

Supplier Code of Conduct



**LOVEHONEY
GROUP**

Supplier Code of Conduct.....	1
1 Introduction.....	3
1.1 Purpose.....	3
1.2 Implementation	3
1.3 Reporting an issue	4
2 Environmental.....	4
2.1 Respect for the environment	4
2.2 Hazardous substances.....	4
2.3 Packaging	5
2.4 Waste and wastewater.....	5
2.5 Air emissions.....	5
2.6 Permits and records	5
2.7 Pollution prevention and control	5
2.8 Energy and CO2	5
2.9 Noise.....	5
3 Social.....	5
3.1 Human rights.....	5
3.2 Child labour and young workers.....	6
3.3 Forced labour	6
3.4 Fair remuneration.....	7
3.5 Working hours	8
3.6 Freedom of association and the right to collective bargaining	8
3.7 No discrimination.....	9
3.8 Humane treatment	9
3.9 Safe and hygienic working conditions	9
3.10 Regular employment	10
4 Governance	10
4.1 Legal compliance	10
4.2 Quality management	11
4.3 Anti-corruption and bribery	11
4.4 Fair competition.....	11
4.5 Disclosure of information.....	11
4.6 Intellectual property and data.....	12
4.7 Conflicts of Interest	12
4.8 Ethical sourcing of minerals	12
5. Revision.....	12
6. Supplier Commitment	13

1 Introduction

1.1 Purpose

The purpose of this Supplier Code of Conduct is to set out the ethical conduct standards that are required within Lovehoney Group's supply chain. The standards are intended to meet societal needs, business best practice, industry expectations and national legislation and are aligned with the ETI Base Code V1/04/18, the Responsible Business Alliance Code of Conduct V7.0, Amfori BSCI Code of Conduct V1/2014, and the International Labour Organisation (ILO) Conventions.

This Supplier Code is intended to complement the Lovehoney Group Code of Conduct, the ethical framework within which Lovehoney Group conducts its business.

Published in English and Chinese, the Lovehoney Group Supplier Code of Conduct is available to download from the company website at <https://www.lovehoneygroup.com/>

1.2 Implementation

Lovehoney Group will work with suppliers on the implementation of its Supplier Code of Conduct.

Suppliers must confirm their willingness to observe, respect and apply these fundamental principles and are encouraged to promote positive ethical conduct throughout the supply chain. Acknowledgement of this Supplier Code of Conduct is a formal requirement which helps us to make informed sourcing decisions, support the contract process and align with Lovehoney Group's sustainability strategy and commitments.

It is the responsibility of the supplier to ensure that the terms of this Supplier Code of Conduct are upheld. From time-to-time, Lovehoney Group may require the supplier to demonstrate their actions in implementing the Supplier Code of Conduct by monitoring levels of compliance and the steps taken to remediate any areas of non-compliance. This may take the form of a virtual or in-person audit which may be with notice, however, Lovehoney Group reserves the right to audit strategic suppliers unannounced.

Lovehoney Group expects suppliers to disclose full and accurate information or data required by the provisions of this Supplier Code of Conduct to personnel carrying out periodic audits, whether these personnel are Lovehoney Group employees, or those of a third party nominated by Lovehoney Group to conduct such assessments on its behalf. Attempts to withhold or falsify essential evidence shall be treated as a serious non-compliance.

Should Lovehoney Group identify a supplier's non-conformity with the conduct expectations set out in this Supplier Code of Conduct, Lovehoney Group will request corrective action in liaison with the supplier. Should a supplier fail to rectify non-

conformities within the set timeframe, or continue to breach the Supplier Code of Conduct, Lovehoney Group may terminate the contract with this supplier.

1.3 Reporting an issue

Lovehoney Group is committed to conducting its business activities with the highest ethical standards and has a procedure for raising alerts to encourage the sharing of actual or potential ethical concerns.

Suppliers are responsible for the prompt reporting of violations of laws, the Lovehoney Group Supplier Code of Conduct, and/or any contractual terms with Lovehoney Group. This includes violations by any employee or agent acting on behalf of either the supplier or Lovehoney Group as well as by any of the supplier's affiliates, (sub-)suppliers or sub-contractors. Concerns may be raised to beeopen@lovehoneygroup.com. Lovehoney Group assures suppliers that any reported concerns or suspicions about malpractice or unacceptable behaviour will be treated seriously, without the risk of unfavourable treatment and, wherever possible, confidentially.

Lovehoney Group strongly encourages suppliers to implement their own confidential and anonymous means for employees and other stakeholders to raise grievances or concerns related to the suppliers' organisation, operations, and practices.

2 Environmental

2.1 Respect for the environment

Suppliers must apply the environmental principles of the [UN Global Compact](#) and must manage their business operations in line with all applicable environmental legislation. Suppliers will be expected to collaborate with Lovehoney Group to advance its environmental strategy, such as on the development of eco-conscious products, fulfilment using greener materials, actions to improve carbon footprint and the streamlining of logistics to benefit the environment.

Suppliers must strive to understand and minimize the adverse environmental impacts of their products, services and operations and are strongly encouraged to implement an environmental management system aligned with ISO14001 or similar.

Suppliers must comply with all applicable product environmental legislation. Suppliers must co-operate with Lovehoney Group by providing evidence, within 48 hours of request of compliance with environmental regulations such as, but not limited to, EU Regulation EC/1907/2006 REACH, EU Directive 2011/65/EU RoHS, WEEE Directive 2012/19/EU, China RoHS, and the Safe Drinking Water and Toxic Enforcement Act 1986 (California Proposition 65).

2.2 Hazardous substances

Suppliers must comply with all relevant laws, regulations and Lovehoney Group requirements prohibiting or restricting the use or handling of specific substances, including labelling for recycling and disposal. Chemical and other materials posing a hazard if released to the environment must be preferably avoided or minimized. If

hazardous substances are used, they must be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal. Workers must be given training and personal protective equipment for the handling of hazardous substances.

2.3 Packaging

Suppliers must ensure that packaging sent to Lovehoney Group is compliant with all applicable environmental laws such as, but not limited to, Directive 94/62/EC on Packaging and Packaging Waste, French AGECE Law Decree n° 2022-748 (Triman), Italian Decree n° 116/2020 (Packaging Information).

2.4 Waste and wastewater

Suppliers must identify, monitor, control and treat wastewater and solid waste generated from operations, industrial processes and sanitation facilities prior to discharge or disposal.

2.5 Air emissions

Air emissions of volatile organic compounds, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations must be monitored, controlled, and treated as required prior to discharge. Air emissions should be avoided or minimized.

2.6 Permits and records

Suppliers must obtain, maintain, and keep current all required environmental permits and meet the reporting requirements of such permits.

2.7 Pollution prevention and control

Suppliers must endeavour to reduce or eliminate waste and emissions and to reduce the consumption of raw materials.

2.8 Energy and CO2

Suppliers must track and document energy consumption and greenhouse gas emissions. Energy efficiency is strongly encouraged.

2.9 Noise

Suppliers must identify, control, monitor and reduce noise generated by the facility that affects boundary noise levels.

3 Social

3.1 Human rights

Suppliers must apply the human rights and labor principles of the [UN Global Compact](#), and must uphold the rights of workers and treat them with respect, security, dignity, fairness, privacy, and equality in accordance with the Universal Declaration of Human

Rights and its subsequent changes. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

3.2 Child labour and young workers

Child labour is strictly prohibited. A child worker is defined as any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest.

Suppliers are expected to develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable the child to attend and remain in quality education until no longer a child.

Young workers must not be required to work overtime, nor must they be employed in hazardous work or at night. Suppliers must ensure that young workers who have not completed compulsory schooling do not undertake work which interferes with the completion of their education. Where young workers are employed, the supplier must comply with relevant national legal requirements and perform a health and safety risk assessment ensuring that recommendations are implemented. A young worker is defined as any person between the age of 15, or a higher age specified by local law, and the age of 18.

The use of legitimate workplace learning programs, which comply with all laws and regulations, is accepted. Suppliers must ensure correct management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable law and regulations. Suppliers must provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks.

Suppliers must conduct their labour practices in strict compliance with International Labour Organization (ILO) Conventions No.138 (Minimum Age for Admissions to Employment and Work) and No.182 (Worst Forms of Child Labour).

Children must not be permitted in production areas at any time. This includes the children of workers who live in factory provided accommodation. Relevant care facilities must be provided, on-site or off-site to ensure the care of children during working hours.

3.3 Forced labour

Suppliers must not use forced, bonded (including debt bondage) or indentured labour, involuntary prison labour, slavery or trafficking of persons. This includes transporting, harbouring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labour or services.

Suppliers must not place unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company provided facilities.

As part of the hiring process, suppliers must provide workers with a written employment agreement in their native language that contains a description of terms and conditions of employment, and where applicable this must be made accessible prior to the worker departing from his or her country of origin.

All work must be voluntary, and workers must be free to leave work at any time or terminate their employment.

Suppliers and their agents must not hold or otherwise destroy, conceal, confiscate, or deny access by employees to employees' identity or immigration documents, such as government-issued identification, passports or work permits, unless the holding of such documents is required by law.

Workers must not be required to pay employers' or agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, the monies must be repaid to the worker.

All hiring of employees by the supplier must be under regular employment contracts in accordance with the laws applicable.

Suppliers must not tolerate any form of irregular work.

All use of temporary, dispatch and outsourced labour must be within the limits of the local law and must not be used by suppliers to avoid their statutory responsibilities as an employer.

Suppliers must understand and act upon any applicable legal obligations in respect of slavery and human trafficking and are expected to be co-operative of Lovehoney Group's efforts to ensure its own compliance.

Lovehoney Group will request a completed [Social Responsibility Alliance \(SRA\)](#) slavery and trafficking risk template, in its most recently published version, at minimum once a year. Suppliers are expected to notify Lovehoney Group of any updates or amendments to their SRA slavery and trafficking risk template in a timely manner, and to co-operate with Lovehoney Group regarding identified discrepancies in the report.

3.4 Fair remuneration

Compensation paid to workers must comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Remuneration must meet workers' basic needs and provide some discretionary income.

Suppliers must pay employees in a timely manner and clearly convey the basis on which employees are being paid, as with all other terms and conditions of the employee contract, in a language understood by the employee.

Overtime must be offered fairly, paid, and managed in accordance with the employment contract and comply with applicable legislation.

Neither payment in kind in lieu of cash payment, nor deductions from wages as a disciplinary measure will be permitted.

For each pay period, workers must be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed.

Workers must be provided with all benefits they are entitled to under national or local law e.g., paid leave, bonus, sick pay and/or social security payment contributions and provided to the worker in a written and understandable form.

3.5 Working hours

Standard working hours must not exceed legal limits and overtime must not exceed the maximum set by internationally recognized standards such as ILO convention 1, or by local law. Standard working hours, excluding overtime shall not exceed 48 hours per week.

Suppliers are expected to grant their employees the right to paid vacation, leave periods and holidays consistent with applicable laws and regulations. Where permitted by national law, workers shall be allowed at least one day off every 7 days, or two days off in every 14-day period. Where local legal policy leads to a deviation from the above, at minimum, the local legal policy regarding rest days shall be applied. Overtime must be voluntary, must not be demanded on a regular basis, must not be used to replace regular employment, and must always be compensated at a premium rate.

The total hours worked in any 7-day period must not exceed 60 hours, except in exceptional circumstances where all the following criteria are met:

- It is allowed by national law.
- It is mandated by a collective agreement freely negotiated with a worker's organisation representing a significant portion of the workforce.
- Appropriate safeguards are taken to protect the workers' health and safety.
- The supplier can demonstrate that exceptional circumstances apply, such as the unexpected production peaks, accidents, or emergencies.

3.6 Freedom of association and the right to collective bargaining

Where it does not contradict local law, suppliers are expected to respect the right of employees to associate freely, form and join employees' organizations of their own choosing, seek representation, bargain collectively, engage in peaceful assembly as well as respect the right of workers to refrain from such activities.

Suppliers must not discriminate against employees based on union membership and must provide a working environment in which free discussion respects the opinions of employees, without fear of reprisal, discrimination, intimidation, or harassment.

Where the right to freedom of association and collective bargaining is restricted under law, the supplier is expected to facilitate, and not hinder, the development of parallel means for independent and free association and bargaining.

3.7 No discrimination

Suppliers must not discriminate against any employee based on race, colour, age, gender, sexual orientation, gender identity and expression, ethnicity, disability, pregnancy, religion, political affiliation, union membership, veteran status, protected genetic information, national origin, or marital status in hiring and employment practices such as applications for employment, promotions, rewards, access to training, job assignments, wages, benefits, discipline, and termination.

Workers or potential workers must not be subjected to medical tests or physical exams, unless required by law, that could be used in a discriminatory way.

3.8 Humane treatment

Suppliers must not tolerate harsh and inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers under any circumstance; nor should the threat of any such treatment be tolerated.

Suppliers must establish clearly defined grievance mechanisms, disciplinary policies and procedures in support of these requirements and must communicate them to workers.

3.9 Safe and hygienic working conditions

Suppliers must create safe working conditions and a healthy work environment for their employees and prevent occupational injuries in compliance with all applicable health and safety legislation.

Suppliers are strongly encouraged to implement a health and safety management system that aligns with ISO45001 and the ILO Guidelines on Occupational Safety and Health or similar.

Suppliers must adopt a zero-tolerance approach to negligent behaviour that puts at risk the health and safety of the employee or any other person.

Workers must be encouraged to raise safety concerns to their manager or through an incident reporting procedure.

Worker exposure to potential safety hazards must be controlled. If hazards cannot be controlled adequately, workers must be provided with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards.

Suppliers must identify and assess potential emergency situations and events, and to minimize their impact through emergency plans and response procedures.

Suppliers must prevent, manage, track, and report occupational injury and illness, to investigate cases and implement corrective actions.

Worker exposure to chemical, biological, and physical agents must be identified, evaluated, and controlled. If hazards cannot be adequately controlled, workers must be provided with and trained to use and maintain appropriate personal protective equipment.

Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks must be identified, evaluated, and controlled.

Production and other machinery must be evaluated for safety hazards. Physical guards, interlocks and barriers must be provided and properly maintained where machinery presents an injury hazard to workers.

Workers must be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities.

Worker dormitories must be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate heat and ventilation, and reasonable personal space along with reasonable entry and exit privileges. Lockable storage space must be provided.

Suppliers are strongly encouraged to provide workers with appropriate workplace health and safety training in their primary language and records must be retained regarding this training. Suppliers must post health and safety related information in their facilities.

3.10 Regular employment

To every extent possible work performed must be based on recognised employment relationship established through national law and practice.

Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship must not be avoided using labour-only contracting, sub-contracting, homeworking arrangements or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor must any such obligations be avoided through the excessive use of fixed-term contracts of employment.

The responsibility for communicating terms of employment to migrant or contract workers must be well-defined in contracts between the supplier and recruitment agencies. Such contracts must include responsibility for induction training.

4 Governance

4.1 Legal compliance

Suppliers must comply with all applicable laws and regulations and where there is overlap with the Lovehoney Group Supplier Code of Conduct, the supplier should

adhere to the elements that provide the greatest protection to the worker and the environment.

4.2 Quality management

Suppliers of Lovehoney Group branded products are strongly encouraged to implement a quality management system, such as ISO9001 or equivalent.

4.3 Anti-corruption and bribery

Suppliers must apply the anti-corruption principle of the [UN Global Compact](#) and are expected to uphold the highest standards of integrity in all business interactions. This includes a zero-tolerance approach to all forms of bribery, corruption, extortion, and embezzlement, in full compliance with all applicable anti-corruption conventions, laws and regulations.

There must be no improper advantage sought, including the payment of bribes, to secure or carry out business with Lovehoney Group, or to influence the outcome of an independent audit or review. Suppliers must not promise, offer, authorize, give, or accept bribes or other means of obtaining undue or improper advantage. This prohibition covers promising, offering, authorizing, giving, or accepting anything more than nominal value, either directly or indirectly through a third party, to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. Improper gains refer to bribes, product bonuses, special fringe benefits, unusual price breaks, gratuities and other windfalls designed to ultimately benefit the outside firm, the employee, or both.

Lovehoney Group reserves the right to terminate agreements and/or withdraw orders immediately and without notice if there is evidence of a supplier (or the agent of a supplier) being complicit in bribery or corruption, including any attempt to bribe a Lovehoney Group representative.

All supplier business dealings must be transparently performed and accurately reflected on the supplier's business books and records. Suppliers must ensure compliance with anti-corruption laws.

4.4 Fair competition

Suppliers must uphold standards of fair business, advertising, and competition. Lovehoney Group expects suppliers to compete on the merits of their products, solutions and services and there must be no involvement in unlawfully restraining trade and competition. Suppliers must not make unfair, misleading, or inaccurate comparisons with competitors' products, solutions, and services, nor public comments on competitors' character, financial condition, or potential legal or regulatory problems.

4.5 Disclosure of information

Information regarding the suppliers' labour, health and safety, environmental practices, business activities, structure, financial situation, and performance must be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain is unacceptable to Lovehoney Group.

4.6 Intellectual property and data

Suppliers must respect and protect the intellectual property rights and know-how of Lovehoney Group and any third parties (including but not limited to copyrights, patents, trademarks, designs, software, documentation) by omitting and forbidding any copy, use or disclosure of such intellectual property rights without prior authorization. The transfer of technology and know-how is to be done in a manner that protects intellectual property rights.

Suppliers are expected to maintain adequate security standards and safeguards to ensure that data provided to the supplier by Lovehoney Group is held securely, used appropriately, transported, and destroyed in strict compliance with Lovehoney Group’s requirements and relevant laws. Data must not be disclosed, made available or used for any purposes other than those specified by Lovehoney Group. Suppliers are expected to comply with applicable data protection laws.

4.7 Conflicts of Interest

Suppliers must make Lovehoney Group aware of any potential conflicts of interest as soon as they are known.

4.8 Ethical sourcing of minerals

Suppliers, whose products or components include the minerals tin, tantalum, tungsten, gold, known as 3TG, along with cobalt, mica, copper, nickel, zinc or lithium, are encouraged to develop a conflict minerals policy and due diligence measures with reference to OECD guidelines that will enable Lovehoney Group to reasonably assure that products and components supplied to Lovehoney Group containing 3TG or any emerging minerals are “Conflict-Free”. Materials in Lovehoney Group products must originate from smelters in which the processing of minerals does not directly or indirectly finance armed groups in regions with high risks, including areas associated with conflict, worst forms of child labour, forced labour and human trafficking, gross human rights violations, or other reasonably objective high-risk activities, including severe health and safety risks and negative environmental impacts. Suppliers’ due diligence of their mineral supply chain must include, where applicable, completion of the Responsible Minerals Initiative (RMI) [conflict minerals reporting template](#) and/or [extended minerals reporting template](#), in its most recently published version. Lovehoney Group will request this reporting template at minimum once a year. Suppliers are expected to notify Lovehoney Group of any updates or amendments to their RMI conflict minerals/extended minerals report in a timely manner, and to co-operate with Lovehoney Group regarding identified discrepancies in the report.

5. Revision

Revision	Description of Change	Date	Author	Approver
00	Initial release	17/02/23	Melanie Featherstone	Tobias Zegenhagen

6. Supplier Commitment

Upon receipt of this Lovehoney Group Supplier Code of Conduct, suppliers must sign and return the acknowledgement below to Lovehoney Group.

The supplier has read and acknowledges the fundamental principles set out in the Lovehoney Group Supplier Code of Conduct and will take steps to ensure that conduct within its own organization, and wherever possible within its sphere of influence, is consistent with these principles.

Supplier Company Name			
Address			
Signatory Name		Position	
Email		Telephone	