

# WELCOME

We've come a long way. From a single store Hunkemöller is now an international, omni-channel brand, a household name in 23 countries and northern Europe's undisputed leader in lingerie. We are in Germany, The Netherlands and Belgium the largest specialized chain and we're big and getting bigger in Austria, Denmark, Spain, France and Sweden.

Thanks to our 'one team' way of working with our franchisees and business partners, Hunkemöllers' success story currently delivers an excellent business result. It's also secured many industry awards, including the 2016 Retail Award for best lingerie chain in the Netherlands – for 10 years in a row and in Belgium, Germany, Spain and France too we won this award (2015/2016). We have also won the cross channel 2015 award in Austria, Belgium and Germany and the Web shop 2015 Award in Germany, Netherlands, Belgium, and Spain.

We aim in 2020 to have doubled the sales of our 2015 business and deliver the best profit-to-sales ratio in our market.

We're determined to make Hunkemöller the first choice for women across Europe and beyond. Our significant sales and EBITDA growth have been achieved via a combination of market-leading product development, an inspiring customer journey, passionate staff delivering world-class service and clever use of new technology and social media to build lifetime loyalty.

Looking to the future, we want to rapidly grow – both physically and digitally – and we plan to expand our already significant Omni-channel offer at the same time as opening more of our inspiring stores.

When you work at Hunkemöller you'll discover our passion for products and our dedication to providing exceptional customer service and unrivalled value for money. You'll discover why Hunkemöller is a world-class success story and why we're always passionate about lingerie.

Philip Mountford  
CEO Hunkemöller International BV

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# SCOPE

## TO WHOM DOES THE CODE OF CONDUCT APPLY?

This Code of Conduct first and foremost applies to all employees in our Head Offices, Distribution Centers and Stores in all countries.

Our employees, most of whom have intensive contacts with our customers and suppliers, play an important role in setting the public image of our brand and are therefore crucial for our image and reputation. Keeping that reputation intact is essential. All our employees should understand, promote, control and take any corrective action to ensure the principles of this Code of Conduct policy are met.

The Business Leadership Team has an important role to play in this matter. They have to set the example and ensure employees have a sound knowledge and adequate means to be able to comply with this Code of Conduct and should be your first point of reference.

This Code of Conduct also applies to our franchisees. Indeed, they also contribute to the public image of our brands. We therefore consider it to be part and parcel of the various franchises and expect our franchisees to subscribe to this Code of Conduct and comply with it.

Finally, this Code of Conduct in some respects also applies to our suppliers, agents and other third parties with whom we do business. In some cases this has been explicitly mentioned in the text. But also if the Code of Conduct does not explicitly refer to our business partners, we expect them to respect the fundamental values laid down in the Code of Conduct.

# INTEGRITY

We want our company to be trusted. Our integrity should be beyond all doubt. It is imperative that all our employees comply with the legislation and regulations of the countries in which we are active and also comply with the values and standards that apply within Hunkemöller and which have been laid down in this Code of Conduct.

We expect our employees to show integrity and honesty in their mutual relationships and in relationships with third parties.

We also expect integrity and reliability from our business partners, such as suppliers, agents and franchisees.

## **PRIVACY**

We respect the privacy of our customers and employees and protect their personal data.

At our operations we can gather information on customers, suppliers, competitors and other parties. We deal with that data in a confidential manner and will only use it for the acceptable commercial purposes of Hunkemöller, whereby the currently applicable legislation will be complied with.

## **GIFTS / INVITATIONS**

The general principle is that employees of Hunkemöller are not allowed to give or accept gifts above the value of euro 50,-. By gifts we do not only mean products, but for example also services, invitation to entertainment or the like. In short, anything that is given voluntarily and has a certain value for the receiver.

There are some cases where refusal of a gift could cause embarrassment or hurt to the person offering it. For example when visiting another country and the gift is something from that country offered as part of a public occasion. In these cases, the gift can be accepted on behalf of the company and this must be reported to the relevant Business Leadership Team member and handed over to the HR Manager of the respective country. This also applies to gifts that are sent by mail. The Business will regularly put up all received gifts for raffle amongst employees.

Invitations for trips, tickets for sports events or other events can only be accepted with the approval of the employee his/her line manager and the line managers line manager (four eye principle) if hierarchy doesn't provide two layers of management, approval of an(other) executive board member will do. We expect our suppliers and other business partners to refrain from offering gifts to our employees or to third parties with the aim of influencing them. Should we find that this was not complied with, we may end the commercial relationship. Giving or taking bribes is forbidden in any event.

## **THEFT AND FRAUD**

It is the policy of Hunkemöller to immediately investigate, report, and, should the occasion arise, prosecute any cases of internal or external theft related to Hunkemöller. This policy consists of guidelines on how to act in the event of theft, fraud and other types of crime. Our theft and fraud policy is available through the HR team.

## **ADMINISTRATION**

It is vital that all business leaders and departments have a robust administration process to ensure that all financial and transactional information, in all countries, is accurately recorded and that all data is accessible to the relevant personnel. Security of data is paramount.

## **CONFLICTS OF INTEREST**

We depend on the trust of our customers, suppliers and other third parties. Conflicts of interest or the appearance of conflicts of interest undermine Hunkemöllers' good reputation.

A conflict of interests arises in a situation in which the position of an employee within the company is used to serve personal commercial or financial interests, be it to the detriment of the company or not.

### **INTERASSOCIATION**

We respect everybody's religion, nationality, skin color, ethnic background, age, sexual inclination, political preference, disability or other similar status. Personal contact that has nothing to do with work is possible, but limited. Always be aware what and how you write something. Use of social media results that literally the whole world can read everything (for many years). We continue to respect each others privacy. A copy of the social media guidelines is available on the portal.

### **DIRECT LINE MANAGEMENT**

It's not permitted to be the direct report/directly report into a 1st line family member (daughter, son, father, mother, grandparent etc.). Therefore a manager can't hire someone that is direct family to report into herself. This for obvious reasons, objective performance management and fair salary & bonus reviews to be the most important one to point out.

Company protocol discourages intimate relationships between co workers, it doesn't allow intimate relationships between line managers and direct reports. Incase such a relationship exists or develops during employment both parties need to formally inform their line manager and their HR Manager asap. The company will aim to establish an alternative reporting line and/or change of department. Incase this isn't possible, it's at the company's discretion to ask the individuals to agree amongst each other who will explore alternative employment.

## **DOING BUSINESS**

### **CUSTOMERS**

Our customers are key to our success. Therefore, we do our utmost to meet and exceed our customers' needs and expectations. We provide our customers with world class service and we are open to complaints, comments and recommendations.

Comments and suggestions can be submitted via the In Touch App to the trading board a suggestion scheme to encourage this is in place. For external customers and suppliers, this can be done by e-mailing [customercare@hunkemoller.com](mailto:customercare@hunkemoller.com). The information sent to these addresses will be treated confidentially and with respect.

### **COMPETITION**

We do business on the basis of honest and ethical management, good faith and integrity. We expect the same from everyone with whom we do business. Legislation on competition aims at promoting free and fair competition and Hunkemöller complies with this legislation. Hunkemöller is supportive of constructive legislation prohibiting trade restrictions, sharp practices and abuse of economic power. Employees of

Hunkemöller are not allowed to exchange information on prices and market shares if it leads to a violation of competition legislation.

## **ILLEGAL PAYMENTS**

At all times while performing services or supplying products to Hunkemöller, Supplier represents and warrants that it will not make any payments of money nor will it permit anything of value to be offered, promised, or paid – directly or indirectly – to any foreign official, foreign political party, party official, employee of a state-owned-enterprise, a candidate for foreign public or political office or any other third party to induce such officials or third party to use their influence with a foreign government or other entity to obtain an improper business advantage for the company. Supplier and its third party representatives shall at all times during the term of this Agreement comply with the requirements of the applicable laws of the jurisdictions in the relevant countries, including but not limited to the country's anti-bribery laws.

Neither the Supplier, nor any of its subsidiaries, directors, officers, employees or agents, shall use the agreement with Hunkemöller to attempt to disguise the sources of illegally-obtained funds. The Supplier further represents and warrants that no such attempt of the sort described in this paragraph has been made prior to the date of the agreement with Hunkemöller.

The Supplier shall be liable and indemnify Hunkemöller for any and all bribery, money laundering and/or corruption violations on the part of the Supplier and/or its affiliates, including but not limited to losses, actions, proceedings, costs (including without limitation legal costs), expenses, damages, claims, demands and liabilities of any kind arising out or as a result of such violations.

If Supplier should ever become concerned that a possible violation of any of the above requirements may have occurred, Supplier shall immediately notify Hunkemöller.

# **CAPITAL ASSETS**

## **HUNKEMÖLLERS' FINANCIAL MEANS**

You are responsible for the adequate use, protection and maintenance of the group's financial means. This consists of, among other matters, stock (Product), cash, cheques, credit cards, invoices and receipts. It is paramount to protect these against abuse, loss or theft. All claims, receipts, invoices and bills must be correct and complete.

## **USE OF THE COMPUTER, INTERNET, SOCIAL MEDIA AND EMAIL**

Information technology and infrastructure that function adequately are crucial to our commercial success. Each employee using a computer and the network, therefore, must do this in a responsible and appropriate manner. Personal (non-business) use must remain within reason and must be kept to a minimum.

We also have social media guidelines which are, in summary, as follows:

- Only post on personal behalf, not on Hunkemöllers’.
- On social media you are also known as a Hunkemöller employee. If you mention your name and workplace, all posts are considered indirectly done on behalf of Hunkemöller and should be done taking this into careful consideration.
- Dishonorable content such as racial, ethnic, sexual, religious, and physical disability slurs are not tolerated.
- Always protect confidential/sensitive information about yourself, your privacy and also when it concerns Hunkemöller. You are responsible for what you write.
- Always pause and think before posting, be appropriate and polite, add value and never participate in Social Media when the topic being discussed may be considered a crisis situation.

## **CONFIDENTIALITY**

Please remember, you will come into contact with confidential information, disclosure of this information can harm Hunkemöller and can lead to disciplinary measures for Hunkemöller employees or legal action for our business partners.

## **FAST RULES**

All employees are held to comply with the FAST Guidelines and Regulations as set up by Carlyle and Hunkemöller. A copy of these Fast Rules can be obtained via a Board Director or your local HR team.

# **WORKING CONDITIONS**

## **STARTING POINT**

Our management style aims at creating conditions in which our employees are committed to their work and feel responsible for their task. Hunkemöller provides good, safe and healthy working conditions.

## **DISCRIMINATION**

Hunkemöller conducts a staff policy that does not discriminate on the grounds of race, religion, sexual inclination, political preference, age, disability or other similar status. No discrimination whatsoever on the basis of these characteristics shall be tolerated.

## **INTIMIDATION AND HARASSMENT**

Sexual harassment, other kinds of intimidation and harassment are unacceptable. The Business Leadership Team and all staff should be attentive to possible cases of intimidation, bullying or harassment and immediately report such a situation to the Compliance Officer, or the person or authority appointed in accordance with local law or regulations, and end this situation as soon as possible. Complaints can be submitted to the Compliance Officer. In the event a complaint is made, Hunkemöller will start an investigation and, if necessary, take appropriate action.

## **USE OF DRUGS AND ALCOHOL**

We expect our employees to behave in an appropriate manner at all times. This means, amongst other matters, that the consumption of alcohol or drugs at work and during working hours is strictly forbidden. During business dinners the limited use of alcohol is allowed. Limited use of alcohol is also allowed during internal celebration events at the discretion and approval of the Business Leadership Team. We expect all our staff when consuming alcohol to show appropriate normal behavior and to not drink and drive at all.

## **THE RIGHT OF ASSOCIATION**

Employees have a right of association and are entitled to bargain collectively. They are also entitled to become a member of a trade union or works council if a work council exists in this country. All employees have a right to nominate themselves to participate in the European Work council when elections are held.

## **EXTRA ACTIVITIES**

We welcome the fact that our employees have extra activities, as long as these do not go against Hunkemöllers' interests. If these activities have to be fitted in the daily working activities, this happens in consultation with the Business Leadership Team.

## **WORKING FROM HOME**

Working from home is a privilege, not a contractual right and can be agreed in exceptional circumstances. Approval to work from home is given by a Business Leadership Team member or a Board director.

When working from home you have a responsibility to ensure the environment is safe and that no injury could be caused by your working environment.

Security of information is vital. Access to our secure servers can only be gained after written authorization from a member of the Business Leadership Team. When working from home your contracted hours must be completed.

## **WORKING CONDITIONS OF SUPPLIERS**

We only work with skilled suppliers that share our passion to offer World Class Service to our customers. We consciously build long-term relationships with our suppliers in order to ensure continuity and high-quality service.

As a globally operating company, Hunkemöller takes its responsibility seriously and is working hard to adopt a sustainable approach to all its business processes, striving for the right balance between people, planet and profit.

To make sure that the manufacturing of Hunkemöller products is up to our standard, all our suppliers are required to follow the same social and environmental guidelines. In 2004 we implemented a supplier code of conduct to outline the minimum social and environmental standards which is based on International Labour Organisation



(ILO) conventions, the UN Declaration on Human Rights and local laws. As part of our standards, Hunkemöller sets out core labour rights including:

- 1. The Rights of Freedom of Association and Collective Bargaining**
- 2. No Discrimination**
- 3. Fair Remuneration**
- 4. Decent Working Hours**
- 5. Occupational Health and Safety**
- 6. No Child Labour**
- 7. Special Protection for Young Workers**
- 8. No Precarious Employment**
- 9. No Bonded Labour**
- 10. Protection of the Environment**
- 11. Ethical Business Behaviour**

Hunkemöller is a member of the Business Social Compliance Initiative (BSCI) and committed to work towards improvements in the supply chain. For an extended version of the Code of Conduct for suppliers see: [www.bsci-intl.org/content/bsci-code-conduct](http://www.bsci-intl.org/content/bsci-code-conduct)

#### *Bangladesh Accord on Fire and Building Safety*

Hunkemöller supports the Accord on Fire and Building Safety in Bangladesh. Signatory brands finance and implement a joint fire and building safety programme including safety inspections, public reporting, remediation and fire safety training at factories. All the factories where Hunkemöller garments are produced are required a fire, electric and structural safety inspection.

#### *Agreement on Sustainable Garment and Textile*

Hunkemöller signed a binding agreement for sustainable fashion and textile. The Dutch covenant aims to bring positive sustainable change in the textile and garment industry worldwide. This coalition is widely supported by industry organisations, trade unions, civil-society organisations and the Dutch government.

We are committed to approach and improve sustainability challenges with our suppliers in production country on different themes like discrimination and gender, child labour, forced labour, freedom of association, living wage, safety health in the workplace, raw materials, water pollution and use of chemicals, water and energy and animal welfare.

## **SAFETY & ENVIRONMENT**

Hunkemöller aspires to do business in respect of our corporate social responsibility. In this regard we have formulated a number of goals, which are summarized as follows:

### **USE OF SUSTAINABLE RAW MATERIALS**

To the extent possible we aspire to using sustainable raw materials. We have adopted a Fur Free policies and don't use real leather in our products. Our products and the

raw materials for our products are manufactured in a manner that is not harmful to animals. Our products do not contain feathers of animals that have been specially hunted down or bred because of those feathers.

We aim that all clothing sold by us is free from harmful materials. Advancing insight in the area of potential harmfulness of materials can signify that a substance that is considered safe today, becomes suspect tomorrow. We do our utmost to only use raw materials that are safe for human beings and the environment. If there is cause to doubt the safety of certain substances at any point in time, we will look for a safer alternative, in collaboration with our manufacturers and suppliers.

### **HEALTH AND SAFETY OF OUR CUSTOMERS AND PERSONNEL**

We aim to have an approved and tested recall procedure and a safety and security manual.

Our activities are labor-intensive and mostly take place in areas that should be easily accessible to large flows of consumers. In places where many people gather, safety aspects should be a major concern. This is why we are continually devoted to creating safe working and shopping conditions for both employees and customers.

### **SAVING OF ENERGY AND WASTE MANAGEMENT**

We encourage our teams and partners to seek out new ways to reduce energy and minimize waste. We continuously optimize transport and logistics. In stores, we encourage our employees to recycle the hangers, paper and plastic. We are growing rapidly and all our new stores are equipped with LED light to save energy consumption in stores. Any written off and returned stock will be re-sold or recycled in an environmentally sound matter or given to a charity.

In the Netherlands, we have also launch a take back scheme to give old clothes a second life.

## **COMPLIANCE**

### **EMPLOYEES**

Working in retail means working with people. In this labor-intensive business, staff quality and commitment and attention for the customer are key to successful operations. Therefore, it is of vital importance that the employees act sincerely and are treated with sincerity as well. This means that they must be aware of this Code of Conduct and comply with it in good faith. If they fail to properly comply with these standards, they do not only harm themselves but also their colleagues and the business as a whole. Any breach of this Code of Conduct by an Hunkemöller employee will lead to disciplinary measures, not excluding possible termination of the employment.

### **FRANCHISEES, SUPPLIERS AND OTHER STAKEHOLDERS**

As explained in the Scope section, we also expect our franchisees, suppliers and other business partners to stick to the principles of this Code of Conduct. If we establish that their behavior is contrary to this Code of Conduct, we reserve the right to end the business relationship, possibly with immediate effect.

## REPORTING POLICY

As we aspire to a culture based on integrity, trust and individual responsibility, Hunkemöller offers its employees the possibility to report behavior that is contrary to this Code of Conduct in a way that is safe and confidential. Any concerns, by anyone in or outside of Hunkemöller, about breaches of this Code of Conduct can be reported to the Hunkemöller Compliance Officer by e-mailing [compliance@hunkemoller.com](mailto:compliance@hunkemoller.com).

## CONTACTS

- Netherlands – Karlijn Hendriks (HR Manager)  
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