

**CODE OF
ETHICS AND
BUSINESS
CONDUCT**

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01.INTRODUCTION

In fulfilling its objectives, Mundotêxtil recognizes the importance of constantly investing in the development of an ethically and socially responsible culture, directing its action towards the consolidation of the recognition by the Clients, the State and Society in general, as to the quality and effectiveness of the integrated, participatory, ethical and socially responsible management.

The present Code of Ethics constitutes the corporate instrument for explaining the values and principles that underlie the personal and professional conduct among the members of the institution and of them with the society. The Code of Conduct defines business ethics guidelines that must be followed by all employees and service providers during the performance of their duties.

The action of Management, Employees and all those who carry out activities in the name of Mundotêxtil shall be guided by the principles of legality, impersonality, morality, efficiency and by this Code of Ethics and Business Conduct. It is the obligation of those responsible for the hiring of employees, trainees, service providers, third parties and representatives in general, to indicate in their contracts the full compliance with the provisions herein.

02.ETHICAL PRINCIPLES

Mundotêxtil management and employees are guided by the following principles in the relationship with the various sectors of society, ensuring:

2.1. TO EMPLOYEES

- Maintaining a work environment where the relationship is based on professionalism, trust, cooperation, integration, respect for individual differences and urbanity;
- The sharing of knowledge and experience, with the aim of improving technical training, methods and processes, in order to achieve a better global result of Mundotêxtil;
- The valuation of people, contributing to their personal, technical and professional development;
- The permanent zeal for the adequate and economic use of Mundotêxtil's material, technical and financial resources;
- Preservation and respect for the image, heritage and interests of Mundotêxtil;
- The recognition and appreciation of Mundotêxtil's intellectual capital and the encouragement of new leaders;
- Valuation and encouragement of individual and collective ethical conduct.

2.2. TO GOVERNMENTAL BODIES

- The zeal and transparency in the use of its assets and in the application of public resources;
- The recognition of the role and support to the performance of the controlling organs, providing pertinent and reliable information in the appropriate time.

02. ETHICAL PRINCIPLES

2.3. TO CUSTOMERS

- Professionalism, trust and transparency;
- The availability of solutions that add value to the business of its clients, investing permanently in the search of suitable technologies and in the improvement of the business strategies;
- Valuation and respect for compliance with agreements and contracts, as well as the rights of its customers;
- The valorisation of business opportunities and partnerships built with its clients, aiming results for the benefit of society.

2.4. TO EXTERNAL SUPPLIERS AND SERVICES OUTSOURCE

- Legality, impersonality, morality, publicity and efficiency in all acts practiced;
- The maintenance of a relationship based on the mutual respect, preservation and confidentiality of the pertinent information to Mundotêxtil and its clients;
- Relationship with external suppliers and partners in harmony with the standard of business ethics and social morality;
- The establishment of partnerships, as long as the image and interests of Mundotêxtil are preserved;
- The rejection of contractual provisions that undermine or minimize the dignity, quality of life and social welfare of outsourced employees.

02.ETHICAL PRINCIPLES

2.5. TO REPRESENTATION OF EMPLOYEES, ASSOCIATIONS AND INSTITUTIONS

- Recognition of the legitimacy and maintenance of a permanent dialogue with legally constituted workers' representative institutions, maintaining channels of dialogue based on mutual respect, seriousness, responsibility and transparency in relations;
- Negotiation as an appropriate instrument for seeking integration and convergence;
- The fulfilment of the determinations made explicit in the instruments that regulate the relation of the company with its collaborators.

2.6. TO THE COMMUNITY

- The establishment of fair and balanced relations with the community through the encouragement, promotion, support and participation in actions of social responsibility and citizenship;
- Encouragement, support and participation in governmental actions aimed at social development and the fight against poverty;
- Stimulating socio-cultural and sports initiatives.

Human Declaration of Human Rights

The Management and Employees of Mundotêxtil undertake to comply with all the presuppositions included in the Universal Declaration of Human Rights, adopted by the United Nations, which circumscribes basic human rights. Any and all non-compliance may be reported:

By e-mail: sugestoes@mundotextil.pt

By mail:

Mundotêxtil – Indústrias Têxteis, SA

A/C Responsável pelo Departamento de Recursos Humanos

Rua da Saudade, Nº 280-400

4815-413 Caldas de Vizela

03.CODE OF BUSINESS CONDUCT

The management and employees of Mundotêxtil shall conduct their behaviour by this Code of Business Conduct, in the terms listed below.

3.1. CONDUCT ACCEPTABLE TO MANAGEMENT AND EMPLOYEES OF MUNDOTÊXTIL

- Preserve and cultivate the positive image of Mundotêxtil. To market, within the Organization's premises, only the products and services owned and of interest to Mundotêxtil;
- Develop conditions favourable to the establishment of a productive and pleasant climate in the work environment. Treat people and their ideas with dignity and respect;
- Proceed with loyalty, justice and openness in the relations of work;
- Preserving the welfare of the community, respecting the personal characteristics, freedom of opinion and privacy of each one;
- Act with clarity and loyalty in the defense of Mundotêxtil's interests;
- Present itself adequately for the performance of its functions and activities in Mundotêxtil;
- Refrain from using internal or external influences, to obtain personal and functional advantages;
- Refrain from making use of the position / function of trust occupied to obtain advantages for itself or third parties;
- Use the resources of the Mundotêxtil only for purposes proper to the business of the Organization;
- Contribute to the good functioning of the whole Organization, abstaining from acts and attitudes that prevent, hinder or disturb the provision of services;
- Prepare and present information that reflects actual economic, financial, operational, logistic and other positions and results that affect the performance of Mundotêxtil;
- Prioritize and preserve Mundotêxtil's interests with customers, government agencies, financial institutions, suppliers, entities and other organizations with which Mundotêxtil maintains a commercial relationship;
- Strictly adhere to the directives and strategic business management by assuming Mundotêxtil's trust function;
- Dismiss the exercise of the trust function for which it has been designated, when there is dissonance with the strategic guidelines and business guidelines.

03.CODE OF BUSINESS CONDUCT

3.2. CONDUCT UNACCEPTABLE TO MUNDOTÊXTIL MANAGEMENT AND EMPLOYEES

Mundotêxtil has zero tolerance for corruption and for that purpose, management and employees are not authorized:

- Claim personal benefits or advantages for itself or for third parties, as a result of a commercial or financial relationship signed on behalf of Mundotêxtil with clients, government agencies, financial institutions, external suppliers, entities and other organizations with which Mundotêxtil maintains this relationship;
- Be conniving or silent in relation to errors and infractions to this Code of Ethics and the current legal and regulatory provisions;
- Carry out other professional activities during the working hours, whether or not for profit, or, regardless of the compatibility of schedules; activities that constitute damages, direct or indirect competition with the activities of Mundotêxtil;
- Exert any kind of discrimination against persons on grounds of economic, social, political, religious, color, race or sex;
- Allowing persecutions, sympathies, antipathies, whims, personal relationships, or other personal interests to interfere with their professional relationships;
- Deliberately harm the reputation of a Mundotêxtil employee or of any other professional with whom Mundotêxtil maintains a business relationship;
- Deliberately damage the reputation of customers, government agencies, external suppliers, entities and other organizations with which Mundotêxtil has a business relationship;
- Request or receive gifts or benefits of any kind for themselves or for third parties, besides the mere hint or provocation for the benefit that may be given, in exchange for concessions or privileges of any nature with Mundotêxtil;

03.CODE OF BUSINESS CONDUCT

3.2. CONDUCT UNACCEPTABLE TO MUNDOTÊXTIL MANAGEMENT AND EMPLOYEES (CONTINUATION)

- Prioritize and preserve personal interests of clients, government agencies, financial institutions, suppliers, entities and other companies, to the detriment of the interests of Mundotêxtil;
- Obtain advantages, for themselves or for third parties, to the privileged access to information of Mundotêxtil, even if they do not cause damage to the Organization;
- Use for own benefit or pass on to third parties, documents, works, methodologies, products, tools, services and information owned by Mundotêxtil or its customers and external suppliers, except by legal or judicial determination;
- Manifest on behalf of Mundotêxtil, by any means of public disclosure, when unauthorized or authorized to do so;
- Make inappropriate and uneconomic use of material, technical and financial resources of Mundotêxtil;
- Prevent or hamper the investigation of irregularities committed in the Mundotêxtil;
- Alter or misrepresent the content of any document, information or data of responsibility of Mundotêxtil or of third parties. Facilitate actions of third parties that result in damage or damage to Mundotêxtil;
- Generate any type of asset confusion between the assets of Mundotêxtil and its own assets, regardless of whether they realize pecuniary advantages of this confusion;
- Remain in the role of trust for which you have been assigned, when there is dissonance with the strategic guidelines and business guidelines.

03.CODE OF BUSINESS CONDUCT

3.2. CONDUCT UNACCEPTABLE TO MUNDOTÊXTIL MANAGEMENT AND EMPLOYEES (CONTINUATION)

FAILURE DISCLOSURE (IRREGULARITIES)

This code is available under the "Uebe.Q" computer platform or Human Recourses (ITSEI29 - Communication of Possible Cases of Irregularities) and it has a purpose to create the necessary tool and opportunity for its employees and service providers to express genuine concerns regarding any behaviour or decision that they believe does not respect this code. Anonymous notices aren't accepted and is guaranteed that all complaints are treated with total confidentiality and that steps will be taken to investigate the alleged Irregularity. Corrective actions and disciplinary procedures will be held where necessary.

Mundotêxtil's Responsible GIS (Integrated Management Systems) has the responsibility to initiate, with a supervision of a member of the administration, the investigation of all complaints of irregularities cases and will have to ensure that appropriate disciplinary measures are taken.

The completed form must be sent by e-mail or by mail to one of the following addresses:

By e-mail: sugestoes@mundotextil.pt

By mail:

Mundotêxtil - Indústrias Têxteis, SA

A/C Responsável pelo Departamento de Recursos Humanos

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When necessary or requested, a meeting may be scheduled to clarify the possible case of Irregularity with Mundotêxtil's Head of Human Resources Department or with the Administration.

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