



## **Five Principles of Responsible Purchasing™**

Data gathered from suppliers is at the heart of everything Better Buying™ does, and it is used to provide guidance for improving purchasing practices and resolving issues faced by workers. The Five Principles of Responsible Purchasing™ were created by the Better Buying Institute. They focus on the buyer purchasing practices that we know, from our data, have the biggest impact on suppliers' businesses and their ability to provide good working conditions and improve their environmental performance.

### **VISIBILITY**

**DEFINITION:** Provide enough information about your planned business for suppliers to act.

A company following this principle:

- Provides suppliers with information about future business far enough in advance and in enough detail for the supplier to act
- Updates those forecasts on at least a monthly basis

### **STABILITY**

**DEFINITION:** Give your suppliers steady and predictable business across the year.

A company following this principle:

- Plans an even volume of business across the year with its primary suppliers
- Provides longer-term plans for suppliers used more seasonally
- Avoids sharp increases and decreases in volume
- Issues orders consistently to fill the planned volume

### **TIME**

**Definition:** Provide enough time for suppliers to complete all processes

A company following this principle:

- Provides enough time for suppliers to complete all pre-production and production processes in compliance to laws and code of conduct
- Sticks to the timeline and uses the time allocated as efficiently as possible

### **FINANCIALS**

**Definition:** Use fair financial practices with suppliers

A company following this principle:

- Shares financial risks with their suppliers
- Avoids making unilateral decisions that negatively impact suppliers' financials

### **SHARED RESPONSIBILITY**

**Definition:** Play your part in improving supply chain social and environment sustainability

A company following this principle:

- Recognizes that achieving sustainability goals isn't only the responsibility of suppliers and factories
- Make sure that everyone in the company is contributing to improved working conditions and environmental performance