



Code of Conduct

Falk&Ross Group



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Basic understanding and validity

We, the Falk&Ross Group with all group-companies in Europe, consider ourselves as part of the societies in which we do business and are committed to socially responsible corporate governance by taking into account the direct and indirect effects of our business activities on society and on the environment, and continually striving to achieve an appropriate balance of interests in economic, social and ecological terms.

We act in accordance with generally recognised values and principles, including integrity and legality. We comply with internationally recognised human rights and labour standards as set out in the Code of Conduct.

We share the objectives of the Code of Conduct and will make every appropriate and reasonable effort, within the scope of our respective legal and actual opportunities, to comply with the voluntary commitment on an ongoing basis at all our company locations in Germany and abroad. Where national regulations contradict the contents of the Code of Conduct or the domestic context makes it impossible to fully comply with them, we will look for ways to nevertheless uphold the requirements of the Code of Conduct wherever possible.

The content of our Code of Conduct is largely based on the recommendation of both the umbrella organisation of the German retail sector (HDE) and "textil+mode" as the umbrella organisation of the German textile and fashion industry. This recommendation addresses to companies in the relevant business sector regardless of whether they consider themselves to be a manufacturer, retail business, trade company or service provider.

Human rights and labour standards

We respect human dignity and uphold internationally recognised human rights, as set out in particular in the United Nations (UN) Universal Declaration of Human Rights and addressed in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multi-national Enterprises. We also take into account the internationally recognised labour standards of the International Labour Organisation (ILO), as listed below in the Code of Conduct.

In all our business activities we always strive to neither cause nor contribute to human rights violations. We expect the same from our business partners.

2.1 Employment relationships

We appreciate our employees. We reject any form of unlawful punishment, abuse, harassment, intimidation or other undignified treatment towards workers.

We abide by the applicable labour law in all employment relationships and expect the same from our contractual partners. At the beginning of the employment relationship workers shall be provided with comprehensible information about the essential terms and conditions of employment, including their rights and duties, as well as the working hours, remuneration and payment arrangements and modalities.

We respect and protect the right of employees to terminate their employment in accordance with the applicable notice period.

2.2 Prohibition of child labour and protection of young workers

We do not tolerate child labour and observe the applicable legal minimum age for admission to employment. We do not employ persons under the age at which compulsory education ends under the law of the place of employment and under the age of 15.

We expect our contractors to have adequate means of determining age to prevent child labour. If the use of child labour is identified, all necessary measures are immediately initiated focusing on the best interests, protection and development of the child.

For people under the age of 18, the rights of young workers shall be observed; they may only be hired if it is ensured that the working and employment conditions do not pose a risk to their health, safety or morals, nor are they harmful to their development.

2.3 Prohibition of forced labour

We reject all forms of forced or compulsory labour, including any form of bonded labour, serfdom, slavery or slave-like practices, trafficking in human beings or any other involuntary labour and services that are not in conformity with internationally recognised labour and social standards.

2.4 Remuneration

We adhere to the statutory or – where applicable – collective agreement provisions for the remuneration of work performance. We ensure that the wage paid by us does not fall below the applicable statutory minimum wage or the applicable collectively agreed minimum wage set or customary in the sector. In countries or regions without a statutory or collective wage framework, we pay particular attention to the fact that the wages paid are sufficient for regular full-time work in order to meet the basic needs of the employees.

We do not tolerate deductions from wages that are not permitted by law, including deductions from wages as a disciplinary measure.

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2.5 Working hours

We adhere to the statutory or applicable collective agreement provisions on working time, including rest breaks and annual leave.

2.6 Freedom of Association

We respect the right of workers to freedom of association, freedom of assembly and the right to collective bargaining and wage negotiations.

2.7 Diversity and inclusion, ban on discrimination

We promote a work environment that enables inclusion and where the diversity of our employees is valued. We are committed to equal opportunities and reject any form of discrimination or unjustified unequal treatment in employment, for example on the basis of national and ethnic origin, social background, health status, disability, sexual orientation, age, gender, political opinion, religion or belief.

2.8 Health and safety at work

We adhere to national and international occupational health and safety standards and ensure a safe and healthy working environment in order to maintain the safety and health of our employees, protect third parties and prevent accidents, injuries and work-related illnesses.

Environmental responsibility

The protection and preservation of natural resources concerns and obligates us all. With this in mind, we conduct our business activities taking into account the ecological aspects and are committed to the goal of a climate-neutral future.

We assume our environmental responsibility by complying with applicable legal requirements and recognised standards for the protection of the environment and climate, and by making efforts to continuously improve the impact of our business activities on the environment and climate.

We undertake appropriate measures, which are based on legal and internationally recognised standards, and cover the following topics, among others:

- Professional and responsible handling of hazardous substances and other chemicals as well as waste, including disposal;
- Efforts to reduce or prevent waste and the minimisation of emissions from operations (e.g. waste water, waste air, noise, greenhouse gases);
- Conservation of natural resources, for example through measures to save water, chemicals and other raw materials;
- Promoting the use of recycling and other climate and environmental technologies, processes, raw materials and products;
- Efforts to increase the energy efficiency and the proportion of green or renewable energies in energy consumption at our company locations.

Ethical business practices and integrity

We pursue only legitimate business objectives and practices. We build and maintain business relationships only with reputable partners.

We behave in a fair and appreciative manner towards our business partners and customers. We respect the different legal, economic, social and cultural backgrounds and circumstances of the countries and regions in which we operate. We always base our entrepreneurial actions on universally valid ethical values and principles, including integrity and respect for human dignity.

We support free and fair world trade and abide by the laws and regulations of the countries and regions in which we do business.

4.1 Corruption, trade control, money laundering

We reject all forms of bribery and corruption and already avoid any appearance thereof – be it in the form of granting or accepting unfair advantages.

We act in accordance with the applicable import and export control regulations and comply with legal requirements for the prevention of money laundering.

4.2 Fair competition

We support free and fair competition. We do not tolerate any anti-competitive agreements and ensure that we act in accordance with the applicable anti-trust laws. We reject competitive advantages due to unfair business practices.

4.3 Personal data, protection of confidential information and intellectual property

We respect the privacy rights of our employees, business partners and customers and adhere to the applicable data protection and security requirements and regulations when handling personal information.

We take great care to ensure that commercial secrets and other confidential information that our business partners and customers entrust to us are adequately protected from unauthorised acquisition, use and disclosure, at least in accordance with the relevant legal provisions for the protection of business secrets.

We respect the intellectual property of our business partners, customers and other third parties. We ensure that sufficient precautions are taken to protect intellectual property rights when transferring expertise and technologies.

Implementation

We make appropriate and reasonable efforts to comply with the contents of the Code of Conduct on an ongoing basis at all our company's locations. We have set up suitable measures and processes for this purpose and document their implementation within the company in an appropriate manner. The executive management is kept informed at regular intervals about the implementation and work of the responsible bodies and persons.

5.1 Communication and training

We communicate the contents of the Code of Conduct to our employees, business partners and other key stakeholders and train our employees on relevant topics as required. We expect our employees to comply with the Code of Conduct.

5.2 Expectations of our supply chains, control measures

The Code of Conduct also reflect our expectations of our supply partners and other contractual partners in our supply chains. In this respect, we expect them to comply with the contents of the Code of Conduct or to apply a comparable code of conduct. We encourage our business partners to demand this expectation from the contractual partners in their supply chain.

We value long-term business relationships based on partnership. We therefore identify and verify our contractual partners in an appropriate manner before entering into a supply relationship, e.g. through self-disclosure, supplier evaluation or similar.

We reserve the right to monitor our supply partners' compliance with our expectations, e.g. by means of auditing. Should serious violations be identified, we reserve the right to appropriate contractual consequences, including termination of the business relationship. In any case, we expect that any violations that are identified will be dealt with by appropriate preventive or remedial measures.

5.3 Notice regarding violations

We take any violation of the Code of Conduct seriously. In the case of reports of possible violations, we shall take follow-up measures for proper and confidential clarification and, if necessary, appropriate preventive or remedial measures.

Universal Adherence

This code of conduct is binding for all legal entities of the company.

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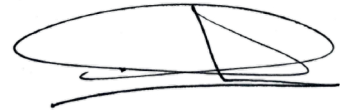
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Signature of Senior Management Falk&Ross Group

A handwritten signature in black ink, appearing to read 'L. Hiese', written over a horizontal line.

Lothar Hiese, CEO

A handwritten signature in black ink, appearing to read 'D. Collignon', written over a horizontal line.

Didier Collignon, CCO



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