

Non-Discrimination and Anti-Harassment Policy

Scope

This policy shall be applied to anyone who seeks for a job at the Company, and to all employees, regardless of whether their conduct relates to the colleagues or any person not directly related to Softline (for example, external supplier, consultant or customer).

The behavior prohibited hereby is considered to be unreasonable at the workplace and any other job-related locations out of the workplace, such as business trips, business meetings and business-related public events.

Softline's policy allows to create within the Company the environment of respect and dignity. Every employee has the right to work in a professional atmosphere that promotes equal career opportunities and excludes illegal discriminatory practices, including harassment. Therefore, Softline expects that any interaction within the Company will be treated as business relationship, free from discrimination, prejudice and harassment.

Softline has developed this policy to provide all the employees with the opportunity to work in an environment free from persecution for reporting violations of this policy, discrimination and harassment. Softline will take all reasonable efforts to ensure that everyone covered by this policy knows that any complaint of its violation will be properly considered and processed.

Any differences in people gender, religion or age should not and may not be the ground to exclude or add them from/to a particular group of persons of certain gender or other qualities in order to non-admit them to business processes or job-related public affairs or discussions. In other words, to avoid accusations of harassment, the employees should not be involved in discrimination or provision of unequal rights and opportunities. When defining job terms, conditions, privileges or additional benefits, it is prohibited by the legislation and Softline's policies to treat people in a different way depending on their gender or other qualities protected by law. The ban of harassment, discrimination, and persecution is intended to supplement and improve, and not to substitute, these policies.

Equal Employment Opportunities

Softline's policy provides equal employment opportunities, without discrimination or harassment based on the race, skin color, religion, sex, sexual orientation, gender identity or expression, age, disability, marital status, citizenship, genetic information or other qualities protected by law. Softline prohibits any such discrimination or harassment. Although Softline accepts no age discrimination, it does not use child labor.

Sexual Harassment

Sexual harassment constitutes discrimination and is illegal according to the law. For the purposes of this policy, "sexual harassment" shall have the same meaning as set forth in the Guidelines of the Equal Employment Opportunity Commission, i.e. as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual;

- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

There are two types of sexual harassment:

- Quid pro quo;
- Hostile work environment.

Sexual harassment may involve a series of low- and highly noticed conduct, and may involve individuals of the same or different sex. As the case may be, such conduct may include unwanted sexual advances or requests for sexual favors; sex-related jokes, insinuations, and offensive insults, comments about the individual's body, his/her sexuality or sexual defects; grins, whistling or touching; offensive remarks, scurrilities or gestures; placement at the workplace or distribution of ambiguous items or pictures hinting at sex, and other physical, verbal or visual conduct of a sexual nature.

Persecution

Persecutions for the other qualities protected by the law are also strictly prohibited. Pursuant to this policy, persecution is considered to be a verbal, written or physical conduct that offends an individual, shows hostility or detestation to an individual because of his/her race, skin color, religion, sex, sexual orientation, gender identity or expression, nationality, age, disability, marital status, citizenship, genetic information or any other qualities protected by the law, as well as similar conduct towards his/her relatives, friends, and partners, where such conduct:

- Is aimed at or resulted in creating an intimidating, antagonistic or offensive environment at the workplace;
- Is aimed at or resulted in unreasonable interference in individual's work;
- Otherwise adversely affects individual's capabilities at the workplace.

Persecutions include offensive epithets, insinuations or negative stereotypes; threats, intimidating or antagonistic conduct, humiliating jokes; written or graphic materials, which defame or show hostility or detestation to an individual or a group of individuals, and are publicly available in the employer's premises, or distributed at workplaces during working or non-working hours and using Company's equipment, e-mail, telephone (including voicemail), SMS, social networks and other means of communication.

Reporting Harassment and Discrimination, Protection Against Persecution for Reporting Harassment

Softline is positive about reports of any events of discrimination or harassment observed. Softline's policy envisages prompt and thorough investigation of all such complaints. Softline prohibits persecution of any person who reports discrimination or harassment, or participates in investigation of such complaints.

Any employee who has questions or concerns in respect of this policy should talk to the Director of HR Department or a member of the HR Committee.

Softline is positive about notifications of any events of discrimination, harassment or persecution, irrespective of who the abuser is and what his position is. Individuals who believe that they appeared to be the victims of such conduct should discuss their concerns with their immediate managers, any member of the HR Committee, representative of HR Department or ombudsman. The complaint procedure is described below.

Moreover, Softline recommends the individuals, who consider that they are subjected to such conduct, to immediately inform the abuser that his/her behavior is offensive and to ask them to

stop such behaving. Nevertheless, Softline acknowledges that such individual may prefer to resolve the issue through the complaint procedure.

Revenge in respect of the person who reported harassment, persecution or discrimination, or participated in investigation of the harassment, persecution or discrimination complaint is considered to be a serious violation of this policy. Revenge for reporting harassment, persecution or discrimination, along with harassment, persecution and discrimination itself, may be the ground for disciplinary actions. Any revenge shall be immediately reported, promptly investigated and appropriate actions shall be taken thereon.

Compliant Procedure

Persons who believe that they are the victims of conduct prohibited by this policy or have witnessed such conduct should discuss their concerns with their immediate managers, representative of HR Department, any member of HR Committee or ombudsman.

Softline welcomes prompt reporting of complaints and concerns, as it facilitates the process of taking quick and meaningful actions before the relationship is ultimately damaged. Although no period is fixed for notifications, prompt informing of incidents and interferences is the most effective way to resolve actual or supposed events of harassment.

Any accusations of harassment, discrimination or persecution will be promptly investigated. The investigation may involve individual interviews with the parties concerned and, where necessary, with persons who have witnessed the conduct, which became the subject of accusation, or possess other relevant information.

In the course of investigation, the information will be kept confidential to the extent needed for such investigation and appropriate corrective actions.

Responsibility

Appropriate actions will be taken in response to misconducts, including harassment, discrimination or persecution. Such actions may include, but not limited to, training, talks to a consultant or disciplinary measures, such as a warning, reprimand, refused promotion or salary increase, transfer to another position, temporary suspension from work with no salary payment, or cancellation of an employment agreement, depending on what Softline deems appropriate in certain circumstances.

Where the party, being subject of the filed complaint, does not agree with the decision taken, it may appeal to the top management.

False and bad-faith complaints of harassment, discrimination and persecution (as opposed to good-faith complaints, even if they are fundamentally wrong) can be the ground for appropriate disciplinary actions.

S.V. Chernovolenko,

Global CEO of Softline