

COMPLIANCE

**HUGO BOSS**  
**HUMAN RIGHTS POLICY**

## AT A GLANCE

The purpose of this Introduction is to enable all readers of this policy to quickly become acquainted with the core elements and provisions of the **HUGO BOSS Human Rights Policy**:

- I. Human rights, decent working conditions and compliance with internationally recognized labor and social standards are an absolute necessity for HUGO BOSS. This applies to HUGO BOSS in regard to its own employees and partners - and is reflected in the HUGO BOSS Supplier Code of Conduct.
- II. HUGO BOSS expects all of its employees and partners to respect human rights in all business activities. All employees are urged to report any risk of, or actual human rights violations immediately.
- III. Human dignity is inviolable. Accordingly, everyone – regardless of whether they are an employee or a third party – must be treated with respect and dignity.  
No person may be treated unequally, disparaged or excluded on the basis of age, gender, color, race, sexual orientation, mental or physical disability, origin or nationality, faith or belief, political opinion, membership of an employee association or other personal traits (prohibition of discrimination and harassment).
- IV. As regards child labor, HUGO BOSS has a policy of zero tolerance. HUGO BOSS will not tolerate any violation of the prohibition against child labor and any violation will result in serious consequences. The same applies to forced or compulsory labor and all forms of modern slavery.
- V. All HUGO BOSS employees are entitled to a fair compensation on a global level in line with market conditions. Partners must pay their employees the respective national statutory minimum wage or compensation in accordance with national industry-specific provisions. In addition, we aim to empower our partners to develop a living wage strategy and make progress in this direction within a reasonable timeframe. The equal opportunity principle applies to all employees.
- VI. The applicable national laws and agreements on working hours, rest days and paid leave must be adhered to and respected. HUGO BOSS's partners must also ensure that they comply with same.
- VII. No employee may be denied the right to join or establish an employee organization (freedom of association and collective bargaining).
- VIII. Health, safety and decent working conditions as well as their continuous safeguarding are a matter of course for HUGO BOSS.
- IX. Laws and regulations to protect the environment and thus to preserve the basis for life must be rigorously applied.

It should be noted that it is not possible to provide detailed rules, practical examples, and instructions on how to behave or a complete overview of the Policy in this Introduction. This will follow in the sections below.

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## 1. PRELIMINARY REMARKS

HUGO BOSS' international sourcing activities result in special due diligence obligations throughout the supply chain. To comply with them, the Company carries out a clearly defined due diligence process as part of its risk management. The due diligence process is based, for example, on the Guidelines for Multinational Enterprises defined by the Organization for Economic Co-operation and Development (OECD). Depending on the type of risk, specific measures are defined to mitigate possible effects. As part of this process, HUGO BOSS creates special country scorecards for its supplier management in order to be able to better assess and manage the social and environmental risks in the supply chain. The Company pays particular attention to the issue of human rights in its risk analysis.

Human dignity  
is inviolable!

As a globally active group, HUGO BOSS has its products produced or produces them itself around the world, in particular in emerging economies and developing countries. HUGO BOSS is aware of its own responsibility for people, the environment and society, and acts accordingly. This includes a commitment to decent working conditions and compliance with internationally recognized labor and social standards by HUGO BOSS, its suppliers and business partners (hereinafter referred to as "partners"). Especially in those countries whose national laws do not adequately protect employees, the HUGO BOSS Supplier Code of Conduct is an important framework for partners and a pre-requisite for a lasting relationship of trust with HUGO BOSS.

## 2. COMMITMENT TO RESPECT HUMAN RIGHTS

The scope of human rights is defined by the relevant international standards.

Respect for human rights is about treating everyone equally with dignity and respect. The HUGO BOSS Human Rights Policy is based on internationally recognized standards such as the core conventions of the International Labour Organization (ILO), the Guidelines of the Organization for Economic Co-operation and Development (OECD) for Multinational Enterprises and the Universal Declaration of Human Rights of the United Nations. Additionally, we refer to children's and women's rights as outlined in the United Nations Convention on the Rights of the Child and the United Nations Convention on the Elimination of Discrimination against Women.

HUGO BOSS guarantees its employees that it will uphold human rights at all times. The Managing Board of HUGO BOSS AG has made such a commitment for the whole group.

Furthermore, HUGO BOSS obliges its partners through the HUGO BOSS Supplier Code of Conduct to respect human rights and to, in turn, ensure compliance with them by their partners.

HUGO BOSS also requires its own employees to comply with applicable human rights law and this Policy. For this reason, HUGO BOSS informs and educates all employees about human rights. This is to create a deeper awareness in everyday life when dealing with matters involving human rights. This also includes encouraging all employees to report human rights violations if they occur at HUGO BOSS or one of its partners.

HUGO BOSS will closely monitor future developments around the scope and definition of human rights. Updates will be made as necessary.

All employees must be familiar with and respect human rights.

### 3. SCOPE OF APPLICATION

This Policy applies to all HUGO BOSS companies and all its partners. **Compliance is mandatory for all HUGO BOSS employees and partners. It is expected that all partners pass the regulations of this policy on to their partners in their supply chain.**

If this Policy conflicts with country-specific laws, we respect national law while striving to honor the internationally recognized human rights. In such cases, however, the essential content and the purpose of the respective modified provisions must not differ from that of the original provisions. Deviating provisions, based on country-specific law, must be justified, and must be agreed in advance with the Group's Compliance Officer.

### 4. PROTECTION OF HUMAN RIGHTS

Through this Policy, together with its Commitment to protect Human Rights, its HUGO BOSS Supplier Code of Conduct and its Commitment against Discrimination and Harassment, HUGO BOSS reaffirms its commitment to internationally recognized principles in human rights and working conditions. This commitment should be reflected in the behavior of all its employees and partners. Set out below are guidelines to clarify the applicable human rights and to illustrate HUGO BOSS's actions to protect them in its own company as well as in its supply chain.

#### 4.1. SOCIAL MANAGEMENT

The HUGO BOSS Supplier Code of Conduct is mandatory for partners.

The HUGO BOSS Supplier Code of Conduct requires all of HUGO BOSS's partners to undertake in writing to comply with the general standards contained therein, which relate primarily to business ethics, human rights, environmental issues and labor and social standards, or to ensure that they have comparable standards in place.

All partners are expected to respect internationally recognized human rights in all of their business activities. HUGO BOSS will not tolerate any violations.

In addition, HUGO BOSS will require its own partners to in turn require that their partners comply with the legal requirements and those provisions contained in the HUGO BOSS Supplier Code of Conduct. This allows corporate standards to be implemented along the supply chain to ensure lasting protection of people, animals, and the environment.

#### 4.2. VULNERABLE GROUPS

HUGO BOSS has a special responsibility to respect and uphold human rights in its business dealings in relation to members of vulnerable groups. In particular, the rights of children, young workers, women, migrant workers, indigenous peoples, agency workers, homeworkers and temporary workers must be protected. The human rights of these groups are through their work in the textile industry disproportionately at risk. HUGO BOSS adopts a differential

and adapted approach in its own business activities to protecting the interests of these vulnerable groups.

### 4.3. REMEDIATION OF ADVERSE EFFECTS

We take responsibility for all violations of this Policy for which we are directly responsible. We are committed to either eliminating or compensating for any adverse impacts experienced by individuals, employees, or communities.

In addition, we are committed to always insisting that our partners work towards the elimination of any adverse effects directly related to our products. We support cooperation with non-governmental organizations (NGOs) and with civil society so that, whenever necessary, we can take appropriate remedial action in respect of violations.

## 5. HUMAN RIGHTS

HUGO BOSS is aware of the particular risks that exist in the textile sector. In order to avoid and prevent human rights violations, HUGO BOSS commits to respecting the following freedoms, prohibitions, and rules.

### 5.1. PROHIBITION OF CHILD LABOUR

Child labor = "zero tolerance"

HUGO BOSS does not tolerate child labor and pursues a "zero tolerance policy" in its own business activities and in its supply chain.

The minimum age for the commencement of employment is 15 years; however, no person may commence employment before the end of compulsory education. In addition, care must be taken to ensure that employees under the age of 18 do not perform any work that is dangerous, in particular work which would interfere with their education or training or which would endanger their health or their physical, mental, intellectual, moral or social development.

For the purposes of this Policy, children are persons below the age of 18 years.

HUGO BOSS will not enter into a business relationship with any partner who employs children in their business in violation of the above rules. Generally speaking, the question of whether or not HUGO BOSS will continue to maintain an existing business relationship with a partner who employs children will depend on how serious the violation is, in particular on whether the partner knew that they were committing a violation or was negligent in failing to know.

The prohibition of child labor applies not only in production, but also in all other business areas.

HUGO BOSS will not tolerate the continued employment of a child in violation of the above rules. Such employment must be terminated immediately. The partner must take measures to compensate the child concerned. The continuation of the business relationship with the partner will depend on whether or not they are willing to take appropriate steps to avoid a recurrence of the violation. If the violation reoccurs, the contractual relationship with the partner will be terminated immediately.

The prohibition of child labor and the protection of young workers may not be circumvented by, for example, entering into ostensible trainee relationships.

Our employees are therefore required to investigate any suspicion of a violation or to report it immediately after becoming aware of it.

## 5.2. PROHIBITION OF DISCRIMINATION AND HARASSMENT

All HUGO BOSS employees must treat each other with respect and dignity. HUGO BOSS expects the same from its partners and the way they treat their own employees.

Prohibition of discrimination, disparagement, or exclusion.

It is illegal to treat unequally, disparage or exclude other persons on the basis of gender, age, color, race, mental or physical disability, origin, nationality, belief, political opinion, membership of a workers' union, sexual orientation or any other personal characteristics and usual behaviors (e.g. physical appearance). In particular, HUGO BOSS employees in management positions must ensure that only those skills and experience relevant to the job are taken into account for decisions affecting employees.

Sexual harassment is any conduct, comment, gesture or contact of a sexual nature that is likely to cause offence or humiliation to any person.

HUGO BOSS does not tolerate coercion, bullying, verbal attack, sexual harassment, or any other form of harassment in its own operations and expects the same from its partners. The same applies to conduct that is intimidating, hostile or offensive.

HUGO BOSS is convinced that diversity and inclusion are the foundation in its enduring success. For HUGO BOSS, diversity encompasses the full range of human differences and similarities. Inclusion refers to the workplace policies and procedures that ensure that all employees can be their authentic selves and are equally integrated and included.

Particular attention should be paid to the prohibition of sexual harassment, sexually motivated violence, and discrimination against pregnant women.

## 5.3. FREEDOM OF EMPLOYMENT

All HUGO BOSS employees must be free to seek employment and to terminate their employment relationship at any time by giving appropriate notice. Work is to be performed at the designated workplace.

HUGO BOSS has a zero-tolerance policy against forced labor, human trafficking, and modern slavery.

Accordingly, HUGO BOSS rejects any form of forced or compulsory labor. This includes all forms of human trafficking and modern slavery. Any form of undue pressure exerted on an employee such as, for example, a threat of physical violence or blackmail, but also the withholding of identity papers and other documents important to the employee, is prohibited.

HUGO BOSS expects partners to apply the same standards to their employees.

## 5.4. FAIR COMPENSATION

HUGO BOSS pays compensation and provides benefits on at least the same level as the minimum compensation and benefits required by national law or by the respective industry-specific national provisions. In addition, all employees have the right to receive information on individual salaries or wages (hereinafter referred to as wages), for example through detailed salary statements. Wages must be disbursed at least once a month.

HUGO BOSS expects the same from its partners. At a minimum, the nationally applicable statutory minimum wage must be met. The aim is to enable local employees and their families to have a decent standard of living. For HUGO BOSS, this means that the wage available are sufficient to ensure the basic needs of food, water, housing, education, health care, transport, and clothing for all members of the household. In addition, employees should have disposable income to build up reserves for unexpected events. Where compensation does not meet the employees living needs, partners must take appropriate actions to progressively raise employee compensation and living standards. Furthermore, we are promoting political and economic framework conditions that enable a systematic improvement in the wage situation in certain countries, through a collaboration with a wide range of stakeholders, such as national and international NGOs, civil society organizations, trade unions or legislators.

Employees must receive their employment contract and pay slips electronically or in writing (no original signature required) in a language they understand. Employees who are unable to read must be provided with the necessary information in a demonstrably suitable manner.

All employees must be told the amount of their compensation before they start work. The amount must also be stated in their employment contract. Deductions in excess of those required by statute or mandated by employment law may not be made from employees' compensation without their explicit consent. In particular, no deductions may be made for punitive or disciplinary reasons. This does not include deductions that are required by law to take disciplinary action.

If statutory or quasi-statutory provisions (e.g., those in a collective bargaining agreement) provide for extra pay for overtime, this must be paid.

## 5.5. MAXIMUM WORKING HOURS AND PAID LEAVE

The relevant national legislation governing working hours must be observed. In the event that national law contains no limit on the permissible number of hours that may be worked, the normal working week will be limited to 48 hours. A working day (including overtime) may not exceed 10 hours. This rule may only be deviated from in exceptional cases. Irrespective of the above, the number of hours worked per week, including overtime, may not exceed 60 hours. Employees must be granted at least one complete day off (24 hours) per week (7 days).

Max. 60 hours  
per week.

Every employee is entitled to the minimum statutory leave.

HUGO BOSS's partners are also expected to comply with these regulations.



## 5.6. THE RIGHT TO ORGANIZE AND FREEDOM OF ASSOCIATION

No employee may be denied the right to join or establish an employee organization. HUGO BOSS respects the right of employees to join an employee organization (the right to organize and freedom of association) and is committed to an open and constructive dialog with its own employees and their representatives. The same is expected of HUGO BOSS's partners. Similarly, HUGO BOSS respects the right to collective bargaining within the framework of the respective national law.

Respect the right to organize and freedom of association.

## 5.7. HEALTH AND SAFETY

The health and safety of its own employees is a top priority for HUGO BOSS.

HUGO BOSS attaches great importance to having uniform health and safety standards worldwide. National requirements must be adhered to and adherence to them over the long-term must be ensured. HUGO BOSS also expects this from its own partners.

Health and safety must be guaranteed at the HUGO BOSS workplaces.

Workplace health inspections and drills to promote occupational safety must be carried out on a regular basis in accordance with legal requirements to prevent workplace accidents and injuries, in particular in connection with the operation of production equipment.

All employees are requested to behave considerately at work and to eliminate or report violations of health and safety regulations wherever possible.

## 5.8. DECENT WORKING CONDITIONS

HUGO BOSS guarantees decent working conditions.

HUGO BOSS guarantees that it will provide decent working conditions in its own company and it expects its partners to do the same. This also includes a prohibition on any kind of physical, psychological, sexual or verbal abuse of its own employees or those of its partners as well as any form of employee intimidation. Such conduct will not be tolerated.

Disciplinary action must be progressive, proportional and remain within the limits of national labor law and internationally recognized human rights standards.

## 5.9. ENVIRONMENTAL PROTECTION

The protection of the environment and, in turn, the protection and preservation of the basis of life for humans and animals is a central concern of HUGO BOSS. For this reason, HUGO BOSS, every single employee and our partners are called upon to continuously reduce the environmental impact of their business activities. Compliance with all environmental laws and regulations in the country of production as well as with HUGO BOSS requirements is imperative.

Goal: Sustainability and efficiency.

HUGO BOSS is aware of the responsibility to respect and protect the customary rights to land and natural resources of indigenous peoples, and local communities that are impacted or potentially impacted by the company's business activities.

As a global company with business activities around the world, HUGO BOSS is committed to using natural resources as sustainably and efficiently as possible. HUGO BOSS takes responsibility for protecting the environment and preserving it for future generations and expects the same from its partners.

## 6. GRIEVANCE MECHANISM

All employees are always obliged to respect human rights and to report any risks or violations

HUGO BOSS takes all complaints from its employees and employees from partners and beyond seriously. We encourage everyone to report incidents if they occur at HUGO BOSS or one of its partners. HUGO BOSS takes consistent action against any violations. As soon as an indication or complaint is received, a clearly regulated, standardized process is set in motion and accompanied by appropriate measures.

HUGO BOSS offers a variety of channels with the option of confidential reporting. The grievance mechanism is free of charge worldwide, can be contacted anonymously and in any language.

The independent HUGO BOSS **ombudsman** (person of trust) can be contacted at any time:

**Dr. Carsten Thiel von Herff**

**Phone:** + 800 66 28 37 626 (+ 800 OMBUDSMAN)

**Phone:** + 49 521 55 7 333 0

**Mobile:** + 49 151 58 230 321

**Email:** [ombudsman@thielvonherff.com](mailto:ombudsman@thielvonherff.com)

**Reporting channel:** [www.report-tvh.de/](http://www.report-tvh.de/)

**Address:** Loebellstrasse 4; 33602 Bielefeld - Germany

HUGO BOSS also offers another, equivalent complaint channel for employees, partners and third parties. This can be used via the link below:

[HUGO BOSS Whistleblowing Portal](#)

We expect from our partners to offer a grievance mechanism that provides non-judicial remedies at source. This helps to resolve conflicts and offers employees a voice to report risks and violations.

## 7. APPLICABILITY, CONTACT PERSONS

The Managing Board of the HUGO BOSS AG has adopted the Human Rights Policy on behalf on the HUGO BOSS group.

The Human Rights Policy is made available internally and externally. Any employee who has questions or suggestions may contact Global Corporate Responsibility & Public Affairs, HUGO BOSS AG's works council, Global Human Resources or Compliance.

HUGO BOSS also provides contact details on its own website for partners. In case of any question's partners can contact an independent ombudsman (external lawyer as a trusted third party).

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