

Code of Conduct for Production Sites and Suppliers Xandres NV

Part 1- Introduction

Part 2 - General principals

Part 3 - Specific principals with regard to socially responsible supply chains:

1. No forced labour
2. No child labour
3. No discrimination
4. Respect for freedom of association and collective bargaining
5. No harsh or inhumane treatment
6. Safe and hygienic working conditions
7. Wages are paid
8. Working hours are not excessive
9. Traceability of production
10. Health and Safety of products
11. Environmental awareness
12. Legal compliance
13. Verification of compliance
14. Code implementation

Part 4 – Damartex Group – Sustainable Procurement charter

Part 5 – Animal Welfare Policy

Part 1- Introduction

The Xandres NV Code of Conduct for Production Sites and Suppliers (hereinafter, the Code) defines minimum standards of ethical and responsible behavior which must be met by the Production Sites and suppliers of the products commercialized by Xandres NV in the course of its business.

The Code shall be applied to all Production Sites and suppliers that take part in the purchasing, manufacturing and finishing processes and is based upon the following general principles of Corporate Social Responsibility (according to ISO 26000, ISO 20400 and GRI) and following Xandres NV CSR principals.

Part 2 -General principals

1. All Xandres NV operations are developed within socially responsible supply chains.
2. All persons, individuals or entities, who maintain, directly or indirectly, any kind of employment, economic, social and/or industrial relationship with Labels By Andres, are treated fairly and with dignity.
3. All Xandres NV activities are carried out with respect to the environment.
4. There is a zero tolerance for the use of toxic or harmful substances in contact with workers or customers.
5. All Production Sites and suppliers fully adhere to these commitments and undertake to ensure that the standards which are set forth in the Code are met.

Part 3- Specific principals with regard to socially responsible supply chains:

1. No forced labour

Xandres NV shall not allow any form of forced or involuntary labour in the business practices of their Production Sites and suppliers. They may not require their employees to make any kind of “deposits”, nor are they entitled to retain employees’ identity documents.

Production Sites shall acknowledge the right of their employees to leave their employer after reasonable notice¹.

2. No child labour

Production Sites and suppliers shall not employ minors. Xandres NV defines minors as those persons who have not yet reached their 16th birthday. In cases where local legislation stipulates a higher minimum age, the higher limit shall apply.²

Persons with the ages between of 16 and 18 years will be considered young workers. Young workers shall not work during night hours or in hazardous conditions.³

¹ Aspects related to such limitations will be governed by Conventions 29 and 105 of International Labour Organization (ILO)

² Aspects related to prohibition of child labour will be developed according to Conventions 138 and 182 of the International Labour Organization (ILO)

3. No discrimination

Production Sites and suppliers shall not apply any type of discriminatory practice with regards the recruitment, compensation, access to training, promotion, termination of the employment agreement or retirement, based on race, caste, creed, nationality, religion, age, physical or mental disability, gender, marital status, sexual orientation and/or union membership or political affiliation⁴.

4. Respect for freedom of association and collective bargaining

Production Sites and suppliers shall ensure that their employees, without distinction, have the right of association, union membership and collective bargaining. No retaliation may arise from the exercise of such right and no remuneration or payment whatsoever may be offered to the employees in order to hinder the exercise of such a right. Likewise, they shall adopt an open and collaborative attitude towards the activities of Trade Unions.

Workers' representatives shall be protected from any type of discrimination and shall be free to carry out their representative functions in their workplace.

Where the rights to Freedom of Association and Collective Bargaining are restricted under law, the appropriate channels to ensure a reasonable and independent exercise of such rights must be designed⁵.

5. No harsh or inhumane treatment

Production Sites and suppliers shall treat their employees with dignity and respect. Under no circumstances shall physical punishment, sexual or racial harassment, verbal or power abuse or any other form of harassment or intimidation be permitted.

6. Safe and hygienic working conditions

Production Sites and suppliers shall provide a safe and healthy workplace to their employees, ensuring minimum conditions of light, ventilation, hygiene, fire prevention, safety measures and access to a drinking water supply.

Workers shall have access to clean toilets facilities and drinking water. Where necessary, facilities for food storage shall be provided.

Accommodation, where provided, shall be clean and safe.

Production Sites and suppliers shall take the required steps to prevent accidents and injuries to health of their workers, by minimizing as much as possible the risks inherent to work.

³ Aspects related to labour conditions for young workers will be governed by ILO Recommendation 190.

⁴ Aspects related to labour practices will be developed according to ILO Convention 111.

⁵ Aspects related to freedom of association and collective bargaining will be developed according to ILO Conventions 87, 98 and 135.

7. Wages are paid

Production Sites and suppliers shall ensure that wages paid meet at least the minimum legal or collective bargain agreement, should this latter be higher. In any event, wages should always be enough to meet at least the basic needs of workers and their families and any other which might be considered as reasonable additional needs.

8. Working hours are not excessive

Production Sites and suppliers shall adjust the length of the working day to the provisions of the applicable laws or of the collective bargain agreement applicable for the sector in question, if the latter affords greater protection for the workers.

Production Sites and suppliers shall not require their employees to work, as a rule of thumb, in excess of 48 hours a week and workers shall be granted at least one day off for every 7 calendar day period on average.

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, pursuant to the provisions of the prevailing regulations in force⁸.

⁶ Aspects related to labour conditions relation to work health and safety will be governed by ILO Convention 155.

⁷ Aspects related to payment of wages will be governed by ILO Conventions 26 and 131.

⁸ Working day related issued will be governed by ILO Conventions 1 and 14.

9. Traceability of production

Those who outsource any work shall be responsible for the enforcement of the Code by these third parties and their employees. If Production Sites and suppliers assign any work to third parties, the principles of this Code will apply to any (home) worker involved in their supply chain.

On simple demand of Xandres NV full transparency of the locations of third parties and working conditions of their respective (home) workers will be assured.

10. Health and Safety of products

Production Sites and suppliers are responsible for all products supplied to Xandres NV to comply with Xandres NV health and safety product standards so that the commercialized products do not entail any risk to customers.

11. Environmental awareness

Production Sites and suppliers shall be duly committed at all times to protect the environment and shall comply with the standards and requirements of the applicable local and international Laws and Regulations.

12. Legal compliance

The provisions of this Code constitute only minimum standards.

Should national regulations or any other applicable Law or any other commitments undertaken or applicable, including collective bargaining agreements, govern the same issue, the provision which offers greater protection for workers shall apply.

Xandres NV assumes, as part of its internal norms, the content of national and international Agreements and Conventions to which it has adhered, and that they are applied in its relationship with Production Sites and suppliers, committing to their promotion and compliance.

13. Verification of compliance

Production Sites and suppliers shall authorize Xandres NV and/or any third parties the former might appoint, to monitor the appropriate enforcement of the Code. For these purposes, they shall provide the required means and the appropriate access to the facilities and documentation required to ensure this verification.

14. Code implementation

Production Sites and suppliers shall implement and maintain programmes to set in motion this Code. They shall appoint a contact person who shall be responsible for the implementation and enforcement of this Code.

Production Sites and suppliers shall communicate the Code to all employees and those in any way involved in the Xandres NV Supply Chain.

Part 4 – Damartex Group – Sustainable Procurement charter

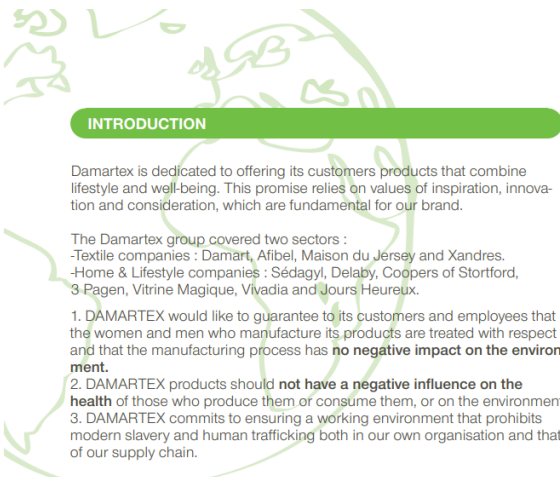
As Xandres NV is part of Damartex Group, Production Sites and suppliers agree to commitments as defined in the Damartex Group Sustainable Procurement Charter, to be consulted on the next pages in this document.



SUSTAINABLE PROCUREMENT CHARTER



This charter was drafted and validated in French.
All other versions are translations of this initial version. In case of doubt or litigation, the French version shall be the only reference.



INTRODUCTION

Damartex is dedicated to offering its customers products that combine lifestyle and well-being. This promise relies on values of inspiration, innovation and consideration, which are fundamental for our brand.

The Damartex group covered two sectors :
-Textile companies : Damart, Afibel, Maison du Jersey and Xandres.
-Home & Lifestyle companies : Sédagyl, Delaby, Coopers of Stortford, 3 Pagen, Vitrine Magique, Vivadia and Jours Heureux.

1. DAMARTEX would like to guarantee to its customers and employees that the women and men who manufacture its products are treated with respect and that the manufacturing process has **no negative impact on the environment**.
2. DAMARTEX products should **not have a negative influence on the health** of those who produce them or consume them, or on the environment.
3. DAMARTEX commits to ensuring a working environment that prohibits modern slavery and human trafficking both in our own organisation and that of our supply chain.

With this in mind, DAMARTEX has joined the United Nations Global Compact initiative and is proud to develop its Sustainable Procurement approach in cooperation with its suppliers.

Through this commitment, we would like to involve everyone in the company and all our suppliers, and develop, with all our partners, mutually beneficial, sustainable relationships.

OUR COMMITMENTS IN TERMS OF SUSTAINABLE PROCUREMENT

Our teams commit to selecting suppliers **impartially** and treat them **fairly**. We respect the confidentiality of information communicated to us, as well as Intellectual Property rights.
We promote an approach based on consultation and support, aiming at **continuous improvement**. We wish to work in a true spirit of **win-win** partnership, for the benefit of all parties.

OUR SUPPLIERS COMMITMENTS

Labour and Human Rights practices:

Our suppliers* commit to respecting **Human Rights**.

In this respect, they must see to the effective application of workers' fundamental rights in compliance with the conventions of the International Labour Organization (ILO) and local regulations on:

- Child Labour
- Forced and compulsory labour
- Workers health and safety
- Discrimination
- Employee representation and Employee Dialogue
- Disciplinary practices
- Working hours
- Remuneration
- Modern slavery
- Human trafficking

For the purpose of this charter, the word supplier* shall be read as our suppliers and our suppliers' suppliers: any person or entity working directly or indirectly for Damart is concerned.

Environment :

Our suppliers* comply with all applicable **environmental rules and regulations** and support a **precautionary approach** to environmental challenges.

They detect, identify and assess potential environmental hazards and take all adequate measures to alleviate or remove them.

Suppliers* minimise their impact on the environment including reducing the amount of waste and the consumption of energy and water.
Chemicals are selected in compliance with the DAMARTEX quality policy on chemicals in order to guarantee that they are safe for people and the environment.



SUPPORT APPROACH

DAMARTEX wishes to develop a **partnership approach** and expects a **commitment from its suppliers** with a view to sustainable and profitable cooperation.

In order to identify areas of progress, we must jointly implement an assessment (audit), diagnosis and consulting approach.

For this approach to succeed, our suppliers should accept to welcome our teams as well as any external auditors appointed by DAMARTEX.

This assessment / diagnosis / consulting approach should concern:

- Building safety (Electricity, fire, robustness of buildings...)
- Workers health and safety
- Working conditions
- The environment
- Products (Check the quality products against DAMARTEX quality requirements and the REACH/ROHS standards).
- Workers rights

We expect the continous improvement approach to be **understood and implemented by our suppliers***. Failing that we reserve the right to call into question our cooperation.

DAMARTEX intends to promote the principles of this charter for the whole supply chain, however, we are aware of the limitation of our responsibilities beyond the direct subcontractors of our suppliers. This is why DAMARTEX, together with its partners, is extremely attentive to its suppliers' * procurement policy.

DamarTEX restates its confidence in its suppliers* and will put all its energy into strengthening the partnership relations with the general objective of improving work conditions and protecting the environment.

For DamarTEX, the Purchasing Department,

For the supplier, the General Management

APPENDICES

This charter complies with local legislation, international conventions and the commitments of DAMARTEX as part of the United Nations Global Compact.

Elements of interpretation on the arbitration between national laws and international conventions

- Local legislation is the reference text when it guarantees a protection that is higher than provided by international conventions in social or environmental matters
 - In situations where legislation or its application doesn't guarantee sufficient protection, the international conventions should be taken into account
 - In countries where the legislation or its application contradicts international conventions, these conventions should be taken into account whenever possible.
- If the fact that they are not taken into account has significant consequences, it is appropriate to review, whenever possible, the nature of relations and activities within the jurisdiction concerned.

UNITED NATIONS GLOBAL COMPACT – www.unglobalcompact.org

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights in their sphere of influence
2. Make sure that they are not complicit in human rights abuses

Labour Law

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
4. The elimination of all forms of forced and compulsory labour
5. The effective abolition of child labour
6. The elimination of discrimination in respect of employment and occupation

Environment

7. Businesses should support a precautionary approach to environmental challenges
8. Undertake initiatives to promote greater environmental responsibility
9. Encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

APPENDICES

CONVENTIONS OF THE INTERNATIONAL LABOUR ORGANIZATION – www.ilo.org

Freedom of Association, Right to Organise and Collective Bargaining (Conventions No. 87 and No. 98)

Workers shall have the right to establish and to join organisations of their own choice without previous authorisation. Workers shall enjoy protection against acts of anti-union discrimination in respect of their employment.

In the case where legislation limits the freedom of association and the right to collective bargaining, the company shall promote all alternative means of associations and free and independent negotiation for all the staff.

Forced Labour (Conventions No.29 and No. 105)

No form of forced labour can be tolerated, such as slavery which violates fundamental human rights.

Employers cannot withhold any part of the salary, profit, properties or documents (For ex: ID papers) from staff to compel them to continue working in the company.

Child labour (Conventions No. 138 and 183)

It is prohibited to employ children under the age of 15 (with the exception of countries for which there is derogation from ILO due to their status of developing countries, where the minimum age is set at 14).

The right of young workers must be respected. If a young worker under 18 is hired, he/she must not be given work likely to be detrimental to the health, safety or morality of the child. He/she must not work nights or work overtime.

APPENDICES

Remuneration (Convention No. 100)

Employers should pay their employees' wages at least equal to legal minimum wages or to those of the industry concerned. When the legal minimum wages do not cover all the basic needs of personnel, employers are encouraged to allocate an extra compensation to satisfy these needs.

Employers see to it that wages and benefits are paid in full compliance with applicable laws and that remuneration is paid under a form that is suitable to workers.

Employers must ensure that wages and the various compensations, as well as social contributions or taxes, are clearly detailed for employees. Overtime must be paid at a higher rate as required by the country's regulations and in due time.

Disciplinary measures such as fines and other deductions from wages are prohibited.

Discrimination (Employment and occupation) (Convention No. 111)

No discrimination whatsoever shall be tolerated in matters of recruitment, remuneration, access to training, career development, termination or retirement based on criteria of race, cast, nationality, religion, disability, gender, sexual orientation, membership in a trade union or political responsibilities.

The company should not interfere in the personnel's rights to observe dogma or practices or to meet demands relating to these criteria.

Working hours (Convention No. 1)

Employers must comply to applicable national laws and industry standards concerning working hours and holidays.

This notwithstanding, the working week on a regular basis should not exceed 48 hours per week and a maximum of 12 hours overtime. These must be worked on a voluntary basis. Workers are entitled to a minimum of one day off per week as well as all other holidays provided by national regulations.

Part 5 – Animal Welfare Policy

Xandres believes that no animal should suffer from creating our products. Xandres asks from it's suppliers to respect the Five Freedoms of the World Organization for Animal Health (OIE): freedom from hunger and thirst; freedom from discomfort; freedom from pain, injury or disease; freedom to express (most) normal behavior; freedom from fear and distress.

Xandres bans the following products according to its Animal Welfare Policy: fur, angora and Leather and hides from wild-caught animals, exotic animals or vulnerable and endangered species (appearing on either the International Union for the Conservation of Nature [IUCN] or the Convention of International Trade in Endangered Species [CITES] lists.

Contact person within the company

Please provide the name and contact details of the person in the company who manages the code of conduct compliance.

Name:

Function:

Email:

Phone:

Signature

I have read and understand the Xandres NV Code of Conduct for Production Sites and Suppliers. I understand that I am bound to comply with this Code of Conduct and if I violate the rules explained herein, I may face legal or disciplinary action according to applicable law or company policy. By signing this Code of Conduct, I

Company Name:.....

Company Address:

Name*:.....

Date:.....

Function:.....

Place:.....

Signature:.....

(*) This code of conduct is a legal document, only company representatives who can legally bind the company can therefore sign this contract.