

**CODE OF ETHICS AND  
CONDUCT FOR SUPPLIERS OF  
WE ARE KNITTERS, S.L.**

**we are knitters**

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## 1. INTRODUCTION

WE ARE KNITTERS, S.L. (hereinafter, “**WAK**”) maintains the highest ethical and behavioral standards in its business activities, which is why it expects equal treatment from its suppliers. Acting ethically requires, among many other factors, complying with all applicable laws and regulations as well as carrying out business activities respecting the principles of basic human rights when interacting with stakeholders.

WAK is committed to establishing a framework of trust and collaboration with its suppliers of goods and services, with this Code of Ethics and Conduct for suppliers (hereinafter, “**Code for Suppliers**”), a true reflection of a framework of mutual understanding, that allows maintaining stable and lasting commercial relationships with the aim of achieving continuous improvement in the purchasing and contracting processes based on excellence. In this sense, the Code for Suppliers establishes the minimum expectations of conduct for suppliers who perform work for or on behalf of WAK.

## 2. PURPOSE AND SCOPE OF APPLICATION

WAK considers its suppliers an indispensable part in achieving its growth and service quality improvement objectives, seeking to establish relationships with them based on trust and in coherence with its values.

In compliance with the principles and guidelines for action described in this Code for Suppliers is a fundamental element when selecting and evaluating suppliers. Thus, it is essential for WAK that suppliers guide their actions based on the principles of integrity, responsibility and diligence, following correct conduct guidelines in the market.

WAK specifies that its suppliers do not engage in conduct, express or implied, which, as a consequence of the regulations or through an illicit or criminal act, may entail a benefit materialized in income, cost savings or any type of competitive advantage. In addition, WAK expects suppliers to promote the principles contained in this document throughout the value chain.

WAK will promote communication so that suppliers know and understand this Code for Suppliers and can assume its compliance. Likewise, each supplier is responsible for ensuring that their employees understand and comply with it.

What is described in this document does not replace specific requirements of the contracts, but rather supplements them. If a contractual term is more stringent, the supplier must comply with the established contractual terms.

## 3. PRINCIPLES OF ACTION

The Code for Suppliers determines specific guidelines in the following content areas:

1. Human and labor rights.
2. Ethics.
3. Health and security.

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4. Environmental sustainability.
5. Confidentiality, privacy and continuity.
6. Transparency.

## 4. HUMAN AND LABOR RIGHTS

WAK requires its suppliers to strictly respect human and labor rights, and encourages them to include behaviors in line with its values in their practices and transmit them to their own value chain.

Thus, suppliers will comply with all applicable local and national laws and regulations that refer to labor practices, those related to the benefits, health and safety of their workers and anti-discrimination practices of the countries in which they are who operate, produce or carry out their business activity, avoiding any action that does not comply with the applicable labor standards. In addition, suppliers will:

- Grant their employees the right to freedom of association and the right to collective bargaining, as established in all applicable laws and regulations.
- Avoid discrimination at work and in employment based on gender, gender identity, race, color, nationality, creed, religion, political opinion, affiliation, age, sexual orientation, status, disability, disability and other situations protected by the straight.
- Avoid their complicity in any form of human rights abuse and will defend the elimination of forced and compulsory labor and the effective abolition of child labor. They will not hire minors below the legal minimum age to work, in accordance with the local or national legislation that is applicable to them and, in no case, under 15 years of age (according to C138, Convention on the age minimum of the International Labor Organization (ILO)).
- Comply with the laws and regulations on labor matters, respecting all the rights of workers in accordance with the legislation of the country where they carry out the activity. In particular, working hours and days of rest must be respected, wages and benefits that meet industry standards must be respected, respecting fair and equitable treatment at all times.
- Prevent the execution of any practice that involves threat, force or any type of intimidation, retaliation or abuse of power for the purpose of exploitation and forced labor of workers.
- Promote equal opportunities between employees of different sex, in accordance with the laws and the agreements signed with the representation of the workers. Thus, they will ensure a work environment free of harassment and offensive or inappropriate behavior, including sexual proposals or suggestions, graphic material and other actions that may offend the dignity of the person.
- Undertake to respect the legal reserve of social hiring of the disabled in accordance with the legislation of each country, supporting the labor integration of this group.

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## 5. ETHICS

WAK suppliers will respect the laws, rules and regulations of the countries where they operate, without engaging in practices or conduct that jeopardize legality or fundamental ethical principles. In this way:

- WAK will not tolerate any form of corruption, bribery or money laundering arising from criminal or illicit activities. WAK will not accept actions that are not aligned with current regulations under the premise that it is acting in favor of WAK, regardless of the economic or other benefit that they may entail. In particular, the provider undertakes to comply with the following regulations: Organic Law 10/1995 of November 23 of the Criminal Code and Law 10/2010, of April 28, on the prevention of money laundering and the financing of the terrorism.
- Suppliers will establish mechanisms to fight against all forms of corruption, extortion, pricing and/or anti-competitive behavior, embezzlement, counterfeiting, bribery, money laundering, financing of terrorism or influence peddling.
- The supplier is expected to inform WAK of any situation that may be considered a conflict of interest. Each supplier acknowledges that they will not use their position for personal gain at WAK's expense.
- WAK suppliers undertake to take the utmost care to preserve the image and reputation of WAK in their professional performance, making proper and correct use of it, both by their employees and in the case of subcontracted companies.
- The supplier is expected to run his company respecting fair competition as well as all applicable regulations, developing his activity in an ethical manner in his relationship with his competitor companies. Accordingly, the provider will not enter into any agreement (whether express or implied) or engage in any action that unlawfully or improperly restricts trade or competition or violates antitrust and competition laws.

## 6. HEALTH AND SECURITY

WAK is committed to providing a healthy and safe work environment for all employees and anyone who works or visits our facilities. For this reason, we expect our suppliers to promote the application of health and safety standards and policies at work in the same vein. For this reason, suppliers will:

- Enable a safe and healthy work environment that complies with the requirements regarding the prevention of occupational risks, in accordance with the provisions of international labor standards and the regulations of the country where they carry out their activity.
- Have facilities that guarantee optimal hygiene, sufficient lighting and ventilation, toilets, and access to drinking water, with safety equipment in case of fire and adequate protection for each activity.

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- Develop preventive measures to avoid accidents and occupational diseases, counting on responses for emergency situations during the performance of the work activity.
- Provide education and training on the health and safety of employees to ensure their safety and that of other people in their environment who may be affected during the development of the activity. In addition, they will detect and assess probable and potential emergency situations in the workplace and minimize their impact.
- Supply material, spare parts and equipment in general approved in terms of safety and health at work with respect to current regulations.
- Be prepared for emergency situations. This includes evacuation and worker notification procedures, emergency drills and training, adequate first aid supplies, appropriate fire detection and extinguishing equipment, and adequate emergency exits.

## 7. ENVIRONMENTAL SUSTAINABILITY

WAK is aware of the effect on our surrounding environment and is willing to take steps to lessen our impact. To this end, WAK implements sustainable practices, striving to comply with environmental laws and regulations. WAK seeks to conserve resources, minimize waste and value them whenever possible, and make efficient use of water, energy, CO2 and raw materials.

WAK asks its suppliers to comply with all applicable legal requirements on the environment and to demonstrate continuous improvement in their environmental performance. That is why WAK requests that:

- The supplier makes a responsible consumption of resources, minimizing them, preventing contamination. The supplier will act in such a way as to proactively adopt sustainability as a way of working. Likewise, it will optimize its consumption of natural resources, including energy, CO2, water and will contribute to the reuse and recycling of materials.
- The supplier shall act in such a way as to reduce the environmental impact. As such, the supplier will measure and minimize the environmental impact of its facilities and operations, including air and greenhouse gas emissions, water (whether in a production process, for irrigation or for other uses), pollution and the loss of it.
- The supplier will identify and reduce the use of hazardous materials, chemicals and substances. The supplier will also ensure their safe handling, storage and disposal. All employees should be knowledgeable about related safety procedures.

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## 8. CONFIDENTIALITY, PRIVACY AND CONTINUITY

WAK expects its suppliers to safeguard the confidentiality of the information they access as a result of their relationship with WAK in the performance of their professional activity, including personal data, sensitive business information or privileged information.

WAK guarantees at all times the right to data protection of its employees and those of the natural persons that make up its interest groups, protecting and making appropriate use of them, respecting in any case, the applicable legislation in each circumstance. In particular, WAK complies with the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council, of April 27, 2016, on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (“General Data Protection Regulation” or “GDPR”) and Organic Law 3/2018, of December 5, on Protection of Personal Data and guarantee of digital rights (“LOPDGDD”).

In the same sense, WAK suppliers must act, complying with the applicable legislation on data protection and privacy, as well as when they carry out data processing within the framework of a contractual relationship with WAK. In doing so, each supplier agrees to access confidential information or personal data information only through appropriate means. The information must be kept secure and accessible only to employees or collaborators of the provider with a legitimate need to access and use it. Suppliers will not disclose, transfer, or share confidential information or information about personal data in their possession without the express consent of WAK.

Suppliers must guarantee that they implement the necessary information security measures to ensure that both the digital information contained in their systems and that of a documentary type present adequate protection based on their level of confidentiality. Additionally, they must guarantee that they have an effective control model that verifies the effectiveness of the security measures implemented and that said model is reviewed and updated with adequate periodicity. In any case, suppliers will protect and respect all WAK’s intellectual property rights.

When applicable, suppliers will have business continuity and technological contingency plans that guarantee the continuity of the services offered.

## 9. TRANSPARENCY

Suppliers will carry out their activity with integrity, with transparency and with the highest degree of business ethics. Relations with companies and regulatory bodies and with public administrations will be established in accordance with the principles of cooperation and transparency.

Suppliers are expected to cooperate, if called upon to do so, with WAK investigators and auditors or third parties authorized by WAK, in cases of audit and regulatory compliance.

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Suppliers are required to maintain accurate and transparent books and records at all times and demonstrate compliance with applicable laws and regulations. Suppliers must inform WAK of any irregular payments, suspicious transactions or suspected money laundering affecting WAK as soon as possible.

## **10. BREACHES OF THE CODE FOR SUPPLIERS**

This Code for Suppliers is mandatory for all WAK suppliers. Suppliers formally commit to compliance with this at the time they become a WAK supplier or at the renewal of their contracts prior to the approval of this Code for Suppliers.

Non-compliance with this Code for Suppliers may adversely affect the supplier's relationship with WAK. Depending on the severity of the breach, the consequences can range from a mere warning, to your disqualification as a WAK provider or termination of the contractual relationship; without prejudice to other legal or administrative actions that may be applicable.

## **11. ACCEPTANCE, COMPLIANCE AND UPDATE OF THE CODE FOR SUPPLIERS**

Suppliers will establish adequate mechanisms for an effective dissemination of this Code for Suppliers among their employees and, especially, to those who carry out work for WAK. In turn, suppliers must be responsible for ensuring that their own suppliers are subject to principles of action equivalent to those of this Code for Suppliers.

Suppliers will internally monitor compliance with this Code for Suppliers and will proactively notify WAK of any breach of it, with particular attention to those aspects that may have an economic, legal or reputational impact, directly or indirectly.

The content of the Code for Suppliers will be updated and periodically reviewed, following the same procedure as in its preparation, and adapting it to changes in society, the supplier being able to have the latest version approved on the WAK's website.