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Code of Ethics and Conduct

Confecções Lança, LDA

This document describes the good practices of social responsibility of Confecções Lança, LDA.

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Customer relations

All Employees and Managers of Confecções Lança provide the necessary conditions for the establishment of customers' confidence, ensuring their full satisfaction. In the progress of its activity, it systematically assumes the commitment of high-level precision and professionalism, where the customer always comes first:

- Always ensuring a strong commitment in the manufacture of quality products, promoting an offer of excellence;
- Treating the customer with professionalism, respect and loyalty, always evaluating his needs and presenting him with alternatives based on truth and at a fair price;
- Providing the customer with relevant information for his decision-making;
- Assuring scrupulous compliance with the agreed terms;
- Honoring confidentiality on the information given by the customer;
- Always complying with all national and international laws and regulations that rule the market.

Staff

Policies that reflect the good conduct practices of Confecções Lança, relative to the employees who work at the company, are described below.

Social Responsibility Policy

Confecções Lança defines, implements and controls its commitment relative to the improvement of their employees, acting with rigor and social justice and respecting their integrity. Hence, we subscribe to the principles of the international code of conduct BSCI (Business Social Compliance Initiative) **and we are a certified company under the requirements of Standard SA8000.**

Human Resources Policy

Confecções Lança develops its activity based on three main principles of human resources management:

1. to attract the most appropriate people to each function, with selection, remuneration and career development policies, guided by criteria of merit and benchmarking market practices;
2. to maintain people, guaranteeing them the best working conditions, fostering their best performance and motivation;
3. to train and promote the progress of people in order to increase their qualifications.

The company endorses and adopts the principles described in NP 4427, relative to the Human Resources Management System. On this subject, Confecções Lança has a manual with its good practices in terms of personnel management, structured as a supplement to the current Code of Ethics and Conduct.

Safety and Health Policy at Work

Confecções Lança is committed to create the conditions aiming to the prevention of occupational risks, providing a healthy and safe working environment. It, thereby, endorses and adopts the principles described in the standards of ISO 45001. Regarding this subject matter, Confecções Lança makes available a manual with its good practices in terms of safety management, structured as a supplement to this Code of Conduct.

Endorsement of the national legislation and major international conventions

Confecções Lança fully supports the major principles and values of human and social rights. It does not allow discriminatory behavior based on gender, race, ethnicity, religious beliefs, political affiliation, nationality, or any other. It promotes equal opportunities and ensures integrity and dignity at the workplace.

Employee Participation

Confecções Lança encourages and consults its employees to contribute, with the objective of the continuous improvement of the overall performance of the company. It also encourages them to participate in restructuring processes and to contribute with suggestions concerning the safety and health at work.

Training and Development

At Confecções Lança investment in human capital is a preferential factor. This is especially favored through the continuous professional training of all workers and the possibilities created for their career progression. These are fundamental contributions to the company's sustained growth.

Workers Standards of Conduct

The conduct of employees is regulated by the National Laws in effect and by the principles described in this Code of Ethics and Conduct.

- **Commitment to Interpersonal relations:** Employees have the obligation to respect and treat management, hierarchical superiors, co-workers and people that are related to the firm, with courtesy and probity.
- **Commitment towards operating rules:** Employees should report to work with assiduity and punctuality; the planned absences should always be notified and require the filling of the appropriate document and the approval by the supervisor.
- **Commitment towards work:** Employees must accomplish their work with zeal and diligence; undertaking their duties in a responsible and professional manner, always making an efficient and rational use of resources. They must promote or execute measures aimed at improving the company's productivity.
- **Commitment to vocational training:** Employees must participate diligently in vocational training that may be offered by the company.
- **Commitment towards safety at work:** Employees must comply with the orders and instructions of the company concerning the implementation or labor discipline, as well as to the health and safety at work, which are not contrary to their rights or guarantees. They must cooperate to improve the safety and health at work and comply with the laws on this subject.
- **Complying with the Competition Law:** Employees must keep loyal to the company, namely, not negotiating on their own or under someone else, in competition with it, and not disclosing information regarding its organization, production methods or business.
- **Commitment to the company's property protection:** Employees must ensure the conservation and prudent use of property, related to the job that the company entrusted them with. They are accountable for the assurance of the protection and conservation of the physical, financial and intellectual assets of the company.
- **Confidentiality commitment:** Employees may not disclose to third parties information resulting from the company's business enterprises.

Company Associates

The Managing Partners of Confecções Lança systematically commit themselves to the addition of value to business, promoting constant improvements and ever-increasing increments, for the satisfaction of the company's stakeholders. The Managing Partners also commit to always provide rigorous and loyal financial and management information relative to the assets of the company.

Raw material suppliers

Confecções Lança selects its suppliers based on clear and unbiased criteria and before contracting them, confirms if their conduct is in accordance with the declaration of the International Labour Organization (ILO) on the fundamental principles and rights at work: freedom of association and collective bargaining, elimination of all forms of forced or compulsory labor, effective abolition of child labor and removal of any discrimination related to employment. Commercially, suppliers are selected taking into account certain conditions such as:

1. Labor policies in conformity with those described in this code;
2. Delivery deadlines;
3. Payment terms;
4. Quality of raw materials; and
5. Quality / price ratio of raw materials.

Our Company controls its suppliers and subcontractors so that they meet the highest standards of animal welfare. These business partners must ensure that they safeguard a good quality of life for the animals, throughout the entire breeding process, including transport and eventual slaughter. They must also demonstrate compliance throughout their supply chain.

Public Authorities

Confecções Lança scrupulously abides by the law and fully cooperates with the official authorities. It complies with all its obligations to the State, namely, taxation and repudiates any corrupt practices of state agents whenever they are recognizable. All requested information is presented to public authorities, in a clear manner and with accessible and simplified consultation processes. In face-to-face verifications, Confecções Lança provides a technician to ease the process. In such contexts, the company takes the following position:

- It cooperates, facilitating the proper conduct of the implementation of inquiries;
- It assumes a neutral and impartial position in the relations with the representatives of Public

Entities;

- It provides explanations whenever requested;
- It listens, carefully, to the representative of the State, in order to provide pertinent information.

Competitors

Confecções Lança respects and favors the existence of a fair and healthy competition, always being cordial in the associations that establishes in this matter. Its principal competitors are textile companies of the same sector (national and / or foreign) and that undertake the business of the manufacture of men's apparel.

Environment

Confecções Lança adopts and promotes the responsible use of natural resources and the preservation of the environment. It has protection programs and invests in technologies for the conservation of energy and natural resources, promoting, in particular, the treatment and waste disposal and using renewable energies. The company develops practices of waste separation, concentrates on the management of scarce commodities and gives preference to the use of biodegradable/recyclable materials.

Sustained Use of Water

In our Company we promote the sustainable use of water and develop processes for continuous improvement in its use. We therefore use our own collection and treatment methods and process them for reuse. We recognize the fact that the world faces a growing challenge when it comes to water availability. Therefore, there is an urgent need for all inhabitants of the planet to responsibly manage this natural resource.

Forest Protection

In our Company we are committed to protecting forests. We therefore avoid the use of materials that promote deforestation, using packaging without cardboard and materials with zero or limited use of paper pulp. In technological acquisitions, we opted for a selective choice of equipment that does not use wood. We are fully aware that these actions will contribute to the reduction of tree felling and the consequent reduction of the carbon footprint and, consequently, to the reduction of climate change.

Animal Welfare

Our Company controls its suppliers and subcontractors so that they meet the highest standards of animal welfare. These business partners must ensure that they safeguard a good quality of life for the animals, throughout the entire breeding process, including transport and eventual slaughter. They must also demonstrate compliance throughout their supply chain.

Socio-economic surroundings

Confecções Lança develops a policy of active Social Responsibility and of contribution to the improvement of the Community where its activity is performed. In order to easily identify aspects of improvement, it establishes an open dialogue relationship with the various entities of the community.

The growth and development of Confecções Lança translates into an asset for the local region, enhancing both the regional textile tradition and the local employment. On the other hand, it contributes to an increased economic development, to the triggering of an industrial modernization culture, to the stimulus of the entrepreneurship of regional companies and the emergence of new infrastructures and new businesses.

Other socially responsible practices

Confecções Lança fully endorses the guiding principles of the United Nations Global Compact (**UNGC**) on Human Rights and Labour. It is its desire to be an example in terms of good practices in these two areas in the development of their activity. In terms of Regulation and Legislation, Confecções Lança scrupulously complies with the provisions of the Portuguese Labour Code, approved by the Law 7/2009 of 12 February and other applicable regulatory legislation regarding working relations and conditions.