017
Position: Global eCommerce Product Manager

COUNTING ON OUR PEOPLE

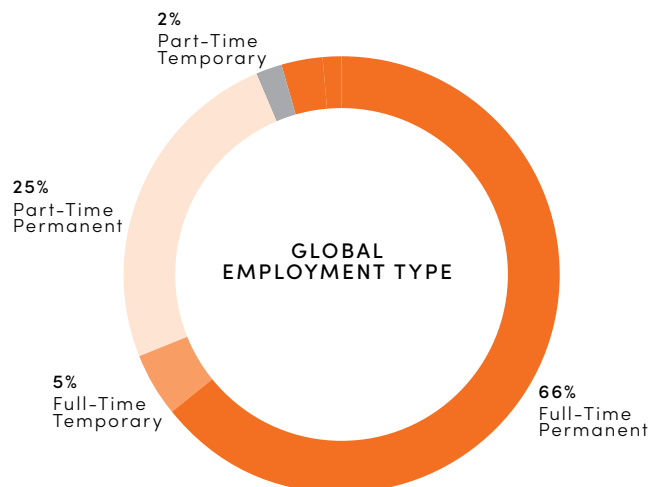
As at 31 March 2017, we employed 418 people across seven countries who work daily to bring our vision and mission to life.

- **43%** are employed in New Zealand/Australia, **41%** North America and **16%** in Europe
- **71%** are in full-time positions
- **39%** of our employees are in management roles
- **58%** are female; **42%** are male
- We have a **50/50** gender split in management roles
- **46%** are under **30** years of age
- **57%** of our team are directly involved in selling our product to our customers
- **43%** work in Retail Sales, **13%** in Wholesale Sales, **10%** in Customer Operations and **6%** in Marketing

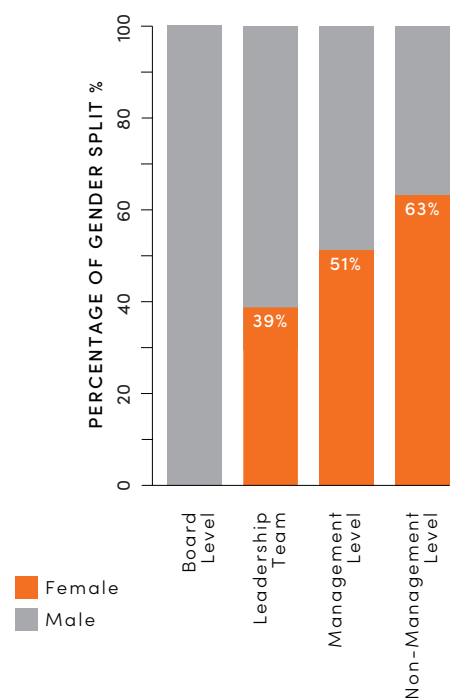
LENGTH OF SERVICE

GLOBAL LENGTH OF SERVICE*	PEOPLE	% OF TOTAL
>10 YEARS	4	1%
6 TO 10 YEARS	26	6%
3 TO 6 YEARS	58	14%
1 TO 3 YEARS	136	33%
6 MONTHS TO 1 YEAR	80	19%
< 6 MONTHS	114	27%
TOTAL	418	100%

*Does not include contractors



GENDER BY MANAGEMENT LEVEL



GLOBAL EMPLOYEES BY FUNCTION*

	# PEOPLE	% OF TOTAL
CEO	1	0.2%
BUSINESS INTELLIGENCE	4	1.0%
CORPORATE SALES	2	0.5%
CUSTOMER OPERATIONS	40	9.6%
EXECUTIVE	11	2.6%
FINANCE	25	6.0%
ECOMMERCE	7	1.7%
OPERATIONS	13	3.1%
INFORMATION TECHNOLOGY	11	2.6%
INVENTORY	13	3.1%
MARKET DEVELOPMENT	3	0.7%
MARKETING	24	5.7%
OFFICE MANAGEMENT	6	1.4%
PEOPLE & PERFORMANCE	6	1.4%
PROJECT MANAGEMENT	1	0.2%
PRODUCT	17	4.1%
RETAIL SALES	181	43.3%
WHOLESALE SALES	53	12.7%
GRAND TOTAL	418	100%

*Does not include contractors

AGE BY MANAGEMENT LEVEL*

	<30	30-49	50+	TOTAL
BOARD LEVEL	0	2	2	4
LEADERSHIP TEAM	0	9	4	13
MANAGEMENT LEVEL	40	103	8	151
NON-MANAGEMENT LEVEL	152	97	5	254
TOTAL EMPLOYEES	192	209	17	418

*Does not include contractors. Total employees does not count board members



VANCOUVER, CANADA

NORTH AMERICA

- 173 People
- 41% of total

EUROPE

- 67 People
- 16% of total



PORTLAND, USA



STARBERG, GERMANY

OUR PEOPLE & PLACES

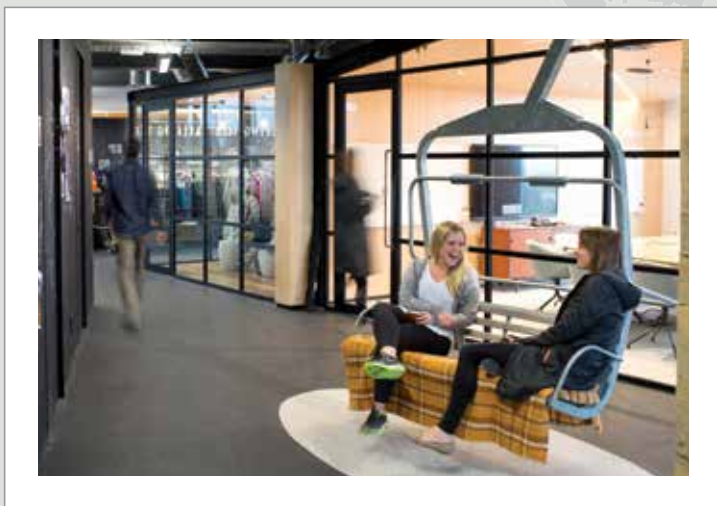
Our global offices are based in Auckland, Vancouver, Portland and Munich. All our global offices have grassroots programmes in place to protect our environmental footprint.

100% OF OUR GLOBAL OFFICES:

- Organise end of line garment or cash donations to charitable organisations
- Have removed personal waste bins to reduce landfill
- Use recycled paper for office printing
- Compost & recycle
- Use Fairtrade and organic coffee

In keeping with our commitment to continuous improvement, we will be completing a carbon and waste emission report for our global head office in the next transparency report.

EMPLOYEES BY COUNTRY	# PEOPLE	% OF TOTAL
AUSTRALIA	48	12%
NEW ZEALAND	130	31%
CANADA	101	24%
UNITED STATES	72	17%
GERMANY	55	13%
SWITZERLAND	6	1%
FRANCE	6	1%
TOTAL	418	100%



HEAD OFFICE, AUCKLAND, NEW ZEALAND

AUSTRALASIA

- 178 People
- 43% of total

KEEPING IT REAL

You can't create a culture with policies, processes and guidelines. It has to be done by sharing experiences that move and change you. We regularly create opportunities for this in our workplaces.



M Sanjayan, CEO of Conservation International, speaking to the Auckland Office



The Icebreaker supply chain team at Mt Nicholas Station Queenstown, New Zealand

INSPIRED BY PIONEERS

We're inspired by pioneers, innovators, entrepreneurs and those who challenge traditional thinking. To foster this culture our global offices host regular 'Guest Speaker Series' where we stay connected to change makers in our business and communities.

GROWER CONNECTION

The farms our fiber is sourced from are Icebreaker's spiritual home and the heart of the business. All our people need to stay as close to that landscape and its people as possible; to share the joys, challenges and lessons it offers us. We also encourage and organize station visits for members of the Icebreaker team.



CEO Greg Smith & the Icebreaker Auckland team taking part in 'Tough Mudder'



The New Zealand / Australia Sales Summit on location at Motuihe Island, Hauraki Gulf, Auckland



Justin Walford, GM North America and team on a hike in Vancouver



The North America Sales Summit on location in Squamish, BC, Canada

WORK HARD, PLAY HARD

Having fun builds relationships. In each region a local social club manages a vibrant social calendar. All of our global offices hold weekly sporting activities. There is no shortage of opportunities for making memories with your work mates.

ICEBREAKER SALES SUMMITS

Each year we host two seasonal summits for our sales teams in an inspiring natural location. Participants share time with our leaders and key members of our product and marketing teams to learn about the new range and how to sell it. This is also a chance to build relationships, and pass on new and improved ways of working.

FAIRNESS & DIVERSITY

Here's how we ensure Icebreaker is a great place to work.

Everyone gets a 'fair go'

Icebreaker is an equal opportunity employer. We make sure every job applicant and team member gets a fair go. We don't discriminate on the basis of sex, marital status, pregnancy, race (including nationality, culture and religion), age, disability, sexuality, gender identity or carers' responsibilities. What matters is that you are the best person for the job, and that you do it well.

No discrimination

We can't do a good job or be fully productive if we feel someone at work is treating us unfairly or discriminating against us. So we don't tolerate it.

Women of Influence in Icebreaker

From the formation of Icebreaker our founder, Jeremy Moon, has been committed to empowering the women's voice and influence within Icebreaker. In what is a traditionally male dominated industry; Jeremy's first 7 employees were all women. Today this influence continues with our strategy, brand, marketing, customer insight, people, planning, operations, sourcing, eCommerce and product teams all being lead by female members of our Global Leadership team.

Yet, we still have much to do to achieve numerical gender balance in our senior leadership team and at Board level. We are committed to this goal and to continuing to ensure that the women's voice and perspective is heard loud and clear in both the Global Leadership team and Board discussions.

Cultural diversity

Icebreaker is a global business with a global perspective, so naturally the people we hire come from all over the world and have diverse cultural backgrounds. We actively encourage global secondments and support employees relocating to other countries for internal promotions. This mixing up of our talent pool not only provides amazing adventures for our people and their families, but really enables a truly global spirit and diversity of thoughts in our regions.

“Our first seven employees were all women. Three went on to have their children while being promoted to country General Managers across New Zealand, Australia and the USA. I probably had a bias due to growing up with three older sisters and six nieces. Starting with a group of strong women helped us build a really supportive dynamic culture.”

Jeremy Moon

GENERATING OUR POWER PEOPLE

ATTRACTING TALENT

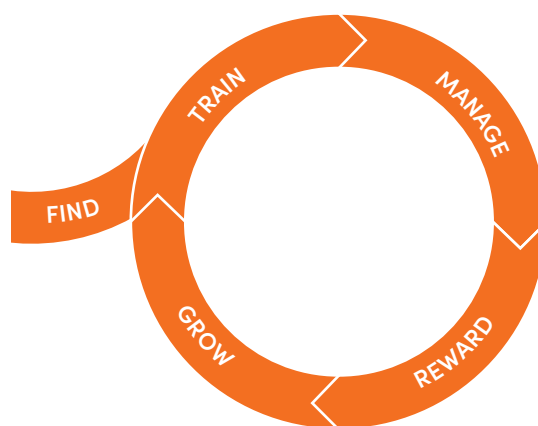
We have an insatiable appetite for talented people who share our values and are energised by what we do and how we do it.

Our Global Talent Scout supports us to select high potential Icebreakers to join our team.

We don't apologize for our rigorous selection process which includes: Wave® Professional Style & Swift Analysis Aptitude assessments, interviews and practical tasks.

These help us assess a candidate's needs and talents and ensure we are the right fit for each other.

THE ICEBREAKER JOURNEY



PERFORMANCE & DEVELOPMENT

We are big on setting ambitious goals and rewarding the team for their achievement.

To help us all to deliver on our commitments and perform at our best, we follow a structured approach to performance.

We expect everyone to work with their manager to set Personal Development Plans to help them to achieve in their current role and prepare for promotion or transfer into their next role.

We think some of the best training and development can happen on the job, with a good coach and challenging projects to build experience.

We also prefer to promote from within and encourage internal applications when new opportunities open up.

Icebreaker enables people to have adventures within the company through secondments and the opportunity to work in different countries and teams around the globe.

“When I took on the role of CEO recently, the obvious decision was to back-fill my position of GM – NZAU from within the organisation. We had several talented people to consider and it was a tough decision to choose one. We backfilled two positions through the internal promotion of high performers. We are committed to growing our own leaders who are skilled in the Icebreaker way of doing things.”

Greg Smith, CEO

RETAIL TEAM DEVELOPMENT

With just over 40% of our global workforce selling Icebreaker to our customers in our retail stores, we prioritize the training and development of our retail store teams.

This is focused around two key retail training programmes:

Retail Sales Training

This is an online training programme. It has 22 segments and three levels, from basic to advanced selling. All retail sales members must complete the programme within three months of joining.

Ascent Retail Leadership Programme

This is our retail leadership programme for our store managers and managers in training to ensure they have what it takes to build a high performing retail store team the Icebreaker way.

PAY, BENEFITS & PERKS

It's a given that we meet our legal employment obligations in each country; we also offer the below:

- The chance for managers and sales people to participate in fair incentive plans with upside for exceeding budget targets
- A generous product discount for every employee and their immediate family
- A generous seasonal uniform allocation for our retail store teams
- Discounts and offers from our like-minded partners
- Subsidized health insurance plans and in some countries, death & disability insurance plans
- To align benefits globally, our US employees receive more generous annual leave benefits than the legal requirement

HEALTH & WELLBEING

We are committed to providing a safe and healthy workplace and protecting all of us from harm.

This commitment is supported by our health and safety (H&S) policy and a network of health and safety representatives in each region. The H&S team meet monthly to ensure we stay focused on identifying, managing and reporting on any incidents or risk areas and facilitate local training and awareness.

This year we have included a leadership key performance indicator on H&S in each manager's Personal Performance Plan. We also expect every team member to take responsibility for their own actions when it comes to health and safety at work and to be recognized as someone who genuinely cares about the safety and wellbeing of their colleagues.

Last year we developed a detailed Event Management Policy and toolkit to ensure we thoroughly plan and manage our offsite events to ensure the health and safety of our people, whilst at the same time protecting the spirit of Icebreaker.

In the unlikely and unfortunate event that an accident occurs, the event organizers know how to respond appropriately to deal with the situation.

READY FOR THE ADVENTURE OF A LIFETIME?

If this has got you excited, check out the jobs we have available at: www.icebreaker.com/careers

WHERE TO NEXT?

In keeping with our commitment to transparency and continuous improvement, the snapshot in the table below highlights where we are doing well, and where we can improve.

	WHAT'S WORKING	OUR COMMITMENT TO IMPROVE
SOCIAL	<ul style="list-style-type: none"> ● Active health and wellbeing programmes established in each region ● Team engagement to 'The Icebreaker Way' through events, speaker series and weekly sports in all offices ● Retail management & sales development programmes ● Global & culturally diverse workforce ● Equal gender split in management roles 	<ul style="list-style-type: none"> ● Establish a global leadership development programme ● Review the Icebreaker Code of Conduct & Ethics ● Embed the workplace grassroots sustainability programme and incorporate into our induction programme ● Establish a global health & wellbeing programme with a shared understanding of flexible work practices ● Establish a continuous feedback culture ● We are committed to ensuring that women's voices and perspectives continue to be heard in both the Global Leadership team and Board discussions
ENVIRONMENTAL	<ul style="list-style-type: none"> ● Grassroots programmes in each head office encouraging recycling & environmental care 	<ul style="list-style-type: none"> ● Complete a carbon & waste emissions report for our global head office for the next transparency report ● Publish retail environmental guidelines for Icebreaker owned retail stores for the next transparency report

APPENDIX

- 104** Icebreaker Grower Listing
- 106** Icebreaker Supplier Listing
- 116** Icebreaker Supply Chain Code of Conduct

GROWER LISTING

ICEBREAKER CONTRACTED GROWERS FOR SEASON 2017

PROPERTY NAME	PROPERTY LOCATION	LAST AUDIT DATE	PROPERTY NAME	PROPERTY LOCATION	LAST AUDIT DATE
AHURIRI DOWNS	Omarama	8/05/15	CORA LYNN	Arthurs Pass	26/06/17
ARDGOUR	Wanaka	12/07/17	CRAGSIDE	Oturehua	9/03/16
BALDWIN	Roxburgh	29/08/17	CRAIGLEA	Roxburgh	8/06/15
BEN MCLEOD RANGE	Peel Forest	22/01/16	CRESSBROOK	Palmerston	13/07/15
BEN OHAU	Twizel	19/01/16	DOLPHINS	Palmerston	23/06/17
BENMORE STATION	Omarama	31/05/17	EARNSCLEUGH	Alexandra	6/07/17
BLACKSTONE HILL	Omakau	2/07/15	EREWHON	Ashburton	22/08/17
BLIND E	Napier	5/07/17	GEORDIE HILL	Tarras	4/07/17
BLUFF	Kekerengu	13/06/17	GLENFOYLE	Cromwell	19/06/17
BOG-ROY	Kurow	3/03/17	GLENMORE	Lake Tekapo	12/05/15
BONJEDWARD	North Canterbury	2/08/17	GLENTANNER	Mt Cook	11/08/16
BRAEVAAR	Amberley	2/06/17	GODLEY PEAKS	Lake Tekapo	18/07/16
BRANCH CREEK	Wanaka	29/02/16	GUIDE HILL	Lake Tekapo	4/08/16
BRANCHES	Queenstown	16/01/15	H A HOLD	Oxford	24/11/16
CAIRNMUIR	Cromwell	14/06/17	HALFWAY BAY STATION	Queenstown	23/05/16
CARRICK	Cromwell	11/08/17	HARTFIELD	Ranfurly	14/07/15
CARRICKMORE	Ranfurly	6/11/15	HILLTOP DOWNS	Roxburgh	21/06/17
CASTLE RIDGE	Ashburton	16/12/16	IRISHMAN CREEK	Timaru	19/05/15
CECIL PEAK	Queenstown	31/08/17	KENNETHMONT	Little River	27/06/14
CLUDEN	Cromwell	16/11/16			

PROPERTY NAME	PROPERTY LOCATION	LAST AUDIT DATE
LAKE COLERIDGE STATION	Christchurch	30/07/15
LAKE HAWEA	Wanaka	19/05/16
LAKE TAYLOR	Hawarden	11/06/15
LINDIS PEAKS	Tarras	21/06/17
MANGAITI	Whanganui	7/06/17
MATAKANUI	Omakau	19/06/17
MIDDLEHURST	Blenheim	19/02/15
MOTATAPU	Arrowtown	28/05/14
MT NICHOLAS	Queenstown	31/08/17
MT ROSS	Middlemarch	23/06/17
MULLER	Blenheim	19/08/15
NOKOMAI	Lumsden	15/06/17
NORTHBURN	Cromwell	21/10/15
OKUKARI	Picton	3/09/14
OMARAMA STATION	Omarama	31/05/17
OTEKAIEKE	Oamaru	2/11/16
OTEMATATA	North Otago	18/12/15
OTEMATATA A	Otematata	18/12/15
POMONA	Omakau	22/03/16
RIBBONWOOD	Lake Tekapo	14/06/17
RL	Oxford	24/11/16
ROSENEATH	Kurow	21/06/16
ROUGH RIDGE	Oturehua	24/04/17
STONEHENGE	Ranfurly	16/03/15
TE AKA	Kurow	5/11/15

PROPERTY NAME	PROPERTY LOCATION	LAST AUDIT DATE
TEVIOT RIVER DOWNS	Roxburgh	13/08/14
THE GUMS	Cheviot	16/08/17
THE POINT	Cromwell	6/07/17
THE ROCKS	Middlemarch	4/07/16
TUOHYS GULLY	Wanaka	20/06/17
TWIN PEAKS	Omarama	21/06/17
TYNTESFIELD	Blenheim	23/09/15
UPCOT	Blenheim	22/09/14
WALTER PEAK	Queenstown	29/05/15
IDA VALLEY	Oturehua	15/06/17
LAKE HERON	Ashburton	27/08/17

SUPPLIER LISTING

ICEBREAKER SUPPLY CHAIN LISTING

SUPPLIER	FACTORY NAME	CATEGORY	DATE OF LAST AUDIT	COUNTRY	ADDRESS
AVERY DENNISON					
AVERY DENNISON	Paxar Packaging Guang Zhou Limited	Trims	x	China	Tanshan Village, Hualong Town, Panyu District, Guangzhou, Guangdong Province, China, 511434
AVERY DENNISON	Avery Dennison (Suzhou) Co Ltd	Trims	x	China	No.56, Yangpu Road, Suzhou, Jiagnsu, China, 215021
BEMIS	Bemis	Trims	x	USA	2849 Greenwich St. Suite 1, San Francisco CA 94123
BUTTON INTERNATIONAL	Changshu Button International Co LTD	Trims	x	Taiwan	2nd Floor, #8 Aleey 30, Lane 358, Ruiguang Road, Taipei, Taiwan 114
CHARGEURS	Zhangjiagang Yangtse Wool Combing Co Ltd	Tops production	October/17	China	European Industrial Park, Tangshi St, Yangshe Town, Zhangjiagang City, Jiagnsu, 215618
CHARMTECH INDUSTRIAL LIMITED	QingYuan Bowcharm Garment Manufacturing Limited	Garment Vendor	August/17	China	Zhoutian Industry Area, Taihe Town, Qingxin County, Qingyuan city, Guang Dong province, China
CHIA HER	Chia Her International	Fabric	October/16	Taiwan	Gongye road, Guantian District, Taiwan, China
DANMAO (JIANGSU DANMAO TEXTILE CO LTD)	Jiangsu Danmao Textile Co Ltd	Fabric	September/17	China	No.2 Lumeng North Road, Lucheng, Danyang, Jiagnsu, China
DESIGNER TEXTILES INTERNATIONAL LTD	Designer Textiles Vietnam	Fabric	August/16	Vietnam	Lot P, Hoa Xa Industrial Park, Nam Dinh, Vietnam
DIRECT SOURCE PACKAGING	Dong Sung Printing Co, Qingdao facory	Packaging	July/17	China	Qingdao D.S. Corporation, Shaoshan, Xiazhuang Town, ChengYang District, QingDao, China 266107

TOTAL NO. EMPLOYEES	% LOCAL	% NON LOCAL (FROM OTHER REGION)	% MIGRANT (FROM OTHER COUNTRY)	% FEMALE	% MALE	PARTNERSHIP COMMENCED (YEAR)	LENGTH OF SERVICE (YEARS)
4069	17%	83%	0%	56%	44%	2007	10
1137	13%	87%	0%	55%	45%		10
400	58%	42%	0%	30%	70%	2016	1
216	14%	86%	0%	70%	30%	2009	9
160	41%	58%	1%	43%	57%	2006	12
420	76%	24%	0%	78%	22%	2012	6
790	68%	10%	22%	52%	48%	2014	4
1,060	95%	5%	0%	60%	40%	2011	7
150	87%	13%	0%	27%	73%	2000	18
125	98%	2%	0%	52%	48%	2016	2

SUPPLIER	FACTORY NAME	CATEGORY	DATE OF LAST AUDIT	COUNTRY	ADDRESS
DOUBLE RETAIL					
DOUBLE RETAIL	Pafos, Inofyta	POS - Fixtures	August/16	Greece	Pafos Sa Intercreation, Furniture Manuf. Store Fittings, 32011 Inofyta Viotias Greece
DOUBLE RETAIL	Veta, Athens	POS - Fixtures	September/16	Greece	1-3 Aristeidou str, Aharnai, Athens, Attica, Greece
E.C.I. ELASTIC CO LTD	E.C.I. Elastic Co Ltd	Trims	x	Taiwan	16 Shin Yen Road, Fu Shin, Changhua, Taiwan
EMSIG	Sunco Button Factory	Trims	x	China	Office: 263 West 38th Street, Flr 5th, New York 10018 USA. Factory: Ker Yuan 7th Road, Tang Xia, Dongguang China
EVEREST TEXTILE	Everest, Tainan	Fabric	November/16	Taiwan	256 Ming Ho Tsun, Shansan Hsiang District, Tainan Hsien, Taiwan, R.O.C.
FORMOSA TAFFETA CO	Formosa Taffeta	Fabric	September/17	Taiwan	317, Shu Liu RD., Touliu 640, Taiwan, R.O.C
FREUDENBERG & VILENE INTERNATIONAL LTD.	Freudenberg & Vilene Interlining (Natong) Co Ltd	Trims	x	China	408 Chang Jiang Middle Road, Nantong/China
INSIGHT PRINT MEDIA	Insight Print Media Ltd	POS - Fixtures	On boarding in progress	United Kingdom	Unit 17, Bristol Vale Trading Estate, Bedminster, Bristol, BS3 5RJ
INTERNATIONAL MOULDERS LIMITED	Dongguang Honghua Bra Subsidiary Material Products Co Limited	Trims	x	China	A10, Jinfu RD, Tangchun Industrial, Liaobun Town, Dongguan, Guangdong Province, China.
INTERSOCKS D.O.O					
INTERSOCKS D.O.O	Recinko d.o.o	Garment Vendor	July/16	Slovenia	Roška Cesta 41, SI-1330 Kočevje, Slovenia
INTERSOCKS D.O.O	Inssocks Srl	Garment Vendor	July/16	Italy	Via Dell ' Industria 28, IT-32010 Pieve D'Alpago, Italy
INTERSOCKS D.O.O	Calz. Telemaco Srl	Garment Vendor	July/15	Italy	Via Brentella, 9, IT-31040 Trevignano, Italy
INTERSOCKS D.O.O	INTERCONF d.o.o. Intersocks confection unit	Garment Vendor	July/16	Slovenia	Trata XIV / 6, SI-1330 Kočevje, Slovenia
ITW GRAPHICS ASIA LIMITED	ITW Sports Branding Enping Pacific Concept Industries Ltd.	Trims	x	China	Puqiao Economic Industry District, Shahu Town, Enping city, Guangdong Province, China

TOTAL NO. EMPLOYEES	% LOCAL	% NON LOCAL (FROM OTHER REGION)	% MIGRANT (FROM OTHER COUNTRY)	% FEMALE	% MALE	PARTNERSHIP COMMENCED (YEAR)	LENGTH OF SERVICE (YEARS)
108	37%	29%	34%	14%	86%	2014	4
220	83%	0%	17%	5%	95%	2014	4
566	66%	34%	0%	60%	40%	2008	9
60	0	100%	0%	23%	77%	2006	11
2,198	68%	0%	32%	50%	50%	2013	5
3,723	84%	0%	16%	34%	66%	2016	2
261	100%	0%	0%	39%	62%	2015	3
6	100%	0%	0%	0%	100%	2016	2
319	2%	98%	0%	42%	58%	2017	1
60	100%	0%	0%	88%	12%	2014	4
21	57%	43%	0%	48%	52%	2014	4
17	53%	47%	0%	58%	42%	2014	4
103	95%	5%	0%	65%	35%	2014	4
180	70%	30%	1%	63%	37%	2008	10

SUPPLIER	FACTORY NAME	CATEGORY	DATE OF LAST AUDIT	COUNTRY	ADDRESS
KTC LIMITED	Heshan Rondor Garments Limited	Garment Vendor	November/ 2015	China	No. 1601 Renmin Road East, Shaping Town, Heshan City, Guangdong, People's Republic of China
LEE BOU INTERNATIONAL LTD	WUXI LEE BOU SILICONE INDUSTRIES	Trims	x	CHINA	No. 16, Hexin Rd., Xishan District, Dongting Town, Wuxi City, Jiang Su, China
MINERVA YIJIANG KNITTING CO LTD	YIJIANG KNITTING CO LTD	Garment Vendor	September/17	China	No 9 Chunhui Road Xishan Edz Wuxi Jiangsu
mitsui BUSSAN TECHNO PRODUCTS CO LTD					
MITSUI BUSSAN TECHNO PRODUCTS CO LTD	Mitsui Ochiai-Cho Factory	Fabric	On boarding in progress	Japan	15 Ochiai-Cho,Kisshoin Minami-ku,Kyoto,Japan 601-8324
MITSUI BUSSAN TECHNO PRODUCTS CO LTD	Mitsui Ishikawa Factory	Fabric	Still being on-boarded. Not audited yet	Japan	Nu161-4, Hama-machi, Nomi-shi,Ishikawa pref,Japan 929-0124
NESTER HOSIERY	Nester Hosiery Inc	Garment Vendor	October/16	USA	1546 Carter Street, Mt. Airy, NC 27030
NIFCO TAIWAN CORPORATION	Nifco Taiwan Corporation	Trims	x	Taiwan	No.198,Sec.2,Zhong Ai Rd.,Guan-Yin District.TaoYuan City 407. Taiwan
NOA BRANDS DBA FUSION SPECIALTIES	Fusion Specialties	POS - Fixtures	July/16	Mexico	Santos Dumount #6620, Cd. Juarez, Chih, Mexico
PAIHO GROUP					
PAIHO GROUP	Paiho group WUXI	Trims	x	CHINA	No.18 HeXin Rd,Dongting Town,Xishan District,Wuxi City,Jiangsu
PAIHO GROUP		Trims	x	Taiwan	No. 575 Hokang Road Homei Township Changhua County Taiwan 508
PURFORM - SIMPLEX PLAST	Simplex Plast	POS - Fixtures	July/16	India	Plot No. 29, Diwan & Shah Udyog Nagar, Waliv Village, Sativali Rd, Vasai East, Dist Palghar 401208, India
SAFIL SPA					
SAFIL SPA	Safil Dyeing Plant	Yarn	Mar-17	Italy	Via del Mosso, 10, Gaglianico, Biella, Italy
SAFIL SPA	Safil Spinning Plant	Yarn	Mar-17	Bulgaria	Industrial Zone, 4134 Skutare, Plovdiv, Bulgaria

TOTAL NO. EMPLOYEES	% LOCAL	% NON LOCAL (FROM OTHER REGION)	% MIGRANT (FROM OTHER COUNTRY)	% FEMALE	% MALE	PARTNERSHIP COMMENCED (YEAR)	LENGTH OF SERVICE (YEARS)
2,377	64%	35%	1%	80%	20%	2016	2
305	25%	73%	2%	67%	33%	2008	10
57	75%	25%	0%	62%	39%	2017	1
168	73%	27%	0%	21%	79%	2016	2
161	82%	5%	13%	24%	76%	2016	2
185	99%	1%	0%	61%	40%	2005	13
250	99%	1%	0%	48%	52%	2015	3
502	100%	0%	0%	43%	57%	2013	5
1134	49%	51%	0%	63%	38%	2008	10
1060	77%	0%	24%	58%	42%	2008	10
14	100%	0%	0%	0%	100%	2006	12
104	100%	0%	0%	30%	70%	2015	3
608	100%	0%	0%	65%	35%	2015	3

SUPPLIER	FACTORY NAME	CATEGORY	DATE OF LAST AUDIT	COUNTRY	ADDRESS
S.E.C. ACCESSORIES LTD					
S.E.C. ACCESSORIES LTD	S.E.C. Hong Kong Factory	Trims	x	HONG KONG	22/F, Block L, Shield Industrial Centre, 84-92 Chai Wan Kok Street, Tsuen Wan, N.T., Hong Kong
S.E.C. ACCESSORIES LTD	S.E.C. Accessories Ltd. (Dongguan)	Trims	x	China	4th Floor, Dai Long Xin Wei Zai Village, Xiegang Town, Dongguan City, Guangdong Province, China
S.E.C. ACCESSORIES LTD	S.E.C. Accessories Ltd. (Dongguan)	Trims	x	China	No. 358 Guangzhang East Road, Yu Feng Industrial Park, Zhangmutou Town, Dong Guan City, Guangdong Province, China
SHANGHAI CHALLENGE					
SHANGHAI CHALLENGE	Shanghai Challenge Garment Co.,Ltd (Golden Hill) Garment Factory	Garment Vendor	August/16	China	No.1918 Tingfeng Road,Tinglin,Jin Shan District, Shanghai 201514, P.R.C.
SHANGHAI CHALLENGE	LianYun Gang Guanlin Garment Co Ltd (also called Guan Lin or Cloudport)	Garment Vendor	September/16	China	No.68 Xingyang Road, Guanyun, Lianyungang city, Jiangsu Province, China
SHANGHAI CHALLENGE	Hubei Challenge Garment Co Ltd	Garment Vendor	June/16	China	Tongjigou Industry Plant, Zhushan,Shiyan, Hubei, China
SHANGHAI CHALLENGE	Shanghai Challenge Garment Co.,Ltd (Golden Hill) Fabric Factory	Fabric	June/16	China	No.1918 Tingfeng Road, Jinshan district, 201504, Shanghai, China
SHANGHAI CHALLENGE	Shanghai Haofan Textile Co Ltd	Fabric	July/17	China	No. 239, Hangnan Road, Hangtou, Pudong District, Shanghai 201514, P.R.C.
SUEDWOLLE	Zhangjiagang Yangtse Spinning Co Ltd	Yarn	August/17	China	Economic Development Zone, Yang Zi Road 5, Tangshi, Zhangjiagang City Jiangsu Province China
SUPER CAP TIGER GROWTH ASSETS LIMITED.	Zhongshan Weili Textile Co Ltd	Garment Vendor	August/17	China	The 2nd Industrial Area, Sanxiang Town, Zhongshan City, Guangdong Province
TAL APPAREL	TAL Limited	Garment Vendor	June/17	Vietnam	Nguyen Duc Canh Industrial Zone, Thai Binh City, Thai Binh Province, Vietnam
TRIMCO GROUP (CLOTEX-LABELON)					

TOTAL NO. EMPLOYEES	% LOCAL	% NON LOCAL (FROM OTHER REGION)	% MIGRANT (FROM OTHER COUNTRY)	% FEMALE	% MALE	PARTNERSHIP COMMENCED (YEAR)	LENGTH OF SERVICE (YEARS)
17	100%	0%	0%	53%	47%	2014	3
44	5%	95%	0%	68%	32%	2014	3
95	8%	92%	0%	45%	55%	2014	3
990	75%	25%	0%	72%	28%	2004	14
182	98%	2%	0%	84%	16%	2012	6
1,037	95%	5%	0%	71%	30%	2004	14
529	81%	18%	0%	62%	38%	2004	14
11	0%	100%	0%	36%	64%	2016	2
1,297	23%	77%	0%	62%	38%	2006	12
2,466	4%	96%	0%	65%	35%	2014	4
4,948	97%	3%	1%	83%	17%	2017	1

SUPPLIER	FACTORY NAME	CATEGORY	DATE OF LAST AUDIT	COUNTRY	ADDRESS
TRIMCO GROUP (CLOTEX-LABELON)	Clotex Labels	Trims	x	Hong Kong	"Flat G, 8/F, City Ind. Complex, 116-122 Kwok Shui Road, Kwai Chung, Hong Kong"
TRIMCO GROUP (CLOTEX-LABELON)	Clotex Labels Hangzhou	Trims	x	China	"1/F, Block 8, No.611, Dong Guan Road, Bin Jiang District, Hangzhou, Zhejiang, China"
YKK SH	Shanghai YKK Zipper Co Ltd	Trims	x	China	"Office Ad: 23/F K.wah Centre,1010 Huai Hai Rd(M), Shanghai Factory Ad: 468 LuChun Rd,Minhang Economic&Technological Development Zone, Shanghai"
VENITRA ENTERPRISES INTERNATIONAL					
VENITRA ENTERPRISES INTERNATIONAL	Shepherd	Garment Vendor	November/15	China	Ying Shan Road, Feng Huang Town, Zhangjiagang City, Jiang Su Province, China
VENITRA ENTERPRISES INTERNATIONAL	Meng Di Corporation	Fabric	November/15	China	Ying Shan Road, Feng Huang Town, Zhangjiagang City, Jiang Su Province, China
VENITRA ENTERPRISES INTERNATIONAL	Shanghai Enix Dress Co Ltd	Fabric	July/16	China	Jianding Road #88, JinShan District, Fengjin Town, Shanghai, China
VENITRA ENTERPRISES INTERNATIONAL	Huaxing Silk rinting Hangzhou and Dyeing Co Ltd	Fabric	July/17	China	BeiSha Eastern Road 56-12, Yuhang District, Hangzhou, Zhejiang, China
YOUNGONE CORPORATION					
YOUNGONE CORPORATION	Youngone Corporation Bangladesh/ Karnaphuli Shoes Ind Ltd	Garment Vendor	June/16	Bangladesh	Korean Export Processing Zone, Anwara, Chittagong, Bangladesh
YOUNGONE CORPORATION	Youngone Nam Dinh Co Ltd	Garment Vendor	July/16	Vietnam	Lot O,P,Q,R, N6 Road, Hoa Xa IP, My Xa Commune, Nam Dinh City, Nam Dinh Province, Vietnam
YFYJUPITER US, INC/ YFY JUPITER SHENZHEN LIMITED	Dongguan Xinhai Environment-friendly material Co Ltd	POS - Fixtures	September/17	China	DongGuan, Guang Dong, China
ZERO PRINTERS (SHANGHAI LINGDIAN GARMENT ACCESSORIES CO LTD)	Shanghai Donghong Printing Co Ltd	Packaging	July/16	China	No.2001 JINTENG RD. Jin Shan District, Shanghai

TOTAL NO. EMPLOYEES	% LOCAL	% NON LOCAL (FROM OTHER REGION)	% MIGRANT (FROM OTHER COUNTRY)	% FEMALE	% MALE	PARTNERSHIP COMMENCED (YEAR)	LENGTH OF SERVICE (YEARS)
195	95%	5%	0%	60%	40%	2016	2
110	100%	0%	0%	70%	30%	2016	2
2300	41%	59%	0%	33%	67%	2008	10
1,000	100%	0%	0%	70%	30%	2017	1
50	100%	0%	0%	30%	70%	2017	1
148	100%	0%	0%	80%	20%	2017	1
155	100%	0%	0%	55%	45%	2017	1
9,703	88%	12%	0%	73%	27%	2015	3
7,301	95%	5%	0%	82%	18%	2013	5
48	100%	0%	0%	38%	62%	2017	1
270	30%	70%	0%	60%	40%	2014	4

ICEBREAKER SUPPLY CHAIN 2017 CODE OF CONDUCT

INTRODUCTION AND OVERVIEW

Icebreaker insists that all companies and individuals within our supply chain uphold the highest ethical standards in their workplace practices and policies.

This Icebreaker Supply Chain Code of Conduct must be adhered to by all vendors, suppliers, factories, sub vendors or any other person involved in supplying goods to Icebreaker, hereafter referred to as the 'company'.

This code is based on the International Labor Organization (ILO) core labor standards, The United Nations' Universal Declaration on Human Rights and the Global Compact's Human Rights Principles. It is designed to be fair, achievable and to promote the ongoing development of our supply chain partners.

Legal Requirement - At all times the company must meet the legal requirements of the countries in which the company is working.

Additional Requirements - Companies must respect the principles of the United Nations' Universal Declaration on Human Rights. Refer to the online translations: <http://www.ohchr.org/EN/UDHR/Pages/SearchByLang.aspx>

Subcontractors - Subcontracting is not allowed unless approved by Icebreaker and only after the subcontractor has agreed to comply with the Icebreaker Onboarding requirements, including these Code of Conduct Principles. This includes subcontractors supplying the company with goods used for manufacturing, facilities or dormitories.

Monitoring and inspecting - The company is responsible for ensuring that everyone in their supply chain knows about and complies with the Icebreaker Supply Chain Code of Conduct.

- The company must keep records to show that they are carrying out regular reviews and checks.
- The company must provide all information requested by Icebreaker to confirm compliance to the code. We will keep this information confidential.
- Icebreaker on site audits will monitor compliance with the code of conduct principles.

Non-Compliance - If the company is unable to comply with any parts of the code please contact Icebreaker to give reason for failure and timescale to meet standards.

Direct Contact with Icebreaker - If anybody would like to contact Icebreaker regarding any feedback or concerns, we welcome the opportunity to connect directly. Please email us at: workersvoice@icebreaker.com. We guarantee confidentiality.

ICEBREAKER SUPPLY CHAIN CODE OF CONDUCT PRINCIPLES

A. Employment is freely chosen.

- There is no forced, bonded or involuntary prison labor.

- Forced or bonded means work or service extracted from any person under menace of any penalty for which said person has not offered him/herself voluntarily or for which such work is demanded as a means of repayment of debt.

- Workers are not required to lodge “deposits” or their identity papers with their employer and are free to leave their employer after reasonable notice.

B. Freedom of association and right to collective bargaining are respected.

- Employers shall recognize and respect the right of employees to freedom of association and collective bargaining.
- Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent, free association and bargaining.

C. Working conditions are safe and hygienic.

- A safe and hygienic environment shall be provided.
- Adequate steps shall be taken to prevent accidents and injury to health by minimizing the causes of hazards inherent in the working environment.
- Workers shall receive regular and recorded health and safety training and such training shall be repeated for new or reassigned workers.
- Access to clean toilet facilities and to safe drinking water, and if appropriate, sanitary facilities for food storage shall be provided.
- Accommodation, where provided, shall be clean and safe.
- The company shall assign responsibility for health and safety to a senior management representative.
- The company must have a waste management policy

and procedure so waste is minimized; is correctly and safely handled, stored and disposed; is not a hazard to the environment; and is recycled where possible.

D. Child labor shall not be used.

- No person shall be employed under the age of 15 or under the age for completion of compulsory education, whichever is higher.
- Companies should develop, participate and contribute to policies and programmes, which provide remediation of any child found to be performing labor to enable them to attend and remain in quality education.
- Children and young persons under 18 shall not be employed at night or in hazardous conditions.

E. Living wages should be paid.

- Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.
- All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about 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.

F. Working hours are not excessive.

- Working hours need to comply with national laws and benchmark industry standards, whichever affords greater protection.
- In any event workers shall not on a regular basis be required to work in excess of 48 hours per week and

shall be provided with at least 24 hours off for every seven day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

G. No discrimination is practised.

- There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

H. Women’s Rights

- Women workers will receive equal remuneration, including benefits, equal treatment and equal opportunity to fill all positions open to male workers.
- Pregnancy tests will not be a condition of employment, nor will they be demanded of employees.
- Workers who take maternity leave (in accordance with local laws) will not face dismissal nor threat of dismissal, loss of seniority or deduction of wages, and will be able to return to their former or comparable employment at the same rate of pay and benefits.

I. Regular employment is provided

- Employers shall adopt and adhere to rules and conditions of employment that respect workers and safeguard their rights under national and international labor and social security laws and regulations.
- Obligations shall not be avoided through the use of contracting, sub- contracting, home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment.
- The company must validate workers legal right to work by reviewing original documentation and implement procedures to show compliance.
- This code of conduct also applies to agency staff and immigrant workers.

J. No harassment, harsh or inhumane treatment is allowed.

- Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation are strictly prohibited.

AGREEMENT TO THE ICEBREAKER SUPPLY CHAIN CODE OF CONDUCT

The provisions of the Icebreaker Supply Chain Code of Conduct constitute minimum and not maximum standards. The code should not be used to prevent companies from exceeding these standards. Where the provisions of local laws and this code address the same subject, the provision which affords greater protection should be applied.

The senior management of the company has read and understands the expectations of the Icebreaker Supply Chain Code of Conduct and, by the authorized signature below, certifies its agreement to abide by these expectations. The company further understands that failure to abide by these expectations may result in punitive sanctions up to and including termination of the business relationship.

Company name	
Factory name	
Authorized signature	
Printed name of signer	
Title of signer	
Email of signer	

This form must be completed annually by the Factory Manager or Compliance Manager. One form is required for each factory producing Icebreaker goods.

Direct Contact with Icebreaker - if anybody would like to contact the Icebreaker company regarding any feedback or concerns, we welcome the opportunity to connect directly. Please email us at: workersvoice@icebreaker.com. We guarantee confidentiality.

INSIDE BACK COVER

BACK COVER