

Li & Fung is committed to driving responsible business practices in our company and supply chain. We expect our suppliers to continuously improve their performance, to implement strong **governance systems**, strengthen **workplace safety and health practices**, respect **fundamental rights at work**, and drive **environmental performance**.

The Li & Fung Supplier Code of Conduct (“Supplier Code”) and its related standards and guidance are based on local, national laws/regulations, the International Labor Organization’s Core Conventions, the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance for Responsible Business Conduct, The Paris Climate Agreement, the United Nations Framework Convention on Climate Change, and other relevant international standards. The Supplier Code is applicable to all worksites utilized for Li & Fung sourcing and associated onsite residential facilities. Suppliers are responsible for ensuring next-tier Suppliers comply with the required Standards and associated guidance by performing periodic assessments and training.

Governance Systems

- Suppliers shall conduct social and environmental due diligence
- Suppliers shall conduct supply chain mapping and build product traceability down to raw materials procurement level
- Suppliers are transparent and engage in continuous improvement
- Suppliers engage in ethical business practices
- Subcontracting and homeworking are authorized only with prior written consent
- Business licenses meet or exceed legal requirements

Workplace Safety and Health

- Responsible fire safety and emergency precautions, prevention and practices
- Responsible policies and practices on first aid and occupational safety and health
- Responsible chemicals and hazardous materials, special equipment, spaces and wastes safety management
- Responsible electrical, building and construction permits, policies and practices
- Safe and clean dormitory, childcare and canteen facilities

Fundamental Rights at Work

- All work is freely chosen (no forced labor or human trafficking)
- All workers meet minimum age requirements (15 or the legal age in country, whichever is higher)
- Treat all workers with respect and ensure equality of treatment
- Uphold the right to freedom of association and collective bargaining
- Responsible recruitment, wages, benefits, working hours and termination practices
- Functioning grievance mechanisms

Environmental Performance

- Establish and implement an environmental management system
- Minimize impacts of chemicals, wastewater, air emission, waste and noise pollution
- Improve energy and resource efficiency

Suppliers must remediate all violations according to Li & Fung Standards and Guidance.

Anyone who observes violations of this Supplier Code may contact Li & Fung anonymously by e-mail to our Corporate Governance Division (CorpGov@lifung.com), or through Li & Fung designated third-party whistleblowing channel by scanning the QR code and enter access code: **lifung**

Please refer to the Li & Fung company website to access our guidelines on [Reporting of Concerns and Misconduct](#) in our Code of Conduct and Business Ethics for more details.

