

# Responsible Business Conduct Policy



[www.Odlo.com](http://www.Odlo.com)

Change Log:

Version	Date	Change
1.0	September 2025	Completely revised policy

## Table of Contents

Executive Summary .....	3
1 Introduction & Commitment.....	4
2 Purpose.....	4
3 Scope of Application.....	4
4 International Reference Frameworks and Priority Topics .....	5
5 Priority Topics.....	5
6 Odlo's HREDD Framework.....	6
6.1 Policy Commitment & Governance .....	6
6.2 Risk Assessment.....	6
6.3 Addressing Impacts .....	7
6.4 Integration .....	8
6.5 Monitor & Communicate.....	9
6.6 Grievance & Remedy.....	9
7 Communication, Capacity Building & Stakeholder Engagement .....	10
8 Continuous Improvement .....	10
9 Policy Management.....	10

## Executive Summary

At Odlo, we believe that making high-performance products should never come at the expense of people or the planet. That's why we're putting systems in place to make our business ever more fair, responsible, and transparent – from how we work together internally, to how we collaborate with partners, to the materials we choose for our products.

### What this means in practice:

Our Responsible Business Conduct Policy guides how we work across the value chain to turn our commitments into action. It helps us to:

- Respect human rights and ensure safe, fair working conditions
- Reduce our environmental impact wherever possible
- Identify and try to manage risks before harm happens
- Increase transparency and accountability in decision-making

### How it works:

We follow internationally recognised standards, including the **OECD Guidelines** and industry standards such as the **Fair Wear Code of Labour Practices**, focusing on the most severe risks identified through our risk assessment.

We do this by conducting **Human Rights and Environmental Due Diligence (HREDD)**, which helps us to:

1. Understand where risks might occur in our value chain
2. Work with partners to prevent, reduce or mitigate harm
3. Take action when something goes wrong
4. Track our progress and share it openly

### Who's involved:

This is a shared effort across our business – from manufacturing, sourcing, logistics and planning to product, sales and marketing teams as well as support functions and senior leadership. We also work with all our suppliers and partners to uphold the same standards.

### What we focus on:

- Supporting living wages, health and safety, freedom of association and fair treatment for all workers, with zero tolerance on forced labour, discrimination and harassment
- Safer chemicals and certified, lower-impact materials
- Developing strategies to reduce carbon emissions and increase renewable energy use
- Upholding animal welfare in all animal-derived materials
- Advancing circular design and expanding second-life programs

### Transparency and accountability:

We are committed to regularly reporting on our progress through:

- Our annual Sustainability Report
- Supply chain disclosures on Open Supply Hub
- Fair Wear Brand Performance Check (annual brand audit published on Fair Wear website)
- Worker access to grievance mechanisms through Fair Wear, with cases reported on the Fair Wear website

### Want to know more?

You can read our full policy [on the following pages] or visit [odlo.com/explore/sustainability](https://www.odlo.com/explore/sustainability) to explore our latest initiatives.

## 1 Introduction & Commitment

Odlo is committed to conducting its business ethically and responsibly, as outlined in the Odlo Code of Conduct. As an outdoor company, we understand that our success depends on healthy communities, fair working conditions, and thriving natural environments. This Responsible Business Conduct (RBC) Policy demonstrates our commitment to all stakeholders – workers, communities, customers, and the planet – by developing and implementing Human Rights and Environmental Due Diligence (HREDD) processes to work towards preventing and addressing potential or actual adverse impacts.

This policy clarifies:

- Our commitment to respect human rights and the environment
- The international standards we follow
- The issues we focus on based on likelihood and severity
- Our internal framework for due diligence and governance

We know this work is ongoing and it needs to be regularly reassessed. Responsible business isn't a one-time achievement – it's an ongoing process of learning, listening, and improving. This policy reflects our current understanding and commitment to continuous development in this area.

## 2 Purpose

As stated in its Code of Conduct, Odlo is committed to always act in an ethical and responsible manner. This Policy builds on Odlo's corporate culture to run our business with sustainability and social responsibility at the heart. It reflects the three pillars of our sustainability strategy:

- **Make it Fair:** Protect human rights and promote fair working conditions
- **Choose with Care:** Minimize environmental impacts throughout our value chain
- **Close the Loop:** Extend product life through durability, repair, and circular solutions

These pillars rest on our **Fundamentals** – the essential principles and systems that guide our daily decisions and long-term strategy. They include compliance with laws and international standards, respect for human dignity, integrity in business practices, transparency, and continuous improvement. Our Human Rights and Environmental Due Diligence (HREDD) system is a key part of these **Fundamentals**, providing the structure, processes, and accountability to manage risks and track progress across our value chain.

We recognize that our business can cause, contribute to, or be linked to adverse risks and impacts across our value chain. This policy outlines how we identify, prevent, address, and mitigate those impacts, while creating systems for transparency, accountability, and remedy.

## 3 Scope of Application

This policy applies to all Odlo operations, including all commercial and supply chain subsidiaries, employees, and temporary staff. It also reaches across our upstream and downstream value chain. We are committed to collaborating with our business partners – from suppliers and subcontractors to service providers and distributors – to share this policy, exchange ideas, and support each other in upholding these standards. Our goal is to embed these principles throughout our entire value chain and in every business relationship we build.

## 4 International Reference Frameworks and Priority Topics

Odlo is committed to high standards of business ethics and integrity including the support and respect of internationally proclaimed standards such as:

- UN Guiding Principles on Business and Human Rights (UNGPs)
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct
- OECD Due Diligence Guidance for the Garment and Footwear Sector
- ILO Core Conventions and Declaration on Fundamental Principles and Rights at Work
- UN Convention on the Rights of the Child
- Universal Declaration of Human Rights and the International Covenants of Human Rights
- UN Sustainable Development Goals (SDGs)
- Paris Agreement on Climate Change

Further relevant frameworks:

- Fair Wear Code of Labour Practices (FWF CoLP)
- Science Based Targets Initiative (SBTi)
- OEKO-TEX® Standard 100 – Restricted Substances List (RSL)
- bluesign® Manufacturing Restricted Substances List (MRSL)
- Textile Exchange Preferred Fiber & Materials List (PFML)
- Animal Welfare Five Domains Model

Odlo complies with the laws and regulations in the markets it operates. Where local laws are less stringent than company policies and the above named internationally recognized standards, Odlo is guided by the more stringent policies and standards and encourages its suppliers and business partners to follow these principles.

## 5 Priority Topics

Odlo is committed to respecting internationally recognized human rights and environmental standards and does not attribute more importance to one right or standard over another. However, for the implementation of its RBC Policy, Odlo prioritizes the following nine human rights and environmental issues (in alphabetical order) that are most salient according to their scale, scope and remediability. These have been identified through a high-level human rights and environmental risk assessment across the value chain and will be reassessed regularly through systematic risk and impact assessments:

### Human Rights & Labour Risks

- Freedom of Association & Assembly / Collective Bargaining
- Health & Safety
- Living Wage & Income
- Modern Slavery & Forced Labour
- Working Conditions & Overtime
- Workplace Discrimination & Harassment

### Environmental Risks

- Animal Welfare
- Climate change
- Hazardous Chemicals

When identifying the most important human rights and environmental issues, Odlo pays special attention to people who may face greater vulnerability, including migrant, female, young workers as

well as workers with disabilities. We support fair recruitment, equal treatment, and other evolving best practices. We also recognize that priorities may shift over time as risks and impacts change.

## 6 Odlo's HREDD Framework

Odlo is committed to aligning its HREDD framework with the United Nations Guiding Principles on Business and Human Rights (UNGP), the OECD Guidelines for Multinational Enterprises and Fair Wear's HRDD Policy. These frameworks and guidelines help us identify and manage risks to people and the environment across our business and value chain.

Our HREDD process follows the **six-step model defined in the OECD Due Diligence Guidelines**.

### 6.1 Policy Commitment & Governance

This RBC Policy sets out Odlo's commitment to respect human rights and the environment and guides the implementation of our Human Rights and Environmental Due Diligence (HREDD) framework. Clear governance ensures accountability at every level:

- **Executive Oversight:** The Executive Team, consisting of our CEO and CFO, is responsible for overseeing the Responsible Business Conduct Policy. The Executive Team approves this Policy and reviews its implementation at least once per year.
- **Leadership Team:** Odlo's Leadership Team owns the application of this Policy and approves the HREDD roadmap, which defines key measures, targets, and responsibilities. The team monitors progress and updates the roadmap annually to address potential new risks and continuously improve Odlo's framework in line with evolving standards, laws, and expectations.
- **Operational Leadership:** The Sustainability Director and team coordinate the day-to-day implementation of HREDD and support impact-oriented progress.
- **Departmental Integration:** Responsibility for human rights and environmental topics is integrated across Odlo's functions, including but not limited to Sustainability, Sourcing, Product Creation, Human Resources, and Finance.

### 6.2 Risk Assessment

We conduct regular risk-based assessments at country, sector, and supplier levels. This includes:

- Country-level risk scoping (e.g. based on child labour indices, legal rights, or gender risks)
- High-level risk scoping of the full value chain (from fibre to product end of life)
- Facility-level audits and environmental assessments
- Product- or material-specific risk reviews
- Stakeholder feedback and grievance data

Risks are prioritised based on severity and likelihood, with a focus on preventing harm to workers, communities, and ecosystems.

Odlo is committed to developing enhanced and heightened due diligence processes through in-depth assessments in high-risk areas where adverse impacts were identified to be most severe or likely.

### 6.3 Addressing Impacts

When actual or potential adverse impacts are identified, Odlo takes steps to address them in line with the OECD Guidelines. Our approach is designed to support gradual but continuous improvement.

Our response depends on how we are connected to a potential or actual impact. For example:

- **If Odlo has caused the impact:** we take immediate action to stop the activity and mitigate harm.
- **If we have contributed to the impact:** we work with partners to prevent further harm and support remedy.
- **If we are directly linked to the impact:** we use our leverage or collaborate with other buyers to encourage change and address risks through engagement.

We prioritize action based on severity and likelihood and work to engage stakeholders and suppliers transparently throughout the process.

Based on identified risks and impacts, and in continued dialogue with stakeholders, Odlo aims to define and implement appropriate measures to cease, prevent or mitigate adverse human rights and environmental impacts across the value chain. Odlo differentiates between impacts that the company causes, contributes to, or may be linked to through business relationships to maximize leverage and identify the most impactful measures.

While all identified risks and impacts are considered when implementing measures, Odlo concentrates its primary efforts on the most salient issues (compare chapter 5).

The following focus areas help us to cease, prevent or mitigate adverse human rights and environmental impacts:

#### *Human Rights Approach:*

- **Code of Labour Practices:** As a member of Fair Wear and fully aligns its human rights and labour practices with the Fair Wear Code of Labour Practices.
- **Responsible Purchasing Practices:** We follow the Common Framework for Responsible Purchasing Practices (CFRPP), ensuring responsible planning, fair payment, and costing that supports fair wages.
- **Long-term Partnerships:** We are committed to long-term partnerships with our suppliers, fostering proactive communication, continuous improvement and a focus on increasing leverage where possible.
- **Multi-Stakeholder Collaboration:** Odlo actively engages with other buyers, NGOs, industry initiatives, and civil society organizations to address systemic human rights challenges and increase collective leverage.
- **Transparency:** We disclose all production sites and require that any subcontracting by a main partner to a third party is pre-approved. Partners must provide information about all third parties, especially homeworkers, so Odlo can assess compliance. Partners are expected to ensure that third parties uphold the same human rights and environmental standards.
- **Responsible Exit:** When supplier relationships must end, we implement a fair, phased exit strategy that considers the impact on workers and local communities.

#### *Environmental Approach:*

- **Certified Materials:** We are increasing our use of preferred materials according to the Textile Exchange Definition and Standards (e.g., Global Recycled Standard GRS, Responsible Wool Standard RWS).

- **Chemical Management:** As a Bluesign System Partner, Odlo ensures compliance with Bluesign MRSL standards. All Tier 1 and Tier 2 suppliers are required to sign our chemical policy, which aligns with REACH regulations.
- **Climate Action:** We pursue energy efficiency improvements, explore renewable energy solutions at key sites (e.g., Romania and Germany), and develop climate targets aligned with the Science Based Targets initiative (SBTi).
- **Waste & Circularity:** Through our circular services program, we enable product repairs, take-back, and resale, promoting circularity and extending the life of our products.
- **Animal Welfare:** We are committed to using certified, traceable animal-based materials. We do not use exotic, endangered species, or fur, ensuring ethical sourcing and animal welfare throughout our supply chain.

#### *Collaborative Approach*

Odlo encourages its business partners and suppliers to communicate when Odlo's own business or purchasing practices or conditions (such as order specifications, delivery times, prices) make it difficult to respect the international human rights and labour standards listed above. Odlo follows a collaborative approach on risk identification, prevention, and mitigation.

## **6.4 Integration**

To the extent possible, human rights-related prevention and mitigation measures are being integrated into company operations, incentive schemes, training programs, policies, management systems and decision-making mechanisms. This includes considering HREDD implications in business expansion decisions, supplier selection, and operational planning.

#### *HREDD in Organizational Decision-Making*

Odlo is working to embed HREDD considerations into key organizational decisions through developing systematic assessment processes in the context of:

- **Business Expansion Decisions:** Developing HREDD assessment processes for potential expansion to new countries or regions, evaluating potential risks and required safeguards.
- **Supplier Selection and Onboarding:** HREDD assessments are integrated into supplier evaluation processes, considering location-specific risks and supplier capabilities.
- **Operational Planning:** HREDD implications are increasingly considered in annual planning cycles, budget allocation, and strategic initiatives.
- **Investment and Sourcing Decisions:** Working to include HREDD impact assessments in major business decisions to identify potential risks and required safeguards.

#### *Supplier and Business Partner Integration*

With respect to our suppliers and business partners, Odlo is working to integrate HREDD requirements through:

- **Contractual Integration:** HREDD requirements are being embedded in supplier agreements, codes of conduct, and business partner contracts
- **Capacity Building:** Odlo provides training and support to suppliers to enhance their understanding and implementation of HREDD requirements.
- **Performance Monitoring:** Regular assessments and monitoring help ensure ongoing compliance with HREDD standards throughout business relationships.
- **Continuous Improvement:** Collaborative approaches with suppliers focus on identifying and addressing potential risks and impacts through shared responsibility and long-term partnerships.



### *Policy Alignment*

Regular policy reviews ensure alignment between HREDD commitments and other business policies, including procurement, quality, commercial, and operational procedures. Where conflicts arise, decisions prioritize compliance with human rights and environmental standards.

This integrated approach ensures that human rights and environmental considerations are not treated as separate compliance issues but are embedded in Odlo's core business operations and decision-making processes.

## **6.5 Monitor & Communicate**

The implementation of the HREDD roadmap is tracked based on appropriate qualitative and quantitative indicators and feedback from relevant stakeholders. This information supports continuous improvement and helps to ensure the effectiveness of Odlo's HREDD framework over time.

We are committed to communicating our results, progress and further actions transparently through:

- Our Sustainability Report
- Website updates and public disclosures
- Open Supply Hub for supply chain transparency
- Fair Wear reporting mechanisms

## **6.6 Grievance & Remedy**

Odlo fosters a culture of shared responsibility where anyone with legitimate concerns can speak up without fear of retaliation.

### *Internal Mechanisms:*

- Employees can always reach out to their direct manager or Human Resources for guidance, questions, and concerns
- A confidential whistleblowing channel, operated by an independent third party, is under development to provide an additional reporting option.
- In the future, this mechanism is intended to be available in multiple languages and accessible at all times to internal stakeholders.

### *External Mechanisms:*

- Provide access to Fair Wear's complaints helpline with public reporting ([Fair Wear Complaints Helpline](#))
- Odlo encourages suppliers to establish and strengthen grievance mechanisms at the workplace level, ensuring they are accessible, trusted, and effective.
- Where relevant, Odlo may also adopt other recognized industry grievance mechanisms to broaden the options available to workers and stakeholders.

### *Remedy Process:*

When Odlo's activities cause or contribute to adverse impacts, Odlo commits to:

- Put necessary actions in place to mitigate and remove adverse impacts
- Taking timely and transparent action to remediate fairly and equitably
- Supporting supplier remediation efforts through corrective action plans
- Using influence to encourage respect for human rights and the environment
- Collaborating on solutions or, as a last resort, terminating business relationships

## 7 Communication, Capacity Building & Stakeholder Engagement

This Policy is publicly available on the Odlo corporate website and made available through internal communications channels. Over time, we aim to strengthen how we communicate and ensure employees at all levels are aware of, understand, and apply it in their daily work.

### *Capacity Building:*

- **Within Odlo:** We plan to integrate training on human rights and environmental topics into employee onboarding and ongoing development.
- **With suppliers:** At this stage, our capacity-building activities focus on Tier 1 partners, prioritized where risks are most significant and recognizing our limited resources. Most trainings are developed and delivered by Fair Wear and address topics such as freedom of association and workplace dialogue, gender equality, fair wages, and terms of employment. Where Fair Wear is not present in a production country, Odlo may work with other credible organisations to provide similar training. Odlo sponsors these trainings and encourages suppliers to cascade the learnings throughout their workforce.

Our ambition is to expand training and capacity-building beyond Tier 1 and into additional topics as our systems and resources grow. Capacity building is not just about training but about empowering suppliers to take ownership of improvements. Our goal is to support partners in building their own systems for ongoing due diligence, rather than relying solely on external checks.

### *Stakeholder Engagement:*

Odlo recognizes the value of collaboration to achieve lasting change. While our efforts are still at an early stage, we aim to engage more systematically with workers, NGOs and multi-stakeholder initiatives. By doing so, we can learn from others, strengthen our own systems, and gradually expand our positive impact across the value chain.

## 8 Continuous Improvement

We consider HREDD a continuous journey, committing to:

- Striving for transparent reporting through the Odlo Sustainability Report, company website, Fair Wear reporting mechanisms, and the Open Supply Hub.
- Maintaining open dialogue and collaborative problem-solving with stakeholders.
- Conducting policy reviews and updates that reflect progress, challenges, and stakeholder feedback.
- Regularly assessing and refining our approach to align with evolving standards, laws, and expectations.

## 9 Policy Management

**Effective Date:** September 2025, Hünenberg

**Review Cycle:** This Policy is reviewed and updated as required to reflect changed business processes, regulatory requirements, and evolving political and societal situations and expectations.

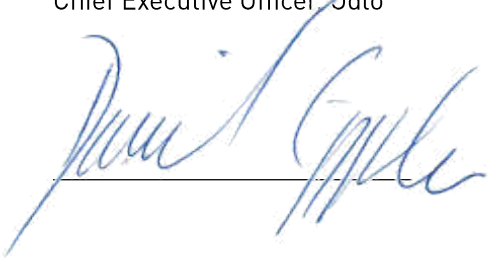
**Contact:** All questions related to this Policy may be addressed to [sustainability@odlo.com](mailto:sustainability@odlo.com)

**Approval:** This Policy has been approved by the Odlo Executive Team (CEO and CFO) and the Sustainability Director.

Approved and signed by:

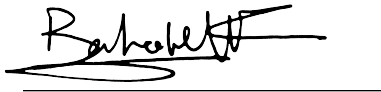
**Daniel Eppler**

Chief Executive Officer, Odlo

A blue ink signature of Daniel Eppler, written in a cursive style, positioned above a horizontal line.

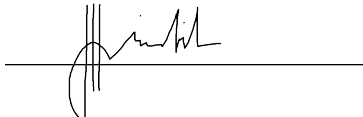
**Julien Barbedette**

Chief Financial Officer, Odlo

A black ink signature of Julien Barbedette, written in a cursive style, positioned above a horizontal line.

**Johanna Heimlicher**

Sustainability Director, Odlo

A black ink signature of Johanna Heimlicher, written in a cursive style, positioned above a horizontal line.