



OUR “TRADING FAIRLY” PROGRAM

We buy and sell our products responsibly, so our customers can know that everything they buy is produced under decent conditions and everyone involved is treated fairly. We support our suppliers and expect them to meet high labor, health and safety standards for their employees, as set out in our Ethical Trading Code of Practice. Our Code of Practice is based on International and National Labor Laws, as well as the Ethical Trading Initiative (ETI) Base Codes (<http://www.ethicaltrade.org>).

We don't just rely on our suppliers to be knowledgeable about ethical trading topics, but we have built internal programs that ensure we understand the risks for non-conformances related to worker health and safety, human trafficking, child and slave labor issues. We created a program that utilizes our vast international networks of knowledgeable partners internally and externally. We are working proactively to address opportunities and increase the awareness of issues within our supply chain.

We expect our buyers to act in accordance with our policies and codes of practice, so that customers can be confident that the goods they purchase from us have been bought in a professional and appropriate way. We train all of our commercial buying and technical teams in how to ensure compliance, identify issues and respond if non-conformances arise. We strive to ensure long-term corrective actions are put in place and that our trading relationships are built upon our promise of being a “great place to work” throughout our supply chain. Although we don't claim to have all the answers, we do recognize that labor standards issues may arise. We are committed to work with our suppliers to ensure any problems are addressed. Commercial consequences may be enforced if non-conformances are not corrected.

In this context, how we buy from our suppliers is as important as what we buy. Our key to delivering the best offer for our customers is working with suppliers who share our Values and expect the same high standards across their own network of suppliers.

How do we assess and verify the ethical conditions of workers in our supply chain?

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- Suppliers are required to complete a self-assessment which is based on a third-party system, to determine the likelihood of an issue to exist. This is based on their country of operation, type of product they produce and completion of a detailed questionnaire.
- Suppliers who receive a high-risk rating will be required to undergo an audit. These audits are completed by a recognized, independent third-party auditing company. The audits are generally announced but may be unannounced depending on supplier history, country of operation or known industry issues.
- Supplier purchasing agreements and terms of conditions are in place with all of our direct suppliers which require them to comply with all of our codes of practices, as well as all applicable laws and regulations.
- We facilitate a transparent and open learning environment by ensuring that our suppliers, buyers, technical teams and management are trained on the relevant issues and how to identify and resolve them if they arise.
- We have a mechanism to monitor compliance internally and within our direct supply chain, as well as commercial consequences if non-conformances are found.
- We look for opportunities to participate in best practice building and working with government and non-government organizations to understand and minimize issues arising.

