

# HUGO BOSS MATERIAL STRATEGY 2025

HUGO BOSS is committed to more sustainable raw material sourcing. This document reflects our standards for the selection and use of raw materials across our products.<sup>1</sup>

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<sup>&</sup>lt;sup>1</sup> This document does not refer to licensed products, packaging materials, or trims.

# **CLASSIFICATION OF RAW MATERIALS**

At HUGO BOSS, we use a wide range of raw materials, including, but not limited to: fibers, surface materials (e.g. skins or hides), granulates, and liquids (e.g. rubber milk.<sup>2</sup>)

Raw materials are influenced by their origin, cultivation, or manufacturing. At HUGO BOSS, we categorize raw materials into two main types:

- natural raw materials
- man-made raw materials

These raw materials can originate from non-renewable, renewable, or recycled sources.

#### NATURAL RAW MATERIALS

Renewable I Plant-based	Renewable I Animal-based	Recycled
Plant-based raw materials are usually fibers or materials that are grown in agriculture, on plantations, or in the wild.	Animal-derived raw materials are sourced from farm animals and include hides, hair, and wool.	Recycled plant or animal-derived materials.
Cotton, flax, hemp, latex (rubber)	Sheep wool, leather, cashmere, mohair, down, silk	Recycled wool, recycled cotton, recycled linen

#### MAN-MADE RAW MATERIALS

Synthetic

Non-renewable I Fossil fuel-based	Renewable I Bio-based	Recycled
Fossil fuel-based raw materials are extracted from the ground and transformed into synthetic materials through a process known as polymerization.	Bio-based materials are made from renewable sources such as corn, sugar beet, sugarcane, and wheat. These raw materials are processed through fermentation or other biotechnological methods to generate synthetic materials.	Recycled synthetic raw materials, whether in an open or closed loop, are transformed into new fibers or pellets through mechanical or chemical recycling processes.
Polyester, polyamide, elastane	Polylactic acid	Recycled polyester, recycled polyamide, recycled elastane

#### Cellulosic

Renewable I Wood-based	Renewable I Next generation	Recycled
Man-made cellulose is derived from virgin wood pulp, sourced from forestry or bamboo. This raw material is processed into cellulose pulp.	Next generation cellulose produced from innovative cellulose feedstocks, including bacteria and algae, as well as open-loop cellulose waste streams such as agricultural waste.	Man-made cellulose materials, such as fabrics and waste products like cotton linters, are processed and turned into new pulp.
Modal, viscose, lyocell, rayon	HeiQ AeoniQ	Recycled viscose, recycled lyocell

<sup>2</sup> Raw materials refer to substances that are either unprocessed or have undergone minimal processing.

# IMPACT

We at HUGO BOSS aim to tackle environmental issues with concrete actions when sourcing raw materials.

### BIODIVERSITY

We are committed to protecting biodiversity through our selection of raw materials by increasing the use of natural raw materials from regenerative practices in our collections.

## <u>Our biodiversity strategy</u>

#### **DEFORESTATION**

Since 2023, we only use man-made cellulosic fibers from suppliers who score at least 20 points in Canopy's "The Hot Button Report" and have no known risks in their supply, to lower the risk of deforestation related to man-made cellulosic fibers.

Additionally, we actively foster the use of recycled cellulose for man-made cellulosic fibers in our collections, to reduce the use of wood pulp.

### Our commitment to protect forests

#### **CHEMICALS**

We are committed to increasing the share of natural raw materials used in our collections sourced from regenerative agriculture, which strictly limits the use of synthetic agrochemicals. In addition, chemical formulations used during the manufacturing processes of fabrics (dyeing, finishing, etc.) comply with our Manufacturing Restricted Substances List (MRSL) to limit the presence of hazardous substances for the workers as well as for the environment. **MRSL** 

#### **WASTE / RESOURCE EFFICIENCY**

We are committed to incorporating circular materials in our collections, focusing on compositions that enhance recyclability and durability. Our approach prioritizes the use of mono-materials and blends designed for recycling. Additionally, we integrate high-quality recycled and renewable raw materials to minimize reliance on finite resources.

#### **MICROPLASTICS**

At HUGO BOSS, we are committed to reducing the use of polyester and polyamide, our most-used synthetic materials, to mitigate the impact of microplastics.

# **ALWAYS**

# Our general raw material standards (ALWAYS) emphasize the importance of animal welfare and environmental responsibility. They apply to every HUGO BOSS product.

# Animal Welfare

Our Animal Welfare Policy applies for all animal derived raw materials. At HUGO BOSS, we require from our suppliers that all animal-derived raw materials are sourced exclusively from animals coming from the food industry, thereby making them a by-product.<sup>3</sup> **Our animal welfare policy**.

# Sourcing standards for animal-derived raw materials

- All **mohair** is certified or recycled.
- All **down** is certified or recycled.
- All products containing more than 60% **cashmere** contain only certified or recycled cashmere.
- All pure woolen knitwear products are **mulesing free** (live lamb cutting).
- HUGO BOSS does not source any **farmed or exotic furs, exotic leather, or angora.**

# **Environmental responsibility**

- All **viscose, modal, and lyocell (man-made cellulosic fibers)** score at least 20 points in Canopy's "The Hot Button Report" and have no known risks in their supply.
- All **leather** will be sourced from Leather Working Group certified tanneries or comparable standards by 2025.

<sup>&</sup>lt;sup>3</sup> With the exception of silk (obtained from silkworms)

# WE CARE

# With our WE CARE initiative, we aim to increasingly use more sustainable raw materials in our collections. Our WE CARE raw materials are categorized into four clusters:

#### **RECYCLED RAW MATERIALS**

Raw materials that have been reprocessed from their original form into a new material, reducing the need for virgin resources. HUGO BOSS does not accept recycled polyester from PET bottles as a more sustainable material choice.

#### **CERITIFED RAW MATERIALS**

Raw materials that have been verified by recognized standards or certifications, ensuring they meet specific environmental criteria.

#### RAW MATERIALS FROM REGENERATIVE AGRICULTURE/FARMING

Raw materials that have been cultivated in a manner that actively contributes to ecosystem restoration and biodiversity conservation. More to be found in the HUGO BOSS regenerative agriculture principles.

#### **INNOVATIVE RAW MATERIALS**

Raw materials supporting circular design practices and/or supporting us to reduce polyester and polyamide in our collection.

#### **CERTIFICATIONS & INITIATIVES FOR OUR WE CARE RAW MATERIALS**

We work with well-known initiatives, standards, and certification bodies, which promote more sustainable raw materials. The following certifications and trademarks are part of our WE CARE program.

Overarching	All Textile Exchange Standards, Organic certified according to IFOAM Family of Standards	
Cotton	Cleaner Cotton™, Fairtrade®	
Linen	European Flax®, Masters of Linen™, Terre de Lin®	
Hemp	European Flax®,	
Sheep wool	ZQ-Merino, Authentico, NATIVA™	
Cashmere	FTC® Cashmere, Good Cashmere Standard®	
Down	DOWNPASS	
Leather	Leather Working Group	
Man-made cellulose	Canopy's Hot Button Report (at least 20 points)	

### **CIRCULAR DESIGN AND CIRCULAR RAW MATERIALS**

Our CIRCULAR products are designed for the circular economy.

For our CIRCULAR products, we adhere closely to circular.fashion's Circular Design Criteria, a framework providing a holistic definition and comprehensive guidelines for circular textile products. Aligned with existing standards, the framework provides specific and profound criteria for all pillars of circularity, including recyclability.

At HUGO BOSS, CIRCULAR products comply with the three main circularity principles:

- 1. Made from safe, recycled, or renewable raw materials
- 2. Designed for recyclability
- 3. Made to last longer

### 1. Made from safe, recycled, or renewable raw materials

All main materials of our CIRCULAR products, such as fabrics, linings or paddings, are made from safe, recycled, or renewable raw materials.

#### Safe materials

To ensure a material is safe to be used in future recycling processes, all our materials comply with our Restricted Substances List (RSL). Furthermore, the chemical formulations used during the manufacturing of those materials comply with our Manufacturing Restricted Substances List (MRSL). Additionally, we put a special focus on using safe and recyclable print techniques on CIRCULAR products.

#### **Renewable raw materials**

For our CIRCULAR materials, we prefer plant or animal-based sources which can be continuously regrown, such as cotton, wool, or man-made cellulose.

#### Recycled raw materials

We are continuously working on increasing our share of recycled post-consumer textile waste in our collections. Meanwhile, we also use pre-consumer waste such as textile off-cuts.

#### 2. Designed for recyclability

We believe that product recyclability is one of the key enablers of the circular economy. This why we reduce our use of material mixes as much as possible in our CIRCULAR products.

#### 3. Made to last longer

As a premium brand, longevity is a key pillar for our CIRCULAR products. Like all HUGO BOSS products, our CIRCULAR products undergo testing to meet high quality standards, ensuring durability and longevity. Additionally, our designers and product experts continuously seek innovative ways to extend lifespan and improve reparability.

# ANNEX

## **MATERIAL REPORT HUGO BOSS**

### Raw materials used at HUGO BOSS in 2024

# HUGO BOSS total volume produced: 23,327.75 t.

#### Natural materials

	Total volume	e produced in 2024 in %	more sustainable materials in %	recycled materials in %
Plant-based				
Cotton	13,761	59	100*	0.4
Natural rubber	340	2	0	0
Linen	146	0.6	60	0
Hemp	0.8	0	12	0
Other	6	0	0	0
Animal-based				
Sheep wool	1,756	8	49**	3
Cashmere	35	0.2	33	0

Cashmere	35	0.2	33	0
Mohair	2	0	100	0
Silk	38	0.2	3	0.1
Down	0.5	0	100	0
Leather	743	3	24	4
Other	48	0.2	0	0

\* Including mass balance systems according to the German Partnership for Sustainable Textiles

\*\* Only including third-party certified and regenerative agriculture wool

#### Man-made materials

	Total volum	ne produced in 2024	more sustainable materials	recycled materials
	int	in %	in %	in %
Fossil-based				
Polyester	3,112	13	11	11
Polyamide	1,208	5	20	20
Elastan	408	2	4	4
Other	656	3	0	0

#### **Bio-based**

Polyester	0	0	0	0
Polyamide	0	0	0	0
Other	0	0	0	0

#### Cellulose-based

Viscose	807	4	100	2
Lyocell	119	1	100	0.3
Modal	65	0.3	100	0
Other	68	0.3	0	0

#### HUGO BOSS cotton report

	2024		2	023
	int	in %	in t	in %
Mass balance systems according to the German partnership for sustainable textile	10,232	72	10,783	81
Organic	1,951	14	2,103	16
Organic in conversion	15	0.1	7	0
Recycled	48	0.4	62	1
Regenerative Agriculture	1,805	13	54	0
Total	13,760	100	13,009	98

# HUGO BOSS REGENERATIVE AGRICULTURE PRINCIPLES

Regenerative agriculture emphasizes practices that enhance soil health, restore biodiversity, ensure social fairness, and secure animal welfare.

SOIL HEALTH + Increase soil organic matter + Conservation tillage + Cover crops / crop rotations + Water conservation + Carbon sink	BIODIVERSITY + Compost instead of synthetic fertilizers + Biocontrol (macro-/microbials natural substances) + Incorporate beneficial insects, birds and other animals + Protect native vegetation + Restore habitats
ANIMAL WELFARE +Five Freedoms of Animal Welfare + Grass-Fed / Pasture-Raised + No Concentrated Animal Feeding Operation (CAFO) + Limited transport + Suitable shelter	SOCIAL FAIRNESS + Respect ILO and UN conventions + Capacity building + Democratic organizations + Fair payments for farmers + Long-term commitments

#### THE FOUR DIMENSIONS OF REGENERATIVE AGRICULTURE

By building upon existing certifications and standards, we ensure our sourcing meets industry standards in regenerative agriculture.

Furthermore, we exceed these standards by incorporating additional specific criteria, such as deforestation-free cultivation, and enforcing strict limitations on the use of synthetic agrochemicals.

#### **HUGO BOSS regenerative agriculture levels**

At HUGO BOSS we work with **three performance levels** for our regenerative principles, allowing continued improvement.

These levels allow us to recognize and support farms at different stages of their regenerative journey, from entry-level practices to full achievement.

While we maintain strict criteria, we also encourage and collaborate with farmers who may not yet meet 100% of our requirements.

#### Level 1

Improve soil health and conserve biodiversity by restricting critical agrochemicals. Introducing foundational regenerative agriculture practices such as conservative tillage, cover cropping, and crop rotation, while complying with the HUGO BOSS general commitments to social standards and animal welfare.

#### Level 2

Restore biodiversity as part of farming practice, in addition to all the criteria outlined in Level 1. Restoring biodiversity in agricultural systems is unique to each farm or community. It depends on non-living factors like soil and microclimate, living factors such as plant species diversity and predator-prey relationships, and the quantity and quality of habitats.

Level 3

Placing a strong emphasis on social fairness while achieving excellence in Level 1 and Level 2. HUGO BOSS MORE SUSTAINABLE COTTON SOURCING

HUGO BOSS has established clear principles for our sustainable cotton sourcing. We utilize physical product certifications, such as the Organic Content Standard (OCS), and employ mass-balance systems like Cotton made in Africa (CmiA).

Additionally, we recognize recycled cotton as a more sustainable source of cotton.

For more details on cotton certifications please refer to the WE CARE chapter in this document.

#### HUGO BOSS MATERIAL TARGETS SUMMARY

- Use of 100% sustainably sourced cotton by 2025\* (in accordance with the criteria of our Material Strategy)
- Use of 100% mulesing-free wool by 2030\*
- 100% natural materials from regenerative agriculture or closed-loop recycling by 2030\*
- 0% polyester and polyamide by 2030 \*
- 80% CIRCULAR apparel products by 2030

\*in fabrics and linings