

TWE Group

Code of Conduct

Foreword

The TWE Group is committed to conducting its business affairs with integrity and in an ethical manner, and above all in accordance with the laws and regulations of the jurisdictions in which it operates.

The Code of Conduct adopted by the TWE Group serves to guide its employees to take the right actions and decisions so that this commitment is upheld at all times. It outlines the expectations that the Company has of all of its employees in their interactions with colleagues, customers, suppliers, partners, shareholders and the communities in which they live and work.

As a long-standing member of the Confederation of the German Textile and Fashion Industry (textile+mode), the TWE Group has chosen not to forge its own path in the creation of a Code of Conduct. Conversely, it has followed the textile+mode recommendation to voluntarily commit to the Code of Conduct jointly published by textile+mode and its umbrella organisation the German Retail Federation (HDE). As such the TWE Code of Conduct shown on the following pages comprises of two parts; The Code of Conduct jointly published by textile+mode and HDE and an addendum to that Code of Conduct which outlines some additional expectations which are also of utmost importance to the TWE Group.

The adherence to the TWE Group Code of Conduct relies upon the unwavering commitment and sound judgement of all of its employees. However, nobody need ever feel alone in this pursuit. Should an employee have any questions or concerns about the TWE Group Code of Conduct, or observe any potential violation they should approach their manager or an employee of the Human Resources Department.



Jörg Ortmeier
CEO



Ralf Berens
CCO

Code of Conduct of the German Textile and Fashion Economy



Code of Conduct of the German Textile and Fashion Economy



LAST UPDATED: APRIL 2022

CODE OF CONDUCT
OF THE GERMAN TEXTILE AND FASHION ECONOMY

Content

Preamble	3
<hr/>	
1 Basic understanding and validity	4
<hr/>	
2 Human rights and labour standards	5
2.1 Employment relationships	5
2.2 Prohibition of child labour and protection of young workers	5
2.3 Prohibition of forced labour	6
2.4 Remuneration	6
2.5 Working hours	6
2.6 Freedom of association	6
2.7 Diversity and inclusion, ban on discrimination	7
2.8 Health and safety at work	7
<hr/>	
3 Environmental responsibility	8
3.1 Protection of the environment and climate	8
3.2 Animal and species protection	8
<hr/>	
4 Ethical business practices and integrity	9
4.1 Corruption, trade control, money laundering	9
4.2 Fair competition	9
4.3 Personal data, protection of confidential information and intellectual property	9
4.4 Consumer interests	10
<hr/>	
5 Implementation	11
5.1 Communication and training	11
5.2 Expectations of our supply chains, control measures	11
5.3 Notice regarding violations	11
<hr/>	

CODE OF CONDUCT
OF THE GERMAN TEXTILE AND FASHION ECONOMY

Preamble

Through their economic activities, German textile and fashion companies make a valuable contribution to the sustainable development of the countries and regions in which they operate. The companies are committed to the principles of the social market economy and to free and fair world trade. They are aware of their social responsibility and advocate for an economic, social and ecologically sustainable design and development of their supply chains both at home and abroad.

In order to support companies in fulfilling their social responsibility, the Confederation of the German Textile and Fashion Industry (textil+mode) and the German Retail Federation (HDE) have jointly published this Code of Conduct of the German Textile and Fashion Industry („Code of Conduct“).

The Code of Conduct describes the basic common understanding of socially responsible corporate conduct in the sectors of the German textile and fashion economy. It also serves as a guidance framework against which companies can align their decisions and measures on an individual basis, and takes particular account of the concerns of small and medium-sized enterprises and their challenges in an increasingly globalised and networked economy.

HDE as the umbrella organisation of the German retail sector and textil+mode as the umbrella organisation of the German textile and fashion industry recommend that companies in the German textile and fashion sectors recognise and use the Code of Conduct as a voluntary set of instruments – regardless of whether they consider themselves to be a manufacturer, retail business or service provider. This voluntary commitment shall not create third party rights and claims.

1 | Basic understanding and validity

We, the undersigned company, 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.

2 | 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)¹ Universal Declaration of Human Rights and addressed in the UN Guiding Principles on Business and Human Rights² and the OECD Guidelines for Multinational Enterprises.³ 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. As far as necessary and possible, we support our supply partners in this.

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 workers⁴

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.

1 Universal Declaration of Human Rights
2 UN Guiding Principles on Business and Human Rights
3 OECD Guidelines for Multinational Enterprises
4 ILO Conventions 138 and 182

2.3 Prohibition of forced labour⁵

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 Remuneration⁶

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.

2.5 Working hours⁷

We adhere to the statutory or applicable collective agreement provisions on working time, including overtime, rest breaks and annual leave. In any event, we make sure that

- the regular weekly working time does not exceed 48 hours plus a maximum of 12 hours overtime per week,
- that the right to rest breaks is respected on each working day,
- that six consecutive working days are regularly followed by a day off
- and that public or religious holidays and holiday leave are respected.

Overtime shall be compensated or remunerated at least in accordance with statutory or collectively agreed regulations; it shall be ordered exceptionally and exclusively on a statutory, collectively agreed or contractual basis.

2.6 Freedom of association⁸

We respect the right of workers to freedom of association, freedom of assembly and the right to collective bargaining and wage negotiations, insofar as this is legally permissible and possible in the respective country of employment. If this is not permissible, we seek appropriate compromises for our employees.

⁵ ILO Conventions 29 and 105
⁶ ILO Conventions 26 and 131
⁷ ILO Convention 1; ILO Recommendation 110
⁸ ILO Conventions 11, 87, 98, 105 and 141

2.7 Diversity and inclusion, ban on discrimination⁹

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.

We also take into account the principle of equal pay for workers of all genders for work of equal value.

2.8 Health and safety at work¹⁰

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. This shall include regular risk assessments of the workplace and the implementation of appropriate security and precautions, including the provision of appropriate personal protective equipment.

We ensure that our employees are trained in all relevant occupational health and safety topics.

⁹ ILO Convention 100, 111 and 159; ILO Recommendation 165
¹⁰ ILO Convention 155, 183 and 184; ILO Recommendation 164

3 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.

3.1 Protection of the environment and climate

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 have taken 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.

3.2 Animal and species protection

We respect the principles of animal welfare and biodiversity and align our corporate actions accordingly. The keeping and use of animals must comply with the applicable legal animal welfare requirements and be appropriate to the species. The Washington Convention on International Trade in Endangered Species of Wild Fauna and Flora¹¹ shall be complied with.

¹¹ Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).

4 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 Corruption¹², 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 antitrust 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.

¹² United Nations Convention against Corruption

CODE OF CONDUCT
OF THE GERMAN TEXTILE AND FASHION ECONOMY

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.

4.4 Consumer interests

Where our products and services concern the interests of consumers, we have taken appropriate measures to ensure the safety and quality of the products or services we offer. We ensure that our products or services comply with the relevant statutory consumer protection regulations.

As part of our information and distribution activities, we take consumer interests into account by applying fair business, marketing and advertising practices and promoting consumer education. We pay particular attention to the interests of children, senior citizens, people with disabilities and other vulnerable consumer groups.

5 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.

CODE OF CONDUCT
DER DEUTSCHEN TEXTIL- UND MODEWIRTSCHAFT

CODE OF CONDUCT
OF THE GERMAN TEXTILE AND FASHION ECONOMY

Freiwillige Selbstverpflichtung *Voluntary commitment*

Wir,
We,

TWE Group GmbH

(Firma, Rechtsform / company name, legal form)

- unterzeichnen den Code of Conduct der deutschen Textil- und Modewirtschaft als freiwillige Selbstverpflichtung,
sign the Code of Conduct of the German Textile and Fashion Economy as a voluntary commitment,
- erklären durch unsere Unterschrift, dass wir die Ziele und die Inhalte des Code of Conduct teilen und im Rahmen unserer jeweiligen Möglichkeiten geeignete und zumutbare Anstrengungen unternehmen werden, um der Selbstverpflichtung fortlaufend an allen unseren Standorten nachzukommen
declare with our signature that we share the objectives and contents of the Code of Conduct and will make every appropriate and reasonable effort, within the scope of our opportunities, to comply with the voluntary commitment on an ongoing basis at all our company locations,
- vermitteln die Inhalte des Code of Conduct in geeigneter Weise gegenüber unseren Mitarbeitenden, Geschäftspartnern und anderen wesentlichen Stakeholdern,
communicate the contents of the Code of Conduct to our employees, business partners and other key stakeholders,
- erwarten von unseren Lieferpartnern, dass sie sich an den Inhalten des Code of Conduct oder an einen anderen vergleichbaren Verhaltenskodex orientieren, und bestärken sie darin, dies ihrerseits von den Vertragspartnern in ihrer Lieferkette einzufordern und
expect from our supply partners to act in line with the contents of the Code of Conduct or to apply a comparable code of conduct and encourage them to demand this expectation from the contractual partners in their supply chain, and
- nehmen jeden Verstoß gegen den Code of Conduct ernst und ermöglichen unseren Mitarbeitenden, Geschäftspartnern und sonstigen Personen, uns auf etwaige Verstöße über die folgenden Kontaktdaten vertraulich hinzuweisen:
take any violation of the Code of Conduct seriously. We encourage our employees, business partners and all other persons to submit reports on potential violations using the following the contact information:

Kontaktmöglichkeit / contact:

Peter Kemper

Bezeichnung der Meldestelle und/oder Name der Kontaktperson / name of the reporting office and/or contact person

peter.kemper@twe-group.com

E-Mail / e-mail

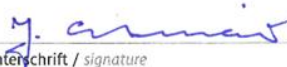
Telefon / phone

www.twe-group.com

Internetseite / website

Emsdetten, 06.11.2023

Ort, Datum / place, date



Unterschrift / signature

Jörg Ortmeier, CEO

Name, Funktion / name, function within the company



Confederation of the German
Textile and Fashion Industry
(Gesamtverband textil+mode)
Reinhardtstr. 14 – 16
10117 Berlin, Germany
Phone +49 30 72 62 20-0
Fax +49 30 72 62 20-44
E-Mail: info@textil-mode.de

www.textil-mode.de



HDE
German Retail
Federation

German Retail Federation – HDE e. V.
(Handelsverband Deutschland e. V.)
Am Weidendamm 1 A
10117 Berlin, Germany
Phone +49 30 72 62 50-0
Fax +49 30 72 62 50-99
E-Mail: hde@einzelhandel.de

www.einzelhandel.de

Addendum to the Code of Conduct of the German Textile and Fashion Economy

Herewith are additional expectations of employees, which are of utmost importance to the TWE Group:

Conflict of interest

TWE Group employees are expected to avoid wherever possible situations where their personal or financial interests or those of their representatives or immediate family members conflict or appear to conflict with the interests of TWE Group. Examples include:

- employment by competitors or potential competitors
- ownership of, or a more than minimal interest in a supplier or a competitor

Employees are expected to promptly disclose in full any situation that might be or appear to be a conflict to their manager or an employee of the Human Resources Department.

Anti-boycott

TWE Group employees shall not participate in or comply with requests to participate in boycotts of a particular country, or company operating in that country, where prohibited by law.

Remuneration for contract workers¹

For the TWE Group, the expectations about remuneration for employees as outlined in Chapter 2.4 of the Code of Conduct jointly published by textile+mode and HDE apply equally to contract workers.

External stakeholder human rights

The TWE Group shall undertake to ensure that its operations do not infringe upon, either directly or indirectly, the human rights of its external stakeholders, such as rights to property/land, rights to self-determination, rights to safety/security and rights to access safe and clean drinking water etc.

The TWE Group shall provide external stakeholders with the means with which to address any perceived infringements on their human rights or those of other external stakeholders resulting from its operations.

¹Workers who are working as the company's own workforce, but are self-employed individual contractors supplying labor to the company, or workers provided by third-party employment agencies.