

Human Rights Policy

(Version December 2022)

KiK Textilien & Non-Food GmbH, referred to as 'KiK' in this document, is committed to respecting human rights wherever we operate. This statement references and supplements the **KiK's Supplier Code of Conduct**, which represents principles applicable to all our business operations, and **our Internal Code of Conduct**, which defines the basic requirements of conduct for our own employees.

We are determined to conduct our business in an ethical and responsible manner that supports and respects human rights. We strive to conduct our operations in alignment with national legislation, core internationally recognised human rights contained in the International Bill of Human Rights, and the International Labour Organization (ILO)'s Core Conventions. To that end, we follow the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.

We work with partners who are committed to conducting their business accordingly.

In today's world of global markets and complex supply chains, connecting a multitude of protagonists with different cultural backgrounds, development, and social structures, the participation in international trade relations offers chances to foster development, economic growth and social stability for all involved. Using these chances to the benefit of the people cannot work without the safeguarding of human rights.

While the primary obligation to protect human rights through effective policies, legislations, regulations and enforcement mechanisms lies with the states, we agree that businesses also have a responsibility to respect human rights in their operations and relationships, as enshrined in the UN Guiding Principles on Business and Human Rights.

KiK's human rights commitment applies to our own scope of business and, in the sphere of our leverage and responsibility, to other parties in our supply chain. However, every business partner within our supply chain has its own responsibility to respect human rights and the environment.

The focus of our business is on the fashion trade and therefore, we have daily dealings within emerging and developing markets which may bear a higher risk of exposure to potential human rights abuses. This is a challenge which can only be overcome by addressing and mitigating such risks efficiently. We carefully evaluate if we can make a difference by effectively engaging in, rather than withdrawing from such countries.

Our expectations

The principles set out below apply to our own business activities and all employees of KiK. In addition, we also expect our suppliers and business partners to commit to comply with the principles set out here and to implement appropriate processes to respect human rights.

Right to equality and non-discrimination

We strongly stand against discrimination and promote equality regardless of people's national or ethnic descent, social origin, state of health, disability, sexual orientation, age, gender, political affiliation, religion, philosophy, membership in a union, or any other personal

characteristic, unless this is justified by the requirements of the employment. Special focus on fair and equal treatment is given especially with respect to working and employment conditions, particularly on remuneration and promotion.

Right to life, liberty and personal security

KiK believes in the personal freedom of people and the right to life and physical integrity, with specific regard to the conditions of labour. Maintaining occupational health & safety is of highest priority for KiK. Personal data security shall be ensured for all.

Right to just and favourable conditions of work

KiK strives for the right of everyone to have just and favourable conditions at work. This encompasses, among others, the payment of remuneration, providing all workers, as a minimum, with fair wages and a decent living for themselves and their families.

Right for motherhood and childhood & the prohibition of child labour

KiK supports the 'United Nations Convention on the Elimination of Discrimination against Women' and the 'United Nations Convention on the Rights of the Child'. Especially since large parts of our supply chain work force comprise of women, motherhood and childhood shall be protected with special care and assistance without any form of discrimination. KiK stands strictly against child labour.

Freedom from slavery and forced labour

KiK does not accept any form of slavery, bonded labour, servitude or other forced and compulsory labour or unpaid work.

Freedom from abuse and degrading treatment

KiK believes in everyone's right to be protected from any form of physical, verbal, sexual abusive or other form of degrading treatment.

Right to get access to effective remedies

Anyone who is a victim of human rights violations shall have the right to get access to effective and appropriate remedies within the legal framework provided for.

Freedom of association

Everyone shall have the right to freedom of peaceful assembly and association for collective bargaining.

Right to social security

KiK recognises the right to social security especially, in case of unemployment, injury, sickness, disability, child support, widowhood, and old age.

Right to rest and leisure

KiK supports the right of workers to have adequate rest and leisure, including limitations of working hours and periodic holidays with pay based on national and international law.

Right for a clean environment, water safety and sanitation

Everyone has the right to live in a healthy environment and get access to clean water and proper sanitation system. Business operation shall be designed accordingly, to respect these areas.

Our due diligence processes

Our risk management system

KiK is committed to respecting human rights and the environment in its operations and business relationships, and to identifying and analysing the most salient risks through the implementation of an adequate management system. We are committed to preventing, mitigating, and remediating adverse impacts caused or contributed by KiK, particularly in our own operations and in our supply chains.

As part of our risk management system, we conduct regular risk analyses in our textile and non-food supply chain and have started to extend such analysis to our own operations and to our non-commercial goods' supply chain, including our service providers. Risks identified are then prioritised according to their severity, their reversibility, the probability of their occurrence, and our ability to influence. This allows us to put the right measures in place and to use our leverage by either working directly with our business partners, or in partnerships with other actors, or through sector initiatives.

The following **key human rights risks are identified as salient topics in the context of our supply chain** and are addressed in our **Supplier Code of Conduct**: working hours; fair remuneration; child and forced labour; conditions of employments; occupational health and safety; discrimination; freedom of association and the environment. They are further reflected in our CSR Package for suppliers, which includes specific policies, such as our policy on child labour. We require all KiK partners to ensure respect of all internationally proclaimed human rights by avoiding causation of and complicity in any human rights violations. The Supplier Code of Conduct thus reflects the human rights and environmental expectations KiK considers when selecting its suppliers and business partners.

Our **measures** to address the **identified risk areas** are reflected in our sourcing strategies and policies. They include the delivery of information and training, the contractual assurance by our business partners to adhere to these principles and to cascade them down along the supply chain, as well as the implementation of adequate risk-based checks and audits to verify compliance to these principles.

Complaint mechanisms

Despite our best efforts to prevent human rights abuses, we are aware that violations may still occur. We therefore consider the establishment of effective complaint mechanisms to be essential. Potential compliance or human rights violations in our own operations and supply chain can be reported through our software solutions EQS (<https://kik.integrityline.com/>), as laid down in our public Grievance Policy. We are currently working to further develop our grievance mechanisms and improve accessibility to internal and external stakeholders, especially in the context of our supply chains.

Remediation

In cases where we cause or contribute to actual human rights violations through our business activities, we are committed to implementing effective **remedial action**.

In the event our risk management or complaint process establishes that identified risks have already materialised or are likely to happen, KiK will take all appropriate measures to prevent, end or mitigate any possible violation. If such violations cannot be prevented or stopped altogether, we will, if possible, work with our business partner and/or further parties on an adequate joint concept which ends or mitigates such violations. If this is not possible or there is a severe breach of trust, KiK reserves the right to end such business relationships.

Reporting

KiK publicly shares progress on the implementation and results of our human rights due diligence process, upholding the principle of transparency. KiK publicly and annually reports on the implementation and management of this policy to comply with our respective due diligence obligations.

The expectations specified in this Human Rights Policy coupled with the corresponding principles laid out in our Supplier Code of Conduct, our Internal Code of Conduct and our General Sourcing Terms provide the basis for all our business dealings.

We expect our employees as well as our business partners to adhere to these responsibilities which we will hold them accountable for. All merchandise suppliers must not only agree and accept these business principles as a condition to their employment or business relationship, but also adopt these principles as a basis for their own dealings to cooperate with us implementing this policy.

We regularly review and update our relevant policies, processes, and management systems as a matter of due diligence, especially also to address specific matters of prevention.

Our senior management will oversee the implementation of this policy.

Patrick Zahn

CEO

Dirk Ankenbrand

CMO

Ansgar Lohmann

Head of CSR Department