

LLADRÓ

CODE OF ETHICS



WHERE PORCELAIN BECOMES ART

INDEX

VERSION
1.0

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Board of Directors

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Lladró, a world leader in the design, manufacturing and distribution of a wide range of artistic porcelain creations, and present in over 120 countries, possesses a corporate culture and ethical values in consonance with national and international legislative developments and the evolution of society which are binding on all entities in the Lladró Group.

The Lladró Code of Ethics is intended to be a communication tool to convey to all its stakeholders the group's values and corporate conduct, as well as providing a set of guidelines for all its personnel.

Lladró sets its goals to meet the needs of its customers with the optimum level of quality, upholding its commitment with society by acting with integrity, ethics and responsibility.

Lladró has decided to establish in this Code of Ethics the values, behavior and ethical principles that shape the corporate culture of the Lladró Group.

October 2023

01 PURPOSE AND SCOPE OF APPLICATION

The values of the Lladró Group have always been present since its outset and are reflected in its day-to-day running through an unwavering commitment with people, society and the environment. The continuous changes in legislation and society over recent years have been instrumental in giving shape to corporate social responsibility in a complex and rapidly changing global environment.

In this regard, this Code of Ethics reflects the values, behavior and ethical principles that shape the corporate culture and vision of the Lladró Group and stands as a comprehensive guide in the framework of its working and professional relations. At the same time, the Lladró Group carries out its activity in a transparent manner, in accordance with applicable national and international legislation, as well as its own internal regulations.

This Code of Ethics establishes the rules to be complied with by all employees, partners, executives and collaborators or third parties who maintain relations with the Lladró Group in its commitment to maintain an ethical and responsible behavior, with zero tolerance for all acts in violation of established law.

02 REACH

Accountable entities

The Code of Ethics is applicable and binding on all the constituent entities of the Lladró Group. These entities, at the date of approval of this Code of Ethics, are the following, with a commitment to be binding to all other societies that may be part of the group in the future:

- Lladró, S.A. (parent company of the Lladró Group)
- Daisa, Diseños Artísticos e Industriales, S.L.
- Arte y Porcelanas, S.A.
- Lladro USA, INC
- Lladro Japan Co., LTD
- Lladro Asia Pacific, LTD
- Lladro Singapore PTE. LTD
- Lladro (United Kingdom) LTD.
- Lladro Italia SRL
- Spa Lifestyle Pvt LTD.
- Lladro Trading Shanghai, LTD
- Lladro America S.A. de CV (Mexico)

Persons subject

Persons subject to the Code of Ethics of the Lladró Group is understood to mean all those contributing to the corporate activity of all the accountable entities. Persons subject, according to the provisions of this Code of Ethics, are:

- Employees of the Lladró Group, independently of the type of contract that determines their employment status, their post or geographical location.
- Members of the boards of directors of all the group's entities.
- Partners and executives of all the group's entities.
- Clients, suppliers and stakeholders.

The group of “clients, suppliers and stakeholders” of the Lladró Group shall be regarded as persons subject to the Code of Ethics whenever applicable to them and whenever the group may require them.

Lladró Group shall publicly disseminate this Code of Ethics. All new employees shall receive the present Code of Ethics, which they must expressly accept prior to being incorporated into the workforce, with the goal of reflecting their commitment with our corporate culture and ethical values.

03 OUR CULTURE. OUR VISION AND MISSION

Our goal, since the beginning, has been to create beauty with sustainability and respect, aligning each one of our production processes with national and international legislation and respecting all the assets involved in the process of creation, elaboration and commercialization of our porcelain products.

Our organization is aware that the construction of a sustainable present means taking care of the world in which we live and conserving it for future generations.

Understanding how our company affects the environment and society is the basis of the production processes operating in the Lladró Group.

Our mission is to be known for our constant innovation in design and technology, as well as for our ongoing commitment with quality and with sustainability.

Our vision is to inspire and to enrich people's lives through the originality of our creations and the craft and timeless beauty of porcelain.

04 OUR VALUES

Honesty and integrity

In their relations with our various stakeholders, all members of the Lladró Group must behave with honesty, dignity, ethics and integrity, rejecting any practice that might infringe these values.

Persons subject to this Code of Ethics must comply with all its provisions, acting in good faith and impartially in accordance with the values specified in the above section, with a view to establishing a relationship of trust between the Lladró Group and its stakeholders.

At the same time, the directors, partners and executives must give example and act with firm principles, always respecting the values and principles set out in this Code of Ethics.

Objectivity and independence

Persons subject to this Code of Ethics are obliged to avoid any conflict of interest and declare any that may affect their professional decisions in benefit of their own personal interests or those of third parties, at all times maintaining an integral and objective attitude.

Employees, partners and directors of the Lladró Group undertake to act impartially and with professional integrity, rejecting external interests and influences that may compromise their objectivity.

On the other hand, all the reports, procedures, protocols and policies of the Lladró Group are prepared with total independence and objectivity.

Quality and excellence

Lladró Group seeks to know and satisfy the needs of its customers, proportioning excellent high-quality service. To meet his goal, it fosters a working environment based on excellence and collaboration, encouraging the active participation of the whole workforce.

This attitude is also aimed at engendering a sense of belonging and the involvement of the workforce in all its projects.

The brand and image of the Lladró Group are assets of paramount importance. With this in mind, employees, partners and directors of the Lladró Group must act with professionalism both in their working and personal environment, avoiding any action that might harm or use the brand for unauthorized purposes, including their presence in social media, among other environments.

Learning and growth

The individual growth of our employees is based on their capacity to meet the challenges of an increasingly complex and constantly changing world. For this reason, the Lladró Group acknowledges the importance of acquiring new knowledge and experiences as fundamental for personal and professional development. Our organization is committed to the search for self-discovery, continuous improvement and constant adaptation.

Transparency

Lladró Group undertakes to proportion transparent and truthful information to clients, suppliers and third parties in the context of its professional relationships. In addition, we guarantee the integrity and transparency of our financial and accounting information by means of strict internal controls, in full compliance with applicable national and international legislation.

Collaboration

The Lladró Group acknowledges the importance of collaboration between the members of our workforce in the interests of the company. We seek to promote the best possible synergy between our various teams in order to effectively ensure concerted efforts.

Our commitment with cooperation among the members of our team is reflected in our day-to-day running, demonstrating the workforce's capacity to work effectively and respectfully, and an appreciation for the individual contributions of each person.

05 OUR PEOPLE

Human rights

Lladró Group shall respect and protect the freedoms and human rights recognized in national and international legislation, therefore, all persons subject to this Code of Ethics must act with respect for the dignity of people.

We undertake to ensure that all persons subject to the Code of Ethics shall act with respect for human rights, guaranteeing the public freedoms recognized in the Universal Declaration of Human Rights and other international agreements on this matter.

Equal opportunities, non-discrimination and zero tolerance of harassment

We undertake to create a safe and respectful working environment for our employees, free from discrimination and harassment, fostering diversity, gender equality, trust, cooperation and respect, and also guaranteeing equal opportunities for promotion and professional development for all employees, partners and directors. To this end, Lladró Group demands and assures compliance with policies and procedures that promote and protect diversity and inclusion among employees.

In the development of its activity and relations, the Lladró Group rejects and forbids any kind of discrimination for reason of sex, race, color, nationality, ideology, sexual identity or orientation, disability, religion, or any other reason of diversity.

No kind of physical, psychological, moral or sexual harassment nor any kind of abusive, offensive or hostile behavior shall be tolerated.

Security and training

The Lladró Group enforces the necessary health and safety measures in accordance with current legislation in force, to protect the health and safety of employees while carrying out their work activity.

These measures are mandatory and all employees, partners and directors of the Lladró Group must be cognizant of and comply with the health and safety measures enforced by the Lladró Group.

On the other hand, for the Lladró Group the training and development of its employees are key factors in obtaining optimum results in its projects, and for this reason the Lladró Group has different training policies to offer its employees the skill sets they need to fulfil their working activity.

Lladró Group undertakes to disseminate among its employees the policies and procedures available to them and to check that they are aware of them, and of any subsequent updates thereof.

Work-life balance and digital rights

Lladró Group undertakes to respect the right to privacy of its employees, partners and directors when they use electronic devices supplied by the group. In addition, Lladró guarantees the right to digital disconnection of its employees in order to respect their working hours, rest and leave.

Likewise, Lladró Group promotes measures that endeavor to create a better work-life balance for its employees.

06 USE OF OUR RESOURCES

Use of Lladró Group assets

The resources, means and tools given by the Lladró Group to its employees, partners and directors for the performance of their professional duties must be used exclusively for the purposes specified when given to them and under no circumstance are they allowed to be used for personal purposes.

At the same time, they are obliged to comply with the security measures set in place to avoid computer damage or the loss or theft of information, and it is forbidden to download or to handle information that may infringe current legislation or the regulations set out in this Code of Ethics.

Personal data

Lladró Group ensures the protection of the personal data of its employees, partners and directors in compliance with current legislation, and it is expressly forbidden to disclose personal data handled by the group.

Likewise, employees, partners and directors shall not make unlawful or unethical use of information obtained from third parties and shall not disclose personal data or confidential or secret information.

Lladró Group shall implement the measures necessary to safeguard the confidentiality, security and integrity of personal data.

Industrial and intellectual property rights.

Respect for the brand's intellectual property rights is fundamental and binding for employees of the Lladró Group and for third parties.

Lladró is fully committed to compliance with industrial and intellectual property rights, both its own and those of third parties.

All members of Lladró's workforce undertake to adopt the measures necessary to protect both the intellectual and industrial property rights of the company's designs and creations. Lladró also expressly forbids the use of works or creations that are not copyright-free or for which it does not have the required authorization for their use.

The designs and creations produced within the framework of a working and/or commercial relationship with the Lladró Group are the property of the company.

Confidentiality

Employees, partners and directors of the Lladró Group shall not make unethical or illegal use of the information obtained from third parties and shall not disclose personal data or confidential or secret information.

07 THIRD-PARTY RELATIONSHIPS

Conflicts of Interest

Persons subject to this Code of Ethics must avoid situations that create or could potentially create a conflict of interest between their personal interests and those of the Lladró Group. In addition, in the event that they find themselves in this position, they must refrain from acting and immediately inform their superiors before taking any decision in order to act in consonance and avoid the conflict.

When the conflict cannot be avoided, or in the event that there may be doubts on whether the conflict of interests exists or not, the employee shall inform their superiors so that the specific case may be analyzed.

Client and supplier relationships

Employees, partners and directors of the Lladró Group are obliged to ensure that the information they share with the group's clients and suppliers is truthful and also to protect the personal or confidential information they handle in carrying out their work activity.

The relationships between the Lladró Group and its clients and suppliers are based on transparency and cooperation, safeguarding the independence of the group and avoiding any conflict of interest.

In this regard, the information facilitated to third parties must be exact and comply with national and international regulations regarding financial information, with a view to guaranteeing the transparency of the group's activity. In addition, the information received from third parties must be carefully safeguarded in accordance with good business practices.

In its relations with clients and suppliers, all employees, partners and directors of the Lladró Group must conform with the standards set out in the group's policies and protocols and with best practices established in the code of ethics for each professional area. Gifts shall not be accepted from or made to clients or suppliers.

08 CORPORATE SOCIAL RESPONSIBILITY

Economic responsibility

The Lladró Group's production process is carried out entirely in Spain, thus helping to reinforce the local business fabric.

Corporate social responsibility

Since its beginnings, women have always played a major and decisive role in the Lladró Group.

The conditions of its working teams, as well as the recruitment of new talent, are based on the premise of paying careful attention to the skill sets developed by each and every member of the company and their present and future contributions to the company.

The Lladró Group recruits persons with different physical abilities, providing equal opportunities for all kinds of people. With the passing

of time, what initially arose from the group's commitment and understanding of the company as a large family has proven to be correct not just on a social level but also on a business level.

The Lladró Group has contributed to the work of many large and small associations and institutions which work to benefit the most disadvantaged in our society, in medical research or in projects to recover crafts.

Environmental responsibility

Lladró Group's products are created from natural raw materials. The company seeks to further reduce its environmental impact by means of an appropriate use of natural resources in all its production processes.

The Lladró Group emphasizes the use of locally-sourced material with the purpose of reducing its carbon footprint.

1 COMPLIANCE

Anti-fraud, bribery and corruption measures

The Lladró Group is committed to fighting against corruption, be in on a public level in its relations with the Public Administration or on a private level with commercial partners and suppliers.

With this purpose in mind, as a general rule, giving or accepting gifts or hospitality is forbidden. Under exceptional circumstances only, giving or accepting gifts or hospitality may be appropriate when the financial value does not exceed what may be regarded as common courtesy and which, therefore, does not affect objectivity or influence decision-taking. At the same time, other factors must also be taken into account, such as proximity to the signing of a contract or the renewal of a contractual relationship with a supplier.

In addition, any type of economic transaction that may be open to interpretation as funding political parties or public or private entities connected with political activities must be avoided.

In pursuit of greater awareness in its fight against corruption, the Lladró Group has implemented a series of internal controls aimed at reducing the risk of bribes and corruption, collaborating with and informing its employees so that they are cognizant of these controls and may make use of them.

Ethical channel of information

Any person who detects a situation that enters into conflict with any of the provisions in this Code of Ethics is obliged to inform the company. Lladró, S.A Unipersonal., Daisa, Diseños Artísticos and Industriales, S.L. Unipersonal and Arte y Porcelanas, S.A. Unipersonal have introduced an ethical channel of information available to interested parties, in a separate section on www.lladro.com, in which they can communicate these situations or any other irregularities that may occur, with the possibility of anonymously filing a complaint.

The channel may also be accessed on the following link:

<https://www.canaldedenuncias.com/es/group/Lladro>

Breach of policy

The values and principles of the Lladró Group Code of Ethics are binding, and in the event of any breach of the code, Lladró Group shall take the necessary disciplinary measures in accordance with current law.

2 REVISION AND APPROVAL

Communication

The Code of Ethics is freely available on the Lladró corporate website <https://www.lladro.com>, and on the workforce's in-house means of communication.

Revision

The Lladró Group Code of Ethics shall be updated periodically whenever necessary with the goal of keeping it in step with the values and workings of society.

Approval

The Board of Directors of the Lladró Group approved this current version of its Code of Ethics on October 31, 2023.

LLADRÓ



WHERE PORCELAIN BECOMES ART