

## Hunkemöller Human Rights Policy Statement

### Introduction

This statement is Hunkemöller's global human and environmental rights policy statement. As this policy statement currently covers elements of the Act on Corporate Due Diligence Obligations in Supply Chains ("LkSG"), this statement will be updated from time to time as a result of our ongoing risk assessments.

This statement affirms our established commitment and strategy to human rights and our commitment against causing, contributing to, participating in, or enabling human rights violations within our supply chain. At every stage along our global supply chains, we strive to respect, promote and protect human rights. Together with our employees, customers, business partners and stakeholders, we work every day to advance human rights – and this is particularly expressed in our commitment to fair business practices and good working and living conditions.

Further, we recognize our responsibility to help protect the planet. We are committed to minimizing the impact our company has on the environment. We are committed to drastically reducing our climate impact by 2035. We are committed to an inclusive work environment that supports, inspires, and respects all colleagues and our suppliers and their employees.

### Context

We are committed to respecting all internationally recognised human rights. Our company policies and actions are developed in alignment with the following standards:

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

We also strive to actively contribute to the achievement of the global United Nations Sustainable Development Goals (SDGs) in the context of human rights. We consider the UN Sustainable Development Goals when defining our goals and promote their achievement by participating in initiatives.

### Scope

Our commitment covers our own domestic and foreign business operations and business relationships, and the impacts indirectly caused by our actions. We expect Hunkemöller employees, management, business partners and other suppliers to respect human rights in line with this policy and all relevant international standards mentioned above to ensure that all business activities comply with our commitment to human rights.

## Hunkemöller Principles

The above standards are also reflected in our own principles, policies and procedures, which constitute a framework for all our employees and business partners alike:

- Hunkemöller Code of Conduct: a set of rules outlining fair conduct and ethical business practices for our own employees.
- Hunkemöller Ethical Code of Conduct: the minimum requirements regarding human and environmental rights for all business partners.
- Hunkemöller Labour Policy: a set of rules describing our zero-tolerance approach, the requirements for business partners and remediation process in the event of child, bonded or forced labour allocation.

## Our Implementation

- Identification & Prioritisation: we identify adverse risks and impacts on human rights and we prioritise risks and impacts that are most severe. The identification and assessment of those risks are done by analysing the geographic context, sector and business relationships of our value chain. We strive to make this analysis both regularly and on an *ad hoc* basis if there is a significant change in a country or activity within our supply chain.
- Integration & Action: we establish measures to prevent, mitigate, account for and remediate identified human and environmental rights risks and impacts across our business processes.
- Monitoring & Communication: we monitor and ensure the continuous improvement of our due diligence process, by regularly checking and critically assessing the effectiveness of the tools and processes we have in place for this end; and we transparently communicate about how we address human rights impacts, by publicly issuing a yearly sustainability report.
- Stakeholder Engagement: we engage in meaningful consultation with our stakeholders to find solutions for adverse human rights impacts. That is done mostly because the stakeholders are an expert on a certain field or because they are the credible proxies or legitimate representatives of other stakeholders, such as workers.

## Assessment & Prioritisation

We continually assess the impact of our actions on human and environmental rights. Based on the assessment, we prioritise the most severe impacts and risks relating to human and environmental rights. There are certain aspects of human and environmental rights that we consider salient as our actions could have a stronger impact on these. These relate, but are not limited to the following topics:

- Prohibition of child labour, forced and bonded labour
- Non-discrimination and equal treatment of all employees without distinction of sex, gender and gender identity, ethnicity, nationality, colour, social background, religion, faith, age, legal status, political opinion, health status, disability, sexual orientation, marital status, cases of pregnancy, or trade union membership/activity
- Health and safety at the workplace
- Freedom of association and collective bargaining
- Fostering living wages and living incomes through Responsible Purchasing Practices
- Working hours in accordance with applicable legal standards
- Need for sustainable water supplies and drinking water
- Protecting human rights of vulnerable groups such as migrant workers and women
- Not tolerating or contributing to threats, intimidation and attacks against human rights defenders
- Adhering to environmentally friendly production practices, minimising waste, and promoting sustainable resource use
- Complying with relevant environmental laws and regulations
- Encouraging suppliers to adopt eco-friendly processes and technologies
- Chemical management and waste water treatment

- Carbon emissions

In this context, we acknowledge that specific groups, such as minorities, children, women, migrant workers, and indigenous peoples, are potentially more vulnerable to having their fundamental human rights violated.

Our risk-based assessment of business partners, the economic sector (textile and apparel industry) and products, is based on the analysis of recognized indices, publicly available data and studies regarding the risk assessment for countries of origin, raw materials and products and – in some cases – in consultation with civil society organizations and experts. The findings of these risk assessments are used to develop specific measures to prevent or mitigate adverse impacts caused by our business activities. In this respect, Hunkemöller employs a combination of different measures and integrates the findings from its activities into its business processes. To adequately protect the human rights of our employees, Hunkemöller has established the necessary processes in its corporate principles, policies and procedures. Hunkemöller regularly conducts anonymous employee surveys in order to identify potential shortcomings early and respond accordingly. Employees are also provided unrestricted access to internal counsellor and fair and transparent grievance mechanisms. Within our sphere of control with our business partners, we systematically focus on identifying actual human rights violations and environmental risks, followed up by mutual cooperation for improvement.

### **Transparency**

We believe that transparency is a significant component of human rights due diligence. We have initiated efforts to provide greater insight into our supply chains and communicate openly about corresponding risks and the measures we take. We will continue to increase our transparency as part of our human rights and environmental risks efforts.

### **Climate Change & Environmental Aspects**

We recognise that climate change and other environmental issues can also adversely impact human rights. We are committed to maintaining compliance with laws and standards related to the protection of the environment. We have implemented measures to reduce our operational emissions and to increase material efficiency and circularity. Additionally, we have decreased the use of hazardous chemicals by implementing a comprehensive chemical management system at all stages of our supply chains.

### **Stakeholder Engagement**

We believe that overcoming human rights challenges in our global value chains is an ongoing task that requires systemic changes in addition to our company-specific activities. One key element for us is therefore to engage with civil society organizations, experts and other businesses – often in the form of multi-stakeholder partnerships – with the aim of achieving improvements and solving complex social issues in a collaborative effort. We recognise that having effective dialogue and meaningful consultation with relevant external stakeholders is an integral element of due diligence with the common objective of sharing perspectives, knowledge and advancing our commitments. We are committed to increasing our exchange with stakeholders and their legitimate representatives who are (potentially) affected to receive information that can help us to assess and further develop our approach to human and environmental rights due diligence.

### **Remediation & Grievance Mechanisms**

Access to grievance mechanisms consistent with the UN Guiding Principles plays an important role for those affected by or witness to potential human rights and environmental violations. Key findings from grievances can be used to further develop the mechanisms and identify risks. Hunkemöller has an online reporting system for the confidential reporting of suspected compliance, human rights and environmental violations. Hunkemöller takes all

incidences and allegations seriously, whether reported by Hunkemöller employees, supply chain workers, third-party auditors, business partners, civil society, media, or other stakeholders. If adverse impacts are in fact identified that Hunkemöller caused or contributed to, we strive to enable remediation and use our leverage to ensure that those affected receive appropriate remediation. We are committed to effective protection against retaliation in connection with the submission of a complaint.

We work closely with our business partners to remedy adverse impacts that are directly linked to our operations and products. We have, however, identified challenges with implementing a grievance mechanism in countries where the products we offer are manufactured. We intend to address this challenge by partnering with civil society and industry stakeholders to build up grievance mechanisms in our high-priority supply chains.

### **Reporting**

Transparent communication on human rights challenges is a core element of human rights due diligence. We report regularly on key human rights risks, the actions taken and the progress made, as well as on continuing challenges.

### **Responsibilities**

The Board Members of Hunkemöller bear collective responsibility for human rights and environmental due diligence. Responsibility for implementing human rights and environmental due diligence lies with the Sustainability Manager. Hunkemöller will critically review its position and the implementation thereof on a regular basis and continue to develop it further.

### **Contact**

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A handwritten signature in blue ink, appearing to read 'Philip Mountford', with a horizontal line drawn underneath it.

Philip Mountford  
CEO Hunkemöller B.V.