



Code of conduct for Desigual suppliers.

Desigual.

Contents.

- 1 Introduction and Commitment**
- 2 Scope of the Code**
- 3 The Conduct and Work Rules of the Code**
- 4 Implementation and Compliance with the Code**

1. Introduction and Commitment.

At Desigual we design each garment by putting the utmost care into every detail, while considering the occasions when they will be worn and how they will make people feel authentic. The suppliers that we work with are key if we want to fulfil this objective, which is why we aim to build close and lasting relationships with them that will allow us to learn and grow together.

We believe that cooperation is the only way to reach our goals; we can achieve anything if we work together.



For this reason, we consider it essential that our suppliers understand and share the values, culture and way of working of Desigual, as only then will our business relationships with them be inspiring and reliable. We are fully aware of the broad diversity of cultures, settings, societies and business models that currently exist in the world. Therefore, with this Code of Conduct for Desigual suppliers (hereinafter the "Code of Conduct" or the "Code"), Desigual establishes a series of principles and rules of conduct that must be universally recognised and accepted, as observance and compliance with them by all suppliers is essential to Desigual.



This Code of Conduct, which originates from and acts as a complement to the Desigual Code of Ethics, is a tool that informs our suppliers of our values and culture so they are able to understand and apply them. Respecting and complying with human, social and labour rights is at the very core of this Code.

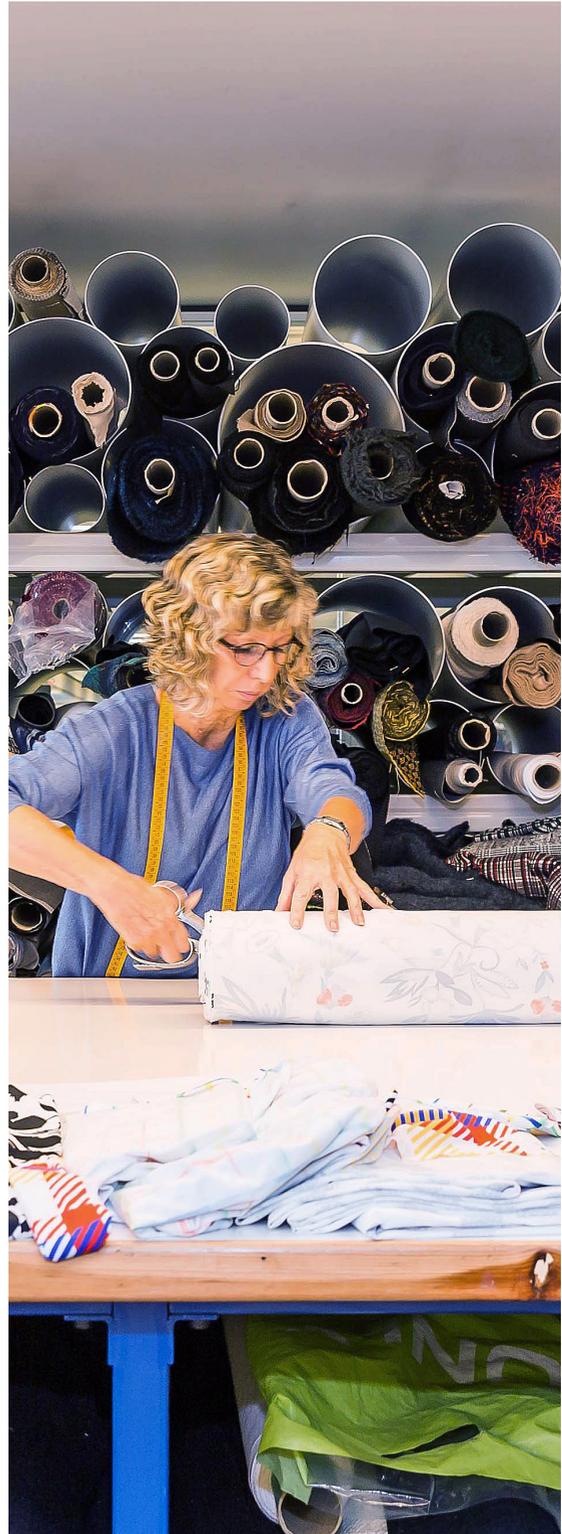
All our suppliers and their subcontractors are responsible for understanding the contents of this Code of Conduct and for complying with its principles and rules for conduct and work for the duration of their relationship with us. In turn, we firmly commit to providing suppliers with support so that they are fully aware of our demands in relation to this Code, and also of the internal implementation measures that are required for compliance.





2. Scope of the code.

This Code must be applied by all suppliers of Desigual, their subcontractors and any other associated stakeholders. Consequently, the aforementioned parties must comply with the current laws and regulations that are applicable to them in accordance with the specific subjects of this Code of Conduct, and they must also ensure that said laws and regulations are also complied with by their subcontractors and stakeholders. Suppliers must adopt, and ensure that their subcontractors adopt, the best international and sectorial practices required by this Code. Desigual expects its suppliers, as they develop their operations, to fully comply with internationally recognised human rights and, consequently, to refrain from adopting any behaviours that infringe or violate the fundamental rights of any of their collaborators.



3. The Conduct and Work Rules of the Code.

In this section we will list the set of conduct and work rules that suppliers of Desigual must comply with.

3.1 Human rights and compliance with the law

We comply with and promote the observance of human and labour rights. Therefore, we expect our suppliers and their subcontractors to commit to complying with and promoting human rights in accordance with the International Bill of Human Rights; the ILO Standards (International Labour Organisation) on labour conditions; the Committee on the Elimination of All Forms of Discrimination against Women; the ETI Base Code (Ethical Trading Initiative); the UN Convention on the Rights of the Child; the Principles of the UN Global Compact; and the UN Principles on Business and Human Rights. Therefore, a list of the rules and agreements that must be complied with is enclosed as an appendix to this Code. Without prejudice to the applicable laws that each supplier is subjected to and must comply with, all suppliers of Desigual must also comply with Desigual's internal regulations, policies and procedures that are in force at all times. Since said regulations, policies and procedures may include more demanding requirements or those that go beyond the requirements of the national regulations and/or law, suppliers commit to implementing and complying with the provision that demands the highest level of protection of workers, the environment and society as a whole.





3.2 Employee rights and the terms of employment agreements

Prohibition of child labour

Desigual accepts and demands observance of, and compliance with, the UN Convention on the Rights of the Child, and consequently we adopt the definition of child as any person under the age of 18. As per this Convention and ILO Standards no. 138 and no. 182, no suppliers or subcontractors of Desigual are permitted to hire any person under the age of 15 (or 14, if the national law approves). Notwithstanding the foregoing, the national laws that establish the highest age restriction must be complied with.

Suppliers of Desigual and their subcontractors cannot require persons under 18 years of age to carry out tasks that may be dangerous, interfere with their education or be detrimental to their health or physical, mental, social or moral development. Suppliers of Desigual must also implement any appropriate training programmes in the workplace and comply with all laws and regulations that regulate labour conditions and education. Desigual promotes the provision of nursery school services for children who have not yet reached school age at workplaces and factories where a large number of females are employed.

Non-discrimination

Desigual's suppliers and their subcontractors must not tolerate and will fight against all forms of discrimination in the workplace based on factors related to race, religion, gender, sexual orientation, age, incapacity, social or ethnic background, association or marital status when hiring new employees. Employees will be hired based on their abilities to fill the vacant position. No employee shall be discriminated against in their attempts to access training, promotions or incentives

Prohibition of forced labour

We promote a healthy working environment and therefore will not tolerate any form of forced labour, servitude, slavery or forced labour of prisoners by our suppliers and subcontractors, as per the provisions of ILO Standard no. 29. All employees will work voluntarily, including overtime, and will be able to leave their workplace whenever they see fit and after providing appropriate notice. Desigual recognises the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. Suppliers are not permitted to retain the identity card, passport or work permit of any employees as a prerequisite for their employment. Suppliers cannot demand any form of monetary bond from the employees.

Prohibition of disciplinary measures

Suppliers of Desigual and their subcontractors must treat all employees with dignity and respect and must not resort to violent threats, abuse or sexual exploitation, verbal or physical aggression or mistreatment. Desigual will not tolerate the use of any form of humiliation or inhumane treatment, coercion, capital punishment or threats as methods of discipline or control.

Contractual agreements

Suppliers of Desigual and their subcontractors must establish the terms and conditions of the agreements and work contracts with their employees in writing. The conditions of the employment contracts should follow the most stringent international standards and laws that are currently in force. Said work agreements must promote stable employment and will not violate the rights of employees that are protected by the applicable laws.

Hours

The working hours of the employees of suppliers of Desigual and their subcontractors must be in line with the provisions and conditions of the currently applicable legislation as well as that of the relevant sector. Preference must always be given to the strictest provisions and those that are most beneficial to the employee.

Overtime must be voluntary and compensated with an increased salary. Overtime must be used responsibly and not act as a replacement for standard employment. The total number of overtime hours should not exceed 12 per week, and the total hours worked within a 7-day period must not exceed 60. Workers must be given at least one day off per week or two within a period of 14 days.

Salary

The Desigual salary policy must be fair, so we require all of our suppliers and their subcontractors to guarantee a fair salary for their employees. Said salary must constitute adequate remuneration that guarantees a dignified living for employees and their families. In all cases, the salary must be equal to the official minimum wage or the amount established in the collective agreement, provided that this is greater. Withholding and/or deductions for illegal or unjustified reasons is not permitted under any circumstances.

Salaries will be paid in the most suitable form for the employee. From the moment of recruitment and throughout the course of the working relationship, suppliers must inform their employees of their salary conditions and any benefits or advantages that are applicable to them, this must always be done in a comprehensible and detailed fashion.





Freedom of association and collective bargaining

Suppliers of Desigual and their subcontractors must respect their workers' rights of association, membership and collective bargaining and must ensure that there are no reprisals as a result of said rights being exercised. An open and cooperative attitude should be adopted in relation to the activities of the unions, and these union activities must never be restricted.

In all circumstances, suppliers must use all available means to avoid any contentious industrial relations through the implementation of effective social dialogue tools.

Health, safety and hygiene in the workplace

We promote a working environment that is both safe and healthy. As a result, we require suppliers and subcontractors of Desigual to comply with the applicable laws, regulations and guidelines in their country of operation which are intended to guarantee the conditions for health and safety that are required in the workplace for all their employees. Suppliers must provide ongoing health and safety training to their employees. The approved management systems and the guidelines related to occupational health and safety must also be applied.

Suppliers must ensure that at all times their work centres and factories have access to drinkable water as well as sanitary facilities, safety precautions for fire, preparation for and the capacity to respond to emergencies, industrial hygiene, lighting and proper ventilation. The working environment should be healthy without presenting any risks to the worker. Suppliers must ensure that the structure of the buildings of their work centres and those in which they develop their activities are stable and in compliance with the law.



Emergency exits must be clearly indicated and evacuation routes must be well lit and free of obstructions. Evacuation plans must always be available and all re-ghting equipment must be appropriately maintained and prepared for potential use.

Furthermore, suppliers must protect their employees from work-related injuries and provide appropriate protection for tasks that involve the use of machinery, the handling of chemical substances or any activity that requires individual protection equipment. These rules apply with equal force to dormitory and dining areas, in cases where this applies. First aid equipment must be available and, if required by law, a doctor or nurse must be on hand during working hours.

In cases where employees are provided with accommodation, requirements related to re safety are also applicable to dormitories. Said dormitories must be separate from the workplace with an independent entrance through which employees must be permitted to come and go as they please.



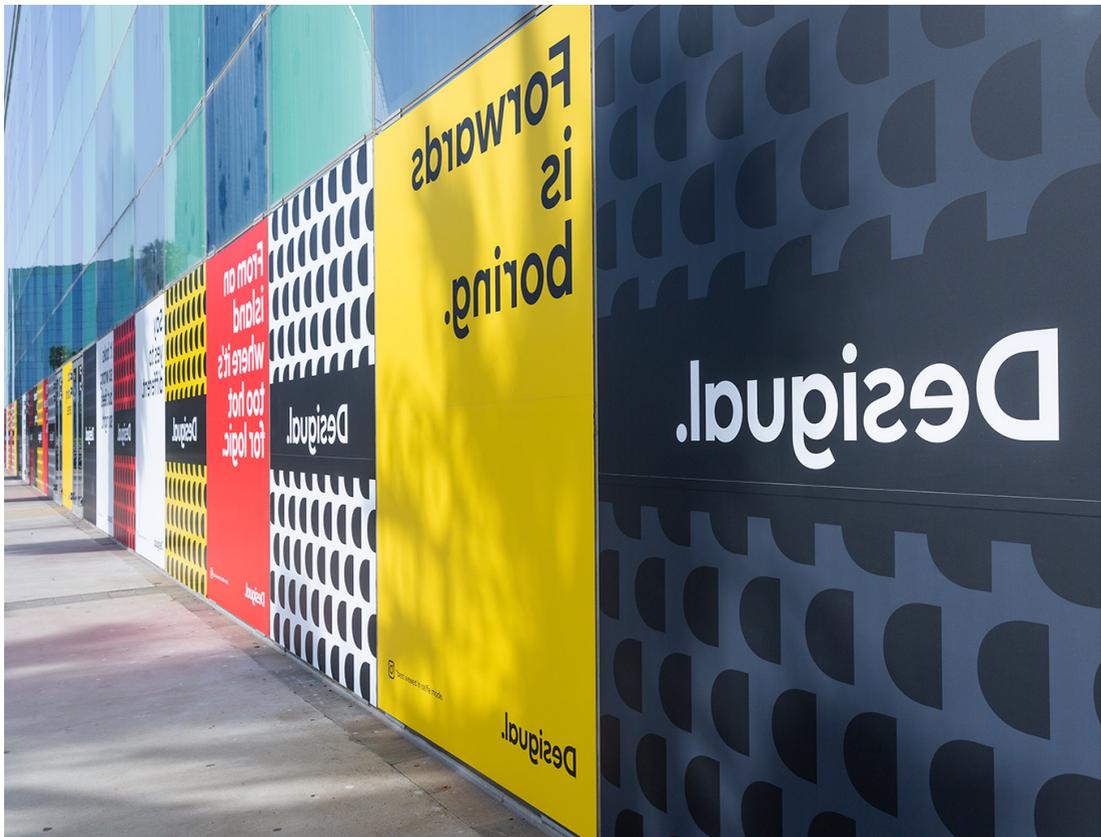
3.3 Relationship with the Environment and Product Quality and Safety

Commitment to the environment. Sustainable community development

For Desigual, it is very important that environmental standards are met. For this reason, we require both our suppliers and subcontracted companies to comply with the legislation and regulations that are in force regarding environmental protection, as well as the requirements and standards of the Desigual internal policy regarding this matter that is in force at any time, the main points of which are detailed below.

We promote the implementation of good environmental practices that aim to reduce and optimise the use of water, electricity and also consumables, like paper, plastic, hydrocarbons, etc. We also promote working to ensure the sustainable development of the communities in which we operate.

In particular, suppliers of Desigual and their subcontractors must display constant commitment to the environment through their compliance with the following:



**Permits and licences**

Possessing the environmental permits and licences for the facilities and factories in which the supplier and their subcontractors conduct their activities.

Waste

Storing and managing, in accordance with the applicable specific regulations, all the waste products that are generated by the development of their activities and, in particular, those that are of a dangerous nature.

Chemical products

Possessing all information related to the composition of the products and chemical elements with which the products and/or items that are supplied to Desigual are produced and manufactured, and to ensure that any which may be prohibited and/or restricted by Desigual's standards and requirements are not used.

Properly disposing of the products and chemical elements that are used in the factories and facilities where products and/ or items that are supplied to Desigual are produced and manufactured to avoid any possible contamination or filtration into the soil, emissions into the atmosphere or storage incompatibilities that may present a risk to the health of workers and the environment.

Wastewater

Ensuring that any wastewater from production processes is treated before being released into the environment so that any discharge strictly complies with the applicable legislation as well as Desigual's internal standards.

Emissions

Monitoring atmospheric emissions to ensure that they comply with legal standards.

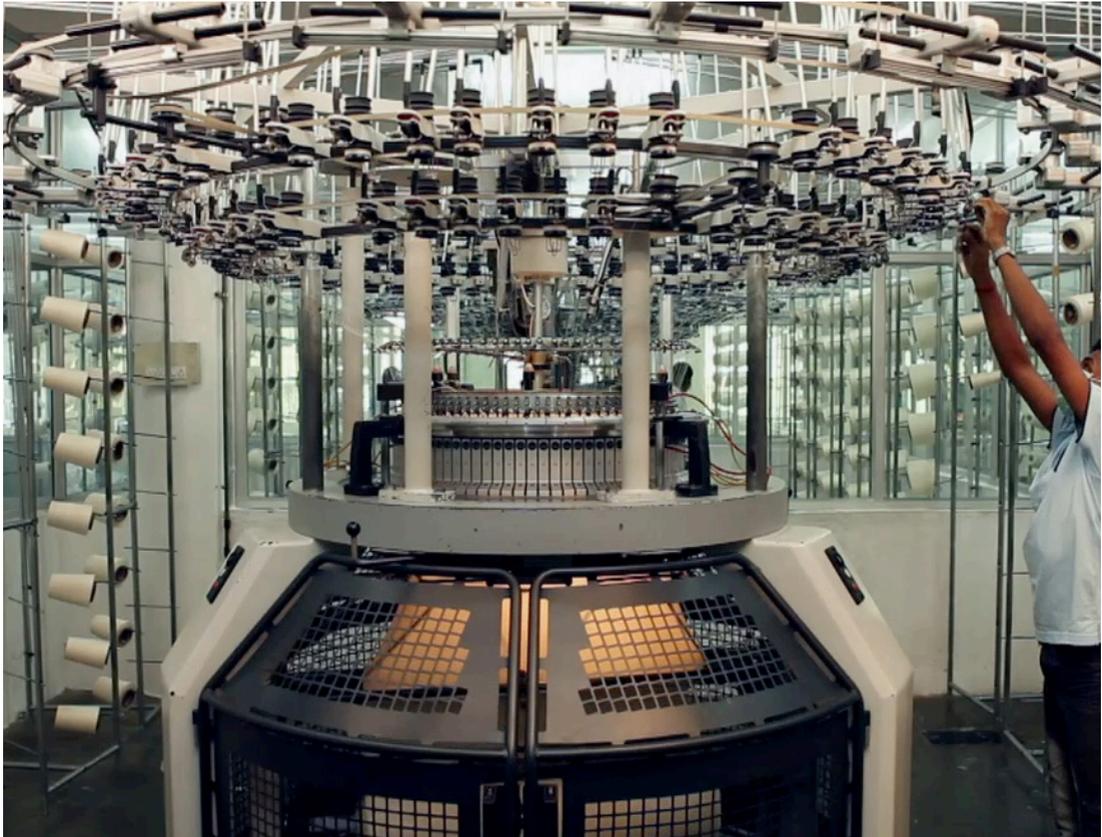
Packaging

Materials intended for packaging must not contain dangerous chemical substances or contain minimum levels only, in accordance with the provisions of the legislation and standards of Desigual.

Quality and safety of the product

During the production of the items and products that are provided to Desigual, suppliers and subcontractors must comply with the quality and safety requirements that are required for this sector by the legislation that is in force in their country as well as the requirements of Desigual, in accordance with the highest international standards (including REACH, EN- 14628, CPSIA, GB, among others).

4. Implementation and Compliance with the Code.



4.1 Subcontracting

Suppliers of Desigual require written consent from Desigual before subcontracting services. In the case of authorisation to subcontract, suppliers must ensure that the subcontracted companies comply with all the provisions of this Code of Conduct which will also be applicable to said subcontractors. The term subcontractor also applies to subcontractors of subcontractors, and so on. The supplier shall be jointly and severally liable for the obligations assumed by said subcontracted companies, even when Desigual has provided express authorisation for the subcontracting, as said authorisation does not imply any exemption or limitation of the responsibilities of the supplier. Desigual suppliers must maintain an accurate and current record of all their subcontractors and must take all reasonable measures to ensure that said subcontractors comply with and implement the provisions of this Code of Conduct.

4.2 Internal management of the Supplier Code

Suppliers and subcontractors of Desigual must apply internal management measures and programmes at their companies which will enable them to implement and comply with the principles and rules of this Code. Desigual insists that suppliers appoint a representative within the management of the company who will be responsible for the design and implementation of programmes for the management of, and compliance with, this Code. This is due to the fact that we have become aware that the majority of cases of non-compliance are due to non-existent or insufficient implementation of internal management and regulatory compliance programmes by the management of these companies. In all cases, suppliers must notify their employees and subcontractors of this Code of Conduct and make a copy of the Code and its updates available to them. Said copies must be presented in a language which the employees understand and it must also be ensured that, in cases where reading comprehension is a problem, the content of the Code is explained verbally to the relevant employees.

4.3 Inspections

To ensure that suppliers comply with all the requirements that are established in this Code, Desigual will conduct, either directly or through designated qualified entities, evaluations and inspections of the facilities of its suppliers and subcontractors to verify compliance with this code. Desigual and/ or the entity designated by Desigual will be entitled to perform visits to verify compliance with the Code. Suppliers should ensure that designated inspectors and/or auditors can perform their jobs properly by collaborating with them to the extent that is required. For this purpose, suppliers must inform Desigual of any information they consider relevant in relation to the requirements set forth in this Code. When necessary, Desigual suppliers must implement the appropriate corrective measures that are determined and required by the verification and inspection actions performed by Desigual.



4.4 Non-compliance

In keeping with our way of interacting with our groups of interest, staying close to them and striving to keep improving, we commit to providing support and assistance to our suppliers to ensure the fulfillment of the principles and standards of this Code of Conduct. However, any breach of this Code by the supplier will be understood as a serious breach that could lead to the termination of the relationship, agreement and/or contract signed with Desigual, without prejudice to any other legal responsibilities that, in any case, may correspond in accordance with the applicable regulations.

4.5 Disclosure

The disclosure and existence of this Code, including its updates, will be subject to the appropriate communication, training and awareness actions from Desigual for its expedient understanding and implementation by the suppliers before the start of any relationship. The provision of this Code implies the knowledge and acceptance of the Code and its compulsory compliance by the supplier.



4.6 Enquiries and complaints

Product related purchases: by post (to the following address: Passeig Mare Nostrum 15, 08015 Barcelona, for the attention of the Head of Compliance of the Product Department) or by email to the Product department (at the following address: **socialcompliance@desigual.com**).

Non-product related purchases: by post (to the following address: Passeig Mare Nostrum 15, 08015 Barcelona, for the attention of the Head of Compliance of the Purchasing Department) or by email to the Purchasing Department (at the following address: **indirectprocurement_compliance@desigual.com**).

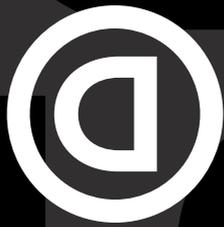
In addition to the above, Desigual makes a Whistleblower Channel available to the employees of its suppliers and subcontractors. Through this channel Desigual can be notified, in an anonymous and confidential manner, of any irregularities that, in its responsible opinion, involve or may entail a breach or infringement of this Code of Conduct. These allegations can be forwarded by post (to the following address: Passeig Mare Nostrum 15, 08015 Barcelona, for the attention of the Whistleblower Channel of the Ethics Committee) or by email (to the following address: **integrity@desigual.com**)





Appendix.

- **International Bill of Human Rights**
- **UN Convention on the Rights of the Child**
- **International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families**
- **UN Principles on Business and Human Rights**
- **Elimination of All Forms of Discrimination against Women**
- **UN Global Compact**
- **ILO Standard no. 100** on Equal Remuneration
- **ILO Standard no. 111** on discrimination (employment and occupation)
- **ILO Standard no. 143** on migrant workers
- **ILO Standard no. 158** on the termination of the employment relationship
- **ILO Standard no. 159** on the rehabilitation and employment of disabled persons
- **ILO Standard no. 79** on night work of young persons
- **ILO Standard no. 138** on minimum age for admission to employment
- **ILO Standard no. 142** on the development of human resources
- **ILO Standard no. 182** on the prohibition and elimination of the worst forms of child labour
- **ILO Recommendation no. 146** on minimum age for admission to employment
- **ILO Recommendation no. 190** on the prohibition and elimination of the worst forms of child labour
- **ILO Standard no. 29** on forced labour
- **ILO Standard no. 105** on the abolition of forced labour
- **ILO Standard no. 1** on hours of work
- **ILO Standard no. 14** on weekly rest
- **ILO Standard no. 26** on the creation of minimum wage- fixing machinery
- **ILO Standard no. 131** on minimum wage- fixing
- **ILO Standard no. 87** on freedom to organise and the protection of the right to organise
- **ILO Standard no. 98** on the right to organise and to bargain collectively
- **ILO Standard no. 135** on workers' representatives
- **ILO Standard no. 154** on collective bargaining
- **ILO Recommendation no. 143** on workers' representatives
- **ILO Standard no. 155** on the health and protection of workers
- **Protection of wages: C95 and R85**
- **On occupational health services: C161 and R164**
- **Work at home recommendation: R184**
- **ILO call for decent work**



desigual.com