

## 1. COMMITMENT STATEMENT

The organization recognizes that intellectual property (IP) violation is a worldwide issue for brands, clients, and consumers. The illicit trade of counterfeit goods is harmful to brands' reputation, dangerous to consumers and funds elements of organized crime, with serious negative impacts on global economy.

We are committed to a long-term brand and intellectual property rights protection strategy of our clients.

We make every effort to ensure the integrity of all IP elements entrusted to us by our clients in all internal processes as well as throughout the supply chain.

We adopt a zero-tolerance policy regarding the misuse, appropriation, and misrepresentation of all elements of our clients' IP as well as the manufacture, distribution, and sale of counterfeit products.

## 2. GOAL, SCOPE, AND RESPONSIBILITIES

Whit this policy we intend to define control procedures and mechanisms to ensure our clients' trademark and IP rights protection and integrity.

This policy is applicable to all Organization's employees and partners who perform functions in processes that comprise any contact with any type of clients' IP material, regardless of their work relationship and geographical location.

Top Management is responsible for complying with this policy.

## 3. DEFINITIONS

### CLIENT

Current or potential buyer of the Organization's products.

### BRAND

A distinctive, visually perceptible sign that identifies and distinguishes saleable, tangible, or intangible products and services of a company.

### INTELLECTUAL PROPERTY MATERIALS

Includes all raw materials, trims, and packaging accessories, semi-finished and final products containing the brand name, logo, design or registered pattern, samples, sketches, patterns, technical specifications among other elements, as defined by each client.

### PARTNER

Product or service supplier, subcontractor, and other individual or legal persons who maintain a business relationship with the Organization.

### INTELLECTUAL PROPERTY

Intellectual Property (IP) is a set of legal rights that covers the creations of human knowledge.

## 4. OBLIGATIONS AND RESPONSIBILITIES

### 4.1 USE

We assume responsibility to protect all IP materials entrusted to us by our clients, for sample development, order production and other underlying business relationship purposed activities, both internally and throughout our supply chain, including our partners.

All use of clients' IP will be done safely, to ensure its protection, as well as clients' rights.

The Organization and its partners, only use clients' IP materials for sample development, order production and other underlying business relationship purposed activities.

The use of clients' IP materials for any other purpose that the ones described above is expressly prohibited, this also includes unauthorised selling of final product or raw materials incorporating clients' IP.

The Organization reserves the right to show samples of finished IP product, after its launch in stores, to clients or potential clients, exclusively for the business purposes of showing its execution, manufacturing, and technical know-how capabilities.

### 4.2 WAREHOUSING

Clients' IP raw material and trims reception is recorded in detail, as well as their respective warehouse movements.

All clients' IP raw materials and trims are stored, securely, preferably in locked cabinets, with restricted access and video surveillance control (CCTV).

### 4.3 PRODUCTION

During production, all trims (including, but not limited to, labels, buttons, zippers, hangtags) are duly controlled by the facility's supervisor, who delivers them to employees, per manufacturing order.

All leftover trims and trimmings, collected daily from the factory floor, as well as defective materials, are duly identified, segregated, and safely stored until final disposal.

### 4.4 RETURN

At the end of the season, style production and in case of business relationship termination, the Organization requests its partners to return all IP materials. The return movements are appropriately registered by the Organization and partners, clearly identifying returned IP materials type and quantities. The retention period for these documents is 5 years.

## 5. DISPOSAL

IP materials, raw materials, trims, excess or defective garments or components disposal is performed exclusively by the Organization, complying with client's requirements.

Partners are expressly forbidden to destroy excess or defective garments or components that contain IP materials. These garments or components must be stored safely until returned to the Organization.

The Organization selects and approves waste management companies that comply with environmental standards, IP control requirements and other client's requirements.

Only waste management companies previously approved, defined and communicated by the Organization for IP materials disposal will be used.

When it is a customer requirement, the Organization respects waste disposal hierarchy determined by the client and submits the necessary documentation for its approval of the disposal intention.

## 6. MONITORIZATION AND IMPLEMENTATION

The Organization and its partners are available for audits and inspection actions regarding IP protection practices, upon client or authorised agent request, when previously agreed by both parties or part of the signed contractual terms and conditions.

A monthly statement of excess IP materials will be provided to the assigned contact for this purpose, when required by the client.

The Organization undertakes to declare and deliver all client IP materials, which may reasonably be known to be in its possession, after the business relationship termination, or to give it any other purpose (such as recycling) when expressly requested.

All employees and partners are obligated to report in writing any issues regarding conflict of interest.

The Organization undertakes to immediately notify its affected client of any incident that may occur as theft or loss of any IP materials.

The violation of this policy by employees is subjected to disciplinary actions and sanctions, including dismissal with just cause.

The violation of this policy by partners implies the business relationship immediate cessation.

The Organization shall report to the competent authorities facts that may constitute a criminal offense and shall provide all support for the investigation of the competent authorities in case of possible criminal proceedings against any individual or company involved in counterfeiting activities.