



Supplier Code of Conduct

At MadaLuxe Group (“MadaLuxe”), we aim to conduct business to the highest level of ethical standards and expects our business partners to operate in full compliance with all applicable laws, rules, and regulations.

This Code of Conduct is defined as an ethical commitment that includes basic principles and standards for the proper development of the relations between MadaLuxe and its stakeholders, wherever it carries out its business activities.

This Supplier Code of Conduct outlines the main principles MadaLuxe adheres to and expects all its business partners providing goods or services to MadaLuxe to comply with. We also believe that it's the responsibility of our direct business partners to ensure that their subcontractors, vendors, and suppliers do business with the highest business and ethical standards.

Our Code of Conduct is based on the following codes, standards and global commitments.

- ❖ [Universal Declaration of Human Rights](#)
- ❖ [International Labour Organization's Declaration on Fundamental Principles and Rights at Work](#)
- ❖ [Rio Declaration on Environment and Development](#)
- ❖ [ISO standards](#)
- ❖ [United Nations Convention Against Corruption](#)
- ❖ [UNI GLOBAL UNION](#)
- ❖ [The United Nations Global Compact](#)
- ❖ [Ethical Trading Initiative \(ETI\)](#)
- ❖ [ILO's Better Work Programme](#)
- ❖ [The CEO Water Mandate](#)

MadaLuxe takes concrete measures to protect the human rights, health, safety, and environment which includes cooperation with its suppliers to ensure application of best practices throughout the supply chain.

We expect our suppliers to be fully transparent and guarantee material and product traceability. Our suppliers are required to provide clear and accurate information regarding the methods and resources used, production sites and characteristics of the products or services supplied, and to refrain from making any misleading claims.

Suppliers shall not assign any work to third parties without the prior written authorization. Those who outsource any work shall be responsible for the enforcement of the Code by these third parties and their employees. Likewise, suppliers shall apply the principles of this Code to any homemaker involved in their supply chain and shall give transparency to the locations and working conditions of said homeworkers.

A Management Systems should ensure that the suppliers and their subcontractors operate in conformance to all requirements and cover the following:

- Commitment, Support and Accountability
- Legal Requirements and Policies
- Risk Assessment and Risk Management

- Training and Communication
- Worker Feedback and Participation
- Audits and Assessments
- Corrective Action, Root Cause and Preventative Action Plans
- Document and Records
- Supplier Responsibility

MadaLuxe expects its suppliers to act in an ethical fashion and share the commitment to protecting people and the planet throughout its operations. MadaLuxe expects its employees, along with those engaged in conducting business with, or on behalf of, to comply with this Code of Conduct.

Ethical Code

MadaLuxe, its employees and others acting on their behalf will follow the law, their licensing/ authorization obligations, and any other regulations.

1. Anti-Corruption and Bribery

MadaLuxe abides by all applicable anti-corruption laws and regulations of the countries in which it operates, and applicable international anti-corruption conventions. Our suppliers shall:

- Not tolerate bribery of any kind
- Not offer or accept gifts, payments, or hospitality to encourage or reward a decision
- Comply with the applicable national and/or international accounting and banking standards and processes, as well as law with respect to money laundering, financing of terrorism, fraud, and other illegal activities.
- Have a zero tolerance to bribery and corruption in all business transactions, as such that may compromise the principles of fair competition or constitute an attempt to obtain or retain business
- Will not allow any employee to suffer negative consequences for voicing a concern or refusing to engage in an act of bribery
- Will not condone payments, gifts in kind, expenses, discounts, advantages, or promises that may influence the course of business decisions
- Will have appropriate systems in place to manage bribery risk
- Will train its employees in anti-corruption practices.

2. Data Protection and Privacy

Protection of intellectual and industrial property

Our suppliers must be committed toward protecting MadaLuxe's intellectual and industrial property. It covers, among others, copyrights, patents, trademarks, domain names, reproduction rights, design rights, database extraction rights and rights on technical expertise.

Protection of assets

Our suppliers are required to take all necessary measures to protect the resources and assets of MadaLuxe's, its intellectual property rights, and are committed to fighting counterfeiting through a strategy of prevention, cooperation, and communication.

Confidentiality of information and personal data protection

Our suppliers must be committed to taking all necessary measures to guarantee the confidentiality of professional secrets and other non-public information they receive during their business relationship with MadaLuxe. All employees must comply with applicable local privacy and data protection laws and regulations and respect the privacy of MadaLuxe's customers, contractors, suppliers and employees and seek to protect their personal data. Everyone processing personal data should be aware of the data protection principles, which must be complied with. These are:

- Processed fairly and lawfully. There must be a lawful basis for obtaining, holding, and sharing the data and the data must only be processed in a way that the individual would reasonably expect.
- Obtained for specified and lawful purposes. Data must only be obtained for specified purposes and can only be disclosed if the disclosure is compatible with those purposes.
- Adequate, relevant, and not excessive. Only information that continues to be relevant should be kept. When making disclosure only information relevant and necessary for the purpose for which it is being disclosed should be shared.
- Accurate and up to date. Information should be accurate and up to date. (In relation to civil registration, records are required to reflect the facts at the time of the event and may only be corrected where an error has occurred via the processes set out in law).
- Not kept any longer than necessary. Information should only be kept for as long as necessary and deleted once it is no longer required for the purposes for which it was collected.
- Processed in accordance with the individual's rights. Individuals have the right to have factually incorrect information corrected. In addition, this principle also allows individuals to have access to personal information held about them – e.g., Subject Access Requests.
- Securely kept. Organizations holding personal information are required to have adequate security measures in place to ensure appropriate processing of personal data and to ensure personal data is not lost or stolen.
- Not transferred to any other country without adequate protection in place. Personal information must not be sent to a country or territory unless that country or territory ensures an adequate level of protection for the rights and freedoms of data subjects in relation to the processing of personal data.

3. Fair Operating Practices

Prevention of conflicts of interest

We require our suppliers to comply with all applicable laws concerning conflicts of interest and to make every effort to prevent the occurrence of situations that create a conflict of interest within the scope of their business relationship with MadaLuxe.

Respect of competition

Our suppliers must be committed to compliance with competition law applicable in their host countries. This includes prohibiting abuse of dominant position, concerted practices, or unlawful agreements between competitors.

Customs and security authorities

We require our suppliers to comply with applicable customs laws, including those relating to imports and the ban on transshipment of merchandise to the importing country.

Trade restrictions and international sanctions

We require our suppliers to respect international trade restrictions and sanctions, considering any changes in these measures, as well as all laws and regulations concerning export controls. Suppliers must comply with all applicable laws regulating global trade, including U.S. and Canada Customs importing laws. Suppliers must also establish programs and maintain documentation to support country-of-origin production verification and preferential trade claims. Suppliers must comply with international supply-chain security requirements and criteria per U.S. Customs-Trade Partnership Against Terrorism (C-TPAT) and Canada Partners in Protection (PIP).

Prohibition of money-laundering

Money-laundering can occur where an action is taken to mask the true origin of money or assets that are connected to criminal activity. We require our suppliers to commit to taking all appropriate measures to prevent their operations from being used as vehicles for money-laundering.

Public statements

We expect our suppliers to be extremely attentive to their public statements, particularly on the Internet and in social media, and to ensure that any statements are not attributed to MadaLuxe and are consistent with the supplier's commitment to both confidentiality and professional secrecy.

4. Responsible Sourcing of Minerals

Our suppliers must have a policy to reasonably assure that the tantalum, tin, tungsten and MadaLuxe suppliers of gemstones and finished goods must obtain warranty statements, certification, and traceability, based on the product they are producing, including diamond warranties, conflict minerals, and colored gemstones. Our suppliers must comply with applicable laws and regulations relating to responsible sourcing, including the sourcing of Conflict Minerals and diamonds. Section 1502 of the Dodd-Frank Act relates to the responsible sourcing of Conflict Minerals, which include: tin, tantalum, tungsten and gold (collectively "3TG") mined in conditions of armed conflict and human rights abuses in the Democratic Republic of the Congo (DRC) or its adjoining countries. Under Section 1502, applicable Suppliers must confirm the source of 3TG used in their products. The Kimberley Process resolution relates to the responsible sourcing of diamonds and requires that Suppliers guarantee that diamonds are conflict-free based on personal knowledge or a written guarantee provided by the supplier of the diamonds and stated on all invoices.

Human Rights and Labor Practices Code

MadaLuxe is committed to respecting human rights throughout its supply chain and conducting labor practices in accordance with all laws and regulations. We believe that everyone should be treated with respect and work in a safe environment. The Code is based on the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

MadaLuxe, its employees and others acting on their behalf will uphold the United Nations Universal Declaration of Human Rights (UNDHR), by:

- Respecting fundamental Human Rights, as according to the United Nations Guiding Principles on Business and Human Rights
- Recognizing and respecting the rights of indigenous peoples and the value of their traditional, cultural, and social heritage and expecting its suppliers to comply with this requirement
- If operating in, or sourcing directly from a conflict-affected area, performing human rights due diligence to assess the heightened risks of adverse human rights impacts
- Training appropriate employees in human rights issues.

MadaLuxe and its suppliers will uphold the principles above by ensuring the following:

1. No Forced Labor

We expect our suppliers to have a zero-tolerance approach to modern slavery. MadaLuxe accepts its responsibility to implement sufficient systems and controls to safeguard against any form of modern slavery and to protect the rights of workers and recognise this is an ongoing journey. To ensure:

- There is no forced, bonded, or involuntary prison labour
- Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice
- Grievance and whistleblowing measures are provided and communicated to allow employees to report actual or suspected misconduct without fear of reprisal.

Our suppliers must comply with local modern slavery legislation, including but not limited to, the California Transparency in Supply Chains Act of 2010 (SB 657) and the UK Modern Slavery Act 2015.

2. No Child Labor

Our suppliers shall not employ minors (those persons who have not yet reached their 16th birthday, where local legislation stipulates a higher minimum age, the higher limit shall apply). If MadaLuxe discovers any child labour employed in its supply chain, it will take immediate action to end it, with the child's best interests in mind. Persons with the ages between 16 and 18 years will be considered young workers, who shall not work during night hours or in hazardous conditions.

3. Wages and Benefits

Our suppliers must ensure living wages are paid. Wages and benefits paid for a standard working week, meet at a minimum, national legal standards or industry benchmark standards, whichever is higher.

- All workers will be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- Deductions from wages as a disciplinary measure will not be permitted nor will any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

4. Working Hours

Working hours must comply with national laws, collective agreements, and the provisions below, whichever affords the greater protection for workers.

- Working hours, excluding overtime, will be defined by contract, and will not exceed 48 hours per week.¹
- All overtime will be voluntary. Overtime will be used responsibly, considering all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It will not be used to replace regular employment. Overtime will always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.
- The total hours worked in any seven-day period will not exceed 60 hours, except in exceptional circumstances where all the following are met.
 - this is allowed by national law
 - this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce
 - appropriate safeguards are taken to protect the workers' health and safety, and
 - the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents, or emergencies.
- Workers will be provided with at least one day off in every seven-day period or, where allowed by national law, two days off in every 14-day period.

5. Fair and Equal Treatment

Suppliers must ensure that there is no discrimination in training, promotion, termination or retirement based on sex, race, color, national origin, social or ethnic origin, religion, age, marital status, partnership status, pregnancy, parental status, physical or mental disability, political opinion, personal characteristics or beliefs, sexual orientation, gender identity or expression, or any basis protected by local law.

5. Regular employment is provided

To every extent possible work performed must be based on recognized employment relationships established through national law and practice. Obligations to employees under labor or social security laws and regulations arising from the regular employment relationship will not be avoided using labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor will any such obligations be avoided through the excessive use of fixed-term contracts of employment.

¹ International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.

6. No harsh or inhumane treatment

Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation is prohibited. Suppliers must treat every person with dignity and respect. All workers must not be subject to physical, sexual, psychological or verbal harassment, abuse, any form of intimidation, threat or coercion of a sexual nature or any promise of recompense in return for sexual favours. Suppliers must not use monetary fines as a disciplinary practice. Furthermore, people of all genders must be free to voice concerns to Suppliers without fear of retaliation by Supplier management.

7. Grievance mechanisms and remedy

We expect our suppliers to maintain grievance mechanisms to respond to concerns and complaints that ensure effective, timely, respectful and transparent communication among workers, their representatives, management and the community.

8. Freedom of Association and Collective Bargaining

Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

- MadaLuxe has an open attitude towards the activities of trade unions and their organisational activities
- Worker's representatives are not discriminated against and have access to carry out their representative functions in the workplace
- Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

9. Health and Safety Code

A safe, secure, and hygienic working environment will be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps will be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

- Workers will receive regular and recorded health and safety training, and such training will be repeated for new or reassigned workers
- Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage will be provided
- Accommodation, where provided, will be clean, safe, and meet the basic needs of the workers
- Responsibility for health, safety and security is assigned to a representative of senior management.

Recognized management systems such as OHSAS 18001 and ILO Guidelines on Occupational Safety and Health were used as references in preparing the Code and may be a useful source of additional information.

MadaLuxe and its suppliers will uphold the principles above by ensuring the following:

1) Occupational Safety

Worker exposure to potential safety hazards (e.g., electrical and other energy sources, fire, vehicles, and fall hazards) are to be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout), and ongoing safety training. Where hazards cannot be adequately controlled

by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards. Workers shall be encouraged to raise safety concerns.

2) Emergency Preparedness

Potential emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including: emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment and property.

3) Occupational Injury and Illness

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness including provisions to: encourage worker reporting; classify and record injury and illness cases; provide necessary medical treatment; investigate cases and implement corrective actions to eliminate their causes; and facilitate return of workers to work.

4) Industrial Hygiene

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. Engineering or administrative controls must be used to control overexposures. When hazards cannot be adequately controlled by such means, worker health is to be protected by appropriate personal protective equipment programs.

5) Physically Demanding Work

Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated, and controlled.

6) Machine Safeguarding

Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

7) Sanitation, Food, and Housing

Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Worker dormitories provided by the supplier or a labor agent are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate heat and ventilation, and reasonable personal space along with reasonable entry and exit privileges.

8) Health and Safety Communication

Supplier shall provide workers with appropriate workplace health and safety training in their primary language. Health and safety related information shall be clearly posted in the facility.

Environmental Code

MadaLuxe recognizes that environmental responsibility is integral to producing world class products. In business operations, adverse effects on the community, environment and natural resources are to be minimized while safeguarding the health and safety of the public. Recognized management systems such as ISO 14001 and the Eco Management and Audit System (EMAS) were used as references in preparing the Code and may be a useful source of additional information. It is important to accommodate evolving standards, and integrate, where appropriate, the results of scientific investigation and technological innovation to enhance environmental protection.

MadaLuxe and its suppliers will uphold the principles above by ensuring the following:

1. Energy Consumption and Greenhouse Gas Emissions

Energy consumption and greenhouse gas emissions are to be tracked and documented, at the facility and/or corporate level. Suppliers are to look for cost-effective methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions.

2. Environmental Permits and Reporting

All required environmental permits (e.g. discharge monitoring), approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

3. Pollution Prevention and Resource Reduction

The use of resources and generation of waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials. Minimize their use of raw materials, continually looking for more efficient processes and maximize their use of recycled materials. Continually strive to recycle as much of their waste as possible. Waste shall be disposed of in an efficient, safe and environmentally responsible way and in full compliance with national laws. Suppliers are prohibited from destroying unsold goods or deadstock and are required to find a next-step use through donation, resale or upcycling.

4. Hazardous Substances

Chemicals and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

5. Wastewater and Solid Waste

Supplier shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous). Wastewater generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. In addition, measures should be implemented to reduce generation of wastewater. Supplier shall conduct routine monitoring of the performance of its wastewater treatment systems.

6. Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, routinely monitored, controlled, and treated as required prior to discharge. Supplier shall conduct routine monitoring of the performance of its air emission control systems.

7. Materials Restrictions

Our suppliers are to adhere to all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.

8. Storm Water Management

Our suppliers shall implement a systematic approach to prevent contamination of storm water runoff. Suppliers shall prevent illegal discharges and spills from entering storm drains.

9. Biodiversity Protection

Measures to preserve biodiversity and guarantee regulatory traceability and compliance for raw materials and substances shall be used. Suppliers shall promote the protection and enhancement of biodiversity and ecosystems through employee awareness programmes and stakeholder engagement

Animal Welfare

Our suppliers must adopt healthy and humane practices that respect animal welfare and are based on best practice (for example, the Responsible Luxury Initiative: Animal Sourcing Principles). Upon request, our suppliers must provide documentation and/or allow audits of their supply chain regarding animal welfare due diligence.

MadaLuxe Suppliers must ensure that staff are skilled and competent in animal husbandry and welfare and have a good working knowledge of the animals in their care. Our suppliers must comply with US, EU and other legislation applicable to animal welfare, transportation and slaughter. As a minimum, our suppliers shall adhere to the internationally accepted "Five Freedoms" for animal welfare. Animals must have:

- Freedom from hunger and thirst by ready access to fresh water and an appropriate diet to maintain full health and vigor.
- Freedom from discomfort by providing an appropriate environment including shelter and a comfortable resting area.
- Freedom from pain, injury or disease by prevention or rapid diagnosis and treatment.
- Freedom to express normal behavior by providing sufficient space, proper facilities and company of the animal's own kind.
- Freedom from fear and distress by ensuring conditions and treatment which avoid physical or mental suffering.

In addition, animals must not be transported for longer than 8 hours and should be sourced locally wherever possible, to avoid long journeys to abattoirs. Animals must go directly from farm to slaughter, and not via livestock markets. Animals must have adequate bedding, space, and ventilation during the transportation.

Prohibited products, materials and ingredients for sale or use in our operations:

Endangered species

Plants or animal products listed on CITES Appendix I or the EU Wildlife Trade Regulations Annex A. For any plants or animals on CITES Appendices II or III, suppliers must ensure that all certification is in place and kept with the product (where necessary) and that these products are sustainably and responsibly sourced.