

**COMMITMENT ON
CODE OF CONDUCT
AND
CODE OF ETHIC**

01 ETHICAL & SOCIAL

1.1. Code of Conduct

TALLY-WEIJL works for the rights for women and men to obtain decent working conditions of freedom, security and human dignity. TALLY WEIJL's Code of Conduct is based on the Universal Declaration of Human Rights, and on the internationally recognized human and labour rights standards of the International Labour Organization (ILO). TALLY WEIJL requires from its suppliers, partners and subcontractors the compliance with our Code of Conduct including the company Code of Ethics.

Declaration of Subcontractor:

Subcontractors must be reported to TALLY WEIJL Design SAS (France), TALLY WEIJL Logistics Germany GmbH (Germany), TALLY WEIJL Trading AG (Switzerland). Factories (supplier, maker and subcontractor) producing for TALLY WEIJL have to be officially validated by a written acceptance letter, after a factory audit of one of our controllers or representative, and this before to start any production.

1.1.1. No forced labour

ILO 29: Forced Labour Convention, 1930

ILO 105: Abolition of Forced Labour Convention, 1957

The TALLY WEIJL suppliers and subcontractors will not make use of any form of forced or compulsory labour. They cannot require to workers any form of deposits (retention of identity documents ...) to exert pressure on them. Personnel shall have the right to leave workplace after completing the standard workday and be free to terminate their employment.

Working conditions resembling slavery or harmful to health are forbidden. The company shall treat all personnel with dignity and respect. The company shall not engage in or tolerate the use of corporal punishment, mental or physical coercion and verbal abuse of personnel.

1.1.2. No discrimination

ILO 100: Equal Remuneration Convention, 1951

ILO 111: Discrimination (Employment and Occupation) Convention, 1958

ILO 143: Migrant workers (Supplementary Provisions) Convention, 1975

ILO 158: Termination of Employment Convention, 1982

ILO 183: Maternity Protection Convention, 2000

TALLY WEIJL suppliers' and subcontractors' workers shall not be discriminated in hiring, remuneration, access to training, promotion, termination or retirement because of their sex, age, racial or ethnic origin, their religion or caste, their national extraction or social

origin, their political opinion, sexual orientation, family responsibilities, marital status, or any other distinctive characteristic.

1.1.3. No children labour

ILO 59: Minimum Age (Industry) Convention (Revised), 1937

ILO 90: Night Work of Young Persons (Industry) Convention (Revised), 1948

ILO 182: Worst Forms of Child Labour Convention, 1999

ILO Minimum Age Convention No. 138 (1973) - Minimum age of employment is no less than the age at completion of compulsory schooling, which should not be less than 15 years. A country with insufficient economic and educational facilities may stipulate an initial age of 14 years. National laws may permit the employment of children who are aged 13-15 (or 12-14 where the minimum age is 14) in limited light work, which does not interfere with their development or affect their attendance at school.

1.1.4. Freedom of association and right to collective bargaining

ILO 87: Freedom of Association and Protection of the Right to Organize, 1948

ILO 98: Right to Organize and Collective Bargaining Convention, 1949

Workers and employers, without distinction whatsoever, shall have the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without previous authorization. Company shall effectively inform personnel that they are free to join an organization of their choosing without any negative consequences to them. Company shall not, in any way, interfere with establishment, functioning or administration of such workers' organizations or collective bargaining.

When freedom of association is restricted by local law, parallel means of freedom of association have to be implemented, and company shall allow workers to freely elect their own representatives.

ILO 135: Workers' Representatives Convention, 1971

R 143: Workers' Representatives Recommendation, 1971

Workers' representatives in the undertaking should enjoy effective protection against any act prejudicial to them, including dismissal, based on their status or activities as workers' representative

1.1.5. Payment of appropriate living wages

ILO 95: Protection of Wages Convention, 1949

Wages must be paid regularly and punctually, and must represent appropriate remuneration for the work carried out. Wages paid shall at least meet legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families. Prior to employment, employees must be provided with written, readily understandable information about their wages and of the particulars of their wages for each pay period. Arbitrary penalties or deduction above any case of sickness or pregnancy are forbidden. Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the express permission of the concerned worker. All overtime are to be

worked solely on a voluntary basis, and shall be reimbursed at a premium rate as defined by national law, collective bargaining agreement, or equal to prevailing industry standards whichever is more favourable to workers' interests.

1.1.6. Hours of Work

ILO 1: Hours of Works (Industry) Convention, 1919

ILO 119: Termination of Employment, 1963

Hours of work shall comply with applicable laws and industry standards. Hours of work for per week in a regular basis shall not exceed 48 hours and shall provide with at least one day off for every seven-day period. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

Termination of employment should not take place unless there is a valid reason for such termination connected with the capacity or conduct of the worker or based on the operational requirements of the undertaking, establishment or service.

The following, inter alia, should not constitute valid reasons for termination of employment:

- a) Union membership or participation in union activities outside working hours or, with the consent of the employer, within working hours;
- b) Seeking office as, or acting or having acted in the capacity of, a workers' representative;
- c) The filing in good faith of a complaint or the participation in a proceeding against an employer involving alleged violation of laws or regulations; or
- d) Race, colour, sex, marital status, religion, political opinion, national extraction or social origin.

1.1.7. Health, Safety and security

ILO 148: Working Environment (Air Pollution, Noise & Vibration) Convention, 1977

ILO 155: Occupational Safety and Health Convention, 1981

ILO 170: Chemicals Convention, 1990

TALLY WEIJL suppliers and subcontractors shall provide a hygienic, safe and healthy work environment and shall prevent and minimize, so far as possible, the causes of hazards inherent in the working environment. They shall provide adapted equipment and adequate PPE, control local rule application and facilitate any measures of prevention for the safety and limit the risks for the health. In particular, young workers shall not be exposed to hazardous, unsafe or unhealthy situations.

Manufacturer / Supplier should ensure all applicable laws and regulations on air quality, air emissions and energy efficiency, including maintaining valid permits. No unsafe buildings. No unsafe exposure to hazardous machines, equipment and/or substances. Fire Safety shall be maintained through adequate equipment and facility conditions, regular firefighting training and evacuation drills and prevention of fire hazards. Accommodation/Housing, when provided, must be separated from the workplace and is subject to all above fundamental requirements concerning health and safety.

Company shall provide access to clean toilet facilities, access to potable water and if appropriate, sanitary facilities for food storage as well as clean and safe dormitory facilities. All personnel shall have the right to remove themselves from imminent serious danger without seeking permission from the company..

Regarding abrasive treatments for denim products, the sandblasting technical are prohibited. To protect the workers' health, suppliers & factories give up sandblasting treatments. They will use alternative technical for all submitted samples and delivered production.

In a general way, factories and their partners producing for TALLY WEIJL must provide to their employees appropriate specific security education & equipment (PPE included), and check that their employees always wear and use their protection in accordance with the security requirement.

1.1.8. Humane working conditions

ILO (C) 122: Employment Policy Convention,
1964

There is work for all who are available for and seeking work and such work is as productive as possible.

There is freedom of choice of employment and the fullest possible opportunity for each worker to qualify for, and to use his skills and endowments in a job for which he is well suited, irrespective of race, colour, sex, religion, political opinion, national extraction or social origin.

TALLY WEIJL strictly prohibits any form of physical, mental or sexual abuse and any other forms of harassment or intimidation. TALLY WEIJL suppliers and validated subcontractors shall apply the standard that offers the most favourable to the workers.

This Code of Conduct cannot be used as a substitution for collective bargaining. The working conditions must be contractually established. Younger workers shall be given the opportunity to participate in education and training programs.

1.1.9 Environment

TALLY WEiJL also contribute to the conservation of species of wild fauna and flora by our commitment to not use in its products, under no shape, the fur or the hairs of animals mentioned in the appendix I, II and III of the CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) and mentioned in the European Regulation no 338/97/EC. In consequence, TALLY WEiJL's suppliers will not propose to buyers or manufacturers products containing furs or hairs from such wild animals.

Particularly TALLY WEiJL and its suppliers commit to not use the fur or the hairs of pet animals like cat or dog accordingly to the European Regulation no 1523/2007/EC (banning the placing on the European market of cat and dog fur and product contain such fur).

Selecting energy sources responsibly and taking a progressive approach towards adopting lower-carbon-intensity and renewable energy sources. Continuous improvement in energy management and efficiency should be maintained.

TALLY WEiJL and its Supplier ensure all applicable laws and regulations including maintaining valid permits on water conservation and water quality. Also we encourage to re-use and recycling of waste water. Where services are available, all hazardous waste must be handled by an authorized company or licensed receiver. Facilities with internal wet processing shall measure water withdrawals and wastewater discharge by flow meters and facilities with full internal treatment of wastewater must adhere to legal requirements.

TALLY WEiJL and its Supplier ensure all applicable laws and regulations for chemical use and disposal, including maintaining valid permits. All chemical products used by the Business Partners are free of hazardous substances.

1.2. Code of Ethics

All of TALLY WEIJL's employees, partners, suppliers and sub-contractors have to understand and follow the company's Code of Ethics. All operations and businesses that are executed on behalf of TALLY WEIJL should always be conducted in accordance with the Company Code of Ethics and must comply with the local legislation in the country in which they operate.

1.2.1 Respect and Integrity

At TALLY WEIJL we respect everyone at every level of our business. Our business operations are characterized by honesty, transparency and fair play. We champion diversity, embrace individuality and listen carefully when others speak. Integrity is the foundation of an honest and trustful relationship between our employees, partners, suppliers and our subcontractors.

1.2.2 Confidentiality of Information

At TALLY WEIJL we never disclose confidential information. Confidential information includes information concerning and related to TALLY WEIJL's financial or commercial relationship:

Trade secrets, buying offers, strategies, IT solutions, personnel data, and supplier related information.

At TALLY WEIJL we engage accountability and we take responsibility for our actions as individuals, partners, suppliers, sub-contractors and as an organization.

1.2.3 Transparency and Zero Tolerance for Bribery

At TALLY WEIJL we will never tolerate bribery or corruption in any form. This applies to all our business operations and transactions in all the countries in which we operate including all the countries in which our partners and suppliers operate.

Factories and subcontractors have to be validated by a written confirmation submitted by TALLY WEIJL and after having passed a factory audit by TALLY WEIJL's controllers or representative.

A bribe includes the offering, giving, solicitation or the acceptance of any corrupt inducement, whether in cash or in any other form.

Any observance, discovery or suspicion of a violation of the present code of conduct committed by any TW-Member and/or instigated by any third party whatsoever shall be immediately notified using the following E-mail address: myconcern@tally-weijl.com, indicating the following information:

- location
- description of the infringement or instigation
- description how the infringement or instigation were discovered
- which TW-Member and/or third parties are affected and involved

1.3 Commitment

We hereby confirm that we have received, read and understand the content of TALLY WEIJL's Code of Conduct and Code of Ethics.

We commit to comply with TALLY WEIJL's code, take the responsibility to inform all our employees, subcontractors and subsidiary about the content and to make sure they comply with the Code accordingly.

If we, any representative of my company, subsidiary or subcontractors, have questions concerning the meaning or application of TALLY WEIJL's Code of Conduct and Code of Ethics, or any other TALLY WEIJL policy, we know that we should contact the Company, knowing that our questions or reports to these sources will be maintained in confidence.

Important! Failure in Code of Conduct respect may result in immediate stop of all business relations with TALLY WEIJL.

**validated subcontractors, makers: Every order, which is not produced by the recipient of the order, must be reported to TALLY WEIJL Design SAS (France), TALLY WEIJL Logistics Germany GmbH (Germany) or TALLY WEIJL Trading AG (Switzerland). Factories (supplier, maker and subcontractor) producing for TALLY WEIJL have to be officially validated by a written acceptance letter, after a visit of one of our controllers or representative, and this before to start any production”.*