



Responsible Partner Policy

LIPTON
Teas and Infusions

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Our Responsible Partner Policy

Introduction

We believe the more people drink tea, the more we create a world filled with good, so our mission at LIPTON Teas and Infusions is to ensure that there is a tea for everyone. We can only achieve this by creating a sustainable value chain with positive environmental, social, and economic impact that benefits everyone, from the farmers who grow our tea to the consumers who enjoy it.

We are committed to advancing responsible business by embedding transparency and fairness across our value chain, aligned with good global standards and upcoming regulations. We expect everyone we work with to adhere to values and principles consistent with our own.

The LIPTON Teas and Infusions Responsible Partner Policy (RPP) sets out the requirements that all our **Partners** – any individual, business, or organisation that is a **Supplier** of goods or services to us, that supports the distribution, marketing, or sale of our products, or that has some other form of contractual relationship with us – must meet to work with any of the entities that are part of LIPTON Teas and Infusions (hereafter also referred to as the Group). Our RPP is instrumental in ensuring we consistently deliver on our mission while creating value for the millions of people connected to our value chain and minimising our impact on the ecosystems upon which we rely.

Upholding Human Rights and Promoting Ethical Conduct

At LIPTON Teas and Infusions, we seek to honour internationally recognised human rights throughout our value chain. Guided by widely respected global standards and the principles in our RPP, we set clear expectations for ethical conduct and integrity. We implement these commitments through strong sourcing requirements and rigorous **Due Diligence** – a structured process for identifying, assessing, and addressing actual and potential adverse impacts across our supply chain – and expect the same from our Partners.

Caring for the Planet We Depend On

The botanical ingredients for our teas are grown in delicate ecological conditions. That is why environmental considerations are central to everything we do; from how we source our teas, to how they are produced, packaged and distributed. We are committed to supporting environmental stewardship, aligned with areas where we can make the most impact: carbon emissions, deforestation, and waste.

We know we cannot do this alone. Real impact comes through strong, trustful partnerships. Our RPP sets out clear expectations for our Partners, while recognising our own responsibility in driving change. We are working to foster industry-wide collaboration that enables a more sustainable and fair value chain – one that benefits people, communities and the planet.

Scope and Purpose

This RPP outlines the principles and standards that we require all our Partners to meet. We only want to do business with Partners that adhere to these standards, or have a firm commitment backed by a plan to achieving them in the near-term.

Our RPP covers all categories of goods and services procured by the Group, as well as the handling, marketing, and sale of our products. This includes, but is not limited to, botanical ingredients, packaging, third-party manufacturing, logistics, indirect procurement, and downstream commercial activities.

Who does the RPP apply to?

Our RPP applies to all businesses, regardless of their size, number of employees, or market presence. Whether you are a small, family-owned operation or a large multinational, our expectation of responsible practices remains the same.

- All **Tier 1 Suppliers** - those who invoice the Group directly for goods or services.
- **Subcontractors** or **Affiliates** engaged by Tier 1 Suppliers to deliver work on our behalf.
- Suppliers beyond Tier 1 who hold a direct contract with us or are appointed by us to support our value chain, even if they do not invoice us directly.
- **Distributors, Agents, Franchisers, and Importers** who represent or sell our brands in local markets.
- Retailers and digital platforms we work with directly to make our products available to consumers around the world.
- **Charities, NGOs, and Social Enterprises** that receive funding, in-kind support, or product donations from LIPTON Teas and Infusions.

In short, if you are part of delivering, representing, or supporting our brands – directly or indirectly – our standards apply to you. However, the level of governance and follow-up will be tailored to reflect the risk and spend associated with each Partner. For partnerships that are larger-scale or considered **High-Risk**, we will implement more detailed Due Diligence, regular audits, and closer monitoring. For smaller or lower-risk engagements, our approach will be more streamlined, while still ensuring compliance with our sustainability and ethical expectations.

Our RPP applies to everyone connected to a Partner's organisation, including:

- All people working across your organisation, including permanent, temporary, contracted (including agency workers), seasonal, part-time, daily wage, migrant, freelance, home-based, interns, and apprentices (see definitions in the Key Terms & References section).
- All departments, divisions, and operations within your organisation.
- All subsidiaries under your corporate full or partial ownership.
- Subcontracted workers and service providers, including:

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- Subcontractors delivering the services directly invoiced to the Group, including self-employed workers or those working in the gig economy.
- Subcontractors supplying raw materials or goods sourced on behalf of LIPTON Teas and Infusions.

In essence, all individuals and entities connected to your supply chain, whether directly or indirectly involved in producing or delivering goods and services to the Group, are required to adhere to our RPP requirements.

In all cases, we work closely with our Partners to ensure mutual accountability and continuous improvement in how we source, produce, and deliver our products.

Governance and Implementation

Our RPP is governed through a clear, multi-stage system that ensures transparency, accountability, and early risk identification. Implementation follows a defined escalation pathway with cross-functional collaboration and executive oversight. Regular reviews by our Global Code and Policy Committee and continuous input from a dedicated Working Group ensure this policy stays relevant and effective.



Roles and Responsibilities

Implementation of the RPP relies on clear roles and collaboration across our business. The Responsible Partner Review Team conducts initial screenings, reviews Due Diligence findings, and flags potential risks. If an issue arises, the Responsible Partner Policy Committee (including experts in Responsible Sourcing, Legal, and Environmental and Social Impact) reviews the case and recommends action – from continued engagement to a remedial plan.

High-Risk cases are escalated to the executive responsible for Procurement and the General Counsel, who have the final say on whether to approve, continue conditionally, or end the partnership. The Global Code and Policy Committee – composed of senior executives such as the Chief Legal Officer, the Chief Supply Chain Officer, and others – oversees overall policy alignment with the Group’s compliance, ethics, and sourcing goals.

A cross-functional Working Group, including Responsible Sourcing, and Leads of Legal, Environmental, Social Impact, and Partnerships, support ongoing policy improvement, develops tools, and ensures the policy is practical and effective.

Review, Oversight and Continuous Improvement

The RPP undergoes regular reviews to ensure effectiveness and alignment with business needs and industry standards. At least twice a year, or when a case emerges, the Global Code and Policy Committee examines risk data and reports to assess effectiveness and address any systemic issues. An annual review incorporates lessons learned, stakeholder feedback, and changes in standards into policy, tools, and training.

Implementation insights are shared internally and, when suitable, externally to promote transparency and improvement in the wider industry. The cross-functional Working Group ensures the RPP stays practical and adaptive to operational realities, applying preventive and corrective measures consistently.

Due Diligence Systems and Risk-Based Approach

LIPTON Teas and Infusions implement a structured supply chain Due Diligence system rooted in internationally recognised frameworks, such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines. This system enables us to proactively identify, assess, and reduce both actual and potential environmental and human rights risks in our supply chain.

The approach is risk-based, leveraging digital assessment tools to generate dynamic **ESG** risk scores based on geographic, product, and audit data. Risks are reviewed across various areas – such as human rights, environment and health & safety – using self-assessment questionnaires, audits, and incident monitoring.

Partners are categorised by risk level, which determines the required Due Diligence, audit frequency, and follow-up.

By embedding this methodology, LIPTON Teas and Infusions engages with Suppliers where needed most.

Alignment with Internal and External Frameworks

Internal Alignment

Our Code

[Our Code of Business Principles](#) sets the foundation for how we conduct business with integrity, fairness, and transparency. This RPP operationalises those principles throughout our value chain, ensuring that our Partners uphold the same high ethical standards.

Human Rights Policy

Our approach is rooted in the UN Guiding Principles on Business and Human Rights. We embed respect for internationally recognised human rights across our operations and supply chains, emphasising worker earnings, freedom of association, and protection against forced and child labour.

Compliance with Laws

All laws and regulations for the countries where the Partner operates must be complied with and required permits held, as well as for all other applicable international laws and regulations.

Data Protection and Privacy

Personal data is collected, processed, stored, transferred and disposed of in line with applicable laws and with respect for the protection of privacy as a human right.

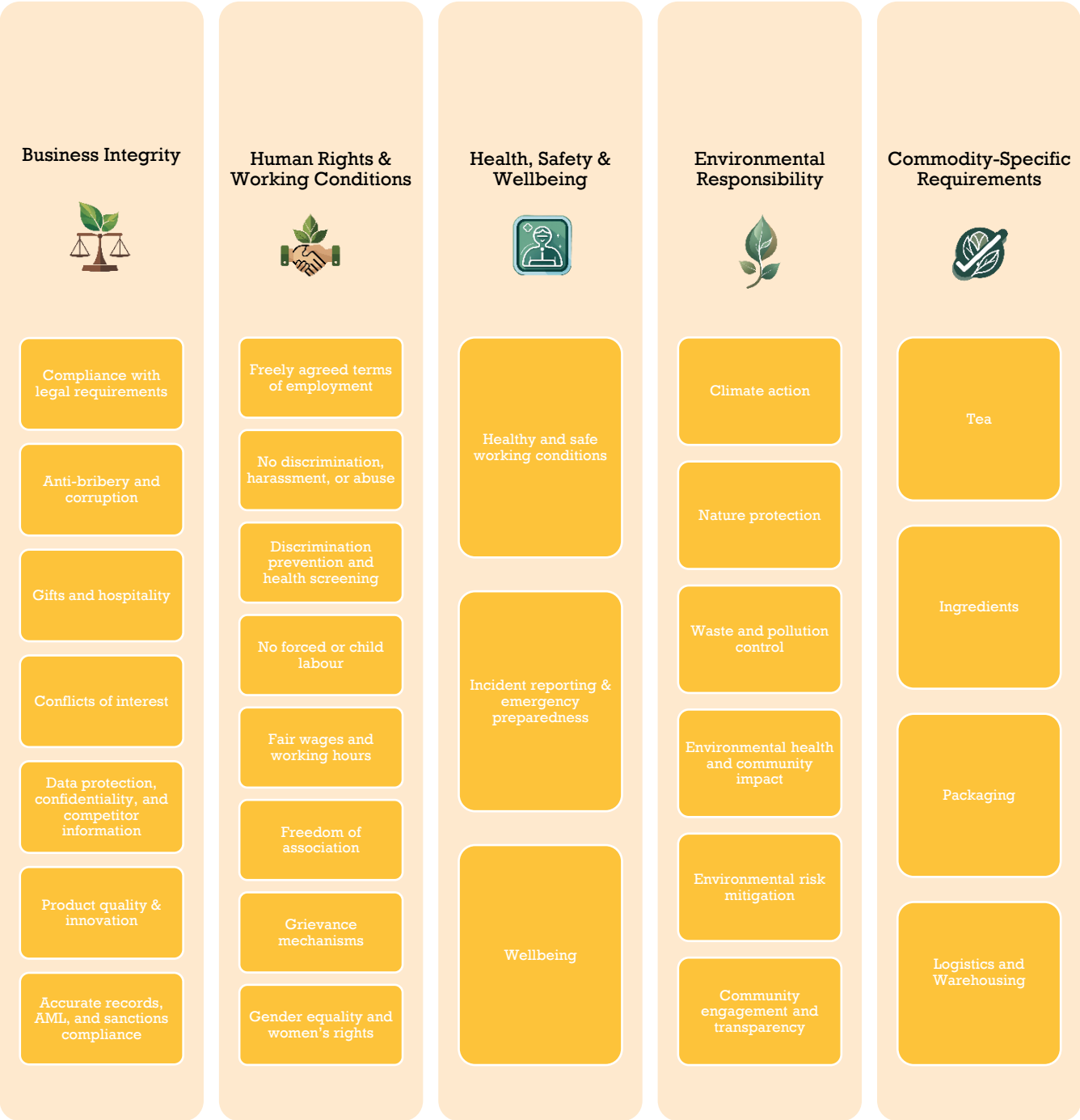
The risk to individuals when using their personal data is always considered and steps are taken to mitigate those risks and restrict the collection or use of personal data to only the purpose it is being collected for.

External Alignment

Our RPP is grounded in leading standards, including the UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, and International Labour Organization Core Conventions. We require Partners to conduct their own Due Diligence, uphold labour rights, prevent adverse impacts, and provide remedy where needed.

We also align with the 10 principles of the UN Global Compact, emphasising human rights, labour, environment, and anti-corruption. To support compliance with the European Union's Corporate Sustainability Reporting Directive (CSRD), Partners must provide accurate data and help ensure transparency across our value chain.

Partner Expectations and Requirements



Business Integrity and Ethics

Legal Compliance

Partners must comply with all applicable laws and regulations in all locations where they conduct business, including those relating to international trade (such as those relating to economic sanctions, export controls and reporting obligations), data protection, anti-money laundering, anti-tax evasion, and anti-competition laws.

Confidential information in the Partner's possession regarding LIPTON Teas and Infusions or any other company should not be used to either engage in or support insider trading.

Anti-bribery and Corruption

Partners must comply with all applicable anti-bribery and anti-corruption laws, including the U.S. Foreign Corrupt Practices Act and all relevant local laws where the Group operates. Partners must refrain from any form of bribery, corruption, extortion, or embezzlement, and must have adequate procedures in place to prevent such practices. Partners must not offer, promise, give (including facilitate payments), demand, or accept bribes or any improper advantage, including excessive gifts and entertainment, to obtain, retain, or influence business.

Gifts and Hospitality

Business entertaining and hospitality involving people representing LIPTON Teas and Infusions must be reasonable, proportionate, and solely for the purpose of maintaining good business relationships – never to improperly influence business decisions. The giving of gifts should be rare, legitimate, and always in line with company standards.

Conflicts of Interest

Partners must avoid any situation or relationship that could create an actual or perceived conflict with the interests of LIPTON Teas and Infusions. All potential or actual conflicts of interest must be declared to LIPTON Teas and Infusions to enable appropriate action. Any ownership or beneficial interest in a Partner's business by a government official, political party representative, or an employee of the Group must be disclosed prior to entering into any business relationship.

Data Protection, Confidentiality and Competitor Information

Partners must protect all confidential information, intellectual property, and know-how provided by and/or owned by LIPTON Teas and Infusions. Such information should only be used for its intended purpose and not shared with third-parties without express written consent.

Partners are required to respect consumer and worker privacy in full compliance with data protection laws.

Only legitimately obtained competitor information may be used, and Partners must not share such information with LIPTON Teas and Infusions.

Product Quality and Innovation

Partners must deliver products and services that meet the specifications, quality, and safety criteria outlined in the relevant contract documents. All products and services must be safe for their intended use. Partners are expected to conduct research and development responsibly, following good clinical practice and generally accepted scientific, technological, and ethical standards.

Accurate Records and Reporting

All business and commercial dealings must be transparently performed and accurately recorded in a timely manner.

Any suspicions of non-compliance to any of the requirements set out in this RPP in relation to transactions with LIPTON Teas and Infusions should be promptly reported to us and effective steps are taken to achieve compliance.

Human Rights & Working Conditions

Freely Agreed Terms of Employment

Partners must ensure that all workers, regardless of the type of employment (see definitions in the Key Terms & References section), are engaged on freely agreed terms that are properly documented and respect all legal and contractual rights.

Employment terms must be clearly communicated to workers in a transparent way and, where needed, in a language they understand. Workers must receive a copy of their terms and conditions before starting work and acknowledge them. Any changes must be agreed upon in writing.

Short-term, casual, or agency workers should be hired as permanent employees if their work is regular and year-round.

Workers are entitled to maternity, paternity, adoption, or parental leave and benefits as required by local law.

No Discrimination, Harassment or Abuse

Partners must ensure that all workers, regardless of the type of employment, are treated with dignity, respect, and fairness. Discrimination in any aspect of employment – including hiring, pay, training, promotion, discipline, or termination – is prohibited.

Discrimination based on race, language, ethnicity, age, role, gender, gender identity, sexual orientation, marital status, pregnancy, parental status, religion, political opinion, origin, social background, caste, indigenous status, disability, social class, union membership, or any legally protected status must be actively prevented.

Partners must not engage in or tolerate physical, sexual, verbal, or psychological abuse, harassment, intimidation, bullying, hate speech, violence, or corporal punishment. Particular care must be given to safeguarding vulnerable workers.

Disciplinary measures must be fair, proportionate, and free of physical or mental punishment.

Any personnel who engage in any type of harassment, abuse, or intimidation must be subject to disciplinary action.

Discrimination Prevention and Health Screening

Engaging in, supporting, or tolerating discrimination is strictly prohibited. LIPTON Teas and Infusions does not tolerate pregnancy testing, other forms of health screening that may result in discrimination, or mandatory contraception use.

Any health tests required by local laws must be conducted in compliance with applicable regulations, and the results must not be used to dismiss workers or subject them to discrimination or unfair treatment.

All workers, regardless of the type of employment, must be treated with dignity and respect, and no form of discrimination based on health status or pregnancy will be tolerated.

No Forced or Child Labour

Partners must not use forced, trafficked, bonded, or prison labour. All work must be voluntary, with workers, regardless of the type of employment, free to leave with reasonable notice. No coercion, slavery, or human trafficking is allowed. Retaining identity documents, restricting movement, or requiring deposits or fees is prohibited.

All workers must meet a minimum age of 15, or the legal/school-leaving age, whichever is highest. Young workers must not do hazardous work or anything that hinders their education. If hired, their rights and conditions must be protected, and records maintained for compliance.

Wages and Working Hours

Partners shall ensure all workers, regardless of the type of employment, receive fair total compensation, including wages, overtime pay, benefits, and paid leave, meeting or exceeding legal minimums or industry standards, whichever is higher.

Legally binding collective bargaining agreements must be followed. Wages are to be paid on time, with deductions only if legally authorised and given with informed consent. Workers must have clear details of their pay and benefits each period via a payslip.

Working hours must be reasonable and comply with national laws. Partners must not require workers to exceed regular or legal overtime hours, and all overtime must be voluntary and properly paid.

Ensuring workers earn a **Living Wage** is central to our [sustainability strategy](#). In regions where minimum wages do not meet basic living costs, Partners should assess if pay enables a decent standard of living. We encourage collaboration and invite Partners interested in advancing their Living Wage actions to contact us.

Freedom of Association

Partners shall recognise and respect the rights of all workers to freely form or join trade unions or other worker organisations, and to engage in collective bargaining. Workers must be free to exercise these rights without fear of intimidation, harassment, or retaliation. Partners shall ensure that workers are not subject to any form of coercion or discrimination in the exercise of their right to join or refrain from joining any organisation.

Workers who are elected as representatives or who participate in union or worker committee activities must be given adequate time, space, and freedom to carry out their duties without retaliation or interference.

Grievance Mechanisms

Partners shall provide workers with clear, accessible, and confidential channels to raise concerns regarding any aspect of their employment or compliance with this policy. These grievance procedures should be transparent, fair, and capable of resolving issues swiftly and impartially. Adequate training on these procedures should be provided.

Retaliatory actions, such as intimidation, threats, physical harm, legal pressure, or measures that negatively affect an individual's economic security, employment, or reputation, are not to be tolerated under any circumstances. These protections extend to Human Rights Defenders, who must be able to carry out their work in a safe and always enabling environment.

Gender Equality and Women's rights

Partners must ensure a safe, inclusive, and non-discriminatory workplace for all, especially women. Pregnancy tests cannot be required for employment, nor can employment be terminated due to pregnancy. Maternity and parental leave must comply with local laws and cannot result in negative consequences.

Tasks must be appropriate for pregnant and nursing workers, with access to suitable seating and rest facilities. Equal pay for equal work is required, and gender equality in hiring, promotion, and training must be promoted. Partners should monitor gender-related metrics to support workplace equity improvements.

Health, Safety & Wellbeing

Healthy and Safe Working Conditions

Partners must ensure a safe and healthy workplace, recognising health and safety as a fundamental right. All relevant local and international laws, including ILO Convention No. 155 and the UN Guiding Principles on Business and Human Rights, must be followed.

Partners are required to identify, assess, and address occupational health and safety risks to prevent accidents, injuries, and physical or mental illness. Preventing overwork, stress, and unsafe conditions is essential.

Specific attention must be given to protecting pregnant and nursing workers, including by adjusting tasks, preventing exposure to hazardous conditions, and ensuring access to appropriate medical support without discrimination.

Incident Reporting and Emergency Preparedness

Partners must maintain clear procedures for incident reporting and response, ensuring all incidents and near misses are documented, investigated, and followed by corrective action.

Emergency plans must cover fires, chemical spills, medical emergencies, and natural disasters, with regular drills, clear signage, and training for staff and visitors.

Appropriate security and cybersecurity measures must protect employees, assets, and information, with workers trained on safety procedures and confidential reporting channels free from retaliation.

Wellbeing

Partners must ensure a safe, respectful, and supportive workplace that advances worker wellbeing. This includes providing free drinking water, clean sanitation, and, where required by local law, additional facilities such as meals, dormitories, rest areas, showers, canteens, first aid, basic healthcare, and nursing rooms. Partners must also foster mental wellbeing by preventing harassment, encouraging open communication, and supporting psychological safety.

Environmental Responsibility

LIPTON Teas and Infusions is committed to reducing our environmental impact and promoting sustainable practices throughout the value chain. As part of our RPP, we expect all Partners to comply with applicable environmental regulations and to actively contribute to climate mitigation, nature protection, waste reduction, and the health of surrounding communities. Where a Supplier is classified as High-Risk, we reserve the right to request their environmental impact assessments or risk mitigation plans.

Climate Action

LIPTON Teas and Infusions is working to reduce greenhouse gas (**GHG**) emissions across the value chain in order to achieve **Net-Zero** by 2040 in line with our Science Based Targets.

All Partners are expected to take steps to reduce GHG emissions in their operations. At a minimum, compliance with local climate-related regulations and reporting requirements is expected.

We recognise that Suppliers vary in capacity and resources. Therefore, we distinguish between a focused group of most impactful Tier 1 Suppliers and others when setting expectations.

Focused group of Tier 1 Suppliers are expected to:

- Measure and monitor their Scope 1 and 2 emissions, and where relevant, Scope 3 emissions in line with the GHG Protocol or equivalent.
- Develop and implement GHG reduction plans, including energy efficiency measures, renewable energy use, and sustainable sourcing practices.
- Share emissions data with LIPTON Teas and Infusions to support value chain foot printing and transparency when requested.

Focused group of Tier 1 Suppliers are encouraged to:

- Set Net-Zero targets in line with the Science Based Targets initiative.
- Identify and assess key climate-related risks and opportunities and take steps to mitigate risks and capture opportunities. Be open to collaboration on climate action in the wider value chain.

Other Suppliers are encouraged to begin measuring Scope 1 and 2 emissions and to explore practical ways to reduce their climate impact through operational improvements. Where feasible, they are also encouraged to share emissions data to support collective action across the supply chain.

Nature Protection

We require all Partners to comply with applicable environmental regulations, including those related to land use, water management, and biodiversity protection.

All Partners are expected to:

- Hold and comply with valid permits for environmental planning regarding water use and effluent discharge.
- Ensure that direct operations do not cause harm to protected areas or biodiversity hotspots.
- Ensure that raw materials, where in scope (e.g. tea, botanicals, packaging materials), are sourced from areas verified as free from deforestation and ecosystem conversion, based on recognised methodologies.
- Manage water responsibly, taking steps to minimise water withdrawals, improve water use efficiency, and prevent water pollution in water-stressed regions.

We encourage further leadership in environmental stewardship, including the implementation of regenerative practices, enhance ecosystem protection within their operations, and engage in collaborative landscape-level efforts aligned with our climate and nature goals.

Waste and Pollution Control

Partners must comply with regulations on waste, emissions, effluent discharge, and chemical use, minimising impacts on the environment and communities. Material selection and disposal should avoid banned substances and reduce harm, with impact evidence provided to LIPTON Teas and Infusions upon request. Progress towards zero waste to landfill is encouraged.

Partners should follow the waste hierarchy, prioritising reduction, reuse, recycling, and recovery (including composting), as well as avoid contaminating recycling streams and unnecessary materials such as excessive packaging or single-use plastics.

Packaging and materials must protect both product and environment. Partners should treat waste as a resource, embracing circularity, material reduction, and responsible disposal throughout operations.

Environmental Health and Community Impact

LIPTON Teas and Infusions recognises that the environment and wellbeing of communities are deeply linked. We expect our Partners to adopt practices that minimise environmental risks to surrounding populations and promote long-term environmental and social resilience.

Protecting Communities from Environmental Harm

Partners must prevent harm to community health and ecosystems by avoiding the release of hazardous substances and ensuring the responsible management of waste, water, natural resources, and agrochemical use and disposal.

Environmental Risk Mitigation

Partners should assess and address environmental risks such as excess water withdrawal or water contamination, air pollution and dust, soil degradation, and noise or visual impacts, and implement appropriate mitigation measures (e.g. buffer zones, containment, infrastructure upgrades).

Community Engagement and Transparency

Partners are expected to engage constructively with local communities by sharing environmental information, responding to concerns, and maintaining grievance mechanisms for environmental complaints.

Free, Prior and Informed Consent (FPIC)

Partners are expected to respect the rights of Indigenous peoples and local communities to give or withhold Free, Prior and Informed Consent before any activity that significantly changes their land, resources, or livelihoods. This must be done through inclusive, transparent dialogue and documented in a culturally appropriate and timely manner.

This aligns with the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) and relevant ILO standards, including Convention No. 169.

Respect for Customary and Indigenous Land Rights

Partners are expected to recognise and respect customary land use and Indigenous rights, including traditional knowledge and access to natural resources. Activities must not infringe on these rights, and any engagement must be based on mutual respect, equity, and legal recognition where applicable.

Category specific requirements

This chapter sets out additional expectations for Suppliers of specific goods and services to LIPTON Teas and Infusions. These requirements reflect the risks, sourcing contexts, and sustainability priorities associated with each category.

Continuous Improvement

We recognise that industry practices, stakeholder expectations, and regulatory standards continue to evolve. As such, we remain open to adapting our sustainability verification requirements to reflect new developments, innovations, and learnings. Our approach is designed to be flexible and responsive, allowing us to align with credible frameworks and reduce duplication while supporting continuous improvement across key areas such as human rights, environmental management, and product quality.

Third-Party Manufacturers

We value our third-party manufacturers and expect them to ensure full alignment with the requirements outlined in this document, not only within their own operations but also across their entire supply chain, including their Suppliers and Subcontractors. Adherence to these standards is essential, and additional Due Diligence - such as third-party audits - may be required in high-risk contexts to verify compliance at every level.

Contaminants Management

We have contaminant monitoring and mitigation protocols in place across our supply chain and ask all Suppliers to comply with relevant legislation in both the country of origin and the country of destination. Where multiple standards apply, the strictest relevant limit will be used. We strongly encourage the adoption of Integrated Pest Management (IPM) practices to reduce reliance on chemical inputs. Suppliers interested in advancing their approach to contaminant management are welcome to reach out for guidance or partnership opportunities.

Tea (*Camellia sinensis*)

Our Commitment to Responsible Sourcing

We are committed to sourcing all our tea responsibly, ensuring respect for human rights, environmental stewardship, and supply chain integrity. Through partnerships, reinvestment initiatives and industry collaborations, we aim to elevate standards across the sector.

Preferred Certifications

Third-party certifications provide a useful starting point for Due Diligence but do not replace our broader expectations. Certification does not exempt Suppliers from meeting our full human rights, environmental, and ethical standards.

We reserve the right to conduct independent assessments of any Supplier at our discretion.

Accepted certifications for tea Suppliers include:

Certification Standard	Latest Standard Update	Website	Logo
Rainforest Alliance Sustainable Agriculture Standard	2020 (v1.4, effective October 2025)	www.rainforest-alliance.org	
Fairtrade Standard for Hired Labour & Small Producer Organizations	2023	www.fairtrade.net	
EU Organic Regulation (Regulation (EU) 2018/848)	2022	ec.europa.eu	
USDA National Organic Program	2023 (NOP Handbook Update)	www.ams.usda.gov	

Traceability Requirements

All tea Suppliers must maintain traceability to at least the factory level, with traceability to farm or cooperative level available upon request, and any changes in sourcing must be promptly disclosed.

Other Ingredients

Our Commitment to Responsible Sourcing

We are committed to sourcing fruit, herbal, and flavour ingredients in a way that supports ecosystems, livelihoods, and long-term supply chain resilience. This includes placing value on ethical wild collection, respect for traditional knowledge, and equitable benefit-sharing practices. We work with Suppliers to drive continuous improvement and maintain the highest standards across sourcing origins and ingredient types.

Preferred Certifications

Third-party certifications are required but not considered sufficient on their own. They provide a useful starting point for Due Diligence but do not replace our broader expectations. Certification does not exempt Suppliers from meeting our full human rights, environmental, and ethical standards.

We reserve the right to conduct independent assessments of any Supplier at our discretion.

Accepted certifications for all our ingredients include:

Certification Name	Latest Standard Update	Website	Logo
MaBa Grown		www.martin-bauer.com	
UEBT	2021	www.uebt.org	
Fair for Life	2022 (v2022.1)	www.fairforlife.org	
FairWild	2010	www.fairwild.org	
Organic (EU / USDA)	2022 / 2023	ec.europa.eu / www.ams.usda.gov	

Traceability Requirements

Partners must ensure traceability of ingredients to the source of cultivation or collection, including clear identification of wild-harvested origins and associated community groups.

Partners must maintain full traceability of all product batches delivered, including records of materials used. Sealed and labelled representative samples from each batch must be stored under suitable conditions for at least six months beyond the product’s expiry date or one year after delivery, whichever is later. All records and analytical data related to these samples must be retained. Upon first request, Partners are required to provide this information to LIPTON Teas and Infusions following applicable legal obligations.

Packaging

This section provides a summary of the LIPTON Teas and Infusions Packaging Policy, outlining our current commitments and expectations across all brands.

Our Commitment to Packaging

We aim to create a movement around circular, positive-impact packaging by embedding sustainability into every packaging decision. Our approach follows an end-to-end perspective during design and development, ensuring that packaging is not only fit for purpose but also contributes to the reduction of waste across our value chain.

We are accelerating sustainable practices by treating material waste as a resource and supporting recycling and composting infrastructure. Our packaging teams drive this change, guided by robust governance, and we foster innovation through new materials and circular business models with Partners.

Accepted certifications for packaging:

Certification Name	Latest Standard Update	Website	Logo
FSC® (Forest Stewardship Council)	FSC V5 Forest Stewardship Standards validity - June 25, 2025	https://fsc.org/	
PEFC™ (Programme for the Endorsement of Forest Certification)	14 November 2018	https://pefc.org/	

Our Principles

We base our packaging choices on principles that ensure environmental integrity and functionality. All packaging must be safe, efficient, right sized, and suitable for its purpose while minimising material use. We also factor in logistics and distribution needs to maintain both sustainability and operational practicality.

Prohibited Materials

We prohibit the use of polystyrene, PVC, PVDC, and mixed-material polyolefins in packaging due to recyclability and toxicity concerns; these are banned from 2030. PLA is only allowed for tea bags, where composting solutions exist. PLA in other packaging will be considered case-by-case, depending on recycling and composting infrastructure maturity.

Golden Rules

All packaging projects must prioritise recyclable materials, with exceptions needing approval from the Research & Innovation Packaging Director. New tea bag specifications must be plant-based. Primary packaging must be PEFC or FSC certified, FCMA compliant, chlorine-free, BPA and PFAS Non-Intent, and guarantee food-safe material migration.

Logistics and Warehousing

In line with the LIPTON Teas and Infusions Sustainable Logistics Policy, we encourage all logistics Partners to take active steps toward more sustainable logistics operations.

To improve transparency and identify emissions hotspots across our logistics supply chain, we strongly encourage Partners to collect and share fuel consumption data from their warehousing and transportation activities. Where feasible, this should include a breakdown of fuel and energy use by type (e.g., diesel, natural gas, electricity). Even partial or high-level data is appreciated, as it contributes to a better understanding of Scope 1 and 2 emissions and supports more targeted reduction efforts.

Additionally, we promote practical measures to reduce the environmental footprint of logistics operations. These include the use of alternative fuels, route optimisation

to reduce empty mileage, energy-efficient warehousing solutions, and improved packaging and load efficiency. These actions reflect our shared ambition to strengthen logistics systems that contribute to both operational excellence and long-term sustainability.

Other Goods and Services

All other goods and services not specifically mentioned in this section are expected to meet the general requirements outlined in the earlier chapters of this policy, with no additional criteria at this time.

Verification and Continuous Improvement

Assessments, Audits and Monitoring

LIPTON Teas and Infusions actively uses a digital risk assessment platform to evaluate and categorise Partners according to ESG risk levels.

- Based on this categorisation, relevant Partners are required to complete a Self-Assessment Questionnaire (SAQ) covering ESG topics.
- High-Risk Partners may be subject to third-party on-site audits using a standardised ESG methodology.
- A media screening tool also monitors public sources for potential ESG violations and updates each Partner's risk profile.

By combining risk prioritisation with layered oversight, this approach ensures ongoing visibility and effective, proportionate follow-up.

LIPTON Teas and Infusions reserves the right to request documented proof of compliance with this policy from any Partner at any time, regardless of risk category.

Corrective and Preventive Action Plans (CAPAs)

When non-compliances or risks are identified, via audits, SAQs, or media screening, LIPTON Teas and Infusions may require Partners to implement a structured **Corrective and Preventive Action Plan** (CAPA) to address the issue in a timely and effective manner.

- CAPAs must outline the issue, corrective and preventive actions, timelines, responsible persons, and supporting evidence.
- Serious or repeated issues may trigger further oversight, including third-party verification, training, or follow-up audits.

CAPA progress is monitored and feeds into the Partner's ESG risk profile. Both ongoing and material non-compliances may lead to restricted business or removal from the approved Partner list. While an action plan is typically requested as a first step, LIPTON Teas and Infusions reserves the right to immediately suspend or discontinue business in case of severe violations.

Capacity Building and Support

LIPTON Teas and Infusions recognises that responsible sourcing is a continuous journey that may require targeted support. To enable improvement where needed, selected Partners may be asked to develop an improvement plan. This plan outlines specific corrective and/or preventive actions to address identified non-compliances or performance gaps and may include additional measures such as training or process enhancements.

As part of this, Partners may be encouraged or required to participate in capacity-building activities. These are offered selectively, based on the Partner's risk level,

assessment results, and identified support needs, and include access to an online platform with:

- ESG training modules (e.g. child labour, fair wages, safe working conditions, environment)
- Guidance on assessments, audits, and corrective actions

Through this support, LIPTON Teas and Infusions aims to strengthen Partner capabilities and drive long-term compliance with responsible sourcing standards.

Reporting Breaches and Whistleblower Protection

Any failure to meet the requirements of our RPP must be reported to LIPTON Teas and Infusions as soon as possible. If such issues are not brought to our attention and resolved within an agreed timeframe, this will be considered a breach of our RPP.

We strongly support a culture of speaking up for both Partners and their workers without fear of retaliation against those who report actual or suspected breaches.

Partners and their workers, communities and other stakeholders may report actual or suspected breaches of our RPP (including any failure by a LIPTON Teas and Infusions worker or anyone acting on behalf of LIPTON Teas and Infusions) to LIPTON Teas and Infusions by phone or online. Reports can be submitted confidentially and anonymously (where permitted by law) at: [Voice your concerns. Anonymously. Quickly. Easily.](#)

LIPTON Teas and Infusions will investigate any concern raised and discuss findings with the Partner. The Partner shall assist with any such investigation and provide access to any information reasonably requested.

There is zero tolerance for retaliation, and all whistleblowers are protected. Any attempted or actual retaliatory action by any LIPTON Teas and Infusions employee will be considered to be a breach of *Our Code* and thus the employee/s involved in such activities will be subject to sanctions.

If remediation is required, the Partner will create and inform LIPTON Teas and Infusions of their corrective action and implementation plans and timeline to effectively and promptly resolve the breach.

Key Terms & References

Key Terms

Affiliates

Entities that are part of a Tier 1 Supplier's broader corporate group and are involved in fulfilling LIPTON Teas and Infusions contracts, even if not directly contracted.

Partner

Any individual, business, or organisation that supplies goods or services to LIPTON Teas and Infusions or supports the distribution, marketing, or sale of its products, or that has some other form of contractual relationship with us.

Charities, NGOs, and Social Enterprises

Organisations receiving funding, product donations, or in-kind support from LIPTON Teas and Infusions.

Corrective and Preventive Action Plan (CAPA)

A documented plan submitted by a Partner to address non-compliances, including root cause analysis, mitigation steps, responsible parties, and deadlines.

Distributors / Agents / Franchisers / Importers

Third-parties authorised to sell, represent, or bring LIPTON Teas and Infusions products to market in specific regions. These parties are expected to uphold the same responsible sourcing standards.

Due Diligence

A structured process for identifying, assessing, and addressing actual and potential adverse impacts on human rights, environmental conditions, and business ethics across the supply chain.

ESG (Environmental, Social, and Governance)

A framework used to assess business' sustainability and ethical practices across key areas.

GHG (Greenhouse Gases)

Gases that trap heat in the atmosphere and contribute to climate change. Includes CO₂, CH₄, N₂O, and others. Reducing GHG emissions is central to climate action.

High-Risk

A Partner flagged due to location, industry, or past performance as having an elevated risk of environmental, human rights, or governance violations.

Human Rights Defender

An individual or group working peacefully to promote or protect human rights. LIPTON Teas and Infusions commits to protecting these individuals from retaliation or harm.

Living Wage

Remuneration sufficient to afford a decent standard of living, including food, housing, healthcare, education, and some discretionary income.

Net-Zero

A state in which the greenhouse gas emissions produced are balanced by those removed from the atmosphere.

Red Flag

Any signal or indicator suggesting potential ESG non-compliance, triggering further review or escalation.

Subcontractors

Individuals or entities hired by Tier 1 (or other) Suppliers to perform work or deliver services on behalf of LIPTON Teas and Infusions.

Tier 1 Supplier

A Supplier that directly invoices LIPTON Teas and Infusions for goods or services. These are the Partners with whom LIPTON has a direct commercial relationship.

Types of employment:

- **Permanent:** Workers employed on an ongoing basis with no fixed end date to their contract.
- **Temporary:** Workers hired for a specific period or project, often with a defined end date. They may have limited access to benefits depending on local legislation.
- **Contracted (including agency workers):** Workers employed through a third party or agency rather than directly by the company. Responsibilities for pay, benefits, and working conditions may be shared between the agency and the host company.
- **Seasonal:** Workers employed during peak seasons or harvest periods when labour demand increases. Their employment is tied to specific times of the year.
- **Part-time:** Workers whose scheduled hours are less than those of full-time employees. They may receive proportionate benefits based on their working hours.
- **Daily wage:** Workers paid daily, often without long-term employment guarantees. Work may be irregular or dependent on daily labor needs.

- **Migrant:** Workers who relocate from one region or country to another for employment. They may be more vulnerable to exploitation and often face additional legal or language barriers.
- **Freelance:** Independent workers who offer services on a project or task basis, without an employment contract. They are typically responsible for their own taxes and insurance.
- **Home-based:** Workers who perform their tasks from home rather than a centralised workplace.
- **Interns:** Individuals, often students or recent graduates, who work for a limited time to gain practical experience. Internships may be paid or unpaid, depending on local laws.
- **Apprentices:** Individuals enrolled in formal training programs that combine on-the-job learning with classroom instruction, usually in skilled trades or technical roles.
- **Young workers:** A young worker is defined as any worker above the minimum legal working age and below the age of 18, who is legally permitted to work under national laws and international conventions, but who may still require specific protection due to their age and vulnerability.
- **Vulnerable workers:** Individuals or groups who are vulnerable or marginalised – including, but not limited to, women, LGBTQIA+ individuals, children, persons with disabilities, ethnic minorities, refugees, migrant workers, and indigenous peoples.

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Policy Number	POL_RPP01
Policy Ratified on:	Nov 2025
Policy Ratified by:	Mark Busain, CEO
Policy next review:	Nov 2027
Version:	Responsible Partner Policy V1.0 2025