

TENDAM

GLOBAL FASHION RETAIL

women'ssecret

 **SPRINGFIELD**

C O R T E F I E L

Pedro del Hierro

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INTROPIA

SLOWLOVE

High Spirits

DASH
AND
STARS 

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OUT OF THE OFFICE

FIFTY

Human Rights Policy

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HUMAN RIGHTS POLICY

FROM: BOARD OF DIRECTORS

TO: ALL DEPARTMENTS

DATE: [28 de octubre de 2022]

The Board of Directors of TENDAM BRANDS, S.A. (hereinafter, “**TENDAM**”, the “**Corporation**” or the “**Company**” and, together with its subsidiaries – and including TENDAM RETAIL, S.A. to which it also applies, “**TENDAM GROUP**” or the “**Group**”), in its meeting held on [28 de octubre de 2022], has approved the present Human Rights Policy (hereinafter, the “**policy**” or the “**human rights policy**”), following a favourable report by the Audit Committee.

This policy is part of TENDAM’s general commitment to ethical, responsible, exemplary and upstanding conduct. All of these principles are compiled in the Code of Conduct and other corporate policies which, either directly or indirectly, contribute to preserve the rights of individuals.

1. PURPOSE, OBJECTIVES AND SCOPE

The fashion industry has the ability to exert significant influence on its environment and, as part of the industry, TENDAM accepts the responsibility of actively promoting human rights and working to uphold them. This commitment involves seeking to avoid or, if applicable, mitigate the negative consequences on human rights of its own activities and those of third parties (manufacturers, suppliers, business partners, etc.) with whom the group maintains a business relationship.

TENDAM’s commitment with regard to human rights is the result of a mature analysis and emanates from its ethical values and principles, as well as its way of engaging with the members of its value chain. TENDAM’s position in the fashion industry, in stark contrast to “fast fashion”, contributes to the sustainability of its business model, based on establishing long-lasting business relationships and underpinned by the principles of loyalty and commitment to individuals.

This policy addresses the different impacts the TENDAM Group activities could directly or indirectly have on human rights of individuals affected by such activities (hereinafter, the “right holders”) or those activities of third parties with which the group maintains a business relationship.

TENDAM’s commitment to upholding human rights was first formalised in 2002, through its signing up to and direct participation in the United Nations Global Compact.

TENDAM is committed to fulfilling and promoting compliance with relevant national and international legislation, specifically including the following international conventions and principles:

- United Nations Universal Declaration of Human Rights and its main instruments:
 - o The International Covenant on Civil and Political Rights; and
 - o The International Covenant on Economic, Social and Cultural Rights;
- The Declaration on Fundamental Principles and Rights at Work and Conventions of the International Labour Organization (ILO);
- The Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy;
- The OECD Guidelines for Multinational Enterprises;
- The UN Convention on the Rights of the Child; and
- The UN Convention on the Rights of Persons with Disabilities.

Because some of the challenges addressed by this human rights policy are systemic and complex, the best way to approach them is through a collaboration with civil society institutions and local governments. Therefore, TENDAM has already joined multiple initiatives – information of which is periodically published and updated by the company through its usual communication channels.

2. OBJECTIVE AND SCOPE

The main objective of this policy is to outline TENDAM's commitment to upholding and promoting human rights. For the development of this policy, which is based on the UN Guiding Principles on Business and Human Rights, TENDAM is committed to:

- defining specific commitments related to upholding and promoting human rights; and
- establishing the necessary processes and creating an appropriate structure to ensure that these commitments are integrated into its business model and its relationships with the various right holders.

This policy applies to all the companies that, at any given time, are part of the TENDAM Group, as well as to all their staff, who must be made aware of, respect and apply it, regardless of their positions and roles. In addition, it is extended, fully or in part, to any physical and/or legal entity associated with TENDAM, whenever this is appropriate to fulfil its purpose and when it is possible due to the nature of the relationship.

3. 3. ACTION PRINCIPLES

In order to promote human rights, TENDAM is committed to:

- **Identifying and prioritising** the right holders in its value chain, particularly the most vulnerable, promoting a real and effective dialogue with them through valid representatives;
- **Protecting and upholding** those who defend and promote human rights;
- **Promoting effective risk governance regarding human rights**, based on the most significant risks for the various right holders and/or geographical regions;
- **Establishing adequate action standards**, even beyond strict legal adherence, related to any countries and/or issues with less exacting regulatory environments;
- **Formalising a due diligence process** in order to identify, prevent and manage the company's potential impact on human rights;
- **Designing and establishing, in collaboration with right holders, accessible and understandable reporting and complaint systems**, in addition to promoting their use as an effective risk-prevention mechanism;
- **Establishing reparation mechanisms for possible violations**, in coordination with right holders, affected local entities and civil society institutions, particularly through its participation in pre-established initiatives for reparations;
- **Engaging in a transparent and ethical manner with right holders**, particularly those who could have the most influence on the rights of individuals;
- **Reporting on its impact on human rights in a public**, honest, transparent and complete manner, **setting goals, measuring results** and incorporating lessons learnt into its business model; and
- **Collaborating with governments, local organisations, social institutions and/or other initiatives** for the overall promotion of measures that support and protect human rights.

4. COMMITMENT TO RIGHT HOLDERS ACROSS THE VALUE CHAIN

A) EMPLOYEES

TENDAM's values and commitment to an ethical culture in its relationship with and among its professionals requires the understanding that they are an essential value-generating element for the group. TENDAM's relationship with its employees is based on the values of respect, trust, diversity and teamwork.

In addition, TENDAM operates globally, in diverse geographic regions and working environments and under different relationship models, with and among the professionals comprising the group.

With regards to its workforce, TENDAM commits to:

- Ensuring the labour rights and human rights of all the professionals comprising the business, offering appropriate and fair working conditions and compensation, based on ILO's Declaration on Fundamental Principles and Rights at Work;

More specifically, for TENDAM this commitment entails espousing principles such as non-discrimination due to age, race, ethnicity, social or national origin, gender, sexual orientation, disability, ideology, political and/or religious beliefs; respecting diversity and equal opportunities; a rotund rejection of forced, slave or child labour and human trafficking; unmitigated rejection of any form of harassment or abuse; respect and promotion of freedom of expression, opinion and association; right to dignified work and compensation; guarantee of adequate working and resting conditions; and the health of workers and prevention of work-related risks;

- Seeking equality, promoting the reduction of any kind of gap and establishing ways they can be measured, as well as defining objectives to promote effective diversity and equal opportunities, with particular attention to the most vulnerable groups;
- Facilitating the empowerment of women, based on maximum respect for social and cultural traditions;
- Establishing mechanisms to facilitate an understanding of the needs and views of all the professionals comprising the group, deploying channels for active listening and promotion of dialogue and, particularly, for a transparent and effective dialogue with unions; and
- Promoting practices that ensure the protection of employees' privacy and personal data.

B) SUPPLIERS AND MANUFACTURERS

TENDAM's commitment to an ethical business culture is defined by, and therefore extends to, its entire value chain. TENDAM's relationship with its suppliers – and particularly with garment manufacturers – is based on values such as loyalty, trust and stability, which facilitate the creation of mutually beneficial, long-term business relations, an essential element of the business model.

With regard to its suppliers (and their employees), TENDAM is committed to:

- Demanding, through its External Code of Conduct and its Manufacturer Contracting Policy, commitments related to human rights equivalent to those established for its own workers; These must comply with labour legislation in the countries where they operate, in addition to the ILO's Declaration on Fundamental Principles and Rights at Work. In addition, they are required to involve – and transfer these same principles to – their own business partners;
- Demanding the establishment of adequate mechanisms to facilitate the effective availability to, and understandability of, the External Code of Conduct and Manufacturer Contracting Policy, and particularly the principles guiding them, to the workforce;
- Planning reasonable orders to manufacturers, based on their capacity and with sufficient notice, in order to avoid indirectly causing a deterioration of workforce conditions;
- Undertaking responsible contracting, incorporating the principles and/or commitments of this policy into contractual instruments through specific clauses, as appropriate;
- Extending due diligence in labour rights and human rights to suppliers and progressively extending it throughout the entire value chain;
- Establishing and promoting dialogue, in collaboration with affected right holders, as well as the use of specific whistleblowing and monitoring channels, adapted to the socio-cultural context of the different supplier employees; and
- Ensuring the commitment to female empowerment, based on maximum respect for social and cultural traditions, transmitted throughout the value chain.

C) CUSTOMERS

Its customers are TENDAM's top priority and reason for being. TENDAM always puts its customers at the centre of its business, which entails a firm commitment to the protection and promotion of their fundamental rights and, particularly, their health and safety and protection of their personal data.

Furthermore, TENDAM's customers are drivers of change through their purchase choices; thus, and always in collaboration with social institutions, TENDAM aims to contribute to social transformation and evolution towards more responsible consumption patterns.

Respect for every individual, culture and society is fundamental in order to avoid bias and discrimination of any kind, particularly in regard to the use of the female image, sizing and age.

In this respect, TENDAM is committed to:

- Promoting responsible and inclusive communication with its customers, by raising awareness about responsible consumption, labelling transparency and unbiased communication;
- Always protecting the health and safety of its customers, by controlling the composition of its garments and adherence to the highest quality standards, applying and extending the use of the REACH standard, which governs the use of chemical products, to every geographical region within its footprint;
- Ensuring that our stores are safe and healthy spaces for our customers; and
- Ensuring our customers' rights of protection of their privacy and personal data.

D) COMMUNITIES

TENDAM strives to be an agent for social change and supports the welfare of the communities in which it operates, as well as those that could be affected by its activities, always with a special focus on the most vulnerable groups.

Specifically, the commitments espoused by TENDAM in relation to these communities include:

- The use of its local influence to promote the protection of human rights;
- Protection of the right of local communities to enjoy a clean and healthy environment;
- Practicing responsible accounting, which contributes to the generation of wealth for the communities in which it carries out its activities;
- Designing a common social commitment strategy which espouses local initiatives providing wealth for the environment;

- Identifying leading local partners with whom to engage and collaborate effectively in order to promote commitments to human rights in each geographical region within its footprint;
- Favouring local hiring and employment, with a special focus on the most vulnerable groups and collaborating with local institutions and organisations to facilitate labour inclusion; and
- Establishing, in collaboration with affected right holders, a Protocol for Reparation and Remediation, to be applied in situations where human rights are violated.

E) BUSINESS PARTNERS, THEIR EMPLOYEES AND THEIR CUSTOMERS

TENDAM's business partners, through their franchises and other points of sale – together with their employees – represent TENDAM's values and those of its commercial brands, as the face to the end customers in the markets where they operate. TENDAM's commitment to upholding human rights cannot be understood without it also being transmitted through its partners and, to this end, deploying all its influence to promote the principles inspiring it.

To ensure that its business partners uphold the human rights of their own right holders to the same degree as TENDAM, the company is committed to:

- Demanding from them, on behalf of their employees, human rights commitments equivalent to those established for its own workers. Therefore, they are required to comply with their country's labour legislation, as well as the ILO's Declaration on Fundamental Principles and Rights at Work;
- Requiring its business partners assume responsibility to protect the privacy and personal data of their customers;
- Promoting among its business partners the adoption of commitments to responsible and inclusive communication in their relationship with end consumers through unbiased communication and awareness; and
- Facilitating the empowerment of women, based on maximum respect for social and cultural traditions;

5. GOVERNANCE AND DEPLOYMENT

A) GOVERNANCE MODEL

Given the strategic nature for TENDAM of the defence and promotion of human rights, the role of determining guiding principles and defining main strategic lines falls under

the remit of the Board of Directors, which is the entity in charge of approving this policy and its possible revisions.

The group's management team, through the Human Rights Committee, as its standing body, is in charge of monitoring and ensuring its application.

The due diligence and operational supervision of processes that impact human rights are the responsibility of the Human Rights Committee.

The Human Rights Committee is comprised of representatives of the management bodies in charge of the Internal Audit, Corporate (Sustainability), Human Resources, Logistics and Sourcing, Legal and Customers departments. Through all of these departments, TENDAM carries out a corporate-wide, horizontal deployment of the commitments set out in this policy.

B) TRAINING AND AWARENESS

In order to ensure that all of its workers, from store employees to top management, are aware of the commitments set out in this policy, TENDAM carries out specific human rights training and awareness programmes.

TENDAM also promotes training and awareness among all members of its value chain, employing the usual communication channels with each of them and, based on their needs and particularities, placing specific training activities at their disposal.

C) CONSULTATION AND/OR WHISTLEBLOWING CHANNELS

In case of any uncertainty related to the interpretation or application of this human rights policy, the Corporate and/or Legal Departments, in addition to the Ethics and Human Rights Committee can be contacted.

Any violation of this policy may be communicated through TENDAM's whistleblowing channel (<https://tendam.i2ethics.com/>). The whistleblowing channel is managed by an external company, which guarantees confidentiality and security throughout the entire process.

In addition, and in accordance with the expectations set out in the UN Guiding Principles on Business and Human Rights, TENDAM is committed to establishing, as appropriate, in collaboration with the different affected right holders, other additional consultations and/or whistleblowing channels, adapted to the each specific case.

D) DISCIPLINARY REGIME

This policy is mandatory for all of its recipients, who also have the right and obligation to communicate any breach of its principles.

Any TENDAM employee who violates the contents of this policy will be subject to the corresponding disciplinary measures, specifically those set out in TENDAM's Disciplinary Regime Document.

Where applicable, the violation of human rights will also be communicated to the competent legal authorities, which will receive the company's full collaboration.

6. RELATED REGULATORY FRAMEWORK

One of the cornerstones of TENDAM's Corporate Governance system is its Code of Conduct from which this human rights policy is derived and serves to complement and extend it with specific human rights content.

In addition, TENDAM has other instruments aligned with the Code of Conduct and Human Rights Policy, which are aimed at promoting them.

Directly related to this policy, TENDAM has or aims to have, among others, the following specific protocols:

- External Code of Conduct
- Manufacturer Contracting Policy
- Human Rights Due Diligence Protocol
- Reparation and Remediation Protocol, applicable in case of Human Rights violations
- Protocol for Dialogue and Consultation with Interest Groups

7. REVISION AND UPDATE

This policy will be revised and updated as needed, in order to adapt it to any changes that may arise in the business or context in which TENDAM operates and thus ensure its efficacy.