

May 5, 2021

Response to the Joint Communication from Special Procedures,  
Office of the High Commissioner for Human Rights

At HUGO BOSS, we appreciate the fact that the expert group, nominated by the UN HR Council, is committed to the issue of human rights and is also seeking dialog with various governments and companies to this end. At HUGO BOSS, we are pleased to engage in this dialog, as we strive to promote respect for human rights wherever possible. At the same time, we would also like to emphasize that real progress here cannot be achieved by the private business sector alone. Companies should therefore not be the only ones involved in this exchange.

As one of the leading premium fashion brands, HUGO BOSS bears responsibility for a complex, global supply chain and we take this responsibility very seriously. We are committed to respecting human rights and fundamental freedoms along our entire supply chain and expect this from our employees as well as from all business partners and third parties directly or indirectly related to HUGO BOSS. This means that all our suppliers are expected to comply with internationally recognized human rights with regards to all business activities within their own sphere of influence and we do not tolerate any infringements. Since we are aware that our international sourcing activities could be associated with negative impacts on human rights, human rights-related risks along the entire supply chain are an elementary component of the company's management of risk. Therefore, we have a defined Due Diligence process in place.

We have set out clear standards regarding human rights in our [Human Rights Policy](#), where we also have defined the absolute necessity of respecting human rights in all our business activities. In addition, we have the HUGO BOSS [Supplier Code of Conduct](#) in place that determines compliance with responsible business operations – including the respect of human rights – for our suppliers. This binding framework forms the basis for the cooperation with our suppliers and is based on internationally recognized standards such as the Core Conventions of the International Labour Organization (ILO) and the UN Guiding Principles on Business and Human Rights. It includes for instance the workers right of freedom of movement and protection from forced labor. The detailed information about the requirements for responsible business activities as well as training courses help our suppliers to comply with the standards. They are obliged to ensure compliance with our Supplier Code of Conduct by their partners as well. This allows our corporate standards to be implemented along the supply chain.

To monitor compliance with our standards in general, we have a dedicated Social Compliance Program in place. It was fully accredited by the Fair Labor Association (FLA) for the first time in 2018 and is regularly assessed. The HUGO BOSS Social Compliance Program currently covers finished good suppliers as well as fabric and trimming suppliers. Every supplier is assessed in terms of social compliance before

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starting a business relationship. In the case of finished goods suppliers, audits or self-assessments are carried out before active business relations are established, while fabric and trimmings suppliers must carry out a relevant self-assessment. The social compliance audits are repeated regularly over the course of the business relationship – partially announced, some unannounced. Each audit is followed by an extensive report. If HUGO BOSS detects any lack of cooperation and repeated violations in follow-up audits, the company will terminate the relationship with a supplier as a last resort.

In addition to the audits, we also encourage our employees as well as external people such as our suppliers' employees, to report indications of or complaints about violations. We take every reported incident seriously and investigate cases comprehensively using a standardized process. Our employees, suppliers, their employees and other third parties may contact an independent external ombudsman, whose contact details are publicly available on our [corporate website](#). Additionally, we require our suppliers to establish an anonymous complaint mechanism that enables their employees to report infringements. Furthermore, all workers in our supply chain are free to use the independent and free-of-charge complaints mechanism of the Fair Labor Association.

The above stated processes, mechanisms and standards of course apply to all countries and regions in which our partners are located, also to China. We value our longstanding relationships with many partners in various locations there. Referring to the current allegations of human rights violations in Xinjiang made in public reports for example, we have summarized our position in this public [statement](#). So far, HUGO BOSS has not procured any goods originating in the Xinjiang region from direct suppliers. Furthermore, to be able to verify that the materials used to manufacture our goods are produced according to our above outlined values and standards, we scrutinize all direct suppliers worldwide and demand proof. This also includes identifying sub-suppliers and the production facilities they use for our goods. Where relevant, we require our suppliers to immediately transfer the sourcing of materials for our products to other sources. With regards to the previously mentioned allegations, we want to ensure that our products only contain cotton or other materials if they are in compliance with our values and standards. Therefore, effective starting October 2021, our new collections have been verified in line with our global standards once again.

To achieve systematic sustainability improvements along the textile supply chain – also in regards to upholding human rights – HUGO BOSS places great value on collaborations with businesses and organizations to consolidate expertise. For instance, HUGO BOSS joined the FLA in 2014 to promote and protect employee rights and to advance improvements to working conditions. In addition, we are for instance in close exchange with the Partnership for Sustainable Textiles. Of course, we are always open for dialog to further contribute to protecting human rights in the complex global supply chains of the textile industry.