

**AUSTRALIAN
MODERN SLAVERY
STATEMENT**

YEAR 2022

1 GENERAL STATEMENT

As a conscientious and responsible global company, the HUGO BOSS Group ("HUGO BOSS") carries out extensive due diligence measures to protect human rights in its own business areas and in the supply chains.

HUGO BOSS does not tolerate any form of forced labor or child labor and rejects all kinds of modern slavery and human trafficking.

HUGO BOSS with all its subsidiaries aims to comply with all respective due diligence acts worldwide including the *Modern Slavery Act 2018* (Cth) ('the Act'), Act. Therefore HUGO BOSS has set up a central governance system to structure and ensure compliance with all relevant due diligence acts at Group level.

HUGO BOSS Australia Pty. Ltd. ("HUGO BOSS Australia") submits this statement as a single statement under section 13 of the Act and describes our work on due diligence in our own business areas and supply chains. Our due diligence analysis, as described in this statement, reflects the entire Group due diligence work, as the internal guidelines and supply chain risks are the same across all our companies. However, only HUGO BOSS Australia is directly subject to the Transparency Act for the part of our activity that applies to the Australian branch. This statement 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.

The disclosure covers the previous fiscal year, which ended on December 31, 2022.

2 OUR ORGANISATIONAL STRUCTURE

HUGO BOSS is a leading company in the premium fashion segment of the apparel market. Headquartered in Metzingen (Germany), the Company employs around 20,000 employees generating annual sales of about EUR 3.7 billion in the financial year 2022. 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.

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.

HUGO BOSS operates its own stores and outlets in Australia through the company HUGO BOSS Australia.

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. HUGO BOSS 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.

HUGO BOSS obtains a large proportion of its procurement volume from independent partners in regions that are in some cases economically underdeveloped. In some of these regions, there is also an increased risk that political and social protection mechanisms for employees and their environment are lacking. Further information about HUGO BOSS supply chain organisation can be found in our [Sustainability Report](#) and our [Supplier Factsheet](#).

HUGO BOSS Australia receives finished goods delivered directly from other group companies, and does not enter into separate agreements with suppliers. The risk outlook for HUGO BOSS Australia is therefore the same as for the Group's supply chain in general. The risk analysis carried out by HUGO BOSS is thus directly transferable to the Australian operations.

3 RISK OF MODERN SLAVERY PRACTICES

Work has to be humane, safe, and fair and undertaken on a voluntary basis. These are the foundations of the [HUGO BOSS Supplier Code of Conduct](#), which the Company, including HUGO BOSS Australia and its suppliers pledge to follow. They define a minimum standard for suppliers located in countries where local laws have weaker provisions and are a prerequisite for collaboration with HUGO BOSS.

But still HUGO BOSS is aware of the risks of modern slavery and human trafficking in global supply chains. Modern slavery and human trafficking are not only dangers or an immediate threat for workers in specific countries, it's a global risk for the security and freedom of workers around the world.

The HUGO BOSS human rights risk analysis assesses human rights-related impacts on those potentially affected by the HUGO BOSS business activities (e.g., our own employees, employees of partners). The risk classification of our own business areas and partners is based on three pillars. HUGO BOSS uses recognized indices for the risk assessment of (1) countries of origin and (2) industries and also sends out (3) self-assessments in order to derive further partner-specific risks. HUGO BOSS, including HUGO BOSS Australia has not disclosed any actual negative impact or material risk of negative impacts on human rights or decent working conditions in our own business areas or supply chain. However, HUGO BOSS has identified the following potential priority areas: proper wages, working hours, workplace safety and freedom of association, as well as discrimination. These are not actual negative consequences or material risk of negative consequences that HUGO BOSS has identified through our due diligence analysis, but typical industry-specific risk areas to which we adapt our work. Further information on how we are safeguarding this risk can be found in our [Sustainability Report](#).

4 DUE DILIGENCE PROCESSES ASSESSMENT AND REMEDIATION ACTION

The identification of human rights adverse impacts and risks within our own business areas (including HUGO BOSS Australia) and supply chains is for HUGO BOSS the foundation to build an effective and appropriate risk management. HUGO BOSS aims to prevent human rights risks, minimize them or end violations as far as possible by deriving preventive measures and remedial actions from the risk analysis.

To prevent and remedy human rights risk or violations HUGO BOSS develops specific measures. We rely on a good mixture of various specific measures to address findings and continuously implement them in business processes of relevant departments. Amongst other topics, important issues like child labor, human trafficking and slavery-like practices are examined.

OUR SOCIAL COMPLIANCE MANAGEMENT MODULE

In our direct sphere of influence at our partners, HUGO BOSS systematically focuses on identifying actual human rights violations and consequently on minimizing or ending them jointly with our partners. Additionally, HUGO BOSS has established contractually binding standards for partners. All suppliers who start to work with HUGO BOSS must accept the HUGO BOSS Supplier Code of Conduct 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.

HUGO BOSS uses the Social Compliance Management module to check to what extent the standards set out in its Supplier Code of Conduct, which applies to all suppliers to the same extent, are being complied with. As part of this module, the Company conducts regular social audits and collects self-assessment-questionnaires (SAQs) for review. Social audits are carried out especially for finished goods suppliers. Audits are conducted by external and internal auditors. All forms of modern slavery, including forced labor, bonded labor, child labor and human trafficking are defined as zero tolerance issues as stated in our Supplier Code of Conduct.

If suppliers violate the HUGO BOSS Supplier Code of Conduct, an action plan is issued, requesting them to improve compliance immediately. 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. For a detailed overview of possible reasons for terminating a business relationship and the factors to be considered, see our [factsheet on responsible exit](#).

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 policies also apply to and are implemented by HUGO BOSS Australia. 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 Organization 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 Statement Human Rights**

The HUGO BOSS Statement Human Rights communicates our human rights strategy and respective expectations towards our own employees and those of our partners. It highlights that being compliant with local laws, recognized social standards and the ILO core conventions is essential for respecting human rights (including human trafficking and slavery-like practices) of our own employees and those of our partners. The identification of human rights risks within our own business areas and supply chains is for HUGO BOSS the foundation to build an effective and appropriate risk management on. HUGO BOSS aims to prevent or minimize human rights risks, or end violations of human rights as much as possible by designing preventive measures and remedial actions based on its risk analysis.

- **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 placed 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 child and forced labor, including slavery and human trafficking. Additionally, this policy outlines how HUGO BOSS responds to violations of the HUGO BOSS Supplier Code of Conduct.

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

The Managing Board of HUGO BOSS has committed themselves and the HUGO BOSS Group to creating an inclusive work environment that is free from discrimination, 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 HUGO BOSS fosters a work environment that is free from discrimination and harassment and that it promotes gender equality.

- **Other Commitments**

On the HUGO BOSS [Group's website](#), HUGO BOSS is publishing further activities and commitments on current human rights and social issues.

OUR WHISTLEBLOWING SYSTEM

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. The complaint channels are valid for all HUGO BOSS subsidiaries (including HUGO BOSS Australia), supplier and beyond. One can choose to contact the person responsible at HUGO BOSS directly, confidentially through the HUGO BOSS Whistleblowing Portal or via an independent external Ombudsperson (free international helpline and online complaints form). The channels are available in all supply chain relevant languages:

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



[Contact information for the
HUGO BOSS Ombudsperson:](#)

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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 and information on the HUGO BOSS group's website. Further information on the reporting of complaints due to violations by the company and for the protection of all whistleblowers can be found in the [HUGO BOSS Whistleblowing Policy](#).

OUR TRAININGS

All our employees undergo an annual compliance training also covering human rights topics. This training is mandatory and available to all employees. The same applies to our suppliers. Before we start a business relationship with a supplier, they must successfully complete an online training course on our social standards, including the topic of forced and modern slavery.

Furthermore, our internal and external audit staff consists of experienced and well-trained auditors.

OUR COLLABORATIONS

HUGO BOSS recognizes that further development of social compliance management together with other actors in the textile value chain is an important requirement for systematic changes. Therefore, we participate in multi-stakeholder initiatives that help us to evaluate and address the risk of forced and modern slavery in our industry and supply chains. HUGO BOSS joined the Fair Labor Association (FLA) in 2014 to promote and protect employee rights and to advance improvements to working conditions. In 2015, the Company became a member of the German Partnership for Sustainable Textiles (Textilbündnis). HUGO BOSS has also been a member of the Bangladesh Accord since 2016 and joined its successor organization, the International Accord for Health and Safety in the Garment and Textile Industry in 2021. Following its initiation in Bangladesh, HUGO BOSS has also joined the Pakistan Accord in 2023.

5 EFFECTIVENESS REVIEW

HUGO BOSS (including HUGO BOSS Australia) 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 of HUGO BOSS' actions to address its modern slavery risks is the audit performance levels of its direct suppliers, especially in the field of social compliance (including measures against slavery and human trafficking, for details see HUGO BOSS Sustainability Report). 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](#).

As accredited member of the 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.

Furthermore, on a yearly basis we check our policies and commitments and if necessary update them. The same applies to our whistleblowing channels and trainings. Beyond that we continuously work on improving our measures taken to end risk and violations of all forms of forced labor. Regular dialogue with relevant stakeholders is also a means for us to evaluate the effectiveness of our measures.

6 APPROVAL OF THIS STATEMENT

This statement was approved and signed by the Managing Director of HUGO BOSS Australia Pty. Ltd. HUGO BOSS Australia Pty. Ltd. does not have any subsidiaries.

This statement for HUGO BOSS Australia Pty. Ltd. was also approved by the managing board of HUGO BOSS AG as the parent entity on 26 September 2023.



Daniel Grieder
HUGO BOSS AG
CEO



Matthew Keighran
HUGO BOSS Australia Pty. Ltd.
Managing Director

Date: September 2023

Date: May 2023