

MOVADO GROUP, INC. (“MGI”)
VENDOR CODE OF CONDUCT

MGI and its subsidiaries (hereinafter collectively referred to as “MGI”), are proud of our tradition of conducting our business in accordance with the highest ethical standards and in compliance with the laws of the United States and of the countries in which we produce, buy and sell our products.

MGI is committed to legal compliance and ethical business practices in all operations and will only do business with manufacturers and suppliers who share that commitment. MGI actively seeks to engage as its vendors and suppliers, companies which offer their workers safe and healthy workplaces.

MGI will not tolerate exploitative or abusive conditions once known. This MGI Vendor Code of Conduct (hereinafter the “Code of Conduct”) defines our minimum expectations. No Code can be all inclusive, but we expect our vendors and suppliers to act reasonably in all respects and to ensure that no abusive, exploitative or illegal conditions exist at their workplaces, or those of their manufacturers, subcontractors and suppliers.

MGI requires its vendors and suppliers to extend principles of fair and honest dealing to all others with whom they do business, including employees, manufacturers, subcontractors and other third parties. We also require our vendors and suppliers to ensure and to certify to us that no abusive, exploitative or illegal conditions exist at their workplaces and those of their manufacturers, subcontractors and suppliers.

MGI will only do business with vendors and suppliers who obey the laws of the country in which they operate and the principles expressed in this Code of Conduct.

MGI will only do business with vendors and suppliers who have certified to us, and whose manufacturers, subcontractors and suppliers with whom they do business have certified to them, that their respective business practices are lawful, ethical and in compliance with the principles set forth in this Code of Conduct and who have agreed to be subjected to the scrutiny of the MGI Supplier Monitoring Program under which they will be inspected and evaluated to ensure their compliance with this Code of Conduct.

Forced Labor: MGI will not purchase products or components thereof from any vendor, manufacturer, subcontractor or supplier that uses forced labor, prison labor, indentured labor or exploited bonded labor, or permits any of its vendors, manufacturers, subcontractors or suppliers to do so. Forced Labor should be considered to include any work or service, which is extracted from any person under the threat of penalty for its non-performance and for which the worker does not offer himself or herself voluntarily.

Child Labor: MGI will not purchase products or components thereof manufactured by persons younger than 15 years of age or younger than the age of completing compulsory education in the country of manufacture where such age is higher than 15.

Harassment or Abuse: MGI manufacturers, subcontractors and suppliers must treat their employees with respect and dignity. No employee shall be subject to physical, sexual or psychological harassment or abuse.

Nondiscrimination: MGI manufacturers, subcontractors and suppliers shall not subject any person to discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin. MGI manufacturers, subcontractors and suppliers shall ensure that full maternity and paternity rights are respected according to the applicable laws.

Hazardous Substances: MGI manufacturers, subcontractors and suppliers shall not manufacture, trade, and/or use chemicals and hazardous substances subject to international bans of phase-outs due to their high toxicity to living organisms, environmental persistence, and potential for bioaccumulation or potential for depletion of the ozone layer. MGI manufacturers, subcontractors and suppliers shall employ alternatives to other hazardous substances used in production processes wherever technically and economically viable. Where the use of hazardous substances cannot be avoided, manufacturers, subcontractors and suppliers shall employ appropriate measures to minimize the risk of employee contact. They shall also establish clear lines of responsibility for safety, security, release prevention training and emergency response in relation to hazardous substances used in operations.

Health and Safety: MGI manufacturers, subcontractors and suppliers shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities. MGI manufacturers, subcontractors and suppliers must fully comply with all applicable workplace conditions, safety and environmental laws.

Housing: MGI manufacturers, subcontractors and suppliers who provide residential facilities for workers are expected to maintain such housing to a reasonable standard of safety, repair and hygiene; and such housing will also provide sufficient and proper sanitation facilities, potable water and access to a power supply in addition to complying with local laws and regulations.

Freedom of Association: MGI manufacturers, subcontractors and suppliers shall recognize and respect the right of employees to freely associate in accordance with the laws of the countries in which they are employed.

Wages and Benefits: MGI manufacturers, subcontractors and suppliers recognize that wages are essential to meeting employees' basic needs. MGI manufacturers, subcontractors and suppliers shall pay employees at least the minimum wage required by local law regardless of whether they pay by the piece or by the hour and shall provide legally mandated benefits. MGI manufacturers, subcontractors and suppliers shall (i) make payment to employees on a regular and pre-determined bases; (ii) accompany all payments by a wage slip that clearly details wage rates, benefits and deductions where application; (iii) not force employees to buy provisions from a

employer owned business; (iv) and not make deductions from employee's wages without due process.

Work Hours: MGI manufacturers, subcontractors and suppliers shall not require their employees to work more than the limits on regular and overtime hours allowed by the law of the country of manufacture and in accordance with the ILO convention 1. Except under extraordinary business circumstances, MGI manufacturers', subcontractors' and suppliers' employees shall be entitled to one day off in every seven-day period. MGI manufacturers, subcontractors and suppliers must inform their workers at the time of their hiring if mandatory overtime is a condition of their employment. MGI manufacturers, subcontractors and suppliers shall not compel their workers to work excessive overtime hours. MGI understands that those in management positions may exceed these limits in the course of carry out their roles and responsibilities.

Overtime Compensation: MGI manufacturers', subcontractors' and suppliers' employees, shall be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate.

Contract Labor: MGI manufacturers, subcontractors and suppliers shall not use workers obligated under contracts which exploit them, which deny them the basic legal rights available to people and to workers within the countries in which they work or which are inconsistent with the principles set forth in this Code of Conduct.

Discipline and Grievance Procedures: MGI manufacturers, subcontractors and suppliers shall uphold the dignity and human rights of employees. In particular they will ensure that employees are not subjected to harsh or degrading treatment; sexual or physical harassment; mental, physical or verbal abuse; coercion; or intimidation in any circumstance. MGI manufacturers, subcontractors and suppliers shall clearly communicate the business's disciplinary process and related standards on appropriate disciplinary procedures and employee treatment and apply these equally to all management and staff.

Environment: MGI manufacturers, subcontractors and suppliers should comply with relevant locally applicable environmental law and regulations. All waste materials and production by-products should be disposed of properly and in an environmentally responsible manner.

Diamonds Sourcing: MGI manufacturers, subcontractors and suppliers shall only purchase and use only diamonds that have been purchased from legitimate sources in compliance with United Nations Resolutions and not involved in funding conflict. MGI manufacturers, subcontractors and suppliers shall guarantee that all such diamonds are conflict free, based on personal knowledge and/or written guarantees provided by the supplier of such diamonds.

Gold and other Precious Metal Sourcing: MGI manufacturers, subcontractors and suppliers shall not purchase gold or other precious metals that are sourced from mining operations that do not respect basic human rights as outlined in the United Nations Universal Declaration of Human Rights and all local laws and regulations. MGI manufacturers, subcontractors and suppliers agree to work in collaboration with Jewelers of America, the Council for Responsible Jewellery

Practices, other industry associations, the gold and precious mining industry, financial institutions, NGO's, Governmental Institutions, jewelry manufacturers, jewelry companies, and all other stakeholders throughout the supply chain. MGI manufacturers, subcontractors and suppliers agree to develop methodologies, with the assistance and cooperation of all partners listed above, to determine the sources and supply chain for all of their gold products, including information about how gold is being mined, refined, and manufactured.

Independent Verification: MGI manufacturers, subcontractors and suppliers agree to support the development of an independent third party verification system that verifies that diamonds, gold and other precious metals meet the criteria set forth herein and other criteria.

Legal and Ethical Business Practices: MGI manufacturers, subcontractors and suppliers must fully comply with all applicable local, state, federal, national and international laws, rules and regulations including, but not limited to, those relating to wages, hours, labor, health and safety, and immigration. MGI manufacturers, subcontractors and suppliers must be ethical in their business practices.

Communication: MGI manufacturers, subcontractors and suppliers are encouraged to take appropriate steps to ensure the provisions of this Code are communicated to their employees and their own supply chain. MGI manufacturers, subcontractors and suppliers are also encouraged to ensure that the principles referred to above are adopted and applied by their employees, suppliers, agents and contractors so far as reasonably possible.

Penalties: MGI reserves the right to terminate its business relationship with any supplier who violates this Code of Conduct or whose manufacturers, subcontractors or suppliers violate this Code of Conduct. MGI reserves the right to terminate its business relationship with suppliers who fail to provide written confirmation to MGI that they have a program in place to monitor their manufacturers, subcontractors and suppliers for compliance with this Code of Conduct.

Reporting: Manufacturers, subcontractors and suppliers and their respective employees are required to report actual or suspected violations of this Code of Conduct to MGI by calling MGI's hot line number (00)1 (201) 267-8323. No reprisals will be made against any person making a good-faith allegation and the confidentiality of complaints will be maintained to the greatest extent practicable and consistent with MGI's legal and other obligations. MGI will take appropriate action to investigate all such reports.

Supply Chain Policy for a Responsible Global Supply Chain of Minerals from Conflict-Affected and High-Risk Areas

This Supply Chain Policy for a Responsible Global Supply Chain of Minerals from Conflict-Affected and High Risk Areas (“Supply Chain Conflict Minerals Policy”) is a supplement to and forms a part of the Vendor Code of Conduct of Movado Group, Inc. (together with its subsidiaries, hereinafter referred to as “MGI”).

MGI recognizes that risks of significant adverse impacts may be associated with extracting, trading, handling and exporting certain minerals, specifically, tin, tantalum, tungsten, their ores and mineral derivatives and gold (“Conflict Minerals”) from conflict-affected and high-risk areas, specifically, the Democratic Republic of Congo (“DRC”) and any country that has an internationally recognized international border with the DRC (“Covered Countries”). Accordingly, to respect human rights and not contribute to conflict, MGI has adopted and will disseminate and incorporate in its agreements with suppliers this Supply Chain Conflict Minerals Policy as representing a common reference for conflict-sensitive sourcing practices and suppliers’ risk awareness from the point of extraction until end user. MGI commits to refraining from any action which contributes to the financing of conflict in any of the Covered Countries and commits to comply with all applicable laws, rules and regulations, including Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations of the United States Securities and Exchange Commission issued thereunder, as well as with relevant United Nations sanctions resolutions or, where applicable, domestic laws implementing such resolutions.

Regarding serious abuses associated with the extraction, transport or trade of Conflict Minerals.

1. MGI will not knowingly do business, directly or indirectly, with any upstream supplier that, if sourcing from, or operating in any Covered Country, tolerates or by any means profits from, contributes to, assists with or facilitates the commission by any party of:
 - (i) any forms of torture, cruel, inhuman and degrading treatment;
 - (ii) any forms of forced or compulsory labor, which means work or service which is exacted from any person under the menace of penalty and for which said person has not offered himself voluntarily;
 - (iii) child labor, meaning labor by persons younger than 15 years of age or younger than the age of completing compulsory education in the country where any such person is located if such age is higher than 15;
 - (iv) other gross human rights violations and abuses such as widespread sexual violence; or
 - (v) war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.

Regarding risk management of serious abuses.

2. MGI will immediately suspend or discontinue engagement with upstream suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party committing serious abuses as defined in paragraph 1.

Regarding direct or indirect support to non-state armed groups.

3. MGI will not tolerate any direct or indirect support to non-state armed groups (as identified by relevant UN Security Council Resolutions or by the United States in any annual Country Report on Human Rights Practices under sections 116(d) and 502B(b) of the Foreign Assistance Act of 1961) in any Covered Country through the extraction, transport, trade, handling or export of Conflict Minerals. As used herein, “direct or indirect support” to non-state armed groups in any Covered Country through the extraction, transport, trade, handling or export of Conflict Minerals includes, but is not limited to, procuring such minerals from, making payments to or otherwise providing logistical assistance or equipment to, such non-state armed groups or their affiliates who:
 - i) Illegally control mine sites or otherwise control transportation routes, points where Conflict Minerals are trade and upstream actors in the supply chain; and/or
 - ii) Illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where Conflict Minerals are traded; and/or
 - iii) Illegally tax or extort intermediaries, export companies or international traders.

As used herein, “affiliates” includes consolidators, intermediaries, and others in the supply chain that work directly with armed groups to facilitate the extraction, trade or handling of Conflict Minerals. “Control” of mines, transportation routes, points where Conflict Minerals are traded and upstream actors in the supply chain means i) overseeing extraction, including by granting access to mine sites and/or coordinating downstream sales to intermediaries, export companies or international traders; ii) making recourse to any forms of forced or compulsory labor to mine, transport, trade or sell Conflict Minerals; or iii) acting as a director or officer of, or holding beneficial or other ownership interests in, upstream companies or mines. “Extort” from mines, transportation routes, points where Conflict Minerals are traded or upstream companies means the demanding, under the threat of violence or any other penalty, and for which the person has not voluntarily offered, sums of money or minerals, often in return for granting access to exploit the mine site, access transportation routes, or to transport, purchase, or sell Conflict Minerals.

Regarding risk management of direct or indirect support to non-state armed groups.

4. MGI will immediately suspend or discontinue engagement with upstream suppliers where we identify a reasonable risk that they are sourcing Conflict Minerals from, or linked to, any party providing direct or indirect support to non-state armed groups as defined in paragraph 3.

Regarding public or private security forces.

5. MGI will not knowingly do business, directly or indirectly, with any upstream supplier that provides direct or indirect support to public or private security forces who illegally control mine sites, transportation routes and upstream actors in the supply chain; illegally tax or extort money or Conflict Minerals at point of access to mine sites, along transportation routes or at points where Conflict Minerals are traded; or illegally tax or extort intermediaries, export companies or international traders. “Direct or indirect support” does not refer to legally required forms of support, including legal taxes, fees, and/or royalties that companies pay to the government of a country in which they operate (see paragraph 13 below on disclosure of such payments).
6. MGI recognizes that the role of public or private security forces at the mine sites and/or surrounding areas and/or along transportation routes should be solely to maintain the rule of law, including safeguarding human rights, providing security to mine workers, equipment and facilities, and protecting the mine site or transportation routes from interference with legitimate extraction and trade.
7. Where MGI or any company in our supply chain contracts with public or private security forces, we commit to or we will require that such security forces will be engaged in accordance with the Voluntary Principles on Security and Human Rights. In particular, we will support to take steps, to adopt screening policies to ensure that individuals or units of security forces that are known to have been responsible for gross human rights abuses will not be hired.
8. MGI will support efforts, or take steps, to engage with central or local authorities, international organizations and civil society organizations to contribute to workable solutions on how transparency, proportionality and accountability in payments made to public security forces for the provision of security could be improved.
9. MGI will support efforts, or take steps, to engage with local authorities, international organizations and civil society organizations to avoid or minimize the exposure of vulnerable groups, in particular, artisanal miners where Conflict Minerals in the supply chain are extracted through artisanal or small-scale mining, to adverse impacts associated with the presence of security forces, public or private, on mine sites.

Regarding risk management of public or private security forces:

10. In accordance with the specific position of MGI in the supply chain, we will immediately devise, adopt and implement a risk management plan with upstream suppliers and other stakeholders to prevent or mitigate the risk of direct or indirect support to public or private security forces, as identified in paragraph 5, where we identify that such a reasonable risk exists. In such cases, we will suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation within six months from the adoption of the risk management plan. Where we identify a reasonable risk of activities inconsistent with paragraphs 8 and 9, we will respond in the same vein.

Regarding bribery and fraudulent misrepresentation of the origin of Conflict Minerals.

11. MGI will not offer, promise, give or demand any bribes, will resist the solicitation of bribes and will not knowingly do business, directly or indirectly, with any upstream supplier that offers, promises, gives or demands or that accedes to the solicitation of bribes to conceal or disguise the origin of Conflict Minerals, to misrepresent taxes, fees and royalties paid to governments for the purposes of Conflict Mineral extraction, trade, handling, transport and export.

Regarding money laundering.

12. MGI will support efforts, or take steps, to contribute to the effective elimination of money laundering where we identify a reasonable risk of money-laundering resulting from, or connected to, the extraction, trade, handling, transport or export of Conflict Minerals derived from the illegal taxation or extortion of Conflict Minerals at points of access to mine sites, along transportation routes or at points where Conflict Minerals are traded by upstream suppliers.

Regarding the payment of taxes, fees and royalties due to governments.

13. MGI will not knowingly do business, directly or indirectly, with any upstream supplier that does not ensure that all taxes, fees, and royalties related to Conflict Mineral extraction, trade and export from Covered Countries are paid to governments and, in accordance with such upstream supplier's position in the supply chain, commits to disclose such payments in accordance with the principles set forth under the Extractive Industry Transparency Initiative (EITI).

Regarding risk management of bribery and fraudulent misrepresentation of the original of minerals, money-laundering and payment of taxes, fees and royalties to governments.

14. In accordance with the specific position of MGI in the supply chain, we commit to engage with suppliers, central or local governmental authorities, international organizations, civil society and affected third parties, as appropriate, to improve and track performance with a view to preventing or mitigating risks of adverse impacts through measureable steps taken in reasonable timescales. We will suspend or discontinue engagement with upstream suppliers after failed attempts at mitigation.

(LAST UPDATED 10-09-2012)

Supply Chain Policy Regarding Gold

This Supply Chain Policy Regarding Gold (“Supply Chain Gold Policy”) is a supplement to and forms a part of the Vendor Code of Conduct of Movado Group, Inc. (together with its subsidiaries, hereinafter referred to as “MGI”).

MGI is committed to ensuring that no gold contained in and that is necessary for the production or functionality of any of its products has, directly or indirectly, financed or benefitted any non-state armed groups (as identified by relevant UN Security Council Resolutions or by the United States in any annual Country Report on Human Rights Practices under sections 116(d) and 502B(b) of the Foreign Assistance Act of 1961) in the Democratic Republic of Congo (“DRC”) or any country that has an internationally recognized international border with the DRC (“Covered Countries”). Accordingly, MGI will only accept gold, if refined on or after January 31, 2013, that has been certified as herein provided as “conflict free”. The requirements in this Supply Chain Gold Policy will apply to all gold products (finished and components), and to all products plated with or otherwise containing gold.

MGI’s Suppliers must certify the gold supplied to MGI, either by certification of all gold manufacture and supply, or, if this is not possible, by segregating manufacture and supply of gold to MGI from manufacture and supply of gold to other customers.

1. Refineries

MGI will only accept gold from refinery sources satisfying at least one of the following:

- 1.1 Gold refiners on the current LBMA good delivery list
(see www.lbma.org.uk, “Good Delivery”, “Gold List”); or
- 1.2 Gold refiners on the EICC/GeSI conflict-free compliant smelter list (currently under consideration, list tbc) (see www.conflictreesmelter.org); or
- 1.3 Gold refiners which are certified Members of the Responsible Jewellery Council (RJC)
(see www.responsiblejewellery.com/members/certified-members); or
- 1.4 Gold refiners which certify and independently audit all gold supplies as conflict-free, in accordance with one of the following guidelines/standards:
 - i. RJC Chain of Custody Standard for Precious Metals
(see www.responsiblejewellery.com/chain-of-custody-certification)
 - ii. OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas, Supplement on Gold
(see www.oecd.org search “conflict minerals”)

- iii. World Gold Council Conflict-free Standard
(See www.gold.org/about gold/sustainability/conflict free standard)

2. Banks

MGI will only accept gold from Banks satisfying at least one of the following:

- 2.1 Banks which certify and independently audit that all gold is supplied from refineries which fulfill the criteria under “Refineries” as above; or
- 2.2 Banks which certify and independently audit that all gold supplies are conflict-free, in accordance with one of the following guidelines/standards:
 - i. RJC Chain of Custody Standard for Precious Metals
(See www.responsiblejewellery.com/chain-of-custody-certification)
 - ii. OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas, Supplement on Gold
(see www.oecd.org search “conflict minerals”)

3. Precious Metals Trading Companies/Alloy Suppliers

MGI will only accept gold from precious metals trading companies and alloy suppliers satisfying at least one of the following:

- 3.1 Companies which certify and independently audit that all gold is supplied from refineries and/or banks which fulfill the criteria under “Refineries” and “Banks” as above; or
- 3.2 Companies which certify and independently audit that all gold supplies are conflict-free, in accordance with one of the following guidelines/standards:
 - i. RJC Chain of Custody Standard for Precious Metals
(www.responsiblejewellery.com/chain-of-custody-certification)
 - ii. OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas, Supplement on Gold
(see www.oecd.org search “Conflict Minerals”)

4. Assemblers and Suppliers of Component Parts and/or Finished Products Including their Subcontractors and Sub-suppliers

MGI will only accept gold from assemblers and suppliers (including from each subcontractor and supplier in the supply chain) of component parts and/or finished products that satisfy at least one of the following:

- 4.1 Assemblers and suppliers which certify and independently audit that all gold is supplied from refineries, banks and/or precious metals trading companies which fulfill the criteria under “Refineries”, “Banks” and “Precious Metals Trading Companies” as above, and scrap/recycled gold as below; or
- 4.2 Assemblers and suppliers which certify and independently audit that all gold supplies are conflict-free, in accordance with one of the following guidelines/standards:
 - i. RJC Chain of Custody Standard for Precious Metals
(see www.responsiblejewellery.com/chain-of-custoday-certification)
 - ii. OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas, Supplement on Gold
(see www.oecd.org search “conflict minerals”)

5. Scrap and Recycled Gold

MGI will only accept scrap and/or recycled gold from suppliers satisfying at least one of the following:

- 5.1 Suppliers which certify and independently audit that all scrap and recycled gold is identifiable as its own production and supply, i.e. that the scrap gold is:
 - i. Returned product from customers, or
 - ii. Faulty inventory, or
 - iii. Scrap and waste gold arising during manufacturing; or
- 5.2 Suppliers which certify and independently audit that all scrap and recycled gold is acquired accordingly to Know Your Customer/Counterparty principles (“KYC”), which require business to establish the identity of all organizations with which they deal, have a clear understanding of their business relationships and have a reasonable ability to identify and react to transaction patterns appearing out of the ordinary or suspicious; or
- 5.3 Suppliers which certify and independently audit that all gold supplies are conflict-free, in accordance with one of the following guidelines standards:
 - i. RJC Chain of Custody Standard for Precious Metals
(see www.responsiblejewellery.com/chain-of-custody-certification); or
 - ii. OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High Risk Areas, Supplement on Gold
(see www.oecd.org search “conflict minerals”)

(LAST UPDATED 09/30/2013)