

Code of Conduct

PARFOIS

1 Introduction

The Code of Conduct of Parfois specifies the catalogue of rules of conduct, ethical values, and general guidelines of action that governs the professional behaviour of its employees.

The rules of conduct set herein define minimum standards, which are developed and implemented by other internal procedures and standards, where the responsibilities, procedures, and when applicable, reporting duties associated with them are defined.

Parfois expects all its employees to commit to adopting and promoting exemplary personal behaviour in terms of integrity and probity and in fighting corrupt practices.

Compliance with the rules of the Code of Conduct does not exempt Parfois' employees from being aware of and complying with other internal rules, as well as with the generally applicable legal and regulatory provisions.

These principles of conduct should be observed in the development of all activities carried out by the Parfois Group.

2 Scope of application

This Code of Conduct applies to all the companies operating under the trademark Parfois ("hereinafter "Parfois") and the subsidiaries of Barhold, S.A (hereinafter "Parfois Group"), regardless of their corporate purpose and geographical location. In this sense, this Code of Conduct is applicable to all operations carried out by Parfois, both nationally and internationally.

This code of conduct is applicable to all employees of Parfois, with no exception, which includes all persons of the Parfois Group, regardless of the position and function they occupy, and specifically:

- The Board of Directors;
- General Management and Senior Management;
- All employees including trainees;

Compliance with the Code of Conduct shall also be promoted among business partners and external providers/suppliers, in those operations they carry out with Parfois.

3 Objectives

The purpose of this Code of conduct is to provide Parfois and its employees with a fundamental instrument that establishes the principles of conduct to be observed within Parfois Group and in the relations between Parfois Group and its employees, customers, suppliers, collaborators, public administrations, and society in general.

4 Mission, Vision and Values of Parfois

4.1 Parfois Mission

Parfois is a global women's fashion accessories brand which started as a fashion accessory brand in 1994, opening its first store in Porto, Portugal. Parfois has grown steadily since then, and now sells its products all over the world, with more than 1000 stores in more than 70 countries.

4.2 Parfois Vision

Parfois aims to be the best women's fashion accessories brand in every market it decides to operate. That is only possible with a team of talented, passionate, ambitious, and committed professionals.

4.3 Parfois Values

Parfois' team is fully committed to performing its activity within the applicable legal framework and in observance of the highest ethical standards. Our values are the reference to always act correctly and make decisions based on professional ethics such as:

- **Honesty and Integrity**
Parfois employees are expected to perform their activities with transparency and loyalty, having in mind the protection of the corporate assets and the best interests of the company.
- **Quality and Innovation**
Parfois is focused on enhancing the quality and diversity of its products while striving for innovation and continuous improvement.
- **Customer orientation**
The customer's best interests are at the root of Parfois' business decisions, which aim to create customer satisfaction and develop client loyalty.
- **Protection of the safety and health of its workers**
Parfois' workers are the key asset of Parfois Group. In this sense, Parfois is fully committed to promoting a safe and stable environment, in which workplace harassment combat measures and applicable regulations in this matter are strictly respected.
- **Transparency in financial information**
Parfois' financial information and accounting documents describe and reflect accurately, truthfully, and transparently the nature of the underlying businesses.
- **Information Security**
Parfois compromises with the safeguard of sensitive information from any disruptive or unauthorised use, understanding the central role of data security and data treatment to a sustained business.
- **Data Protection**

Parfois takes very seriously the treatment of personal data and implements different mechanisms to safeguard the collected information.

- **Intellectual Property**

Parfois respects registered intellectual and industrial property rights and sensitive or confidential information of others and shall not copy, plagiarize or use designs and brands outside the latest design inspiration and fashion trends.

- **Sustainability**

Parfois carries out its business to contribute to the sustainable development of the communities of all locations in which it operates, respecting the economic, social, and environmental best practices in this regard.

5 Principles of Conduct

5.1 Zero tolerance for the practice of corruption and related infractions

Parfois has a zero-tolerance policy to corruption and any other conduct which may expose Parfois to unlawful practices and have negative consequences to the organisation, whether economic, operational, or reputational.

Accordingly, Parfois undertakes to carry out its activity in strict compliance with the laws and regulations in force, as well as to promote, develop and maintain an adequate ethical culture and to act in accordance with the best practices in the fight against corruption.

It's important to note that corruption, commonly referred to as the **abuse of entrusted power for private gain**, is a multi-sector phenomenon present both in the public and private sectors.

Be aware that corruption practices can take multiple forms:

Corruption can be **active**, where a person, acting on his own behalf or on behalf of an entity, obtains or attempts to obtain any advantage from a third party in exchange for gifts, promises, or any other benefit or corruption can be **passive**, where a person, acting on its own behalf or on behalf of an entity, obtains personal consideration through any advantage, for himself or for a third party, with a view to perform an act in the course of his function or to refrain from doing such an act.

Corruption is also related to other related criminal offenses, such as the undue receipt and offer of advantage, economic participation in business, concussion, influence peddling, laundering, or fraud in obtaining or embezzling of subsidy. In Portugal, each of these offences is a crime typified in criminal law.

All Parfois employees should commit to adopting and promoting exemplary personal behaviour in terms of integrity, probity to fight corrupt practices in all its forms.

DO

- Inform the Legal/Compliance Department in case of doubt as to whether the offering or accepting of a gift or other benefit is allowed or not.
- Report through the appropriate reporting channel or directly to your superior, when you have the knowledge of any unlawful conduct or noncompliance.

DON'T

- Accept/offer any payments or benefits not related to the business activity carried out by the Company or with the purpose to facilitate or gain an undue advantage (or other illicit purposes)

5.2 Relationship with public authorities, public officials and political officeholders

The relations established by Parfois with public authorities, public officials, and political officeholders shall be presided over by the principles of institutional respect, integrity, objectivity, and ethical compliance, acting under the highest standards of cooperation and business transparency.

Be aware that reinforced duties of care and increased managerial oversight may be required when dealing with public authorities.

DO

- Dully cooperate with public authorities and redirect any information requests to the competent internal area of Parfois.
- Comply with the applicable legislation and report any suspicious or irregular conduct through the appropriate channel, to your superior or to the Legal /Compliance Department.

DON'T

- Offer, promise, solicit, or accept, from an official or public authority, a gift, remuneration, favour, or service, regardless of its economic value, conditioned on that official making a decision for benefit of Parfois.

5.3 Relations with other third parties

The daily operations of Parfois imply the existence of commercial and business relationships with third parties, whether customers, suppliers, franchisees, agents, vendors, consultants, and media, among others.

5.3.1 Relationships with business partners and suppliers

Parfois shall only work with business partners and suppliers whose business and ethical practices are shared by Parfois, including the respect for fundamental principles and rights of workers identified by the United Nations and by International Labour Organisations.

Due diligence procedures and checks shall be carried out on third parties who act or may act in the name and representation of Parfois.

Third parties who act or may act on behalf of Parfois and for the benefit of the company will be invited to adhere to this Code of Conduct to ensure a mutual commitment in fighting corruption and related offences.

Where Parfois finds evidence that a third party is likely to generate a potential risk of violation of the principles contained in this Code of Conduct, as well as in the applicable anti-corruption laws, Parfois will refrain from contracting or conducting business with such a third party.

DO

- Ensure adequate control over the relationship with third parties and report through the Whistleblowing Channel any suspicious behaviour.

DON'T

- Carry out payments or promises of payment of any values that exceed the appropriate remuneration for the services provided by a third party.

5.4 Gifts and hospitality

The exchange of gifts and business hospitality arrangements with customers or business partners are, in many cases, normal standards of courtesy and commonly accepted in the context of business relationships.

However, depending on the economic value, the nature of the context of the gift or hospitality, these practices can be misinterpreted and suggest an improper intent or the earning of undue advantages.

DO

- Comply with the internal business guidelines and treat every customer fairly.
- Always comply with the internal rules set by Parfois concerning the offer/acceptance of gifts and hospitality.

DON'T

- Give /accept gifts or other benefits that you feel are inadequate or of excessive value.
- Accept invitations for travel or other protocol hospitality that may compromise objectivity or influence the decision-making process.

5.5 Donations and sponsorships

Parfois is an active participant in the communities in which it takes part and supports a variety of social, cultural, welfare, and scientific causes.

Be aware that the allocation of any donation or sponsorship requires prior appreciation and authorisation from the board of management of the Parfois Company on a case-by-case basis.

DO

- Make sure every donation and sponsorship awarded is authorised and its supporting documents are properly recorded.

DON'T

- Offer/grant to a third party or accept from a third party, directly or indirectly, unauthorised donations, sponsorships or other benefits.

5.6 Incentive Plans

In addition to promoting a safe and fair work environment, Parfois promotes incentive plans and rewarding schemes targeting employees to motivate, attract, and retain talent within the organisation.

These plans are governed by specific rules and approved internally based on principles of equal opportunities, austerity, and proportionality.

DO

- Validate any expenditure or travel warranted by work reasons with the competent department under the rules provisioned by Parfois

DON'T

- Include or incur non-authorised expenses or misuse the expenses' procedure for personal expenses

5.7 Conflicts of interests

Parfois promptly addresses potential conflicts of interest so that the interests of the stakeholders of the organisation are correctly safeguarded.

A conflict of interest may arise when employees, trainees, directors, managers, and other persons acting on behalf of Parfois companies put their personal interests before those of the Company.

The existence of a conflict of interest does not necessarily correlate to an unlawful situation, nevertheless, measures may be necessary to properly safeguard Parfois interests.

These are some examples of circumstances that may entail a conflict of interest:

- Pursuing activities outside Parfois (employees with potential conflictual economic and financial interests in other companies or businesses)
- Lack of segregation of functions (conflicting professional duties within the Company);
- Economic and financial interests of the employee or his family in activities related to the suppliers or customers of the Company.
- Personal relationships with public officials with whom Parfois will be interacting in the course of its business.

Internally and by involving the relevant internal areas (i.e., General Director, Human Resources, Finance, etc.) specific measures may be adopted to mitigate any unlawful or negative consequences for Parfois. These include but are not limited to removing the employee facing the conflict of interest from the situation.

DO

- Avoid situations where conflicts of interest may arise, and report to your immediate supervisor any potential or existing situation of conflict of interest.

DON'T

- Keep an actual or potential conflict of interest to yourself and to your own judgement.
- Use your position in Parfois for your personal benefit or for other persons not related to the organisation.

5.8 Compliance with the anti-money laundering and terrorism financing rules on cash transaction

Parfois expects its employees to comply with the rules and legal restrictions on cash payments in force at Parfois.

Parfois looks out for and monitors transactions of dubious origin and favours payment methods that allow the identification of the origin of funds.

In compliance with the local restrictions on cash limitations Parfois cannot accept or receive cash payments greater than 3.000€ and its equivalent in foreign currency. If you have any doubts related to cash transaction limits, please refer to the Anti-corruption Policy or contact the Legal/Compliance Department.

DO

- Only accept payments made in debit and credit cards, bank transfer, including Google Pay, Apple Pay and Mbway as per Parfois rules. It is also possible to accept cash payments within the limits established in this Code of Conduct.
- Report through the appropriate channel or to your superior any suspicion of illicit origin of funds

DON'T

- Accept payments in cash over 3.000 € whether in a unique payment or through instalments.
- Accept payments in methods not authorised by Parfois.

6 Compliance with the Code of Conduct

All persons subject to the Code of Conduct have the duty to carry out their activities in compliance with and fully respecting the provisions thereof.

Parfois expects each of its employees to embrace the rules and principles set herein and, whenever applicable, to report any misbehaviour or breach of the conduct rules established.

Any doubt about the conduct rules set herein or on how to behave in a specific situation should be immediately addressed to the line manager or the Legal /Compliance Department.

Parfois encourages all of its employees, instead of trying to solve any doubtful issue by themselves, to actively discuss the matter with their hierarchy or the Legal /Compliance Department, as a qualified person to advise.

7 Disciplinary Sanctions

Any violation of the Code of Conduct would constitute a misconduct and be considered as a serious offense to the business and reputation of the Parfois Group and, for that reason, any failure to comply with the Code of Conduct may result in the application of disciplinary sanctions to employees, in accordance with the provisions laid down in the employment contracts, in labour law and other collective regulatory instruments.

Parfois reserves the right to apply the following disciplinary sanctions in view of the seriousness and culpability of the particular offence: reprimand, registered reprimand, financial penalties, loss of vacation days, suspension from work with retribution and seniority loss and dismissal without compensation or indemnity.

7.1 Non-compliance Report

For each infringement committed, Parfois shall draw up a report containing the breached rules, the penalty imposed, and other adequate and proportionated measures to be adopted.

8 Criminal Sanctions

Non-compliance with the provisions of the Code of Conduct may also, where applicable, lead to personal, civil or criminal proceedings, and the infringer may inclusively occur in the criminal sanctions established in the Criminal Code, namely when the infringements are associated with acts of corruption and related offences.

These criminal sanctions may include the payment of heavy fines and/or an imprisonment sentence, in accordance with the nature of the criminal offense committed and its respective penalty.

Parfois holds the right to take legal action against persons which commit unlawful actions or corruption and related offences which involve or implicate Parfois in any capacity.

9 Whistleblowing channel

Those subject to the Code of Conduct who have reasonable indications of an infraction, irregularity, or act contrary to the rules of action of this Code of conduct, should raise and communicate their concerns, with no delay, through the Parfois' internal reporting channel.

Parfois makes available an internal reporting channel that can be used on an anonymous basis, and is established and operated securely, ensuring the integrity and confidentiality of the report and the reporting person or any third party mentioned in the report.

The report may be submitted by any stakeholder (e.g., employees, shareholders, suppliers, etc.) in good faith and must be well-founded. Parfois will diligently follow up on the reports received and, within a reasonable timeframe, give feedback to the reporting person.

Parfois ensures that the Committee which receives, reviews, and investigates the report, is independent and impartial regarding each breach report and implements the necessary controls to prevent any potential conflict of interests.

Parfois undertakes not to adopt any form, direct or indirect, of retaliation against the reporting person.

10 Responsibility

All employees are expected to comply with the conduct guidelines set out in the Code of Conduct and internal rules, as well as behave in an irreprehensible manner to avoid the exposure of the organisation to corruption and other related risks.

The **Compliance Officer** will be the internal control function responsible for updating, supervising, and controlling compliance with the provisions of the Code of Conduct. Its roles involve the improvement and monitoring of the anti-corruption controls and measures to ensure the proper implementation of the anti-corruption compliance program. The Compliance Officer carries out its functions in an independent, permanent, and with decision-making autonomy, and is endowed with the necessary human and technical resources to carry out its functions.

Additionally, the **Compliance Officer** will be responsible for answering any doubts or queries, where appropriate, arising from the application and interpretation of the rules contained in the Code of Conduct.

The **board of directors** of the Parfois Company is the ultimate corporate body responsible for fostering a compliance culture in the organisation and commits to setting the tone at the top by leading the enforcement of preventive corruption controls. It shall refrain from carrying out any activity which can lead to the involvement of the Company in corruption.

Contacts:

- Legal department: legal@parfois.com
- Compliance officer: compliance.officer@parfois.com

11 Code of Conduct disclosure and communication

Parfois will adopt adequate measures to disclosure and communicate to all employees and persons of interest in the content of this Code of Conduct, assuring its content is accessible to all.

The Code of Conduct will be delivered to all employees of Parfois, which will expressly accept the full content thereof.

The Code of Conduct is also available on the Parfois intranet and website.

12 Approval and review of the Code of Conduct

This version of the Code of conduct was approved by the Board of Directors of Parfois.

Any subsequent amendment to the Code of Conduct will be subject to the management body's approval before being disclosed to all employees. Once any amendments are approved, the Code of Conduct shall be available within ten days of the respective revisions' approval.

The Code of Conduct is subject to review every three years, or where a change in the corporate structure of Parfois or in the applicable legislation and/or regulations occurs, which may justify an earlier revision.