

GRUPOCORTEFIEL

CORTEFIEL



SPRINGFIELD

women'ssecret

CORTEFIEL GROUP CODE OF CONDUCT

LEVEL OF CONFIDENTIALITY

PUBLIC

INTERNAL USE

RESTRICTED

CONFIDENTIAL

Contents

1	Purpose.....	5
2	Mission, vision and values	6
3	Scope.....	7
4	General standards of professional conduct	8
4.1	Compliance with the law	8
4.2	Commitment to human and labour rights	9
4.3	Integrity.....	10
5	Standards of behaviour	11
5.1	Respect for each other	11
5.2	Leadership and team work.....	12
5.3	Culture of continuous learning and improvement	12
5.4	Health and safety of persons.....	13
5.5	Behaviour in the market and respect for free competition	13
5.6	Conflicts of interest	14
5.7	Political neutrality	15
5.8	Money laundering and illegal payments	15
5.9	Falsification of means of payment.....	17
5.10	Corporate image and reputation.....	18
5.11	Respect for the environment	18
5.12	Transparency and record-keeping.....	19
5.13	Use of assets and resources.....	20
5.14	Privacy of information.....	22
5.15	Bribery and corruption.....	23
6	The Group environment.....	25
6.1	Relations with customers	25
6.2	Relations with suppliers.....	25
7	External Code of Conduct	27
8	Administration of the Code of Conduct	29
8.1	Ethics Committee	29
8.2	Disciplinary system	29
8.3	Acceptance	30
9	Resources.....	30
10	Glossary and definitions	30

What you need to know about the Cortefiel Group Code of Conduct

What is our Code of Conduct?

Our Code of Conduct is a document which summarises the various policies and practices applied in the Cortefiel Group relating to the behaviour of people and the company.

The Code of Conduct establishes standards of responsible behaviour which must be maintained by all Cortefiel Group employees.

The Code of Conduct is designed to help people to behave in the expected manner.

Why is the Code of Conduct important?

The Code of Conduct is a key component of our internal control policy to ensure that we have appropriate mechanisms to support employees in carrying out their duties and in carrying on business activities on behalf of the Cortefiel Group.

It contains the ethical values, commitments and good practices which must be applied in the management of the business.

We must ensure that our activity is conducted with the utmost integrity.

Who must observe our Code of Conduct?

We are all responsible for observing these rules as an essential component of our business model.

The Code concerns all Cortefiel Group employees, irrespective of their function, location or level of seniority and covers all businesses operating under a different trade name.

In addition, all suppliers, subcontractors or franchisees must also work in accordance with the standards and behaviours set out in the External Code of Conduct when they carry on business activities in our name.

What can I do if I have a question or a worry?

The Code of Conduct cannot describe all the situations that might arise. There are various ways of seeking help and advice, such as: asking your immediate superior, the Internal Audit, Legal or Human Resources Department who will undertake to resolve your worries or refer the information to the Ethics Committee which is the organisation's competent organ in this area.

If you are worried about the decisions you have to take in a given situation, you can help yourself by asking yourself:

- Is it legal?
- Is it ethical?
- Is it in line with the Code of Conduct?
- Am I setting a good example?
- Will I be comfortable explaining my actions to my superiors, colleagues, family and friends?
- Will I or the Cortefiel Group feel comfortable if others learn about my actions through the media?
- Have I consulted with my colleagues who are familiar with the matter so that they can help me to take a justified decision?
- Are my actions aimed at improving the Group or the collective project?
- Could it be interpreted that it was driven by my personal benefit?

If you have concerns about measures adopted by a colleague, it may be that you can resolve the situation simply by talking with that person. Otherwise, you should share your concerns with your immediate superior

How will my concerns be investigated?

If, honestly and in good faith, you report behaviour contrary to the Code of Conduct, you will have the Company's support.

All investigations initiated will be pursued, in accordance with the Code of Conduct, local legal requirements and the employee's human and labour rights.

Anyone who has good reason to suspect that there has been a breach of the law or an infringement of our Code of Conduct must share his concern.

1 Purpose

The purpose of the Code of Conduct is to establish the values which must guide behaviour in the Cortefiel Group, establishing shared rules for action which are accepted and respected by all employees.

This Code is intended to guide relations between employees of the Group and between them and its other stakeholders, reflecting in their behaviour the Mission, Vision and Values of the Cortefiel Group.

2 Mission, vision and values

Mission

To be a leading international group of chains specialising in fashion, geared to satisfying our customers' needs, developing our staff and contributing to the development of society.

Vision

To offer the best fashions consistent with our customers' lifestyles, through differentiation and greater diversity of products with total international expansion.

Values

1. We are passionate about fashion, our brands and our products. This passion for our business and the pursuit of constant improvement in delivery is reflected in everything that each of the people working in our company does.
2. Our success comes from the people who make up our teams. The personal and professional development of each of them is what allows the sustainable growth of our business.
3. Our customers are the most important for us, and everyone who works in the Cortefiel Group focuses their day-to-day work on knowing and satisfying their current and anticipating their future needs.
4. We believe in the culture of respect and responsibility: treating each other with respect and trust is the cornerstone of our values. Respect also describes our attitude to our partners and suppliers, the environment and the communities around us.
5. The diversity of our teams reflects the diversity of our markets and customers. We are convinced that this plurality helps us to better understand the business and to consolidate our international development in the long term.

3 Scope

This Code of Conduct applies to all directors, managers and employees of the Cortefiel Group companies, irrespective of the contractual arrangement governing their employment or commercial relationship, position held or geographical area in which they carry out their work.

If necessary, Cortefiel Group employees can obtain help through their hierarchical superior and the other channels established for the dissemination, knowledge and observance of this Code of Conduct described in Section 8 “Administration of the Code of Conduct”.

The Cortefiel Group will provide employees with the necessary means to observe and ensure respect for the rules of behaviour contained in this Code of Conduct.

4 General standards of professional conduct

4.1 Compliance with the law

We conduct ourselves in an honest, fair and legal manner with all those with whom we have business relations

Group staff will comply strictly with the applicable law in the place where they carry on their activity, respecting the spirit, purpose and letter of the law. They will respect in full the commitments and obligations assumed by the Cortefiel Group in their contractual relations with third parties, and customs and good practice in the countries where they carry on their activity.

Managers must be especially aware of the laws and regulations which affect their respective areas of activity. In addition, they must ensure that their staff are given information and training which allows them to understand and fulfil the legal obligations applicable to their function.

We must ensure that we only carry on activities with companies and persons of good repute.

We must:

- Ensure the validity and force of legally binding written contracts covering all relations with customers, suppliers and other third parties.
- Ensure that our suppliers share our standards of integrity and that they are aware of the relevant parts of our Code of Conduct.

We must not:

- Initiate or continue to carry on commercial activities with third parties who are considered to be involved, intentionally or negligently, in illegal activities.

4.2 Commitment to human and labour rights

We must promote and protect human rights and ensure that we do not, directly or indirectly, contribute to any violation of those rights

The Group declares that it is committed to and bound by the human and labour rights recognised in national and international legislation and with the principles which are the basis of the Universal Declaration of Human Rights, the International Labour Organization (ILO) and the United Nations Global Compact.

The Group establishes the means to ensure compliance with the provisions of the International Labour Organization, especially those related to child labour, and does not allow practices that contravene these and other ILO principles, either in its companies or those that work with the Group. In addition, the Group declares that it totally rejects forced or compulsory labour and undertakes to respect freedom of association and collective bargaining.

We must:

- Support, guide and work with our stakeholders in order to help in initiatives aimed at eradicating violations of human rights.
- Work with our suppliers to promote the application of the principles set out in our Suppliers' Code of Conduct.
- Act with the utmost diligence and planning possible and reasonable in our orders to suppliers according to their capacity, avoiding indirectly being the cause of degrading their employees' conditions of work.

We must not

- Allow child labour in any of the countries where we carry on our activity.
- Allow any discrimination which infringes the right of an employee to participate freely in the culture of his community.
- Permit or make any distinction against any employee based on the political, religious or legal situation in the country or territory to which he belongs.

4.3 Integrity

We are committed to creating a work environment which promotes integrity, team work, diversity and trust

All employees must engage in wholly professional conduct in all their actions and avoid any conduct which, even if not in breach of the law, might harm the Group's reputation and adversely affect its interests and its public image.

Professionalism is working with diligence, responsibility, efficiency and focus on excellence, quality and innovation.

Integrity is acting honestly, honourably, in good faith and objectively in line with the Group's interests.

5 Standards of behaviour

All persons in the Cortefiel Group must act in accordance with the principles of behaviour set out below

5.1 Respect for each other

We must help to make our workplace fair, respectful and free of any type of harassment or discrimination

The management of human resources and relations between employees always begins with scrupulous respect for people's dignity, and is based on the principles of trust and mutual respect.

The Group expressly prohibits abuse of authority and any type of harassment, whether physical, psychological or sexual, bullying or any other conduct which might give rise to an intimidating, offensive or hostile work environment for people.

All employees must treat each other with respect, professionalism and courtesy, to foster a pleasant, rewarding and safer work environment which encourages people to give their best. Likewise, relations between Cortefiel Group employees and those of partner companies will be based on the above criteria, in mutual professional respect and collaboration.

We must

- Treat all colleagues in a fair and equal manner to achieve the requirements and needs of their work.
- Show respect for cultures which may differ from ours.
- Adapt reasonably to the beliefs or customs of others.
- Recruit, develop and promote, irrespective of age, race, origin, gender, sexual orientation, disability, political opinion, religion, marital status or any other legally protected status.

We must not

- Allow any discriminatory factor to influence our decisions, whether directly or indirectly, with respect to a person's recruitment, remuneration or professional development.
- Participate in any type of harassment or abuse, or any behaviour which might be considered offensive, intimidating, malicious or insulting.
- Accept or participate in behaviour which creates a hostile work environment.

5.2 Leadership and team work

It is the responsibility of Cortefiel Group leaders to stimulate their teams and keep them motivated, taking upon themselves prime responsibility for compliance with internal rules of conduct by their colleagues.

We must

- Transmit the Cortefiel Group values to our teams and behave in accordance with them in our day-to-day work.
- Motivate our colleagues and foster their career development.
- Accept the professional responsibilities arising from our work or that of the members of our teams.
- Base professional relations on mutual respect, fairness, support and trust.

We must not

- Unjustifiably and arbitrarily criticise the company in front of our colleagues.

5.3 Culture of continuous learning and improvement

Our desire for continuous improvement drives us to foster the capacity to listen and consider the opinions of others, maintaining a receptive attitude.

We must

- Create an atmosphere of freedom which allows the expression of different opinions.
- Learn from the decisions of others and analyse the different ways of doing things to grow and not get stuck in the past.
- Not to limit ourselves and be able to take reasonable risks which can promote the success of the company.
- To be demanding of each other but always with respect for the circumstances of others.

We must not

- Prevent or limit the professional and personal growth of our colleagues.

5.4 Health and safety of persons

The Cortefiel Group assigns the necessary resources to provide its employees with a safe and healthy work environment.

Likewise, the Cortefiel Group also promotes and fosters the adoption of advanced practices in the field of health and safety in its suppliers, contractors and partner companies in general.

We must

- Understand dangers and preventive measures in our activities.
- Correctly use the necessary safety and protective measures.
- Report risks identified which could affect our own safety or that of others (whether employees, customers or partners).
- Respect legislation concerning tobacco in the workplace.

We must not

- Neglect our own safety or that of others (whether employees, customers or partners).
- Work under the influence of drugs or alcohol, as that might mean risks to safety.

5.5 Behaviour in the market and respect for free competition

All Cortefiel Group employees are committed to free competition and compliance with the relevant laws established in the different countries where activities are carried on, avoiding any act which might constitute abuse of unlawful restriction of competition. In addition, they will refrain from any misleading advertising of the company's activity.

We must

- Understand what type of competitive information we may collect and how we may use it.
- Ensure that our own competitive information is not, directly or indirectly, disclosed to competitors.

We must not

- Fix, or indicate, whether directly or indirectly, an intention to agree prices, discounts or other commercial business terms with competitors, including setting minimum or maximum prices, stabilising, altering or coordinating prices.
- Agree a boycott of a third party with competitors.
- Analyse or exchange sensitive financial or commercial information with competitors, including information about customers and products.
- Recruit employees from the competition in order to obtain confidential information or information of commercial significance.
- Adopt methods to obtain information which may be considered inappropriate or illegal.
- Copy, plagiarise or use designs or inventions of third parties, other than mere inspiration from trends.
- Copy or use patented or registered products without the relevant authorisation of their owners.

5.6 Conflicts of interest

Conflict of interest means any situation in which the employee makes use of his position or personal relations in such a way that his necessary professionalism is compromised, and which may give rise to personal benefit or benefits for his own company.

Employing or establishing professional relations with family members must be avoided wherever this might affect professional objectivity, and in any case it must be brought to the attention of his immediate superior. Any doubt in this respect must be referred to the Ethics Committee which will assess whether or not there is a conflict.

It is not permitted to establish relations with customers/suppliers which might cast doubt on professional independence and objectivity, or display attitudes which imply abuse of authority to harm or benefit a third party related to the business.

We must

- Avoid situations in which our personal interest or that of related parties could conflict with the interests of the Company.
- Base the criteria for selection of suppliers on quality, price and service.

We must not

- Use our position in the company for personal benefit or the benefit of related parties.
- Offer favourable treatment to certain suppliers or take purchase decisions based on personal interests.
- Enter into contracts without analysing several bids and alternatives to allow us to ensure the integrity of our decisions.

5.7 Political neutrality

The Cortefiel Group operates a business model which does not interfere or participate in the political processes of those countries and communities in which it carries on its activities.

Any relationship between the Cortefiel Group and governments, authorities, institutions and political parties will be based on principles of legality and political neutrality.

The Cortefiel Group recognises the right of its employees to exercise their freedom of expression, political views and, in general, to participate in public life, provided that it does not interfere in the company's activities, is conducted outside working time and outside any Cortefiel Group premises, and always in a such way that their participation could not lead an outside observer to associate the Cortefiel Group with one political choice or another.

We must not

- Represent or say that we are acting in the name of the Cortefiel Group in any political activity in which we are engaged as individuals.
- Directly or indirectly finance the activities of any political party.

5.8 Money laundering and illegal payments

Cortefiel Group employees must pay special attention to those cases where there might be signs of lack of integrity of the persons or entities with which the company maintains relations.

While payments in cash are accepted and usual in Cortefiel shops, employees must pay special attention to:

- Payments in cash which are unusual given the nature and amount of the transaction.
- Payments by bearer cheque.
- Payments made in currencies other than previously agreed or legal tender in the country in which the transaction is made and the amount greater than usual in the shop and/or country.

They must also remain constantly alert to payments made to or by third parties not mentioned in the corresponding contracts, and those made to accounts other than the usual ones in relations with a given entity, company or person.

Attention must be paid to payments made to persons, companies, entities or accounts opened in tax havens and payments made to entities in which it is not possible to identify the shareholder, owner or final beneficiary.

Extraordinary payments not contemplated in the corresponding agreements or contracts must be reviewed with special attention.

We must:

- Take great care in all circumstances which might suggest the existence of inappropriate financial transactions. Examples of such activities are:
 - A customer who wants to pay in large amounts of cash.
 - A supplier who wants to receive payment in a bank account in a country other than his country of residence or corporate domicile.
 - Notifying payments in cash over 2,500 euros or fractions which exceed this figure in total.
- Only accept payments from third parties with whom we have regular business relations and with whom we have carried out a full and appropriate due diligence and verification process (including financial checks).
- Immediately report any concern or suspicion that suggest that a customer or supplier is involved or may be involved in illegal business activities.

We must not:

- Accept cash, cheques, promissory notes or other means of payment which we suspect are or could be the proceeds of a criminal activity.
- Intentionally or negligently ignore reasonable suspicions that indicate the existence of inappropriate financial transactions.

5.9 Falsification of means of payment

While payment by credit or debit card is accepted and usual in Cortefiel Group shops and its online sales outlets, employees must pay special attention in cases where there may be signs of falsification, alteration, copying or improper reproduction of credit or debit cards or travellers' cheques. Current technology allows the use of shops and online outlets as platforms for this type of fraud, and it is important to establish the necessary precautions to prevent Group employees becoming involved.

In addition, employees must at all times respect the integrity of the content of the data relating to means of payment, and are in any case prohibited from storing or distributing credit or debit card data by any means, whether or not they are included in sales archives for Cortefiel Group products, which may only be kept by authorised persons.

We must

- Take special care and follow the verification procedures established for payments by credit or debit card.
- Pay attention to the elements of authentication incorporated in cards and other means of payment, in order to detect possible falsification.
- Inform the shop manager of detection of falsification of credit or debit cards, and the existence of suspicious activities relating to means of payment accepted in the shops.

We must not

- Accept credit or debit cards, cheques or other means of payment which we suspect are, or could be, the proceeds of a criminal activity.
- Intentionally or negligently ignore reasonable suspicions that indicate the existence of falsification of cards and fail to follow the procedure established for such cases.
- Transmit or distribute credit card data by any physical or electronic means, especially by email.

5.10 Corporate image and reputation

One of the basic elements of the image and reputation of the Cortefiel Group is the establishment of socially responsible corporate relations in those communities in which it carries on its activity. The Cortefiel Group considers corporate trust and reputation is one of its most valuable assets.

All employees must take the utmost care to preserve the image and reputation of the company in all their professional activities, especially in their public interventions. They must also take care to ensure respect for the Group's image and reputation by customers and suppliers and partner companies in general.

When an employee of the Cortefiel Group participates in public events on behalf of and/or representing the Cortefiel Group, he must inform the Corporate Department in advance.

5.11 Respect for the environment

The Group carries on its activity with respect for the environment, complying with the standards established in the applicable environmental legislation and minimising the impact of its activities on the environment.

The Cortefiel Group will also take care to ensure compliance by its suppliers with international, national or local environmental legislation. Thus we take care to ensure that the products that we offer to our customers are safe and healthy, and free of any substance which could be harmful to health or the environment.

We must:

- Minimise the consumption of resources in day-to-day activities (electricity, water, paper, toner, etc.).
- Take into account environmental conditions and recyclability of cloth or materials used in garments, both at the design and purchase stage.
- Reflect on our possible contribution to the environment when using labels, wrapping and packaging of garments.
- Use bags of a size suited to the garments that we sell in the available sizes.

5.12 Transparency and record-keeping

We must record and report accurately and objectively all our financial and non-financial information and comply with our legal responsibilities and requirements

All transactions of the Cortefiel Group must be clearly and accurately reflected in the company's records. In particular, all accounts must be correctly reflected in the records, as well as all transactions carried out and all expenditures incurred.

Cortefiel Group employees must refrain from any practice which contravenes the commitment to reflect transactions clearly and accurately in the Group's records, and must take special care with respect to the reliability of the information entered in the Group's information systems.

Any information that is available and requested relating to transactions effected must be provided as soon as possible to the competent organs and entities.

It is prohibited to falsify or conceal information under any circumstances.

We must

- Record all transactions, movements of goods or funds, contracts and employment of employees in accordance with the legislation applicable in each area of the company, with special respect for the principle of true and fair view and maximum diligence.
- Ensure that all financial reports and analyses for which we are responsible are transmitted with honesty and precision.
- Properly record and document cash transactions.
- Endeavour to identify any potentially misstatement in the accounts, data or records or any incidence of potential fraud or deception, and express any concern regarding the accuracy of the financial reports to the Finance Director or the Director of Accounts.
- Cooperate fully with our internal and external auditors, and with the competent authorities that request information.

We must not

- Prepare or provide information with the intention of falsifying the records.
- Create a fund that is not registered or improperly described for any purpose.
- Amend any Company record, unless authorised to do so.
- Provide any information, orally or in writing, concerning our transactions which might lead a customer or a supplier to make inaccurate or misleading statements.

5.13 Use of assets and resources

The company's property, assets and resources are made available for the purpose of the business and professionals. We must ensure that they are used properly and appropriately

The Cortefiel Group makes available to its employees the resources necessary for the performance of their professional activity. Improper appropriation and inappropriate use of these assets constitutes fraud.

All employees must protect and make good use of the Group's resources and use them in a responsible manner. They must protect and preserve them from any loss, damage, theft or improper use which could be to the detriment of the Group's interests.

Group employees must make good use of the samples acquired by purchase, design and franchise departments as they are the property of the Cortefiel Group. For that reason, at no time may they be used for their own benefit or that of third parties outside the Group's business.

The obligation to protect the resources also includes information and knowledge generated within the Cortefiel Group, owned by it or in the safekeeping of the Group.

The inappropriate use of information systems is not permitted, including, but not limited to, the following examples:

- Unauthorised attempts to access protected information.
- Installation of any programme not approved by the Information System Department without its prior authorisation.
- Activities which impair the output of equipment or applications.
- Any illegal or unethical activity, or any other which might have an adverse effect on the company.

The instructions set out in the various Information Security Rules and Procedures developed by the Cortefiel Group must be observed, in particular those related to the Data Protection Act and the Corporate Security Policy.

In order to protect the integrity of the company and other employees, the company is authorised to install, while ensuring the dignity and privacy of the affected worker, a series of controls on the proper use of email, Internet and computer equipment. This will always be done with respect to the principle of proportionality.

In no case may email be used to send commercial propaganda, discriminatory information, chain letters, pornographic material or material which is against morality or any other use that might violate this Code.

Employees may not have expectations of privacy when they use email or Internet, which does not prevent the employee from making reasonable use of these tools for their private use.

We must

- Look after and protect any tangible or intangible asset of the company, whether products, computer resources, materials, brands, designs, campaign information, collections, etc.
- Protect and use the company's funds and property, safeguarding them from theft, loss, fraud or deception.
- Ensure that all expenditures of the commercial business, including personal expenses, are shown in honest, precise and adequate invoices, receipts and documentation.
- Ensure that we only make reasonable personal use of the company's information systems, including personal computers, desktops and mobile devices.
- Immediately report the theft or loss of computer resources assigned or any other company resource.

We must not

- Appropriate, gift or use for our own benefit or that of third parties samples acquired by the Group or any other resource or asset of the company.
- Use the company's means of payment (credit cards or other) for personal use.
- Install applications in any company device or connect it to another device, unless authorised by the Information Systems Department.
- Share our personal codes with other persons.
- Disable the equipment's security measures.

5.14 Privacy of information

We must treat personal information with respect and confidentiality, in accordance with our obligations of privacy in accordance with data protection laws

The company collects, maintains and manages personal information on employees, customers, suppliers and other persons.

Information that is subject to the Data Protection Act must be managed in accordance with the corresponding company procedure.

All Cortefiel Group employees must comply with the applicable legislation on data protection in the Data Protection Act, and request and use only such data as is necessary for the efficient management of the Group's activities.

We must

- Only collect or use personal information for the purposes of the Company's business.
- Ensure that persons whose information we keep know that we have that information and understand what it will be used for.
- Share personal information only if the person whose information we keep has authorised it.
- Keep personal information safe, whether in electronic or paper form.
- Restrict access to personal information to those who need to know it.
- Ensure that personal information is correct and updated.
- Delete or destroy personal information as soon as there is no need to keep it.

We must not

- Transfer personal information without appropriate security measures and without taking into account the policy established by the company in this area.

5.15 Bribery and corruption

Compliance with anti-bribery and corruption laws is compulsory. We must not offer, give or accept any gift, payment or other benefit which is intended to obtain an improper advantage for the Cortefiel Group

The Cortefiel Group defines corruption as the use of unethical practices to obtain some benefit. Corruption is one of the categories of fraud.

In no case must persons of the Cortefiel Group resort to illegal or unethical practices to influence the wishes of persons outside the company with the objective of obtaining some benefit for the Group or for themselves. They must also remain alert to ensure that cases do not arise in which other persons or organisations make use of such practices in their relations with the company.

The Cortefiel Group expressly prohibits non-contractual or illegal payments to any person or entity, public or private, with the intention of obtaining or retaining business or other benefits or advantages.

Cortefiel Group employees must not make, offer or accept, directly or indirectly, any payment in cash, in kind or any other benefit which, by its value, characteristics or circumstances, may reasonably alter the development of the commercial, administrative or professional relations in which they are involved.

In addition, employees must refrain from making payments to facilitate or speed up proceedings, consisting of the handing over of money or other items of value, of whatever amount, in exchange for ensuring or speeding up the progress of a proceeding or action in any judicial organ, public administration or official body anywhere in the world.

Cortefiel Group employees must not seek or accept gifts or incentives, directly or indirectly, where by their value they could be interpreted as other than mere trivia and the purpose of which is to influence transactions, or which might create conflicts of interest.

All gifts received as a consequence of their own activity in the Company and which exceed €50 must be reported by email to your immediate supervisor as soon as they are received and the supervisor must acknowledge receipt.

We must

- Inform our immediate superior, or Group Legal Office, of any request or demand for a potentially corrupt payment by a third party.
- Actively eliminate the use of gratuities in the markets where we work.
- Immediately inform our immediate superior of any gift received whose market value exceeds €50.

We must not

- Pay, offer, accept or authorise a bribe or gratuity or request anyone to do so.

- Offer or give objects of value for the purpose of ensuring or contracting business for any other reason. This includes payments to reduce taxes or duties.
- Make or authorise an improper payment or bribe to a public official or employee of a company owned or controlled by Public Administrations.
- Attempt to induce a public official to commit an illegal act.
- Ignore or fail to notify a corrupt activity.
- Establish any unrecorded fund (as a secret asset or account outside the books of account) for any reason or in any circumstance.
- Encourage or allow another person to commit or ignore a corrupt activity.

6 The Group environment

The Cortefiel Group considers its customers, suppliers and partner companies in general, essential to achieving its objectives of growth and development.

Everyone in the Cortefiel Group must act in accordance with the principles of conduct set out below:

6.1 Relations with customers

We anticipate and satisfy the needs of our customers by acting with responsibility and the utmost respect

For all of us who work in the Cortefiel Group, in all the countries where we are present, both in shops and central services, the end objective is that our products and services exceed our customers' highest expectations. We show enthusiasm and endeavour in anticipating and satisfying the needs of our customers and earn their trust through commitment and integrity in our relations with them.

Staff may not receive any kind of remuneration from the Group's customers or suppliers or, in general, accept any kind of outside remuneration for services relating to the staff member's own activity in the Group.

In all relations with customers, standards of transparency, information and protection must be applied, as well as customers' rights under legislation on personal data protection, corporate information services and other applicable provisions.

We will always act with responsibility and commitment, with the utmost respect for the customer. All marketing communications, including advertising, campaigns, promotions or sponsorships will be governed by ethical principles and veracity.

6.2 Relations with suppliers

We must establish commercial relations with trustworthy suppliers who have gained a reputation for conducting their commercial affairs in a professional and ethical manner

All employees who take part in the selection of suppliers and external partners have an obligation to act with impartiality and objectivity, applying transparent criteria in line with the material principles of this Code of Conduct.

Group staff are committed to complying with the internal procedures established for adjudication processes, including, in particular, those relating to accreditation of suppliers.

The Cortefiel Group will promote and disseminate the contents and principles of this Code of Conduct to its suppliers. In particular, this means content explicitly referring to the Group's relations with its partner companies.

All Cortefiel Group suppliers, irrespective of the product supplied or the service provided, must accept the External Code of Conduct, and undertake to comply with its principles as a key element of our business relationship. In this regard, they may be subject to such checks as may be considered necessary by the Cortefiel Group at any time.

7 External Code of Conduct

The Cortefiel Group will not buy merchandise or contract services from manufacturers or providers who do not have ethical and acceptable working conditions and practices.

Suppliers who contract or wish to contract for their products or services with the Cortefiel Group must comply with our Code of Conduct, as established in this document. Any supplier that in turn contracts with another organisation for products and services the final destination of which is the Cortefiel Group, must also satisfy itself that the conditions of our Code of Conduct are satisfied.

This Code is based on:

- The ILO Conventions.
- The Universal Declaration of Human Rights of the United Nations.
- The principles of the United Nations Global Compact.
- Labour legislation applicable locally.
- Legislation on the environment both at local and international level.

1. Support and respect of the Cortefiel Group for the protection of international human rights in its sphere of influence.

The Cortefiel Group will only work with reliable and trustworthy manufacturers and suppliers, whose working conditions and practices are ethical and acceptable in accordance with the principles of the United Nations and the International Labour Organization.

2. Assurance of non-complicity in abuse of rights.

Suppliers must treat their employees with respect and dignity. No employee must be subject to physical, sexual, psychological or verbal abuse or harassment.

3. Safety, health and hygiene

Our suppliers must maintain a safe workplace which complies with legal provisions on safety, health and hygiene. This will apply to housing and any type of facilities provided to employees.

4. Wages and benefits

Employees remuneration shall be at least that established by the applicable legislation or, if appropriate, the applicable collective agreements.

5. Maximum working hours

The number of working hours must be reasonable and in accordance with local laws and industry standards. Overtime must be adequately paid.

6. Defence of freedom of association and the right to collective bargaining

Cortefiel Group suppliers must recognise and respect employees' legal rights with respect to freedom of association and effective recognition of the right to collective bargaining, and undertake not to interfere, penalise or limit the legitimate initiatives of their workers to organise or join the organisation of their choice.

7. Elimination of all forms of forced or compulsory labour

We will not tolerate the employment of workers who do not give their free and conscious direct consent, or any other kind of forced labour, direct or indirect, by suppliers.

8. No child labour

We will not tolerate the use of child labour by our suppliers or by any subcontractor used by our suppliers.

9. Non discrimination

No one must be treated in an unfairly or unfavourably because of their race, religion or sex. Suppliers must recruit their workers taking into account their capacity to perform the tasks inherent in their functions and not based on their personal characteristics or beliefs.

10. Respect for the environment

Compliance must be ensured with environmental laws and regulations applicable in each case, adopting as a principle of action a responsible attitude to respect for the environment.

11. Compliance with laws.

All Cortefiel Group suppliers must ensure compliance with local, national and international laws by their company and by companies with which they subcontract products and services for us and no form of corruption, bribery or extortion will be tolerated.

12. Supervision.

To ensure that this Code is effective, it must be shared and known by the entire organisation and compliance therewith must be verifiable on request.

Suppliers must provide the conditions to ensure that checks of compliance with this Code of Conduct can be carried out by Cortefiel Group staff or an expressly authorised third party.

8 Administration of the Code of Conduct

8.1 Ethics Committee

The Ethics Committee is composed of:

- Human Resources Director
- Director of the Legal Office
- Internal Audit Director

This Committee reports hierarchically and functionally to the Management Committee. The Ethics Committee will hold periodic meetings and, in any case, whenever two of its members so request.

The Ethics Committee performs the following functions:

- Prepares the Code of Conduct and submits it to the Management Committee and Board of Directors.
- Monitors compliance with the Code of Conduct.
- Prepares an annual management report and submits it to the Management Committee and the Board.
- Submits the Code of Conduct annually to the Management Committee for revision and proposed amendments.
- Communicates and disseminates the Code of Conduct
- Assesses and proposes disciplinary measures to the Management Board in the event of non-compliance.

8.2 Disciplinary system

The Cortefiel Group will take the necessary measures to ensure the effective application of this Code of Conduct.

No one, irrespective of their level or position, is authorised to ask a member of staff to commit an illegal act or an act which contravenes the provisions of the Code of Conduct. In turn, no staff member may shelter behind the order of a superior to justify improper or illegal conduct or contravention of the Code of Conduct.

Cortefiel Group staff have the right and duty to report to the Ethics Committee and breach of the principles set out in these rules.

8.3 Acceptance

All existing and new employees must sign a document of acknowledgement, confirming that they have read the Code of Conduct and accept its provisions.

The fact of not having read the Code of Conduct or signed the acknowledgement shall not excuse and person from compliance with it.

9. Resources

The Corporate Documents Section of the Intranet contains various resources and other documents which help to ensure that all our business activities are conducted with the utmost integrity.

After the publication of the updated Code of Conduct, training sessions will be held to disseminate knowledge of the Code of Conduct.

CONTACTS:	
Internal Audit	auditoria_interna@grupocortefiel.com
Legal Office	asesoria_juridica@grupocortefiel.com
Human Resources	recursos_humanos@grupocortefiel.com

10. Glossary and definitions

For the purposes of this Code, the following definitions apply:

Personnel, staff or employees.- All directors, managers and employees of the Cortefiel Group, irrespective of their type of contract, when they act as such, i.e. in the name of and on behalf of or for the Cortefiel Group, whether directly or indirectly, personally or through an intermediary or through any company or other type of controlled entity.

Related person.- Any person who is in any of the following relationships to Group personnel:

- Spouse or person in an equivalent relationship.
- Parent, child, brother or sister.
- Parent, child, brother or sister of the spouse or person in an equivalent relationship.

Ethics Committee.- The competent organ in the organisation responsible for supervision and resolution of disputes in application of these rules.