

COMPLIANCE

HUGO BOSS
ANIMAL WELFARE POLICY

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1 PRELIMINARY REMARKS

HUGO BOSS takes responsibility for nature and future generations. This means, among other things, that we aim to ensure that animals and wildlife are protected in the production of our products and that we continually endeavor to find new ways to work in the most resource-efficient way possible. In this way, we promote innovative products and create sustainable processes. We are supported and assisted in our endeavors by our close collaboration with our business partners, animal welfare organizations and other stakeholders.

Our Animal Welfare Policy aims to effectively implement the highest species-specific standards and objectives in order to continually improve animal welfare as well as environmental protection, which is closely related to animal welfare. We focus particularly on the standards that apply to farmers and shepherds and support not only the care of animals, but also responsible agriculture in general. This helps support and promote sustainable agriculture and safeguard biodiversity.

Group Management of HUGO BOSS AG is aware of the importance and ramifications of animal welfare and wildlife conservation and is fully committed to compliance with all applicable national and international laws and regulations.

One of the key ways to achieve success is to ensure that all employees understand the issues related to animal welfare and wildlife conservation. In particular, all employees must comply with HUGO BOSS's guidelines in the creation of designs and products and in the selection of suppliers and raw materials.

2 SCOPE OF APPLICATION & INFRINGEMENTS

This Policy applies to all companies and divisions of the HUGO BOSS Group. The responsible governing corporate bodies of all Group companies must implement it in an appropriate manner. They must ensure ongoing compliance with the Policy.

In the case of any conflict between this Policy and country-specific laws or regulations, exceptions may be made to individual provisions contained in this Policy. However, the essence and spirit of the respective provision must be respected. Any necessary exceptions must be justified and approved in advance by the Group Compliance Officer.

Infringements of this Policy will not be tolerated and may lead to disciplinary action under employment law.

3 OUR APPROACH

HUGO BOSS strives to develop collections that not only meet the high expectations of its customers in terms of design, quality, durability and innovation, but also respect the highest animal welfare principles.

We have joined forces with animal welfare organizations, associations and business partners to seek ways to improve animal welfare as part of more sustainable, holistic farming systems and to develop joint solutions.

4 USE OF MATERIALS DERIVED FROM ANIMALS

HUGO BOSS sets itself high animal welfare standards when using materials derived from animals such as, for example, leather, wool and feathers, and excludes altogether the use of certain animal materials such as furs and skins.

It goes without saying that we at HUGO BOSS participate in the protection of endangered species.

HUGO BOSS continuously strives to replace animal-based materials with vegan alternatives insofar as this will improve the environmental balance. To this end, it actively works with internal and external experts. Innovative products¹ are promoted and are trend-setting.

As regards to the use of animal materials, HUGO BOSS further distinguishes between (1) **animals living in the wild** and (2) **animals bred specifically for the apparel industry**.

4.1 MATERIALS FROM ANIMALS LIVING IN THE WILD

In order to protect animals and wildlife, HUGO BOSS only uses hides, which are by-products of the food industry, from cattle, goats, sheep and buffalos.

HUGO BOSS does not under any circumstances use animal materials derived from species threatened with extinction or species in need of protection. HUGO BOSS does not make use of statutory exceptions. Since 2016, HUGO BOSS has not used any exotic leathers and is thus exceeding the statutory level of protection.

Where it does use materials derived from animals in its products, HUGO BOSS complies with national and international legal requirements. It strictly adheres to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (**CITES**) and the EU Regulation on the protection of species of wild fauna and flora (EC Regulation No. 338/97), as amended.

4.2 MATERIALS DERIVED FROM SPECIALLY BRED ANIMALS

HUGO BOSS rejects the special breeding of animals for the clothing industry. We have not used furs, skins or leather from animals bred especially for the clothing industry in our products since 2016.

5 ANIMAL WELFARE AND ANIMAL TESTING

5.1 PRINCIPLES

HUGO BOSS is committed to animal welfare and rejects animal breeding and husbandry methods that are not species-appropriate. Where animals have not been treated in a species-appropriate manner, products obtained from such animals should not be used in the production of our merchandise. As a rule, animal-derived materials should only be used when this is necessary for the collection statement.

HUGO BOSS rejects animal testing not just in relation to its own products, but also in respect of licensed products (especially in the cosmetics area). This also applies as far as the development of new products and materials is concerned.

¹ In 2017, PETA Germany awarded HUGO BOSS the Vegan Fashion Award for the HUGO Menswear Parka Merat. 2020 saw the launch of the first vegan BOSS Menswear suit, which PETA Germany certified with the "PETA Approved Vegan" label.

HUGO BOSS aims to develop and improve in this area as well. The key element in this regard is to cooperate, for example, with initiatives that work directly with farmers' associations, producers, NGOs and retailers. In particular in respect of leather production, HUGO BOSS assumes responsibility and therefore maintains an ongoing dialogue with industry stakeholders.

5.2 GUIDING PRINCIPLES FOR ANIMAL WELFARE

THE FIVE FREEDOMS & FIVE PROVISIONS & WELFARE AIMS

HUGO BOSS follows the World Organization for Animal Health (OIE) and recognizes the "**Five Freedoms**"² as its guiding principles on animal welfare.

In order to continue to meet changing requirements in the future, HUGO BOSS also follows the modern principles of the "**Five Provisions & Welfare Aims**". These are designed to ensure the welfare of animals through the adoption of practical measures extending beyond their basic care.

HUGO BOSS is guided by the following principles:

1. Positive mental experiences
2. Good environment
3. Good health
4. Good nutrition
5. Appropriate behavior

The principles of the "Five Provisions & Welfare Aims" are based on the current state of scientific understanding of animal welfare. Accordingly, its focus is not simply on survival, but rather on the animal's well-being and thriving.

5.3 ANIMAL HUSBANDRY & ANIMAL BREEDING

HUGO BOSS is committed to working with initiatives that support and safeguard our guiding principles for animal welfare.

This should not only promote animal welfare, but also prevent habitat loss and fragmentation. This represents a significant contribution to the preservation of biodiversity and species survival. In addition, HUGO BOSS is committed to preserving and restoring natural habitat. To this end, the company cooperates with initiatives that specifically promote farms that reclaim degraded land - which was once desert - through regenerative agricultural practices.

5.4 PROHIBITED METHODS OF OBTAINING ANIMAL RAW MATERIALS

Animal fibers

Most animal fibers (wool, mohair, cashmere, alpaca and others) are obtained by combing the animals by hand or by shearing them. Depending on the method used, this can cause unnecessary stress to the animals. To avoid this happening as far as possible, HUGO BOSS advocates the use of gentle methods and processes to obtain animal fibers.

² These include freedom from (1) hunger, malnutrition and thirst, (2) from fear and distress, (3) from physical and thermal discomfort, (4) from pain, injury and disease, and (5) freedom to express normal behavior.

We focus in particular on the way **(1) mohair, cashmere and alpaca, (2) merino wool and (3) angora wool** are used.

(1) Mohair, cashmere and alpaca

For mohair, cashmere and alpaca in particular, but also for other animal fibers, HUGO BOSS relies on the standards developed by "Textile Exchange". We also actively support special initiatives like "The Good Cashmere Standard"³ and the "Mongolia Sustainable Cashmere Platform".

(2) Merino wool

At HUGO BOSS, the spotlight is on the use of merino wool from sheep which have been the subject of the problematic mulesing procedure. This procedure involves cutting flaps of skin from around a Merino lamb's tail without a local anesthetic to guard against parasitic infection. This procedure is not in line with HUGO BOSS's own animal welfare guidelines. The same applies to the comparable "freeze branding" procedure.

At the current time, HUGO BOSS uses almost exclusively (~97%) mulesing-free wool for its own pure wool knitwear. In relation to this issue, HUGO BOSS is constantly in touch with its own suppliers and animal protection organizations. It is in practice almost impossible to cover 100% of our requirements from mulesing-free wool since it is difficult to verify the origins of the fiber.

At the current time, the supply of mulesing-free wool for very fine wool products (e.g. suits, jackets, trousers) is still inadequate.

(2) Angora wool

HUGO BOSS banned the use of angora wool in its collections back in 2015. This was prompted by the fact that angora wool is mostly obtained through the use of painful procedures and that the laws and regulations on animal welfare in the main export countries are inadequate.

Down

In addition to its guidelines on the use of animal fibers, HUGO BOSS also has strict guidelines on the use of down. Since 2016, we only use down obtained from birds that have not been live plucked or force fed. We adhere to standards for down, such as the "Responsible Down Standard" (RDS) published by the "Textile Exchange" or the "DOWNPASS". In addition, we use recycled down that has been certified as such. The origin of all down is strictly documented.

6 MONITORING & ASSESSMENT OF WILDLIFE CONSERVATION

Suppliers of raw materials of animal origin or finished goods containing animal products are obliged to comply at the very least with the animal welfare regulations for breeding and housing in the country of procurement. HUGO BOSS regularly requests its suppliers to provide proof of such compliance and, in cases of doubt, checks the authenticity of the evidence provided. HUGO BOSS gives preference to standards that have a chain-of-custody system that can demonstrate animal welfare at the farm level. The requirements of the HUGO BOSS ANIMAL WELFARE POLICY must be observed by suppliers at all times.

³ The Good Cashmere Standard is an initiative of the Aid by Trade Foundation. Its purpose is to create a benchmark standard for sustainable cashmere.

HUGO BOSS also obligates its own suppliers to ensure that animals and wildlife within their sphere of influence are protected. It does not accept materials or products from protected species. As part of the procurement process, all suppliers are required to provide declarations regarding wildlife conservation. These will be checked internally by the customs department to determine whether they violate CITES. HUGO BOSS may also request its suppliers to provide appropriate certificates from independent test institutes.

Furthermore, the import and customs regulations of the recipient country must be complied with and already taken into account at the time when the products are selected. It is therefore imperative that those involved in procurement and the customs department coordinate their activities on a timely basis.

If animal abuse has been reported, for example, by an animal rights organization, action to address the situation must be initiated immediately. This can be done, for example, by working closely with the animal rights organization and the respective farmers' association or an international organization (e.g. "Textile Exchange").

7 DIALOGUE WITH STAKEHOLDERS

Animal welfare in a textile supply chain is characterized by a high level of complexity. This can in part also lead to a change in requirements. HUGO BOSS seeks to meet the challenge of always safeguarding animal welfare through constructive dialog with all stakeholders involved. In this connection, HUGO BOSS regularly informs the various stakeholder groups about its own animal welfare strategy, initiatives and progress.

8 APPLICABILITY & UPDATING

This Policy replaces the previous Animal Welfare Policy and its provisions. The Policy takes effect on 24 March 2021 and applies without restriction throughout the entire HUGO BOSS Group (see [2. Scope of application](#)).

This Policy may be amended at any time. Compliance will verify, at least annually, that this Policy is up to date. The current version of the Policy is always available on the Company's website or on HUGO BOSS's Intranet.

9 POINT OF CONTACT

Infringements can be reported at any time (also anonymously) to HUGO BOSS's Ombudsman, [Dr. Carsten Thiel von Herff](#).

If you have any questions or suggestions, please contact your own superior, Global Sustainability or either the local or the central [Compliance Department](#).

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