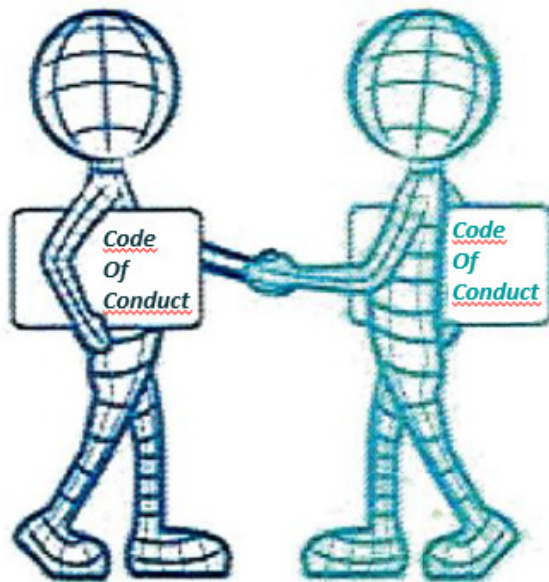




PICOS
COMÉRCIO
TÊXTIL
LIMITADA

CODE OF ETHICS AND CONDUCT



Code of Conduct

Braga, 7 September 2021

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P I C O S
C O M E R C I O
T E X T I L
L I M I T A D A

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Message from Management

Our ethical conduct is the foundation that supports the growth and strengthening of our company - PICOS- Comércio Têxtil, Lda, hereinafter referred to as PICOS. All businesses must derive from fair and responsible actions in terms of a social and environmental point of view and ensure respect for our customers and other interested parties.

This Code of Ethics and Conduct has as its main objective, to make all employees, customers, suppliers and other interested parties aware of the values recommended, abided and demanded by PICOS in a way:

- Promote the existence and sharing of common values and standards of conduct within PICOS, reinforcing a common culture;
- Promote relationships of trust between PICOS and all of its partners;
- Respond to civic challenges and underpin society's ethical principles.

The Code of Ethics and Conduct must be a permanent reference in internal work relationships, in the way tasks must be performed and in conduct towards society as agents of the company. Therefore, this Code must be respected when carrying out daily actions by all PICOS employees.

This code is an instrument that will monitor the evolution of our company and its surroundings, which is why it may be subject to the necessary updates to fulfill its purposes.

We ask that you read this Code carefully, clarifying any possible doubts and using it effectively as a valuable reference in your day-to-day life.

The company

PICOS, LDA is dedicated to the development and production of clothing.

We guarantee internally the development and production of clothing, including modeling, as well as cutting, make-up, trimming, packaging and final shipment.

The longevity and success of this company can be attributed to its continuous adaptation to the demands of the segments in which it operates without ever compromising its values.

Mission

Satisfy the needs and expectations of our customers, offering them products of superior quality and value as part of our daily activities.

Vision

Pursuing excellence in apparel manufacturing through commitment, integrity, creativity and work equips me.

Values

- Commitment to values of responsibility, sustainability and transparency.
- Act with confidence, honesty and integrity in compliance with the laws, regulations and ethically. We are all responsible.
- Improve profitability for greater efficiency and cost control. Always try to do better.
- Teamwork - we are committed to effective partnerships with our customers and all interested parties. Your success is our success.
- We believe in the value of our employees as a competitive advantage.

Conduct relating to the surrounding community

Company Name and Image

PICOS considers its name, image and corporate reputation to be its most important assets.

Thus, as a consequence:

All employees must ensure that their use doesn't damage the company's image and reputation;

No employee may use the PICOS name for purposes other than those permitted by the company.

Desktop

PICOS expects cordiality in treatment, trust, respect and dignified and honest conduct in relationships between its employees, regardless of any hierarchical position, job title or function.

All Managers at PICOS must guarantee their subordinates a working environment free from insinuations or restrictions of any kind, to avoid possible personal embarrassment.

It is not acceptable to use the position of leader to request favours or personal services from those led. Threats or harassment of any kind are also not tolerated, including, but not limited to, towards women. Intrusion into people's private lives is not permitted, either in the work environment or outside of it.

Safety and Health at Work

PICOS guarantees compliance with safety, health and well-being standards in the workplace. For that:

- I. Guarantees safe and healthy type of work, taking appropriate measures to avoid workplace accidents and requiring such compliance from its partners;
- II. Promotes written consultation with Employees on matters of Safety and Health at Work;
- III. Provides regular training on this subject to all company employees;
- IV. It provides and requires its partners to use clean bathrooms, access to drinking water and, where appropriate, places to store food for all staff, it also provides and demands that its production facilities comply with laws and regulations. The rules are in force to protect Employees against the risks of fire, accidents and toxic substances. Also, all

ventilation systems, lighting and heating must be adapted to the type of work carried out.

Compliance with safety rules is everyone's obligation, and it is the duty of employees to inform their superiors in a timely manner of any irregular situation that could compromise the safety of people, facilities or equipment in their company.

Work schedule

PICOS doesn't require or admit that employees can work more than 40 hours per week, being entitled to at least one day of rest for each period of 7 days. As for additional hours (more than 4 hours per week, unless otherwise stipulated in the collective regulation instrument), PICOS ensures that they do not exceed 8 hours per week for each collaborator, and are only requested in exceptional circumstances and at short notice.

Salaries

PICOS pays and requires that only partners pay employees, monthly, at least equal to the legal minimum or the minimum expected for the sector and that this is always sufficient to meet the basic needs of employees.

PICOS doesn't withhold and requires that all partners don't make any salary reductions for disciplinary reasons and that the salary and other benefits are clear and regularly specified for the employees. PICOS pays and demands that salaries and additional installments be paid in full compliance with applicable laws and that compensation be made in cash, by check or bank transfer, in a practical way for employees.

PICOS doesn't have or admit any work control system or false learning program used with the aim of avoiding fulfilling obligations towards employees, in accordance with current legislation and standards, in matters of work and social security.

Reconciliation of professional and personal life

PICOS considers that the integral development of its employees is as much positive for them as for the company and therefore encourages measures that aim to achieve a balance between their family/personal and professional responsibilities.

Consequently, all employees must respect the private lives of others and enable them to enjoy the conciliation measures established in the company.

Equal opportunities

PICOS is committed to treating all employees fairly, without partialities, with regard to issues of gender, race, nationality, religion, disability, age, sexual orientation, job hierarchy or association (or not) with employee unions and associations.

Respect for diversity

PICOS is committed to valuing diversity, recognizing that different people with different backgrounds and experiences can bring added values to the Organization that contribute to improving the company's overall performance.

Forced and/or child labor

PICOS doesn't tolerate, does not allow, doesn't condone or carry out business involving the employment of forced and/or child labour, sexual exploitation of children and adolescents and human trafficking in any process related to the company's activities and its suppliers.

Moral or sexual harassment are unacceptable practices in a respectable and dignified work environment and will not be tolerated.

Acts of intimidation, offense or aggression carried out by employees, in the exercise of their functions or on the Organisation's premises, whether against co-workers or against people who are not directly linked to PICOS (customers, suppliers, authorities, community members, etc.) will be punished in accordance with legislation and internal regulations.

If the employee considers himself to be the victim of any embarrassment of this type or has knowledge of anyone who has experienced this situation, he must inform his immediate superior and the management.

Mistreatment

PICOS and its suppliers must treat their employees with dignity and respect. Under no circumstances should there be physical punishment, sexual or racial or verbal harassment or abuse of power or any other form of harassment or intimidation allowed.

Union activities

PICOS guarantees that its employees, without distinction, have the right to association, union membership and collective bargaining. Employee representatives are protected from any type of discrimination and have freedom to carry out their duties and representation in the workplace.

Party political activities

PICOS does not carry out political activities, and each employee who wishes to participate in this process must do so individually, without involving the name or resources of the company, other employees or business units with any candidate or party. Political activities carried out by employees must take place outside the work environment and office hours.

Environment

PICOS respects and requires the protection of the environment, through the development of processes and use of products with less impact on the environment, as well as through measures for the efficient use of resources and pollution prevention.

Market-related conduct - customers, suppliers, banks, partners and competitors

Confidentiality

PICOS and its employees are committed to maintaining the confidentiality of information received from customers and business partners. Trust is one of the foundations of the relationship with the market.

Transparency

PICOS assumes responsibility for providing clear and comprehensive information about the group's activities, achievements, policies and performance, in a systematic and accessible manner.

Bribery and corruption

PICOS employees must never, directly or through intermediaries, offering or promising any type of improper personal or financial advantage to obtain or maintain business or other advantages from a third party, whether in the public or private sector. Nor should they accept any advantages in exchange for any preferential treatment from a third party.

Furthermore, employees must avoid any activity or behavior that in any way may give the appearance or create the suspicion of carrying out or attempting to carry out any improper conduct.

Employees must be aware that the offer or delivery of improper benefits to influence the decision of a third party, even if such third party is not a member of the government or any sphere of public power, may lead not only to disciplinary sanctions, but also result in criminal charges.

Quality and innovation

PICOS assumes the responsibility for guaranteeing the quality of its products and continually investing in the improvement of the employees and the company.

Customer service

In addition to ensuring the quality of the products it offers, PICOS is committed to always serving its customers and suppliers with efficiency, speed, education and transparency. When the customer or supplier cannot be served, this must be clearly expressed and justified in an unequivocal and respectful manner.

Competition

PICOS respects its competitors and seeks to surpass them in a healthy way, offering its customers products and solutions with a differentiated cost-benefit ratio. Attitudes that could constitute slander or defamation of competitors are not permitted.

Purchases and contracts

Relationships with suppliers and other partners must always be guided by the search for quality, adequate cost-benefit ratio, technical and financial reliability, integrity in the conduct of negotiations, with regard to legislation, the environment and commercial, social and contractual.

Conduct relating to the media

PICOS considers the right of the population to be informed about matters of public interest to be legitimate, even when relating to a private company, and considers the role of the press to obtain and disseminate this information. Furthermore, it understands that the existence of a free, independent and impartial press contributes to the improvement of the market, the democratic State and citizenship.

For this reason, PICOS repudiates the use of economic power as a way of constraining the press' actions or to induce them to publish untrue facts.

PICOS considers the role of the press to be important in shaping the organization's image in the public eye and seeks to provide information or respond to requests, when relevant, considering the right not to speak out on issues that go against its interests or to maintain secrecy about information considered strategic.

Only employees appointed to act as spokespersons are authorized to speak on behalf of PICOS. If the employee is approached to provide information, write articles or give interviews and statements on behalf of PICOS to any media outlet, they must inform the Management.

Conduct relating to the company and its assets

Each employee is responsible for storing and correctly using PICOS assets and assets entrusted to them within the scope of their duties, directly or indirectly. The same applies to the assets of

customers, suppliers and partners used in the company's activity. These goods and assets must not be used for personal benefit, except when expressly authorized. These goods and assets include real estate, equipment, facilities, business plans, technical and market information, software, models, samples, working papers and documents and others belonging to the company.

The misappropriation or use of any of these assets, including copying, selling or distributing to third parties, are serious infractions, which may result in disciplinary or criminal sanctions.

Internal and external communication

The use of PICOS equipment and means of communication (telephone, e-mail, internet and others) for personal communications and contacts must be restricted to what is necessary. The internet cannot be used to transmit or receive offensive, aggressive, pornographic information, about political, religious or other positions, in accordance with specific internal regulations on the subject.

Information about the company's business

Information must be disclosed internally and externally only by those authorized to do so and in an accurate, objective and appropriate manner. Each employee is responsible for the custody of the information they have and must communicate to their manager any fact that may seem strange or incompatible with the company's values.

False, slanderous or malicious statements about colleagues, about PICOS, about its business, partners, suppliers and/or customers may be subject to disciplinary or criminal sanctions.

Accounting and other records

Records must be prepared and monitored by those directly responsible, in accordance with legislation, tax regulations and internal rules. Entries and records are available to those responsible for control, auditing and legal authorities.

Insider information

Any employee who becomes aware of information that is not public must keep it confidential, even after leaving PICOS. The use of privileged information for personal benefit or that of third parties is a crime, subject to disciplinary and criminal sanctions.

Working documents

Work documents, reports, correspondence and other documents used in each employee's activity are the property of PICOS and cannot be taken or copied when the employee leaves the company.

Compliance with the Code of Conduct

Internal

The principles and performance criteria contained in this Code of Conduct are mandatory.

Any employee who has doubts about the application of the Code or who observes and/or verifies a situation that could imply a non-compliance or violation of any of the principles and standards of conduct established in this Code, must communicate this to Management. It will act within the scope of its functions, resolving complaints that may arise due to non-compliance with this Code.

Management will act in each intervention with total independence and with full respect for the people affected, always guaranteeing confidentiality in the treatment of complaints and queries it transmits.

All employees have the duty to cooperate in investigations carried out regarding possible failures to comply with the Code.

PICOS guarantees that there will be no reprisals for any report of non-compliance with the Code of Conduct, nor for any participation in any research procedure. Failure to comply with any of the performance criteria contained in this Code of Conduct will be sanctioned in accordance with the current disciplinary regime, without prejudice to any other responsibilities that the offender may incur.

Suppliers and partners

The Supplier and Partners undertake to fully adopt the obligations arising from the PICOS Code of Conduct in their Organization.

All PICOS business partners/suppliers have a responsibility to inform their employees and suppliers/subcontractors about the PICOS code content and ensure compliance. Furthermore, undertake to act in good faith.

Any non-compliance must be reported by e-mail to picos@picos.pt in an identified or anonymous manner.

That being said, PICOS undertakes to control all the aspects described in this document, in its business partners, described below:

- .1 CHILD LABOUR;
2. FORCED LABOUR;
3. SAFETY, HYGIENE AND HEALTH AT WORK;
4. FREEDOM OF ASSOCIATION AND RIGHT TO COLLECTIVE NEGOTIATION;
5. EQUALITY AND NON-DISCRIMINATION;
6. DISCIPLINARY POWER;
7. WORKING HOURS;
8. REMUNERATION;
9. RESPECT FOR HUMAN RIGHTS
10. BUSINESS ETHICS.

Braga, 7 September 2021



The management