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VERSION: 1.0

RESPONSIBLE DEPARTMENT: Buying, Procurement, and Private Label Department



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# Explanation of terms

The following definitions and classification offer guidance concerning the meaning of the policy's content and wording. Next to defining repetitive wordings, the applied classification of requirement and compliance levels is also outlined.

#### **Definitions**

#### **Business Partner**

In this policy, the term "Business Partner" includes all suppliers that ABOUT YOU has a direct business relationship with including third-party brand partners, retail partners, and private label suppliers<sup>1</sup>. All Second Love partners are excluded.

#### **Documentary Proof**

"Documentary Proof" refers to all necessary proofs that are expected upon request to officially confirm Business Partners' compliance with this **Animal Welfare Policy**. The required proofs are further specified in the respective chapters. These include, but are not limited to, the country of origin (COO), full Latin and common name of species, relevant third-party documentation (e.g., certifications), and supplier declarations.

#### Compliance level and status

#### Permitted vs. prohibited

The status of the sale of animal-derived fibers is disclosed by differentiating between "permitted" and "prohibited" materials. All permitted animal-derived fibers can be used and sold via ABOUT YOU, whereas all those prohibited are banned at ABOUT YOU.

#### Must

Requirements labeled with "must" are mandatory for all Business Partners. Documentary Proof of the compliance for each mandatory requirement must be provided by the Business Partner upon request. An internal escalation process for non-compliant Business Partners is established. Non-compliance may result in the review and discussions on the commercial conditions of the supplier relationship up to the extraordinary termination of the business relationship.

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<sup>&</sup>lt;sup>1</sup> Please note that private label suppliers must abide by additional standards and stricter requirements.



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## 1. Purpose and audience

ABOUT YOU Holding SE, ABOUT YOU SE & Co. KG and its affiliates (hereinafter "ABOUT YOU" and "we") assume responsibility for the planet and people to become a more sustainable fashion e-commerce platform of scale. This translates into our commitment to a net positive environmental impact and the management of social risks by acting more ethically, transparently, and responsibly. We collaborate with industry peers and partners, work with existing environmental, social, and governance (ESG) frameworks, and aim for industry alignment.

At ABOUT YOU, we are aware that this is also reflected in the products sold on our e-commerce platform. With this policy ("Animal Welfare Policy"), we assume responsibility on a product-level to promote high animal welfare standards and conserve biodiversity. This Animal Welfare Policy sets the foundation for a compliance framework rendered around good animal welfare practices applying to all related business transactions.

We intend to continuously work with industry experts and animal welfare focused organizations. Moreover, we support research, development, and implementation of animal welfare standards as well as transparency in the supply chains of animal-derived materials. We plan to review this Animal Welfare Policy continuously and update it if necessary.

This Animal Welfare Policy applies to all Business Partners who supply products to us. Excluded from this **Animal Welfare Policy** are all second-hand products offered in our Second Love category.



# 2. General principles for the use of animal-derived materials

For ABOUT YOU, the following standards on animal welfare set out by the <u>World Organisation by Animal Health (WOAH)</u> in their Animal Health Codes<sup>2</sup> and the <u>Farm Animal Welfare Committee (FAWC)</u><sup>3</sup> are at the core of preserving animal welfare:

- 1. Freedom from hunger and thirst
- 2. Freedom from discomfort
- 3. Freedom from pain, injury, and disease
- 4. Freedom to express normal behavior
- 5. Freedom from fear and distress

These standards are substantiated by additional principles. The sale of products with animal-derived materials is generally permitted, however, only in compliance with the following principles without exceptions.

- 1. Animal-derived materials must be by-products from the food industry's farming. No animal shall be caged, bred, or slaughtered solely for the purpose of producing fashion products.
- 2. The sale of products made from wild, exotic, or endangered species is prohibited. All concerned species can be found in the <u>CITES</u><sup>4</sup> and <u>IUCN</u><sup>5</sup> indexes of endangered species.
- 3. The sale of materials from live-plucking, -skinning, etc. is prohibited.
- 4. The sale of material from newborn animals or aborted animals is prohibited.
- 5. Business Partners **must** set up **compliance mechanisms** to be able to trace all animal-derived materials. Upon request, Business Partners are expected to provide traceable information and **Documentary Proof** upon request. In case of compliance violations, we reserve the right to deactivate products from our ecommerce platform.

 $<sup>^{2}</sup>$  WOAH (2022) - Terrestrial Animal Health Code

<sup>&</sup>lt;sup>3</sup> FAWC (2022) - The Farm Animal Welfare Advisory Council

<sup>&</sup>lt;sup>4</sup> CITES (2022) - Checklist of CITES Species

 $<sup>^{\</sup>rm 5}$  IUCN (2022)  $\rm \dot{-}$  The IUCN Red List of threatened species



# 3. Specific principles

#### 3.1. Overview

The following table summarizes Permitted and Prohibited material clusters for Business Partners. Further details can be found below.

Material cluster	Permitted	Prohibited
Wool and hair	Hair and wool of domesticated animals is permitted.  Mohair certified according to RMS or RWS is permitted.	Angora hair is prohibited.  Hair and wool from companion animals are prohibited.  Non-certified mohair is prohibited.  From 2025 onwards: Wool from sheep that mulesing was performed on is prohibited.
Leather and skins	Leather or skin from domesticated animals, such as cattle, pork, goat, sheep, lamb, and salmon, is permitted.	Leather and skin, that was obtained while the animal is still alive, is prohibited.  Exotic skins from wild animals are prohibited.
Fur	Faux fur is permitted if it is clearly labeled as such.	Real fur is prohibited.
Down and feathers	Down or feathers of ducks, geese, and chickens after slaughter are permitted.	Down or feathers from birds plucked alive are prohibited.  Down or feathers from wild animals are prohibited.  Down or feathers from birds from foie gras production are prohibited.  Down or feathers of the gray goose are prohibited.
Corals & shells	-	Any type of corals or shells are prohibited.
Pearls	Cultivated pearls from farms are permitted.	Non-cultivated pearls are prohibited.
Horn & bone	-	Horn and bone of any species are prohibited.

#### 3.2. Wool and hair

The sale of hair and wool of **domesticated animals** (such as sheep, cattle, alpaca and goat) is permitted under the condition that it is a by-product of the food industry.



The sale of **mohair** is only permitted if it is certified according to the <u>Responsible Mohair</u> <u>Standard (RMS)</u><sup>6</sup> or <u>Responsible Wool Standard (RWS)</u><sup>7</sup> on yarn level. The sale of non-certified mohair hair is prohibited.

Wool from sheep that **mulesing** was performed on is not supported by ABOUT YOU and will be prohibited from 2025 onwards. We recognize that moving to mulesing-free wool is a process that some of our Business Partners have not yet completed. From 2025 on, our third-party brand partners must be able to provide **Documentary Proof** that the wool used in products sold to us is mulesing-free. Our private labels have committed to sourcing only mulesing-free wool from private label suppliers in 2022.

The sale of angora hair is prohibited.

The sale of hair and wool from companion animals (such as cats and dogs) is prohibited.

We encourage Business Partners to:

- Source wool that is certified according to the <u>Responsible Wool Standard (RWS)</u> or equivalent
- Source Alpaca wool certified according to the Responsible Alpaca Standard (RAS)<sup>8</sup>
- Source Cashmere that is certified according to the <u>Good Cashmere Standard (GCS)</u><sup>9</sup>
  or equivalent

#### 3.3. Leather and skins

The sale of leather or skin from **domesticated animals**, such as cattle, pork, goat, sheep, lamb, and salmon, is permitted. All leather or skin sold on ABOUT YOU must be a by-product of the food industry's farming.

The use of leather and skin, that was obtained while the animal is still alive, is prohibited.

The sale of **exotic skins from wild animals**, including but not limited to snakes, alligators, or lizards, is prohibited.

#### 3.4. Fur

The sale of real fur is prohibited.

The sale of **faux fur** is only permitted given that it is clearly labeled as such. Products containing faux fur cannot be labeled as more sustainable on our e-commerce platform.

As of May 2022, we are a committed member of the Fur Free Retailer program<sup>10</sup>.

#### 3.5. Down and feathers

The sale of down or feathers after slaughter of ducks, geese, and chickens is permitted.

The sale of down or feathers from birds that were plucked alive is prohibited.

The sale of down or feathers from wild animals is prohibited.

The sale of down or feathers from birds that come from the **foie gras (i.e., force-feeding) production** is prohibited.

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<sup>&</sup>lt;sup>6</sup> Textile Exchange (2022) - Responsible Mohair Standard (RMS)

<sup>&</sup>lt;sup>7</sup> Textile Exchange (2022) - Responsible Wool Standard (RWS)

<sup>8</sup> Textile Exchange (2022) - Responsible Alpaca Standard (RAS)

<sup>&</sup>lt;sup>9</sup> Aid by Trade Foundation (2022) - The Good Cashmere Standard

<sup>&</sup>lt;sup>10</sup> Fur Free Retailer (2022) – Fur Free Retailer



The sale of down or feathers of gray goose is prohibited.

We **encourage** Business Partners to use **recycled down, innovative alternatives** or down that is certified according to the **Responsible Down Standard (RDS)**<sup>11</sup>.

#### 3.6. Corals & shells

The use of any type of corals or shells is prohibited.

#### 3.7. Pearls

Only cultivated pearls from farms are permitted.

#### 3.8. Horn & bone

The use of horn and bone of any species is prohibited.

# 4. Management systems and due diligence

Business Partners are expected to implement the necessary rules and regulations and maintain the appropriate documentation and other suitable processes to ensure compliance with the principles of this Animal Welfare Policy and applicable national and international legislation. This includes an effective monitoring system with clear responsibilities and processes, as well as the appropriate documentation. Monitoring and improving measures are expected to be taken within specified and reasonable timeframes. We reserve the right to obtain more detailed information on the management, monitoring, and auditing systems of its Business Partners.

Business Partners shall establish an appropriate due diligence process for their supply chain. Business Partners must be aware of all plants, locations, and companies in their production network and must be able to provide, upon request, comprehensive and detailed information on the due diligence processes performed in their supply chain. We reserve the right to conduct its own appropriate due diligence on Business Partners and third parties where we believe it necessary to apply its own procedures (such as in the absence of due diligence reports or because of significant findings in the course of due diligence).

The direct Business Partner guarantees that ABOUT YOU itself or independent third parties authorized by us may, if necessary, carry out the verification of compliance with the principles established in accordance with this Animal Welfare Policy at its premises. The Business Partner will designate the workplaces accordingly for this purpose.

If non-compliance is detected, the Business Partner shall be obliged to take appropriate remedial actions without delay. Sufficient time will be granted by us for the remedial actions. Irrespective of whether the direct Business Partner itself or its agents violate the principles established in this policy and corresponding remedial actions are not taken, the right of extraordinary termination of the business relationship by ABOUT YOU remains unaffected and is not restricted hereby.

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<sup>&</sup>lt;sup>11</sup> Textile Exchange (2022) - Responsible Down Standard (RDS)



### 5. Compliance and whistleblowing system

We have established a compliance management system to strengthen compliance, prevent compliance violations and, if they do occur, investigate, and sanction them. Any comments or questions regarding the Animal Welfare Policy may be directed to ABOUT YOU.

In addition, we would like to be informed about illegal behavior in our company to be able to clarify and stop such behavior. We therefore encourage anyone to inform us of any legal violations via our special whistleblowing system at <u>BKMS System</u>. We guarantee that all whistleblowers will be treated confidentially. Our whistleblowing system can also be used anonymously. However, we ask you to set up a mailbox at least under a different name that does not allow any conclusions to be drawn to you, so that We can ask you, if necessary, clarifying questions. Please understand that the whistleblowing system should only be used to report violations of laws, guidelines, policies, or our <u>Code of Conduct</u>. General complaints or product and warranty inquiries will not be processed.

In addition, we expect from our Business Partners to set up their own whistleblowing mechanisms so that violations of the law or of this Animal Welfare Policy can be reported anonymously, while maintaining confidentiality and excluding negative consequences for the whistleblowers.

#### 6. Contact

ABOUT YOU, Domstraße 10, 20095 Hamburg, Germany

Please address questions to

**Buying & Procurement Department** 

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Private Label Department

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