

RESPONSIBLE

SOURCING

Suppliers

January 2024

What is about ?

It is an initiative whose scope is that both El Puerto and business partners operate responsibly in our production chain, guaranteeing

The Responsible Sourcing Program is part of La Huella de El Puerto



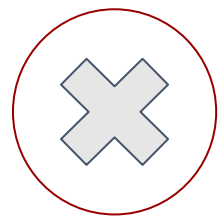
Living Wage



Decent Work



Environmental Protection

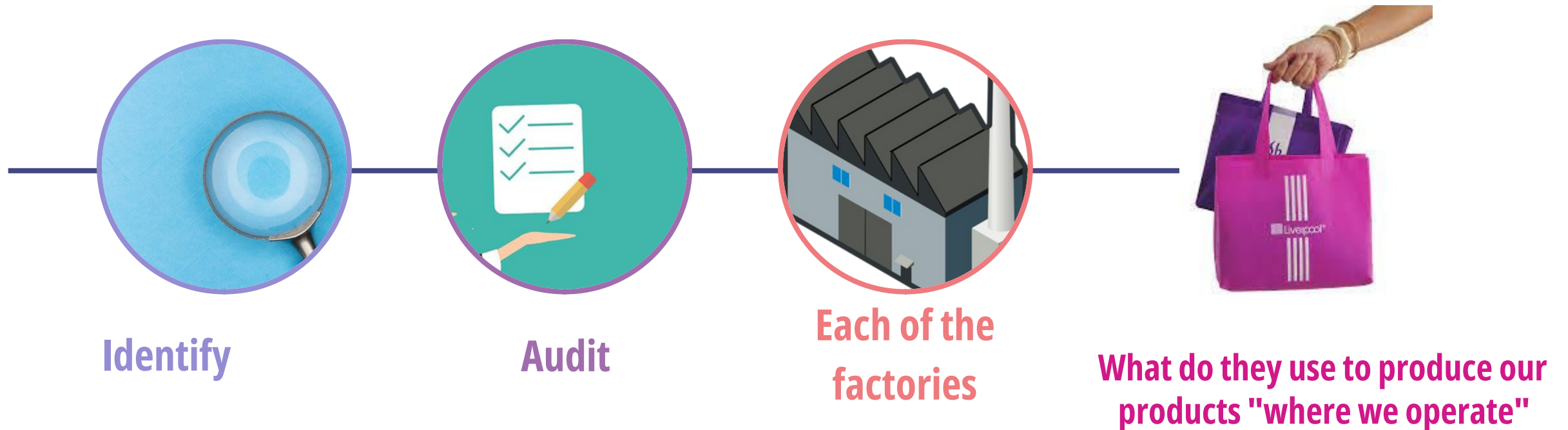


Child Labor shall not be used



¿What are looking for?

That the merchandise suppliers of one of our own brands and/or strategic suppliers, both national or imported:



Suppliers and Facilities that manufacture merchandise under one of these criteria:

I. The product contains any of El Puerto de Liverpool's own brands.

II. Are considered exclusive brands and where the only or main point of sale is El Puerto de Liverpool.

III. They are covered by a license to use the brand name



2. Responsible Sourcing

At El Puerto de Liverpool we are committed to developing our world class supply chain, being an engine of social change in order to improve people's working condition and quality of life fostering continuous improvement, protecting the environment, guiding and inspiring others to do the same



Employment is freely chosen

No forced or involuntary labor, required deposits, withholding of documents or any form of retention at work.



Child Labor shall not be used

Child labor is prohibited. If youth labor is allowed in the country, minimize it and promote education.



Working condition are safe and hygienic

Safe working conditions for risk and accident prevention.



Environmental Protection

Verification of compliance with environmental regulations for water, waste, emissions and energy.



Living wage are paid

Adequate minimum wages. Prohibition of disciplinary deductions that affect the worker's quality of life.



Working hours are not excessive

Days off and overtime in accordance with legislation.



Non discrimination

In hiring, compensation, training, development, retirement or other processes.



Regular Employment is granted

Recognition of the labor relationship between the supplier and its collaborators. Includes subcontracting.



No harsh or inhumane treatment is allowed

Prohibition of physical, verbal or disciplinary abuse, as well as sexual or any other type of harassment.

3. Process

Responsible Sourcing - Process





Supplier Disclosure

It is supplier responsibility to disclose all factories that is used to manufacture or produce Suburbia own brand product



What is a factory?

Physical place where a product is transformed

Warehouse

Cutting facility

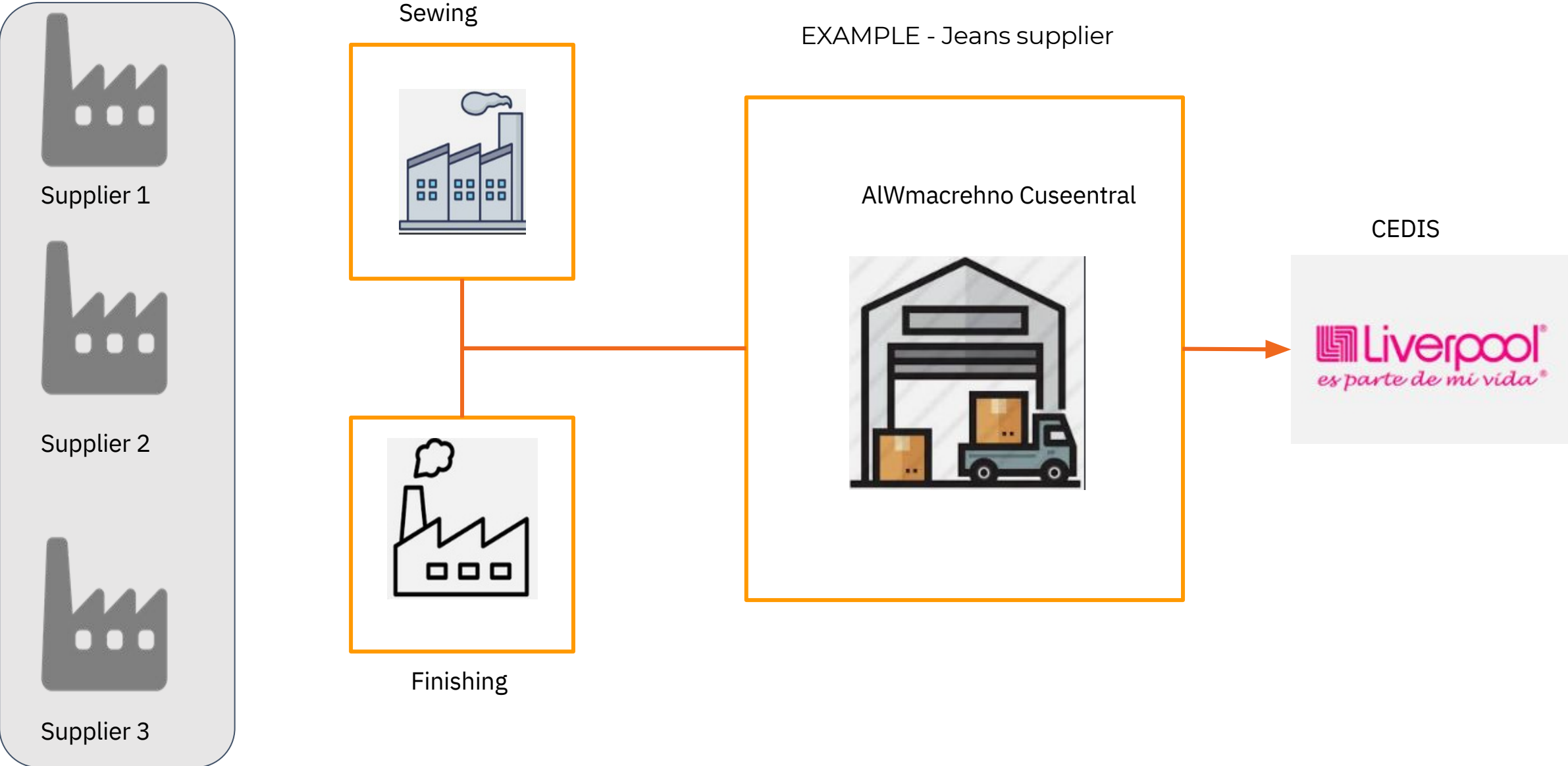
Printing, Embroidery


Manufacturing and assembling

Any place where our product is located*

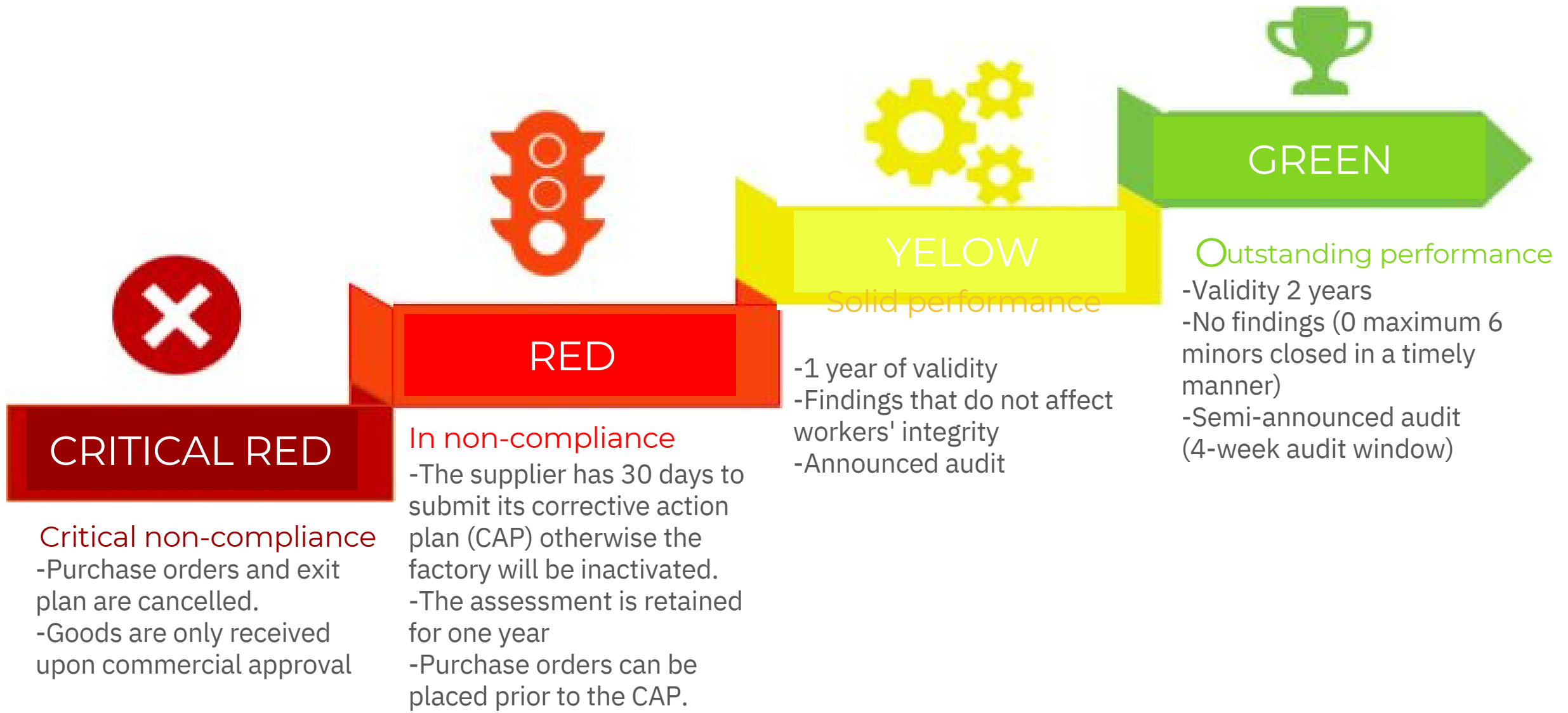
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For any question, please send an email to RS area



Protocol	Programme	Type of audit	Scope Protocol	Website
 <p>Sedex SMETA <small>Sedex Members Ethical Trade Audit</small></p>	Sedex Members Ethical Trade Audit	Continuous improvement programme	All types of industry and all regions of the world	https://www.sedex.com/es/
 <p>amfori  <small>Trade with purpose</small> BSCI</p>	BSCI (Business Social Compliance Initiative)	Certification (Own assessment)	All types of industry mainly located in Asia	https://www.amfori.org/en/solutions/social/about-bsci
 <p>WRAP <small>WORLDWIDE RESPONSIBLE ACCREDITED PRODUCTION</small></p>	WRAP (Worldwide Responsible Accredited Production)	Certification (Own assessment)	All types of industry mainly located in Asia	https://wrapcompliance.org/es/#
 <p>ethical supply chain program <small>FOUNDED BY ICTI</small></p>	ICTI - Ethical Supply Chain Program	Certification (Own assessment)	Specific for Toy Suppliers, mainly located in Asia.	https://ethicaltoyprogram.org/en/our-program/certification-and-audit/
 <p>RJC RESPONSIBLE JEWELLERY COUNCIL</p>	RJC - Responsible Jewellery Council	Certification (Own assessment)	Specific for Jewellery Suppliers, mainly located in Asia and Europe.	https://responsiblejewellery.com

Criticality Finding	Business Critical Finding	Critical Finding	Major Finding	Minor Finding
Based on:	A violation of the fundamental principles of Human Rights that becomes a systemic and premeditated violation of a law of the land.	A systemic violation of a country law or code, which directly affects workers / an unresolved finding by the provider	An unpremeditated violation of the law, rule or code of the country.	Isolated findings that do not affect workers
Example:	Children working at the site / Workers not registered with the IMSS / no official payroll receipts / no personnel clocking in and out / no health and safety training Retention of original documents / Use of natural resources without legal permissions	Workers not registered with the IMSS / no official payroll receipts / no personnel clocking in and out / no health and safety training	Lack of a normative study (never done) / No approved internal work regulations No approved internal work regulations	The company has a written policy for a company activity , but it is carried out in practice
Closure priority:	No closure option - deregistration from factory or supplier	High - Immediately and within 30 days the finding must be closed.	High - After critical findings and has 60 days to close the findings.	Low - Should be closed after critical and major findings, based on protocol.



CRITICAL RED

- Critical non-compliance**
- Purchase orders and exit plan are cancelled.
 - Goods are only received upon commercial approval

RED

- In non-compliance**
- The supplier has 30 days to submit its corrective action plan (CAP) otherwise the factory will be inactivated.
 - The assessment is retained for one year
 - Purchase orders can be placed prior to the CAP.

YELLOW

Solid performance

- 1 year of validity
- Findings that do not affect workers' integrity
- Announced audit

GREEN

- Outstanding performance**
- Validity 2 years
 - No findings (0 maximum 6 minors closed in a timely manner)
 - Semi-announced audit (4-week audit window)



- Don't work for an audit, adopt "Responsible Sourcing" as a way of working in your company..
- Generate strategic axes as a company that involve Responsible Sourcing.
- Communicate the Responsible Sourcing programme internally and externally.

Notification of an Audit

Depending on the outcome of risk assessments and/or audit planning, prior notice of the audit

may or may not be given. This results in three possible audit types:

1. Announced: audit date is agreed with, or disclosed to, the audited site.
2. Semi-announced: audit date will fall within an agreed 'window'.
3. Unannounced: no prior notice is given.

The audit assessment, is bases on the audit notification, a GREEN assessment should have a semi-announced audit otherwise, maximum assessment should be Yellow

Sequence of Audits

El Puerto de Liverpool is requesting the following audit sequence

- Full Initial Audit: The first time a site of employment is audited
- Periodic Audit: Usually a full audit used to monitor supplier sites on an ongoing basis.
El puerto de Liverpool, is asking the audit in a yearly basis
- Full Follow-up Audit: Depending on the outcome of the initial audit, a follow-up audit may be required



All supplier must have a audit every year, except if this then assessment is GREEN

No other audit sequence, is not accepted

¡Thank you!

Responsible Sourcing Training

El Puerto de Liverpool