

HARRODS

CODE OF CONDUCT

INTRODUCTION

We are strongly committed to responsible business practices. As a global leader in luxury retail, we consider ethical sourcing of goods and services to be a vital part of this commitment. This Code of Conduct (“Code”) sets out the principles and values that we uphold and to which we expect our partners to adhere. By referring to “Partners” we mean vendors providing Harrods’ own brand goods, other vendors, and concession partners.

We have structured our Code requirements under the following 5 headings:

1. Human & labour rights;
2. Environmental responsibility;
3. Bribery & corruption;
4. Health & safety;
5. Animal welfare.

We expect our Partners to take all necessary measures to ensure that the Code’s requirements are met, both by themselves and their own suppliers, by enforcing compliance with the requirements of this Code across their supply chains.

We monitor compliance with this Code regularly and are fully prepared to terminate our relationship if a Partner shows an unwillingness to comply.

We ask our partners to notify us in a timely manner of any changes which may affect their compliance with this Code by emailing our Corporate Responsibility (“CR”) team at greenandgold@harrods.com and notifying their Harrods account manager. We recommend that Partners also nominate a senior manager to oversee all compliance requirements related to this Code and be our main contact.

Certain Partners are subject to annual audits which now also monitor compliance with this Code. If requested by us, all other Partners are expected to allow us or a company nominated by us to audit compliance with this Code by providing prompt access to facilities, records, documentation and personnel. Should an audit reveal any form of non-compliance, Partners are expected to work with us to devise, review and execute an improvement plan to rectify matters. However, critical violations may be subject to immediate termination of our commercial relationship.

Harrods may at any time update or amend this Code. As part of our due diligence practice, we will regularly

ask those Partners not subject to annual audits to complete a Supplier Appraisal Questionnaire (“SAQ”) which includes areas of this Code and further product-related information. A link to the latest version of the Code will be provided within each SAQ sent to a Partner, prior to the annual audits of specific Partners, and will be published on our website at <http://www.harrodscareers.com/corporate-responsibility/> Finally, we require all Partners to comply with the UK Modern Slavery Act 2015 (“UK MSA”) reporting requirements and provide us with a copy of their UK MSA statement, where applicable.

We encourage our Partners to join any ethical sourcing organisations and industry charters which apply to their specific products or services. We also encourage our Partners to obtain any appropriate ethical sourcing credentials or certifications for their products or services and to join any other sustainability or CR leadership initiatives relevant to their industry sector or business model.

I. HUMAN AND LABOUR RIGHTS

We are committed to ensuring the protection of human rights in the workplace. We strongly oppose any form of employee exploitation through slavery, servitude, any type of forced or compulsory labour or trafficking and we expect all of our Partners to monitor their supply chains continuously for any risks of modern slavery. We have adopted the

Ethical Trading Initiative (“ETI”) Base Code as our working practices base line and we expect all partners to comply with at least the ETI Base Code requirements, as updated from time to time and set out at <http://www.ethicaltrade.org/> We also recognise the standards below as providing an acceptable safeguard of human and labour rights in the workplace:

- UN Guiding Principles on Business and Human Rights
- UN Global Compact
- Fair Trade Standard
- Social Accountability 8000
- SMETA
- Business Social Compliance Initiative (BCSI)
- International Council of Toy Industries (ICTI CARE)
- Workplace Conditions Assessment (WCA)
- Worldwide Responsible Accredited Production (WRAP)



2. ENVIRONMENTAL RESPONSIBILITY

We expect our Partners to treat the environment with respect. We ask them to ensure that, when supplying their goods or services to us, they comply at the very least with relevant local regulations and national legislation. At the same time, we strongly support compliance with recognised industry standards which ensure environmental protection, while sharing our aspiration to prevent, minimise and manage the environmental impacts associated with trading activities.

We recommend that our Partners operate an Environmental Management System to measure and manage the environmental impacts associated with their activities. In this regard we draw our Partners' attention to:

- (a) third party certified standards such as ISO14001 or the Eco Management and Audit Scheme (EMAS); and
- (b) good practice environmental management initiatives, schemes and accreditations (Rainforest Alliance, UTZ etc.).

3. BRIBERY AND CORRUPTION

We expect all Partners to comply with the Bribery Act 2010. In particular, our Partners' attention is specifically drawn to the following obligations:

- (a) Partners must not commit any offence under the Bribery Act 2010;
- (b) Partners must not make or promise to make any payment or transfer anything of value, directly or indirectly to: anyone working in an official capacity for a government, government entity (including employees of government corporations) or public international organisation; any political party, official of a political party or candidate; to an intermediary for payment to any of the foregoing; to any officer, director, employee or representative of any actual or potential customer of Harrods; to any officer, director or employee of Harrods or any of its affiliates; or to any other person or entity if such payment or transfer would violate the laws of the country in which made, the Bribery Act 2010 or any other laws of the United Kingdom; and

- (c) Partners shall not make or offer any payments or transfers of value which have the purpose or effect of bribery, acceptance of or acquiescence in extortion, kickbacks or other unlawful or improper means of obtaining or retaining business.

4. HEALTH AND SAFETY

Providing a safe and healthy working environment for employees and customers is of paramount importance to us. We consider health and safety to be a vital step towards meeting our moral, ethical and legal obligations in the workplace and beyond. We believe that a proactive culture of health and safety management needs to be integrated into all day-to-day business, projects and service initiatives.

We have adopted the ETI Base Code requirements as our health and safety base line and we recommend all Partners comply with at least the ETI Base Code requirements, as updated from time to time and set out at <http://www.ethicaltrade.org/>

We strongly recommend that our Partners operate a Health & Safety Management System to measure and manage health and safety risks associated with their activities. In this regard, we draw our Partners' attention to:

- (a) third party certified standards (ISO 45001, BS OHSAS 18001 etc); and
- (b) industry specific health and safety initiatives.

5. ANIMAL WELFARE

We expect those Partners whose business involves the sale of animal-related products to take responsibility for the standard of animal welfare within their organisations and supply chain and we encourage them, where practical, to implement industry best practice standards. We believe that these principles should apply throughout the animal sourcing supply chain to include the procurement of any animal product as well as catching, maintaining, breeding, raising, transportation, handling and slaughter of live animals.

