



## Ethical Trading Policy

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In this policy, the following words and phrases shall have the following meanings:

**“Joules”** shall mean Joules Group plc and all its direct and indirect subsidiaries, including Joules Limited and The Garden Trading Company Limited.

**“Product Suppliers”** shall mean finished goods suppliers, raw materials suppliers, production sites, licensees and any subcontractors used by vendors in the manufacture or the process of manufacturing of Joules Products.

**“Strategic Partners”** shall mean i) all partners that provide services or goods to Joules, other than those identified as “Product Suppliers” above ii) Friends of Joules sellers, and iii) partners that Joules provides services or products to.

**“Joules Products”** shall mean all products bearing the Joules name and trademarks, including products manufactured specifically for Joules or products made under licence.

This policy has been approved by our board of directors and is reviewed annually.

### **Joules’ Ethical Trading Policy**

At Joules we recognise that we have a duty to act responsibly and to focus on doing the right thing for both people and planet. Our Responsibly Joules charter defines how we are working to do business better and recognises ethical compliance as an integral part of our Responsibly Joules commitments.

Our Ethical Trading Policy demonstrates our commitments to minimise the social and ethical impact of our business and outlines our expectations for our suppliers and strategic partners, and how we can work collaboratively to deliver on these commitments.

### **Policy Standards**

Our Ethical Trading Policy is aligned with the Ethical Trading Initiative’s (ETI) Base Code which is founded on the conventions of the International Labour Organisation’s (ILO) code of good labour practice.

The ETI Base Code consists of the following 9 principles:

- 1) Employment is freely chosen
- 2) Freedom of association and the right to collective bargaining are respected
- 3) Working conditions are safe and hygienic
- 4) Child labour shall not be used
- 5) Living wages are paid
- 6) Working hours are not excessive
- 7) No discrimination is practised
- 8) Regular employment is provided
- 9) No harsh or inhumane treatment is allowed

For more information on these principles go to [www.ethicaltrade.org/eti-base-code](http://www.ethicaltrade.org/eti-base-code)



## Policy Implementation

All Supplier factories used to make Joules Products go through strict procedures to ensure they are compliant with our Ethical Trading Policy. All factories are audited annually as a minimum against local laws and the ETI Base Code by a third-party ethical audit company using the industry recognised Sedex SMETA or Amfori BSCI audit methodologies.

Joules only accepts semi-announced or unannounced audits to ensure this is a true reflection of normal working conditions. Joules also reserves the right to conduct unannounced factory visits and/or contact the auditing organisation or other brands also working with the factory, to support the ethical validation process.

The ethical audit information, including any non-compliances against local law or the ETI Base Code, is used to grade the factories. If a factory is found to have critical or reoccurring major non-compliances Joules will suspend all business with the factory until these have been resolved and the factory re-audited. In the first instance, Joules will work with the factory to try to resolve any non-compliances, however if a factory is unwilling to make the necessary changes Joules reserves the right to begin the exit process following industry best practice.

## Expectations of Suppliers

Our Suppliers are responsible for ensuring that all factories used to make Joules Products meet the requirements of our Ethical Trading Policy. Every factory should meet local laws and minimum labour standards.

All Suppliers should have a continuous improvement plan to show progression against the ETI Base Code.

All Suppliers must engage with Joules to resolve any audit non-compliances, failure to do so may result in termination of the business relationship.

All new Suppliers must sign up to the Joules Ethical Trading Policy and provide the requested information as per the Joules onboarding process to ensure they are compliant.

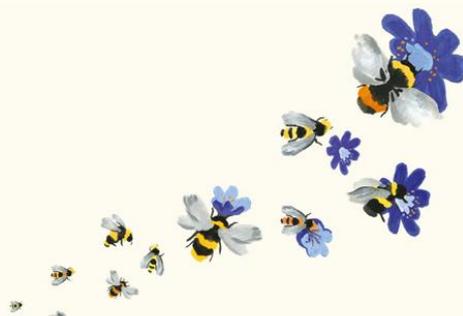
All Suppliers must not use subcontractors unless explicitly agreed to by the Joules Head of Quality and Technical. If a subcontractor is needed by a Supplier, the subcontractor must go through the Joules Supplier onboarding process like all other factories.

All Suppliers must comply with the below sourcing guidelines:

- 1) Cotton yarns, fibres and fabrics that have originated from Uzbekistan, Turkmenistan or Xinjiang Uyghur Autonomous Region (XUAR) **cannot** be used in the manufacture of Joules Products.
- 2) Joules Products **cannot** be manufactured in Xinjiang Uyghur Autonomous Region (XUAR) or Myanmar.

## Joules Commitments to Suppliers

Joules will provide a clear Ethical Trading Policy that sets out the requirements and guiding principles to help our Suppliers identify potential ethical risks within their operations.



Joules will issue Suppliers with a Corrective Action Plan (CAP) following an audit to support them in making the necessary changes needed to meet the Ethical Trading Policy requirements.

Joules aims to support all Suppliers to meet the Ethical Trading Policy requirements and will work collaboratively with them to address any issues that may arise.

Joules has a formal Supplier onboarding process in place to ensure that Joules sets our suppliers up for success and they are given the support needed from the start of the relationship to meet our Ethical Trading Policy requirements.

Joules has a formal Supplier exit process in place based on industry best practice using ETI and Fair Wear Foundation guidance to ensure that Joules terminates any Supplier relationships responsibly.

Joules will provide suppliers with a formal grievance mechanism to raise any issues with us and the opportunity to provide anonymous feedback.

### **Expectations of Strategic Partners**

Joules is committed to delivering on our Ethical Trading Policy to ensure that all workers involved in the production of Joules Products have access to a fair deal in line with the ETI Base Code. Therefore, Joules expects all strategic partners to ensure the same requirements are upheld throughout their operations and supply chains.

