

## AT A GI ANCE

The protection of human rights and fundamental freedoms is a top priority for HUGO BOSS and is codified and enforced through the company's Code of Conduct as well as the Supplier Code of Conduct.

HUGO BOSS strictly opposes all forms of child and forced labor. This section provides readers with a quick and concise overview of the core contents and regulations of the policy on handling child and forced labor:

- I. HUGO BOSS maintains a zero-tolerance policy towards child and forced labor and expects the same from its partners.
- II. The HUGO BOSS Supplier Code of Conduct forms the basis for cooperation with all partners, prohibiting child and forced labor and setting limits on the employment of "Young Labor" workers.
- III. To prevent children from entering employment too early, HUGO BOSS sets age limits establishing the minimum age for employment. In line with ILO Convention 138, no children under 15 years of age, whose mandatory schooling is incomplete, may be employed.
- IV. The employment of "Young Labor" workers, i.e., minor employees who have reached the minimum employment age and have completed compulsory schooling, is permitted under strict regulations and in accordance with relevant ILO conventions and recommendations.
- V. HUGO BOSS defines forced labor, including forced child labor, in line with ILO Convention 29 as work or service demanded of a person under the threat of punishment and for which they have not voluntarily made themselves available. Partners may not employ forced laborers, serfs, slaves, prisoners, or other non-free workers under any circumstances.
- VI. As part of the annual risk analysis, HUGO BOSS monitors compliance with the Supplier Code of Conduct through self-disclosures and conducts regular on-site audits.
- VII. If a violation of the Supplier Code of Conduct is identified, the partner must immediately rectify the situation. HUGO BOSS is obligated to verify the implementation of these measures. In cases where a partner shows no willingness to comply, HUGO BOSS reserves the right to terminate the business relationship as a last resort.

Note: This overview does not provide detailed regulations, practical examples, behavioral instructions, or a complete overview of the policy. These are provided in the subsequent sections.

# **HUGO BOSS**

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## 1 PURPOSE OF THIS POLICY

Combating child and forced labor is a major challenge for the international community, driven by organizations such as the United Nations (UN). Due to the lack of effective national and international mechanisms, it is not always possible to prevent massive violations and restrictions on fundamental human rights. As an international corporation, HUGO BOSS feels responsible for actively taking a stand against child and forced labor.

With this policy on handling child and forced labor, HUGO BOSS presents a framework that includes a clear ban on both forms and rules for handling cases of child and forced labor. This policy also specifies requirements and measures concerning young labor.

#### 2 SCOPE

This policy applies to all companies and business areas within the HUGO BOSS Group. Its requirements are binding for all employees.

This policy complements the HUGO BOSS Supplier Code of Conduct, as well as the Supplier Code of Conduct for indirect procurement, which are mandatory for all partners in an active business relationship. Acceptance of the Supplier Code of Conduct, and indirectly this policy, is a fundamental requirement for establishing a new business relationship. HUGO BOSS expects its partners to fulfill their duty of care and pass on the requirements to their partners.

### 3 DISTINCTION BETWEEN CHILD LABOR AND YOUNG LABOR

Drawing on international conventions and recommendations, HUGO BOSS distinguishes between child labor and young labor. HUGO BOSS pursues a zero-tolerance policy towards child labor. The employment of young workers who have reached the minimum age for employment and have completed their compulsory education is permitted under strict guidelines and in accordance with the conventions and recommendations of the International Labour Organization (ILO).

The distinction between child labor and young labor is based on socio-economic factors. In countries where both educational institutions and the economy are insufficiently developed, it may be essential for families if minors who have reached the minimum age for employment cannot work. Therefore, HUGO BOSS considers it sensible not to completely prohibit the employment of young workers but to bind it to national law and international conventions and recommendations. However, the hiring of young workers in regular employment is not actively promoted by HUGO BOSS and remains an exception. HUGO BOSS explicitly advocates for special training programs and educational measures for young workers.

In addition to investigating violations of child labor, the prerequisites and conditions for the employment of young labor workers at HUGO BOSS partners are continuously monitored.

#### 4 CHILD LABOR

#### 4.1 Definition

HUGO BOSS aligns its definition of child labor with the guidelines of the ILO. According to this, child labor is work that deprives children of their childhood, their potential, and their dignity, and is harmful to their mental and physical development. Specifically, for HUGO BOSS, child labor means:

- Work that is mentally, physically, socially, or morally harmful.
- Work that disregards compulsory education.
- Work that prevents children from attending school.
- Work that forces children to leave school prematurely.
- Work that requires children to combine their schooling with long working hours and harsh conditions.

The worst forms of child labor (for persons under 18 years) are, in accordance with ILO Convention 182, all forms of slavery or practices similar to slavery, as well as forced or compulsory labor, the separation of children from their families, and work that, by its nature or the circumstances under which it is carried out, is likely to harm the health, safety, or morals of children.

To prevent children from entering employment too early, HUGO BOSS sets age limits that establish the minimum age for employment. In line with ILO Convention 138, no children under the age of 15 who have not yet completed their legally required schooling may be employed. Additionally, work that endangers physical, mental, or psychological health may not be performed by persons under 18 years of age. In exceptional cases and with strict protective measures, the age limit can be lowered to 16.

#### 4.2 Prohibition of Child Labor

As an internationally operating company, HUGO BOSS is committed to setting minimum standards for itself and its partners to achieve the internationally established minimum level of protection. The HUGO BOSS Supplier Code of Conduct forms the basis for collaboration with all partners. It prohibits child labor and provides information on the minimum criteria that must be met for employment. In the event of a violation of the Supplier Code of Conduct, HUGO BOSS considers it mandatory to rectify it as quickly as possible.

# 4.3 Strategy for Prevention

To prevent child labor, reliable control mechanisms are needed during the hiring of new employees. Therefore, HUGO BOSS requires its partners to conduct effective checks. During the hiring process, the age of the prospective employee must be verified by presenting a valid identification document issued by an official authority. A copy of this document and any other legally required documents must be retained for the entire duration of employment. If such a document cannot be presented, other legal proofs of age, such as school certificates, birth certificates, or official documents from the prospective employee's hometown, may be

accepted. The employer is responsible for verifying the authenticity of the documents provided.

In cases where the physical appearance of the prospective employee does not seem to match the documents provided, medical documents from a reliable source should be used for age verification.

Additionally, it is the employer's responsibility to verify whether the prospective employee has completed compulsory education.

As part of the annual risk analysis, compliance is reviewed by HUGO BOSS through self-disclosures and regular audits. HUGO BOSS requires its partners to undergo training as part of the onboarding process, which includes our social and environmental standards. Our own employees are also regularly trained, with a focus on recognizing child labor.

## 4.4 Handling Violations

In the event that child labor is discovered at a HUGO BOSS partner, this policy provides a framework for handling and investigating the case. To ensure the child's well-being in such a case, HUGO BOSS requires at least the following actions:

- The child must be immediately removed from work.
- The partner must adequately compensate the child for the loss of work.
- The partner is encouraged to check and promote the child's well-being. This includes, for example, ensuring school attendance and providing financial assistance to the child's family.

HUGO BOSS is committed to verifying the implementation of these measures. Therefore, information on implementation is requested from the partner at regular intervals. If difficulties arise during the implementation phase, HUGO BOSS offers advisory support to its partners.

HUGO BOSS also requires proof that all measures have been taken to structure the hiring process in such a way that child labor can be prevented in the future through careful document verification. The presence of age verification for all employees is mandatory.

HUGO BOSS also requires an official confirmation that all possible measures have been taken and implemented. HUGO BOSS reserves the right to verify the implementation of the measures on-site. If the partner is unwilling to comply, HUGO BOSS reserves the right to terminate the business relationship as a last resort.

#### 5 YOUNG LABOR

## 5.1 Definition

In line with the understanding of the ILO, HUGO BOSS defines young labor as the employment of young workers who have completed their compulsory education and have reached the minimum age of 15 but are not yet 18 years old. The employment of young workers is only

permitted in compliance with national legal requirements and international conventions and recommendations.

## 5.2 Permissibility of Young Labor

For HUGO BOSS, the employment of young workers is only permissible if their specific needs are considered and appropriate measures are taken to protect these needs. The employment of young workers is also only allowed as long as it does not conflict with national laws or international conventions and recommendations. In line with ILO Recommendation R146, the following regulations apply to the employment of young workers:

- Young workers must be registered with the relevant authorities.
- Employers should implement a system based on national law to identify and designate unsuitable workplaces for young workers.
- Employers are obliged to ensure that young workers do not engage in physically demanding work or work with hazardous substances.
- Young workers must not engage in work that is dangerous, poses a risk to their physical and mental health, or their intellectual, moral, and social development, or is incompatible with their education.
- Young workers are not allowed to work overtime. Night shifts are also prohibited.
- A rest period of 12 hours between work shifts must be ensured. Additionally, weekly rest days must be defined.
- Young workers must be granted an annual vacation of at least four weeks. The vacation entitlement must not differ negatively from the vacation entitlement of adult employees.
- Young workers should be covered by social insurance, which should include coverage for work accidents, medical care, health insurance, and other employment-related protections.
- Employers should ensure fair remuneration for young workers based on the principle of "equal pay for equal work."

## 5.3 Strategy of Prevention

To ensure that the regulations for the protection of young workers are adhered to, HUGO BOSS expects all young workers to be properly registered with the relevant authorities. Additionally, compliance with these regulations is monitored as part of the HUGO BOSS Supplier Code of Conduct.

# 5.4 Handling Violations

If violations of the regulations for the protection of young workers are identified, HUGO BOSS requires their immediate rectification. Additionally, appropriate remediation must be provided.

HUGO BOSS is committed to verifying the implementation of these measures. Therefore, information to demonstrate the implementation of the measures is requested from the partner at regular intervals. If there are difficulties in implementing the measures, HUGO BOSS offers advisory support to its partners. HUGO BOSS also reserves the right to verify the

implementation of the measures on-site. If the partner is unwilling to comply, HUGO BOSS reserves the right to terminate the business relationship as a last resort.

## 6 FORCED LABOR

#### 6.1 Definition

HUGO BOSS defines forced labor in accordance with ILO Convention 29 as work or service demanded from a person under the threat of a penalty and which they have not offered voluntarily. HUGO BOSS rejects all forms of forced labor, all manifestations of modern slavery, and modern human trafficking (hereinafter referred to as forced labor).

### 6.2 Prohibition of Forced Labor

As an internationally operating company, HUGO BOSS is committed to making a clear statement against all forms of forced labor. HUGO BOSS has a zero-tolerance policy against forced labor and expects the same stance from its partners. The freedom of workers must never be restricted and must be ensured at all times.

Through the HUGO BOSS Supplier Code of Conduct, the UK Modern Slavery Act (UK MSA), the Australian Modern Slavery Act, our Human Rights Policy, and the Human Rights Statement, HUGO BOSS makes a clear stand against all forms of forced labor, fulfilling its commitment as a responsible company.

## 6.3 Strategy of Prevention

HUGO BOSS strictly rejects all forms of forced labor and expects the same from its partners. Acceptance of the HUGO BOSS Supplier Code of Conduct, which condemns and prohibits all forms of forced labor, is a fundamental requirement for establishing business relationships with a partner.

As part of the annual risk analysis, compliance is verified through self-disclosures. Additionally, audits are conducted at regular intervals to ensure adherence to the Supplier Code of Conduct among direct and indirect partners.

HUGO BOSS requires its partners to undergo training as part of the onboarding process, which includes our social and environmental standards. Furthermore, HUGO BOSS annually trains its own employees regarding the values and requirements of the Supplier Code of Conduct. One of the key focuses is recognizing forced labor and related practices, enabling employees to identify and report such cases.

## 6.4 Handling Violations

If a violation of the guidelines set forth in the Supplier Code of Conduct is identified, it must be rectified immediately. Measures must be taken to prevent a recurrence of the violation, including at least the following:

- Immediate release from work.
- Return of identification documents or similar, if they have been retained.
- Medical examination, if the affected individuals consent.
- Possible back payment of wages/social benefits.
- Appropriate compensation for the affected individuals.

HUGO BOSS is committed to verifying the implementation of these measures. Therefore, information on the implementation of the measures is requested from the employer at regular intervals. If there are difficulties in implementing the measures, HUGO BOSS offers advisory support to its partners. HUGO BOSS also reserves the right to verify the implementation of the measures on-site. If the partner is unwilling to comply, HUGO BOSS reserves the right to terminate the business relationship as a last resort.

## 7 WHISTLEBLOWING CHANNELS

HUGO BOSS takes all complaints from its employees and partners' employees seriously. We encourage everyone to report incidents occurring at HUGO BOSS or one of its partners. HUGO BOSS acts decisively against all violations. Once a report or complaint is received, a clear, standardized process is initiated and accompanied by appropriate actions.

HUGO BOSS offers two different whistleblower channels to overcome access barriers. Complaints or questions are treated equally regardless of the channel chosen.

The HUGO BOSS <u>Speak Up Channel</u> offers confidential and anonymous communication with the HUGO BOSS Compliance Department. The channel is available in over 50 languages and can be accessed via the following QR code:



The HUGO BOSS Ombudsperson is an external lawyer who can be contacted confidentially and anonymously, either in person or via a form.

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We expect our partners to provide a complaint mechanism that allows for out-of-court remedies. This helps resolve conflicts and gives partners' employees the ability to report risks and violations.

## 8 APPLICABILITY AND CONTACT PERSON

The Managing Board of HUGO BOSS AG has adopted the policy on dealing with child and forced labor for the HUGO BOSS Group. The policy is applicable in its latest version from December 1, 2024.

Changes to the policy are possible at any time. However, the policy is reviewed for relevance at least once a year. Experiences from the past year and suggestions from internal and external stakeholders are always taken into account.

The policy on dealing with child and forced labor is freely accessible both internally and externally. Employees can contact the Compliance Department (<a href="mailto:compliance@hugoboss.com">compliance@hugoboss.com</a>) with any questions or comments.

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