

OUR ANALYSIS ON COMPENSATION IN OUR SUPPLY CHAIN

At HUGO BOSS, we are committed to ensuring fair compensation in the supply chain. We understand that fair compensation among our global partners is not only the basis for long-term trust and partnership but is also a prerequisite for employees to live independent lives. For us, this also includes the payment of living wages by suppliers to their employees. This has been and will continue to be an essential aspect of a sustainable supply chain.

To be able to initiate improvements, we continuously collect and analyze wage data from our suppliers. For this purpose, we apply the FLA Compensation Dashboard and refer to recognized benchmarks. We use the living wages specified by the Global Living Wage Coalition, where applicable.

TARGET GROUP OF THE ANALYSIS

The focus of our analysis is on our strategic tier 1 suppliers, since they are most relevant to our business and have a major impact on our supply chain. Our analysis covers 95 % of these suppliers.

DATA INDICATIONS

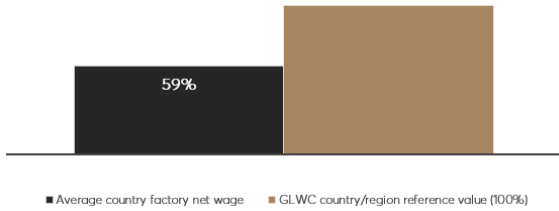
At HUGO BOSS, we define 'pay' as average net pay, including in-kind and cash benefit, excluding incentives and overtime.

The representative sample of data indicates that workers earn on average 82% of the living wage country reference value. As a precondition, the nationally applicable statutory minimum wage is given.

In the charts on the following page, we refer to the average country net wage for analysed external tier 1 suppliers of the most relevant sourcing countries.

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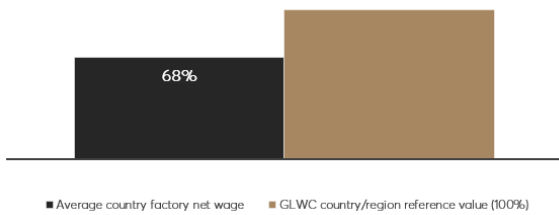
Avg. country factory net wage as % of GLWC reference value (China)



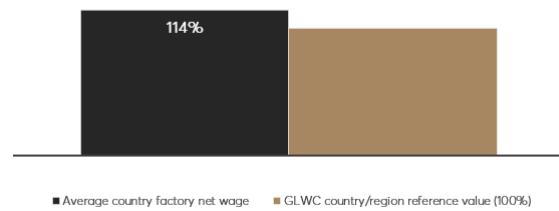
Avg. country factory net wage as % of GLWC reference value (Vietnam)



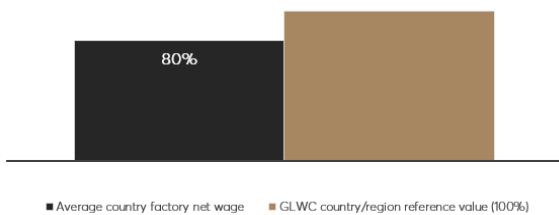
Avg. country factory net wage as % of GLWC reference value (Bangladesh)



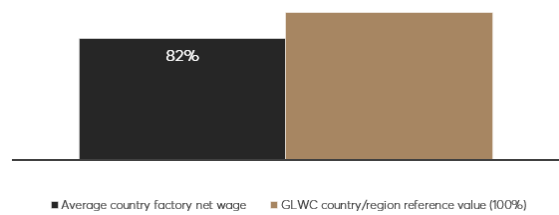
Avg. country factory net wage as % of GLWC reference value (Sri Lanka)



Avg. country factory net wage as % of GLWC reference value (Türkiye)



Avg. country factory net wage as % of GLWC reference value (Portugal)



Avg. country factory net wage as % of GLWC reference value (Italy)

