

LifeStyles' Supplier Code of Conduct

Jan 2021

Foreword

LifeStyles together with its subsidiaries and affiliates (collectively "LifeStyles") protects the safety of millions of people around the world every day. This involves being committed to ensuring that protection extends to our employees, environment, community, and workers in our supply chain through responsible human rights, environmental and governance practices.

This Supplier Code of Conduct lays out how we expect our suppliers to support these commitments. We value our supplier relationships and commit to working with them to improve practices to meet our standards in good faith. If we meet these standards together with our business partners will also make our suppliers more successful businesses, fit to continue supplying to LifeStyles in the long years ahead. We look forward to working with you to become safer, smarter and better together.

1. Overview of Supplier Code of Conduct

- (a) At LifeStyles, we take our Corporate Social Responsibility and Sustainability commitments seriously. Our standards extend beyond our own offices, distribution centres and manufacturing facilities, into our supply chain.
- (b) LifeStyles participates in a complex, global supply chain by outsourcing logistics and purchasing raw materials and finished goods from small and large business all over the world.
- (c) LifeStyles is committed to upholding international human rights and ethical frameworks including the UN Declaration of Human Rights and International Labor Organisation Fundamental Principles and Rights at Work.
- (d) The purpose of this Supplier Code of Conduct is to ensure that all participants throughout LifeStyles' supply chain understand our expectations and all direct suppliers agree to comply with the standards set out herein in addition to applicable local law obligations and to the monitoring by LifeStyles of their ongoing compliance with it.
- (e) LifeStyles' management, led by its CEO, has overall responsibility for ensuring this Supplier Code of Conduct complies with LifeStyles' commitments as well as legal and ethical obligations and organization values.

2. Application of this Supplier Code of Conduct

- (a) This Supplier Code of Conduct applies to all direct participants in LifeStyles' supply chain.
- (b) The Supplier Code of Conduct applies to Supplier's conduct with regards to all workers they engage, regardless of whether they be casual, short-term, contracted or migrant workers or where they may be located.

- (c) Compliance with this Supplier Code of Conduct is a condition of doing business with LifeStyles.
- (d) LifeStyles expects its Suppliers to encourage their own suppliers to adhere to this Supplier Code of Conduct as part of fulfilling their contractual obligations, including communicating these or equivalent requirements and monitoring suppliers' performance.
- (e) LifeStyles also expects to see the requirements of this Supplier Code of Conduct implemented internally by Suppliers, for example by making this Code or the Supplier's equivalent code readily available to employees, training employees on meeting the Code, maintaining documentation and reporting breaches to LifeStyles.

3. Human Rights, Modern Slavery and Fair Labour

3.1 Modern Slavery

LifeStyles is committed to a zero-tolerance approach to all forms of modern slavery practices in its supply chain and defines Modern Slavery to include:

- (a) slavery;
- (b) servitude;
- (c) forced labour;
- (d) deceptive recruiting;
- (e) forced marriage;
- (f) debt bondage;
- (g) human trafficking; and
- (h) child labour.

LifeStyles' expectations of Suppliers in preventing these practices are outlined in the following sections.

3.2 Child Labour

- (a) Supplier will not use or condone the use of child labour unless such employment is in compliance with the International Labour Organization Convention 138 Concerning Minimum Age.
- (b) The term "child" refers to a person younger than 18 or if applicable laws impose a higher minimum age requirement than 18 years, the stricter standard in compliance with the law.

3.3 Involuntary, Forced or Debt-Bonded Labor

- (a) Supplier will not use or condone the use of any forced, bonded or involuntary labor and Supplier will not deprive any worker their freedom.
- (b) Punishment and/or mental coercion are strictly prohibited. Disciplinary policies should be clearly defined and communicated to all workers.

- (c) Supplier will not require workers to surrender any government-issued identification, such as a passport, worker permits or any other legal documents, whether as a condition of employment or not. Workers must always and at all times be allowed to maintain control over their identification documents.
- (d) Supplier must ensure that workers do not pay fees or make payments connected to obtaining or keeping employment throughout the hiring process and the period of employment. Supplier is responsible for payment of all recruitment fees and expenses relating to employment, both in supplier's country of operation and in the workers home country.
- (e) Supplier will not restrict freedom of movement of workers, including during breaks and rest periods.

3.4 Human Trafficking

Supplier will not arrange or facilitate the travel of any person with a view to that person being exploited and will not use or condone the use of any human trafficking.

3.5 Coercion and Harassment

Supplier will treat each employee with dignity and respect, and will not use corporal punishment, threats of violence or other forms of physical, sexual, psychological or verbal harassment or abuse.

3.6 Non-discrimination

- (a) Supplier shall promote an inclusive work environment that values the diversity of all its workers.
- (b) Supplier will not discriminate in hiring and employment practices, including salary, benefits, advancement, discipline, termination or retirement, on the basis of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, political opinion or disability.

3.7 Working Hours and Wages

- (a) Supplier will, at a minimum, comply with all applicable local laws, regulations and labor standards including those relating to minimum wages, overtime, maximum hours and rest days and put in place reliable and comprehensive tracking systems to ensure compliance.
- (b) Working hours should not exceed 60 hours per week on a regular basis and must not exceed 72 hours per week.
- (c) Supplier shall pay workers in a timely manner and clearly convey the basis on which workers are being paid, provide legally mandated benefits and not deduct from the

worker's wage without their written permission or for an item the employer is required to provide.

- (d) Supplier will compensate workers for overtime hours at such premium rate as is legally required or, if there is no legally prescribed premium rate, at a rate at least equal to the regular hourly compensation rate.
- (e) Deductions from wages as disciplinary measure shall not be allowed if not legally permitted and even where legally permitted, should be minimised.

3.8 Collective Bargaining

- (a) Supplier workers must be free to join or not join a union/employee representation of their choice, free from threat or intimidation.
- (b) Subject to the provisions of the local laws of the Supplier's country of operation, if Supplier's workers have chosen lawfully to be represented by third parties, Supplier must bargain in good faith and not retaliate against their workers for their lawful participation in labour organization activities.

4. Health and Safety

- (a) LifeStyles requires all Suppliers to implement the highest standards of occupational health and safety by applying a health and safety management approach appropriate to the business. This includes regular workplace risk assessments, implementation of adequate hazard control and precautionary measures, and proper storage and disposal of chemicals. Workers are to be adequately educated and trained in health and safety issues and provided, when at work, proper personal protective equipment.
- (b) Supplier will provide workers with a safe and healthy workplace in compliance with all applicable laws and regulations, ensuring at a minimum (a) reasonable access to drinkable water and sanitary facilities; (b) reasonable access to appropriate and adequate fire safety measures and facilities; and (c) reasonable access to appropriate and adequate lighting and ventilation facilities.
- (c) Supplier will also ensure that the same standards of health and safety are applied in any housing that they provide for workers, including adequate, safe and hygienic facilities for sleeping, bathing, personal storage, cooking and eating.
- (d) Supplier will ensure each facility is equipped with an emergency plan and required arrangements for detection, evacuation and response, including functioning and accessible alarms, lighting, exits and firefighting equipment.

5. Conflict Minerals

- (a) Conflict Minerals are defined as those that are originated in the Democratic Republic Congo or surrounding countries (Central Africa Republic, South Sudan, Zambia, Angola, Tanzania, Burundi, Rwanda and Uganda).

- (b) LifeStyles requires Suppliers to undertake steps to identify whether conflict materials are contained in the products manufactured by it (or contracted to be manufactured by it), including determining the country of origin of raw minerals used in production.
- (c) If these minerals are contained in their products, LifeStyles requires Suppliers to take reasonable steps in a timely manner to rectify the use of conflict minerals.

6. Protection of the Environment

- (a) Supplier shall comply with all applicable environmental laws, regulations and standards as well as implement an effective system to identify and eliminate potential hazards to the environment.
- (b) LifeStyles requires Suppliers to strive to support national climate protection goals and initiatives through the products and services they deliver (e.g. by providing relevant data on climate protection). In this regard we expect Suppliers to take climate protection appropriately into account in their own operations, for example by setting climate protection goals for themselves and achieving them.

7. Bribery and Corruption

LifeStyles operates a zero-tolerance policy when it comes to bribery and corruption:

- (a) Supplier will comply with all local laws and regulations concerning prohibitions on bribery and corruption. Supplier must not, while conducting business on LifeStyles' behalf, pay, accept, loan or offer a bribe, kickback or improper payment to anyone. In addition, Supplier must not hire a third party to do something it cannot ethically or legally do itself.
- (b) For the purposes of compliance with this Supplier Code of Conduct, a "bribe" includes anything of value, including money, gifts, loans or other favours, that may influence or appear to influence the recipient's business decisions or compromise independent judgment. A "kickback" is the return of a sum already paid or due to be paid as a reward for making or fostering business arrangements.
- (c) Supplier must also not engage in any facilitation payments – that is, small payments intended to speed up routine government actions, when doing business. LifeStyles does not distinguish between "facilitating payments" and any other bribe and expects Supplier to adhere to the same standard.
- (d) Any dealings with LifeStyles must be on arms-length commercial terms.

8. Data Protection and Confidentiality

- (a) Supplier shall adhere to applicable data protection and security laws as well as to respective regulations, in particular with regard to personal data of workers, customers, and other relevant third parties. Supplier shall comply with all said requirements when personal data is collected, stored, used, transferred and disposed of, including operating measures to

protect data from unauthorised disclosure and action plans to remedy any kind of breach of data privacy.

- (b) Supplier shall safeguard and make only legitimate use of confidential information. Supplier shall not disclose any information that is not known to the general public. Confidential information must be stored in a secure manner to prevent unauthorized access.

9. Whistleblowing and No-Retaliation

Supplier shall maintain a confidential platform easily accessible to all workers encouraging workers to report to Supplier any non-compliance with this Supplier Code of Conduct without fear of retaliation. Supplier will investigate all such reports and will take corrective action as appropriate.

10. Other Laws

- (a) Supplier shall comply with applicable laws and regulations designed to combat money laundering activities. Supplier shall maintain financial records and reports according to international laws and regulations.
- (b) Supplier shall comply with all applicable trade and import regulations including sanctions and embargoes that apply to their activities. Supplier shall comply with applicable competition and anti-trust laws.
- (c) Supplier shall disclose any actual or potential conflict of interest with LifeStyles. A conflict of interest arises when an individual has a private/personal interest which could appear to influence their decisions. Such conflict of interest situations include a relationship by blood or marriage, business relationship partnership or investment.
- (d) Supplier will comply with all applicable laws and regulations, including those pertaining to the manufacture, pricing, sale and distribution of merchandise. All references to "applicable laws and regulations" in this Supplier Code of Conduct include local and national codes, rules and regulations as well as applicable treaties and voluntary industry standards.

11. Compliance with the Supplier Code of Conduct

- (a) All direct suppliers are required to commit to complying with the Supplier Code of Conduct as part of signing LifeStyles' contract terms and conditions. Suppliers who have signed older contracts without this Code are still expected to align with the standards set out.
- (b) LifeStyles reserves the right, upon reasonable notice, to check compliance with the requirements of this Supplier Code of Conduct via audits.
- (c) Where non-compliances are identified, Suppliers are required to create specific corrective action plans to mitigate any deviance from this Supplier Code of Conduct as well as from applicable local laws and regulations in the countries in which Supplier operates. Regular follow-up audits must be scheduled and completed to confirm ongoing compliance.

- (d) Any breach of the obligations stipulated in this Supplier Code of Conduct is considered a material breach of the terms and conditions or contract governing the supply relationship between Supplier and LifeStyles. If non-conformances are not corrected within agreed timelines or breaches are repeated, the contract may be terminated.

12. LifeStyles' commitment to suppliers

- (a) LifeStyles is committed to working with suppliers to improve, including collaborating to identify actions and providing guidance and training.
- (b) LifeStyles will act fairly and transparently in all its dealings with suppliers including respecting suppliers' business rights and IP.
- (c) LifeStyles will monitor and review the implementation and effectiveness of this policy including by seeking supplier feedback, considering the results of supplier monitoring and audits and reviewing emerging issues.

13. Revisions to the Supplier Code of Conduct

- (a) This Supplier Code of Conduct will be periodically reviewed and is subject to update.
- (b) LifeStyles will notify Suppliers of significant changes to the requirements within this Code. Suppliers are responsible for responding to such communications and changing their practices accordingly.