

# SUPPLIER CODE OF CONDUCT



V1.1



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## 1. Introduction

At Lulu Retail Holdings PLC (the “Company” and, collectively with its subsidiaries, “LuLu/Group”), we are committed to fostering ethical sourcing practices and responsible business conduct throughout our global supply chain. Our Supplier Code of Conduct serves as a guiding framework for our suppliers, outlining the standards and expectations we uphold in partnership with those who contribute to our operations. Together with our suppliers, we strive to build a sustainable and inclusive future for all stakeholders.

Our Supplier Code of Conduct extends to all stakeholders involved in our supply chain, including suppliers, subcontractors, other intermediaries, and their employees.

## 2. General Criteria

At LuLu, we prioritize compliance with applicable laws and regulations, ensuring transparency and accountability throughout our global operations. We require our suppliers to obtain all applicable permits and licenses to operate legally within their jurisdictions.

Upholding human rights, fair labour practices, and environmental sustainability are integral to our business ethos. We demand adherence to standards regarding wages, working conditions, environmental responsibility, and product quality, while maintaining a zero-tolerance policy towards corruption.

By ingraining these values into our corporate culture, we strive to build a responsible supply chain that consistently delivers high-quality products to our customers.

## 3. Fair Labour Practices

At LuLu, we are committed to upholding labour practices that respect the rights, dignity, and well-being of workers throughout our supply chain. Through stringent procedures and ongoing monitoring, we strive to ensure that our operations promote fairness, equality, and respect for human rights.

### 3.1 Forced Labour

At LuLu, we strongly oppose forced labour in all forms. Our suppliers are required to guarantee that no worker within their operations is subjected to coercion, deception, or exploitation. We are committed to eradicating these outrageous violations of human rights from our supply chain and work tirelessly to ensure that our products are sourced ethically and responsibly.

### 3.2 Child Labour

We are unwavering in our stance against child labour, recognizing the importance of protecting the rights and well-being of children. Our suppliers must adhere to all applicable laws and regulations regarding the employment of minors, ensuring that no child is engaged in any form of labour that compromises their education, health, or development.

### **3.3 Non-Discrimination and Equal Opportunity**

Equality and diversity are fundamental principles guiding our labour practices. We promote a workplace culture that values inclusivity and respects the inherent dignity and worth of every individual. Discrimination based on race, ethnicity, gender, religion, disability, age, or any other characteristic is strictly prohibited within our supply chain.

### **3.4 Working Hours and Wages**

We prioritise fair treatment of workers, including provisions for reasonable working hours and adequate compensation. Our suppliers are expected to comply with labour laws and standards governing working hours, overtime, and minimum wages, ensuring that workers receive just remuneration for their contributions.

### **3.5 Health and Safety**

The health and safety of workers are paramount concerns within our supply chain. We demand that our suppliers provide a safe and healthy working environment, free from hazards and risks to employee well-being. Occupational health and safety measures must be implemented and maintained to safeguard the physical and mental health of all workers.

Suppliers are expected to prioritise the health and safety impact of their products, ensuring that they meet stringent standards for customer safety and well-being. This includes conducting thorough risk assessments, implementing quality control measures, and adhering to regulatory requirements related to product safety.

## **4. Ethical Business Practices**

At LuLu, ethical business practices are not just a matter of compliance; they are integral to our corporate culture and values. By upholding principles of integrity, transparency, and fairness, we aim to build trust with our stakeholders and contribute to a business environment that fosters innovation, competition, and sustainable growth.

### **4.1 Anti-corruption and Bribery**

At LuLu, we maintain a steadfast commitment to integrity and transparency in all our business dealings. We have zero tolerance for corruption, bribery, or any form of unethical behaviour. Our suppliers are expected to adhere to the highest standards of honesty and integrity, refraining from engaging in bribery, kickbacks, or other corrupt practices that undermine trust and fairness in the marketplace.

### **4.2 Conflicts of Interest**

We prioritise the avoidance of conflicts of interest to ensure impartiality and fairness in decision-making processes. Our suppliers are required to disclose any potential conflicts of interest that may arise in their relationships with our company or its affiliates, allowing us to address such situations transparently and ethically.

### **4.3 Protection of Intellectual Property**

Respecting intellectual property rights is paramount within our supply chain. We require our suppliers to safeguard our company's intellectual property and refrain from infringing upon the intellectual property rights of others. This includes

respecting copyrights, trademarks, patents, and trade secrets, and ensuring that proprietary information is protected from unauthorized use or disclosure.

#### **4.4 Anti Money Laundering and Sanctions**

At LuLu, we are dedicated to upholding the highest standards of integrity and compliance with anti-money laundering (AML), countering the financing of terrorism (CFT) and sanctions regulations to safeguard our organization and prevent illicit financial activities. We require all our suppliers to adhere strictly to applicable AML, CFT and sanctions laws and standards.

### **5. Environmental Stewardship**

At LuLu, environmental stewardship is not just a responsibility; it's a commitment to preserving our planet's future. Through various measures, we aim to minimize our environmental impact and promote sustainability throughout our supply chain.

#### **5.1 Environmental Sustainability**

At LuLu, the suppliers are expected to incorporate environmentally responsible practices into their daily operations to reduce ecological footprint, encourage sustainable resource management, and cultivate a culture of ongoing improvement in environmental stewardship.

#### **5.2 Environmental Performance**

The suppliers are required to measure and track key performance indicators (KPIs) related to their environmental impact. This includes monitoring metrics such as energy consumption, greenhouse gas emissions, water usage, waste generation, and recycling rates.

#### **5.3 Resource Conservation**

Conserving natural resources is integral to our commitment to environmental sustainability. We encourage our suppliers to optimize resource use, including energy, water, raw materials, and packaging materials.

#### **5.4 Waste Management**

Our suppliers are expected to implement comprehensive waste management systems that prioritise waste reduction, reuse, recycling, and responsible disposal. By diverting waste from landfills and adopting sustainable waste management practices, we aim to minimize the environmental burden of our operations and contribute to a more circular economy.

#### **5.5 Climate Change Mitigation**

Our suppliers are encouraged to reduce greenhouse gas emissions, transition to renewable energy sources, and implement measures to adapt to changing climatic conditions.

### **6. Sustainable Sourcing**

At LuLu, we are committed to sustainable procurement practices that prioritise environmental stewardship, social responsibility, and ethical sourcing. We recognize that our purchasing decisions have a significant impact on the



environment, communities, and global supply chains. Therefore, we are dedicated to integrating sustainability criteria into our procurement processes and supplier relationships. Our sustainable sourcing commitments form part of our group level ESG Policy.

## **7. Monitoring and Enforcement**

At LuLu, monitoring and enforcement are critical components of our commitment to sustainable sourcing and responsible business conduct.

### **7.1 Supplier Evaluation and Selection**

At LuLu, we prioritise thorough evaluation and selection processes to ensure that our suppliers adhere to our ethical and operational standards.

### **7.2 Monitoring and Audit Procedures**

We maintain robust monitoring and audit procedures to assess supplier compliance with our standards and identify areas for improvement. These procedures may include regular site visits, third-party audits, and performance evaluations.

### **7.3 Consequences of Non-Compliance**

Non-compliance with our standards is met with swift and decisive consequences. We have procedures in place to address instances of non-compliance, including corrective actions, termination of contracts, and legal remedies, depending on the severity and recurrence of violations.

### **7.4 Continuous Improvement Initiatives**

Through collaborative efforts with our suppliers, we identify opportunities for improvement and develop action plans to address areas of weakness. We commit to launch supplier training programs, capacity-building efforts, and knowledge-sharing platforms, fostering a culture of learning and improvement that drives positive change throughout our operations.

## **8. Communication and Reporting**

We provide various channels for open dialogue and feedback, including regular meetings, review meetings, and other dedicated communication channels.

Suppliers and their employees are encouraged to report any concerns or violations through confidential reporting channels, ensuring that issues are addressed promptly and appropriately.

## Annexure: Supplier Screening Checklist

### A. Compliance Checklist

1. **Compliance with Laws and Regulations:** Does the supplier demonstrate adherence to applicable laws and regulations governing their operations? (Yes/No)
2. **Ethical Conduct:** Does the supplier uphold ethical principles and demonstrate integrity in their business dealings? (Yes/No)
3. **Regulatory Compliance:** Has the supplier obtained all necessary licenses, permits, and certifications required for their operations? (Yes/No)
4. **AML and Sanctions Compliance:** Does Supplier have AML, CFT and Sanction Policy in place, are they strictly complying with the applicable AML, CFT and sanctions laws and standards?

### B. Social Assessment

1. **Fair Labour Practices:** Does the supplier provide fair wages, reasonable working hours, and safe working conditions for their employees? (Yes/No)
2. **Respect for Human Rights:** Does the supplier uphold human rights principles and ensure non-discrimination and equal opportunity for all workers? (Yes/No)
3. **Child Labour and Forced Labour:** Does the supplier have policies in place to prevent the use of child labour and forced labour within their operations? (Yes/No)
4. **Social Responsibility:** Does the supplier engage in initiatives that promote social responsibility and community development? (Yes/No)

### C. Environmental Assessment

1. **Environmental Sustainability:** Does the supplier have environment policy or procedures in place to identify, assess, and mitigate environmental risks associated with their operations? (Yes/No)
2. **Environmental Performance KPIs:** Does the supplier measure KPIs related to environment to track and reduce their environmental impact? (Yes/No)
3. **Resource Conservation:** Does the supplier optimize resource use and promote conservation efforts to minimize waste and promote sustainability? (Yes/No)
4. **Environmental Stewardship:** Does the supplier demonstrate a commitment to environmental sustainability through their sourcing practices? (Yes/No)

### D. Other Criteria

1. **Financial Stability:** Is the supplier financially stable and capable of fulfilling contractual obligations? (Yes/No)
2. **Quality Assurance:** Does the supplier maintain quality standards and ensure the delivery of high-quality products or services? (Yes/No)
3. **Reputation and Track Record:** Does the supplier have a positive reputation and a track record of ethical and responsible business conduct? (Yes/No)

I hereby confirm my understanding and acceptance of LuLu's Supplier Code of Conduct. I commit to upholding its principles of ethical conduct, environmental stewardship, and social accountability in all business dealings.

Authorised Signatory Name: \_\_\_\_\_

Job Title : \_\_\_\_\_

Supplier Name: \_\_\_\_\_

Signature : \_\_\_\_\_

Date: \_\_\_\_\_