

AKO Capital LLP Supplier Code of Conduct

Background:

AKO Capital LLP (AKO) became a Certified B Corporation™ in January 2021.

B Corps™ are for-profit companies that use the power of business to build a more inclusive and sustainable economy. It requires a company to balance its profit with purpose, and to undergo a rigorous assessment of its impact on its workers, customers, community, and the environment every three years.

The purpose of our Supplier Code of Conduct (“Code”) is to explain AKO’s minimum expectations of providers of goods and services (“Providers”) in alignment to those same high standards.

Issued: 19 October 2021

Scope:

This Code sets out the expectations towards all our Providers in relation to responsible business conduct. Additional requirements apply where set out in the contract with the relevant Provider.

Overarching expectations:

We believe in working with our Providers to become a business that drives positive impact. As a B-Corp™, we will give extra consideration to other B-Corps™ or those in the process of certification. Our overarching expectations of all partners are that you will:

- Comply with applicable laws and regulations
- Read and strive to meet the expectations set out in this Code
- Co-operate with our pre-screening questionnaire and any subsequent reasonable follow-up checks by AKO
- Safeguard AKO’s reputation through a high level of ethical awareness and integrity
- Strive to reflect the expectations in this Code in contracts with their own Providers who are directly involved on our accounts (“Sub-Contractors”)
- Self-monitor (including monitoring of Sub-Contractors’) compliance with the Code
- Communicate any material concerns about your ability to work in a way which encourages the behaviours set out in our Code by getting in touch with your AKO Contact. Your communications will be treated sensitively and, to the extent possible, confidentially.

Extra consideration will be given to Providers that meet robust third-party social and environmental certification criteria. Where reasonable, we would like our Providers to meet one or more of the following standards:

- Certified B Corporation
- Leadership in Energy and Environmental Design (LEED) Certified
- Energy Star Certified

- Other rigorous and independent third-party certifications will be considered on a case by case basis.

When price and quality are equal, extra consideration will also be given to independent, woman, or minority-owned suppliers local to AKO Capital's offices in London, UK.

Environmental, Social and Governance responsible practices

Environmental

We are committed to offsetting unavoidable carbon emissions and are carbon neutral. Our 2019 and 2020 carbon footprint were audited and offset by BeZero Carbon.

AKO encourages its suppliers to have an action plan to reduce their GHG emissions and offset the unavoidable emissions.

Social

- **Living wage:** The Living Wage is based on the cost of living and is voluntarily paid by over 5,000 UK employers who believe "a hard day's work deserves a fair day's pay." AKO pays at least the London Living Wage to all employees. On this basis, we expect our suppliers to pay the Living Wage (or London Living Wage) and to promote this within their supply chains.
- **Human Rights in the Workplace** – AKO holds itself to high standards as an employer and expects our Providers to also manage their employees in a fair and ethical manner. AKO expects our Providers to operate in an environment that is free from unlawful labour, unlawful hours, unlawful discrimination and harassment in whatever form, violation of health and safety standards, and promote this standard within their supply chains.
- **Diversity & Inclusion:** At AKO, our success is based on leveraging our people's diverse experiences, backgrounds, beliefs, and insights to challenge the status quo and drive innovation. We seek to partner with Providers that share our values for diversity and inclusion, reflected in their recruitment, training and promotion practices, and strive to promote this within their supply chains.

Governance

AKO holds itself to the highest ethical standards and always seeks to act with integrity. We expect the same of our Providers and ask that you:

- Ensure that all laws and regulations are fully complied with in relation to bribery, corruption and any other prohibited or improper business practices;
- Inform AKO in writing of any actual or suspected breach of anything contained within this Code in a timely manner.