

HAIX® GROUP DECLARATION ON RESPONSIBLE CORPORATE GOVERNANCE

PUBLISHED BY HAIX® GROUP

Dear employees,

We are all familiar with our mission, which we put into action on a daily basis.

We develop and produce high-tech equipment to provide optimum protection and functionality for people who help others with extraordinary acts.

Only when we as a company, and each individual as an employee, are consciously aware of our responsibility to society and act accordingly can we fulfill our mission to the best of our ability. Reducing our carbon footprint, upholding human rights and providing equitable, socially just and fair working conditions are core pillars of our corporate culture.

Our Code of Conduct is applicable to all employees of the HAIX® GROUP within our production network, our sales partners and our suppliers – on a global scale and without any borders.

The code is based on international standards on human rights and working conditions, such as the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises. The way in which we promote environmental protection, human rights and good working conditions along with the core labor standards promulgated by the International Labour Organization (ILO) are governed by the code. These guidelines and principles also cover important topics such as the equal treatment of all employees, the right to occupational health and safety, and the protection of personal data belonging to employees and customers.

We advocate living by these values on a daily basis. After all, a company can only achieve lasting financial success through sustainable action.



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1. INTRODUCTION

One of our core values at the HAIX® GROUP is working in a responsible, sustainable and legal manner, which is enshrined in our corporate strategy.

By committing to this approach, we have created a solid basis for the long-term success of our company.

At HAIX® GROUP, we take our responsibility to the environment and society very seriously and are committed to observing internationally recognized laws on human rights and environmental protection.

Human rights are fundamental principles designed to protect the dignity and equality of all. Human rights are universal, inalienable, and indivisible rights to which all humans are entitled in equal measure. This definition is based on the Universal Declaration of Human Rights.

At HAIX® GROUP, we have declared it our goal to prevent any human rights violations. In terms of human rights, the HAIX® GROUP focuses on topics and areas of action where we can assert our influence as a commercial enterprise. In this respect, we go above and beyond the legal requirements imposed by nation states and sovereign institutions to protect human rights.

Human rights are universal, inalienable, and indivisible rights to which all humans are entitled in equal measure. This definition is based on the Universal Declaration of Human Rights.

1.1 PRINCIPLES

The HAIX® GROUP is firmly committed to upholding human rights and protecting the environment. One of the objectives declared by the Management Board is observing, upholding and promoting human rights and environmental aspects along the entire value chain. We do not tolerate any violations of human rights enshrined in international law or any breaches of national or international environmental legislation.

The global regulations outlined below form the basis of the due-diligence obligations to which the HAIX® GROUP is committed in relation to human rights and the environment:

- The Universal Declaration of Human Rights
- The UN Global Compact
- The OECD Guidelines for Multinational Enterprises
- The UN Convention on the Rights of the Child
- The ILO Declaration on Fundamental Principles and Rights at Work Five basic principles affirm the obligations and commitments of the ILO:
 - freedom of association and the effective recognition of the right to collective bargaining;
 - the elimination of all forms of forced or compulsory labor;
 - the effective abolition of child labor;
 - the elimination of discrimination in respect of employment and occupation; and
 - a safe and healthy working environment.
- OECD Due Diligence Guidance for Responsible Supply Chains in the Garment & Footwear Sector (OECD (2020)).
 - Module 1: Child labor
 - Module 2: Sexual harassment and gender-based violence in the workplace
 - Module 3: Forced labor
 - Module 4: Working hours
 - Module 5: Occupational health and safety
 - Module 6: Trade unions and collective bargaining
 - Module 7: Introduction of wages to environmental modules

- Module 8: Hazardous chemicals
 - Module 9: Water
 - Module 10: Greenhouse gas emissions
 - Module 11: Bribery and corruption
 - Module 12: Responsible conduct towards remote employees
- The UN Guiding Principles on Business and Human Rights. The ten guiding principles:
 - Businesses should support and respect the protection of internationally proclaimed human rights; and
 - make sure that they are not complicit in human rights abuses.
 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
 - the elimination of all forms of forced and compulsory labor;
 - the effective abolition of child labor; and
 - the elimination of discrimination in respect of employment and occupation.
 - Businesses should support a precautionary approach to environmental challenges;
 - undertake initiatives to promote greater environmental responsibility; and
 - encourage the development and diffusion of environmentally friendly technologies.
 - Businesses should work against corruption in all its forms, including extortion and bribery.

This Code of Conduct sets out how the HAIX® GROUP supports human rights.

1.2 SCOPE OF APPLICATION AND VALIDITY

Principles on the human rights and environmental strategy laid out in this declaration apply throughout all business divisions in the HAIX® GROUP, including all domestic and foreign subsidiaries, and must be upheld by management and employees when performing the tasks assigned to them. The HAIX® GROUP expects all business partners to observe human rights and environmental obligations. Observing and upholding human rights and environmental obligations forms the basis for working with the HAIX® GROUP.

The HAIX® GROUP Code on Human Rights and Working Conditions is binding for all main locations

- Hero GmbH & Co. KG, Germany
- HAIX Schuhe Produktions und Vertriebs GmbH, Germany
- HAIX North America, USA
- HAIX Obuca d.o.o., Croatia
- HAIX Fabrikverkauf GmbH, Germany
- HAIX France Sàrl, France
- HAIX WEAR GmbH, Germany
- Gustav Wahler GmbH & Co KG, Germany
- HAIX Oprema d.o.o, Serbia
- HAIX Gear UK Ltd., United Kingdom
- HAIX Benelux B.V., the Netherlands
- HAIX Oprema Md.o.o, North Macedonia

and all other locations and business divisions of the company. In particular, the Code applies to:

- all employees (see section 2);
- authorized HAIX® GROUP sales partners (see section 3);
- suppliers (see section 3);

The HAIX® GROUP respects the human rights of our employees and aims to go above and beyond the minimum standards for working conditions.

Teamwork within the HAIX® GROUP takes place on the basis of mutual respect and trust-based collaboration. The HAIX® GROUP puts the values set out in its corporate strategy and mission statement into action on a daily basis.

Managers at the HAIX® GROUP have a key exemplary role to play in this regard. They are responsible for upholding our values and ensuring they are observed in their everyday work. The sections below explore the main topics related to human rights and working conditions.

2. PRINCIPLES

2.1 ADHERENCE TO LEGISLATION AND REQUIREMENTS

The HAIX® GROUP resolutely adheres to all applicable national legislation and regulations at all times and expects the same level of commitment from its business partners.

2.2 ENVIRONMENTAL PROTECTION

The HAIX® GROUP is committed to protecting the environment. In concrete terms, this involves:

- Preserving natural resources and habitats

Our business activities do not result in any adverse soil changes, water pollution, air pollution, harmful noise pollution, or excessive water consumption that significantly negatively impact the natural foundations for maintaining and cultivating food, block access to clean drinking water, inhibit or prevent access to sanitary facilities, or may damage health.

- Upholding environmental legislation

We fulfill and adhere to all applicable laws, directives, and other legal provisions related to environmental protection and sustainability. All required permits and approvals are obtained, renewed as required, and complied with.

- Resource consumption, avoiding environmental impacts

We take great care to avoid and continually reduce environmental impacts caused by resource and energy consumption, greenhouse gas emissions, air pollution, water consumption, soil and water excavation, and waste to the greatest possible extent throughout the entire supply chain, preserve biodiversity, and promote a circular economy.

- Management of wastewater, waste and hazardous substances

Appropriate measures are introduced where required to avoid, manage, collect, transport, store, treat, and dispose of wastewater and waste in an environmentally friendly manner. Hazardous materials, chemicals, and substances are labeled accordingly and measures are in place to ensure they are safely handled, transported, stored, recycled, reused, and disposed of. All applicable legal provisions and requirements are satisfied and upheld when we dispose of wastewater and waste and when we use and handle hazardous substances.

- Eco-friendly packaging

We are committed to using eco-friendly packaging where possible. We avoid using packaging, reduce the amount required, or lower its environmental impact to the greatest possible extent.

2.3 BAN ON CHILD LABOR

The HAIX® GROUP does not tolerate any form of child labor. Children must not be prevented from attending school, and their development must not be limited due to employment. The dignity of children is to be respected and their health and safety protected. In accordance with the ILO core labor standards, the 1973 Minimum Age Convention and national legal requirements, the HAIX® GROUP complies with the minimum employment age and strictly prohibits any form of child labor.

This applies in particular to the worst forms of child labor. Young employees below the age of 18 are not entrusted with work that may be damaging to the health, safety or morality of children, and they are not disadvantaged when participating in professional training programs.

2.4 BAN ON FORCED LABOR AND SLAVERY

The HAIX® GROUP does not tolerate any form of forced or compulsory labor. In accordance with the ILO core labor standards, the HAIX® GROUP denounces the use of forced or unlawful compulsory labor for our business activities.

We do not tolerate any work or services performed by an individual under the threat of repercussions (whether physical, mental, financial or another nature) who has not voluntarily agreed to undertake the corresponding tasks. The same applies to any form of slavery as well as other forms of wielding power or suppression in the workplace, for instance, extreme forms of financial exploitation, sexual exploitation or degradation. All employees reserve the right to end their employment relationship in observance of the applicable contractually agreed or legal notice periods.

2.5 FREEDOM OF ASSOCIATION

Trust-based and constructive teamwork is the cornerstone of the HAIX® GROUP culture. The HAIX® GROUP encourages regular communication between employees and the company. Employees are entitled to voice their opinions freely and openly discuss business matters. Even during heated discussions, the aim is to always maintain a sound collaboration in the interests of the company and employees.

Company employees are entitled to safeguard their interests without suffering any disadvantages as a result in line with the pertinent national laws. Accordingly, employees enjoy freedom of association and the right to form bodies with other employees for collective bargaining.

2.6 PROTECTION AGAINST DISCRIMINATION

The equal treatment of all employees forms a core aspect of our corporate policy. The HAIX® GROUP does not tolerate any discrimination against our employees. No employee is discriminated against on the basis of racist agenda, skin color, gender, age, disability, pregnancy, religion or beliefs, social background, health, ethnic origin, nationality, membership in employee organizations, political affiliation or views, sexual identity, or any other characteristics protected under local laws.

2.7 HARASSMENT AND ABUSE

All forms of physical and verbal abuse, intimidation, sexual harassment, abusive repercussions, and disciplinary measures are prohibited throughout the HAIX Group.

2.8 PAY AND WAGES

The HAIX® GROUP offers its employees industry-standard, country-specific, competitive, and performance-based pay supplemented by additional benefits. Payment takes place on a monthly basis. Payslips are issued in the local language and

contain all required information (gross pay amount, any deductions with the corresponding grounds, and the net pay amount as a minimum). HAIX® GROUP employees receive fair pay, both in terms of internal and external, national standards. Where applicable, relevant minimum wage requirements or minimum standards for the corresponding economic sectors enshrined in law are upheld. Performance and work results provide a key benchmark for determining salaries at all HAIX® GROUP locations. The HAIX® GROUP pays employees on the basis of their personal or joint performance in line with local guidelines.

Living wage principle

In recent decades, the working conditions and salaries paid to employees in countries that produce textiles and clothing garments have not been adequate to guarantee an acceptable standard of living due to the complexity of global supply chains. We want to contribute to a permanently high standard of living for employees. In light of this, we are committed to promoting living wages in areas where we can have an impact.

A sector-wide change in mindset among all stakeholders involved is required to navigate the systematic challenges inherent to wage increases. Key drivers behind such a transformation include working closely with suppliers and promoting freedom of association and collective bargaining. Last but not least, everyone involved needs to jointly take responsibility for increasing wages instead of solely passing them on to suppliers.

Our commitment:

- We cannot tackle the issue of providing living wages on our own. Ultimately, we are merely one of many customers for our external production facilities. With this in mind, we reach out to other brands, competitors, and their producers to establish roadmaps and approaches to make progress.
- We are introducing gender pay gap analyses for certain sectors and locations
- We carry out risk analyses and assess our suppliers along with establishing an audit schedule
- We are working on a bonus system in our own operations
- We are attempting to work more closely with suppliers to set up a transparent pay system
- We are attempting to work more closely with suppliers who support their subcontractors and production facilities with setting up a transparent pay system
- We are working on an improved procurement forecast system to help our suppliers with their forward planning by enabling them to make long-term commitments for certain purchase volumes This initiative aims to generate projectable, reliable revenue and guarantee a secure monthly income for employees.

2.9 RIGHT TO OCCUPATIONAL HEALTH AND SAFETY

At HAIX® GROUP, protecting and promoting employee health is one of our top priorities. We ensure consistent compliance with applicable occupational health and safety regulations around the globe. When planning new workplaces or changes to existing workplaces (new systems, machines, processes, equipment, resources used), measures are introduced to improve occupational health and safety and mitigate risks to reduce the likelihood of workplace accidents involving employees.

The managers and safety officers in charge of these projects work in line with the valid HAIX® GROUP occupational health and safety rules. They are responsible for ensuring that the relevant employees receive regular training and instructions on applicable occupational health and safety topics. In addition, the company has a number of health management initiatives in place to actively promote the physical and mental health of employees.

The HAIX® GROUP implements adequate safety measures to keep employees and visitors safe at all locations.

2.10 WORKING HOURS

The HAIX® GROUP always complies with national working hour regulations. In order to protect young employees in particular, we ensure compliance with ILO conventions 138 (art. 2), 90 and 182.

When scheduling working hours and breaks, attention is given to operational requirements and personal preferences of employees where this is possible for the given work.

The HAIX® GROUP is committed to a healthy work-life balance. Each HAIX® GROUP location grows in consideration of local and country-specific circumstances and implements corresponding measures.

2.11 EMPLOYEE LOYALTY AND SUPPORT

At HAIX® GROUP, we promote the long-term employability of our employees. New employees are hired on the basis of their individual skills. Employees are encouraged to develop and receive training in line with their personal and professional requirements. The company helps employees enhance their skills and talent with focused, future-oriented training and educational courses to secure their long-term productivity and employability. In addition to professional training, we also support the personal development of our employees.

Access to subject-specific qualification and training initiatives is based on the principle of equal opportunities among all employees.

2.12 RIGHT TO PRIVACY – THE PROTECTION OF PERSONAL DATA

In order to protect the personal rights of employees and customers with regard to the use of their personal data, the HAIX® GROUP complies with all legal requirements and standards, and the headquarters in Mainburg has been ISO 27001:2017 certified since 2022.

Innovative information technology and growing media networking can pose a number of major challenges when it comes to handling personal data in our daily business. At the HAIX® GROUP, our integrated management system ensures that corresponding data and information is used in line with legal requirements, any impacts related to privacy are kept as minimal as possible, and the rights of all data subjects are upheld, including the right to receive information on data processing, the right to rectify data, block processing, or delete data.

2.13 THE RIGHTS OF LOCAL COMMUNITIES NEAR HAIX® GROUP LOCATIONS

At its various locations around the globe, the HAIX® GROUP respects the human rights of the local communities that may be affected by our business activities. In addition, one of our declared goals is to keep any negative impacts of site development, construction, and ongoing business operations on the local population as minimal as possible. Analyses are also conducted in relation to environmental and social aspects to look into various factors such as water availability, traffic conditions, and emissions. At each of its locations, the HAIX® GROUP is committed to using environmentally-friendly and low-resource processes and methods while minimizing any negative impacts on the local population.

2.14 RESPONSE TO CORRUPTION, BRIBERY AND EXTORTION

The HAIX® GROUP does not tolerate any unfair business relationships. HAIX® GROUP employees are not permitted to actively or passively participate in any form or method of gaining an unfair competitive advantage. Any attempt by a third party (supplier, customer, or prospective customer) to bribe or extort an employee must be clearly refused and reported immediately to the responsible manager where possible without indirectly putting the employee at risk.

The guidelines below have been created to provide a framework:

Employees may accept gifts in the following cases:

- o Gifts up to a value of roughly €25.
- o Invitations from business partners and third parties to a business meal, as long as the meal is for business and considered appropriate.
- o Gifts from Haix employees to third parties must also comply with this framework.

If a gift from a third party goes beyond the above guidelines, the employee's manager or, in case of doubt, the Management Board must be notified and the next steps determined.

Any action that could compromise an employee or Haix, negatively impact a business relationship, or lead to doubts regarding integrity is prohibited.

Violating these guidelines may lead to repercussions under labor law and the termination of the employment relationship without notice if culpability can be proven.

2.15 THE COMMON GOOD

HAIX® GROUP is aware of its social responsibility and is committed to the common good, which includes supporting charitable organizations and initiatives.

2.16 ANIMAL WELFARE

The HAIX® GROUP is committed to animal welfare and supports initiatives to improve the living conditions of farm animals. The HAIX® GROUP only works with suppliers who also satisfy high animal welfare standards in the procurement of animal products.

The HAIX® GROUP strongly opposes any methods that have an unacceptable negative impact on animal welfare during breeding and livestock farming. Methods the Haix Group is firmly against include mulesing and ritual slaughter.

3. RELATIONSHIPS WITH BUSINESS PARTNERS

3.1 SUPPLIERS

As a company with a global presence, the HAIX® GROUP works with a large network of suppliers to pursue its goal of providing products Made in Europe and having virtually all first-level suppliers located in Europe. With the market becoming ever more globalized and supply chains increasingly complex, there is a greater risk of being directly or indirectly associated with human rights violations. In order to promote compliance with social standards within its supply network, the HAIX® GROUP is involved in a number of cross-industry initiatives and networks, offers qualification opportunities to suppliers, and has set up a risk management process.

The HAIX® GROUP expects all suppliers to respect human rights in their business activities. For the HAIX® GROUP, suppliers committing to upholding their social responsibility and, in particular, complying with the ILO core labor standards are central requirements for a long-term business relationship.

All action taken in relation to our responsibility for human rights and the environment pursue the principle of 'Engagement before disengagement': We are committed to helping our business partners avoid and end human rights violations or breaches of environmental regulations before we abandon the business relationship or move to alternative supply sources.

However, repeat violations and a lack of action taken to end/cease the violations against human rights by the suppliers will result in the termination of the collaboration.

3.2 SELECTING SUPPLIERS

Respect for human rights and the environment is one of the criteria we apply when selecting our suppliers. The selection process involves a risk filter, media monitoring, a written declaration of compliance with human rights, internal on-site inspections, and external audits. These various measures help the HAIX® GROUP identify supplier locations and product groups that are at particular risk of being involved in human rights violations. Where necessary, matters will be escalated and plans for corrective action developed in partnership with the supplier. If a supplier then fails to take effective corrective action, this can ultimately result in termination of the business relationship by the HAIX® GROUP.

The HAIX® GROUP expects its business partners to uphold human rights, in particular, the ILO core labor standards, the principles of the UN Global Compact, and the UN Guiding Principles on Business and Human Rights. The HAIX® GROUP actively works to ensure these principles are complied with and implemented across the entire value chain.

3.3 AUTHORIZED HAIX® GROUP SALES PARTNERS

The HAIX® GROUP expects its distributors, sales representatives, and importers to respect human rights and comply with the ILO core labor standards in particular.

All action taken in relation to our responsibility for human rights and the environment pursue the principle of 'Engagement before disengagement': We are committed to helping our business partners avoid and end human rights violations or breaches of environmental regulations before we abandon the business relationship or move to alternative supply sources.

However, repeat violations and a lack of action taken to end/cease the violations against human rights by the suppliers will result in the termination of the collaboration.

3.4 CUSTOMERS

The HAIX® GROUP consciously does not enter into business relationships with customers who have been directly or indirectly sanctioned by the UN Security Council on the basis of the United Nations Charter.

The HAIX® GROUP is aware that acting commercially in a globalized world economy may, whether intentionally or not, result in human rights violations. If Haix products or the reselling of our products are found to breach human rights, the HAIX® GROUP reserves the right to end the business relationship after reviewing the case.

4. IMPLEMENTATION OF THE HAIX® GROUP DECLARATION

This declaration is an integral cornerstone of the corporate culture at the HAIX® GROUP and its operational management processes, such as risk management and major investment decisions.

Every employee must comply with the HAIX® GROUP Code and base their work on the principles laid out therein. If there is any reason to suspect a violation may have occurred, employees can speak to their personal managers or reach out to one of the points of contact listed below. All questions and tips are treated as confidential. When tips are received, the HAIX® GROUP looks into them and takes corrective action where necessary. In this way, we can ensure any issues are fixed at an early stage and avoid any major negative repercussions for the people affected.

4.1 RISK MANAGEMENT AND DUE DILIGENCE OBLIGATIONS IN THE SUPPLY CHAIN

The HAIX® GROUP takes reasonable, effective action to identify, verify and prevent environmental risks from occurring in its own field of activity and throughout the entire supply chain. If a human rights violation or breach of environmental regulations is found to have occurred or be imminent, targeted corrective action is taken to end any violations or minimize their impact.

All action taken in relation to our responsibility for human rights and the environment pursue the principle of 'Engagement before disengagement': We committed to helping our business partners avoid and end human rights violations or breaches of environmental regulations before with abandon the business relationship or move to alternative supply sources.

Ensuring effective risk management

Our due-diligence obligations are fulfilled by the implementation of a risk management system for our in-house business activities and throughout the entire supply chain. With the horizontal and vertical integration of due-diligence obligations in all relevant business processes, the HAIX® GROUP is able to ensure that risks are identified and that targeted preventative as well as corrective action can be taken.

The risk management system has been rolled out throughout the Group and is centrally controlled and monitored by one of the departments of Haix Schuhe Produktions- und Vertriebs GmbH.

a) Effective risk management

The risk management system establishes processes for implementing due-diligence obligations and defines areas of responsibility, roles and reporting lines.

Due diligence obligations are horizontally integrated in the HAIX® GROUP. All relevant departments, namely Sustainability, Quality Management, Purchasing, are involved in the implementation. The Purchasing department is responsible for operationally managing the implementation of due-diligence obligations.

Due-diligence obligations are also vertically embedded by defining the individuals responsible for oversight and coordination at the management level. The Management Board holds overall responsibility for the implementation of due-diligence obligations related to human rights and the environment.

b) Identifying, classifying and prioritizing risks

The HAIX® GROUP conducts comprehensive risk analyses on the topic of compliance with human rights and environmental requirements in its own business activities and by its direct suppliers. We draw on both internal and external expertise for these analyses. Due to the complexity and scope of our global supply chain, we require technical solutions that help us to identify, verify, classify and prioritize risks.

Our risk analysis system allows us to identify the individual risks posed by each business partner. We conduct abstract risk analyses based on a wide range of recognized indices and studies conducted by external experts on the basis of general supplier information, especially country of origin and industry. We then vet our business partners in terms of specific human rights or environmental risks based on supplier self-assessments, an AI-based media analysis tool, verified certifications, and our own findings from inspections or business processes. This allows us to look into more factors than just the business partner's country or origin and industry. We also analyze product risks, trade risks, the complexity of upstream supply chains, and a wide range of further data in order to narrow down, pinpoint and identify risks at an early stage.

We classify and prioritize risks by comparing the typically expected severity of a potential legal violation and its irreversibility compared to its likelihood of occurrence. We also consider our own potential contributions to causing violations and the degree of our influence in order to prioritize risks and take targeted action if risks are likely to materialize. We use a risk matrix to identify our need to act and take preventative and corrective action where necessary.

c) Taking preventative action

The comprehensive risk analysis is supplemented by appropriate and effective preventative action.

This declaration, which explains our expectations of employees and their rights in a clear, comprehensible format, applies to our own business activities.

The HAIX® GROUP offers a wide range of training and educational opportunities to its employees. Employees in charge of implementing human rights and environmental due-diligence obligations regularly take part in training initiatives to ensure they are able to implement global requirements for human rights and environmental protection throughout the entire supply chain. We also offer training and education opportunities to our business partners to enable them to promote human rights and environmental protection in their business activities.

We conduct regular and ad-hoc checks of our business activities to ensure risks are identified and minimized at an early stage. We maintain oversight over our business partners within the scope of legal possibilities and requirements.

The majority of the raw materials, services and commodities we procure at the HAIX® GROUP come from suppliers certified on the basis of international standards. This includes OEKOTEX, BSCI, ISO standards along with customary product and industry standards. We regularly review the validity and authenticity of certificates, supporting documents and seals.

Our business partners are required to pass on our expectations in terms of human rights and environmental protection throughout their supply chain and continuously monitor compliance. In light of this, our Code of Conduct for Suppliers forms the basis for establishing new business partnerships.

The HAIX® GROUP plans to expand its activities with regard to certifications related to topics or raw materials. If we uncover any abstract supplier risks, we will make the business relationship contingent on compliance with suitable standards.

The HAIX® GROUP requires all new business partners to declare their commitment to observing human rights and national environmental regulations. Even before a business relationship is established, suppliers are reviewed in terms of any potential risks, and the findings may be verified through internal audits where necessary.

We are pursuing the goal of replacing products and raw materials obtained from high-risk countries with our sources of supply. This is further underpinned by our consistent purchasing policy and strategy of establishing and, where necessary, expanding our sources of supply in Europe to the greatest possible extent.

d) Taking remedial action

Effective remedial action is crucial when a human rights violation or breach of environmental requirements is uncovered or imminent.

The HAIX® GROUP takes remedial action as soon as a corresponding violation is identified. We develop targeted measures for any situation and every direct or indirect supplier to ensure the violations cease. At the same time, we have established a series of framework measures that can be put in place right away as part of a modular concept and filled with content to respond to the corresponding violations.

We define a process, targets and clear role assignments within the company for all remedial action. A dedicated schedule that may include interim milestones is drawn up for all remedial action. All relevant stakeholders are kept in the loop with system-based action processes.

e) Following up on tips

A well-functioning complaints system accessible to all affected individuals in the supply chain, from employees and suppliers to third parties who are impacted by our activities or those of our suppliers, plays a key role in identifying risks and violations in the supply chain. It must be ensured that tips and information can be submitted anonymously and confidentially.

Our web-based whistleblower system is available in multiple languages and accounts for the complexity of our supply chain. The access thresholds are set low to make it as easy as possible to submit information.

Any tips received are handled confidentially and swiftly. Employees involved in handling tips are not bound by any instructions as part of complaints management, meaning their neutrality is guaranteed at all times. Each tip received triggers a review and action process aimed at bringing an end to the reported violation or minimizing any risks uncovered.

Tips and information are also automatically taken into account in the risk analysis.

f) Responsibility for the entire supply chain

The HAIX® GROUP takes its responsibility for the entire supply chain very seriously. In line with this, our risk analyses also cover suppliers who we don't have a direct relationship with but nevertheless are part of our supply chain.

Our long-term objective is to achieve complete transparency throughout the supply chain. Despite understandable conflicting interests among certain business partners, we take every effort to identify indirect suppliers and incorporate them in the risk analysis. To this end, we rely on close collaboration with our direct business partners to cooperatively improve transparency in the supply chain to the benefit of everyone.

g) Documentation and reporting

We document the implementation of all due diligence obligations on an ongoing basis. Our centralized risk management system allows us to link all information available to us on risks identified and preventative and remedial action taken.

We are also committed to transparently communicating challenges related to human rights and the environment to which the HAIX® GROUP is exposed. We communicate identified risks, action taken, and the progress we have made at least once a year through our public reporting.

A focus on human rights and the environment

The textile industry represents one of the key challenges faced by the HAIX® GROUP. The human rights and environmental risks inherent to the industry, in particular ones that predominantly affect women, children, immigrants, people with sensory difficulties and regional or ethnic groups due to human rights violations or the consequences of negative environmental impacts, are addressed with appropriate and effective action. We also set concrete targets that need to be met within a certain timescale with quantifiable results. Action to minimize risks includes certifications for products and/or raw materials, supplier evaluations or looking for alternative sources of supply, for example.

4.2 RESPONSIBILITY

To account for the ever-changing challenges faced by companies in relation to upholding human rights, the HAIX® GROUP continuously reviews its position on human rights and its implementation in terms of topicality, effectiveness and performance. In this way, any important changes that directly affect the HAIX® GROUP can be quickly incorporated and internal processes correspondingly adjusted. The HAIX® GROUP DECLARATION ON RESPONSIBLE CORPORATE GOVERNANCE enters into force on the date it is signed. Individual or third-party claims may not be derived from this document. Only the German version of this Code is binding.

4.3 REVIEW AND DIALOG

The HAIX® GROUP Code on Human Rights and Working Conditions is communicated to all employees. Employees also receive training on the company's related viewpoints and requirements. Managers are responsible for the implementation of the HAIX® GROUP Code on Human Rights in their respective departments. Each manager is responsible for communicating the contents and significance of this Code to their team and providing advice on and supporting its application in their daily work. At the same time, managers must also observe the Code on Human Rights when performing their management tasks, namely in their conduct with employees or using it as the basis for their business decisions, for example. Any suspicions regarding potential human rights violations must be prudently and swiftly clarified by managers.

4.4 CONTACT

If you have any questions related to this declaration, please contact IMS@haix.de

4.5 HANDLING OF QUESTIONS AND TIPS

The HAIX® GROUP reviews all incidents reported and takes any action required. Relevant departments or external stakeholders may be involved on a case-by-case basis. If the review leads to the conclusion that the HAIX® GROUP is directly or indirectly responsible for a violation, or has contributed to the violation, appropriate remedial action will be taken. Any

violation of the human rights principles set out in the Code by employees may result in repercussions under labor law in line with local regulations.

A well-functioning complaints system accessible to all affected individuals in the supply chain, from employees and suppliers to third parties who are impacted by our activities or those of our suppliers, plays a key role in identifying risks and violations in the supply chain. It must be ensured that tips and information can be submitted anonymously and confidentially.

Our web-based whistleblower system is available in multiple languages and accounts for the complexity of our supply chain. The access thresholds are set low to make it as easy as possible to submit information.

Any tips received are handled confidentially and swiftly. Employees involved in handling tips are not bound by any instructions as part of complaints management, meaning their neutrality is guaranteed at all times. Each tip received triggers a review and action process aimed at bringing an end to the reported violation or minimizing any risks uncovered.

Reports and complaints from internal and external employees can be sent to the email address below:
haix.hinweisgeber@mailbox.org

Individuals and companies, in a business relationship with the HAIX® GROUP, particularly in terms of supply chain due diligence obligations, can use the link below: <https://prod.osapiens.cloud/portal/portal/webbundle/supplier-os-hub/supplier-os-hub/public-access-app/complaint.html#/public/hub/haix/DEFAULT/complaint/new>

Anonymous reports are possible for both options and the HAIX® GROUP is required to process and analyze reports and complaints in an orderly fashion without causing any disadvantages for the reporting party.

Tips and information are also automatically taken into account in the risk analysis.

4.6 Outlook

The HAIX® GROUP is committed to reviewing, developing and improving its measures on an ongoing basis. The effectiveness and implementation of all human rights and environmental due diligence obligations must be guaranteed at all times. We review the effectiveness of the corresponding measures on an ad hoc basis, at least once a year.