

MODERN SLAVERY & HUMAN TRAFFICKING STATEMENT

YEAR 2021

1 GENERAL STATEMENT

As a conscientious and responsible global company, HUGO BOSS AG, including its subsidiaries, rejects all kinds of modern slavery and human trafficking.

HUGO BOSS does not tolerate any form of child labor or forced labor.

To comply with the UK Modern Slavery Act 2015, HUGO BOSS AG¹ makes this statement pursuant to Section 54 of the Modern Slavery Act 2015 and shows the steps HUGO BOSS is taking to ensure that modern slavery and/or human trafficking is not taking place in any part of our business or in our supply chain.

This statement is valid for the past financial year ending at December 31, 2021.

2 OUR ORGANISATION, OUR BUSINESS, OUR SUPPLY CHAIN

HUGO BOSS is a leading company in the premium and luxury segment of the apparel market. Headquartered in Metzingen (Germany), the Company employs over 14,000 employees generating annual sales of about EUR 2.8 billion in the financial year 2021. The HUGO BOSS Group is made up of 65 consolidated subsidiaries located in Europe, the Americas, and Asia/Pacific that bear responsibility for their local business activities. This includes 41 subsidiaries that are organized as distribution companies as well as four production companies.

2.1 OUR BUSINESS

HUGO BOSS, a global fashion and lifestyle company positioned in the premium segment, is one of the leaders in offering high-quality women's and men's apparel. The Company pursues a portfolio strategy, currently consisting of two strong brands – BOSS and HUGO. While both brands are clearly distinguished by their individual attributes, they share the same high standards in terms of quality, innovation, and sustainability.

These brands present a comprehensive product portfolio including classic to modern apparel, elegant evening clothing and sportswear, shoes, leather accessories, and product groups marketed under license - including fragrances, eyewear, watches, children's fashion, textiles for the home, and instruments for writing.

¹ This statement applies to HUGO BOSS AG and the main Group companies included in the consolidated financial statements. Main consolidated Group companies are: HUGO BOSS UK Limited, HUGO BOSS (Schweiz) AG, HUGO BOSS Australia Pty. Ltd., HUGO BOSS Benelux B.V. y CIA S.C., HUGO BOSS Benelux Retail B.V., HUGO BOSS Beteiligungsgesellschaft mbH, HUGO BOSS Canada, Inc., HUGO BOSS China Retail Co. Ltd., HUGO BOSS Fashions, Inc., HUGO BOSS France SAS, HUGO BOSS International B.V., HUGO BOSS International Markets AG, HUGO BOSS Internationale Beteiligungs-GmbH, HUGO BOSS Italia S.p.A., HUGO BOSS Retail, Inc., HUGO BOSS Textile Industry Ltd., HUGO BOSS Ticino S.A., HUGO BOSS Trade Mark Management GmbH & Co. KG, HUGO BOSS Vermögensverwaltungs GmbH & Co. KG, Lotus Concept Trading (Macau) Co. Ltd., Lotus (Shenzhen) Commerce Ltd.

2.2 OUR SUPPLY CHAIN

The textile supply chain is typically defined by complex processes, which largely take place outside the confines of the Company. HUGO BOSS works together with a stable network of experienced and specialized suppliers in order to guarantee processing quality and optimum availability of its products. The HUGO BOSS Group is in active supply relationships with several types of suppliers. These include contract manufacturing and merchandise, fabric and trimmings suppliers and other suppliers, that relate to the textile supply chain.

3 POLICIES CONCERNING TO SLAVERY & HUMAN TRAFFICKING

HUGO BOSS has implemented a Code of Conduct, a Supplier Code of Conduct and a number of policies to ensure that we are conducting business in an ethical and transparent manner. These include:

- **HUGO BOSS Code of Conduct***

The HUGO BOSS Code of Conduct is a binding set of rules, which assist when dealing with the challenges, both ethical and legal, that arise in the course of day-to-day work. It prohibits any kind of forced labor.

- **HUGO BOSS Supplier Code of Conduct***

The HUGO BOSS Supplier Code of Conduct expresses the general standards relating to observing and complying with business ethics, human rights, labor and social standards as well as environmental standards. It is based on the United Nations (UN) Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the Core Conventions of the International Labour Organization (ILO) and the Guidelines of the Organisation for Economic Co-operation and Development (OECD) for Multinational Enterprises. Our suppliers are obliged to comply with the HUGO BOSS Supplier Code of Conduct and they have to inform their subcontractors and sub-suppliers about these standards.

In the chapter "Forced Labor and Modern Slavery" HUGO BOSS makes clear that we will not tolerate any form of forced labor or modern slavery and points out our expectations to all HUGO BOSS suppliers. Furthermore, the chapters on "Vulnerable Groups", "Protection on Indigenous People" and "Third-party Recruitment" underline that respect for human rights and basic freedoms are a top priority for HUGO BOSS.

- **HUGO BOSS Human Rights Commitment***

The Managing Board of the HUGO BOSS AG committed themselves and thereby the whole Group to respect and act in compliance within the United Nations Declaration of Human Rights.

- **HUGO BOSS Human Rights Policy***

The HUGO BOSS Human Rights Policy informs all employees and partners about the meaning and importance of human rights. HUGO BOSS educates employees about human rights and encourages them to report any human rights violation if they occur at HUGO BOSS or one of its partners. A special focus is put on the topics modern slavery and forced labor.

- **HUGO BOSS Child and Forced Labor Policy***

The HUGO BOSS Child and Forced Labor Policy clarifies the position of HUGO BOSS on the subjects of child and forced labor, including slavery and human trafficking. Additionally this policy outlines how HUGO BOSS responds to this violation against the HUGO BOSS Supplier Code of Conduct.

- **HUGO BOSS Commitment for Anti-Discrimination, Anti-Harassment and Gender Equality***

The Managing Board of the HUGO BOSS AG committed themselves and thereby the whole Group to an inclusive work environment that is free from discrimination and harassment, and HUGO BOSS expects the same from its suppliers.

- **HUGO BOSS Anti-Discrimination, Anti-Harassment and Gender Equality Policy***

The HUGO BOSS Anti-Discrimination, Anti-Harassment and Gender Equality Policy informs all employees and partners that it fosters a work environment that is free from discrimination and harassment and that it promotes gender equality.

- **Other Commitments***

On our group's website, HUGO BOSS is publishing further activities and commitments on current human rights and social issues.

(* Documents available via the following [link](#).)

4 DUE DILIGENCE PROCESSES AND RISK ASSESSMENT

HUGO BOSS is aware of the risks of modern slavery and human trafficking in global supply chains. Modern slavery and human trafficking is not only a danger or an immediate threat for workers in specific countries, it's a global risk for the security and freedom of workers around the world. HUGO BOSS monitors all direct suppliers of its global supply chain and assesses them regularly using a risk-based approach.

All suppliers who start to work with HUGO BOSS must accept the HUGO BOSS Supplier Code of Conduct (for details see HUGO BOSS Sustainability Report 2021) and the HUGO BOSS general terms and conditions. It's mandatory for the suppliers to comply with and to inform their subcontractors and sub-suppliers about these standards.

Before becoming a HUGO BOSS supplier, all potential suppliers of raw materials, finished goods and other non-production materials have to provide basic information on the different aspects in a compliance assessment. The assessment can be either a self-assessment questionnaire or an on-site social compliance audit. Amongst other topics, important issues like child labor, human trafficking and slavery-like practices are examined.

If any non-compliance with the HUGO BOSS Supplier Code of Conduct is detected at a potential supplier, a corrective action plan is issued for all self-assessments. If there is no significant improvement,

HUGO BOSS reserves the right to conduct either a detailed follow up on-site social compliance audit or to reject the potential business partner.

During the whole business relationship, HUGO BOSS suppliers are checked against the HUGO BOSS Supplier Code of Conduct by on-site social compliance audits. On a regular basis, all finished goods suppliers are required to undergo on-site audits, which include checks for compliance with the prohibition of slavery and human trafficking. The longer the cooperation without significant findings, the longer intervals until the next audit. This risk-based approach allows HUGO BOSS to audit as many suppliers as possible.

If suppliers violate the HUGO BOSS Supplier Code of Conduct an action plan is issued, requesting them to improve compliance immediately (for details see above mentioned HUGO BOSS policies). The supplier's performance is reviewed in a follow up audit. If a supplier fails to make progress against the plan, they may be subject to sanctions up to and including termination of the business relationship.

To identify hidden risks and to protect all employees from slavery or human trafficking, HUGO BOSS has several complaints channels enabling anyone to report potential cases in their preferred way. One can choose to contact the person responsible at HUGO BOSS directly, confidentially through the HUGO BOSS Whistleblowing Portal or an independent external Ombudsman (free international helpline and online complaints form).

Employees of suppliers can use the same confidential channels. They learn of the existence of those complaints channels through posters at the production sites, information cards handed out during on-site social compliance audits, information on the HUGO BOSS group's website and HUGO BOSS Whistleblowing Policy.

The HUGO BOSS Whistleblowing Portal is available in all supply chain relevant languages at the following link:

[HUGO BOSS Whistleblowing Portal](#)
or by scanning this QR code:



5 EFFECTIVENESS REVIEW

HUGO BOSS conducts and evaluates internal and external audits and derives, if necessary, specific measures to ensure that slavery and human trafficking is not taking place in its supply chains. The main indicator of effectiveness is the audit performance levels of the direct suppliers, especially in the field of social compliance (including measures against slavery and human trafficking, for details see HUGO BOSS Sustainability Report 2021). HUGO BOSS evaluates and classifies the relevant suppliers on an ongoing basis. To be transparent and demonstrate progress in this field of action, HUGO BOSS reports the relevant figures in the Company's Annual Report.

Additionally, HUGO BOSS works closely together with its suppliers and holds training courses on social standards and chemicals management for all suppliers, to help them implement the high standards.

As accredited member of the Fair Labor Association (FLA), HUGO BOSS is monitored by this non-governmental organization regularly. This includes audits, which also concentrate on modern slavery and human trafficking at the HUGO BOSS production sites and at all suppliers. Potential cases of slavery and human trafficking are published.

6 TRAINING FOR EMPLOYEES

All our employees undergo an annual compliance training also covering human rights topics. This training is mandatory and available to all employees.

Our internal and external audit staff consists of experienced and well-trained auditors.

7 APPROVAL OF THIS STATEMENT

This updated statement was approved by the Managing Board and signed on its behalf by the Chief Executive Officer of HUGO BOSS AG and Managing Director of HUGO BOSS UK Limited.



Daniel Grieder
Chief Executive Officer
HUGO BOSS AG



Jörg Horcher
Managing Director
HUGO BOSS UK Limited

Date: April 2022

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