



Tilly's Employees:

Tilly's takes pride in the positive reputation we have worked to develop with our customers and vendors. We gained this reputation by staying true to our core values, as outlined in our attached Code of Ethics and Business Conduct, which focus upon:

- Working together to help everyone succeed and creating win-win partnerships with our vendors;
- Taking responsibility for our actions and seeking resolutions to challenges;
- Being honest and upfront in all dealings and communications;
- Selling the most sought out west-coast lifestyle clothing, shoes and accessories; and
- Exceeding customer expectations and making sure every customer has an enjoyable shopping experience.

Every day, employees at Tilly's strive to maintain these values and to follow our Code of Ethics and Business Conduct so every customer has a great shopping experience, enabling us to continue to be a premier retailer in our sector. Thank you for all of your help in making Tilly's a great place to work and shop.

Sincerely,

Hezy Shaked

## **Code of Ethics and Business Conduct**

This Code of Ethics and Business Conduct is both a guideline and a reminder of the legal and ethical standards that all Tilly's employees follow on a daily basis. It is the responsibility of each of us to abide by Tilly's Code of Ethics and Business Conduct.

BE HONEST AND RESPECTFUL – We work to maintain the highest level of honesty and integrity in the exercise of our responsibilities and we act in a respectful manner to our customers, colleagues and vendors.

CREATE A POSITIVE ATMOSPHERE – Our goal is to create a positive, welcoming and safe environment for our customers.

COMPLY WITH THE LAW – We act in good faith to follow the spirit and intent of the law.

INFORM MANAGEMENT OF PROBLEMS – Tilly's offers a safe and open environment for communicating important matters to management that may adversely affect Tilly's reputation, regardless of where the information comes from. We should make every effort to report any problems to our supervisors or to Tilly's management.

AVOID CONFLICTS OF INTEREST – We try to be aware of how our actions appear to third parties and avoid situations that appear to create a conflict of interest, like accepting gifts or compensation from a vendor or competitor of Tilly's. Generally, we and our families should avoid having any financial interest in a non-publicly owned vendor or competitor of Tilly's. If you feel you are in a conflict situation you should discuss the matter with your immediate supervisor, a member of Tilly's management responsible for your area or with Human Resources.

DO NOT ACCEPT GIFTS FROM CUSTOMERS OR VENDORS - As a general rule, we try not to accept gifts from customers, prospective customers or vendors of Tilly's. Where it is impractical to return an unsolicited gift, such as food baskets, you should give the gift to Human Resources which will distribute the gift for the general benefit of Tilly's and its employees. But, we never request or ask any customer, prospective customer or vendor for any compensation or gift, regardless of value.

ACT FAIRLY WITH THIRD PARTIES – We strive to work in a manner that is fair to all. We award orders and contracts to suppliers for goods or services without favoritism and on the basis of merit, such as quality, performance and cost. Whenever practicable, we try to use fair and open competitive bids. We never have agreements with our competitors affecting pricing or marketing arrangements.

DON'T DISCRIMINATE – At Tilly's we try to create a welcoming environment for everyone. We treat all people fairly and with respect. We do not discriminate on any basis considered unlawful, such as age, race, religion, color, national origin, citizenship, physical or mental disability, sex, marital status, veteran's status, sexual orientation and pregnancy.

KEEP TILLY’S INFORMATION CONFIDENTIAL – We are careful not to disclose confidential company information to any individual (family members, friends, fellow employees, business colleagues, vendors, customers, etc.) except as required routinely for legal, regulatory or other reasons in the normal course of business. In cases where we consider disclosing confidential information outside of the normal course of business, we make sure that we obtain prior senior management approval.

PROTECT TILLY’S PROPERTY – We are responsible for protecting Tilly's property, including merchandise, intellectual property and information. We do not use Tilly's equipment and property for personal use or gain and understand that all documents or other material processed or stored on Tilly's computer equipment are Tilly's property. We do not have an expectation of privacy regarding documents and messages stored in Tilly's files, disks, storage areas or electronic mail. Tilly's may access this information at any time. Also we do not use Tilly's computers, facsimiles and other property to create or send offensive or improper messages.

ACT IN A SAFE MANNER AND PROTECT THE ENVIRONMENT - Tilly’s employees work together everyday to make sure we have a safe working environment and to make sure we follow environmental, health and safety laws and regulations.

REPORT VIOLATIONS OF THE CODE OF ETHICS – It is in our best interest that you promptly report any questionable or illegal acts or any acts that may violate Tilly's Code of Ethics and Business Conduct or any of its rules of conduct (such as those explained in the employee handbook the Tilly’s computer policy, or other policies). These violations could damage Tilly's reputation and may be a reason for disciplinary action, including job termination. If we fail to report these events, that too is a violation of Tilly's Code of Ethics and Business Conduct.

Employees can report violations to:

- Human Resources Department  
([humanresources@tillys.com](mailto:humanresources@tillys.com); (949) 609-5599 ext. 1589)
- Loss Prevention Department  
(email:[lphotline@tillys.com](mailto:lphotline@tillys.com))
- “Integrity in Action” Hotline  
1-888-TILLYS1 (where you may choose to remain anonymous)

**Tilly’s does not retaliate against any employee who raises concerns or asks questions regarding potential violations of this Code of Ethics and Business Practices that the employee reasonably believes to have occurred. We will treat any act of retaliation as a serious offense and an individual may be subject to disciplinary action, including termination, as a result.**

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