

POLICY STATEMENT ON RESPECTING HUMAN RIGHTS AND PROTECTING THE ENVIRONMENT

Dealing respectfully with all the direct and indirect impacts which our business activities have on human rights and the environment is an essential component of our actions at PETER HAHN. In this regard, we consider not only the impacts of our own internal activities, but also those of our supply chain. Our actions are based on 4 primordial aspects: products, environment, social and corporate responsibility.

We carry out regular risk analyses in order to meet our corporate responsibility in all areas. These analyses include, for example the departments Sustainability, Buying, Procurement, Design, Product Development, HR and Compliance. They are guided by requirements such as those of the OECD recommendations for the textile sector. These recommendations include the relevant risks to our industry regarding child labour, forced labour, discrimination & harassment, working time, health and safety at work, freedom of association, collective-bargaining, minimum wage/living wage, corruption, bribery, management of chemicals, water consumption and pollution, and greenhouse gas emissions. All the measures and precautions named in this document serve the evaluation, prevention and elimination of these risks.

We adhere closely to statutory regulations and conventions such as the ILO Core Labour Standards and the International Convention on Human Rights. In implementing these standards, we are aided primarily by amfori, the leading European and international retail association which is committed to sustainable supply chains. We have been making use of their amfori BSCI (Business Social Compliance Initiative) service, the world's biggest social standards initiative, since 2013 when our membership started. As part of these amfori BSCI social standards activities, independent testing institutes regularly audit the production sites of our suppliers. In those audits, the business partners of our audited suppliers are also integrated and are receiving the requirements of the amfori BSCI criteria through the cascade effect. Furthermore, we work with them to continuously improve processes based on the audit reports. In addition, we offer a comprehensive training programme which is provided on-site or online by amfori BSCI, and PETER HAHN supplier days.

The amfori BSCI code of conduct also includes an anonymous grievance mechanism. This gives all stakeholder groups around the world, such as factory workers, the opportunity to draw attention to possible issues. PETER HAHN's own direct employees have access to a grievance mechanism via the works council. In order to ensure that all other stakeholder groups are also involved in our efforts, comments or questions on the issue of sustainability at PETER HAHN can be sent to us via our publicised email address sustainability@peterhahn.co.uk.

As part of an amfori BSCI project we were additionally participating in the "Speak for Change" pilot. This pilot scheme was implemented in Vietnam for suppliers of amfori members. "Speak for Change" enables employees of suppliers to contact amfori, provide hints and report concerns and possible grievances in factories. This reporting can be done also anonymously via the internet, by telephone or chat. The expansion of the "Speak for

Change" grievance procedure is being expanded to further countries (Turkey, India) in 2023. As an amfori member, we support this project because we are convinced that the voices of employees and supporting the factories contribute significantly to mutual success and good working conditions.

By implementing a whistleblowing system for all people, who are in some way in "work-related connection" with PETER HAHN, additional efforts are made to draw attention to grievances in order to eliminate them. Employees, trainees, interns and temporary employees, applicants, suppliers, and service providers have access to this system. The link is publicly accessible at <https://peterhahn.whistleblowing-software.com/>.

In addition, and in collaboration with our external partners, we frequently conduct **supplier projects** on issues such as social and environmental standards and chemical management (in accordance with the ZDHC regulations). For example, from 2016 to 2018 we conducted a PPP project (public-private partnership) with selected suppliers in China. In this project we worked together with the Hessnatur Foundation Germany and with the Consulting Service International Hong Kong. We created a health and safety at work manual in cooperation with the NGO LESN (Labour Education and Services Network) in Hong Kong. We also engage in **exchange with other stakeholders**, for example in the DTB (Dialog Textil Bekleidung) and in moderated industry discussions held as part of the PPP project. In addition to this, PETER HAHN was actively involved in the creation of The Good Cashmere Standard®, the new Aid by Trade Foundation standard, and was the very first partner of this new standard for animal welfare, environmental protection, and social standards. Further, PETER HAHN has been a part of the Fur Free Retailer programme since 2016 and is therefore in regular exchange with the animal welfare organisation Four Paws. PETER HAHN has also been certified according to the Global Organic Textile Standards (GOTS) since 2019 and is in close collaboration with sustainable upstream suppliers such as Lenzing. In some cases, further supply chain participants are audited according to independent standards such as the Global Organic Textile Standard. We also work with stakeholders such as the Cashmere Spa, the Hessnatur Foundation and recycling companies on the topic of circular economy.

PETER HAHN sets itself **targets** for continued sustainability improvements within its own company and in the supply chain. Amongst other elements, we seek to expand our range of sustainable products and to further improve audit results in our procurement markets by means of the BSCI system and our own trainings, for example on topics such as living wages.

Since 2012 the **PETER HAHN sustainability department** has been tasked by the management team with coordinating all activities related to environmental protection and corporate social responsibility and with carrying out certain tasks. In addition to this, since 2016 we have been working in our interdepartmental "**Sustainability Task Force**" on the implementation of these themes in all areas of the company.

PETER HAHN also pays particular attention to **vulnerable groups** (for example women, children, migrants, people with disabilities etc.). We offer our assistance in a variety of formats, for example providing a hotline for addressing employees' social issues or by making clothing donations to the charity Tafel Baden-Württemberg or donations to institutions such as the

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Rems-Murr county's Women's and Children's Shelter. We also support projects in our procurement countries, for example promoting independence through work amongst women in Peru or a school project in Madagascar. Our internal policies on social and environmental issues, procurement, child labour, forced labour and the UK modern slavery act are supplements to this policy. The amfori BSCI position papers on human rights, gender equality etc. complement our activities.

Our activities regarding environmental protection are another major aspect of our responsibility. We already have been able to implement multiple measures, for example in the field of climate protection. Since October 2021, PETER HAHN has been offsetting all greenhouse gases that were calculated in a corporate carbon footprint. By investing in climate protection projects PETER HAHN has achieved the status of "climate-neutral company". We are working to reduce our ecological footprint more and more. For example, with the acquisition of hybrid and electric company vehicles, the use of green electricity and climate-neutral printing in all our office buildings. In addition to calculating our corporate carbon footprint, climate-neutral products are another important aspect. We have been selling our first climate-neutral collection since January 2023 – and we are planning to expand these efforts. Furthermore, all our advertising materials are printed on PEFC-certified paper, and packaging materials are reduced wherever possible.

PETER HAHN is also pursuing a clear approach when it comes to chemical management. Suppliers are supported in selected projects (e.g., ZDHC project) and in pursuing certifications such as the GOTS standard. An internal chemical management system including product tests completes this approach.

If incidents with a negative impact on human rights or the environment occur, despite our responsible procurement process, which include all the measures listed above, we have established the following processes for prevention, reduction, and redress to deal with these issues:

Incidents which affect product safety trigger an internal process with defined responsibilities and actions, e.g., our REACH team and accompanying product recall process. There is also a process for chemical tests within the procurement markets and upon goods receipt, which we have developed in collaboration with the Hessnatur Foundation.

In urgent cases of non-compliance at production sites, the BSCI-Zero-Tolerance-Protocol comes into force. This informs all concerned parties within 72 hours. The goal is to find a joint solution through collaboration.

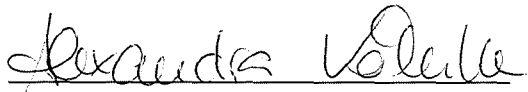
In terms of prevention, our suppliers are contractually obliged to comply with social and environmental standards, and we inform them of the significance of these issues through comprehensive documentation (e.g., Tristyle Quality Guidelines PETER HAHN / Supplier Manual). These documents set out, amongst other things, our expectations in terms of subcontracting and also apply to direct suppliers. Suppliers along the supply chain, as well as importers and agencies, are thus given the same requirements and basic values for compliance with social standards as our direct suppliers (cascade effect).

This policy statement, along with our policies and risk assessments, are regularly reviewed and updated if necessary. This task is undertaken by our sustainability department in consultation with external experts (e.g., the Hessnatur Foundation).

The management team is responsible for implementing all corporate duty of care and due diligence requirements.

Winterbach, June 2023

PETER HAHN Management

A handwritten signature in black ink, appearing to read 'Alexandra Kohnke', written over a horizontal line.

Alexandra Kohnke