



SAKS SUPPLIER CODE OF CONDUCT

Saks Fifth Avenue and its affiliates are committed to conducting business in an ethical and socially responsible manner. We are determined to build our business together with our vendors based on the highest ethical principles of trust, teamwork, honesty, and respect for the rights and dignity of others. We seek vendors who demonstrate a commitment to contribute to the improvement of working conditions and who strive to meet our requirements as stated herein.

Our Supplier Code of Conduct (“the Code”) applies to all companies which supply Saks and Saks Fifth Avenue with goods and merchandise, in both “brick and mortar” and online stores. Vendors are also expected to ensure that their suppliers and subcontractors are aware of and comply with the Code.

In addition to adhering to this Code, vendors must comply with all legal requirements as well as the standards of their industry, in each of the countries in which they do business. Where industry standards are more rigorous than legal requirements, we recommend compliance with the higher standard.

Where applicable, vendors must participate in the Company’s social compliance program, which may include but is not limited to disclosure of factories, participation in factory audits, and inspection of books and records. If a vendor manages and enforces its own social compliance program, it must meet or exceed the compliance standards set forth in the Company’s program, and may be required to submit supporting documents to demonstrate same.

Ethical Business Behavior

The Company has a zero-tolerance policy for any corrupt practices, including kick-backs, excessive or disguised commissions, extortion or embezzlement, any forms of bribery, including but not limited to, the promising, offering, giving or accepting of any improper monetary or other incentive, or any other practice which is intended to reward or otherwise encourage non-compliance with our requirements and/or the law. Vendors are expected to keep accurate information regarding their activities, structure and performance, and should disclose these in accordance with applicable regulations and industry benchmark practices. Vendors should neither participate in falsifying such information, nor in any act of misrepresentation of their supply chain.

The Company expects all of its suppliers to act in accordance with FCPA guidelines. As per the SEC, the FCPA (Foreign Corrupt Practices Act) generally prohibits the payment of bribes to foreign officials to assist in obtaining or retaining business. The FCPA can apply to prohibited conduct anywhere in the world. In addition, the FCPA requires companies to maintain accurate books and records and have a system of internal controls sufficient to, among other things, provide reasonable assurances that transactions are executed and assets are accessed and accounted for in accordance with management's authorization. Vendors are expected to familiarize their workers with this Code, and to display the Employment section of this Code, translated in the local language, at each of its facilities in a place readily visible and accessible to factory workers.

Expected Ethical Sourcing Standards

A. Employment

No Forced Labor

Employment must be voluntary and respect the right of workers to decide to work or not. Vendors must not use forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise. Slavery and human trafficking are prohibited. Vendors will allow their workers the right to leave work and freely terminate their employment provided that workers give reasonable notice to the employer.

No Precarious Employment

Vendors should, without prejudice to the specific expectations set out in this chapter:

- Ensure that their employment relationships do not cause insecurity and social or economic vulnerability for their workers; and
- Work is performed on the basis of a recognized and documented employment relationship, established in compliance with national legislation, custom or practice and international labor standards, whichever provides greater protection.

Before entering into employment, suppliers are to provide workers with understandable information about their rights, responsibilities and employment conditions, including working hours, remuneration and terms of payment.

Vendors should also aim to provide decent working conditions that support workers, both women and men, in their roles as parents or caregivers, especially with regard to migrant and seasonal workers whose children may be left in the migrants' home towns.

Vendors should not use employment arrangements in a way that deliberately does not correspond to the genuine purpose of the law. This includes, but is not limited to:

- a) Apprenticeship schemes where there is no intent to impart skills or provide regular employment;
- b) Seasonal or contingency work when used to undermine workers' protection; and
- c) Labor-only contracting. Furthermore, the use of sub-contracting may not serve to undermine the rights of workers.

No Child Labor - Special Protection for Young Workers

Child labor is not permissible; workers must be at least 16 years of age. Where young workers are employed, business partners should ensure that: (a) the kind of work is not likely to be harmful to their health or development and (b) their working hours do not prejudice their attendance at school, their participation in vocational orientation approved by the competent authority or their capacity to benefit from training or instruction programs.

Young workers may not be employed at night; the combined time at school and work (including transportation) cannot exceed 10 hours a day. In jobs with hazardous working conditions, where by its nature or the circumstances in which it is carried out is likely to harm the health or safety of the worker, workers must be at least 18.

Vendors should set the necessary mechanisms to prevent, identify and mitigate harm to young workers, with special attention to the access young workers shall have to effective grievance mechanisms and to Occupational Health and Safety training schemes and programs.

No Harassment or Abuse

Every worker must be treated with respect and dignity. No worker may be subject to any inhumane or degrading treatment, or to physical, sexual, psychological or verbal harassment or abuse, including the use of physical punishment. All disciplinary procedures must be established in writing, and are to be explained verbally to workers in clear and understandable terms.

Freedom of Association and Collective Bargaining

Vendors shall:

- Respect the right of workers to form unions in a free and democratic way;
- Not discriminate against workers because of trade union membership; and
- Respect workers' right to bargain collectively.

Vendors should not prevent workers' representatives from having access to workers in the workplace or from interacting with them.

When operating in countries where trade union activity is unlawful or where free and democratic trade union activity is not allowed, suppliers should respect this principle by allowing workers to freely elect their own representatives with whom the company can enter into dialogue about workplace issues.

No Discrimination

Workers must not be subjected to any discrimination in employment, including with respect to hiring, salary, benefits, advancement, discipline, termination or retirement, or on the basis of gender, race, caste, birth, religious or personal beliefs, age (other than normal and legally allowed hiring or retirement limitations), disability, diseases, sexual orientation, family responsibilities, maternity or marital status, nationality, political opinion, union participation, social or ethnic origin, or membership in any legal organization or any other condition that could give rise to discrimination.

Employment decisions must be made solely based on knowledge, skill, efficiency and ability to do the job and meet its requirements, while respecting the principles of diversity, equity and inclusion.

Health and Safety

Vendors must provide a safe and healthy work environment in a building that is structurally sound. Vendors must have a valid building, and where applicable, construction license/certificate for the premises as required by local laws. Factories must provide adequate ventilation, first aid supplies, effective Personal Protective Equipment (PPE – to all workers free of charge), fire exits and safety equipment, well-lit workstations, clean washing facilities, an adequate number of toilets for both men and women, and access to clean drinking water; vendors must ensure that all are well maintained and in good working order as required by local laws. Factories must also have an adequate number of clearly marked, unlocked exits that are kept clear of any obstructions, and conduct a minimum of one emergency evacuation drill per year. Worker housing and dining facilities, where provided by the vendor, must meet a reasonable standard of health and safety, and be separated from warehouse and production areas.

Vendors must ensure that there are systems in place to detect, assess, avoid and respond to potential threats to the health and safety of workers, including but not limited to COVID 19. They shall take effective measures to prevent workers from having accidents, injuries or illnesses, arising from, associated with, or occurring during work. These measures should aim at minimizing so far as is reasonable the causes of hazards inherent within the workplace.

Vendors must ensure adequate occupational medical assistance and related facilities.

Wages and Benefits

We are committed to the betterment of wage and benefit levels that address the basic needs of workers and their families as far as possible and appropriate in light of national economic conditions.

Vendors are expected to comply, as a minimum, with wages mandated by governments' minimum wage legislation, or industry standards approved on the basis of collective bargaining, whichever is higher. Wages are to be paid in a timely manner, regularly, and fully in legal tender. The level of wages is to reflect the skills and education of workers and shall refer to regular working hours. Deductions will be permitted only under the conditions, and to the extent, prescribed by law or fixed by collective agreement.

Hours of Work/Overtime

Vendors must maintain reasonable work hours. The Company defines a standard work week to be not more than 48 hours (unless the local law provides for a shorter period), and considers all additional hours to be overtime. Applicable national laws, industry

benchmark standards or collective agreements are to be interpreted within the international framework set out by the ILO. In exceptional cases defined by the ILO, the limit of hours of work prescribed above may be exceeded, in which case overtime is permitted.

Overtime is meant to be exceptional, voluntary, paid at a premium rate of not less than one and one-quarter times the regular rate regardless of whether workers are compensated hourly or by piece rate, and shall not represent a significantly higher likelihood of occupational hazards. In the absence of exceptional circumstances, the Company supports vendors who utilize less than a sixty-hour work-week. Unless exceptional circumstances exist, workers must be permitted at least one day off in every seven-day period, and also leave privileges, and workers must be granted the right to resting breaks in every working day.

Resolution of Disputes

There must be a dispute resolution process to allow workers to voice workplace grievances without the fear of reprisal.

B. No False Claims or Misrepresentations

The Company does not tolerate false claims for duty preference consideration under special trade agreements or any other misrepresentation related to vendors' social responsibility requirements.

C. Respect for the Environment

The Company will support vendors who conduct their business using progressive environmental practices and take active steps to preserve and protect the well-being of the environment, including complying with all applicable laws and regulations in respect to protecting the environment and maintaining procedures for notifying local authorities in the event of an environmental accident resulting from vendor's operations. Vendors should assess the significant environmental impact of operations, and establish effective policies and procedures that reflect their environmental responsibility. They will seek to implement adequate measures to prevent or minimize adverse effects on the community, natural resources and the overall environment.

D. Confidentiality

Vendors must hold all information (other than that in the public domain) concerning the affairs of the Company that may be communicated to them or to which they may have access, in trust and confidence for the Company and not use such information other than for the benefit of the Company.

E. Compliance With Privacy Legislation

Vendors should collect, use and otherwise process personal information (including that from workers, business partners, customers and consumers in their sphere of influence) with reasonable care and in compliance with privacy and information security laws and regulatory requirements.