

COMPLIANCE CHARTER WITH LACOSTE CSR STANDARDS

The Lacoste brand (hereinafter referred to as « Lacoste ») has always been committed to developing its activities in accordance with the highest ethical standards and in compliance with the laws of France and of all the other countries in which Lacoste conducts its business.

The Lacoste CSR Standards Compliance Charter (hereinafter the "**Charter**"), in line with the GSCP (Global Social Compliance Program) Code of Reference, sets out the following ethical principles and specifies the ethical, social and environmental requirements of Lacoste vis-à-vis of its direct Partners: manufacturers, subcontractors, suppliers, licensees & distributors (hereinafter collectively referred to as "**Partners**" or "**Lacoste Partners**").

Lacoste requires of its Partners strict adherence to the principles set out in the Charter. Lacoste also expects its Partners to ensure compliance with the Charter with their own manufacturers, subcontractors and suppliers, and in particular those involved in the composition or manufacture of a Lacoste product ("**Second Tier Partners**").

Lacoste respects Human Rights, and makes sure that Human Rights are respected by its Partners, all along its manufacturing and supply chains. This infers compliance with international principles such as:

- The principles detailed in the Universal Declaration of Human Rights;
- The principles detailed in the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work;
- The principles detailed in the related ILO conventions;
- The directing principles of the OECD;
- The principles detailed in the UN Global Compact;
- The UK Modern Slavery Act.

Lacoste only does business with Partners who guarantee that their activities, as well as those of their Second Tier Partners, comply with the conventions, laws and regulations in force and the principles detailed in the Charter. Moreover, Lacoste will only do business with Partners who accept, and make sure that their own manufacturers, subcontractors, and suppliers accept, control and assessment of their compliance with the principles detailed in this Charter.

1. LACOSTE PARTNER COMMITMENTS

No provision of this Charter shall exempt a Lacoste Partner from strictly complying with local or international legal rules, in particular when such rules are stricter than those of this Charter with regard to the fundamental principles and rights at work.

- SOCIAL RESPONSIBILITY

Forced and prison Labor:

The Lacoste Partners shall in no event resort to forced labor and/or prison labor that do not conform to the ILO Conventions 29 & 105. Work shall only be provided voluntarily, and not under the menace

of a sanction or a penalty. The Lacoste Partners shall in no event require their employees to lodge “deposits” or identity papers upon commencing employment.

Any form of bonded labor is prohibited, and Lacoste Partners must neither allow nor encourage workers to incur debt through recruitment fees, fines or for any other reason.

Forced labor is strictly forbidden: the Lacoste Partners shall respect their personnel’s right to terminate their employment, subject to the respect of any legal prior notice, or to leave the workplace at the end of their working hours.

Child Labor:

In no case should Lacoste Partners employ persons who are not of working age according to local laws and, in any case, individuals under 15 years of age. This minimum age for youth work is raised to 18 for night work, or where working conditions may (i) endanger the health, safety or moral integrity of minors and / or (ii) impair their physical, mental or social development.

Discrimination, harassment, abuse:

The Lacoste Partners shall treat their employees with respect and dignity. No employee shall be subject to physical, sexual or psychological harassment or abuse.

Lacoste's partners undertake not to subject any person to any form of discrimination as defined by legal provisions and / or local practices and customs, particularly as regards sex, race, religion, age, disability, sexual orientation, nationality, political opinion or social or ethnic origin, which could have consequences on employment, hiring, wages, training, benefits, advancement, discipline, dismissal or retirement of the person. Decisions on hiring, job assignment, salary, benefits, advancement, disciplinary actions, dismissal and retirement must be based solely on the effective ability of employees to perform the work that is required of them.

Disciplinary procedures shall be defined in writing. Any disciplinary action or sanction shall be clearly and precisely explained to the concerned employee, and duly documented.

Freedom of association and right to collective bargaining:

The Lacoste Partners shall acknowledge and respect their employees’ right to freely associate. They shall not practice any kind of hiring discrimination because of membership in a union. They shall not threaten to coerce workers seeking to establish or join workers organizations or unions.

Workers are entitled to adhere and enter into collective bargaining, without any prior agreement, obstruction or interfering from the Partners’ management.

Whenever the above-mentioned rights are limited by local laws, the Lacoste Partners shall in any case make sure that they comply with any relevant international regulations which would be more in favor of their employees.

Health and Safety:

Lacoste Partners must provide a safe and healthy work and accommodations environment to prevent accidents and health problems resulting directly or indirectly from work. Partners must not expose their employees to situations which, both inside and outside the workplace, could be dangerous or detrimental to their health.

The Lacoste Partners shall appoint a member of their management as the health & safety manager, and define and implement clear and adequate procedures as regards health and safety at work.

The Lacoste Partners shall set up and implement adequate evaluation, risk reduction and risk management procedures, defined according to their activities and premises (mechanical, chemical, electrical risk, fire safety, lighting, ventilation, etc.). The Lacoste Partners shall provide their employees, if necessary, with adequate protective equipment, collective as well as individual. The above-mentioned procedures shall be formalized in writing and the Partners' personnel shall be informed of such procedures, in such a way that would be understandable to anybody. In the event of use of chemical substances, some safety data sheets (SDS), in the local language, shall be provided to the personnel. The instructions provided by such SDS shall be strictly followed (please refer to ILO Convention 170).

The Lacoste Partners shall provide their employees with sufficient sanitary facilities (toilets, safe drinking water). Kitchen and housing facilities, when available, shall provide enough space. They shall be installed and maintained so as to preserve health and safety of workers.

Lacoste's partners must ensure that their entire staff, from management to operational employees, receive information and / or training necessary pertaining to their job in the area of safety and health at work. Such training is provided for new staff and all staff changing jobs. Lacoste's Partners provide a written follow-up outlining the flow of information and the implementation of training programs described above.

The Lacoste Partners shall establish a system to detect, avoid or respond to potential threats to the health and safety of all personnel (in particular, through the organization of trainings regarding health and safety at work and first-aid trainings). The Lacoste Partners shall make sure that a first-aid kit is always available in their premises.

The Lacoste Partners must always and at any time fully comply with all applicable workplace conditions, safety and environmental laws.

They shall provide their personnel with adequate protection, in particular fire-protection, and shall see that their premises and equipment are adequately resistant, secure and stable. The Lacoste Partners shall provide their employees with adequate training regarding waste management, handling and riddance of dangerous products and chemicals.

Terms of employment, wages and benefits:

The Lacoste Partners recognize that wages are essential to meeting their employees' basic needs.

Work shall always be based on employer/employee relationships complying with the local laws, regulations and practices, as well as with all relevant international rules (whichever provides the employee with the best protection). Clear information about the conditions of employment, salaries,

compensation for overtime hours, shall be provided to each employee before commencing employment.

The Lacoste Partners shall provide each employee with a written pay sheet for every pay period, detailing the employee's working hours and the wages paid for the relevant period. They shall not make any deductions from such wages that would not be authorized by the applicable local laws.

Wages, overtime compensation, benefits and paid leave shall be effectively and regularly settled upon the agreed date. The Lacoste Partners shall pay employees at least the minimum wage required by the local laws and/or the applicable standard in the relevant line of business and/or the applicable collective bargaining agreement (whichever is more favorable to employees), regardless of whether they pay by the piece or by the hour, and shall provide legally mandated benefits.

Overtime hours shall be compensated as legally required in the relevant country, or as the case may be, as required by the relevant contractual agreement, it being specified that such rate shall not be lower than the regular compensation rate.

Working hours:

The Lacoste Partners shall not require their employees to work more than the limits on regular and overtime hours allowed by the law of the relevant country. The Lacoste Partners employees shall be entitled to the number of days off determined by the applicable laws, and at least to one day off in every seven days period, in the absence of any regulation which would be more in favor of the employees. Public holidays and annual leave shall be granted.

Counterfeit goods:

The Lacoste Partners recognize that counterfeit goods are illegal and detrimental to social and economic wellbeing of employees. Lacoste's partners will not knowingly involve their employees in designing, producing or marketing counterfeit products. Lacoste's partners shall systematically report the counterfeit operations of Lacoste brands and products of which they are aware to Lacoste.

Fighting corruption:

Lacoste Partners comply with all anti-corruption regulations which apply to them and adopt outstanding ethical principles in this field. To this end, they refrain from proposing or promising, directly or through intermediaries, any kind of benefit whatsoever to Lacoste employees and/or representatives and, more generally, to any third party, for the purpose of receiving consideration, as part of the provision of service for Lacoste.

Gifts:

Lacoste Partners refrain from offering or proposing, directly or indirectly, the gifts listed hereinafter to Lacoste employees and/or representatives and, more generally, to any third party, with whom they have business connections as part of the provision of service for Lacoste:

- Gifts worth more than €50 (or equivalent);
- Invitation to extra-professional activities worth more than €100 (or equivalent);
- Gifts in cash or equivalent (gift cards).

Conflict of interest:

Lacoste Partners shall inform Lacoste in writing of any family links or interests they have with Lacoste employees or representatives if these ties may influence, in any way whatsoever, a potential or actual business relationship of Lacoste with the Partners concerned.

Position:

Unless Lacoste provides its prior authorization in writing, Lacoste Partners cannot present themselves as Lacoste representatives/agents.

- **ENVIRONMENTAL RESPONSIBILITY**

Through its signature of the UN Charter, Lacoste is committed to a continuous process of significantly reducing its environmental footprint in upcoming years.

The company is asking its Partners to join it in this initiative and to put in place all the actions and innovative processes necessary to reduce their environmental impact.

The Lacoste Partners shall at least comply with all applicable laws and regulations regarding the protection of environment in the countries where they carry out their activities. The Lacoste Partners shall also have obtained all licenses and clearances needed to pursue their activities. Accordingly, the partners are requested to promote the development and rollout of environmentally friendly technologies as defined in Agenda 21 of the Rio Declaration. These technologies must actively protect the environment, pollute less, use resources sustainably and recycle and process their waste.

These technologies, which can take the form of expertise, procedures, products, services, etc., include a variety of cleaner production processes and prevention and monitoring solutions.

Greenhouse gases and airborne emissions:

The Partners must ensure that airborne emissions resulting from their activity are monitored, controlled and treated before being released into the air.

Lacoste recommends its Partners outline targets to reduce greenhouse gas emissions in line with recommendations from the UN regarding climate.

Water use and discharges to water:

Throughout the supply chain, Partners must do their utmost to reduce water consumption. Wasting this resource must be avoided at all costs in order to respect the aforementioned environmental commitments.

The Partners must ensure that any discharges to water resulting from their activity are monitored, controlled and treated before being released or evacuated.

Chemicals management:

Lacoste pays special attention to the chemicals present in its products, as well as to those used at the various stages of its products' manufacturing.

Lacoste, partner of AFIRM, asks its partners to scrupulously respect the requirements relating to chemical substances that have been communicated to them by Lacoste via specifications code QC-SP-10035.

Lacoste prohibits the use of chemicals which would be dangerous to the environment and to the people. And these chemicals shall be thoroughly recorded, and managed in such a manner that would guarantee safe handling, transportation, storage, recycling, and evacuation.

Soil use:

Lacoste recommends its Partners take all appropriate measures to limit the impact of their activity on the soil pollution or impoverishment. The procedures of soil management must preserve the soil's environmental functions.

Sustainable forest management:

Paper-supply Partners must ensure that the provided paper comes from sustainably managed forests.

Waste management:

The Lacoste Partners shall take all necessary measures with regard to the conception, the layout, and the operation of their premises to guarantee a good waste management and to limit as much as possible waste production.

Procedures and standards for the management, handling and processing of waste, especially hazardous waste, must meet local legal requirements.

Animal welfare:

Lacoste forbids any of its Partners from using products from wild or protected species. A certificate must be supplied to Lacoste as proof.

Should Partners require products of animal origin, they must ensure that the animals have been treated well throughout the entire supply chain (breeding, transport, slaughter). Under no circumstances should methods causing animal suffering to be used.

Partners supplying or using wool or sheepskin-based products (e.g. merino) must ensure that the animals have not been subject to mulesing. A certificate must be supplied to Lacoste as proof.

Lacoste forbids its partners from using fur and Angora wool.

Partners supplying or using feather or down-based products must ensure that they come from dead animals bred for meat excluding for foie gras. A certificate must be supplied to Lacoste as proof.

- **INITIATIVE FOR COMPLIANCE AND SUSTAINABILITY (ICS) REFERENCE**

This obligation is only applicable to Lacoste Partners and Second Tier Partners who contribute significantly to the composition or manufacture of a product bearing the Lacoste brand. These Partners and Second Tier Partners must carry out a social audit prior to beginning any work involving the composition or manufacture of a Lacoste product in line with the “Initiative for Compliance and Sustainability” (ICS). This audit attests to compliance with international regulations on working conditions by the relevant Partners. Compliance with the Charter means that the audit must achieve a minimum score of 75% B, with no Alert Notifications. The audit is then valid for 2 years and must be renewed at the end of this period. The Partner undertakes to implement any corrective action plan to remedy anomalies highlighted by the audit.

Partners who are not able to provide an ICS audit must contact Lacoste's Quality Department cloire@lacoste.com before beginning work for Lacoste.

- CHARTER COMPLIANCE AUDITS

Lacoste reserves the right to carry out audits, with or without notice, to verify compliance with the Charter in all facilities where manufacturing products or components or providing services / intangible goods for Lacoste or its network are carried out. Lacoste also reserves the right to use a third party of its choice to conduct such audits. During these audits, the Lacoste Partners will provide unlimited access to all the premises and employees of the sites concerned and they will ensure that Second Tier Partners do so as well. As part of these audits, Partners and Second Tier Partners must provide complete, authentic and accurate documents and / or archives to illustrate their compliance with the Charter. It is specified that such audits do not exempt a Lacoste Partner from carrying out any audit and any verification of the Second Tier Partners that it employs in producing articles for Lacoste.

Once the audit has been carried out, the Lacoste Partner (and / or its Second Tier Partners) will be allowed to determine and implement remedies for non-complying issues identified during the audit, except in cases of major non-compliance with the Charter.

Lacoste will monitor the action plan and verify that the corrective actions have been completed within the set deadlines. Otherwise, Lacoste may terminate its relationship with the Partner or require the Partner to terminate its relationship with any non-complying Second Tier Partner.

The Lacoste Partners shall answer their employees' requests, and the requests of any interested third party, regarding compliance / non-compliance to the Charter. The Lacoste Partners shall refrain from taking any disciplinary sanctions against, or mistreating, an employee who would have disclosed information regarding non-compliance to this Charter.

2. UNDERTAKINGS OF LACOSTE

Lacoste undertakes to cooperate with the Lacoste Partners and shall make sure that its requirements do not prevent the Lacoste Partners from implementing this Charter. Lacoste undertakes to support the Lacoste Partners, whenever possible, for the best implementation of any corrective actions. The Lacoste Partners are required to inform Lacoste about any areas of improvement, in order to strengthen implementation of the principles of this Charter.

3. SIGNATURE OF THE CHARTER

By signing this Charter, the Lacoste Partner agrees to strictly comply with the above-listed provisions and it agrees to enforce its own manufacturers, subcontractors or suppliers to respect them.

The eight (8) pages of this Charter are initialed and signed and stamped.

Date: _____

Lacoste Partner: _____
(Name and Legal form of the company)

Legal Representative: _____
(Name)

(Title)

Signature and stamp: _____

This Charter was initially issued in the French language. English translation is for the Lacoste Partners' convenience; in the event of divergence between French and English versions, French version shall prevail.

<https://www.lacoste.com/fr/corporate-commitment.html>.

This Charter was updated in May 2018.