

CODE OF CONDUCT AND ETHICS

FOR SUPPLIERS



Distribuidora Liverpool S.A. de C.V., Suburbia, S. de R.L. de C.V. and/or any subsidiary and/or affiliate company belonging to El Puerto, hereinafter (“**Liverpool**”), is committed to promote its world-class supply chain to be an engine of social change that improves working conditions and quality of life for people, drives continuous improvement, protects the environment and guides and inspires others to do the same, to all those who participate directly or indirectly in the commercial operation of “**Liverpool**”.

1. OBJECTIVE.

To generate economic, social and environmental value for its **customers, employees, managers, investors and stakeholders**, through the operation of its business and the commercial activities of its suppliers.

2. APPLICATION.

“Liverpool” establishes as principles; fair and ethical relationships, so it expects all its suppliers, including distributors and any other third party involved with the operation and business of “Liverpool” (hereinafter “**Suppliers**”), to comply with and share the values, principles and guidelines described in this code of conduct for suppliers (hereinafter the “Code”), which is an important part, when selecting, and/or certifying and/or evaluating suppliers. Therefore, all “**Suppliers**” must accept, understand and adhere to the “**Code**”.

3. VALUES AND PRINCIPLES.

The values and principles contained in the “**Code**” are based on compliance with the Code of Ethics and the Code of Conduct and Integrity of “Liverpool” and the applicable national legislation, as well as, but not limited to, the main agreements of the International Labor Organization and the Guiding Principles on Business and Human Rights of the United Nations Organization.

3.1. Values.

- a) Productivity.
- b) Innovation.
- c) Integrity.
- d) Teamwork.

3.2. Principles.

a) Labor

I. Prohibition of forced labor. “Liverpool” will not allow any form of forced or involuntary labor or any mechanism of retention against the employee’s freedom on the part of the “Suppliers”, in accordance with the legal, regulatory, normative, miscellaneous provisions that are applicable to “Liverpool” and the “Supplier”, identified hereinafter for the purposes of this “Code” as “applicable legislation”.

II. Prohibition of Child Labor. Child labor and the hiring of minors in the operations of the “Suppliers” is prohibited, in accordance with the “applicable legislation”.

III. Occupational Health and Safety. The “Suppliers” will have the responsibility to offer their workers a healthy and safe work environment, according to the “applicable legislation”.

IV. Working hours. The workers of the “Suppliers” must have working conditions that comply with the minimum requirements, with respect to an adequate working schedule, according to the “applicable legislation”.

V. Living Wage. The direct workers of the “Suppliers” and/or of third parties with whom it has a relationship, shall be remunerated according to the minimum wage, in accordance with the “applicable legislation”.

VI. Regular work. The “Suppliers” shall recognize at all times the labor relationship with their workers in accordance with the “applicable legislation”.

VII. Respect for freedom of association and collective bargaining. “Suppliers” must guarantee their workers, without exception, the rights of association, affiliation and collective bargaining, without interference or reprisals against workers for exercising these rights.

b) Human Rights

I. Prohibition of Discrimination. Under no circumstances shall “Suppliers” carry out discriminatory conduct or processes in hiring, training, compensation, promotion and termination of contract or retirement with respect to their direct workers and/or third parties with whom they have a relationship.



II. Prohibition of inhumane and harsh treatment. The “Suppliers” shall preserve the dignity and respect to all persons working with them, avoiding physical, verbal, psychological, sexual abuse or any other form of harassment or intimidation.

c) Environment

I. Environmental Compliance. The “Suppliers” must have the licenses, permits, registrations and other authorizations required by the “applicable legislation”, duly issued by the corresponding authorities; likewise, it is the responsibility of the “Suppliers” to comply with all the obligations derived from the environmental regulations applicable to their operation.

4. TRACEABILITY.

The “Suppliers” must at all times be able to verify, share and update with “Liverpool” the tracing of their production, that is to say, the “Suppliers” will have to make transparent, disclose and in general give visibility of their supply chain at any time. Likewise, they must extend the use and application of the “Code” to all third parties that are part of their production and operation chain.

5. CERTIFICATION AND AUDIT.

The “Suppliers” are committed to the transparency of the information they provide to “Liverpool”, this in the interest of complying with the application of the “Code”, for which reason, the “Suppliers”, if so required, recognize and accept in this act, that as an indispensable requirement to maintain a commercial relationship with “Liverpool”, they must comply with the certification process, and if applicable, with the follow-up and closure of findings *“in situ”* or virtually identified by the auditors of the certification platforms accepted by “Liverpool”. Any false information or documentation provided by the “Suppliers” will be considered a violation of this “Code”.

6. ANTICORRUPTION, CONFLICT OF INTEREST AND ECONOMIC COMPETITION.

a) Bribery and Corruption. “Suppliers” shall not promise any personal or inappropriate advantage, directly or through intermediaries, to obtain or keep any business advantage over a third party, public or private, or related to the activities and business of “Liverpool”. Nor may they receive or accept bribes. The “Suppliers” will have the necessary surveillance



and prevention mechanisms to avoid these types of acts. The **“Suppliers”** must report any fact related to this paragraph through the ethics line defined in number 7 within 48 hours of becoming aware of it.

b) Conflict of interest. The **“Suppliers”** must inform **“Liverpool”** about any situation that may generate conflicts of interest, as well as if any employee of **“Liverpool”** or hired by it, has an interest of any kind, especially those derived from economic ties with the business of the **“Suppliers”**.

c) Economic Competition. The **“Suppliers”** must act at all times in a correct manner, allowing free competition with other merchants, and avoiding generating any obstacle or commercial barrier. In this sense, any commercial act or practice whose effect is to fix prices, restrict supply, segment markets, coordinate bids in tenders or exchange information with any of the effects referred to above is prohibited, in terms of the applicable law on the matter.

7. INTELLECTUAL PROPERTY

(prohibition of the sale of pirated products, clones, copies or similar).

In compliance with the applicable and current laws and regulations related to the lawful commercialization of the products that are published and sold through the **“Supplier”**, it is prohibited to the **“Suppliers”** totally and without exception, the sale, publication or commercialization of products that are not original, false, replicated, copied or that in any other way transgress intellectual or industrial property rights of third parties, including the indigenous intellectual property in any of its forms, or that do not have the granting of the registration of trademark, patent, design and/or authorization, etc., by the competent authority or the owner of the products. by the competent authority or the holder of the rights. The **“Suppliers”** must refrain from publishing, selling and/or marketing products replicating legally protected trademarks, products that have exact reproduction, similar in degree of confusion or similar to the sign, image or characteristics of the original; manufacture and publish another’s trademark; copy or imitate the label or wrappings that are used as “trademarks”, include legends on labels or similar that indicate a false or erroneous denomination of origin; reproduce or manufacture products that have patents without authorization of the holder, utility models or industrial design in force in the United Mexican States or in any other international jurisdiction. In the event that the **“Suppliers”**



fail to comply with the provisions of this section, **“Liverpool”** may, without any liability whatsoever and without prior notice, suspend the sale of the products that it considers to be in violation of third party rights, reserving its right to initiate the legal actions that it considers pertinent for its protection or defense.

Nothing in this code of conduct shall be construed as an authorization, license or assignment of the intellectual property of “Liverpool”.

8. PREVENTION OF MONEY LAUNDERING.

The **“Suppliers”** shall know and comply with the provisions regarding the Prevention of Money Laundering and Financing of Terrorism and declare that neither their related companies, affiliates, shareholders, attorneys-in-fact, advisors, representatives, employees, third parties with whom they have a relationship, commission agents, assignees, successors of any nature or kind, suppliers or any other person acting or purporting to act on their behalf and representation or any of their subsidiaries, have paid, offered to give, promised to pay or authorized the payment, directly or indirectly, of sums of money or securities to: i) government officials; ii) persons acting on behalf of government officials, iii) any other person following the suggestion, request, instruction or for the benefit of the persons described above, for the purpose of obtaining, retaining or directing business or obtaining special concessions or paying to receive favorable treatment with respect to business or special concessions already obtained.

The **“Suppliers”** declare that their operations and the resources with which they operate, are and will always be of lawful origin, obligating themselves to comply with and adopt the necessary measures to ensure compliance with the applicable provisions regarding money laundering.

The **“Suppliers”** shall be obligated to promptly inform **“Liverpool”** of any real or probable violation of the obligations indicated in this point, as well as any request or demand received or made, regarding any financial benefit or of any other type that is undue.



9. CONFIDENTIAL INFORMATION.

The **“Suppliers”** have the obligation to keep the confidentiality of the information that they come to know as a result of their commercial relations with **“Liverpool”**. The **“Suppliers”** will not make any publicity using the name of **“Liverpool”** or its registered trademarks, unless expressly authorized in writing by **“Liverpool”** and will also refrain from: (a) comment on, discuss, or otherwise make known such confidential information to unauthorized third parties, including but not limited to officers, employees or contractors of companies competing with Liverpool; (b) use, exploit or market such confidential information, directly or indirectly or in any way for their own benefit or for the benefit of third parties; and (c) disclose or divulge such confidential information to persons, agencies, entities, for any reason unless expressly authorized in writing by **“Liverpool”**.

10. ETHICS LINE.

We have a whistleblower system through which you can report breaches of this code. This system guarantees confidentiality and does not generate retaliation against whistleblowers.

The means of contact are as follows:

- **Telephone:** 800 633 8133
- **E-mail:** contactanos@lineaetica.org.mx
- **Website:** lineaetica.org.mx
- **Whatsapp:** 55 3488 8895

11. CORRECTIVE ACTIONS.

Any non-compliance with this code will be subject to the respective sanction according to the seriousness and recurrence of the same and only at the consideration of **“Liverpool”**, the **“Suppliers”** may remedy any non-compliance with the **“Code”** derived from a finding identified in the corresponding audit.

Therefore, the **“Suppliers”** will present an action plan, which for acceptance and its application, must be validated and authorized by **“Liverpool”** previously.