

THG

Supply Chain Standards 2026



Introduction

THG is committed to sourcing goods, materials, and services in an ethical and sustainable way. In support of this commitment, THG has produced this Supply Chain Standard (the Standard), to outline the minimum we expect our Suppliers to uphold to meet this commitment.

The Standard draws from The Universal Declaration of Human Rights; the International Labour Organization's ("ILO") Core Conventions; the UN's Guiding Principles on Business and Human Rights and the Ethical Trading Initiative Base Code. THG is dedicated to working with its Suppliers to strengthen worker rights, improve workplace safety, and protect the environment throughout both its own operations and its supply chain operations, and to address nonconformance with the Standard. As part of THG's commitment to achieve Net-Zero, THG has set Science Based Targets and as such, requires its Suppliers to also align to a science-based approach and disclose data to THG when required to accurately calculate THG's carbon Scope 3 emissions. THG requires its Suppliers to exercise environmental due diligence to ensure THG protects the environment and minimises its impact on the planet.

THG's Suppliers are expected to implement and monitor the Standard within their own supply chains through training and other initiatives. THG pledges to cooperate with its suppliers to help them conform to the Standard. THG's Suppliers should take steps to address problems encountered, and THG will support its suppliers to minimise, or mitigate a significant impact of an issue. THG's suppliers should formally appoint a competent person(s) to manage health & safety, ethical compliance, Modern Slavery, and environmental safeguarding.

Suppliers must also comply with all applicable economic and trade sanctions regimes, including UK, EU, & US regimes (including OFAC).



Assurance and Non-Compliance

Compliance with the Standard is mandatory and is subject to both internal and third-party audits. When the supplier enters into any supply agreement with THG, the supplier acknowledges and agrees that it will comply with the Standard and that it shall ensure that its supply chain (including suppliers and contractors) shall also comply with the Standard.

THG will assess compliance with the Standard through evidence of supplier completion of regular audits. A Sedex Members Ethical Trade Audit (“SMETA”) is required once per year by suppliers in high-risk countries, and once every two years by suppliers in low-risk countries. The minimum audit requirements (a 4-Pillar SMETA) should be undertaken by all new and existing suppliers and representatives at their facilities in line with industry best practice. Suppliers are required to use reliable, accredited third-parties to assure audits and report findings.

Evidence of suppliers’ audits should be shared via the Sedex Platform for all Tier one suppliers. THG retains the right to request evidence of audits further down the supply chain if they deem it necessary.

Any issues of non-compliance will be raised with the supplier, and THG and the supplier will work together to seek a mutually agreeable resolution.

For any supplier that fails to comply with any mutually agreed resolution, or is directly or indirectly (via its representatives), in breach of the Standard, THG reserves the right to review the approval status of a supplier and to remove the defaulting supplier from THG’s approved supplier list. For any non-compliance with the Standard, any supplier suspected or proven to be directly or indirectly engaged in non-compliant activities will be required to provide full support to THG or any other relevant third party in resolving and remediating the impact of such non-compliance.

There may be occasions where THG will agree on a derogation to the Standard if appropriate to do so. However, this will be reviewed on an annual basis and those exempt suppliers will be subject to review and where necessary removed if unable to comply in the long-term.

This Standard is not meant to, and does not, supersede any applicable law, or any term in an agreement between THG and a supplier. Where there is any conflict between the Standard and any applicable law or provision of any agreement, the applicable law or agreement shall take precedence over the Standard. Where the Standard and the applicable law cover the same topic, the higher standard of protection should be granted. THG reserves the right to update or change the Standard as required.



Principles of The Standard

The Standard is split into 4 main Principles:

Principle 1: Labour

THG is firm in its stance on human and labour rights. THG believes that all workers have a right to fair and respectful working environments which are free from discrimination and unjust labour practices. This section details THG's expectations regarding these topics and the minimum standard THG expects its Suppliers to maintain.

Principle 2: Health & Safety

THG believes that attending a workplace should not come with exposure to poor hygiene practices or the fear of physical harm. THG expects its suppliers to ensure workers have access to basic requirements such as clean drinking water and a safe workplace. A breakdown of provisions is further detailed within the Principle 2 section to follow.

Principle 3: Environment

THG have set Science-Based Targets and expect our supply chain to also take a science-based approach to reducing emissions as well as providing us with data in a when required to help us track progress toward Net Zero. This section also covers responsible sourcing and producer responsibility.

Principle 4: Ethics

Corruption and unethical business practices undermine THG's ability to maintain trust, and exposes THG to criminal activity. It is imperative that THG ensures there is no place for unethical practices to take root in its supply chain. This section explains how THG expects its suppliers to help THG prevent such unethical business practices and ensure that individuals who highlight unethical business practices are protected.

The Standard

Principle 1: Labour

1A. Freely Chosen Employment

1A.1 - Physical and financial punishment or penalties are not imposed. Such punishment and/or penalties would indicate forced, prison, indentured, bonded (including debt bondage), trafficked or slave labour.

1A.2 - Workers are provided with complete terms of contract in their own language prior to employment (in writing and explained verbally).

1A.3 - Workers shall not be required to lodge deposits or their original identity papers with their employer or employment agency.

1A.4 - There shall be no unreasonable restrictions on the movement of workers and their access to basic liberties.

1A.5 - All workers shall be free to leave their employer after reasonable notice, without penalty or punishment.

1A.6 - THG prohibits the use of any forced labour as defined in the ILO Forced Labour Convention, 1930 (No.29) (and its 2014 Protocol) and Abolition of Forced Labour Convention, 1957 (No.105).

1B. Young Workers

1B.1 - No Child Labour should be used.

1B.2 - Workers under the age of 18 are not allowed to perform work that is likely to jeopardise the health or safety of these young workers, including night work or overtime.

1B.3 - Suppliers shall develop or participate in and contribute to policies and programmes which provide for the transition of any Child found to be performing Child Labour to enable her or him to attend quality education until no longer a Child.

1C. Working Hours

1C.1 - Working hours comply with national legal standards, laws and/or benchmark industry standards, whichever affords greater protection.

1C.2 - In any event, workers shall not on a regular basis (an average usually across a period such as 17 weeks) be required to work more than 48 hours per week and shall be provided with at least one day off in any 7-day period.

1C.3 - Workers are allowed legally mandated breaks, or holidays and vacation days to which they are legally entitled, including time off for sickness and maternity leave.

1C.4 - Overtime: (i) shall be voluntary; (ii) shall not exceed 12 hours per week; (iii) shall not be demanded on a regular basis; and (iv) shall always be compensated at premium rate.

1C.5 - Reliable and detailed records of workers' regular and overtime working hours are kept by the Supplier.

1C.6 - The Supplier shall ensure that its workers do not work in excess of 12 hours per day, even where allowed by local law.

1D. Wages and Benefits

1D.1 - Wages for regular and overtime hours are correctly calculated and paid to all workers.

1D.2 - Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

1D.3 - For each pay period, workers are provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed.

1D.4 - All workers are provided with written and understandable information about their employment conditions in respect of: (i) wages prior to the commencement of employment; and (ii) particulars of their wages for the pay periods concerned, each time they are paid.

1D.5 - Workers' wages are paid directly to the worker in a timely manner. Proof of wage payment is maintained.

1D.6 - Deductions from wages as a disciplinary measure shall not be permitted, nor shall any unlawful deductions from wages, without the express permission of the worker concerned. All disciplinary measures shall be recorded in writing.

1E. Humane Treatment

1E.1 - The following is strictly prohibited: physical abuse; physical discipline; any form of harassment and / or abuse (including but not limited to sexual harassment and / or abuse, and verbal abuse);

any other form of intimidation; and the unfair treatment of any person reporting such abuse.

1E.2 - Disciplinary actions are legal and are communicated to and acknowledged by all workers.

1F. Non-Discrimination

1F.1 - Discrimination in all forms is strictly prohibited. Examples of discrimination include, but are not limited to, discrimination relating to: the hiring process, compensation, access to training, promotion, termination, or retirement, in each case whether based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership, or political affiliation.

1F.2 - Discrimination in the form of subjecting workers to pregnancy tests for any reason or as a condition of employment or continuing employment is strictly prohibited.

1F.3 - Reasonable accommodation for religious practices is provided if needed.

1G. Freedom of Association and the right to collective bargaining

1G.1 - Workers (including agency labour/contract workers, without distinction) have the right to join or form trade unions of their own choosing to bargain directly with employers.

1G.2 - The employer adopts an open attitude towards the activities of trade unions (including their organisational activities).

1G.3 - Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.

1G.4 - Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

1G.5 - Contract labour or agency labour workers have the right to associate and have their own tenancy/landlord agreements, and transportation links. Such workers should not be subject to forced agreements under any circumstances.

1H. Worker Grievance / Complaint Mechanism

1H.1 - A worker grievance/complaint mechanism is in place for workers to confidentially communicate work-related grievances or complaints without fear of reprisal or intimidation.

1L. Contract Labour

1L.1 - The practice of using temporary / contract / dispatched workers meets legal requirements.

1J. Subcontractor and Next-Tier Supplier Responsibility

1J.1 - Facility discloses all subcontracted processes and production involving THG's final product, packaging, design, intellectual property, or recognisable as such.



Principle 2: Health and Safety

2A. Occupational Safety

2A.1 - Worker exposure to potential safety hazards (e.g. electrical and other energy sources, fire, vehicles, and fall hazards) are controlled through proper design.

2A.2 - All required permits, licences, and testing reports for potential Industrial hygiene exposures are in place and a process is implemented to ensure permits and licences are always up to date.

2A.3 - Appropriate controls for worker exposures to chemical, biological, and physical agents are implemented.

2B. Physically Demanding Work

2B.1 - Worker exposure to the hazards of physically demanding work are identified, assessed, communicated, and controlled effectively.

2C. Machine Safeguarding

2C.1 - All required permits, licences, and testing reports for machinery are in place and a process is implemented to ensure permits and licences are always up to date.

2C.2 - An adequate and effective machine safeguarding program is implemented, and workers operate machinery safely.

2D. Sanitation, Dormitory, and Canteen

2D.1 - All required health & safety licences, permits, registrations, and certificates related to food, sanitation, and housing are in place and an adequate and effective process is established to ensure permits and licences are always up to date.

2D.2 - Dormitories, bathrooms, and worker spaces are clean, safe, and well-maintained, and meet international housing standards.

2D.3 - Canteens (cafeterias) are clean, well-maintained, and managed in compliance with local health regulations.



Principle 3: Environment

3A. Environmental Permits and Recordkeeping

3A.1 - The Supplier's facility has obtained all the legally required environmental permits, approvals, licences, and registrations. Reporting to environmental authorities as required by law is performed in a timely fashion.

3B. Pollution Management and Prevention

3B.1 - Wastewater: Effluent discharges (industrial/ process wastewater and sewage) are managed to prevent water pollution, meet the discharge limits for regulated constituents, and wastewater treatment systems are routinely monitored for performance.

3B.2 - Storm water: Adequate and effective procedures are in place as required by law to prevent storm water contamination and prevent discharges and spills from entering storm drains.

3B.3 - Solid Waste: Solid waste is identified, managed, minimised, and responsibly disposed of, or recycled in accordance with applicable legal requirements and where possible work towards third-party zero waste standards and certifications.

3B.4 - Air: Air emissions have been identified, characterised, routinely monitored, controlled, and treated prior to discharge, meet the discharge limits for regulated constituents, and air emission control systems are routinely monitored for performance.

3B.5 - Energy Consumption: Energy consumption and greenhouse gas emissions are tracked and documented, and cost-effective methods to improve energy efficiency and minimise consumption are implemented.

3B.6 Noise: Environmental noise levels are within regulatory limits.

3C. Hazardous Substances

3C.1 - Hazardous substances including wastes are properly categorised, labelled, handled, stored, and transported, using government approved and/or licensed vendors as per local laws.

3D Animal Welfare and Testing

3D.1 - All cosmetic and toiletry products developed, manufactured, and supplied by THG comply fully with the UK and EU ban on animal testing of both finished products and ingredients, to comply with all applicable animal welfare legislation.

3D.2 - Sourcing of any materials of animal origin will follow the 5 freedoms of animal welfare ((i) Freedom from Hunger and Thirst, (ii) Freedom from Discomfort, (iii) Freedom from Pain, Injury, or Disease, (iv) Freedom to Express Normal Behaviour, and (v) Freedom from Fear and Distress).

3D.3 - All ingredients used in the development and formulation of products should be in compliance with all applicable laws, regulations, and standards for any jurisdiction in which they are offered for sale by THG.

3E. Producer Responsibility

3E.1 - All suppliers are required to assess their Producer Responsibility Obligations (PRO) for each country in which a product is supplied to THG. Suppliers must register and maintain compliance at their own cost where required. PRO includes but is not limited to Packaging, Waste Electrical and Electronic Equipment (WEEE), Batteries, and Extended Producer Responsibility (EPR).

3E.2 - All Suppliers are required to assess their Plastic Tax and Single Use Plastic Obligations for each country in which a product is supplied to THG. Suppliers must register and maintain compliance at their own cost where required.

3E.3 - THG may request data to be provided in a certain format by a particular deadline to enable THG to meet reporting obligations. Details of what data, how it should be reported, and the reporting schedule will be noted in the Delivery Conditions. The Delivery Conditions will be updated as and when new obligations for THG occur or THG's collection methodology changes.

3F. Carbon emissions reduction

3F.1 - The Supplier shall demonstrate a clear commitment to reducing its Greenhouse Gas (GHG) emissions through the development of science-based targets and the provision of annual THG-allocated Scope 1, 2, and 3 emissions data when requested.

3G. Responsible sourcing of commodity materials

3G.1 - Suppliers should adhere to the relevant sourcing standards related to the product they are supplying to THG. Suppliers should provide relevant documentation to confirm compliance and respond to relevant data requests, within the stated time frame given.

3G.2 - Suppliers of all in-scope materials to meet the EU Deforestation Regulations and provide relevant due diligence statements (palm, soy, cocoa, paper, cattle, coffee and rubber)

3G.3 - All suppliers providing palm oil materials (not derivatives) to be segregated level under Roundtable on Sustainable Palm Oil (RSPO) by 2030.

3G.4 - Articles, Substances, and Mixtures supplied to THG must comply with the applicable global REACH regulations and any other relevant chemical laws and regulations, including the identification and management of Substances of Very High Concern (SVHC). Certain divisions may have further restrictions on ingredients and process. Any such restrictions supplied by divisions of THG must be adhered to.

3G.5 - All mica used in our products must be sourced sustainably, responsibly and ethically. Suppliers must routinely conduct due diligence and continuous assessment of their supply chains to ensure all mica used comes from child-labour-free sources.

Principle 4: Ethical Behaviour

4A. Business Integrity

4A.1 - The supplier shall comply with all applicable laws, statutes, and regulations relating to the prevention of bribery and corruption (including but not limited to the Bribery Act 2010). To that end, the Supplier shall not accept, offer, promise, pay, permit, or authorise:

- (a) bribes, facilitation payments, kickbacks, or illegal political contributions;
- (b) money, goods, services, entertainment, employment, contracts, or other things of value, in order to obtain or retain improper advantage; or
- (c) any other unlawful or improper payments or benefits.

4B. Transparency and Disclosure

4B.1 - All suppliers are required to provide full disclosure of their Representative's production facilities used to produce THG products, to ensure that THG has complete visibility of its supply chain.

4B.2 - Suppliers are requested to inform THG when new or additional production facilities are proposed by their Representatives. Such facilities are required to align and follow the Standard and new factory approval process, as notified to the supplier.

4B.3 - Suppliers must allow THG internal teams and third-party audit companies access to audit existing and proposed production facilities of THG's suppliers and their representatives.

4B.4 - All suppliers must disclose details surrounding major non-compliances which directly impact the workers or the conditions in which THG products are produced (including details of corrective action plans and root cause analysis) within their organisation and to THG.

4B.5 - Suppliers must not be subject to applicable sanctions or be owned or controlled, directly or indirectly, by a sanctioned or designated person or entity and must take reasonable steps to ensure that they do not knowingly engage, directly or indirectly, with sanctioned or designated persons or entities in connection with the goods or services provided to us.

4B.6 - Suppliers are expected to undertake appropriate due diligence within their operations and supply chains to identify and manage sanctions risks and must notify us promptly if they become aware of any actual or suspected sanctions issue that may conflict with the Standards.

4B.7 - THG reserves the right to suspend or terminate a business relationship where continued engagement would breach applicable sanctions laws or expose us to unacceptable sanctions risk.



4C. Whistleblower Protection

4C.1 - Suppliers must have a multi-channel, confidential whistleblowing mechanism in place for workers to report suspected ethical misconduct, violations of labour or health and safety standards or any other grievances. Suppliers are required to share any THG related issues with THG as relevant.

4C.2 - THG employees, suppliers and contractors have access to a Whistleblowing hotline, to enable concerns to be raised regarding THG's products directly. This line is open to all staff, casual workers, agency workers, consultants, contractors, suppliers and other third parties associated with THG (both current and former) to raise their concerns confidentially.

4C.3 - Suppliers are responsible for disseminating THG's Whistleblowing hotline within their business and within THG's supply chain. Suppliers must choose the most appropriate channels to communicate THG's Whistleblowing hotline to their employees and ensure that it is clear the hotline should be used solely to report issues related to THG products and services, in line with THG's whistleblowing policy.

4C.4 - Whistleblowers are protected against retaliation.



Appendix - Definitions

The definitions used in this Standard are as follows

Child (and Children)	Means any person less than 15 years of age unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply. If, however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under ILO Convention No. 138, the lower will apply.
Child Labour	Means any work by a Child or Young Person, which does not comply with the provisions of the relevant International Labour Organisation (ILO) standards, and any work that is likely to be hazardous or to interfere with the Child's or Young Person's education, or to be harmful to the Child's or Young Person's health or physical, mental, spiritual, moral or social development.
Five Freedoms of Animal Welfare	1. Freedom from hunger and thirst: by ready access to fresh water and a diet to maintain full health and vigour.2. Freedom from discomfort: by providing an appropriate environment including shelter and a comfortable resting area.3. Freedom from pain, injury, or disease: by prevention through rapid diagnosis and treatment.4. Freedom to express normal behaviour: by providing sufficient space, proper facilities, and company of the animal's own kind.5. Freedom from fear and distress: by ensuring conditions and treatment which avoid mental suffering.
High and Low Risk Countries	These are defined by THG based upon a number of criteria. If a Supplier is unsure what designation has been assigned to the country the Supplier operates in, then the Supplier should email: Sustainability@THG.com

Representative	Suppliers' own suppliers, contractors, subcontractors, recruiting agencies, or labour agents who are involved in THG's supply chain.
Right to Associate	As defined in ILO standards: <i>Freedom of Association and Protection of the Right to Organise Convention (No. 87, 1948)</i> and the <i>Right to Organise and Collective Bargaining Convention (No. 98, 1949)</i> .
Science-based Targets (SBT)	Refers to a public target approved by the Science Based Targets initiative (SBTi) that commits a company to reduce their carbon footprint. A target is "science-based" when it is aligned with the economy-wide emissions reductions required to stabilize global temperatures in the long term, as outlined by the Paris Agreement. In simple terms, SBTs limit a company's total carbon emissions to a budget determined by climate science.
Scope 1 Emissions	Direct emissions from owned or controlled sources.
Scope 2 Emissions	Indirect emissions from the generation of purchased energy.
Scope 3 Emissions	All indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.
Segregated (Palm Oil)	Roundtable on Sustainable Palm Oil (RSPO) Certified Sustainable Palm Oil from different certified sources that is kept separate from ordinary palm oil throughout the supply chain.
Supplier	A company, partnership or individual that provides goods or services to THG and one or more members of the THG group of companies. This includes all providers, vendors, distributors, agents/traders, contractors, and subcontractors of products and services to THG and its subsidiaries.

Tier 1	Supplier receiving payment directly from THG (or its subsidiaries) for the items (via Purchase Order/Invoice).
Young Person	Means any worker over the age of a Child and under the age of 18.