

S.OLIVER GROUP

Policy Statement on Respect for Human Rights and Environmental Rights

We are committed to respecting human rights.

Taking responsibility for the effects of its own (business) activity is one of the core values of the S.OLIVER GROUP. Respect for human rights and protection of the environment and nature is of central importance and an intrinsic component of our company philosophy. For many years, we have been committed to defending human rights and protecting the environment as well as to respecting the rights of employees and their representatives at our own sites and in our global supply chains at all times and to implementing key measures in our processes, structures and commercial relationships in order to live up to our goal of being a responsible company.

With this in mind, we are committed to the following international guidelines and standards:

- United Nations Universal Declaration of Human Rights
- International Covenant on Civil and Political Rights
- International Covenant on Economic, Social and Cultural Rights
- International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- International Conventions on the Rights of the Child
- International Conventions on the Elimination of All Forms of Discrimination against Women
- International Conventions on the Elimination of All Forms of Racial Discrimination
- United Nations Guiding Principles on Business and Human Rights
- 10 Principles of the UN Global Compact
- OECD Guidelines for Multinational Enterprises
- Stockholm Convention on Persistent Organic Pollutants
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal

We are of the firm conviction that social and ecological responsibility is a fundamental component of long-term corporate success. For this reason, we want to contribute to the observance and defense of human and environmental rights worldwide through the development and implementation of measures and social programs – not only in our own business segment but also with our direct and indirect suppliers.

To achieve this goal, we in the S.OLIVER GROUP have established a risk management system which expresses our attitude toward our own employees and also toward the employees of our partners. The risk management system is based on the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for the Fulfillment of Due Diligence Obligations as well as the Requirements of the Supply Chain Due Diligence Act (German LkSG) and consists of the following processes: risk analysis, prevention measures, remedial action, complaints procedures, documentation and reporting.

We know what our industry-specific risks are and we introduce measures to prevent them.

As part of our risk management system, we analyze the human and environmental risks in both our own business segment and in our supply chain, annually and on an ad hoc basis. The first step is to identify and assess the human rights and environmental rights situation in our procurement countries as part of an extensive risk analysis. The reports of independent organizations and media are of special significance, as these enable us to identify and assess the greatest risks in our particular procurement countries.

Identified risks are weighed and prioritized according to severity, scope, irreversibility, as well as other reasonable criteria, to enable us to implement effective countermeasures. The results of the risk analysis are presented to company management as well as to the procurement and product teams to raise awareness of the need to respect international standards and to integrate measures to do so.

We have identified, in particular, the following high-priority human rights and environmental risks in our procurement countries:

- Risk of disregard for freedom of association
- Risk of discrimination and gender-specific violence
- Risk of disregard of reasonable pay and working hours
- Risk of disregard of occupational safety
- Risk of child and forced labor
- Risk of disregard of the correct handling of chemicals and waste water

On the basis of the identified risks, we have set ourselves goals and we are working continually to implement measures to minimize these risks. This policy statement is integrated into the relevant business processes of the S.OLIVER GROUP as part of the prevention measures. Procurement strategies and purchasing practices are constantly further developed to minimize and prevent the risks established in the risk analysis. As part of the preventive measures taken, we check to ensure our direct suppliers in the procurement countries contractually fulfill the international minimum standards and the requirements of the S.OLIVER GROUP Code of Conduct, right from the start of our business relationship. We are in continual dialog with our suppliers throughout this relationship. If we have actual grounds to suspect a violation of our Code of Conduct by an indirect supplier, we also institute measures to carry out checks on the indirect supplier, e.g., in the form of an audit.

In addition, we are committed to achieving more transparency and sustainability in the supply chain through memberships in national and international multi-stakeholder initiatives, such as the Fair Wear Foundation (FWF) and the Partnership for Sustainable Textiles.

We refuse to accept exploitative working conditions and we make it possible for complaints to be addressed to us.

We have established an internal as well as an external mechanism for complaints to reach us anonymously. The industry-wide complaints mechanism of the FWF enables workers and affected persons as well as civil organizations to report violations anonymously. Special hotlines are used by the FWF for certain countries, which are communicated to the employees of the particular supplier.

The processing of the complaints received is carried out through a close collaboration between the Global Sustainability Division of the S.OLIVER GROUP and the FWF. Complaints can be made through any communication channel, including by e-mail sent to the following address: complaints@fairwear.org. In addition, information can also be submitted via S.OLIVER GROUP's own complaints procedure at <https://soliver-group.hintbox.eu>.

As a responsible company, we take appropriate remedial action in the event of a human rights or environmental violation. After detailed examination of the case by the Global Sustainability Division of the S.OLIVER GROUP, an action plan with a concrete timetable is produced together with the affected supplier to minimize the risks and ensure they do not occur again in future. We are willing to join forces with other companies as part of industry initiatives and remedial actions.

We report on our due diligence obligations and our progress.

The last step in our risk management system is the documentation and reports in which our due diligence obligations with regard to the identified human and environmental risks as well as human rights and environmental rights violations are presented. The effects and effectiveness of the measures taken are assessed and conclusions drawn from the assessment to establish future measures.

We expect our standards to be respected.

We have human rights and environmental expectations of our own employees and suppliers in the supply chain, which is why the policy statement is communicated to all employees, the Works Council and all direct suppliers and can be downloaded publicly at any time from <https://soliver-group.com>.

All employees of the S.OLIVER GROUP must familiarize themselves with the requirements of this policy statement and respect them. In the event of indications of violations, our employees are obliged to cooperate and clarify the matter to the extent permitted by law. Established violations can result in disciplinary action.

We also expect our suppliers to respect and observe, at all times, all internationally recognized human and environmental rights as part of our contractual/business agreements. The observance of the standards set down in this policy statement is a prerequisite for us for a successful and future-focused collaboration, which is why we focus on a cooperative collaboration on human rights and environmental risks. If there are indications of violations, we will resolve them together with our suppliers in order to bring them to a stop for the future. If it is not possible to resolve a violation and bring it to a stop, we will introduce appropriate measures that could lead to the ending of the business relationship.

We call upon our direct suppliers to respect our human rights and environmental expectations, to introduce measures to counter established risks, to themselves impose them on upstream supply chains and to monitor their observance. If required, we will support our direct suppliers in implementing these requirements through targeted information or training, also with regard to their suppliers.

This statement was created at the start of 2023 and is updated annually.

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