

SUPPLIER WORKPLACE *Code of Conduct*

SUPPLIER WORKPLACE CODE OF CONDUCT FOR LUSANA

INTRODUCTION

The LUSANA Supplier Workplace Code of Conduct (hereafter referred to as the “Code”) defines standards for safe, healthy and equitable working conditions and environmental sustainability throughout our supply chain.

All suppliers must agree and commit to adhere to LUSANA’s Code of Conduct whilst commercially engaged with the company.

All suppliers must agree to participate in announced audits by LUSANA to ensure compliance.

In this Code, the following verbal forms are used:

- “shall” indicates a requirement;
- “should” indicates a recommendation;
- “may” indicates a permission;
- “can” indicates a possibility or a capability.

CODE OF CONDUCT

1. LABOR PRACTICES, CONDITIONS AND STANDARDS

1.1. LAW AND CODE OF CONDUCT COMPLIANCE.

As a requisite of engaging in business with LUSANA, the supplier shall adhere to this Code and integrate this Code into its business, including the development of appropriate mitigation actions and agree to verification and monitoring.

The supplier shall post this Code, in the language(s) of its employees, educate and train employees on their rights and obligations as defined by this Code and, where appropriate, the prevailing law; and ensure the compliance of any sub-contractors and sub-suppliers producing LUSANA branded products.

1.2. CHILD AND FORCED LABOR.

No person shall be employed under the age of 18 or under the age for completion of compulsory education, whichever is higher.

There shall be no use of forced labor, including prison, indentured, bonded, slave or other forms of forced labor. Acts of human trafficking are prohibited.

1.3. WAGES AND BENEFITS.

Every worker has a right to compensation for a regular work week that is sufficient to meet the basic worker’s and their family’s needs. The supplier should offer a working wage which also provides employees with some discretionary income.

The supplier shall pay wages in a timely manner which equal or exceed the minimum wage or the appropriate industry prevailing wage, whichever is higher and comply with all legal requirements on wages. Workers must be provided with appropriate information in their

language of understanding, about their employment conditions in respect to wages before they agree on employment. Disciplinary measures around wages or unfair deductions shall not be permitted.

1.4 WORKING HOURS.

Suppliers shall not require workers to work more than the regular and overtime hours allowed by the respective law. The regular work week shall not exceed 48 hours. Suppliers shall allow workers at least 24 consecutive hours of rest in every seven-day period.

In circumstances where overtime work is required, the Supplier must seek the consent of its employees. Suppliers shall not request overtime on a regular basis and shall compensate all overtime work at a premium hourly rate relative to the prevailing hourly rate and respective law. Other than in extraordinary circumstances, the sum of regular and overtime hours in a week shall not exceed 60 hours.

1.4. DISCRIMINATION.

No person shall be subject to any discrimination in any aspect of the employment relationship including recruitment, hiring, compensation, benefits, work assignments, access to training, career advancement, discipline, termination or retirement, on the basis of race, religious belief, color, gender, pregnancy, childbirth or related medical conditions, age, national origin, ancestry, sexual orientation, gender identification, physical or mental disability, medical condition, illness, genetic characteristics, family care, marital status, caste, socio-economic situation, political opinion, ethnic group, illness any other classification protected under the relevant law.

Women and men shall receive equal pay for work of equal value.

1.5. HEALTH AND SAFETY.

Suppliers shall provide a safe and healthy workplace to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of suppliers' facilities.

The supplier shall take a proactive approach to health and safety by implementing policies, systems and training designed to prevent accidents, injuries and protect worker health.

The main building of the supplier's operations must be fit for purpose. The supplier must ensure all canteens and kitchens on site are safe.

The supplier must have functional, robust mitigation plans in place in the event of a fire, natural disaster or on-site emergency which endangers the health and safety of employees. These plans must be communicated effectively with employees. The supplier shall take a proactive approach to training aimed at preventing workplace accidents, injuries and protect worker health.

1.6 HARASSMENT AND ABUSE.

Supplier's employees are treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse or to monetary fines or embarrassing acts as a disciplinary measure.

1.7 EMPLOYMENT RELATIONSHIP.

Suppliers shall adopt and adhere to rules and conditions of employment that respect workers and, at a minimum, safeguard their rights under national and international labor and social security laws and regulations.

1.8 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING.

The supplier's employees must be free to join organisations of their own choice. Suppliers shall recognise and respect the right of employees to freedom of association and collective bargaining.

1.9 SUBCONTRACTING.

LUSANA does not permit supplier subcontracting without prior written approval. All sample and bulk production orders must be placed within facilities that have been approved by LUSANA, without exception. Direct suppliers are required to continuously monitor approved subcontractors and sub-suppliers for social and environmental responsibility using standards that meet or exceed our Code.

2. ENVIRONMENTAL IMPACTS.

2.1 WATER.

The supplier minimises freshwater withdrawals and discharges wastewater in compliance with relevant local laws, environmental regulations and LUSANA standards. The supplier strives to be a good water steward by understanding and managing its water risk, and promoting the continuous reduction and efficient use in its operations.

2.2 MATERIALS AND WASTE.

The supplier properly segregates, manages, transports, and disposes of all solid and hazardous waste in compliance with local regulations and LUSANA standards. The supplier measures and continuously improves material efficiency and value added recycling. The supplier encourages its employees to limit usage of single-use plastic bags and plastic water bottles on site.

2.3 ENERGY AND CARBON.

Energy and electricity purchasing records are maintained and best practices are implemented on key energy systems. The supplier strives to find cost-effective methods to improve energy efficiency, tracks and reduces greenhouse gas emissions, and uses renewable energy wherever feasible.

2.4 AIR EMISSIONS.

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are characterized, routinely monitored, controlled and treated according to the laws of the manufacturing country prior to discharge. The supplier conducts routine monitoring of the performance of its air emission control systems.

2.5 CHEMICALS.

The supplier demonstrates a consistent and competent approach to restricted substance management, supported by an effective and legally compliant chemicals management program. The program clearly identifies and mitigates chemical risks to workers, the environment, and consumers by facilitating safe handling, storage, use, procurement and disposal of chemicals.

A list of all substances must be provided and any new substances must be reported for approval prior to use.

2.6 DURABILITY AND QUALITY OF PRODUCT.

A product's life-span is directly related to the overall impact it has on the environment. Central to prolonging a product's lifespan is the product's durability and quality. The supplier shall ensure that it supplies products which are both durable and of high quality. To achieve this the supplier should implement a quality assurance and improvement system.

This system should include audits of products which are in process of completion and products which are finalised. The supplier should assign trained employees to complete all quality related auditing. The supplier shall be monitored by LUSANA's quality assurance team.

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