

Softline Code Compliance Board



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Establishment

The Code Compliance Board (the “Board”) is established by the Chief Compliance Officer acting as administrator to enforce compliance in Softline.

The purpose of the Board, in particular, is to carry out the tasks associated with the prohibition of corruption, to operate the whistleblower system, to enforce the prohibition of illicit pricing and market collusion (antitrust and competition legislation) as well as the prohibition of money laundering.

Composition

The Board will be chaired by the Chairman of the Board of Directors. LCA Director, Chief Compliance Officer will act as Secretary of the Board.

The Board shall have a minimum of five members (the “Members”), including without limitation Chief Security Officer, Country General Manager + Softline International VP or CIS Director for relative markets. All members will be required to declare any conflicts of interest on joining the board and if a conflict arises at any time in relation to an investigation.

The Board membership will be reviewed annually.

A Member who wishes to retire or resign from the Board should provide sufficient notice to the Chairman of the Board so that a replacement may be appointed before she/he leaves.

Only Sofline top managers can become members of the Board.

Meetings

The Board shall meet as the Chairman of the Board or any Member requires.

Record keeping

The Secretary shall maintain a record of decisions taken by the Board.

Draft and final versions of meeting minutes and correspondence shall be circulated to all the Members for their comments and records within a reasonable time thereafter.

The Board shall report to the Board of Directors when appropriate and inform the Board of Directors of its decisions.

Functions, duties and powers

The primary functions of the Board include:

- Investigating and ruling on possible Softline employees contraventions (including top managers).
- Maintain a general oversight over Softline employees behavior and provide compliance/advisory action where appropriate.
- The Board will deliver a fair and proportionate sanction to an employee if it is found to be in breach of the Softline policies, ranging from providing information to help prevent further breaks.
- Maintaining strict confidentiality for any documents related to the decisions of the Board.

The Board decisions

Members will make any internal announcements or comment on matters relating to the meetings or activity and/or decisions of the Compliance Board.

The Board shall decide whether to make investigations or conclusions thereof, into Softline employees behavior.

Once a year the Board should publish a summary of its workload and decisions made.

**Chairman of the
Board of Directors of Softline
I.P. Borovikov**

