

XXL SUPPLIER CODE OF CONDUCT

1. Introduction

XXL is committed to conducting our business in accordance with the highest business ethical standards, to comply with the laws of the countries in which the Company operates, and to conform to locally accepted standards of good corporate citizenship. We believe in respecting human and labour rights, protecting the environment, and in applying sound business practices in our companies worldwide.

In order to ensure alignment across the supply chain, XXL expects its suppliers to adopt similar principles, and endeavour to have their sources in the supply chain do so as well. To clarify what we expect from our suppliers, XXL has developed a Supplier Code of Conduct to specify what behaviors and practices the Company expects to see demonstrated and complied with by our suppliers and their subsidiaries, affiliates and subcontractors.

The XXL Supplier Code of Conduct applies to all entities owned by XXL throughout the world (the XXL Group). A breach of this Supplier Code of will be considered a breach of the contract with XXL and may lead to the termination of the business relationship with the Company.

XXL will systematically assess suppliers' conformance to the Company expectations, consider suppliers' progress in terms of meeting these expectations and their ongoing performance in making lawful and ethical sourcing decisions.

In addition to complying with the provisions of the principles in the Supplier Code, suppliers shall comply with all national laws and all laws applicable to the supplier and its operations, Where the requirements of such applicable laws and the XXL Supplier Code differ, or are in conflict, the supplier shall comply with the highest standard consistent with applicable laws.

2. Anti-corruption

2.1 Bribery and Fraud

XXL suppliers shall not actively or passively take action of any forms of corruption. Corruption includes bribery, facilitation payment and trading in influence, and exists when acts or attempts are made to give or actively offer, require, receive or passively accept an improper advantage in connection with a position, office or assignment. Improper advantages include, but is not limited to, cash, cash equivalents, gifts, credits, discounts, travel, personal benefits, accommodation or services, etc. This ban also applies for improperly seeking to influence someone else in their position, engagement or task, whether at XXL or in the public or private sector.

The supplier shall maintain an effective anti-corruption programme designed to ensure compliance with applicable anti-corruption laws and regulations. The programme shall be proportionate to the risks faced by the supplier and shall include procedures to monitor compliance and detect and address violations.

2.2 Competition

XXL does not tolerate any agreement on price fixing, market sharing or other activities that limit free competition. Under no circumstances shall XXL cause or be part of any breach or violation of relevant competition laws or regulations.

2.3 Gifts and hospitality

The supplier shall not, directly or indirectly, offer or give gifts to XXL employees, board members, representatives or anyone closely related to these, unless the gift is of minimal economic value, are infrequent and clearly appropriate under the circumstances. It is not allowed to give or receive cash or gifts which are given in return for a favour. Hospitality, such as social events, meals or entertainments may be offered if there is a legitimate business purpose involved, and the cost is kept within reasonable limits. Travel and accommodation expenses shall be paid by XXL. Gifts or hospitality shall not be offered or given in the situations of contract negotiations, bidding or award.

2.4 Money laundering

XXL avoids any involvement with assets resulting from criminal activity. No XXL supplier shall use its relationship with XXL to disguise or attempt to disguise the sources of illegally obtained funds (money laundering).

2.5 Accounting and record keeping

XXL suppliers accounting processes shall ensure that all transactions relevant to its XXL supplier status are correctly registered in accordance with local law and good accounting practices. The documentation must be proper and transparent and clearly explain the purpose and nature of the underlying transaction.

3. Human rights

The supplier shall respect and conduct its business consistently with internationally recognized human rights conventions such as the UN Convention on Human Rights.

4. Labour rights and working conditions

4.1 Basic Principles

The supplier shall respect and conduct its business consistently with internationally recognized labour rights and principles as set out in the conventions of the International Labour Organization (ILO) on Fundamental principles and rights at work.

4.2 Freedom of Association and the Right to Collective Bargaining

The supplier shall recognize and respect the right of all its employees to form and join trade unions of their choice and to collective bargaining in accordance with national laws and regulations. The supplier shall not interfere, nor sanction anyone as a result of such activities.

4.3 Child Labour and Forced Labour

The supplier shall not employ or contract child labour. "Child labour" means any work by a child unless considered acceptable under the ILO Minimum Age Convention No. 138. If the supplier through applying appropriate monitoring systems discovers that a child is employed or used by or on its behalf, the supplier shall take all necessary steps to address and resolve the situation immediately in the best interest of the child.

The supplier shall not use any form of forced or compulsory labour or slavery or human trafficking and implement systems to ensure compliance with this principle.

4.4 Working Conditions

The supplier shall as a minimum with national laws and regulations. Its workers shall not perform any work for or on its behalf without having signed a document that defines the employment terms and conditions in a language understandable to the worker. The supplier shall pay fair and reasonable wages at a level that at least equals the legal or industry minimum standards in the countries that they operate. The working hours shall not exceed the maximum set by applicable laws and regulations. The Group shall comply with applicable working time regulations, including normal working hours, overtime work and days of leave, reflected in national legislation or industry standards in the countries that we operate.

4.5 Equal Opportunity and Non-discrimination

The supplier shall promote equal employment opportunity principles and ensure that they are applied in all procedures relating to the recruitment, compensation, benefits, leaves of absence, training, development, termination and promotion of employees.

The supplier shall ensure the freedom of their employees, or anyone performing work on their behalf, from any kind of discrimination based on race, creed, colour, nationality, ethnic origin, age, religion, gender, sexual orientation, marital status, disability, or other status.

4.6 Sexual and mental Harassment

The relationship between the supplier and its employees shall be built on mutual trust, respect and dignity.

The supplier shall not tolerate any form of harassment in the workplace, including sexual and mental harassment, and take prompt and appropriate action to prevent and, where necessary, discipline behaviour that violates this policy.

5. Environment, health and safety

The supplier shall comply with applicable laws and internationally recognized standards and work systematically to reduce the environmental impacts of the supplier's operations for XXL.

The supplier shall provide and maintain a safe and healthy working environment for its workers in accordance with all applicable laws and internationally recognized standards. The supplier shall take all necessary steps to prevent accidents and occupational diseases, identify and mitigate hazards, establish controls and monitor performance.

6. Product safety and hazardous substances

The supplier shall comply with all applicable product safety laws and regulations and have a written policy and procedure in place that identifies and mitigates risks to workers, the environment, and customers. The supplier shall pro-actively and transparently share information about the health, safety, and environmental aspects of their products and clearly communicate all necessary product-handling requirements. This includes product information, classification, labelling, packaging, material safety data sheets, notification or registration confirmations, use and exposure scenarios. The supplier shall provide applicable documentation containing all necessary safety-relevant information regarding the safe handling, storage, use, procurement and disposal of hazardous substances.

7. Privacy and personal data protection

The supplier shall recognize and respect privacy rights in accordance with applicable laws and regulations on privacy and personal data retention.

The supplier shall take all necessary steps to protect any XXL data against unauthorized or unlawful processing, accidental loss, destruction, damage, alteration or disclosure. If confidential information is to be shared with other parties, the supplier must seek XXL's authorization in writing in advance and ensure that a written confidentiality agreement is in place with the party involved. The duty of confidentiality also applies after the business relationship with XXL is concluded for as long as the information is considered to be of a sensitive nature or in any other way confidential.

8. Compliance

The supplier shall implement or maintain, as applicable, a management system that facilitates compliance with the law, regulations and XXL's Code of Conduct, that identifies and mitigates related operational risks, and that ensures continuous improvement.

The supplier shall ensure that its employees and managers that are directly or indirectly involved in the Company's business relationship with XXL understand the letter and intent of this Code.

The supplier shall have a grievance system in place including rules and channels that allow workers or other stakeholders to anonymously or openly report concerns or complaints.

The supplier must be able to demonstrate a satisfactory record of compliance with the law and XXL's Code of Conduct in the conduct of its business. The supplier will permit XXL and/or a third party designated by XXL to monitor and periodically evaluate the supplier's record of compliance.

The supplier shall confirm its commitment to complying with this XXL Supplier Code of Conduct by signing the XXL Supplier Code of Conduct Declaration of Compliance.

9. Boycott and sanctions

The supplier shall take reasonable steps to prevent involvement in any transaction prohibited by applicable sanctions laws or regulations.

The supplier shall avoid engaging with industries or companies when there is a broad international consensus to boycott a country in which they operate, or when sanctions against the country have been implemented by the United Nations or the European Union.

10. External resources and references

UN Convention on Human Rights: www.un.org
UN Convention on Global Compact: www.unglobalcompact.org
International Labour Organization: www.ilo.org
OECD Guidelines for Multinational Enterprises: www.oecd.org
Transparency International: www.transparency.org
ETI Base Code Principles: www.ethicaltrade.org

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Declaration of compliance

The undersigned, being duly authorized by [legal name of Supplier] to certify as to the matters set forth below, hereby certifies as follows:

I have read and understood XXL Supplier Code of Conduct and will actively ensure that [legal name of Supplier] and all of its employees, sub-contractors and anyone acting on its behalf will comply with its purpose and provisions

Name (PRINT):

Position/Job Title:

E-mail:

Signature:

Place and Date of Signature::