

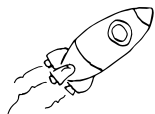


ABOUT YOU[®]

ESG REPORT
FY 2023/2024

ENVIRONMENTAL, SOCIAL, AND
GOVERNANCE (ESG) REPORT
FY 2023/2024

ESG HIGHLIGHTS FY 2023/2024¹



GENERAL DISCLOSURES

- We received new and updated **ESG ratings and scores**, including ISS and CDP.
- We **leveraged our governance structure** by cooperating closely in our ESG matrix organization to advance our key topics and also increased capacities in our sustainability teams.
- We revised our **ESG Due Diligence Framework** to understand, manage, and mitigate our social and environmental risks.
- We advanced our **materiality assessment in line with upcoming regulations** and modified the methodology to double materiality.



PLANET

- We made **progress toward achieving our science-based targets (SBTs)²** by 2025/2026:
 - We reduced Scope 1 and 2 GHG emissions by 73.8% (target: 80.0%).
 - We reduced our private-label Scope 3 GHG emissions per unit of value added by 17.3% (target: 35.3%).
 - We increased the percentage of partners with SBTs to 72.7% (target: 90.0%).³
- We **increased our involvement in FASHION LEAP FOR CLIMATE** to achieve our partner engagement target by enabling our third-party brand partners to set SBTs.
- By the end of FY 2023/2024, **24.6%** of our net revenue came from **more sustainable products**.



PEOPLE

- **49.7% of leadership positions are held by women.**
- **30.4% of tech roles are held by women.**
- Our ambitions to foster a diverse, equitable, and inclusive workplace were honored through the **award of the PRIDE Champion Gold Seal** in the UHLALA Group's PRIDE Index.
- We again achieved **100%** private-label **tier 1 factory supply chain transparency** and **increased tier 2 factory transparency to 96.5%**.
- In net revenue terms, **64.6%** of our third-party brand partners shared **sustainability-related data** with us.



CORPORATE CONDUCT

- **We revised the contents of this chapter** to align with upcoming regulations.
- **Our Animal Welfare Policy forms the foundation for a compliance framework** governing good animal welfare practices.
- **Partnerships are essential** for us to work successfully on sustainability challenges and **work on an equal footing with a long-term focus**.

¹ This ESG Report covers our financial year (FY) from March 1, 2023, to February 29, 2024.

² In this report, science-based targets (SBTs) refer to those that meet Science Based Targets initiative (SBTi) criteria; see more in the **CLIMATE CHANGE** section of the **PLANET** chapter.

³ In this case, there is some uncertainty about our target since we are dependent on our business partners who would be required to set SBTs. Initiatives such as **FASHION LEAP FOR CLIMATE** are being implemented to create industry-wide alignment and increase efforts.

ESG KEY PERFORMANCE INDICATORS

	Unit	2023/2024	2022/2023 ⁴
PLANET			
Reduction in greenhouse gas (GHG) emissions (SBTs)			
Reduction in absolute Scope 1 and 2 emissions from a 2019/2020 base year	%	73.8 ✓	63.0
Reduction in private-label Scope 3 emissions per unit of value added from a 2019/2020 base year	%	17.3 ✓	7.7
Percentage of partners with science-based targets according to SBTi criteria	%	72.7 ✓	54.4
ABOUT YOU's GHG emissions – by scope			
Scope 1 emissions (market-based)	t CO ₂ e	18.2 ✓	52.6
Scope 2 emissions (market-based)	t CO ₂ e	76.6 ✓	81.4
Scope 3 emissions	t CO ₂ e	343,675.3 ✓	468,544.9
Thereof e-commerce operations	t CO ₂ e	37,075.3 ✓	55,203.0
Thereof private-label products	t CO ₂ e	30,052.9 ✓	51,810.3
Thereof third-party products	t CO ₂ e	276,642.0 ✓	361,665.6
Total emissions (Scope 1, 2, 3)	t CO ₂ e	343,770.1 ✓	468,678.9
Emissions' intensity of our e-commerce operations	kg CO ₂ e per order	0.86 ✓	1.20
Climate impact of private-label products			
Tier 1 factories that shared their Higg FEM with us	%	63.6	55.4
Our energy consumption (own premises)			
Total energy consumption	MWh	1,665.4 ✓	1,776.1
Total share of renewables	%	46.4 ✓	46.9
Thereof share of renewable electricity	%	99.6 ✓	99.2

	Unit	2023/2024	2022/2023 ⁴
Our water consumption (own premises)			
Total water consumption	m ³	4,125.3	3,526.6
More sustainable private-label products and sourcing			
Percentage of more sustainable private-label products ordered	%	57.6	31.2
Cotton products with organic or recycled cotton	%	58.4	31.6
Polyester products with recycled polyester	%	55.7	29.4
Viscose products with more sustainable viscose	%	81.1	39.7
Products supporting more responsible leather manufacturing (LWG, chrome-free)	%	77.7	52.3
Percentage of more sustainable third-party products in our core assortment			
Percentage of net revenue	%	24.6 ✓	24.6
Percentage of entire assortment	%	16.3 ✓	15.5
Circularity			
Second-hand products offered (average)		710.053	368.322
Our premises' waste impact			
Waste from premises	t	307.3	340.6
Total packaging	t	11,208.6	14,276.4
Packaging meeting our more sustainable targets	%	85.0	80.2
Destroyed returns as a percentage of inbound products	%	<0.1	<0.1

⁴ The FY 2022/2023 KPIs include restated values for the sections "Reduction in greenhouse gas emissions (SBTs)", "ABOUT YOU's GHG emissions" and "Our energy consumption (own premises)" in the table.

✓ Content marked in this ESG Report with a line in the margin or with a check mark is material information that corresponds to the legally required information pursuant to Section 315b of the German Commercial Code (HGB) to prepare a group non-financial report. We report further details in the section **ABOUT OUR ESG REPORT**.

	Unit	2023/2024	2022/2023 ⁴
PEOPLE			
Our employees			
Total	headcount	1,400 ✓	1,521
Turnover (permanent staff)	%	22.9 ✓	21.7
Women	%	64.3 ✓	65.7
Men	%	35.6 ✓	34.2
Non-binary	%	0.1 ✓	0.1
Women in leadership positions	%	49.7 ✓	51.1
Women in first-level leadership positions	%	37.2 ✓	37.7
Women in tech roles	%	30.4	30.3
International employees	%	31.4	29.6
Number of nationalities		74	77
International employees in leadership positions	%	26.1	21.8
Employee feedback: average Peakon engagement score		7.2	7.5
Employee feedback: average Peakon employee net promoter score (eNPS)		6	19
Participants in live training sessions for employees		2,060	4,312
Voluntary and mandatory courses passed		5,449	6,727
Factories published on the Open Supply Hub			
Tier 1	%	100.0 ✓	100.0
Tier 2	%	96.5 ✓	93.9
Higg BRM engagement with third-party brand partners			
Higg BRM data shared with us (in net revenue terms)	%	64.3 ✓	66.6
Verified Higg BRM data shared with us (in net revenue terms)	%	22.5 ✓	38.5

	Unit	2023/2024	2022/2023 ⁴
RATINGS and SCORES			
ISS		B- (prime status)	C
Sustainalytics		16.2 (low risk)	16.2
CDP		A- (leadership)	A-

The [Institutional Shareholder Services](#) (ISS) Group empowers investors and companies to build long-term and sustainable growth by providing high-quality data, analysis, and information. In FY 2023/2024, we improved our ESG Corporate Rating score to B– from C the previous year and achieved prime status. Our rating ranks in decile 1 (top 10%) of the retail industry (all information as of October 30, 2023).

Another ESG Risk Assessment was conducted by [Morningstar's Sustainalytics](#) in February 2023, and ABOUT YOU received an ESG risk rating score of 16.2. Our ESG risk rating ranks 3/96 in the Sustainalytics Online and Direct Marketing Retail sub-industry (first rank = lowest risk). Under no circumstances should the ESG Risk Assessment be construed as investment advice or an expert opinion as defined by the applicable legislation.

In December 2023, we earned Leadership level (A–) in the [Carbon Disclosure Project](#) (CDP) climate change questionnaire for the second year in a row. On top of that, CDP informed us that, based on our 2023 CDP disclosure, we are among the top 8% assessed for supplier engagement on climate change. CDP added us to the 2023 CDP Supplier Engagement Leaderboard. CDP is a global non-profit organization that runs a global environmental disclosure system for companies, cities, regions, and countries. In 2023, over 23,000 organizations around the world disclosed data through CDP. We are encouraged by our CDP score because environmental disclosure is an important step in addressing current and future risks and opportunities relating to climate change, deforestation, and water insecurity. We will continue to work on our climate roadmap and remain committed to environmental transparency by disclosing our climate impact via CDP.

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GENERAL DISCLOSURES



Co-CEOs: Hannes Wiese, Tarek Müller and Sebastian Betz

LETTER FROM THE CO-CEOS

Since ABOUTYOU's beginnings ten years ago, we have always seen our mission as supporting people to express themselves individually through fashion – of not being afraid to stand up, and being confident, tolerant, and open-minded. We believe in the idea of doing business while reducing negative environmental and social impacts as we take a stand

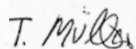
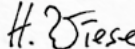
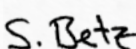
for peace, tolerance, and a healthy planet. This mission has remained unchanged, even though this year confronted us with ongoing macroeconomic challenges such as persistent inflation, higher-for-longer interest rates, and subdued customer sentiment.

We remain determined to achieve our targets and intensify our activities in the ESG field. We progressed on our roadmaps, advanced our ESG reporting practices, and worked on preparing for new and upcoming regulations, while making progress to reduce our own negative impacts. For us, the progress achieved throughout the chapters of this ESG Report is an attestation of how well the company is managing the topics.

A key success factor to integrating sustainability into all decision-making levels in our asset-light business model remains our strong business partnerships with fashion brands, suppliers, logistics partners, industry peers, and others. A high proportion of our key metrics – such as greenhouse gas (GHG) emissions, revenue with more sustainable products, and engagement rates with our partners – are measures of how well we are working with our partners. In the year under review, we spent more time engaging with our partners on our material ESG topics such

as in the [FASHION LEAP FOR CLIMATE](#) initiative. Here, we aligned forces with our e-commerce fashion peers YOOX NET-A-PORTER and Zalando, because we all identified the opportunity to support brand partners in aligning GHG emissions reduction targets with the 1.5°C objective outlined in the Paris Agreement.

Our partnerships continue to present an opportunity to exponentially scale our impact beyond ABOUTYOU's supply chains in all cases where better practices are also implemented in adjacent supply chains. That is why we strive to align our approaches with those of our partners. The foundations here are healthy business relationships built on trust, transparency, and a shared set of values. We are grateful for our partners' progress in FY 2023/2024 as well as their feedback on and support for our ESG strategy. The backing we have received for our ESG strategy is enabling the advancement of more sustainable practices in e-commerce fashion.



 TAREK MÜLLER
 
 HANNES WIESE
 
 SEBASTIAN BETZ

Management Board of ABOUT YOU



LETTER FROM THE HEAD OF CORPORATE SUSTAINABILITY

With this ESG Report, we look back on three years of steep growth in ESG practices. At the same time, we have caught up with selected peers in ESG reporting, KPI-driven management approaches, and ESG rating results by incorporating new topics and raising our work to the next level.

We are writing this report at an inflection point since we shifted our focus to continuity and efficiency in expanding the team and adapting the company's practices to new and emerging regulations in the year under review. Work on compliance requirements – such as the [German Supply Chain Due Diligence Act \(GSCDDA\)](#) , the EU Taxonomy Regulation, and other local legislation in the markets we operate in – took up a higher proportion of our ESG resources in FY 2023/2024.

We also referenced the Corporate Sustainability Reporting Directive (CSRD) in the methodology of our updated materiality assessment, the structure of our report, and the content presented. In this ESG Report, we have once again presented – as simply and as transparently as possible – the respective topics, our management approaches, the evaluation thereof, the progress achieved in all chapters, and our future plans to enable other companies to follow suit. We added a new **GENERAL DISCLOSURES** chapter to highlight our ESG governance structure, our ESG Due Diligence Framework, our reporting controls, and our assessment of material

topics. We changed the structure of our **PLANET** chapter to report progress made per impact, which includes climate change, energy consumption, water and resource use, and the circular economy. In the **PEOPLE** chapter, we advanced our due diligence practices based on our internal work to align with the GSCDDA. Overall, we are convinced that in the year under review, we made progress in reducing our environmental and social impact compared to our baseline scenarios.

Looking ahead, we have set our priorities in the following order: incorporating stricter compliance requirements, achieving our existing targets, and working on selected new topics. The ambitious targets set for the next two years will require us to work hard and initiate interventions to achieve them.

Our ESG efforts over the past financial year would not have been possible without the dedicated work of our internal teams and partners, interaction with our customers and multistakeholder initiatives, and feedback from contributors and challengers. A special word of thanks is due to our stakeholders for their strong support.

MAGNUS DORSCH

Head of Corporate Sustainability
of ABOUT YOU

ABOUT OUR ESG REPORT

ABOUT YOU is a stock corporation (Aktiengesellschaft) organized under European and German law, with its registered office in Hamburg, Germany. ABOUT YOU shares are listed on the Frankfurt Stock Exchange. ABOUT YOU pledges to provide stakeholders with regular and consistent updates on ESG topics by publishing annual progress updates.

The information presented in this ESG Report relates to ABOUT YOU Holding SE ("ABOUT YOU" or "we") and includes its fully consolidated subsidiaries (together with ABOUT YOU referred to as "ABOUT YOU Group"). The scope of this consolidation is the same as for the financial statements in our Annual Report FY 2023/2024. This ESG Report, the third since ABOUT YOU became a publicly listed company, covers the financial year (FY) from March 1, 2023, to February 29, 2024, and is published on the corporate website. The structure of this ESG Report, which is intended to function as a standalone document, is based on the ESG Report FY 2022/2023 and has been prepared with reference to the Global Reporting Initiative (GRI) Sustainability Reporting Standards. Any structural or methodological changes are the result of an initial referencing with the upcoming new Corporate Sustainability Reporting Directive (CSRD).⁵ ABOUT YOU is striving for CSRD compliance in FY 2024/2025.

In this ESG Report, content marked with a line in the margin is material information that corresponds to the legally required information pursuant to Section 315b of the German Commercial Code (HGB) for preparation of a group non-financial report. The group non-financial report is part of this ESG Report, which complies with Section 315c (1) HGB in conjunction with Section 289c HGB. The mandatory description of the business model to which the group non-financial report refers can be found below. The group non-financial report is subject to a limited assurance engagement as seen in the reports of the independent auditor in accordance with ISAE 3000 (revised). The auditor's report is included in the **APPENDIX**. Disclosures for prior years and references to additional information beyond the scope of the group non-financial report, such as external websites, are not subject to the limited assurance procedures for the FY 2023/2024 reporting period.

Since its foundation in May 2014, ABOUT YOU has become one of the fastest-growing online fashion stores in Europe. The ABOUT YOU Group aims to digitize the classic shopping stroll for the young and fashion-conscious Gen Y&Z and creates a particularly inspiring and personalized shopping experience on the smartphone by combining fashion and technology. With the concept of discovery shopping, ABOUT YOU supports customers in expressing themselves individually through fashion. For this purpose, ABOUT YOU offers creative content and exclusive collections

based on its network of influencers and its own products. More than 42 million active users per month can discover more than 700,000 items from more than 4,000 brands⁶ via the aboutyou.com website and the award-winning app. The hybrid model of own inventory (1P) and brand partners' inventory (3P) not only increases customer satisfaction, but also the product range – by providing access to an extended assortment in the 3P model.

Starting from the core markets Germany, Austria, and Switzerland, the international expansion of the ABOUT YOU Group has accelerated. Currently, ABOUT YOU is active in all key markets in Continental Europe and in total ships to around 100 countries worldwide with the help of ABOUT YOU Global Shipping.

As part of its B2B business, ABOUT YOU offers its own technology as a cloud-based software-as-a-service solution to customers through its subsidiary SCAYLE GmbH. SCAYLE is one of the fastest-growing enterprise e-commerce platforms in the world⁷. It provides the technical backbone for more than 200 online stores and was specifically designed for B2C use cases with a strong focus on fashion, lifestyle, and sports sectors. Moreover, ABOUT YOU offers brand or advertising formats and 360° services along the e-commerce value chain.

⁵ A regulation introduced by the European Union and mandatory from FY 2024/2025 onwards.

⁶ Brands available in the online fashion store as of February 29, 2024, excluding second-hand products.

⁷ Gartner (2023), Market Share Analysis Digital Commerce Worldwide 2022.

ESTABLISHING AN EFFECTIVE ESG GOVERNANCE STRUCTURE

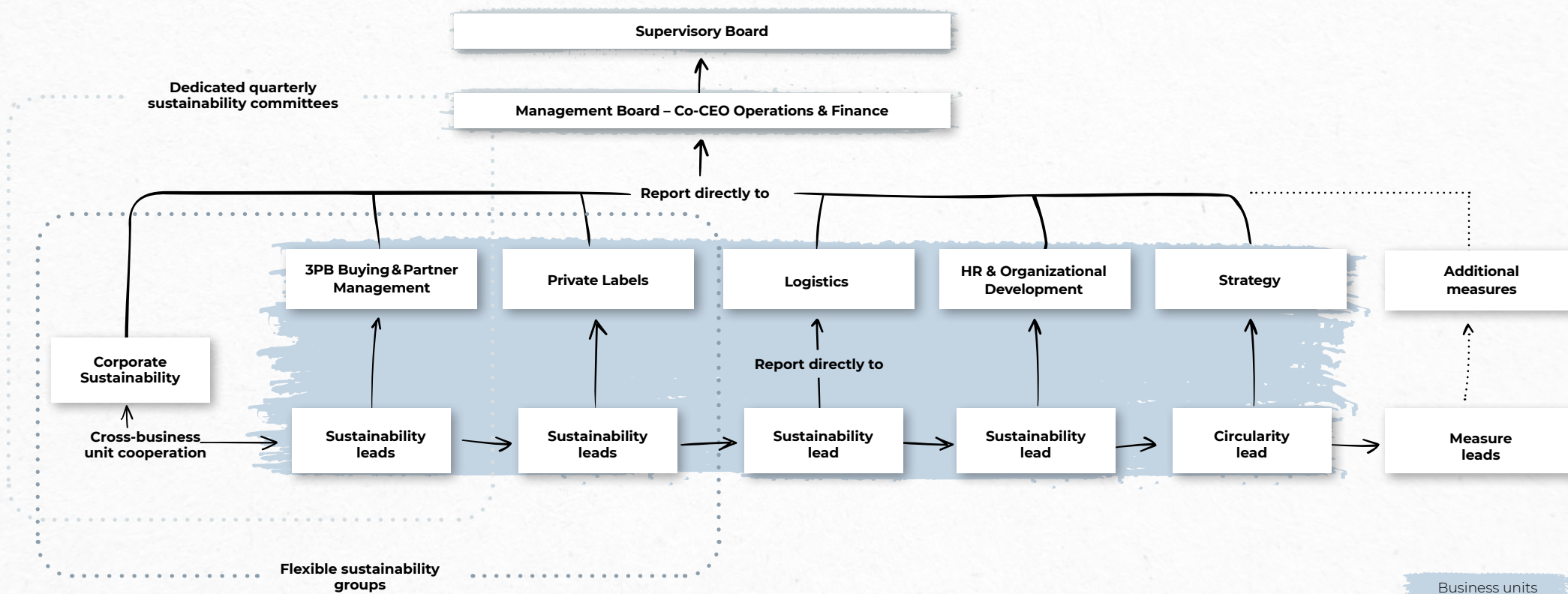
ABOUT YOU's ESG governance set-up makes managing our organization's transition toward more sustainable practices possible. There are three layers to our ESG governance structure in accordance with the respective level of responsibility:

1. Supervisory Board
2. Management Board – Co-CEO
Operations and Finance
3. Corporate Sustainability team,
sustainability leads, and teams in
different business units

ABOUT YOU's Supervisory Board consists of six members and monitors the company's activities, including implementation of our ESG strategy. A detailed description of the composition, characteristics, and additional responsibilities of the Supervisory Board can be found in our Annual Report FY2023/2024, section 2.6.3 "Composition and Functioning of the Management Board and

Supervisory Board". In FY 2023/2024, the Supervisory Board discussed ESG-related topics on receiving information about the implementation of the German Supply Chain Due Diligence Act > (CSCDDA) requirements at ABOUT YOU and adopting the formal resolution of the group non-financial report. The latter is part of the ESG Report and therefore includes material ESG topics. The Supervisory Board's Audit Committee audited the group

Our ESG governance structure



non-financial report (containing ESG topics) in FY 2023/2024 in preparation for the Supervisory Board's decisions on the annual financial statements and consolidated financial statements. A detailed description of the Audit Committee's composition, characteristics, and additional responsibilities can be found in our Annual Report FY 2023/2024, section 2.6.3 "Composition and Functioning of the Management Board and Supervisory Board". Details of the consideration given to sustainability aspects in remuneration policies and incentive schemes for ABOUT YOU's Management and Supervisory Boards can be found in the Remuneration Report FY 2023/2024 on our Investor Relations website under [Governance](#) >.

The highest level of responsibility for overseeing the execution of ESG-related topics lies with the Co-CEO Operations and Finance, who is a member of the Management Board. Its composition, characteristics, and responsibilities are described in detail in our Annual Report FY 2023/2024, section 2.6.3 "Composition and Functioning of the Management Board and Supervisory Board". Our Corporate Sustainability team reports directly to the Co-CEO Operations and Finance, whose responsibilities include overseeing and managing ABOUT YOU's sustainability impacts, risks (including climate-related transition risks), and opportunities (as laid out in this ESG Report), diversity initiatives, and supply chain management.

The key ESG-related decisions in FY 2023/2024 were as follows:

1. Overseeing an implementation project for new ESG due diligence practices to align with the GSCDDA's new compliance requirements
2. Decisions taken by the quarterly sustainability committees such as updating targets, recalibrating measures to reach high priority targets, and evolving [FASHION LEAP FOR CLIMATE](#) >
3. Increasing the capacity and approving the restructuring of the sustainability teams

Throughout the reporting year, the Co-CEO Operations and Finance and our sustainability and business unit leads met quarterly in sustainability committees to discuss KPIs, assess new opportunities, take management decisions, and clarify roles and responsibilities. Our Corporate Sustainability team facilitated this process by organizing and preparing the meetings. The Corporate Sustainability team is responsible for ABOUT YOU's ESG strategy with the goal of reducing material impacts by transitioning core areas of our business. This ESG strategy aims to achieve this goal through aligning roadmaps internally and defining sets of measures and key performance indicators (KPIs). The roadmaps include future measures and KPIs we are planning to integrate into our reporting. Our measures have

relevant time-bound targets with specific outcomes. Our KPIs reflect medium- to long-term developments toward internally agreed targets and help us monitor the development of core business processes such as the composition of our assortment. Progress on these measures and KPIs is monitored at monthly, quarterly, six-monthly, or annual intervals.

Our ESG strategy can be broken down into five steps:

1. Learning what our material topics are and increasing our understanding of the ESG topics that we should be working on as a company
2. Developing management approaches for each of the topics, which are then expressed in further detail through establishing KPIs and deriving measures by identifying, adapting, and prioritizing impacts, risks, and opportunities with sustainability leads
3. Utilizing the KPIs and measures to monitor and initiate progress in our business units and with partners
4. Calibrating our ESG governance structure and resources
5. Sharing progress made and what we have learned in the ESG Report

For some topics, such as managing climate impacts based on company-wide datasets or the ESG Due Diligence Framework, which is essentially a company-wide framework, the Corporate Sustainability team leads the work to derive KPIs, targets, and actions, while tracking their effectiveness. Working in alignment with sustainability leads continues to be an essential success factor. The Corporate Sustainability team supports the business units through guidance and structure, aligning on roadmaps and capacities, calibrating our ESG strategy, and ensuring continuity and consistency in our progress and reporting.

In FY 2023/2024, we increased our capacities across several ESG-related functions. In the Corporate Sustainability team, we created the new role of the Human Rights and Environmental Officer to adhere to the GSCDDA. The role's key responsibility is to monitor internal ESG risk management, structures, and measures. Additionally, we established roles with functional expertise for climate, energy and environmental topics, ESG reporting, and due diligence, as well as increasing the sustainability capacities in our Buying and Partner Management teams. Furthermore, we formalized and advanced collaboration between the Corporate Sustainability, Legal & Compliance teams, and the Risk and Control function.

Reporting is an essential part of our ESG strategy and serves three purposes: presenting our approach, position, and what we have learned; giving us structure; and serving as a retrospective tool to identify what worked well, what needs to be improved, and what we need to do more of.

The sustainability leads manage the work on ESG topics – for example by formulating new policies or scorecards, engaging with business partners, or increasing transparency. They also track the respective KPIs and develop roadmaps to drive the transition within their business unit. Moreover, after creating KPI dashboards, the sustainability leads make them available to the teams and integrate sustainability aspects into the relevant tools so each team can track the progress made. In FY 2023/2024, the sustainability leads also provided each business unit's employees with resources and training, such as an introduction to sustainability topics and onboarding measures.

In the year under review, our sustainability leads, Corporate Sustainability team, and other teams met in flexible groups to advance the company in overriding topics such as:

1. Implementing new human rights and environmental due diligence practices
2. Auditing ABOUT YOU in accordance with textile standards, ESG Reporting, and verification of material information therein
3. Improving sustainability-related product level data


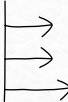








Appointed sustainability champions work in our more advanced business units. Their role is to raise sustainability awareness and knowledge, bring the sustainability perspective to discussions and decisions, and contribute to sustainability projects through both know-how and best practices. In FY 2023/2024, the champions focused on streamlining communications between the Buying and Partner Management Sustainability leads and the respective teams and made progress toward becoming sustainability experts in their teams.

OUR ESG DUE DILIGENCE FRAMEWORK

We recognize that people are the key to our everyday success. We are aware of our responsibility for the fair and considerate treatment of everyone connected to our business – whether they are working at ABOUT YOU, for our direct business partners in warehouses or call centers, or contributing to our value chain. We also recognize that our

business models rely on ecosystem services, the many and varied benefits provided by the natural environment, and healthy ecosystems such as crop pollination and the provision of clean drinking water. We are fully aware of our responsibility to reduce our environmental impact on areas such as climate change, pollution, water and marine resources, biodiversity, and ecosystems.

ABOUT YOU's value chain

Raw materials	Processing	Material & component production	Product manufacturing	Transportation	Warehousing	Delivery to customers (& returns)	Operating our online fashion store	Customer use	End of use
									
Tier 4	Tier 3	Tier 2	Tier 1 (+ agencies)						
<ul style="list-style-type: none"> • Farms • Ranches • Forestry • Resource extraction (recycled collection) 	<ul style="list-style-type: none"> • Fibers • Yarn spinning • Down/hide finishing • Plastic pellet creation 	<ul style="list-style-type: none"> • Yarn formation • Textile formation • Coloring & finishing • Parts & trims • Tanning 	<ul style="list-style-type: none"> • Product assembly • Garment preparation & coloration • Garment printing • Garment washing & finishing 	<ul style="list-style-type: none"> • Inbound transport (by sea, truck, air, train) to warehouses from external warehouses or production sites 	<ul style="list-style-type: none"> • Incoming goods • Product packaging & shipment • Returns processing 	<ul style="list-style-type: none"> • Product delivery to customers • Product returns from customers • Product delivery & returns in our drop shipping model 	<ul style="list-style-type: none"> • Private-label product design & procurement • Third-party product purchasing • Drop shipping and fulfillment by ABOUT YOU (FbAY) model operations • Marketing, content creation, branding • Customer service • Operating our premises 	<ul style="list-style-type: none"> • Usage during life time (incl. washing, repairs) 	<ul style="list-style-type: none"> • Disposal or reuse

Note: simplified illustration

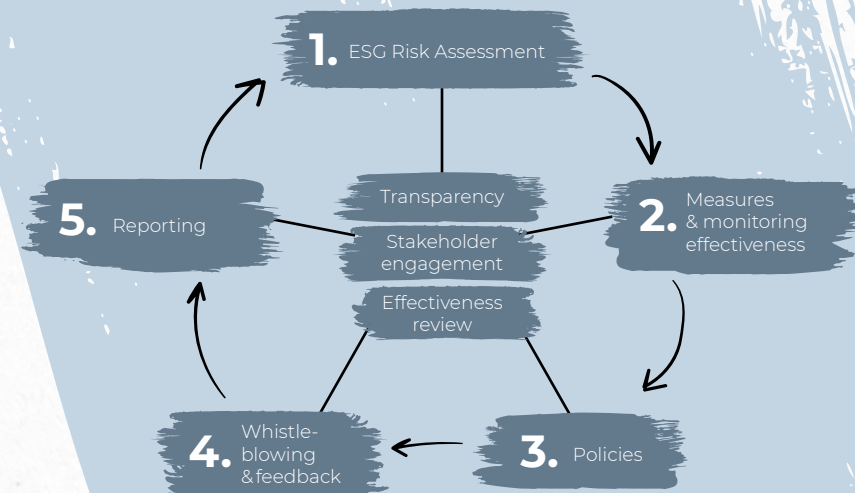
To fulfill this responsibility, we established an ESG Due Diligence Framework with the aim of understanding, effectively managing, and mitigating our social and environmental risks. Responsibility for this lies with the Corporate Sustainability and Legal & Compliance teams. The [GSCDDA](#), the [Organisation for Economic Cooperation and Development \(OECD\) Guidelines for Multinational Enterprises](#), the [OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#), the [UN Guiding Principles on Business and Human Rights](#), the [International Labour Organization's Declaration on Fundamental Principles and Rights at Work \(2022 amendment\)](#) form the basis of our ESG Due Diligence Framework, which includes our policies that we report on a few pages further on. By incorporating industry-wide good practices, we can proactively prepare for upcoming legislation under the assumption that any regulations will be based on multinational framework agreements.

Our ESG Due Diligence Framework has proven effective in providing the structure needed to achieve our goals and reduce complexity for the entire organization. Transparency, stakeholder engagement, and effectiveness reviews are the core elements of this five-dimensional framework. Transparency is the precondition for everything else. Stakeholder engagement enables us to check how well we are performing. Effectiveness reviews are conducted through internal control mechanisms, third-party reviews, and external audits.

In practical terms, we operate our ESG Due Diligence Framework in five stages:

1. Continuously evaluating social and environmental risks via our ESG Risk Assessment and gradually improving our assessment as a basis for prioritization
2. Deriving dedicated preventive and remedial measures across our organization and monitoring their effectiveness to reach specified outcomes, including engaging with our employees, direct business partners, and value chain
3. Setting up policies to formulate what we expect of stakeholders
4. Providing access to whistleblowing channels
5. Documenting everything we do and reporting our progress regularly through our annual ESG Report and a report to Germany's Federal Office of Economics and Export Control (BAFA)

Our ESG Due Diligence Framework



Our ESG Risk Assessment is conducted annually and focuses on environmental and social risks from the perspective of rights' holders in our value chain. In FY 2023/2024, we reworked our ESG Risk Assessment methodology by incorporating the GSCDDA's requirements. In all, nine social risk areas and four environmental risk areas were assessed. The scope of the assessment covered our own business operations, direct suppliers, and, if there was substantiated knowledge, indirect suppliers as well.

Social risk areas

1. Child labor ⁸	6. Wages ⁸
2. Forced labor ⁸	7. Working hours & decent work ⁹
3. Health & safety ⁸	8. Land rights ⁸
4. Freedom of association & collective bargaining ⁸	9. Use of private or public security forces ⁸
5. Discrimination ⁸	

Environmental risk areas

1. Air, water & soil pollution¹⁰
2. Climate change⁹
3. Waste, including hazardous substances¹¹
4. Biodiversity, ecosystems & deforestation⁹

Our ESG Risk Assessment methodology is based on publications relating to the GSCDDA and guidelines provided by the BAFA [▶](#) as the competent authority, the OECD [Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#) [▶](#), the UN [Guiding Principles on Business and Human Rights](#) [▶](#), and the German [Global Compact Network](#) [▶](#). We assessed the risk of violating the protected legal positions of those directly affected and the environment based on location, activity, and sales data following a specific five-step process outlined below:

1. We conducted a risk assessment for the 13 risk areas based on an overlap and gap analysis of the frameworks listed above and referring to the most recent draft of the Corporate Sustainability Due Diligence Directive (CSDDD), the most recent version of the Cascale¹² [Higg Brand and Retail Module](#) [▶](#) (Higg BRM), and our previous ESG Risk Assessment.

2. We went on to determine the boundaries of our assessment by collecting countries in which we, our direct business partners, or indirect suppliers in our value chain (up to tier 1) operate, and based that on the available location data and assessing what product and services groups we procure and the total purchasing cost thereof.

3. In line with our methodology, we mapped the product group and country data for our products and services along with the related risk areas to assess the risk exposure of each product group and country (and the combination of the two) per risk area. We mainly worked with risk data from the [Maatschappelijk Verantwoord Ondernemen \(MVO\) Corporate Social Responsibility \(CSR\) Risk Check](#) [▶](#) and filled any data gaps from established data sources such as the [Environmental Performance Index \(EPI\) by Yale](#) [▶](#) and the [World Resources Institute's \(WRI\) Aqueduct Water Risk Atlas](#) [▶](#), or reports from NGOs such as [INKOTA](#) [▶](#), [Südwind e.V.](#) [▶](#), and [Fair Wear Foundation](#) [▶](#). Each risk input was then evaluated on the basis of cause contribution, severity (extent, scope, irreversibility), and likelihood of occurrence to derive a risk score specific to each country, product group, or combination of the two. This step concluded our abstract risk assessment resulting in gross-risk values.

⁸ These risk areas are covered by the GSCDDA.

⁹ We included these risk areas to align with further requirements.

¹⁰ The risk area "Air, water, and soil pollution" is covered by the GSCDDA through "Destruction of the natural basis of life through environmental pollution."

¹¹ Waste, including hazardous substances, is covered by the GSCDDA through three distinct rights, namely "Violation of a prohibition resulting from the Minamata Convention," "Violation of the prohibition of production and/or use of substances within the scope of the Stockholm Convention (persistent organic pollutants, POPs) as well as non-environmentally sound handling of wastes containing POPs," and "Violation of the ban on the import and export of hazardous waste as defined by the Basel Convention."

¹² Formerly the Sustainable Apparel Coalition (SAC).

4. To prioritize our high-risk business partners, we combined a long list of direct business partners (including their three risk scores) with further internal data on purchasing cost and presumed influence on business partners based on business unit input. As a result, we prioritized high-risk direct business partners for our concrete risk assessment and included their value-chain data in our assessment because we had learned that additional risks might be prevalent there.

5. Our concrete risk assessment allows for a more thorough risk assessment at a business partner and value-chain level (up to tier 1). Our starting points were the step 4 high-risk business partners and the step 3 gross-risk values. During this step, we added internally available information that had previously been collected via audits, grievance channels, and additional sources such as the Higg BRM data shared with us by third-party brand partners. We also collected additional data via self-assessment questionnaires from direct business partners. From our gross-risk score, we utilized the said information, regarding it as mitigating in all cases where we could find evidence for risk-mitigating practices on the supplier's part or as impact-increasing where we came across negative questionnaire responses, grievance reports, or audit findings, and

then applied a weighting (such as audit = high, signed contract provisions = low). We used the resulting net-risk score to derive preventive measures and tracked their outcomes. If specific violations had been classified as occurring or likely to occur (in particular through the control measures), remedial measures were immediately initiated and their outcomes tracked as well.



To assess ESG risks, we mapped our internally available primary data with secondary data from recommended sources.

Internally available primary data

We collected relevant internal data throughout the entire risk assessment process, most importantly for the abstract risk assessment:

- All entities in scope, their associated headcount, and all locations we operate in
- Billing addresses of locations our direct business partners operate in and tier 1 supply chain locations by country of high-risk suppliers
- All products and services we procured

For prioritization:

- Total purchasing cost and influence on suppliers based on relative purchasing power, market dominance, and presumed influence based on past collaboration

For the concrete risk assessment:

- Substantiated knowledge on control measures such as recently conducted audits, grievance cases, self-assessment questionnaires, etc.

Secondary data on environmental and social risk areas

We connected the following social risk areas with data from recommended sources.¹³

- Child labor; forced labor; health and safety; freedom of association and collective bargaining; discrimination; wages; working hours and decent work; land rights; use of private or public security forces


We connected the following environmental risk areas with data from recommended sources.¹⁴

- Air, water and soil pollution; climate change; waste, including hazardous substances; biodiversity, ecosystems, and deforestation

As part of the regularly recurring risk analysis performance check, findings from the processing of complaints from the complaints procedure are also taken into account.

We elaborate in more detail on our ESG due diligence practices, such as how we set up preventive and remedial measures and how we evaluate their effectiveness, and report our progress in the respective chapters below – see, for instance, **OUR EMPLOYEES**.

In our view, responsible corporate governance also involves providing feedback channels to assure compliance with legal requirements, our own policies, and ethical standards (including general human rights). To prevent, investigate, remedy, and sanction any compliance violations, we have a group-wide whistleblowing system in place through which our own workforce, workers in the value chain, affected communities, customers, end-users, or any other parties can contact us. Whistleblowers can either directly contact our Legal &

Compliance team or make use of the specific third-party whistleblowing system, and remain anonymous, if requested. All complaints are registered in an electronic system to ensure no data is lost and are handled in a confidential manner through the entire process. In December 2023, we published a new process description for our complaints' procedure, which is available on [our corporate web-site](#) . With that, we also updated internal processes and clarified responsibilities, including steps such as developing preventive or remedial measures with internal stakeholders as the result of a complaint. Since January 2024, whistleblowers have been able to select social and/or environmental categories when filing a report. Whistleblowers are regularly updated on the progress of their respective case. As our supplier structure changed following the update of our risk assessment methodology, we plan to add five new translations in local languages based on an accumulation of suppliers per country. Since February 2024, we have been offering ten additional languages¹⁵ (besides the company languages German and English) in our whistleblowing tool.

The need for open debate, with employees being able to actively engage, raise concerns, or report compliance breaches, is an essential part of our corporate culture. We underline this by promising to protect anyone who reports an incident in good faith from any negative consequences or discrimination. Moreover, we communicate our whistleblowing program to employees via our intranet and

¹³ MVO CSR Risk Check (2023), INKOTA (2022) - How do companies fulfill their responsibility for human rights in the global supply chain of leather (goods) and footwear?, Südwind e.V. (2023) – BITTE WENDEN! Menschenrechtliche Risiken in der Transport- und Logistikbranche, Fair Wear Foundation (2020) – Fair Working Hours Guide.

¹⁴ MVO CSR Risk Check (2023), Yale (2023) – Environmental Performance Index, World Resources Institute (2023) – Aqueduct Water Risk Atlas.

¹⁵ Bulgarian, Simplified Chinese, Czech, French, Greek, Hindi, Polish, Portuguese, Slovenian, Turkish.

the publicly accessible corporate website during regular training sessions – for instance, as part of our employee onboarding and through internal emails.

We have four core policies in place: the [Culture Booklet](#), the [Human Rights and Environmental Policy](#), the [Business Code of Ethics](#), and the [Business Code of Conduct](#). Our Culture Booklet is a hands-on internal document that presents our mission, our vision, and the relevant aspects of our desired company culture.

Our [Human Rights and Environmental Policy](#) sets out the overarching principles for respecting and managing human rights and environmental due diligence, which are embedded in our operating standards and management practices. Specifically, this relates to how we conduct our ESG Risk Assessment, how we develop preventive and remedial measures and control their effectiveness, which processes we have set up for rights' holders to report grievances, and how we report publicly. This [Human Rights and Environmental Policy](#) has introduced a new training concept consisting of general human rights and environmental due diligence training for all employees, and a more thorough one for our Buying, Sourcing, and Procurement teams.

Our [Business Code of Ethics](#) sets out our expectations and core values, provides guidelines on how we would like to do business, and forms the basis for all company policies. These

core values include integrity in how we do business with a clear commitment to responsible purchasing practices in order to mitigate any negative working conditions in our value chain, how we treat each other, and how we handle information. The Business Code of Ethics is intended to form the basis of all our employees' actions and requires all our employees to comply with relevant legislation and company policies, including anti-corruption measures, anti-trust regulations, data protection standards, and insider trading laws. As our Business Code of Ethics and Culture Booklet are both integral parts of our onboarding process, they are shared with each new employee and are also part of their annual training program.

Our [Business Code of Conduct](#) is the cornerstone of responsible corporate governance at ABOUT YOU. It sets out the minimum standards to which business partners who produce goods or provide services for us must adhere. Our Business Code of Conduct is based on the [amfori Business Social Compliance \(BSCI\) Code of Conduct](#) (as per December 2021). In FY 2023/2024, we updated our Business Code of Conduct and supplemented it to include, among other things, additional risk areas such as unlawful eviction and land deprivation, use of security forces and other serious human rights violations, and any additional environmental violations.

All our business partners are required to accept these standards and undertake to comply with the applicable laws and regulations. Our Business Code of Conduct makes it perfectly clear that any form of corruption – and, in particular, extortion, fraud, or bribery – is unacceptable. It also includes requirements on the minimum wages to be paid throughout our value chain.

Following their co-development by in-house teams led by our Legal & Compliance team, all four core policies were approved by our Co-CEOs, who remain accountable for their implementation. We regularly review and update our policies to reflect industry good practices. All four core policies were made available to employees via our intranet and have been published on our corporate website.

INCREASING ACCURACY THROUGH ESG REPORT CONTROLS

In FY 2023/2024, we again applied controls on our ESG reporting processes, which we set up in FY 2022/2023 to increase the accuracy of our reporting. Our controls are in line with our Group-wide financial Internal Control System (ICS), which is based on the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework. All KPIs relating to material content in the ESG Report are covered by controls. We established roles and responsibilities in our operating business units, documented reporting processes via flowcharts, and documented data sources. Our controls are based on data input and data processing risks, including manual data processing, mistakes in data queries, filters or formulas, and working with estimates to close data gaps. We did not prioritize the collected risks but treated them as equally important and consequently attempted to derive control measures for all of them. Based on the risks determined, we implemented controls on all input data we work with and on all our own data processing. These controls include reviews according to the dual control principle, reviewing data queries, and cross-checking reference data. Following an evaluation of our risks and controls, we derived measures that will reduce risks in the future by automating and standardizing reporting processes as well as streamlining our data structure. Our goal is to enhance the reliability of our reporting processes and align with our corporate governance processes, as outlined in our Annual Report FY 2023/2024, section 2.5, Risk Management.

OUR MATERIALITY ASSESSMENT

The purpose of our materiality assessment is to identify our material ESG topics. The materiality assessment on which this report is based took place between October and December 2023. We gave due consideration to the upcoming Corporate Sustainability Reporting Directive (CSRD) and modified the methodology used in order to be in line with its requirements. The determination of materiality was changed from the three dimensions of impact of our business, impact on our financial position, and impact from a holistic stakeholder perspective to the first two dimensions of impact of our business (materiality of impact) and impact on our financial position (financial materiality). For impact materiality we evaluate ABOUT YOU's negative or positive actual and potential impacts on people and the environment. For financial materiality, we evaluate ABOUT YOU's sustainability-related financial risks and opportunities. The Corporate Sustainability team is responsible for executing the applied methodology (including thresholds) and based its decisions conjointly after considering feedback from an audit-related consultancy. For the impact materiality assessment, the Corporate Sustainability team closely aligned with various experts representing different stakeholders inside and outside our organization. Decisions on the evaluation of impacts were taken in alignment with them. To check that the method had been applied correctly, we established a review procedure according to the dual control principle as an internal control mechanism.

To conduct the materiality assessment, we applied a four-step approach:

1. Deriving requirements from the CSRD and adapting our methodology
2. Identifying impacts, risks, and opportunities
3. Assessing impacts, risks, and opportunities
4. Consolidating results and identifying material impacts, risks, and opportunities

1. We derived the requirements for the double materiality assessment, consideration of stakeholder perspectives, and the ESG topics included. One outcome was that we adjusted our previous topics from the ESG Report FY 2022/2023 and included additional topics.¹⁶ We defined the basics for the assessment, e.g., scales and calculation methods. For impact materiality, we defined the scales for “scale”, “scope”, “remediability”, and “likelihood” based on similar scales applied in related internal assessments such as our ESG Risk Assessment. For financial materiality, we defined the scale for “financial effect” based on our Risk Management System (RMS).¹⁷ We defined methods to calculate the “aggregated impact”¹⁸ for each impact and the “aggregated financial value” for each risk and opportunity. The “aggregated impact” determines if an impact is material and the “aggregated financial value” determines if a risk or opportunity is material. We decided that all aggregated evaluations equal or above the threshold of three would be regarded as material.

2. To identify impacts and assess impact materiality, we reviewed our ESG Report 2022/2023, internal assessments, and researched external sources such as the ones mentioned in this report. While identifying impacts, we did not focus on any specific factors, such as high-risk production countries, but included these aspects when assessing the impacts. We also included

impacts not directly caused by our own operations, but that occur in our value chain and business relationships. These impacts refer to tier 1–4 suppliers and our logistic partners. To identify risks and opportunities and assess financial materiality, the data sources we mainly used were our RMS and climate risk assessment. We closed any data gaps through our research of external sources. We are aware that some of our impacts cause risks and opportunities and have also taken account of these dependencies – for example, by including risks arising from our impacts on the climate.

3. To assess impact materiality, the Corporate Sustainability team conducted a preliminary assessment of the identified impacts, which was then reviewed and discussed in the team. Subsequently, the Corporate Sustainability team asked various colleagues to review the preliminary assessment from different stakeholder perspectives, such as public authorities or workers in the value chain. Affected stakeholders or external experts were not directly consulted. The Corporate Sustainability team then collected and reviewed the feedback. Where reasonable, adjustments were evaluated and made. In some cases, a direct alignment was conducted with colleagues. To assess financial materiality, the Corporate Sustainability team reconciled the identified risks and opportunities’ data from the RMS and the

climate risk assessment for all risks and opportunities identified from these sources. External sources were taken into account to assess newly identified risks and opportunities.

4. Finally, we aggregated the results, clustered impacts, risks, and opportunities to form topics, derived the material topics equal to or above the defined threshold, and illustrated the results as a matrix. In FY 2023/2024, eight of the 26 topics were classified as material corresponding to the legally required information pursuant to [Section 315b of the German Commercial Code](#) (HGB) to prepare a group non-financial report. The table shows how they cover aspects of Germany’s Non-financial Reporting Directive Implementation Act (CSR-RUG) and where they are included in this report.

¹⁶ Topics are based on European Sustainability Reporting Standards (ESRS) 1 AR16.

¹⁷ Details on scales for impact and financial materiality can be found in the **APPENDIX**. We report on our RMS in our Annual Report FY 2023/2024, section 2.5, Risk Management.

¹⁸ Aggregated negative impact equals the sum of scale, scope, and remediability divided by three and multiplied by likelihood. Aggregated positive impact equals the sum of scale and scope divided by two and multiplied by likelihood. Aggregated financial value equals the financial effect multiplied by likelihood. More details are included in the **APPENDIX**.

The change in methodology applied meant that some topics that had been assessed as material the year before were no longer assessed as material (e.g. the health and safety of ABOUT YOU's own workforce). During the last reporting period, however, progress was achieved within our organization and some of our external stakeholders (e.g. ESG analysts, NGOs, and multi-stakeholder initiatives), are constantly asking us to publicly report specific topics, which we had done the

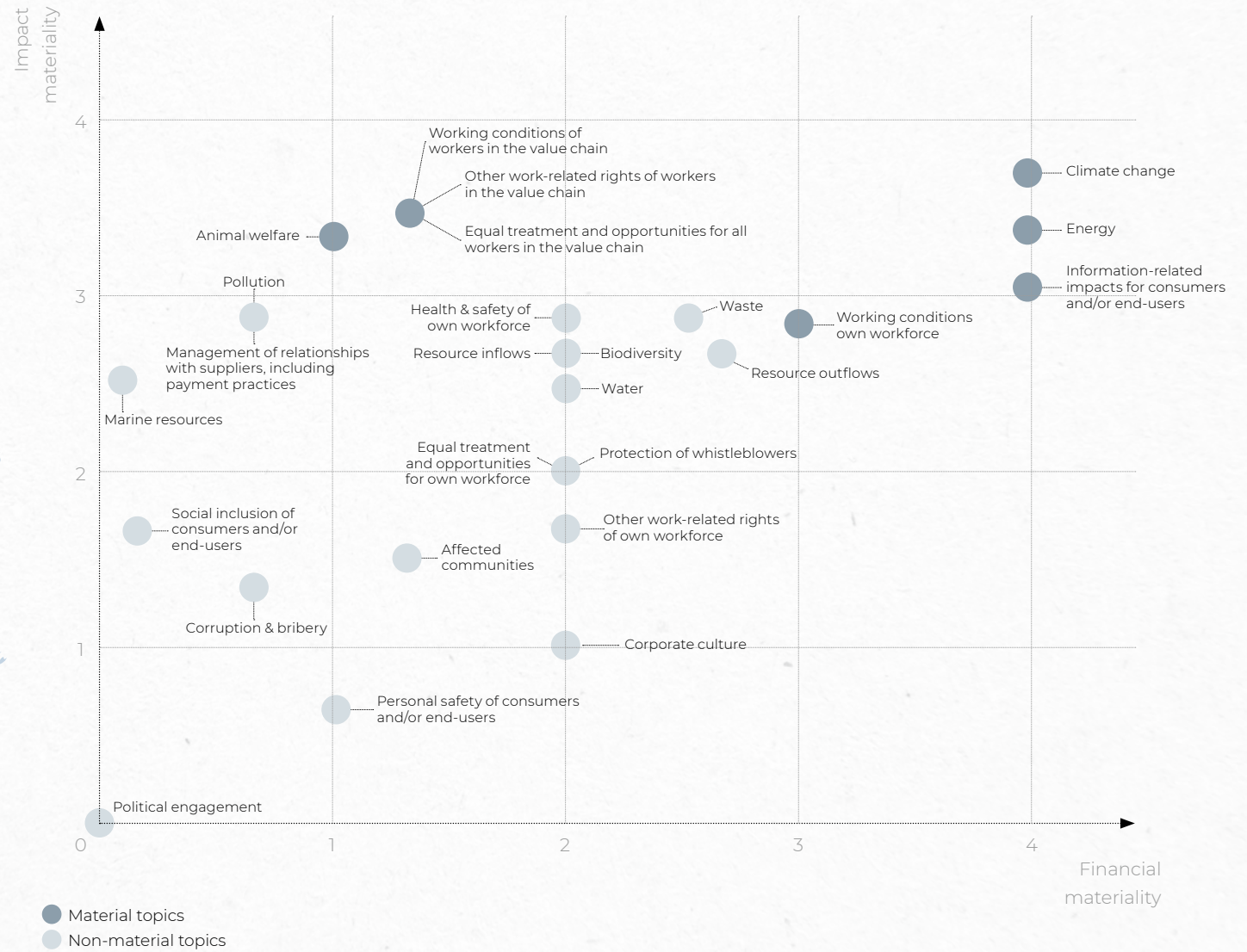
previous year. ESG work requires consistency and continuity to make noticeable advancements. In FY 2023/2024 and during the transition period to the new CSRD requirements, we continued and will continue to report on material and non-material topics so as not to jeopardize the progress made. We separate material and non-material content with a line in the margin. We will review our materiality assessment annually to include any changes and make any necessary adjustments.

Aspects of section 289c HGB and material topics

Aspect of Section 289c HGB	Material topics	Covered in
Environmental matters	<ul style="list-style-type: none"> Climate change Energy 	<ul style="list-style-type: none"> PLANET: CLIMATE CHANGE PLANET: ENERGY CONSUMPTION
Employee matters	<ul style="list-style-type: none"> Working conditions for own workforce 	<ul style="list-style-type: none"> PEOPLE: Creating a fair and friendly work environment for our own employees
Social matters	<ul style="list-style-type: none"> Information-related impacts for consumers and/or end-users 	<ul style="list-style-type: none"> PEOPLE: Enabling customers to make more sustainable choices through sustainability labeling
Human rights	<ul style="list-style-type: none"> Working conditions of workers in the value chain Equal treatment and opportunities of workers in the value chain Other work-related rights of workers in the value chain 	<ul style="list-style-type: none"> PEOPLE: WORKERS IN OUR VALUE CHAIN
Anti-corruption	<ul style="list-style-type: none"> Corruption and bribery (not identified as material) 	<ul style="list-style-type: none"> GENERAL DISCLOSURES: OUR ESG DUE DILIGENCE FRAMEWORK
Specific to ABOUT YOU	<ul style="list-style-type: none"> Animal welfare 	<ul style="list-style-type: none"> CORPORATE CONDUCT: ANIMAL WELFARE



Our FY 2023/2024 materiality assessment results



2 PLANET

CLIMATE CHANGE

Greenhouse gas (GHG) emissions from the fashion industry account for 3–10% of global GHG emissions.¹⁹ In this context, the Apparel Impact Institute estimates that Tier 2 – Material Production is the apparel value-chain segment that contributes most to value-chain emissions.²⁰ A key message from the recent Intergovernmental Panel on Climate Change (IPCC) Special Report is the urgency to mitigate GHG emissions to avoid rapid and potentially irreversible changes in natural and human systems.²¹

To better understand the resulting risks and opportunities for ABOUT YOU, in FY 2023/2024 we assessed climate risks and opportunities by means of our climate risk assessment process, which was set up with reference to the guidance provided by the Task Force on Climate-Related Financial Disclosures (TCFD) and Carbon Disclosure Project (CDP). Our methodology includes short-, medium-, and long-term time horizons, two normative scenarios – International Energy Agency Net Zero Emissions (IEA NZE) by 2050 as 1.5° scenario and IPCC's Representative Concentration Pathway (RCP) 8.5 as a business-as-usual scenario – to enable us to understand the impact on our business under each of the scenarios, a quantitative model, and alignment with the scope of this ESG Report. We included the results of this assessment in our materiality assessment. In FY 2024/2025, we intend to work on further integrating the assessment

into our corporate processes and to subsequently publish the results.

In addition to our own efforts, our fashion and e-commerce business partners are taking steps to reduce their environmental impact. While progress has been made in aligning with the Paris Agreement's 1.5°C target for limiting global warming caused by GHG emissions and the necessary reduction trajectories, our data show that the momentum of leading companies has to scale across the entire fashion industry's efforts to achieve a timely reduction of the climate impact.

To manage and reduce our climate impact, we follow a three-step approach:

1. Continuously measuring our impact and gradually improving our analysis – “you can only manage what you measure”
2. Setting targets, reducing our impact, and coordinating improvements in cooperation with our business partners
3. Sharing our progress and what we have learned in the ESG Report

Setting science-based targets to align with the 1.5°C reduction pathway

Our science-based targets (SBTs) were set in 2021 and approved by the [Science-Based Targets initiative \(SBTi\)](#). As the SBTi methodology focuses on reducing GHG emissions, we do not count offset emissions as progress toward our targets detailed below.

The SBTi is a multistakeholder initiative from the Carbon Disclosure Project, UN Global Compact, World Resource Institute, and World Wide Fund for Nature. The SBTi works with companies to set ambitious targets to reduce GHG emissions in line with the 1.5°C pathway outlined in the Paris Agreement. That over 7,400 companies were signed up and more than 4,500 companies had their targets approved as of February 2024 is evidence of industry-changing momentum.

¹⁹ McKinsey & Company and Global Fashion Agenda (2020) – Fashion on Climate.

²⁰ World Resources Institute (2021) – Roadmap to Net-Zero: Delivering Science-based Targets in the Apparel Sector.

²¹ IPCC, 2018b (2018) – Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty.

In FY 2023/2024, we almost achieved our second target of sourcing 100% renewable electricity. We are proud of the progress on our fourth target, as 72.7% of our partners have now set SBTs. Among other things, we attribute this success to our efforts in [FASH-ION LEAP FOR CLIMATE](#) >.

In December 2023, the SBTi published new guidelines on forest, land, and agriculture (FLAG) emissions. As some of the material components in our products are of natural origin, we are planning to analyze our share of FLAG emissions in FY 2024/2025 to comply with the SBTi requirements and gain a more in-depth understanding of our emissions.

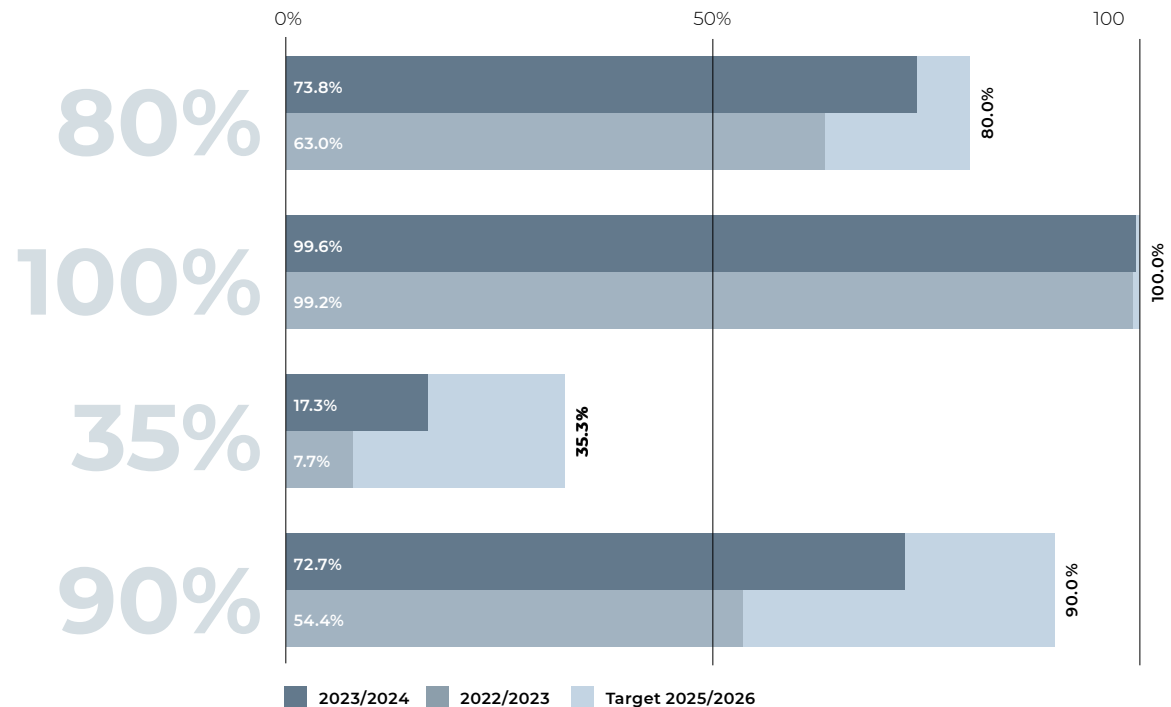
Our SBTs and achievements in FY 2023/2024

We are committed to reducing absolute Scope 1 and 2²² GHG emissions by **80.0%** by 2025/2026 from the base year 2019/2020.

We are committed to increasing our annual sourcing of renewable electricity from **32.7%** in 2019/2020 (base year) to 100.0% by 2025/2026.

We are committed to reducing Scope 3²³ GHG emissions from private-label products by **35.3%** per unit of value added²⁴ from 2019/2020 (base year) to 2025/2026.

We pledge that by FY 2025/2026, **90.0%** of our business partners will have SBTs for GHG emissions covering purchased goods and services, transportation, and distribution.



²² Scope 1: direct emissions from our own operations such as fossil fuel combustion (boilers, vehicles, etc.); Scope 2: indirect GHG emissions associated with purchased heating, electricity, steam, or refrigeration.

²³ Scope 3: indirect emissions in our value chain outside of our organization.

²⁴ Equivalent to our private-label product contribution margin (i.e. net revenue minus cost of goods sold).

Analyzing our GHG emissions

In calculating our GHG emissions, we follow the operational control approach as defined by the [GHG Protocol](#) >. We account for all the GHG emissions from business activities and operations for which we or our subsidiaries are authorized to establish and apply policies. By applying this approach, we are aligned with common practices in the fashion and retail industry. We did not change any boundaries compared to the previous year and therefore the same business activities are covered in this ESG Report.

Our analysis is split into Scope 1, 2, and 3 emissions:

Scope 1: direct emissions from our own operations such as fossil fuel combustion (boilers, vehicles, etc.)

Scope 2: indirect emissions associated with purchased heating, electricity, steam, or refrigeration

Scope 3: other indirect emissions from our value chain, such as purchased goods and services and transportation

In the interests of transparency regarding the specific challenges of reducing GHG emissions, we report our emissions in three focus areas:

1. GHG emissions from our e-commerce operations
2. Private-label products: we report separately on each of the categories of purchased goods and services, upstream transportation and distribution, use of sold products, and end-of-life treatment of sold products.
3. Third-party products: we report separately on each of the categories of purchased goods and services, upstream transportation and distribution, use of sold products, and end-of-life treatment of sold products.

Since calculating our base-year emissions, we have partnered with external consultancies who have acted as sparring partners, provided tools that included the most recent emission factors for common emission calculations (e.g. our premises' energy consumption and our employees' commuting), and validated the essential components and calculation approaches of our GHG emissions' analysis.













We gradually improved our impact analysis by including more primary data and granular data and enhancing the accuracy of our models. For example, we calculated our products' GHG emissions more accurately per product

data set (for private-label and third-party brands) by selecting relevant materials based on the number of ordered quantities per material (instead of the number of different products) and by determining the relevant

materials per category for the product data sets (instead of one material selection for all products). GHG emissions for the use and end-of-life treatment of sold products are now based on more accurate data.

GHG emissions across our value chain

	Raw materials	Processing	Material & component production	Product manufacturing	Transportation	Warehousing	Delivery to customers (& returns)	Operating our online fashion store	Customer use	End of use
										
	Tier 4	Tier 3	Tier 2	Tier 1 (+ agencies)						
Scope of GHG emissions	3							1&2 (mainly our rented premises)	3	
Focus areas										
1) Our e-commerce operations							Various ²⁵			
2) Our private-label products		Purchased goods&services			Upstream transportation & distribution				Use of sold products	End-of-life treatment of sold products
3) Third-party products		Purchased goods&services			Upstream transportation & distribution				Use of sold products	End-of-life treatment of sold products

Note: simplified illustration

²⁵ Includes Scope 1 and 2 emissions and the Scope 3 categories purchased goods and services (packaging, call centers, water consumption, data center usage, and marketing materials) from our e-commerce operations, capital goods, fuel and energy-related activities, upstream transportation and distribution (outbound and return transportation, warehousing), waste generated in operations, business travel, employee commuting, and end-of-life treatment of sold products and packaging for our e-commerce operations.

ABOUT YOU's GHG emissions – by scope

	2023/2024	2022/2023 ²⁶	base year 2019/2020	2023/2024	2023/2024
	[t CO ₂ e]	[t CO ₂ e]	[t CO ₂ e]	Change YoY	Change vs base year
Scope 1 – Direct emissions (gas/heating, refrigerants), market-based	18.2	52.6	45.9	(65.4 %)	(60.4 %)
Scope 2 – Indirect emissions (electricity, district heat), market-based	76.6	81.4	316.2	(5.9 %)	(75.8 %)
Total (Scope 1, 2)	94.8	134.0	362.1	(29.3 %)	(73.8 %)
Scope 3 – Indirect emissions outside of the organization ²⁷	343,675.3	468,544.9	245,035.4	(26.7 %)	40.3 %
Total (Scope 1, 2, 3)²⁸	343,770.1	468,678.9	245,397.4	(26.7 %)	40.1 %
Thereof our e-commerce operations ²⁹	37,075.3	55,203.0	24,777.7	(32.8 %)	49.6 %
Thereof our private-label products ³⁰	30,052.9	51,810.3	14,947.5	(42.0 %)	101.1 %
Thereof third-party products	276,642.0	361,665.6	205,672.2	(23.5 %)	34.5 %
Emission intensity of our e-commerce operations [kg CO ₂ e per order]	0.86	1.20	1.31	(27.9 %)	(34.3 %)

Our total GHG emissions decreased by 26.7% to 343,770.1 t CO₂e³¹ from 468,678.9 t CO₂e³² the previous year and is largely the result of a more conservative seasonal own stock buy in line with current market conditions. In the year under review, our GHG emissions' intensity from e-commerce operations decreased by 27.9% to 0.86 kg CO₂e per order from 1.20 kg CO₂e the previous year. This was primarily due to a decrease in transportation ton-kilometers and a methodological change of our tool provider to follow international logistic standards. A full list of Scope 3 GHG emissions categories and certain excluded categories is included in the **APPENDIX** of this ESG Report.

For a third year in a row, we reported our GHG emissions' reduction strategy, including relevant KPIs and progress made to the non-profit global disclosure system CDP. Moreover, we established measures with business units and sustainability teams and leads (e.g. Buying, Partner Management, Private Labels, Logistics, Building Technology, Energy and Environment) to achieve our SBTs.

²⁶ After a restatement of our energy consumption for FY 2022/2023, we restated our Scope 1 and 2 emissions and Scope 3, category 3 fuel and energy related activities' emissions for FY 2022/2023.

²⁷ From FY 2022/2023 onwards, Scope 3 emissions stemming from warehouses and downstream transportation are being reported as part of Scope 3, category 4 instead of Scope 3, category 9 to align with the GHG Protocol Standard.

²⁸ May not add up exactly because numbers are rounded to the last digit.

²⁹ Includes the Scope 1 and 2 emissions and Scope 3 emission categories of purchased goods and services (e-commerce operations), capital goods, fuel and energy related activities, waste generated in operations, business travel, employee commuting, upstream transportation and distribution (e-commerce operations), and end-of-life treatment of sold products (e-commerce operations).

³⁰ Includes Scope 3 emission categories purchased goods and services (private-label products), upstream transportation and distribution (private-label products), use of sold products (private-label products), and end-of-life treatment of sold products (private-label products).

³¹ Some of the data are based on projections.

³² Restated value.

Engaging with our private-label product factories

We design, develop, and source from suppliers and sell fashion products in many different categories, but mainly apparel, footwear, and accessories. Our Private Labels – EDITED, ABOUT YOU the label, and several celebrity collaborations – accounted for 5.5% of our net revenue in FY 2023/2024. Since we recognize our elevated responsibility to reduce the climate impact of our own products, we established a dedicated SBT to reduce Scope 3 GHG emissions from our private-label products by 35.3% per unit of value added from FY 2019/2020 (the base year) to FY 2025/2026. In FY 2023/2024, we made progress to reach our target as we reduced Scope 3 GHG emissions by 17.3%. To enable further advances, we are working on three topics:

- a) Making more sustainable material choices such as replacing conventional polyester with recycled polyester (see **RESOURCE USE AND CIRCULAR ECONOMY** below)
- b) Engaging with factories to reduce their direct environmental impacts based on data shared via the [Higg Factory Environmental Module](#) > (Higg FEM)
- c) Reducing the climate impact of inbound transport

With respect to Higg FEM engagement, we made it a requirement for private-label business partners to complete the Higg FEM by 2025 in our [Private Label Sustainable Sourcing Policy](#) > and to share their results with us annually for all their tier 1 factories. Moreover, we encourage receipt of verification. Additionally, we introduced Higg FEM completion as a new requirement for onboarding factories in FY 2023/2024.

[Higg FEM](#) > informs manufacturers, brands, and retailers about the environmental performance of their factories, thus empowering them to scale environmental impact improvements with suppliers. Higg FEM provides factories with a clear picture of their environmental impact based on comparable data sets and helps them to identify and prioritize opportunities for impact reductions. For the second time in FY 2023/2024, 63.6% (77/121) of active tier 1 factories in CY 2022 shared Higg FEM 2022 responses (self-assessments and verified) with us, and we were thus able to measure and analyze the environmental impact of our tier 1 factories after engaging with suppliers to collect data via the annual cadence cycle. In FY 2023/2024, our work focused on reaching out to suppliers who had not completed the Higg FEM to onboard them for the next cadence. We utilized the Higg FEM data in our supplier scorecards to steer our purchasing decisions to more sustainable alternatives. Suppliers received a positive score for fulfilling our criteria. More details of our work on steering purchasing decisions are included in the **Improving private label's supply chain transparency and human rights due diligence** section of the **PEOPLE** chapter.

To reduce the climate impact of inbound transportation, we aligned and set internal targets to limit inbound air transportation, including multimodal transportation, and established a data structure for bi-annual internal reporting.

Accelerating industry change through FASHION LEAP FOR CLIMATE

In FY 2023/2024, we increased our involvement in [FASHION LEAP FOR CLIMATE](#) >, which we co-founded with YOOX NET-A-PORTER and Zalando in FY 2022/2023. The aim of this initiative is to drive our partner engagement target forward by enabling third-party brand partners – the majority of our business partners – to set SBTs and thus accelerate industry change in terms of climate impact reduction, which would also help us reach our own SBT for FY 2025/2026. During the 2023 calendar year (CY), 88 brand partners started learning free of charge how to measure their GHG emissions and set SBTs. The learning platform explains all the major concepts, provides step-by-step guidance, and offers community exchange and engagement, with different maturity levels catered to. Through [FASHION LEAP FOR CLIMATE](#), we are directly engaging with multiple apparel and footwear brands to share perspectives on GHG emissions' reduction strategies and align the next steps to be taken together.

According to our CY 2023 data, learning journey participants reported a 68.2%³³ increase in their understanding of setting SBTs after completing the program. All participating brand partners to date reported that they would recommend FASHION LEAP FOR CLIMATE and were consequently better equipped to set SBTs in the future. Altogether 45% of them said they were planning to set their own SBTs during the coming year thanks to the knowledge gained. Almost all (96%) highlighted that they valued the collaboration opportunities offered by the platform as it encouraged them to discuss and exchange ideas with sustainability experts and peers.

In FY 2023/2024, we created an entirely self-directed track with an on-demand learning function and piloted one-on-one consulting support for selected partners in addition to our eight-week live online courses. We updated our learning journey content based on feedback received and adapted the content for our fashion retail partners in our drop-shipping model to deliver greater value and flexibility. We also encouraged a broader participation of partners who had not yet set SBTs. Furthermore, we are exploring ways to continue scaling this initiative through wider membership options and potential collaboration with industry bodies.

Transforming warehousing and transportation

Contracted business partners handle all our warehousing and transportation activities. Our GHG emissions' analysis attributes the largest proportion of our Scope 3 GHG emissions in Category 4 "Upstream transportation and distribution" to our e-commerce operations, which includes warehousing, transportation to customers, and returns. Transportation within Europe has not yet been decarbonized and our warehouses are not carbon-neutral. An assessment of the 1.5°C compatibility of the transportation and warehousing sectors by Climate Action Tracker shows that road transportation within the EU is not on a pathway to reducing GHG emissions in line with the 1.5°C target.³⁴ Unfortunately, the same applies to the building sector.³⁵ Generally speaking, the relevant measures relating to our management approach include an efficient network of hubs, route planning, demand and supply planning, and efficient warehouse processes.

Our FY 2023/2024 warehouse climate impact work enhanced the progress made in previous years. The newly installed heat pump in Warehouse 2 reduced natural gas consumption. The solar panels in Warehouse 2 were scaled up to directly supply the heat pump with renewable electricity. Additional motion sensors for the lighting systems were installed to optimize energy consumption in Return Warehouse 1. Our employees regularly visited our warehousing partners and discussed ways of reducing their environmental impact. In FY 2023/2024, we stopped leasing buffer warehouses for stock, which led to a reduction in Scope 3 Category 4 GHG emissions. During the coming year, we are planning a highly automated shuttle system to go live, which will increase capacity and re-fit the lighting in Warehouse 1 with LEDs, thus enabling energy-efficient growth. Moreover, we are working with our partners to evaluate additional heat supply improvements and solar panels.

³³ Participants rated their understanding of SBTs as 4.3 prior to the FASHION LEAP FOR CLIMATE learning experience and 7.2 afterwards, an 68.2% increase. These average scores were out of 10, where 10 represented perfect understanding.

³⁴ Climate Action Tracker (2018) – The highway to Paris: Safeguarding the climate by decarbonising freight transport.

³⁵ Climate Action Tracker (2016) – Constructing the future: Creating a Paris Agreement-proof building sector analysis.

Highlights of our FY 2023/2024 environmental impact scorecards for warehouses

	Warehouse 1	Warehouse 2	Warehouse 3	Warehouse 4	Return Warehouse 1	Return Warehouse 2
2023/2024 status	In operation	In operation	In operation	Planned	In operation	In operation
Renewable electricity supply	100% renewable electricity supply and solar roof	100% renewable electricity supply, extended solar roof	100% renewable electricity supply and solar roof	100% renewable electricity supply and solar roof	100% renewable electricity supply and solar roof on one building, light motion sensors installed	100% renewable electricity supply
Heating, ventilation, and air conditioning	Combined natural gas-powered heat and electricity generation on site	Installed combined heat pump and air conditioning unit on site supported by natural gas heating unit	Natural gas	Electrical heat pump	Natural gas	Biomass power plant
Alternative commuting	Electric company cars, free electric vehicle (EV) charging, local buses and trains	EV charging, employee bus service	EV charging, employee bus service, local trains and buses, bike parking and access, carpooling	EV charging, flexible bus service, bike parking and access, carpooling	EV charging, local buses and trains	Local buses and trains
Building	Existing envelope, ISO 14001	New envelope, ISO 14001	New envelope, BREEAM ▶ certification	Existing envelope, BeeBryte ▶ building automation	Existing envelope, ISO 14001	Existing envelope

Advances over FY 2023/2024

As for transportation, we are aiming to optimize the use of transportation space and reduce the environmental impact of shipments. To achieve these aims, we continued our FY 2022/2023 approach of allocating all our

customers' orders within a specific time frame to a single shipment, even if they were from more than one order. This helps us to operate our network of warehouses more efficiently. Moreover, we arranged regular meetings with

our transportation partners to maintain effective communications. Our goal is to optimize planning and capacity utilization, while understanding local working practices better and improving partnerships.



As transportation partners are part of our SBTs, we evaluated the maturity of their SBTi knowledge through engaging with all our transportation partners who had not yet set SBTs. To close these gaps, we created a SBTi knowledge repository and shared this with our partners to promote their understanding of the steps that need to be taken to set SBTs, while simultaneously offering them our support.

In FY 2023/2024, we made customers more aware of the delivery option of collection points in places such as post offices, parcel shops, or parcel lockers to reduce last-mile GHG emissions compared to home deliveries. For FY 2024/2025, we are planning to extend our collection point delivery service to include additional markets and thus further reduce our last-mile emissions.

ENERGY CONSUMPTION

As is the case with warehousing, we know that our premises – rented offices, stores, and other premises – also have a material climate impact through Scope 1 and 2 GHG emissions caused by electricity and heating consumption, as well as, refrigerant losses. Most of our premises are centrally located in Hamburg and supplied by a municipal district heating system with a low primary energy factor.

To lead by example in the decarbonization of our premises, we follow a five-step approach:

1. Analyzing our energy consumption (including up-to-date market-based data) and improving data quality
2. Setting an absolute reduction target for GHG emissions – an energy consumption reduction target – and then tracking progress
3. Identifying suitable measures through the following approaches:
 - Making our energy consumption more efficient
 - Increasing the share of renewable energy consumption
4. Evaluating the effectiveness of measures and, if required, readjusting them
5. Sharing progress made and what we have learned in the ESG Report

As we have a higher level of operational control over our Scope 1 and 2 GHG emissions and to demonstrate what is possible, we set SBTs to reduce absolute Scope 1 and 2 GHG emissions by an ambitious 80% by FY 2025/2026 (from the base year 2019/2020) and to increase the annual sourcing of renewable electricity from 32.7% in FY 2019/2020 (as the base year) to 100% by FY 2025/2026 (as explained in the previous section). We have done this because we believe that it is important to lead the way

in decarbonizing our energy use. Our energy-efficiency target is to reduce our energy consumption per area year by year up to FY 2025/2026. Even though the impact of our own energy consumption on our total GHG emissions remains relatively low due to our asset-light business model, the impact on our Scope 3 emissions is still high. After all, the Scope 1 and 2 emissions from fossil sources in our value chain add up to our Scope 3 emissions.

Heating and electricity use at our premises are the main drivers of energy consumption. In the year under review, the decrease in energy consumption was linked to the reduction measures we implemented – for instance, installing smart control technology, a reduction in the overall area of our rented premises, and a change in our calculation methodology following regulatory changes.³⁶ In FY 2023/2024, we closed some of our retail stores and discontinued the leases on our employee apartments, as we now recommend employee housing providers to employees who need accommodation. One significant step forward in FY 2023/2024 was that the electricity supplied to the remaining premises was switched to renewable sources. In the year under review, we did not consume any self-generated non-fuel renewable energy, nor did we produce any energy.

³⁶ We have restated the reported FY 2022/2023 values. The heating bills received in FY 2023/2024 and relating to the previous reporting year resulted in a correction of the heating energy consumption we had previously estimated. For bills from CY 2022 onwards following an amendment to the German Regulation on Heating Cost Accounting (Heizkostenverordnung), we received our own heating consumption data from meter infrastructure providers via landlords. Previously, we had included our consumption based on our share of a building in area terms. Our updated methodology attributes pipe losses and other efficiency losses to landlords. The data was not weather-adjusted. We record our energy consumption for calendar years and reconcile them to our financial year by applying a projection method.



Our energy consumption (own premises)

	2023/2024	2022/2023	2021/2022
Electricity (total) [MWh]	618.7	689.2	660.7
Thereof electricity from fossil sources [MWh]	2.3	5.4	14.3
Thereof electricity from renewable sources [MWh]	616.4	683.8	646.4
Percentage of electricity from renewable sources	99.6%	99.2%	97.8%
Heating [MWh]	1,046.7	1,077.6	1,343.2
Thereof heating from fossil sources [MWh]	890.2	928.2	1,128.7
Thereof district heating from fossil sources	604.4	615.2	862.4
Thereof local heating from fossil sources	199.9	165.5	95.4
Thereof from natural gas	75.0	125.8	162.4
Thereof from crude oil and petroleum products	10.9	21.7	15.2
Thereof heating from renewable sources [MWh]	156.4	149.5	207.7
Thereof district heating from renewable sources	143.6	146.3	207.7
Thereof local heating from renewable sources	12.9	3.1	0.0
Percentage of heating from renewable sources	14.9%	13.9%	15.5%
Car fleet (one company car) [MWh]	0.0	9.3	20.0
Total energy consumption [MWh]	1,665.4	1,776.1	2,023.9
Total area [m ²]	24,076.8	24,557.8	20,519.9
Total energy consumption per area [kWh/m ²]	69.2	71.9	97.7
Total energy consumption from fossil sources [MWh]	892.5	942.8	1,169.7
Total energy consumption from renewable sources [MWh]	772.9	833.3	854.1
Percentage of total energy consumption from renewable sources	46.4%	46.9%	42.2%
Total energy consumption from nuclear sources	0.0	0.0	not specified



Leading by example with decarbonization of our premises

In FY 2023/2024, we made good progress in our efforts to reduce GHG emissions from our premises. We set up a pilot energy management system that includes a renewable energy program and covers all our premises. The Corporate Sustainability team is responsible for this system and the internal stakeholders include our Office and Store Management teams.

In FY 2023/2024, we worked with the findings from an analysis of overall energy consumption and audit results conducted during the previous reporting cycle, and which we reported on in our [ESG Report FY 2022/2023](#) . In the year under review, our decarbonization efforts were focused on collaborating with our landlords on energy-efficiency measures. Some landlords agreed to ESG measures such as building certification – one of our main office buildings was awarded a [Deutsche Gesellschaft für Nachhaltiges Bauen](#)  (DGNB) Gold certificate – and implementing hydraulic balancing procedures, which were carried out in our Hamburg offices to make our radiators more energy-efficient.

In line with our strategic approach of increasing heating efficiency per area, we installed smart thermostats at all our major premises with a floor area of more than 1,000 square meters. These smart thermostats automatically adjust the heating curve on the basis of how many employees are working in the

premises and lower the temperature at night-time, weekends, and when employees are working from home. Smart technologies heat up the offices in the morning on the basis of learned occupancy rates. Moreover, we have increased our employees' energy consumption awareness through an informative campaign in all our major premises, via e-mails, and by setting up a page on our intranet with tips on how to save energy.

Smart electricity meters were installed at almost all our sites, and a company-wide electricity consumption dashboard has also been established. Our main office buildings are all operated by landlords who use building automation technology in line with the relevant technical standards (i.e. based on inputs from users and the environment such as the outside air temperature). In FY 2023/2024, we worked with landlords to recalibrate the systems to our specific usage cases and adapted environmental parameters to increase energy consumption efficiency.

Our measures include a strategic approach to energy for ventilation and refrigeration purposes. Since large-scale refrigeration systems are operated by the respective landlord to air-condition our offices, we are planning to engage with these landlords to analyze if the refrigeration systems are operated as efficiently as possible and to keep maintenance up to date in order to minimize leaks. We are making every effort to operate our store air-conditioning units as efficiently as

possible and to also keep their maintenance up-to-date. The overall aim here is to reduce refrigerant leakage to the greatest possible extent.

WATER

The textile industry is the second-largest water-consuming industry³⁷ worldwide after agriculture. Water impacts in the textile, apparel, and footwear sector are predominantly within the value chain.³⁸ In April 2022, a reassessment of the planetary boundary for freshwater by the Stockholm Resilience Center of Stockholm University indicated that this boundary had been transgressed.³⁹ Moreover, the planetary boundaries for novel entities and biogeochemical flows were previously reported as transgressed.⁴⁰ We recognize our responsibility for reducing our freshwater consumption through greater water efficiency as well as for the eutrophication impact in our value chain.

According to an assessment of the water stress indicator of the [WRI Aqueduct Water Risk Atlas](#), two of our premises are located in areas of high water stress, while the remaining ones are in areas of low water stress. All the sites are covered by our water management approach.

³⁷ Licia Genghini (2021) – World Water Day.

³⁸ The European Parliament (2023) – The impact of textile production and waste on the environment (infographics).

³⁹ Stockholm Resilience Center of Stockholm University (2022) – Freshwater boundary exceeds safe limits.

⁴⁰ Stockholm Resilience Center of Stockholm University (2022) – Outside the Safe Operating Space of the Planetary Boundary for Novel Entities, pp.1510–1521.

Our approach to managing our water impact is as follows:

1. Assessing our direct and indirect water and marine resources impact and gradually improving our analysis
2. Managing our direct water and marine resources impacts
3. Sharing progress made and what we have learned in the ESG Report

For the year under review, we have reported on the approach taken in our premises, the products of our private-label suppliers and our third-party brand partners. Water impact management is closely linked to other environmental sub-topics such as climate change and the circular economy. Thus, our actions to reduce other environmental impacts are likely to contribute to indirect water impacts. As electricity from renewable resources (excluding hydropower and marine power) is less water impact-intensive than from fossil fuels, one way to relieve local water stress is to use more renewable energy. Details of our renewable energy use, measures, and targets are included in the **ENERGY CONSUMPTION** section of this report.

For our own operations, we track the use and sourcing of water through internal KPIs, are working on efficiency-enhancing measures, direct all wastewater to local municipalities for water treatment, and do not use any marine resources. That is why we do not report on

management approaches relating to oceans and seas. As part of our water strategy, we checked our water systems for leaks. For most of our premises, we use meters to measure water consumption and are striving to improve our water efficiency by installing low-flow plumbing fixtures.

Our water consumption (own premises)

	2023/2024	2022/2023	2021/2022
Direct water consumption by AY offices, stores, and company apartments [m ³]	4,125.3	3,526.6	3,293.2

No water was recycled, reused, or stored. Water consumption is calculated annually for each of our premises based on the available freshwater meter data collected and any data gaps are closed through qualified assumptions. The increase in water consumption in FY 2023/2024 reflects the return of our employees to the office for three days a week. This effect is only apparent now as the KPI is calculated on data for CY 2022 due to reduced data availability.



Furthermore, we are transitioning to more sustainable private-label products, which will reduce our negative impact on water-related issues. The criteria we have set for our more sustainable products and the material transition to more sustainable materials initiated for our Private Labels will contribute to reducing the products' water impact. Among the most relevant and more sustainable materials is organic cotton, which a Textile Exchange study reports as using less blue water in the growing process.⁴¹ Lenzing Group

states that LENZING™ ECOVERO™, which we regard as a more sustainable cellulosic⁴², has a lower water impact than generic viscose, while the Leather Working Group (LWG) says that managing water consumption in leather production has been a key environmental priority.⁴³

⁴¹ Textile Exchange (2014) – Life Cycle Assessment (LCA) of Organic Cotton – A global average, p. 54.0

⁴² Lenzing Group (2023) – Lower water impact of LENZING™ ECOVERO™.


⁴³ Leather Working Group (2021) – LWG & WWF strengthen collaboration to address environmental & social concerns in the leather industry.

Starting with direct fashion value-chain partners, we are engaging with our business partners to reduce water consumption along the upstream value chain. In the **CLIMATE CHANGE** section, **Engaging with our private-label product factories** sub-section of this report, we describe how more of our tier 1 factories were encouraged to analyze and report environmental impact-related data, including water consumption and eutrophication-related data, via the [Higg FEM](#)  in FY 2023/2024. The data includes quantities per type of withdrawal, quantities per type of disposal, and water treatment processes. Our [Private Label Sustainability Sourcing Policy](#)  also includes our requirements to reduce the water impact of our private-label suppliers.

In the **Engaging with third-party brands and logistic partners** sub-section of this report, we describe how we engage with brand partners to increase their sustainability performance via the Higg BRM. The Higg BRM questionnaire includes brand partner-specific questions, such as whether water had been identified as a risk in risk assessments. Additional questions include, but are not limited to, whether brand partners have a water impact program, impact measurement, and targets in place.

RESOURCE USE AND THE CIRCULAR ECONOMY

The European Parliament sees the fast fashion industry as a major driver of environmental impacts such as GHG emissions and water pollution.⁴⁴ As of today, various materials needed to produce fashion products – such as cotton, polyester, viscose, and leather – are extracted from finite resources. Transforming the industry toward the sustainable use of resources can leverage multiple environmental benefits such as less biodiversity loss, pollution, and waste.⁴⁵ A circular economy aims to extend the lifetime of materials and products through reuse, repair, refurbishing, or recycling.⁴⁶ As of today, initial steps toward a circular fashion industry have been made, as recycled materials for technical fibers such as polyester and polyamide are widely available and recycled materials for natural fibers such as cotton, wool, or leather are becoming more available. Nevertheless, large-scale adoption is still a challenge. Yet, transitioning business volume to second-hand products as well as resellable, reusable, or recyclable products will help to reduce the environmental impacts of consumption by making products last longer in the circular economy.

In FY 2023/2024, we continued our analysis of our business activities for their waste impact by utilizing a process flow model of activities, inputs and outputs with reference to the Global Reporting Initiative's (GRI) guidelines ([GRI 306](#) ). We also updated the process flow to bring it into line with CSRD definitions⁴⁷ and highlighted which data we are able to report on. The resulting process flow model shows resource inflows and outflows, including where waste is generated upstream and downstream, and through our own activities. We report on resource inflows and outflows in the sub-section **Progressing toward more sustainable private-label and third-party products** and on waste in the sub-section **Minimizing waste and reducing the impact of packaging**.

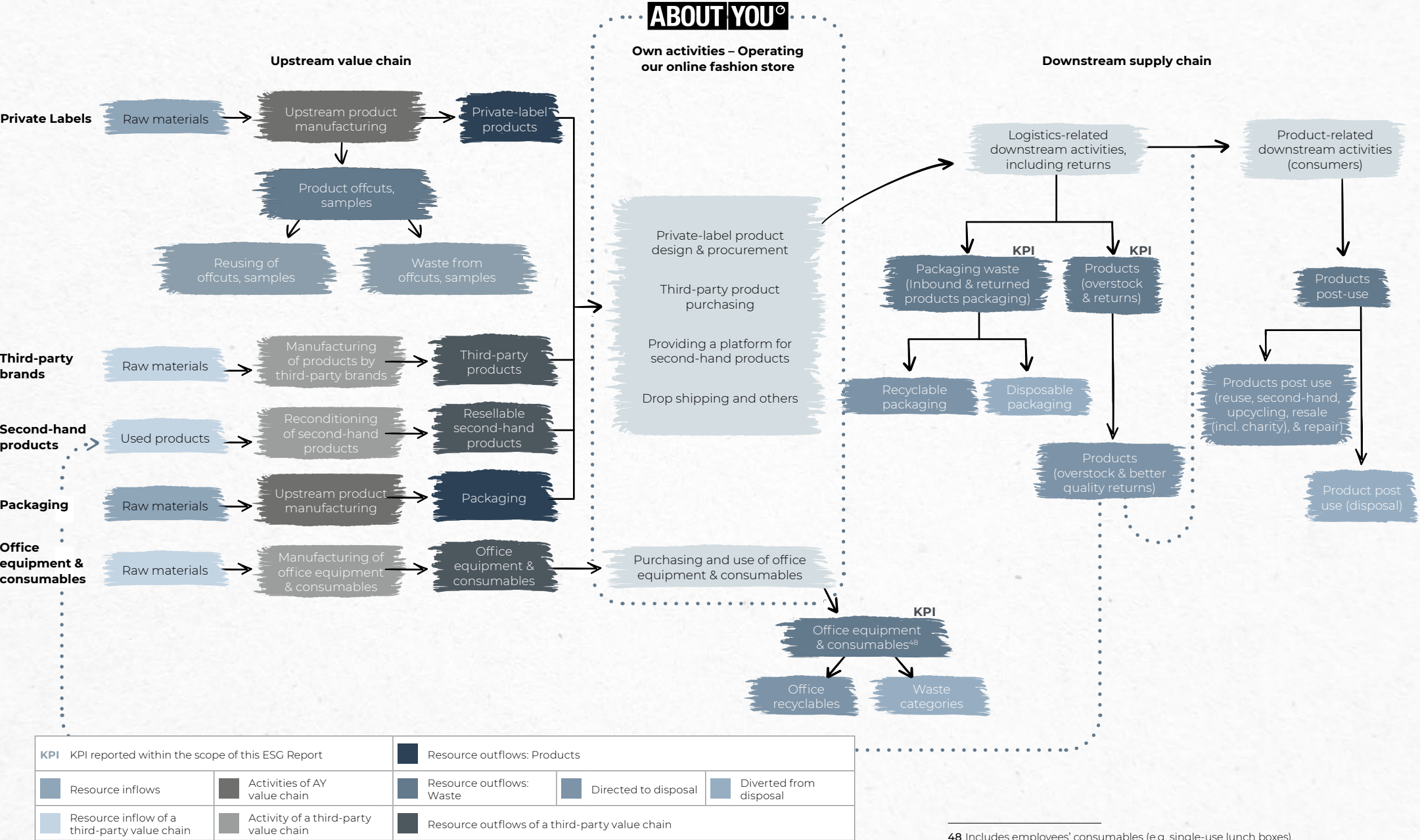
⁴⁴ European Parliament (2023) – The impact of textile production and waste on the environment (infographics).

⁴⁵ Ellen MacArthur Foundation (2023) – What is a circular economy?

⁴⁶ European Parliament (2023) – Circular economy: definition, importance and benefits.

⁴⁷ Annex to the Commission Delegated Regulation (EU) supplementing Directive 2013/34/EU.

Process flow model of resource inflows, outflows, and activities



⁴⁸ Includes employees' consumables (e.g. single-use lunch boxes).

Progressing toward more sustainable private-label and third-party products

As an online fashion store, most of the products we sell are from third-party brand partners. Scaling the percentage of our more sustainable assortment and net revenue is a key component of our approach to reducing our resource consumption and environmental impact. The production of third-party products is still the largest contributor to our GHG emissions, and internal evidence suggests that the same applies to the impacts of water and chemicals. Our goal here is to reduce these environmental impacts, with a particular focus on climate. Our approach includes increasingly offering more sustainable third-party products that meet specified criteria and then seamlessly integrating them into our online fashion store. Close collaboration with our brand partners is the key to success here.

The environmental impact of manufacturing our private-label products is smaller than that of our third-party brands because the quantities ordered are lower. However, we do have a higher degree of operational control through the design, development, and sourcing choices we make. The environmental impact areas include climate change (GHG emissions and energy) where we have the most granular data, water (water scarcity and quality), and pollution from chemicals. From our GHG emissions data, we know that manufacturing our private-label products accounts for 82.8% of private-label GHG emissions⁴⁹. That is why we have set targets to transition to less

emission-intensive materials and products. Our approach includes increasingly sourcing private-label products made of more sustainable materials, which helps us to reduce GHG emissions as well as the respective water and pollution impacts. To make further progress in all three impact areas, we believe it is essential to continue our close collaboration with our suppliers.

To manage and reduce the climate change, water, and pollution impacts of our private-label products and to make progress toward achieving our third-party product targets, we employ a three-step approach:

1. Setting more sustainable material conversion and product targets, while gradually improving our analytical processes and continuously reviewing the more sustainable criteria we use for scoping purposes
2. Deriving measures such as engaging with business partners and peers to align and include their perspectives
3. Sharing progress made and what we have learned in the ESG Report

Our voluntary targets are to increase the percentage of ordered private-label apparel products that meet our more sustainable criteria to 75% by FY 2025/2026 (= apparel product target) and, as part of this target, to increase the percentage of products made from our most commonly used materials that meet our more sustainable materials criteria to 80% for

cotton products, 90% for polyester products, 90% for viscose products, 80% for leather products, and 75% for wool products by FY 2025/2026 (= materials' targets). As a result of global market dynamics, we adjusted our materials' targets in FY 2023/2024 from 100% to the values mentioned as more realistic yet still ambitious targets, and are confident that we will meet the targets by FY 2025/2026. We also added a 75% target for wool products by the same metric.

Our product and material criteria are fact-based, with the strongest criteria being third-party verified standards, such as those from the [Textile Exchange](#) ⁵⁰ and the [Global Organic Textile Standard](#) ⁵¹ (GOTS).⁵⁰ Non-certified products must reach a minimum content of more sustainable materials based on weight⁵¹ in order to meet our criteria. Products made from materials meeting more sustainable criteria have a lower environmental impact than conventional materials. Our product criteria for more sustainable products include an increase in circular material usage rates, minimization of primary raw materials, and sustainable sourcing of renewable resources. Within the waste hierarchy, we focus our efforts on addressing prevention.

⁴⁹ A detailed overview of our GHG emissions by category and focus area is presented in the **APPENDIX**.

⁵⁰ A full list of our criteria clusters is published in the **CONSUMERS AND END-USERS** section of this ESG Report.

⁵¹ This could include an actual weight-based percentage or a component-based percentage value, where we work with average weights per component on a product group-level.

The apparel product target is calculated at the stockkeeping unit (SKU) level to help sourcing teams monitor their progress and easily identify improvement opportunities. The materials' targets, in contrast, are calculated on the basis of pieces, which helps us to estimate the overall environmental impact more accurately. These targets relate to resource inflows in the form of products and materials.

In FY 2023/2024, we made significant progress toward our target of 75% of ordered private-label apparel products meeting our more sustainable criteria. This is the result of our increased efforts over the past two reporting years, which included more thorough KPI tracking, training our sourcing teams on our more sustainability product and material criteria, and increasing the capacity of our Private Label Sustainability team. Since FY 2023/2024, our reporting has related to the private-label apparel products ordered during the specific reporting year. Previously, we reported on private-label apparel products ordered for the reporting year's seasons and lagged about a year behind in measuring actual sourcing decisions. Our new KPI reflects decisions made during the reporting year and became available as a result of our work to improve data structures and data aggregation processes. A comparison of the two KPIs therefore shows further progress.

Ordered private-label apparel that met our more sustainable criteria [%]

	2023	2022	2021	Target 2025/2026
Apparel ordered in the 2023 seasons (at SKU level) ⁵²	57.6 %	31.2 %	32.0 %	75.0 %
NEW: Apparel ordered in FY 2023/2024 (at SKU level)	62.9 %	–	–	75.0 %

Reviewing and adjusting our material targets did not affect our progress in any way. On the contrary, the increase in our sustainable share of apparel products is also reflected in the progress made in FY 2023/2024 toward achieving our more sustainable materials' targets. We were able to significantly increase shares of all materials within the scope of our targets. Particularly noteworthy has been the increase in sustainable products made with leather and viscose materials – and with a sustainability share of 77.7% and 81.1% respectively, we are close to reaching our targets. No material change progress was reported on mohair, since no products made with this material were ordered during the seasons of the year under review.

⁵² The seasons refer to the private-label order seasons – namely, November 2022 to April 2023 for spring/summer 2023 and May 2023 to October 2023 for fall/winter 2023.

Ordered private-label products that met our more sustainable criteria for most commonly used materials⁵³ [%]

	2023	2022	2021	Target 2025/2026 ⁵⁴
Cotton products with organic or recycled cotton	58.4%	31.6%	54.0%	80.0%
Polyester products with recycled polyester	55.7%	29.4%	16.5%	90.0%
Viscose products with more sustainable viscose	81.1%	39.7%	37.3%	90.0%
Products supporting more responsible leather manufacturing (Leather Working Group, chrome-free) ⁵⁵	77.7%	52.3%	42.2%	80.0%
NEW target⁵⁶: Wool products with more responsible or recycled wool	42.4%	–	–	75.0%

The improvements in our product and material sustainability shares are both the result of our concerted efforts and dedicated measures, including training our sourcing teams on our more sustainable criteria and implementing control measures to regularly monitor our progress. All these measures are a reflection of our commitment to achieving our targets.

Internally, we improved our data quality and data-compiling processes by setting up a single system report that compiles all the products ordered per season, their material composition (including the main material), their more sustainable material criteria, and the order quantity. Moreover, we utilized data on

more sustainable materials and certified products in our supplier scorecards to steer our purchasing decisions to more sustainable alternatives. Suppliers received a positive score for fulfilling our criteria. In the **Improving private-label supply chain transparency and human rights due diligence** sub-section of the **PEOPLE** chapter, we go into more detail of our work to steer purchasing decisions.

We also ran training sessions for our internal sourcing teams on our criteria and the environmental impact of private-label products, particularly covering the impact areas of climate change and water. Additionally, we launched a digital learning platform for suppliers (Partner University), which enables us to improve communications with our suppliers and engage with them on our sustainability strategy. We also conducted a workshop with our suppliers about our requirements to certify products according to the [GOTS](#) and [Textile Exchange standards](#) ([Global Recycled Standard](#) (GRS), [Organic Content Standard](#) (OCS), [Responsible Wool Standard](#) (RWS), [Responsible Mohair Standard](#) (RMS)). The webinar was recorded and shared with our suppliers via our new learning platform.

Audits conducted in our premises and leased warehouses in the year under review resulted in the renewal of our GOTS, GRS, OCS, RWS, and RMS certificates (license number: 00206153, certifying body: Ecocert Greenlife (© Textile Exchange, © Global Textile Exchange)). For a deep dive into our certifications and certification processes, please refer to page 20 of our [ESG Report FY 2021/2022](#).

Our voluntary targets for third-party products are to increase the percentage of more sustainable products in our core assortment to 25% of our net revenue and 20% of our assortment by FY 2024/2025.⁵⁷ In the year under review, we increased the percentage of more sustainable products on our platform and can report a stable percentage of more sustainable product revenue through working on dedicated measures such as advancing data collection processes, working together with brand partners, and more precise, sustainability-focused shop communication.⁵⁸ As a result of our annual evaluation of the previous year, we had removed certain more sustainable product criteria by the end of February 2023 with effect from early March 2023. This increased the ambitiousness of both targets for the following reporting periods.⁵⁹



⁵³ Private-label KPIs refer to the calendar year from January 1 to December 31.

⁵⁴ In FY 2023/2024, we adjusted the targets from 100% to the stated values.

⁵⁵ As of FY 2023/2024, 77.7% of our sourced products have contained either chrome-free leather or leather made by manufacturers that have been audited and certified to the LWG standard, and all of which have achieved a Gold or Silver medal rating in their LWG audit. We aim to increase our more sustainable leather percentage to 80% by 2025. We joined the [Leather Working Group](#) in 2020 to support more responsible leather manufacturing.

⁵⁶ We added this target in FY 2023/2024.

⁵⁷ We updated our target year to FY 2024/2025 from FY 2023/2024 to align with our performance-based remuneration components that we report on in our Remuneration Report FY 2023/2024.

⁵⁸ Details are reported in the **CONSUMERS AND END-USERS** section and the **Enabling customers to make more sustainable choices through sustainability labeling** sub-section.

⁵⁹ We estimate that the net revenue from and the assortment of more sustainable products fell by around 20% and 15% respectively due to the more sustainable product criteria we had adjusted.

Percentage of more sustainable products in our core assortment⁶⁰ [%]

	2023/2024	2022/2023	2021/2022	Target 2024/2025
More sustainable products as a percentage of net revenue ⁶¹	24.6%	24.6%	21.8%	25.0%
More sustainable products as a percentage of the entire assortment	16.3%	15.5%	13.6%	20.0%


We engaged with and supported our business partners by providing information through a sustainability page on our web-based partner portal. This enables brand partners to access all our up-to-date sustainability guidance. We held numerous meetings to discuss sustainability collaboration, with a focus on correctly representing the brand assortment, aligning definitions of sustainability, and implementing improved processes (e.g. transmitting data, automating data inquiries, and reworking quality checks to increase reliability). Together with our brand partners, we remain committed to moving our industry forward by differentiating between conventional and more sustainable products based on substantial evidence and to improving practices within the industry.

Transforming the linear fashion system through circular business models

The core idea of a circular business model is to generate revenue without increasing the environmental impact by reusing products or components in the fashion cycle. Our circularity initiatives aim to extend the life of fashion products by deviating from the linear take-make-use-waste model and implementing reuse

and repurposing measures. The initiatives focus on two main stakeholder groups – our customers and our third-party brand partners. We want to enable both groups to proactively participate in the circular economy.

Seamlessly and visibly integrating quality-checked second-hand products into the ABOUT YOU shopping experience was a first step toward bringing unused products back into the fashion cycle. Selling a second-hand product as opposed to a new product eliminates the environmental impact of production and disposal, while extending the product's use phase. At the same time, customers continue to benefit from the same unique selling propositions (USPs) that our regular assortment offers.

In FY 2023/2024, we greatly extended our [second-hand assortment](#) , offering an average of 710,053 quality-checked items⁶², up from 368,322 the previous year. This growth allowed us to feature a greater variety of styles and price points and thus made the second-hand assortment attractive to more customers. We have set a target to increase our second-hand assortment to 1,000,000 items by FY 2025/2026.

Furthermore, we worked on shaping the next steps for our ABOUT YOU Resale Model and our brand cooperation model. The ABOUT YOU Resale Model aims to enable our customers to actively participate in the circular economy by reselling their unused apparel and footwear. The third-party brand cooperation model aims

to extend our reach beyond our own customers. We want to use our operational knowledge and expertise in the circulatory field to give our third-party brand partners and their customers access to circular solutions.

In FY 2022/2023, we evaluated whether we should support our customers with our own repair service, but decided against it because customers are well served by small local shops that provide repair services in the markets we serve. After careful consideration, we decided instead to produce and place our own content on our [Love Your Wardrobe](#)  page to enable customers to carry out minor repairs by themselves and thus extend the life of their products. The content includes video tutorials and additional information on clothing repair, care, and alterations. In FY 2023/2024, we collaborated with a brand partner to add new sneaker care videos to the Love Your Wardrobe page.

At the ABOUT YOU Pangea Festival 2023, ABOUT YOU Vintage Wardrobe was again part of the festival landscape, enabling festival visitors to rent unique vintage or upcycled clothing and accessories. This way, they can not only individualize their festival outfits, but do so in a more sustainable way. More than 500 pieces were rented out at the 2023 festival. On-site styling assistants helped visitors to find an outfit and invited them to learn more about circular fashion in an enjoyable way.

⁶⁰ Excluding home, living, accessories, and beauty.

⁶¹ Net revenue is based on segment figures for ABOUT YOU DACH and RoE. Further details on the reconciliation of the segment figures to the IFRS consolidated figures are reported in our Annual Report FY 2023/2024, section 3.7.6 Segment Reporting.

⁶² In FY 2023/2024, we calculated the KPI with the product average across the whole of FY 2023/2024, thus making it more precise than in previous years where we calculated the product average based on the final day of the respective months.

Minimizing waste and reducing the impact of packaging

ABOUT YOU operates premises that generate waste, ships packaged products to customers, procures third-party products from brand partners and retailers, and sources private-label products from manufacturers. We thus generate waste impacts through our activities and as a result of our business relationships. Our most direct connection is to the waste impacts of our premises. We recognize our

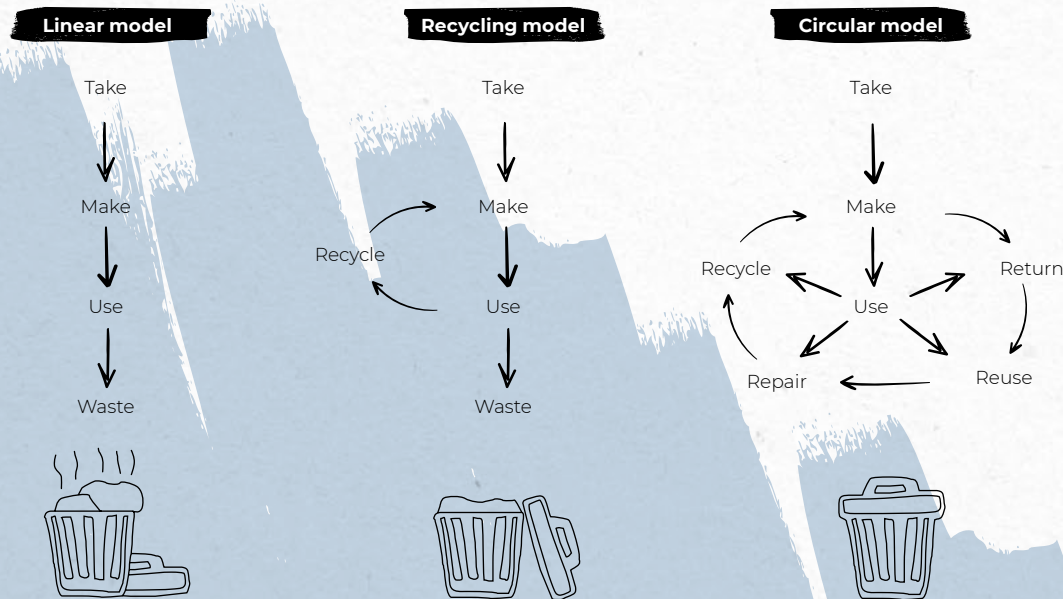
responsibility to manage our waste impact by reducing waste and diverting waste from disposal. However, the proportion of total waste caused by our premises is a fraction of that generated through our e-commerce operations and fashion value chains.

Most packaging runs linearly through a take-make-use-waste model and lacks low GHG emission and scalable circular solutions. The end-of-use recycling rates for paper and plastic

packaging vary in our markets. High proportions of this waste are incinerated, end up in landfills, or even leak into the environment.⁶³ Single-use plastics are a major waste issue since they do not decompose naturally, impact biodiversity and wildlife, and find their way into human food chains⁶⁴ Currently, mandatory, fee-based packaging and Extended Producer Responsibility (EPR) schemes are being implemented in our markets.⁶⁵

Waste in the form of offcuts, samples, overstock, returns, unused products, etc. occurs at every stage of the fashion value chain. According to the Ellen MacArthur Foundation, clothing has increasingly been considered disposable, the pace of selling increased, and garment production doubled over the past 15 years.⁶⁶ Textile disposal, overstocked goods, and the high return rates of fashion companies are facing increasing scrutiny from stakeholders.⁶⁷ Materials or substances that are no longer used and are discarded typically end up in landfills or incinerators, or may even leak into the environment.⁶⁸

Linear, recycling, and circular models



⁶³ Ellen MacArthur Foundation (2021) – Extended Producer Responsibility.

⁶⁴ Ellen MacArthur Foundation (2017) – A New Textiles Economy.

⁶⁵ European Commission (2023) – EU Strategy for Sustainable and Circular Textiles.

⁶⁶ Ellen MacArthur Foundation (2017) – A New Textiles Economy: Redesigning Fashion's Future.

⁶⁷ Deutsche Welle (2020) – Returned, As-New Goods End Up as Trash.

⁶⁸ Ellen MacArthur Foundation (2023) – Our Vision of a Circular Economy for Fashion.

Our approach to reducing waste from our own premises includes:

1. Analyzing our direct and indirect waste impact in quantity and category terms
2. Applying the so-called waste hierarchy step by step:
 - prevention
 - preparing for reuse
 - recycling
 - other recovery
 - disposal

We evaluated our own premises' waste impact by analyzing, per financial year, the weight and proportion of weight that goes to recycling. All the waste from our own premises is collected for delivery to approved local waste service providers. The calculations include primary data such as total container volume, collections, and assumptions such as density and the average filling degree of waste containers. Negligible amounts of waste categories (e.g. light bulbs and batteries) were excluded from the reporting although they do have some hazardous characteristics. Our aim is to reduce the waste weight per floor area and increase the proportion of waste going to recycling. Our office waste separation scheme allows for sorting into four categories: waste, paper, recyclables, and organic. Computer hardware, illuminants, and glass are collected separately.

Our premises' waste impact

Waste impact [t]	Characteristics	Where sent	2023/2024	2022/2023
Paper waste (mostly packaging material)	Non-hazardous	Mostly sent to recycling	167.9	190.2
Commercial waste	Non-hazardous	Sent to sorting and mostly incineration with energy recovery	128.5	140.8
Plastics	Non-hazardous	Mostly sent to recycling	4.8	6.0
Organic waste	Non-hazardous	Mostly sent for biogas conversion	4.5	1.8
Glass bottles	Non-hazardous	Mostly sent to recycling	0.9	0.9
Office electronics, hardware	Some hazardous content	Mostly sent to recycling	0.8	0.8
Total			307.4	340.6

We use packaging to safely ship products to our customers. The protection of our products is crucial as their loss or damage outweighs the emissions from the packaging. As packaging and the resultant waste is a relevant cluster in itself at ABOUT YOU, we also apply a three-step management approach here:

1. Continuously measuring our impact from packaging and gradually improving our analysis
2. Setting targets and deriving strategic direction on which measures will be implemented – with the most important ones being enhancing material efficiency, increasing the proportion of post-consumer recycled (PCR) materials in packaging, closing the loop of recycling, and, using reusable packaging where possible
3. Sharing our progress and what we have learned in the ESG Report



We work towards increasing the percentage of packaging that meets our targets throughout our e-commerce operations. Our goal is to buy at least 95% of ABOUT YOU's self-procured packaging quantities with at least 80% PCR content. Through our engagement with suppliers and packaging industry experts, we discovered that 100% PCR is not always possible. For example, our corrugated cardboard packaging is certified to the [Forest Stewardship Council \(FSC\) Recycled standard](#) >. If measured by a mass-balance system, we can account for 100% PCR content. However, the actual PCR content varies at around 80% or more. Although made of more than 90% PCR, our poly mailers also contain smaller proportions of additives, the volumes of which are hard to reduce. Nevertheless, both these packaging examples meet our targets. In FY 2023/2024, we reduced the thickness of most poly mailers by 25%, which has resulted in saving material. Additionally, we removed labels for internal picking processes through implementing digitized solutions. In the year under review, almost all our directly procured consumer packaging had environmental certifications such as [Blauer Engel](#) > or [FSC Recycled](#) >.

Packaging impact

Packaging impact	2023/2024		2022/2023	
	Weight	Targets met	Weight	Targets met
	[t]	[%]	[t]	[%]
Primary packaging (outbound shipping)				
Corrugated cardboard boxes and tape (paper, PP)	5,811.0	97.6 %	7,757.2	86.5 %
Poly mailers (LDPE)	886.9	99.1 %	892.6	94.8 %
Delivery notes (paper)	346.4	100.0 %	450.9	100.0 %
Paper mailers (paper)	96.1	48.6 %	274.2	21.4 %
Shopping bags (paper)	2.8	0.0 %	3.1	0.0 %
Total primary packaging	7,143.2	97.2 %	9,378.0	86.0 %
Secondary packaging (repackaging)				
Polybags (PE)	1,014.8	100.0 %	928.2	100.0 %
Value-added services (paper, PP tape)	741.8	99.5 %	927.8	99.6 %
Labels (paper-based)	99.9	0.0 %	122.8	0.0 %
Total secondary packaging	1,856.6	94.4 %	1,978.8	93.6 %
Tertiary packaging (transportation)				
Transportation packaging (paper, wood)	2,208.8	37.6 %	2,919.6	52.3 %
Total tertiary packaging	2,208.8	37.6 %	2,919.6	52.3 %
Total packaging	11,208.6	85.0 %	14,276.4	80.2 %

In FY 2023/2024, we engaged with our dropshipping partners, who are responsible for a fraction of the packaging we send out to our customers, and are collaborating with them to increase the percentage share of packaging that meets our targets. For the polybags we order with our private-label products, we now require a high proportion of recycled materials to be used. In our new Private Label Packaging Manual, which suppliers are required to accept, we have set new packaging

requirements of 100% recyclable, 100% recycled, and certified polybags by 2025. In some cases, we asked suppliers for scope certificates to validate the use of certified polybags and have reserved the right to conduct random checks on transaction certificates.

In FY 2023/2024, we explored new recycling paths with our return warehouses, recyclers, and packaging manufacturers to reuse even poor-quality plastics for new poly mailers and,

in this way, moved another step toward a closed loop in plastic packaging. For example, we are now elaborating the possibility of re-using more than 80% of packaging film for new film. Moreover, we are currently adapting the design of our packaging to better communicate to customers how to recycle and package returns to facilitate recycling of consumer packaging in our warehouses. In the future, we are planning to improve waste separation in all the warehouses to obtain more granular waste-to-resource streams, thus proactively supporting waste reduction and recycling.

In FY 2023/2024, we mainly used reusable boxes for inter-warehouse transportation from return warehouses to warehouses. Our reusable boxes for internal packaging are stackable, save transport space, and have a service life of several years, which adds up to multiple cycles. Our aim is to exclusively use reusable boxes. Only in exceptional cases are Euro pallets and disposable cardboard used. Moreover, we are working to find suitable replacements for our one-way outbound transportation assets to transportation partners hubs.

In FY 2023/2024, we created a scorecard for packaging suppliers to enhance comparability. This scorecard includes sustainability criteria by which every packaging supplier is assessed. Through the transparency thus achieved, we are aiming to compare suppliers and create room for improvement. Additionally, we are planning to use the scorecard in new tenders to check if suppliers fulfill our minimum requirements, which include certified packaging.

Furthermore, we have developed and shared with suppliers guidelines on sourcing and minimum material requirements for plastic and paper packaging.

In general, we try to let fashion products go to waste as little as possible. We sell overstocked goods through our own channels and to dedicated external outlets, such as off-price retailers and shopping clubs. Moreover, in the year under review, we increased direct sales of discounted products to customers via our own outlet shopping channel, ABOUT YOU OUTLET. And we evaluated our product waste impact by tracking the proportion of products sent to be incinerated or destroyed.

The returns we received varied in quality and most products could be directly restocked in our warehouses. Products we could not directly restock were sorted by quality according to our hierarchy system and, depending on what they would be needed for, passed through the appropriate product cleaning process. We sold anything we could not restock or clean to dedicated partners, such as fashion outlets. Products sold to partners included some of our D-quality returns (harmful to health or completely damaged, extensively worn items not fit for any use), C-quality returns (major flaws, items not resellable), B-quality returns (slight flaws, items resellable to customers with restrictions), and A-quality overstock (first choice, no flaws, items resellable to customers). However, a small percentage of products had to be incinerated or destroyed because they could

neither be cleaned in our facilities nor sold. In FY 2023/2024, this amounted to <0.1% of inbound products. The products included most of our D-quality returns (harmful to health or completely damaged, extensively worn items worn not fit for any use).



Own stock overstock and returns as a percentage of inbound products

	2023/2024	2022/2023
Sold to partners	0.3%	0.7%
Thereof overstock	<0.1%	0.2%
Thereof returned products with flaws	0.3%	0.5%
Incinerated/destroyed (returned products not fit for any use)	<0.1%	<0.1%

In FY 2023/2024, we improved our sorting processes and KPI tracking, made our sorting instructions clearer, and trained workers in our return centers. Since July 2023, we have been selling all our D-quality returns, leaving us with a close-to-zero percentage of products sent to be incinerated or destroyed. Moving forward, we will continue to improve our tracking of unsold products and our sorting and returns processes to maintain the value of our stock.

EU TAXONOMY STATEMENT – FY 2023/2024

The European Union aims for climate neutrality by 2050 as a central goal of the European Green Deal published in December 2019. An important instrument for achieving this goal is the classification of projects and economic activities as sustainable or not sustainable. The criteria for classification are specified by the EU Taxonomy. The aim is to take the criteria into account in investment and business decisions, thus contributing to the goal of climate neutrality by 2050.

Since 2021, companies that fall within the scope of non-financial reporting under EU Directive 2013/34/EU have been required to

report under the EU Taxonomy Regulation (EU Regulation 2020/852). According to Article 8 of the Regulation, reporting companies must disclose the share of their taxonomy-eligible and taxonomy-aligned economic activities based on KPIs defined by the Regulation – and, in particular, revenue from products and services, capital expenditure (CAPEX), and operating expenditure related to assets or processes (OPEX).

In the year under review, we implemented our reporting obligation in four steps:

1a. We determined our taxonomy-eligible economic activities by examining whether our economic activities correspond to the activity descriptions listed in Annex I (Climate Change Mitigation) and II (Climate Change Adaptation) of Delegated Regulation 2021/2139, supplemented by Delegated Regulation 2023/2485, and Annex I (Sustainable use and protection of water and marine resources), Annex II (Transition to a circular economy), Annex III (Pollution prevention and control) and Annex IV (Protection and restoration of biodiversity and ecosystems) of Delegated Regulation 2023/2486.

1b. We recorded our revenue, CAPEX and OPEX (denominators of the KPIs) as part of the consolidated financial statements and as required by the Delegated Regulation 2021/2178 of the EU Taxonomy Regulation on disclosure obligations. Moreover, we determined the taxonomy-eligible portions of our revenue, CAPEX and OPEX (numerators of the KPIs) by identifying the taxonomy-eligible economic activities in accordance with the requirements of the Delegated Regulation 2021/2178..

2. We determined which of the taxonomy-eligible economic activities made a substantial contribution to the achievement of one or more environmental objectives by using the criteria for taxonomy-aligned economic activities set out in Article 3a) of the EU Taxonomy Regulation.

3. We reviewed the taxonomy-eligible economic activities with regard to the avoidance of significant harm to environmental objectives in accordance with Article 3b) and Article 17 of the EU Taxonomy Regulation – namely, the “Do no significant harm” (DNSH) criteria.

4. We checked the minimum safeguards based on the [OECD Guidelines for Multinational Enterprises](#) and the [UN Guiding Principles on Business and Human Rights](#) in accordance with Article 3c) and Article 18 of the EU Taxonomy Regulation.

As a result, we identified the economic activity “7.7 Acquisition and ownership of buildings” in Annex I of the Delegated Regulation 2021/2139 as a taxonomy-eligible economic activity. For us, this was a cross-sectional activity, as it did not generate any direct revenues. Therefore, only the CAPEX and OPEX KPIs are reported for this activity. Secondly, we identified the economic activity “7.5 Installation, maintenance, and repair of instruments and devices for measuring, regulating, and controlling the energy performance of buildings” in Annex I of the Delegated Regulation 2021/2139 as taxonomy-eligible and reported the OPEX KPI. Thirdly, we identified the economic activity “5.4 Sale of second-hand goods” in Annex II of the Delegated Regulation 2023/2486 as taxonomy-eligible and reported revenues of EUR 1.6 million. Other portions of our revenues were not taxonomy-eligible in FY 2023/2024. Total revenues were stated at EUR 1,935.2 million in ABOUT YOU’s consolidated financial statements (see 3.6.7 (I) Revenue). We did not identify any other material taxonomy-eligible economic activities.

Our total capital expenditures (CAPEX) amounted to EUR 80.1 million in FY 2023/2024. This corresponds to the sum of the additions reported in the consolidated financial statements under 3.6.7 (10.), Intangible assets, 3.6.7 (11.), Right-of-use assets and lease liabilities, and 3.6.7 (12.) Property, plant, and equipment. We determined EUR 3.8 million for the CAPEX KPI in the numerator through taxonomy-eligible additions to right-of-use assets from new and extended leases, and rent increases for offices, stores, and warehouses.

In accordance with the requirements of the Delegated Regulation 2021/2178, our OPEX amounted to EUR 1.8 million in FY 2023/2024. We determined EUR 1.8 million for the OPEX KPI in the numerator as a result of maintenance and repair expenses attributable to the rights of use of existing leases for offices, stores, and warehouses as well as through the economic activity “7.5 Installation, maintenance, and repair of instruments and devices for measuring, regulation, and controlling the energy performance of buildings.”

Furthermore, we did not identify any other material taxonomy-eligible CAPEX, OPEX, or revenues. We exclusively allocated the taxonomy-eligible CAPEX and OPEX to the environmental objective of climate change mitigation, while the taxonomy-eligible revenues are attributable to the objective of transitioning to a circular economy. Besides this, we only identified two other financially non-significant economic activities.

The alignment assessment with regard to the criteria for taxonomy-aligned economic activities listed in Article 3 of the EU Taxonomy Regulation revealed that we cannot report any of the economic activities as taxonomy-aligned. The numerator of the taxonomy-aligned revenue KPI, CAPEX KPI, and OPEX KPI was therefore EUR 0.0 and the share of taxonomy-aligned economic activities 0%.

For the economic activity “7.7 Acquisition and ownership of buildings”, the building owners or lessors would be accountable to provide evidence with regard to all the criteria of all the taxonomy-aligned economic activities. This applies, in particular, to the DNSH criteria

and minimum safeguards. As no such information was provided, compliance with the criteria cannot be currently assured. Concerning the activity “7.5 Installation, maintenance, and repair of instruments and devices for measuring, regulation, and controlling energy performance of buildings” we could not fulfill the DNSH criteria. As the taxonomy-eligible revenues relate to the economic activity “5.4 Sale of second-hand goods” in Annex II of the Delegated Regulation 2023/2486, there was no need to assess the alignment in the financial year under review.

The reporting system for FY 2023/2024 complies with the requirements of the EU Taxonomy Regulation. In FY 2024/2025, we will assess taxonomy alignment for activities relating to Annex I (Sustainable use and protection of water and marine resources), Annex II (Transition to a circular economy), Annex III (Pollution prevention and control) and Annex IV (Protection and restoration of biodiversity and ecosystems) of Delegated Regulation 2023/2486.



Proportion of revenue from products or services associated with EU taxonomy-aligned economic activities

Financial year 2023/2024		2023/2024		Substantial contribution criteria						DNSH criteria (do no significant harm criteria) (h)									
Economic activities (1)	Code (a) (2)	Turnover (3)	Proportion of turnover, year 2023/2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2022/23 (18)	Category enabling activity (19)	Category transitional activity (20)
		mEUR	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
n.a.	-	0.00																	
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Sale of second-hand goods	CE5.4	1.60	0.08	EL	N/EL	N/EL	N/EL	N/EL	N/EL								n. a.		
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)(A.2)		1.60	0.08	0%	0%	0%	0%	100%	0%								n. a.		
Turnover of taxonomy-eligible activities (A.1 + A.2)		1.60	0.08	0%	0%	0%	0%	100%	0%								n. a.		
B. Taxonomy-non-eligible activities																			
Turnover of taxonomy-non-eligible activities		1,933.60	99.92																
Total		1,935.20	100.00																

Proportion of CapEx from products or services associated with EU taxonomy-aligned economic activities

Financial year 2023/24	2023/2024		Substantial contribution criteria							DNSH criteria (do no significant harm criteria) (h)									
Economic activities (1)	Code(s) (2)	CapEx (3)	Proportion of CapEx, year 2023/24 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2022/23 (18)	Category enabling activity (19)	Category transitional activity (20)
		mEUR	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
n.a.	-	0.00																	
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Acquisition and ownership of buildings	CCM 7.7	3.80	4.71	EL	N/EL	N/EL	N/EL	N/EL	N/EL								82.27		
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		3.80	4.71	100%	0%	0%	0%	100%	0%								82.27		
CapEx of taxonomy-eligible activities (A.1 + A.2)		3.80	4.71	100%	0%	0%	0%	100%	0%								82.27		
B. Taxonomy-non-eligible activities																			
CapEx of taxonomy-non-eligible activities		76.30	95.29																
Total		80.10	100.00																

Proportion of OpEx from products or services associated with EU taxonomy-aligned economic activities

Financial year 2023/2024		2023/2024	Substantial contribution criteria							DNSH criteria (do no significant harm criteria) (h)									
Economic activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year 2023/2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022/2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		mEUR	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
n.a.	-	0.00																	
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM75	0.20	12.70	EL	N/EL	N/EL	N/EL	N/EL	N/EL								n. a.		
Acquisition and ownership of buildings	CCM77	1.60	87.30	EL	N/EL	N/EL	N/EL	N/EL	N/EL								100.00		
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		1.80	100	100%	0%	0%	0%	0%	0%								100.00		
OpEx of taxonomy-eligible activities (A.1 + A.2)		1.80	100	100%	0%	0%	0%	0%	0%								100.00		
B. Taxonomy-non-eligible activities																			
OpEx of taxonomy-non-eligible activities		0.00	0.00																
Total		1.80	100.00																

3 PEOPLE

OUR EMPLOYEES

Employees⁶⁹ are the core of our business. We see it as our responsibility to create a work environment in which our employees can thrive and leverage their potential. In our materiality assessment, we identified working conditions as a material topic as they form the basis of our work environment. However, as all employee-related topics are, in our view, interrelated, we have chosen to additionally report on non-material topics such as “Equal treatment and opportunities”, “Talent acquisition and development” and “Health and safety” to maintain the consistency of our reporting from year to year.



Our employees by gender and age

	2023/2024	2022/2023
Employees		
Number of employees (in headcount)	1,400 ✓	1,521
New hires	461 ✓	692
Turnover of permanent employees	22.9% ✓	21.7%
Gender representation		
Women	64.3% ✓	65.7%
Men	35.6% ✓	34.2%
Non-binary	0.1% ✓	0.1%
Age representation		
Average age	30.6 years	29.7 years
Leadership positions held by employees younger than 36	65.8%	68.8%

Creating a fair and friendly work environment for our own employees

In FY 2023/2024, the number of hires was lower than the previous year. Our employee statistics distinguish between full-time and part-time employees, with 83.3% of employees working full-time. The turnover⁷⁰ of permanent employees⁷¹ rose to 22.9%. With due consideration given to the development of our headcount, we did not implement any large-scale redundancies and primarily managed our headcount by making use of natural fluctuation, improved workforce planning, and timely optimization of organizational efficiencies. All of our internal employees are

employed in Germany and 99.4% of all employees have a guaranteed number of employment hours.⁷²

Direct employment is the primary contractual relationship for our employees. We prioritize filling vacancies internally and directly so as to minimize our reliance on personnel leasing, which is only made use of during extended vacancies or periods of high workloads for our regular employees. Consequently, we always try to keep the numbers of non-direct employees at a minimum. As we similarly do with working students and interns, we always evaluate possibilities to

⁶⁹ According to this report, employees are all individuals who have a direct employment relationship with the ABOUT YOU Holding SE or the fully consolidated subsidiaries ABOUT YOU SE & Co. KG and SCAYLE GmbH, excluding Adference GmbH employees, freelancers, personnel leasing personnel, and employees who have not yet started working for us as per the reference date of February 29, 2024.


⁷⁰ Calculation according to the Schlüter formula: to calculate the fluctuation rate, the departures are divided by the initial headcount plus the new hires.

⁷¹ Permanent employees in this report are employees, excluding interns, working students, employees with temporary contracts up to one year, and so-called “mini-jobbers”.

⁷² A guaranteed number of employment hours means that a minimum or fixed number of working hours is guaranteed, excluding “mini-jobbers” and working students.

offer permanent internal positions to leased personnel.

All our employees in Germany are represented by the works council, which is elected by the employees themselves. This works council is an instrumental factor in reducing any workplace conflict by enhancing and formalizing communication channels. To enhance employee involvement in decision-making, the works council is proactively included in relevant decisions. Collective bargaining at a company level is facilitated by the works council, which embodies employee representation. Regular meetings are held between the works council, HR personnel, and one of the Co-CEOs, along with organized consultation hours for employees. The works council communicates directly with employees through various channels, including the intranet, emails, and anonymous channels. In FY 2023/2024, the works council also organized a works assembly moderated by the works council, at which employees had the opportunity to pose questions directly to the Co-CEO and HR Director. The works assembly met with a positive response, especially due to the presence of our Co-CEO and HR Director. All in all, this made a key contribution to enhancing communication and engagement.

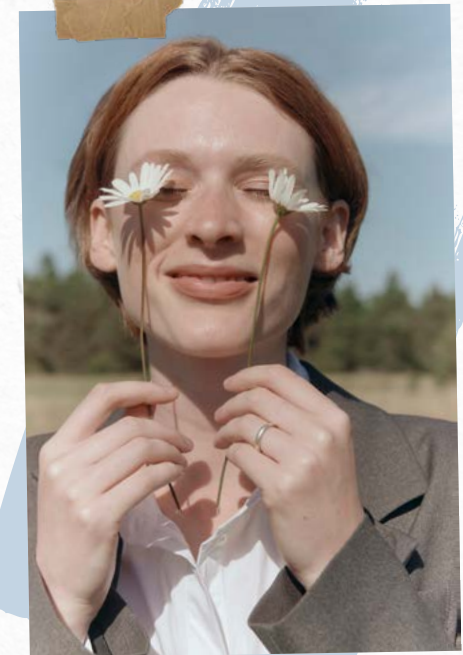
In FY 2023/2024, we used data from [WageIndicator](#)  to conduct a salary comparison with living wages at all premises. The findings of this analysis confirmed that the lowest salaries at ABOUT YOU are well above the average living wage levels in the respective regions. ABOUT YOU pays its full-time

employees⁷³ a gross minimum salary of EUR 2,400 per month per full-time equivalent, which exceeds the legal requirements in Germany. In FY 2023/2024, we expanded and improved our salary bands and introduced job families to ensure a fair comparison of tasks and responsibilities. We also built on this basis by conducting a benchmark analysis with all salary groups to assess how our salaries compare with industry standards. Based on the results, we adjusted and improved our salary bands appropriately. In the future, we intend to further improve the quality and quantity of our job families and the salary bands and are therefore planning to introduce ABOUT YOU's own job families to guarantee even better comparability of tasks and responsibilities.

As all ABOUT YOU employees are employed in Germany, they are covered by social protection legislation against loss of income due to serious life events. Social protection requirements are generally complied with for everyone in Germany.

The gender pay gap analysis conducted in FY 2022/2023 and based on the process provided by the German Federal Statistical Office was repeated in FY 2023/2024. The findings revealed that the adjusted gender pay gap had declined further and was again below 5%. This gap was corrected for wage-determining factors such as the highest educational degree and career level. As opposed to the previous reporting year, in FY 2023/2024 we included our specific salary bands as a crucial factor in wage determination, as they were

introduced individually for each job profile at ABOUT YOU and are therefore a more accurate benchmark than our job families. We aim to carry out more analyses in the future to achieve greater pay equity, as well as conducting detailed analyses in all relevant groups.



⁷³ Full-time employees in this report are employees, excluding interns, working students, employees with temporary contracts up to one year, mini-jobbers, trainees and apprentices.

To create a fair and friendly work environment for every employee, we employ a three-step management approach:

1. Measuring and analyzing where we stand using selected KPIs and qualitative feedback tools
2. Identifying opportunities for improvement and deriving specific actions in the fields of:
 - a. Equal treatment and opportunities – also known as Diversity, Equity, and Inclusion (DE&I)
 - b. Talent acquisition and development
 - c. Health and safety
3. Sharing progress made and what we have learned internally and externally in the ESG Report

We developed this three-step approach jointly with the Co-CEOs, HR personnel, and the Corporate Sustainability team. In doing so, we considered feedback from internal sources, such as our employees, and external sources (e.g., a health insurance provider and our occupational safety and mental health service providers). To foster additional improvements, we are building on feedback from audits such as [GOTS](#) or [PRIDE Champion](#).

We use different channels to engage with our employees and gather their feedback. To obtain employee feedback on both material and non-material topics, we utilize the [Workday Peakon Employee Voice](#) tool (Peakon). Employees voluntarily provide feedback by assigning scores on a scale of 0 to 10 in categories such as overall satisfaction, mental health, and well-being. Since the beginning of 2024, feedback has been collected on a weekly instead of monthly basis to obtain an up-to-date picture of the current mood. Data is collected anonymously and aggregated from the team to all higher levels⁷⁴ for quick and regular responses, which allows us to take appropriate action. Our leads undergo training to respond effectively to feedback and enhance the quality of feedback management. As we regularly review and analyze Peakon scores and areas, we obtain valuable insights that help us to identify employee needs and concerns and enable us to take proactive measures.

⁷⁴ Aggregated scores will become visible after a minimum of five responses per team and question.



Peakon indicators

	2023/2024	2022/2023	Consumer retailing industry benchmark 2023/2024
Average Peakon engagement score ⁷⁵	7.2	7.5	7.6
Average Peakon eNPS ⁷⁶	6	19	17
Peakon peer relationship engagement score	8.4	8.5	8.2
Peakon peer relationship eNPS	58	61	39
Peakon growth engagement score	7.1	7.5	7.3
Peakon growth engagement eNPS	5	20	10
Peakon equality engagement score	8.5	8.7	8.5
Peakon equality engagement eNPS	49	55	49

The employee net promoter score (eNPS) is calculated by subtracting the total percentage of detractors from the total percentage of promoters. The average Peakon engagement score in FY 2023/2024 was lower than in the previous reporting period. The main reasons suspected were the challenges arising from ongoing macroeconomic conditions, including a slowdown in hiring and increased cost sensitivity. It is important to add that the works council also has access to Peakon scores so it can proactively respond to comments and scores. This fosters a collaborative approach to addressing concerns. We are delighted with the positive response and active participation of our employees via the different channels that give them various opportunities to make any grievances public, either confidentially or completely anonymously.⁷⁷

Taking action for equal treatment and opportunities

We are dedicated to fostering an inclusive and exceptional work environment to attract and nurture talent from across the globe. We firmly believe that diversity among our employees makes a fundamental contribution to the ABOUT YOU culture. To us, diversity means ensuring that our teams and workplaces mirror the vibrant diversity of our customers and communities, encompassing factors such as ethnicity, skin color, gender identity, sexual orientation, talent, age, education, background, etc. To continuously commit ourselves to maintaining a value-oriented corporate culture that champions DE&I, we embedded this in our [Business Code of Ethics](#) ⁷⁸. Additionally, we crafted our DE&I management approach to address the diversity factors listed above via a collaborative process involving internal feedback, peer discussions, and consultations with experts,

and made this available to employees via our intranet. To regularly assess and, if necessary, implement new measures, our Peakon survey tool (see above) includes a diversity and inclusion module incorporating various attributes. Additionally, our DE&I Circle is in regular contact with our Employee Resource Groups to coordinate measures and targets. In FY 2023/2024, ABOUT YOU was awarded a PRIDE Champion Gold Seal in the UHLALA Group's PRIDE Index, which signifies our ongoing dedication to fostering a workplace that is diverse, equitable, and inclusive. Since our inaugural participation in 2022, we have consistently worked on implementing additional improvements and initiatives in collaboration with our DE&I Circle and Employee Resource Groups. The UHLALA Group's rating enabled us to derive new measures and adjust our DE&I strategy to better align with best practices and strive for continuous improvement.

Our Employee Resource Groups are dedicated to enhancing and expanding measures that pursue equal and fair treatment as well as respect for the rights of all employees. Through these Employee Resource Groups, we also provide accessible contacts for reporting any instances of discrimination in the workplace. As part of this commitment, we are planning to boost awareness of the Employee Resource Groups' existence and to extend their accessibility to more employees. We launched the About Pride, Parents at AY, and AY Cultural Exchange Employee Resource Groups. Our DE&I strategy is available to all employees on our intranet.

⁷⁵ FY 2023/2024 average of the latest of our employees' responses to the engagement questions on a 0 to 10 scale.

⁷⁶ Percentage of promoters (scores 9 to 10) minus percentage of detractors (scores 0 to 6).

⁷⁷ Our grievance mechanisms are detailed in the **OUR ESG DUE DILIGENCE FRAMEWORK** section.

DE&I KPIs for women and international employees

	2023/2024	2022/2023
Women employees		
Women in leadership positions	49.7% ✓	51.1%
Women in first-level management positions ⁷⁸	37.2% ✓	37.7%
Women in second-level management positions	48.8%	
Women in third-level management positions	54.2%	
Employees led by women	55.0%	
Women in tech roles	30.4%	30.3%
International employees		
International employees in leadership positions	26.1%	21.8%
International employees	31.4%	29.6%
Number of nationalities	74	77

With 31.4% international employees and 74 nationalities represented, ABOUT YOU is already a multinational company. In the year under review, we again organized regular events such as the International Stammtisch through our International Get-Together platform to foster personal and professional interaction among employees from different nationalities. We have established the AY Cultural Exchange Employee Resource Group to provide a dedicated channel for all international employees to connect with HR and management personnel.

With 49.7% women in management positions, we have achieved our target and are committed to maintaining this ratio. Our overarching goal is to establish a balanced representation

of women at all leadership levels within the target corridor of 40–60% by FY 2025/2026. This target is within reach, since the target corridor has been achieved at all levels except the first one (as the first level remained at about 37% in FY 2023/2024). This share was due not least to our conscious decision to fill vacant and new positions with women. To achieve our overall goal, we are planning to expand the part-time work opportunities in management positions under specific conditions to facilitate a better work-life balance for both men and women.

Inclusivity for mothers and fathers is a fundamental aspect of our company's diversity initiatives. Our commitment here is to offer flexibility and support wherever possible. For expectant mothers, we provide comprehensive information and assistance in completing the necessary applications (e.g., for parental leave). We not only take account of maternity protection periods but also approve parental leave for both mothers and fathers, while offering longer parental leave periods than required by law. Additionally, we facilitate preparation of the required certificates and make every effort to find flexible part-time solutions to balance work and family, both within and beyond parental leave periods. Our goal is to retain a parent's position or offer re-entry into a comparable role, depending on the duration of the absence. We have already instituted regulations, such as unlimited child sick days, a full remote-work regulation, and complete flexibility regarding working hours, and have

established dual-leadership positions in certain areas. In FY 2023/2024, 5.4% of our employees took advantage of family leave, of whom 80% were women and 20% men.

In FY 2023/2024, we continued to run diversity training measures, including sessions on Unconscious Bias and LGBTQI+ Awareness & Allyship Training by [UHLALA Group](#), a leading LGBTQI+ social business company that has been instrumental in supporting our LGBTQI+ diversity engagement efforts. These training sessions are designed to enhance awareness of diversity-related topics and foster an inclusive and respectful working environment. In recognition of the fact that traditional binary gender designations for restrooms may not accommodate the needs of all our employees, in the upcoming financial year we intend to convert some of our existing restrooms into gender-neutral facilities that are accessible to any employee, regardless of their gender identity or expression.

⁷⁸ The first level includes all managers who report directly to the Co-CEOs of ABOUT YOU Holding SE. The second level includes all managers reporting to first-level managers. The third level includes all other managers.

Acquiring and developing talent

We identified skill shortages as a potential risk in our RMS.⁷⁹ Specific risk events include the potential loss of top international talent and increased compensation expenditures. Even though the risks have not been classified as top risks, we make every effort to mitigate potential skill shortages and create an environment that fosters employee satisfaction, growth, and retention.

In the year under review, we thus pursued several recruiting efforts to attract and hire a diverse pool of employees. To reach out to students, we established partnerships with Hamburg University, the Hamburg School of Business Administration (HSBA), and the Handelshochschule (HHL) Leipzig. We hosted various student events with guest contributions and invited students to our premises to engage with them directly. We also proactively engaged with some non-German universities, including École des hautes études commerciales (HEC) Paris [▶](#), and participated in career fairs like the Católica Career Networking Monday in FMCG & Retail [▶](#). Our aim is to establish meaningful connections with non-German specialists through targeted outreach efforts. Internally, we proactively invest in further training for our young talents. Our joint graduate and rotational programs encompass vocational training schemes and a trainee program. In addition to developing our own talents, we also address external personnel who have completed their qualifications. To this end, we participated in various fairs such as Online Marketing Rockstars [▶](#) (OMR) and

Laracon [▶](#) in Amsterdam, a fair aimed specifically at tech professionals.

As the focal touch point for all our learning opportunities, the AY Academy is instrumental in fostering internal collaboration and understanding among ABOUT YOU teams. To enable employees to further their skills at their convenience, LAYNE was launched as an on-demand learning management platform in FY 2022/2023. In the year under review, we successfully expanded our course offering to include external courses and currently offer a total of 56 voluntary courses. LAYNE also includes mandatory training sessions, including compliance-related training such as workplace safety and anti-corruption. In FY 2023/2024, we incorporated three new mandatory training courses and launched an authoring tool to monitor the quality of our training measures and elevate the degree of interactivity. Our AY Academy also offers teams the opportunity to introduce themselves to their colleagues. The aim here is to intensify mutual understanding and fortify inter-team spirit. In FY 2023/2024, 19 teams took advantage of this opportunity. The positive response to these presentations has inspired plans to increase the number of featured teams in the upcoming financial year. To additionally improve our AY Academy training program, we collected and evaluated feedback through general surveys, participant feedback, leads surveys, and direct exchanges. A comprehensive survey of all our employees is planned in the upcoming financial year to further enhance the training

curriculum and check that the findings and feedback are contributing to ongoing improvements in the training strategy.



ABOUT YOU employees at different career fairs



⁷⁹ Detailed in the Annual Report FY 2023/2024 under section 2.5 Risk Management.

Our expanded employee training program

	2023/2024	2022/2023
Training courses	49	70
Total number of employee training sessions held	180	252
Total number of participants in live training sessions	2,060	4,312
LAYNE: Voluntary and mandatory courses passed	5,449	6,727

To expedite our employees' individual development as they navigate steep on-the-job learning curves, we also offer in-house mentoring by experienced colleagues. This in-house mentoring program provides a valuable opportunity for mentors and mentees to foster personal and professional growth. Mentees benefit by receiving guidance and support from seasoned mentors, which helps in overcoming challenges and attaining their goals. Mentors have the chance to make a meaningful impact by sharing their expertise and insights, thus contributing to their mentees' development and success, while expanding their own professional network. The program thus creates a win-win situation and enhances collaborative learning and a development culture within our organization. In FY 2023/2024, employees with no management role also had the chance to participate in the mentoring program. A total of 50 matches between mentors and mentees were recorded in the year under review. To further enhance the mentoring program in the upcoming financial year, we are planning to introduce training courses for mentors in LAYNE, where a key focus will be on providing mentors with targeted training on critical



topics such as social background. These training sessions will be provided by external sources to diversify perspectives and bring in additional expertise.

In FY 2023/2024, we conducted a thorough review of our training portfolio for managers. Building on feedback from our managerial team, we significantly adjusted this portfolio to enhance its content and overall quality. We introduced a dedicated training series for managers focusing on topics such as healthy leadership and expanded our on-demand resources for managerial development. Our managerial staff now have access to the Savvi Learning platform, which offers training and development opportunities. In FY 2023/2024, we introduced a degree of differentiation between senior and young managers to tailor our training programs more precisely to addressing their specific needs. Continuing our commitment to the development of young leaders, we organized another series of Young Lead Nights. At these meetings, our young managers have the chance to exchange thoughts, ideas, and best practices on fundamental leadership topics, common challenges, and any individual issues they are currently encountering. Regular feedback rounds between managers and employees serve as a platform to discuss ongoing training needs and define a relevant development path. A budget for individual development initiatives was extended to become available to all ABOUT YOU managers. This investment underscores our commitment to supporting the professional growth of our team members

and ensuring they have the necessary skills to excel in their roles.

Achieving health and safety for our employees

Our commitment to providing an engaging and healthy work environment for all our employees remains as high as ever. To further demonstrate our commitment to ensuring a safe and secure workplace, our goal for the upcoming financial year is to achieve a certified health and safety management system. We are additionally planning to improve the quality of our so-called Health Days by consolidating events, prolonging their duration, and extending the scope of what is on offer. In doing so, we will consider the feedback received through Peakon. In CY 2023, we are pleased to report that there were only two occupational accidents⁸⁰, and the average number of sick leaves⁸¹ (1.00) per employee remained exceptionally low in a peer comparison (1.91). We remain committed to sustaining these achievements by offering regular occupational safety and preventive health care training.

The majority of our employees (833) have health insurance policies with [Techniker Krankenkasse](#)  (TK). Throughout the year, we benefit from regular evaluations provided by TK, with a particular focus on the number of sick days and the associated reasons. This data serves as valuable supplementary information to enhance the understanding derived from employee surveys and our [Employee Assistance Program](#)  (meinEAP), all with the aim of improving our work environment.

⁸⁰ Reportable accidents that resulted in an incapacity to work of more than three days.

⁸¹ Average cases of incapacity for work per employee in calendar year 2023.

Average number of sick leaves and occupational accidents

	2023	2022	2021	Industry benchmark 2023
Average cases of sick leaves per employee ⁸²	1.00	0.65	0.36	1.91
Occupational accidents on premises	2	0	2	Unavailable

In FY 2023/2024, we continued our commitment to our employees' well-being by conducting various series of workshops to raise their awareness and knowledge of health topics. These workshops covered mental health topics such as women's health and a positive mindset, physical health subjects including Pilates training and healthy routines, and food-related subjects such as "Healthy food and stress." The workshops held in collaboration with TK and [moveUP](#), a professional health education provider, took place online.

In the year under review, we also extended our Health Days program to include a two-day event in May and another two-day event in October. The online program included workshops and training courses, while our Hamburg office provided on-site activities such as healthy food options, medical check-ups by our company doctor, and interactive elements such as a reaction wall. Similar initiatives were extended to our Berlin office, and healthy snacks were supplied to employees in other offices, stores, and warehouses. All Health Day activities were organized in collaboration with TK, moveUp, a mindset trainer and coach, and our company doctor.

As another company-wide initiative, we actively participated in the [adidas Move For The Planet](#) event to raise awareness about the critical issue of climate change and inspire collective action to support sustainability initiatives. The route of our organized run went through Hamburg, with the start and finish at our Hamburg office, while individual employee groups helped to clean up Hamburg streets by collecting litter. After the run in Hamburg, employees could track their running achievements using the adidas running app, with adidas converting the tracked minutes into donations to support projects that address issues concerning extreme heat and water consumption in sports.

If employees require support due to personal challenges or their current work environment (including their workload), our HR team serves as the first level of support. If employees need to care for dependents, HR staff try to provide direct support by offering flexible solutions such as reduced working hours or the option to work from home on a case-by-case basis. Furthermore, we align employment contracts to support our employees' recovery from illness and commit to not terminating

employment contracts for health-related reasons. Besides this, we offer anonymous, free-of-charge professional counseling through our [meinEAP](#) for employees and their relatives. This service covers both professional and private issues and provides quick help for day-to-day problems or emergencies. Periodically, we receive anonymized evaluations from our EAP provider to enhance our understanding of employee well-being. We are planning to raise awareness of this program and encourage employees to utilize these services more actively. We are especially aiming to increase awareness among our leaders about the services offered by our EAP provider to help them prepare for addressing any challenging issues and seek expert advice on lead-related topics.

In response to an identified demand for medical consultation, we initiated monthly consultation hours with our company doctor in FY 2023/2024. This initiative has proved highly successful, as indicated by the substantial demand and positive feedback from our employees.

⁸² All the data comes from TK's 2023 ABOUT YOU absenteeism report and refers to employees insured by TK.

WORKERS IN OUR VALUE CHAIN

Value chains in the fashion industry are prone to social risks. Since the 1970s, production has been increasingly outsourced to countries with lower social and environmental standards, which their governments are generally less rigorous in enforcing.⁸³ Those most exposed to social risks are garment workers in the fashion value chains. Around 65 million of them or 75% of garment workers worldwide are in Asian countries. Some 80% of them are women.⁸⁴ However, we do see that the industry is moving toward better practices and reducing social risks.⁸⁵

Through our ESG Risk Assessment process, we identified three salient⁸⁶ social risk areas at direct business partners (listed below) and five salient social risk areas⁸⁷ in our value-chain segment adjacent to direct business partners, which are mostly affiliated with product manufacturing (tier 1). Not all risks are covered by the GSCDDA.

#1 Discrimination

In countries producing goods for the footwear and apparel industry, exclusion and unequal treatment risks are prevalent and cases do occur. The imbalance of power between the rights' holders affected and the respective companies is a contributory factor.⁸⁸ The risk of discrimination also applies to the transportation workforce, as migrant workers often suffer unequal treatment.⁸⁹

#2 Wages

Low wages are a sectoral risk for the global leather, footwear, and textile industries. Workers' wages are often below a living wage, resulting in precarious living conditions for the workers and their families.

#3 Working hours and decent working conditions

Excessive overtime is a prevalent structural problem in most production countries that Fair Wear Foundation member brands source from. Our Private Labels and other third-party brand partners also source from these countries. Workers sometimes prefer to work (excessive) overtime to earn a higher income, as their basic wages are far below most living wage benchmarks. In some countries, there may even be a cultural dimension to overtime.⁹⁰

As ABOUT YOU relies on workers in upstream and downstream value chains, we identified working conditions, unequal treatment, and other work-related rights as material topics in accordance with the CSRD definition. To address these challenges, we follow the five-step management approach of the above-mentioned ESG Due Diligence Framework:

1. Utilizing our ESG Risk Assessment to continuously evaluate social risks and gradually improve our assessment as a basis for prioritization
2. Deriving dedicated preventive and remedial measures and monitoring their effectiveness
3. Setting up policies to formulate what we expect of stakeholders
4. Ensuring the accessibility of whistleblowing channels
5. Regularly reporting our progress

⁸³ Dana Thomas (2019) – Fashionopolis, pp. 14-15; social standard assessed with MVO Nederland (2023) – CSR Risk Check; environmental standards assessed with Yale Center for Environmental Law & Policy (2023) – Environmental Performance Index; governance effectiveness assessed with The World Bank (2023) – Worldwide Governance Indicators.

⁸⁴ International Labour Organization (2021) – Moving the needle: Gender equality and decent work in Asia's garment sector.

⁸⁵ The average score of 250 of the world's largest fashion brands increased by 2 percentage points to 26% in the Fashion Transparency Index, Fashion Revolution (2023) – Fashion Transparency Index 2023 Edition.

⁸⁶ We defined "salient" as average net risk scores of high-risk suppliers above a certain threshold within the methodology of our ESG Risk Assessment process.

⁸⁷ Salient social risk areas for direct business partners are discrimination, wages, working hours, and decent working conditions. Additional risk areas in our value chain adjacent to direct business partners are forced labor, freedom of association and collective bargaining, discrimination, wages, working hours, and decent working conditions.

⁸⁸ INKOTA (2022) – Menschenrechtliche Sorgfaltspflicht in der Praxis – Wie kommen Unternehmen ihrer Verantwortung für Menschenrechte in der globalen Lieferkette von Leder(waren) und Schuhen nach?

⁸⁹ UNEP FI (2014) – Human rights issues by sector.

⁹⁰ Fair Wear Foundation (2020) – Fair Working Hours Guide.

Transparency is the precondition for everything else. To manage our worker-related impacts, we are therefore increasing value chain transparency and traceability as enablers for improving social performance.

Our ESG Risk Assessment, policies, grievance mechanisms, ESG Due Diligence Framework, and compliance with internationally recognized frameworks relevant to value chain workers are reported in the **GENERAL DISCLOSURES** chapter of this report. Workers – and first and foremost, the vulnerable groups amongst them – are a main stakeholder in our [Human Rights and Environmental Policy](#), and its content is therefore relevant for them. Our [Business Code of Conduct](#) is also relevant for workers because it lists what we expect of direct business partners, some of whom employ these workers. Both documents explicitly include the salient social risk areas. Some of our commitments to employees in our [Business Code of Ethics](#) are also of indirect relevance to value-chain workers because our employees' practices – and especially those of our Buying, Sourcing and Procurement teams – may well have an effect on layoffs, working hours, and the employers' ability to pay their workers their due wages. With our [Sustainable Sourcing Policy and Private Label Sustainable Sourcing Policy](#), we have set the current and future sourcing requirements for relevant business partners and products sold in our online fashion store so as to proactively shape our assortment and its impacts on the environment and value-chain

workers. The latter can directly make their concerns and needs known to us via our whistleblowing channels. Please refer to the **GENERAL DISCLOSURES** chapter of this report where we report in more detail on the processes, channels, and handling of cases. Through our [Business Code of Conduct](#), we also require our business partners to set up grievance channels for their own workers, thus cascading our approach.

To reduce the impacts on value-chain workers, we pursue three targets:

1. Working toward all of our private-label tier 1 factories maintaining an acceptable social performance throughout our business partnership, thereby reducing the probability of human rights' violations impacting value-chain workers in line with the principles set out in our Business Code of Conduct.
2. Increasingly engaging internal and external stakeholders in sustainability-related capacity-building activities.
3. Adapting responsible purchasing practices by our Private Labels Buying teams to minimize our negative impacts on value-chain workers




Improving private-label supply chain transparency and human rights due diligence

The top-three factory countries we sourced our private-label products from in FY 2023/2024 were China, Bulgaria, and Turkey. Through our ESG Risk Assessment in FY 2023/2024, we identified various risk areas in the low-to-medium domain in China, fewer risk areas as mostly low in Bulgaria, and various risk areas in the low-to-extreme domain in Turkey. To manage these risks we pursue a range of different measures in our Private Labels team, as laid out below.

unable to obtain their tier 2 information. Nonetheless, tier 1 and tier 2 transparency is a requirement for the onboarding of new suppliers and traceability of tier 1 factories was achieved at both an order and product level. Moreover, we are preparing our purchasing systems to achieve traceability at tier 2 level, with the focus on weaving, printing, and dyeing facilities.

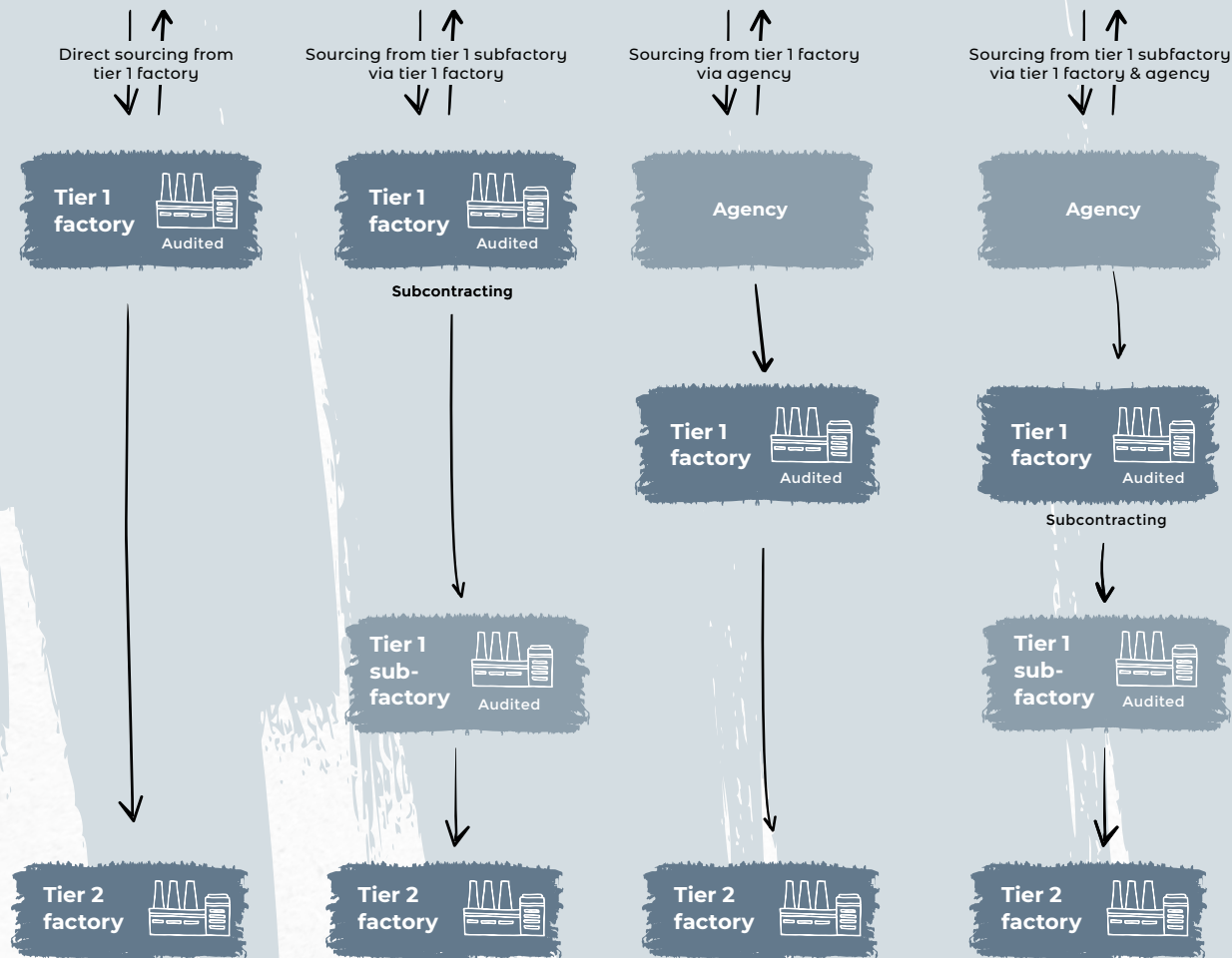
Factories published on the Open Supply Hub [%]

	2023/2024	2022/2023	Target 2023/2024 (%)
Tier 1 factories by number of factories	100.0% (150 at end of FY)	100.0% (201 at end of FY)	100.0%
Tier 2 factories by total procurement costs via respective direct supplier	96.4% (461 at end of FY)	87.2% (383 at end of FY)	100.0%
Internal tier 2 factory transparency figure by the same metric	100.0% (478 at end of FY)	93.9% (430 at end of FY)	–

Twice in FY 2023/2024, we published our tier 1 factories on the [Open Supply Hub \(OSH\)](#)  to support their mission to improve human rights and environmental conditions in the value chain. We also published our tier 2 factories by total procurement costs via the respective direct supplier. Some of our direct suppliers vetoed our publishing of their upstream suppliers, which means that our internal tier 2 factory transparency figure is actually even higher. Since the tier 2 transparency exercise is carried out retrospectively, some of the suppliers for SS23 and AW23 orders are no longer working for us or are in the process of being phased out. For that reason, we were

Our Private Labels' supply chain mapping

ABOUT YOU label, EDITED, celebrity coops



Note: simplified illustration

In FY 2023/2024, we continued collecting and updating worker-related data such as gender representation among workers and in management, the proportion of migrant workers, trade union representation, and workers' committee/representatives at a factory level based on suppliers' third-party social assessments. In our tier 2 supplier database, we mapped tier 2 factories to suppliers and tier 1 factories and collected sector, product, services, and social compliance data per tier 2 factory. The goal of this mapping exercise is to further increase transparency and improve our understanding of the nature of factories and workers in our value chain to better assess the human rights risks involved.

Our business partnerships with suppliers and their agents are based on business and agency contracts that aim to increase compliance with our social and environmental standards. We strive to build long-term relationships with suppliers that align with our sustainability and social responsibility goals, and our partnerships generally last for multiple years.

As part of the onboarding process, partners are required to sign up to our minimum requirements for quality and product safety, our [Business Code of Conduct](#), and our [Private Label Sustainable Sourcing Policy](#), which establishes strict sustainability requirements for private-label products and manufacturing processes. Our partners are also required to cascade compliance with these standards to their tier 1 factories. Additionally, from March 2024 onwards, business partners have been required to provide further information on their social practices during their onboarding process. This includes, for example, sharing their policies and internal practices to promote human rights in their operations, as well as any existing mechanisms for worker involvement such as grievance mechanisms or workers' representatives.

Moreover, we are working to make our whistleblowing system more accessible for value-chain workers and improve the internal processes for dealing with claims in our Private Labels business unit. In addition to our own confidential whistleblowing channels, the workers in our factories in Turkey, Bangladesh, and India can now raise any complaints relating to our [Business Code of Conduct](#) through the [amfori Speak for Change](#) grievance mechanism, which allows us to address claims in collaboration with other brands.

Since 2020, we have been an active member of [amfori](#), an association of brands, retailers, and importers that offers tools and services to promote socially and environmentally responsible business. The [amfori Business Social Compliance Initiative](#) (BSCI), our main

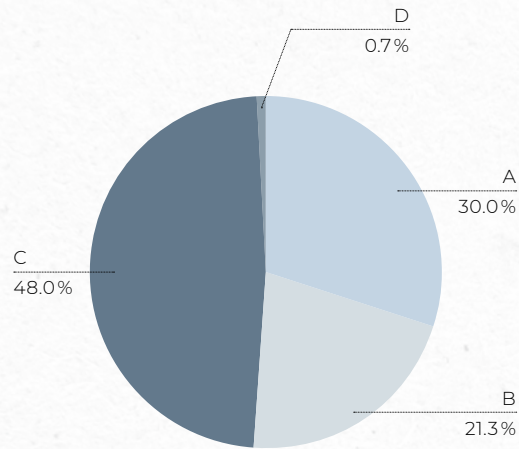
social audit system, is used to monitor the social performance of our tier 1 factories. The amfori Sustainability Platform is also used to map our value chain, track the improvement initiatives implemented by our factories, analyze our overall value-chain performance, and participate in collective remediation. This platform also provides a wide range of social responsibility training courses and workshops in a variety of languages and targeted to specific countries and contexts. We encourage our factories to participate in these initiatives to strengthen their own measures with regard to their specific interests and needs. In 2023, for example, the top three training topics that our factories participated in were the amfori BSCI system and [Business Code of Conduct](#), occupational health and safety, and social management systems.

All our tier 1 factories are required to continuously undergo recognized social assessments by third parties such as [amfori BSCI](#) audits or [Sedex Members Ethical Trade Audits](#) (SMETA). These, in turn, are based on international human rights standards such as the [Universal Declaration of Human Rights](#), the [UN Guiding Principles for Business and Human Rights](#), the [OECD Due Diligence Guidance for Responsible Business Conduct](#), or the [International Labour Organization](#) (ILO) conventions. Prior to their onboarding, all our new tier 1 factories are requested to have a valid amfori BSCI audit or an equivalent social assessment. By January 2025, all our current tier 1 factories will be required to pass an amfori BSCI audit. All our business partners' factories must have a valid social assessment at all times during our business relationship. We

are increasingly assuming BSCI responsibility (RSP) for our main partners' factories to check that their audit is renewed on time and engage more strongly in their social performance. We currently serve as a BSCI RSP holder for 61 of our tier 1 factories.

Additionally, we have created our own social rating system as a mechanism to evaluate the effectiveness of our management approach in enforcing the principles set out in our [Business Code of Conduct](#), including on health and safety, acceptable working hours, forced labor, and fair wages. Based on this social rating system, we assess and compare the social performance of all our tier 1 factories. New tier 1 factories are required to have an A to C rating. Those rated D and E are considered unfit for production and not accepted for onboarding. Similarly, current tier 1 factories need to maintain their A to C rating throughout the business relationship with us.

Current social audit ratings



ABOUT YOU audit score	Number of tier 1 factories
A	45
B	32
C	72
D ⁹¹	1

We have developed internal escalation processes for all relevant Private Labels teams to remediate any high-risk findings from our monitoring efforts. This way, we engage with current tier 1 factories that score D or E ratings to share and implement a remediation plan that is intended to improve their performance within six months of the initial result. In FY 2023/2024, some of these remediation plans included, for example, improving their use of protective equipment and fire safety systems, conducting human rights and health and safety training for workers, or

adjusting their management and compensation of overtime hours in line with legal requirements. Additionally, we have integrated amfori's Zero Tolerance Protocol into our internal processes. This would trigger collective remediation steps in the event of a BSCI audit revealing child labor, forced labor, inhumane treatment, critical occupational health and safety violations, or unethical behavior.

In FY 2023/2024, many of our tier 1 factories proactively engaged in continuous improvement measures with respect to health and safety, social management systems, and fair remuneration, for example. In the upcoming financial year, we are planning a preventive measure that aims to further engage our factories to improve their performance based on their location, the nature of their findings, and our influence on them.

We continued to promote social and environmental criteria in our annual supplier scorecards, including not only our suppliers' current performance based on their audit results, but also their predisposition and alignment with our strategic roadmap based on their responsiveness to new requirements and overall engagement in social and environmental initiatives such as training and improvement plans. Moreover, we continued to foster the use of supplier scorecards to inform purchasing decisions, optimize our supplier portfolio, and reduce our overall number of partners. This has increased our leverage for improving the social and environmental performance of our value chains.

We also produced internal Responsible Purchasing Guidelines for our Buying teams, including a responsible exit process to minimize the negative impacts of our sourcing choices on suppliers. In the upcoming financial year, we are planning to promote the adoption of these guidelines through internal training measures. We are also planning to assess our purchasing practices through questionnaires sent to our Private Labels Buying teams and our main suppliers to achieve ongoing improvements in our future way of working.

Another important step was the development of a learning platform to share social responsibility content and training with our suppliers on the basis of their interests, needs, and identified social risks. This platform also includes a document hub, where relevant guidelines, policies, and requirements can be shared and formally accepted by suppliers. The new training concept, which consists of general human rights and environmental due diligence training for all employees and a more thorough one for our Buying, Sourcing and Procurement teams (cf. the **GENERAL DISCLOSURES** chapter of this ESG Report) will be made available to all our Private Labels team members. In the upcoming financial year, we intend to test and learn from our new management approach and strategies for supplier engagement to continue enhancing our efforts to collaboratively prevent and remediate human rights risks in our value chain.

⁹¹ The factory with a D rating is in process of implementing a remediation plan to improve their performance and will undergo a follow-up audit to evaluate their progress in July 2024.

Engaging with third-party brand and logistic partners

The top-three factory countries that we sourced third-party products from in FY 2023/2024 were China, Bangladesh, and Turkey. Through our ESG Risk Assessment in FY 2023/2024, we identified various risk areas in the low-to-medium domain in China, various risk areas in the low-to-extreme domain (with multiple instances of extreme) in Bangladesh, and various risk areas in the low-to-extreme domain in Turkey.

As some of our more sustainable product criteria also focus on reducing social risk, we label them as such in our shop. In most cases, however, the fashion value chain is only covered to a limited extent, which leaves other tiers exposed to risk. The GOTS, GRS, and RWS are our product-level standards that offer chain-of-custody certification and have specific social requirements. Compliance with these standards results in lower social risks at all stages of a value chain. However, only a small proportion of our third-party product assortment meets these criteria.

To manage social risks effectively, we applied our ESG Due Diligence Framework for third-party brand partners. Our ESG Risk Assessment for third-party brand partners builds on engagement and collaboration through Cascale, which offers an annual sustainability self-assessment questionnaire for brands and

retailers known as the [Higg BRM](#) . The latter went through a major restructuring exercise in 2023 and piloted third-party verification of self-reported data. The questions focus on the management of environmental and social risks at third-party brand partners and in their value chains. Since joining Cascale and adopting the Higg BRM in 2021, we have been encouraging our brand partners to adopt it themselves and share their data with us. Such data shows us what progress our brand partners have made on their respective sustainability journey in terms of transparency, purchasing practices, and the handling of social and environmental risks, and how we can potentially support them. Our engagement efforts were shared with fellow retailer Boozt via a Cascale-hosted retailer roundtable.

As a result of our [Higg BRM](#)  engagement with our third-party brand partners, 64.3% of our brand partners shared their Higg BRM data with us and 22.5% verified data in FY 2023/2024. After completing an accumulated data analysis of the shared Higg BRMs in the past two years, we reviewed the data at the brand partner level in the year under review. As Higg BRM went through a major restructuring exercise in this past year, which impacted our KPIs, we cannot compare their performance with previous years and thus created a new baseline to serve from FY 2023/2024 onwards.

Higg BRM engagement with third-party brand partners [%]

	2023/2024	2022/2023
Higg BRM data shared with us in terms of previous year's net revenue share	64.3%	66.6%
Verified Higg BRM data shared with us by the same metric	22.5%	38.5%

For a complete and concrete risk assessment as part of our ESG Risk Assessment, our Buying and Partner Management teams obtained additional information from third-party brand partners via self-assessment questionnaires and also reviewed contract provisions and third-party brand certifications such as Textile Exchange Standards (GRS, OCS, RWS, RMS) or the GOTS. In FY 2023/2024, we spent a significant amount of our time and resources setting up and documenting the processes and structures of our new and existing third-party brand partners' due diligence work, including process flow charts for preventive measures, escalations where standards had not been met, and templates for corrective action plans. We also added new preventive and remedial measures to the ones implemented in previous years in alignment with our ABOUT YOU-wide due diligence approach. We are planning to report on this in the next reporting period.

In FY 2022/2023, we also set up sustainability scorecards for our third-party brand partners. The scorecards are based on [Higg BRM](#) ⁹² and additional data from environmental and social self-assessment questionnaires, which we identified as material but could not extract from the Higg BRM. This data is used by our supply-side teams for internal decision-making and substantiating brand-level green claims as well as to more directly track progress in our focus areas, strategically transition to more sustainable purchasing practices, and support reliable brand-based, sustainability-focused claims in our marketing activities.

Our company-wide policies and whistleblowing channels (cf. the **GENERAL DISCLOSURES** chapter of this report) also apply here. Moreover, the [Sustainable Sourcing Policy](#) ⁹³ we implemented as clear guidelines for our third-party brand partners in FY 2022/2023 defines the minimum requirements and goals up to 2025 and covers aspects such as transparency, risk management, and country-specific restrictions.

For logistics operations, we work with direct business partners who run our warehousing and transportation operations. They employ more people than our company⁹² does and their employees are the backbone of the smooth e-commerce operations in our day-to-day business. Here, too, we recognize our responsibility to manage and mitigate social risks and support improvements in working conditions. To act on this responsibility, our staff regularly visit warehouses and transportation partners to make communications more effective, exchange views, and share expertise. Confirmation of the terms of our [Business Code of Conduct](#) ⁹⁴ is mandatory for all new logistics contracts. In May and June 2023 as part of our annual audit cycle, all the warehouses our business partners operate for us were independently audited for compliance with GOTS, including social spaces, worker remuneration, or working conditions, and the correct handling of certified textiles. The audit included anonymous four-eyes interviews with workers after briefing them on their rights. No deviations from GOTS 6.0 were identified in any of the warehouses during this audit. This positive outcome also includes the reassurance that the wages paid met or exceeded legal minimum wage levels.

CONSUMERS AND END-USERS

Enabling customers to make more sustainable choices through sustainability labeling









As more and more of our customers are now environmentally conscious and ethically minded, they are demanding a higher degree of transparency and sustainability in products. This is reflected in a growing interest in our more sustainable assortment. At the same time, however, consumers are becoming more aware of greenwashing and questioning the credibility of sustainability-related claims.⁹³ As there is no industry-wide definition of what constitutes a more sustainable product, and differing definitions and approaches abound in the fashion industry, we are determined to be as transparent as possible by offering more sustainable product labels and enabling consumers to make informed purchasing decisions based on environmental and social criteria by providing fact-based information. We are also increasing the transparency of the more sustainable products in our shop by labeling products according to specific criteria.⁹⁴

⁹² In the warehouses alone work over 4,000 people.

⁹³ Mindshare (2022) – Brands must tread carefully as consumers grow more aware of greenwashing practices.

⁹⁴ The classification of a sustainability claim is based on the information provided by the suppliers.

Clusters of more sustainable product-level criteria since end of February 2023

Organic material		Products featuring this label are made from organic materials. Organic farming reduces water usage and prohibits genetic modification, chemical fertilizers, and pesticides. The aim is to preserve soil fertility and biodiversity.
Recycled material		Products featuring this label are made from recycled materials, i.e., they reuse pre- or post-consumer materials. Using recycled materials in products reduces the raw material input, waste generation, and energy and water consumption associated with the production of virgin materials.
Improved production practices		Products featuring this label have been manufactured with the aim of reducing the environmental and social impact of their production. This can include measures such as resource-saving practices, responsible chemical use, and improved working conditions throughout the processing of materials.
Responsible animal husbandry		Products featuring this label contain animal-derived materials that were sourced more responsibly. Sourcing was centered around the ethical handling of animals before, during, and after the extraction of materials.
Responsible sourcing		Products featuring this label contain plant-based materials sourced with less impactful practices for the environment and people. Preserving biodiversity is at the core of environmental and social practices such as regenerative farming and responsible forestry.
Made for circularity		Products featuring this label were created by applying circular principles in the design process and for all their life-cycle stages. Circular processes aim to close the loop by avoiding material mixes, (re-)using long-lasting, renewable, or recycled materials and, therefore, reducing waste and the need for new resources.
Innovative material		Products featuring this label are made from innovative materials. They offer plant-based alternatives to animal-derived or synthetic materials and may be made from crops, fruits, or vegetables.
Advanced social efforts		Products featuring this label were manufactured in compliance with advanced social practices such as improved working conditions, fair wages, and gender equality through all their life-cycle stages.

The current version of sustainability-related features such as icons, product-detail page descriptions, and content pages has been in place in our online fashion store since March 2023. All the information displayed enables consumers to make more informed purchasing decisions, as they can make up their own minds on what constitutes a more sustainable product. In FY 2023/2024, we reviewed the criteria we apply for more sustainable products as part of our annual routine. Our intention was twofold:

1. Aligning our criteria definitions with new market and regulatory developments
2. Incorporating newly relevant criteria since the last update

We conducted a stricter assessment of the impact-reducing effect of our criteria to redefine their eligibility for on-product communication. Our assessment was based on essential data available in the industry, with an emphasis on peer-reviewed and independent

sources. One of the focal points of our work was to substantiate environmental and social claims. This included improving the processes for collecting background information from our business partners to increase the reliability of on-product claims. Besides this, we are continuously evaluating the strictness of our assessment process. Since a thorough update was conducted in FY 2023/2024, the majority of product-level sustainability criteria will remain unchanged for FY 2024/2025. Only a limited number of sub-criteria will be adapted

in the sustainability clusters. As a result of our annual evaluation the previous year, by the end of February 2023 and with effect from early March 2023, we had removed certain more sustainable product criteria from on-product communication, including criteria based on mass-balance systems.

Restricting the use of substances of concern

As environmental compliance for suppliers starts with meeting the minimum legal requirements to protect human health and the environment, we require our private-label suppliers to comply at a product level with our [Restricted Substances List](#) (RSL) in line with the [European Registration, Evaluation, Authorisation and Restriction of Chemicals \(REACH\) Regulation \(EC 1907/2006\)](#). These restricted substances include hazardous and banned chemicals. All our products are covered by our product compliance processes, including quality assurance and quality control. During the quality assurance process, products are randomly selected and tested. Only after passing this test can the products be shipped to us. ABOUT YOU does not accept, transport, or sell chemically non-compliant products. During the quality control processes, criteria such as measurements, workmanship, material, safety, and packaging are checked internally. Responsibility for this lies with our Private Labels team. In the event of non-compliance, we have established processes that include corrective actions. We are also working on supplier compliance with the [Zero Discharge for Hazardous Chemicals](#) (ZDHC) Manufacturing Restricted Substances List (MRSL),⁹⁵ starting with tier 1 factories. The

MRSL totally restricts the use of certain chemicals during the manufacturing process in factories, which makes it more restrictive than our current RSL.

Safeguarding data privacy and security of customers

ABOUT YOU is a data-driven company. That is true of the ways in which we work and the very foundations of our business model. Every customer who enters into a relationship with us entrusts their personal data to us. Our top priority is always to ensure the confidentiality and security of each customer's personal data, which is stored in encrypted databases in an ISO-certified data center. Access to these databases is strictly limited by means of dedicated approval and removal-of-access processes. In FY 2023/2024, we witnessed four incidents that had to be reported to the appropriate authorities; in FY 2022/2023, there were two such incidents.

Our Head of Legal & Compliance is the most senior employee responsible for our data privacy and security policies. Our IT Security team, which is responsible for data privacy and security, continuously assesses the latest developments in data protection and cybersecurity standards, and reports directly to the Co-CEO Tech and Product. The team's overall goal is to ensure compliance with applicable laws and regulations and with self-developed voluntary commitments. The team continuously assesses the latest developments in data protection and cybersecurity standards (based on the latest ISO standard 27001:2022). In particular, we comply with the General

Data Protection Regulation (GDPR) and the German Teleservices Data Protection Act (TDDSG) as well as any other applicable laws in specific countries. An information security management system (ISMS) based on the essential aspects of the ISO 27001 norm is in place. Furthermore, our main infrastructure providers – such as Amazon Web Services, Google Cloud Platform, and Microsoft Azure – all have ISO 27001 and System and Organization Controls (SOC) 1/2 certifications.

The basis of our data protection set-up are our data privacy and security policies, which require us to follow the principle of least privilege. Their goal is to strictly protect sensitive data in line with GDPR and the ISO 27001:2022 ISMS standard. To this end, we check that all the required processes are being followed. We take our data privacy and security policy a step further by verifying that all new vendors comply with currently applicable legislation as well as our internal compliance and security requirements. This takes place by sending a security questionnaire to the product vendor, addressing topics such as security and privacy certifications, encryption standards, incident response processes, regular penetration testing to identify exploitable vulnerabilities, and identity and access management within the applications and/or services. Our IT Security team analyzes each vendor's responses to determine whether this specific product will be integrated into our organization's tool chain.

As we are fully aware that the human factor plays a major role in data privacy and security, we have developed a dedicated training

⁹⁵ ZDHC (2023) – ZDHC Manufacturing Restricted Substance List.

program for our employees to make them aware of the most significant potential breaches where human error is involved. In FY 2023/2024, we developed a training program for incident responders and one for secure coding for developers. As part of the onboarding process, all new employees are required to undergo extensive security and privacy training covering password management, online scams and phishing attacks, handling confidential and internal data (including personal data), and physical threats to information security. Additionally, a mandatory annual refresher course is conducted so that all ABOUT YOU employees are aware of any new threats, risks, and attack vectors as well as updated processes and procedures. All our data privacy and security policies are published on our intranet so that all our employees are aware of them.

Acknowledging the importance of the preventive measures described above, we are also continuously performing operational measures to monitor and respond to potential data breaches and cyberattacks. Every ABOUT YOU public-facing web application is protected by a web application firewall (WAF) and the IT Security team responds to any alerts from it. ABOUT YOU's cloud-hosted infrastructure is monitored by an AI-based intrusion detection system that detects malicious or suspicious activity and notifies the IT Security team through various channels. The same "detect and alert" principle is applied to many other systems such as email services, data-sharing services, and end-point protection solutions. In specific cases, automated remediation is applied to attacks such as distributed denial of

service (DDoS) attacks, port scanning, credential stuffing, malware execution, and suspicious log-ins. As an organization, we are required to have independent reviews conducted to maintain a successful ISMS and identify potential areas for improvement. An external entity conducts these reviews on an annual basis or when significant changes have occurred. No changes had to be made after the review conducted in FY 2023/2024.

Not only have we outlined a general incident response process, but we also have predefined playbooks covering incidents that occurred in the past and cases where a potentially high risk is seen. These incident response processes differ according to the type of cyber-attack. Customers can raise their concerns with the customer support team, and they are then forwarded to the IT Security team. We regularly practice and improve incident response procedures and have a data breach emergency and notification process in place to ensure compliance with GDPR notification obligations and to facilitate a response within the legally required times so as to minimize any impact on the affected data subjects.

Our cybersecurity program is ultimately supplemented by continuous internal and external security audits as well as vulnerability testing. Internal audits are an ongoing process administered by our Application Security team and cover all software products. The audits follow an established structure and look at weaknesses in the source code, the infrastructure in which it is deployed, and the actual running application, which is tested for any applicable vulnerability type, including

the Open Web Application Security Project (OWASP) Top 10. In FY 2023/2024, we conducted six internal and five external audits. Adjustments have been made in accordance with the audit findings. Besides internal auditing, processes are also in place to teach our development teams to code securely. These processes include onboarding security training, thorough guidelines, and standard good practices. If an issue is discovered during an audit, developers are instructed on how to remediate these types of vulnerabilities to prevent them from occurring in the future.

External auditing is applicable to any critical software component or infrastructure. This includes, but is not limited to, our online fashion store, the infrastructure the SCAYLE GmbH sells to our B2B customers, and our internal network. We use a bug bounty program on HackerOne for our online fashion store and its respective applications as well as other public-facing websites. This helps to identify any vulnerabilities fast and motivates researchers to report to us any vulnerabilities they might find, rather than misusing them or sharing them elsewhere. Any vulnerabilities reported by external parties are reviewed and assessed by the IT Security team to identify similar variants of the same vulnerability (i.e. variant analysis) and to recognize any gaps in our knowledge of certain types of vulnerabilities.



4

CORPORATE CONDUCT

In FY 2023/2024, the content of this chapter, in which we report on business conduct processes, was updated to better align with the CSRD. Here, we report in detail on our animal welfare policy, how we manage relationships with our suppliers, and what impacts we have on our value chain. We fully recognize the importance of business ethics and corporate culture and have anchored them in our [Business Code of Conduct](#) and [Business Code of Ethics](#), in which we explicitly mention anti-corruption and anti-bribery. We have reported on this as part of our ESG Due Diligence Framework. We protect whistleblowers and have also reported on our work in this field as part of our ESG Due Diligence Framework. We report on ESG strategy and governance in the **GENERAL DISCLOSURES** chapter of this ESG Report.

ANIMAL WELFARE

As animal fibers and materials are a significant material category for the garment industry, animals are therefore prone to different forms of impact.⁹⁶ PETA, for example, reports that billions of animals are exploited and killed in the clothing industry every year.⁹⁷ Thus, by sourcing products that include animal fibers, ABOUT YOU is linked to such impacts. For this reason, animal welfare is assessed as a material topic.

Through our [Animal Welfare Policy](#) we have assumed responsibility at a product level to promote high animal-welfare standards and conserve biodiversity. Our [Animal Welfare Policy](#) forms the foundation for a compliance framework governing good animal-welfare practices that apply to all related business transactions. This policy sets out principles on permitted and prohibited materials (including wool, leather, skins, and fur), minimum requirements, and goals for all business partners that supply us with products. The only exceptions are those business partners who supply second-hand products. Our policy follows the standards on animal welfare set out by the World Organisation for Animal Health (WOAH) in their Animal Health Codes⁹⁸ and the Farm Animal Welfare Committee (FAWC)⁹⁹. The policy has been published on our website to enhance transparency and clarity between ABOUT YOU, our brand partners, and our customers.

INFORMATION ON WHISTLEBLOWING

Employees can make their concerns and needs known to us directly via our whistleblowing channels. We report on them in the **GENERAL DISCLOSURES** chapter of this ESG Report and provide additional details of the processes and channels as well as how we handle any cases.

PARTNERSHIPS WITH SUPPLIERS

We operate our online fashion store with the support of multiple business partners, including third-party brands, private-label suppliers, logistics, and customer service providers as well as marketing and digital content creation partners. As these partnerships are essential to us, we acknowledge our responsibility through building lasting business relationships. We have included internal guidelines on responsible purchasing practices in our [Business Code of Ethics](#), are improving practices structurally, and apply standard payment terms and conditions. In the **GENERAL DISCLOSURES**, **PLANET**, and **PEOPLE** chapters of this ESG Report, we report on how we made impact-related social and environmental criteria part of our scorecards when assessing and selecting our private-label, third-party brand, and logistics suppliers.

We are encouraged by the progress our partners are making and grateful for their support. Partnerships are essential for us. With respect to our goal of reducing GHG emissions, for example, we encounter barriers that we cannot overcome without partnerships, collaboration, and external support. Through the analysis of the publicly available information our peers and partners have published on their ESG strategies, we have identified industry alignment opportunities and pledged our support. Our approach is to first find a consensus, and then work together to get to where we want to go.

⁹⁶ Good On You (2023) – Fashion and Animal Welfare: Everything You Should Know Before You Buy.

⁹⁷ PETA (2023) – Kleidung aus Tieren: So leiden Tiere in der Bekleidungsindustrie.

⁹⁸ WOAH (2022) – Terrestrial Animal Health Code.

⁹⁹ FAWC (2022) – The Farm Animal Welfare Advisory Council.

Details of our partnership work are outlined in various sections of this ESG Report. However, it is well worth mentioning two partnership of particular importance in the year under review. We collaborated with Cascale brands and retailers in the Decarbonization Strategic Council and a brand engagement working group; and together with YOOX NET-A-PORTER and Zalando, we continued working on expanding the impact and reach of FASHION LEAP FOR CLIMATE, an initiative led by the fashion industry that drives climate education and partner engagement, taking action to reduce GHG emissions in fashion value chains and across the fashion industry as a whole. In FY2023/2024, we participated in conferences and spent more time than in previous years with our peers and partners in discussing topics such as decarbonization, product sustainability and data, and due diligence good practices. We will refer in greater detail to the outcomes of this work when initial results are apparent.

Potential impact is a key aspect for us in laying out our ESG roadmap and setting internal priorities. If we change ourselves, we make a small impact; if we change our business model and include our direct business partners, we can multiply our impact; if we change the way our value chain and adjacent industries work, we can extend our impact exponentially – through partnerships and collaboration.



5

APPENDIX



SCALES AND CALCULATIONS FOR IMPACT AND FINANCIAL MATERIALITY

Impact materiality

Scale	How serious are the impacts of ABOUT YOU's business activities (incl. value chain) on an affected person/group/society/nature – for example, through destruction of nature, impairment of health or violation of laws?			
	1 – Low	2 – Mid	3 – High	4 – Very high
Scope	What is the extent of the impact – namely, the extent of the environmental damage, the geographical extent or, in the case of impacts on humans, the number of people affected?			
	1 – Concentrated	2 – Mid	3 – Widespread	4 – Global
Remediability	Whether and to what extent could a negative impact be remedied – for example, by restoring the environment or helping affected people to return to their prior state?			
	1 – Easy to remedy	2 – With moderate effort	3 – With great effort	4 – Irreversible
Likelihood	What is the probability that a potential impact will occur (in %)?			
	Highly improbable (6)	Improbable (25)	Possible (50)	Probable (75) Highly probable (95)

Aggregated negative impacts = sum of scale, scope, remediability divided by three and multiplied by likelihood

Aggregated positive impacts = sum of scale and scope divided by two and multiplied by likelihood

Financial materiality

Financial effect	How high is the financial effect (as in cash flows, development, position, cost of capital, or access to financial means) in the short, medium and long term, including dependency on natural and social resources?			
	1 – Low (<€1 million)	2 – Mid (€1–5 million)	3 – High (€5–10 million)	4 – Very high (>€10 million)
Likelihood	What is the probability that a potential impact will occur (in %)?			
	Highly improbable (6)	Improbable (25)	Possible (50)	Probable (75) Highly probable (95)

Aggregated financial value = financial effect multiplied by likelihood

The calculation method used meant that the scale (1–4) of aggregated financial value was not fully utilized, as no values higher than three could be reached. Consequently, we adjusted the scale by dividing the aggregated financial value by three and multiplied it by four.

GHG EMISSIONS BY SCOPE (INCLUDING SCOPE 3 CATEGORIES)

ABOUT YOU's GHG emissions - by Scope (incl. Scope 3 categories)	2023/2024	2022/2023 ¹⁰⁰	base year 2019/2020	2023/2024	2023/2024
	[t CO ₂ e]	[t CO ₂ e]	[t CO ₂ e]	Change YoY	Change vs. base year
Scope 1 – Direct emissions (gas/heating, refrigerants), market-based	18.2	52.6	45.9	(65.4 %)	(60.4 %)
Scope 2 – Indirect emissions (electricity, district heat), market-based	76.6	81.4	316.2	(5.9 %)	(75.8 %)
Total (Scope 1, 2 market-based)	94.8	134.0	362.1	(29.3 %)	(73.8 %)
Scope 3 – Indirect emissions outside of organization by category					
1. Purchased goods and services	238,573.3	327,841.4	187,352.6		
Thereof our e-commerce operations	5,988.3	8,604.8	5,299.9		
Thereof our private-label products	24,893.7	41,470.6	12,243.8		
Thereof third-party products	207,691.2	277,765.2	169,808.8		
Thereof Second Love	0.1	0.9			
2. Capital goods	127.5	2,086.7	363.0		
3. Fuel- and energy-related activities	117.4	124.9	137.0		
4. Upstream transportation and distribution ¹⁰¹	54,403.2	75,333.2	14,394.5		
Thereof our e-commerce operations	28,517.5	42,228.3			
Thereof our private-label products	809.2	2,673.7	839.5		
Thereof third-party products	25,076.4	30,417.0	13,555.0		
Thereof Second Love	0.1	14.2			
5. Waste generated in operations	93.5	102.9	3.6		
6. Business travel	678.4	771.6	920.9		
7. Employee commuting	426.5	164.8	260.6		
8. Upstream leased assets	0.0	0.0	0.0		
9. Downstream transportation and distribution ¹⁰¹	0.0	0.0	17,274.4		
10. Processing of sold products	0.0	0.0	0.0		
11. Use of sold products (by our consumers)	44,340.0	57,300.8	22,567.7		
Thereof our private-label products	3,999.6	7,156.3	1,740.4		
Thereof third-party products	40,340.5	50,144.5	20,827.3		

¹⁰⁰ After a restatement of our energy consumption for FY 2022/2023, we restated our Scope 1 and 2 emissions and Scope 3, category 3 fuel- and energy-related activities' emissions for FY 2022/2023.

¹⁰¹ From FY 2022/2023 onwards, Scope 3 emissions stemming from warehouses and downstream transportation are being reported as part of Scope 3, category 4 instead of Scope 3, category 9 to align with the GHG Protocol Standard.

5 APPENDIX

ABOUT YOU's GHG emissions - by Scope (incl. Scope 3 categories)	2023/2024	2022/2023 ¹⁰⁰	base year 2019/2020	2023/2024	2023/2024
	[t CO ₂ e]	[t CO ₂ e]	[t CO ₂ e]	Change YoY	Change vs. base year
12. End-of-life treatment of sold products	4,915.4	4,818.6	1,761.1		
Thereof our e-commerce operations	1,031.4	985.2	156.2		
Thereof our private-label products	350.3	509.6	123.8		
Thereof third-party products	3,533.6	3,323.9	1,481.1		
13. Downstream leased assets	0.0	0.0	0.0		
14. Franchises	0.0	0.0	0.0		
15. Investments	0.0	0.0	0.0		
Total (Scope 3)¹⁰²	343,675.3	468,544.9	245,035.4	(26.7%)	40.3%
Total (Scope 1, 2, 3)¹⁰²	343,770.1	468,678.9	245,397.4	(26.7%)	40.1%
Thereof our e-commerce operations ¹⁰³	37,075.3	55,203.0	24,777.7	(32.8%)	49.6%
Thereof our private-label products ¹⁰⁴	30,052.9	51,810.3	14,947.5	(42.0%)	101.1%
Thereof third-party products	276,642.0	361,665.6	205,672.2	(23.5%)	34.5%
Emission intensity of our e-commerce operations [kg CO ₂ e per order]	0.86	1.20	1.31	(27.9%)	(34.3%)

¹⁰² May not add up exactly because numbers are rounded to the last digit.

¹⁰³ Includes the Scope 1 and 2 emissions and Scope 3 emission categories of purchased goods and services (e-commerce operations), capital goods, fuel- and energy-related activities, waste generated in operations, business travel, employee commuting, upstream transportation and distribution (e-commerce operations), and end-of-life treatment of sold products (e-commerce operations).

¹⁰⁴ Includes the Scope 3 emission categories purchased goods and services (private-label products), upstream transportation and distribution (private-label products), use of sold products (private-label products), and end-of-life treatment of sold products (private-label products).

GRI CONTENT INDEX

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Organizational profile					2-19	Remuneration policies	
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	2-12	Role of the highest governance body in overseeing the management of impacts					For further details of topic-specific standards see below

GRI standard	Disclosure		Page(s)	Further references and explanations
GRI 3: Material topics 2021				
GRI 3: Material topics 2021	3-1	Process to determine material topics	18-21	
	3-2	List of material topics	20-21	
	3-3	Management of material topics	–	See details of topic-specific standards below
GRI 200: Economic topics				
Anti-corruption				
GRI 3: Material topics 2021	3-3	Management of material topics		See chapter 2.6 Corporate Governance Statement in Annual Report FY 2023/2024
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	17, 56-57	
GRI 300: Environmental topics				
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GRI 3: Material topics 2021	3-3	Management of material topics	37-45	
GRI 301: Materials 2016	301-2	Recycled input materials used	35-45	
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GRI 3: Material topics 2021	3-3	Management of material topics	31-33	
GRI 302: Energy 2016	302-1	Energy consumption within the organization	31-33	
Water and effluents				
GRI 3: Material topics 2021	3-3	Management of material topics	33-35	
GRI 303: Water and effluents 2018	303-1	Interactions with water as a shared resource	33-35	

GRI standard	Disclosure		Page(s)	Further references and explanations
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GRI 3: Material topics 2021	3-3	Management of material topics	23-31	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	23-31, 75-76	
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GRI 3: Material topics 2021	3-3	Management of material topics	35-45	
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	35-45	
	306-2	Management of significant waste-related impacts	35-45	
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GRI 3: Material topics 2021	3-3	Management of material topics	28, 65-66	
GRI 308: Supplier environmental assessment 2016	308-1	New suppliers that were screened using environmental criteria	28, 65-66	

GRI standard	Disclosure		Page(s)	Further references and explanations
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Employment				
GRI 3: Material topics 2021	3-3	Management of material topics	51-52	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	51-52	
	401-3	Parental leave	55	
Occupational health and safety				
GRI 403: Occupational health and safety 2018	3-3	Management of material topics	57-58	
	403-1	Occupational health and safety management system	57-58	
	403-3	Occupational health services	57-58	
	403-4	Worker participation, consultation, and communication on occupational health and safety	57-58	
	403-5	Worker training on occupational health and safety	56-58	
	403-6	Promotion of worker health	57-58	
	403-9	Work-related injuries	57-58	
	403-10	Work-related ill health	57-58	
Training and education				
GRI 3: Material topics 2021	3-3	Management of material topics	56-57	
GRI 404: Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	56-57	

GRI standard	Disclosure		Page(s)	Further references and explanations
Diversity and equal opportunity				
GRI 3: Material topics 2021	3-3	Management of material topics	51-55	See chapter 2.6 Corporate Governance Statement in Annual Report FY 2023/2024
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees	51-55	
	405-2	Ratio of basic salary and remuneration of women to men	52	
Non-discrimination				
GRI 3: Material topics 2021	3-3	Management of material topics	13-17, 59-60	
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GRI 3: Material topics 2021	3-3	Management of material topics	12-17, 59-64	
GRI 407: Freedom of association and collective bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	12-17, 59-64	
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GRI 3: Material topics 2021	3-3	Management of material topics	12-17, 59-64	
GRI 408: Child labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	12-17, 59-64	
Forced or compulsory labor				
GRI 3: Material topics 2021	3-3	Management of material topics	12-17, 59-64	
GRI 409: Forced or compulsory labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	12-17, 59-64	

GRI standard	Disclosure		Page(s)	Further references and explanations
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GRI 3: Material topics 2021	3-3	Management of material topics	12-17, 59-64	
GRI 414: Supplier social assessment 2016	414-1	New suppliers that were screened using social criteria	59-64	
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GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	68-69	

INDEPENDENT AUDITOR'S REPORT ON A LIMITED ASSURANCE ENGAGEMENT

To ABOUT YOU Holding SE, Hamburg

We have performed a limited assurance engagement on the group non-financial report included in the "ESG Report" of ABOUT YOU Holding SE (hereinafter the "Company"), whose disclosures are marked by a line in the margin in the ESG Report for the period from March 1, 2023, to February 29, 2024 (hereinafter the "group non-financial report").

Responsibility of the Executive Directors

The executive directors of the Company are responsible for the preparation of the group non-financial report in accordance with §§ 315c in conjunction with 289c to 289e HGB ["Handelsgesetzbuch": German Commercial Code] and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of June 18, 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in section "EU TAXONOMY STATEMENT FY 2023/2024" of the group non-financial report.

This responsibility of the executive directors includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the Company that are reasonable in the circumstances. Furthermore, the executive directors are

responsible for such internal control as the executive directors consider necessary to enable the preparation of a group non-financial report that is free from material misstatement, whether due to fraud or error.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have disclosed their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in section "EU TAXONOMY STATEMENT FY 2023/2024" of the group non-financial report. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

Independence and Quality Assurance of the Assurance Practitioner's Firm

We have complied with the German professional requirements on independence as well as other professional conduct requirements.

Our audit firm applies the national legal requirements and professional pronouncements – in particular, the By-laws Regulating the Rights and Duties of Wirtschaftsprüfer and vereidigte Buchprüfer in the exercise of their Profession and the Standards on Quality Management issued by the Institute of Public Auditors in Germany (IDW) – and accordingly maintains a comprehensive quality management system that includes documented policies and procedures with regard to compliance

with professional ethical requirements, professional standards as well as relevant statutory and other legal requirements.

Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the group non-financial report based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the IAASB. This standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the group non-financial report for the period of March 1, 2023, to February 29, 2024, is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section "EU TAXONOMY STATEMENT FY 2023/2024" of the group non-financial report.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgment of the assurance practitioner.

In the course of our assurance engagement, we have, among other things, performed the following assurance procedures and other activities to gain an understanding of the structure of the sustainability organization and stakeholder engagement:

- Inquiries of the executive directors and relevant employees responsible involved in the preparation of the group non-financial report about the preparation process, about the internal control system related to this process, and about disclosures in the group non-financial report
- Inquiries of employees regarding the selection of topics for the non-financial group report, the risk assessment and the concepts of the company to the topics identified as material
- Evaluation of the design and implementation of systems and processes for the collection, processing and monitoring of disclosures, including the consolidation of data, on environmental, employee and social matters and respect for human rights
- Identification of areas in the group non-financial report where material misstatements are likely to arise
- Inquiries of employees involved in data collection and consolidation regarding the methods of data collection and processing and internal controls relevant to the assurance of the disclosures in the group non-financial report

- Analytical procedures on selected disclosures in the group non-financial report
- Inquiries and document review regarding the collection and reporting of selected qualitative disclosures and data
- Evaluation of the process for the identification of taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the group non-financial report
- Assessment of the overall presentation of the disclosures

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

Assurance Opinion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the group non-financial report of ABOUTYOU Holding SE, Hamburg, for the period from March 1, 2023, to February 29, 2024, is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors as disclosed in section

“EU TAXONOMY STATEMENT FY 2023/2024” of the group non-financial report.

Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

General Engagement Terms

This engagement is based on the “Special Engagement Terms and Conditions of BDO AG Wirtschaftsprüfungsgesellschaft” of March 1, 2021, agreed with the Company as well as the “General Engagement Terms and Conditions for Auditors and Auditing Firms” of January 1, 2017, issued by the IDW (<https://www.bdo.de/de-de/auftragsbedingungen> >).

May 2, 2024
BDO AG Wirtschaftsprüfungsgesellschaft

Andrea Reese
Wirtschaftsprüferin
(German Public Auditor)

Carmen Auer

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ESG Report team

This ESG Report was created through the shared efforts of ABOUT YOU's sustainability leads and the Investor Relations and Corporate Sustainability teams. Magnus Dorsch, Head of Corporate Sustainability, is responsible for the ESG Report itself.

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