



Private Labels Sustainable Sourcing Policy

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VERSION: 2.0

RESPONSIBLE: ABOUT YOU Private Labels team

REVIEW: Corporate Sustainability team

Explanation of terms

The following definitions and classifications offer guidance on the meaning of this policy's content and wording. Besides defining repetitive wordings, this document also outlines how requirement and compliance levels are applied.

Definitions

Business Partners

In this policy, **Business Partners** are defined as all external suppliers, including agents and traders, involved in the manufacturing of ABOUT YOU private-label products and whom ABOUT YOU has a direct business relationship with. All ABOUT YOU third-party brand partners and second-hand partners are excluded.

More sustainable

More sustainable is an attribute given to an alternative product that provenly has a lower environmental and/or social impact than the conventional option.

Tier 1-3 Factories

Tier 1 Factories refer to facilities that manufacture and/or process the final product, including services such as cutting, sewing, packaging or finishing for ABOUT YOU Private Labels.

Tier 2 Factories refer to facilities for textile/material production, coloring and finishing, parts and trims, and tanning.

Tier 3 Factories refer to facilities for raw material processing, such as fiber production, yarn spinning, down/hide finishing, and plastic pellet creation.

Scope 1-3

Scope 1 refers to direct emissions from operations, such as fossil fuel combustion (boilers, vehicles, etc.). **Scope 2** refers to the indirect GHG emissions associated with purchased heating, electricity, steam, or cooling. **Scope 3** refers to indirect emissions in the supply chain outside of the ABOUT YOU organization.

Documentary Proof

Documentary Proof refers to all the necessary Proofs that, on request, are expected to officially confirm a Business Partner's compliance with the **Private Labels Sustainable Sourcing Policy**. The required Proofs are further specified in the respective chapters and include, but are not limited to, country of origin (COO), third-party documentation, or supplier declarations.

Requirement & compliance levels

Requirements

Requirements are the foundations on which the partnerships between ABOUT YOU and its Business Partners are currently based.

Goals

Goals define the future Requirements we expect Business Partners to adopt and demonstrate progress toward them by 2030.

Should and encourage

Requirements and Goals labeled with **should** or **encourage** are to be seen as our firm recommendations to our Business Partners. Goals and Requirements as such are not



mandatory, but we urge our Business Partners to seek compliance with them as they offer guidance to ensure continuous progress within their operations.

Must

Requirements and Goals labeled with **must** are mandatory for all Business Partners. Proof of compliance with each mandatory goal or requirement must be provided by the Business Partner on request. An internal escalation process for non-compliant Business Partners has been established. Non-compliance may result in a review and discussions on the commercial conditions of the supplier relationship and may even include an extraordinary termination of the business relationship.



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1. Purpose and audience

ABOUT YOU Holding SE, ABOUT YOU SE & Co. KG, and its affiliates (hereinafter "**ABOUT YOU**" and "**we**") assume responsibility for our planet and its people in becoming more transparent, reducing our environmental impact, and diligently managing social risks. We collaborate with industry peers and partners, work with existing environmental, social, and governance (ESG) frameworks, and aim for industry alignment.

The purchasing practices of international brands can directly impact the working conditions in their supply chains. Our commitment to ethical business practices starts with our own operations. We set our own standards so that our ways of working do not hinder our Business Partners' abilities to uphold our values. We are committed to promoting fairness and inclusiveness in our supply chain and to reducing the risk of harmful impacts on supply chain workers through our purchasing practices.

At ABOUT YOU, we are aware that this is also reflected in the products sold on our e-commerce platform. With this policy (**Private Labels Sustainable Sourcing Policy**), we have laid out our current and future sourcing requirements for ABOUT YOU's private-label products and our Business Partners to actively shape our assortment and our impact on the environment and people.

We plan to regularly review this Private Labels Sustainable Sourcing Policy and update it if necessary. The Private Labels Sustainable Sourcing Policy supplements the provisions of our [Business Code of Conduct](#)¹.

The Private Labels Sustainable Sourcing Policy applies to our Business Partners, including all external suppliers and factories involved in the manufacturing of our private-label products. This policy is **valid from April 1, 2025** and applies to Business Partners from that date onwards.

¹ ABOUT YOU (2023) – ABOUT YOU Business Code of Conduct

2. General principles and Requirements

2.1. Overview

The following table summarizes all the Requirements imposed at a Business Partner level. It also offers guidance on the additional 2030 Goals we have identified as essential for a Business Partner's development and their supply relationship with ABOUT YOU.

Generally speaking, we encourage Business Partners to follow the [Sustainable Terms of Trade Initiative](#) (STTI) guidance for all purchasing and sourcing decisions².

Criteria	Requirements	2030 Goals
Transparency & traceability	Business Partners must disclose their Tier 1 and 2 Factories to us and should strive to regularly increase their supply chain transparency.	Business Partners must disclose their Tier 1 and 2 Factories at order and product level and work to enhance transparency and traceability in deeper levels of the supply chain.
Risk management	Business Partners should conduct an environmental and social risk assessment at least every two years.	Business Partners should track the development of their environmental and social risk assessment at least every two years and adhere to the industry standards and Goals.
Compliance with our Business Code of Conduct	Business Partners must comply with our Business Code of Conduct and international standards on responsible business conduct.	Business Partners should strive to improve their social and environmental performance over and above the minimum (legal) Requirements throughout the supply chain.

2.2. Transparency and traceability

One of the main challenges as a producing brand is ensuring transparency across the whole supply chain. We believe in transparency to enable both internal and external traceability and have therefore set the goal of improving both. As transparency and traceability are the basis for identifying any human rights and environmental risks arising from business activities, they can be a powerful driver of transformative change toward more sustainable, accountable, and fair fashion supply chains.

To achieve transparency throughout the supply chain, we rely on cooperation with our Business Partners. Supply chain transparency should focus on each step of the supply chain, including but not limited to raw materials, materials, and product manufacturing.

Requirements

Business Partners must disclose their Tier 1 and 2 Factories to us. Furthermore, they should strive to regularly increase their supply chain transparency throughout all Tiers.

Goals

Business Partners must disclose their Tier 1 and 2 Factories at order and product level.

² STTI (2022) – A unique global manufacturer-driven initiative focused on creating fairer purchasing practices in the textile and garment industry.

2.3. Risk management

Risk management systems serve companies to identify environmental and social risks in their supply chain and prioritize them based on their nature, likelihood, and severity. An adequate risk management system enables companies to prevent or mitigate the potential and prevailing risks in their supply chains, and thus improve their environmental and social impact.

Requirements

Business Partners **should conduct an environmental and social risk assessment** at least every two years. Risk assessment along the supply chain should include the perspectives of Business Partners' stakeholders and be implemented as the basis for managing environmental and social risks. Thereby, Business Partners should follow the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector³.

Goals

This risk assessment **should** be used to **track year-over-year developments** to mitigate risks and **adhere to standards and Goals** aligned within the industry.

2.4. Compliance with the ABOUT YOU Business Code of Conduct

Our understanding of ethical business conduct is that the workforce employed is safe, empowered and financially secure, and environmental standards are met throughout the supply chain. In this regard, the most recent version of our Business Code of Conduct sets out the minimum Requirements we place on Business Partners.

Our Business Code of Conduct, in turn, endorses the amfori BSCI Code of Conduct, as well as international conventions such as the Universal Declaration of Human Rights, the Children's Rights and Business Principles, UN Guiding Principles for Business and Human Rights, OECD Guidance, the UN Global Compact and the International Labour Organization (ILO), which also inform this policy.

Requirements

Prior to their onboarding, Business Partners have to **sign, accept, and comply** with the terms set out in the Business Code of Conduct, together with other minimum Requirements relating, amongst others, to sustainability, quality, and product safety. In this regard, Business Partners **must** ensure that their employees, subcontractors, and suppliers **respect these principles** by adopting appropriate means and establishing and documenting suitable control mechanisms.

Goals

Business Partners **should cascade the values and requirements set out in the Business Code of Conduct** throughout the supply chain to meet international standards on human rights and ethical business at all stages. Furthermore, they are **encouraged** to implement **measures that go beyond the minimum legal Requirements** to improve their social and environmental performance.

³ OECD (2018) – OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector



3. Material Requirements

As the environmental impact of a product is determined by choice of materials and production processes, we set material Requirements and Goals to reduce the environmental impact of textile production. The sourcing of certain materials has associated social risks, which we aim to reduce.

Since a product's material also determines its ability to be functional in a circular supply chain, we encourage Business Partners to reassess their processes to design for circularity. This includes, but is not limited to, exploring reuse solutions for textiles, such as fiber-to-fiber, post-consumer recycled materials, limitations of material mixes, and exploring viable material alternatives.

Further consideration will be given to the Requirements for the physical durability and recyclability of material in line with developments at EU level⁴. The following Requirements and Goals specifically apply to the manufacturing of ABOUT YOU private-label products.

3.1. Overview

The following table summarizes the material-level Requirements and additional Goals which Business Partners should or must adhere to. Further details can be found below.

Criteria	Requirements	2030 Goals
Cotton and other natural fibers	<p>The sourcing of cotton from Turkmenistan, Syria, or the Xinjiang region of China is prohibited.</p> <p>Business Partners should continuously source more sustainable natural fibers.</p>	<p>Business Partners should source 100% more sustainable cotton.</p> <p>Business Partners should source more sustainable natural fibers, whenever possible.</p>
Synthetic fibers	<p>Business Partners should continuously reduce the proportion of conventional synthetic fibers.</p>	<p>Business Partners should entirely replace conventional polyester with recycled polyester.</p> <p>Business Partners should replace other synthetic fibers with recycled synthetic fibers, whenever possible.</p>
Forest fibers	<p>Business Partners should show progress towards eliminating conventionally sourced man-made cellulosic fibers (MMCF). The sale of products from species listed on IUCN and CITES is prohibited. On request, DocumentaryProof must be provided.</p>	<p>Business Partners should source 100% of their MMCFs from low-risk suppliers.</p> <p>100% MMCF traceability must be ensured.</p> <p>Business Partners should source 100% of their wood, paper, cork, and rubber <i>more sustainably</i>.</p> <p>Business Partners should use MMCF materials derived from certified forests, such as FSC® or PEFC, to ensure a</p>

⁴ European Commission (2022) - EU strategy for sustainable and circular textiles

		deforestation-free supply chain.
Innovative fibers	Business Partners should explore the environmental benefits of more sustainable, innovative materials compared to conventional fibers.	Business Partners are encouraged to explore and use innovative fibers.
Metals and jewelry	Business Partners must comply with EU REACH regulations and all respective nationally applicable regulations. Business Partners should demonstrate progress towards more sustainable sourcing.	Traceability should be ensured. Diamonds should be compliant with <u>KPCS</u> ⁵ and <u>WDCSW</u> ⁶ .
Animal welfare	All minimum Requirements can be found in ABOUT YOU's Animal Welfare Policy.	Business Partners should source 100% more sustainable leather. Business Partners should use certified leather, such as LWG, to ensure a deforestation-free supply chain. Business Partners should source 100% more sustainable hair, such as wool or mohair.
Use of packaging	Business Partners must use 100% recyclable packaging. Polybags must contain 100% certified recycled materials. Business Partners must use paper and cardboard packaging made of certified and/or recycled materials. Documentary Proof of certified and recycled content must be provided on request.	No additional Goals.
Certification	Business Partners must provide Proof of certification on request. Business Partners are encouraged to use certified materials and products whenever possible.	Business Partners should continuously increase the deployment of certificates in their products.

⁵ Kimberly Process (2022) – Stronger Together: Stemming the tide in conflict diamonds, to safeguard lives the world over.

⁶ World Diamond Council (2022) – System of Warranties

3.2. Cotton and other natural fibers

3.2.1. Cotton

Cotton is one of the most used materials in the textile industry. Growing cotton conventionally is very resource-intensive and often involves numerous environmental and/or social issues⁷.

Requirements

In line with our Business Code of Conduct, **cotton from countries with credible reports of forced labor is not permitted**. Based on this, sourcing cotton from **Turkmenistan and the Xinjiang region of China⁸ is prohibited**. Sourcing cotton from Syria is also banned due to the country's ongoing political instability and heightened risk of human rights violations against workers⁹.

If cotton is sourced from current high-risk regions, we encourage Business Partners to **establish thorough human rights due diligence processes** based on the [OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector¹⁰](#). High-risk regions are defined in the [Global Forced Labour Risk Assessment](#) by the [Better Cotton Initiative¹¹](#), the [Materials Market Report](#) by Textile Exchange¹², the [MVO NEDERLAND' risk checker¹³](#), or the annual [Countries' Risk Classification](#) by [amfori¹⁴](#).

Goals

Business Partners **should** source **100% more sustainable cotton** (by volume), based on the definition of more sustainable cotton of the [CottonUP Guide¹⁵](#) and the [Preferred Fiber and Material Matrix](#) by Textile Exchange¹⁶.

3.2.2. Other natural fibers

Besides cotton, we source products made of other natural fibers, including, but not limited to, hemp, organic linen, and jute. Their cultivation is less resource-intensive than conventional cotton, for example, and no pesticides or fertilizers need to be used¹⁷. Due to this and other additional advantages, these natural fibers are valuable alternatives to conventionally grown cotton or synthetic fibers.

Requirements

We **encourage** Business Partners to choose **more sustainably sourced natural fibers wherever possible**.

Goals

Business Partners **should** source **100% more sustainable natural fibers** (by volume) based on the definition of preferred materials in the Textile Exchange [Preferred Fiber & Materials Market Report¹⁸](#).

⁷ Textile Exchange (2024) - How companies can source cotton more sustainably

⁸ Fashion Revolution (2023) - Fashion Transparency Index

⁹ amfori (2024) - amfori ESG Risk Compass

¹⁰ OECD (2018) - OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector

¹¹ BCI (2021) - Global Forced Labour Risk Assessment Methodology

¹² Textile Exchange (2024) - Materials Market Report

¹³ MVO Nederland (2024) - Risk Checker World Map

¹⁴ amfori (2024) - amfori ESG Risk Compass

¹⁵ Cotton 2040 (2018) - Cotton Up: A Practical Guide to Sourcing More Sustainable Cotton

¹⁶ Textile Exchange (2023) - Preferred Fiber and Material Matrix

¹⁷ German Environment Agency (2024) - Environmental assessment of textile fibers

¹⁸ Textile Exchange (2024) - Materials Market Report

3.3. Synthetic fibers

Synthetic fibers (such as polyester and polyamide) are commonly made from non-renewable fossil fuels. As their manufacturing involves considerable resources and energy¹⁹, we are dedicated to increasing the recycled share of synthetics and promoting innovative alternatives.

Requirements

We **encourage** Business Partners to use fiber-to-fiber **recycled fibers, bio-based synthetics, or other innovative** fabrics to replace conventional synthetic fibers.

Goals

Business Partners **should** replace conventional polyester with **100% recycled polyester** (by volume). Additionally, Business Partners **should**, whenever possible, replace other conventional synthetic fibers (such as polyamide or nylon) with **recycled synthetic fibers**.

3.4. Forest fibers

3.4.1. Man-made cellulosic fibers (MMCF)

Regenerated or man-made cellulosic fibers (MMCF) for textiles are made from dissolved wood pulp (cellulose) and turned into semi-synthetic fibers in energy- and chemical-intensive processes²⁰. Since MMCFs are from a renewable resource, they have the potential to be a more sustainable option, though they still involve the environmental risks associated with logging. However, we believe in their potential and are determined to contribute to reducing any risk by using more sustainable alternatives in the manufacturing of ABOUT YOU private-label products.

Requirements

The **sourcing and sale** of MMCFs **from certain wood types** listed on [IUCN](#)²¹ and [CITES](#)²² are **prohibited**. Business Partners **should** also progress in **excluding suppliers** from their supply chain where there is a high risk of sourcing from endangered and/or ancient forests, as defined by Canopy²³.

Traceability must be ensured. On request, we expect Business Partners to share key sourcing information, including DocumentaryProof with traceable information.

Goals

Business Partners **should source 100% of MMCFs** (by volume) **from low-risk suppliers**. Suppliers are defined as low risk on achievement of “green shirt status”²⁴ in the [Canopy's Hot Button Ranking](#)²⁵. Additionally, Business Partners **must ensure 100% traceability** of the sourced MMCFs (by volume).

Business Partners **should** also aim to **only use MMCF producers with environmentally friendly practices**, such as the closed-loop manufacturing system, aligned with a roadmap to responsible viscose and modal fiber production. The [Changing Markets Foundation](#)²⁶ developed this roadmap to provide guidelines on how to shift towards the [EU Best Available Techniques \(BAT\)](#)²⁷.

¹⁹ Subramanian Senthilkannan Muthu (2020) – Assessing the Environmental Impact of Textiles and the Clothing Supply Chain (Second Edition), Chapter 1.7 – The production of synthetic fibres

²⁰ Textile Exchange (2024) – manmade-cellulosics

²¹ IUCN (2024) – The IUCN Red List of Threatened Species

²² CITES (2024) – Checklist of CITES Species

²³ Canopy (2022) – Ancient and Endangered Forests of the World

²⁴ Minimum score of 20 buttons

²⁵ Canopy (2024) – The Hot Button Report

²⁶ Changing Markets Foundation (2022) – The Changing Markets Foundation partners with NGOs on market-focused campaigns.

²⁷ European Commission (2023) – Sustainable production: best available techniques

Business Partners **should** use MMCF materials derived from certified forests, such as FSC²⁸ or PEFC²⁹, to ensure a **deforestation-free supply chain**.

3.4.2. Other forest fibers

Besides MMCFs, we also source products made from other forest-derived fibers, including, but not limited to, cork and caoutchouc. Business Partners are encouraged to uphold responsible forestry practices and increase their use of recycled forest content.

Requirements

The sourcing and sale of products made from certain wood types listed on IUCN and CITES are prohibited.

On request, Business Partners must share key sourcing information, including DocumentaryProof with traceable information.

Goals

Business Partners **should source 100% of their paper, wood, cork, and caoutchouc (by volume) more sustainably**. This includes, but is not limited to, fiber and product-level certificates, such as FSC, PEFC, RCS and GRS by Textile Exchange³⁰, LENZING³¹, recycled sources, and agricultural crop residues. Documentary Proof is expected on request.

3.5. Innovative fibers

We believe that it is important to promote the development and share of more sustainable innovative fibers that provide new opportunities for the responsible use of materials.

Requirements

Business Partners **should** explore the environmental benefits of more sustainable **innovative fibers** compared to conventional fibers. To be considered an innovative fiber, fibers must have an **environmental advantage** over the conventional counterpart they are replacing.

Goals

Business Partners are **encouraged to use more sustainable, innovative fibers**.

3.6. Metals and jewelry

As the exploitation and production of jewelry and of metal- and stone-based materials involves a variety of environmental and social risks³², Business Partners are responsible for sourcing such materials in ways that mitigate these risks.

Requirements

Business Partners **must comply with EU REACH regulations**³³ and all respective **nationally applicable regulations**. Business Partners **should** also demonstrate progress towards **more sustainable sourcing** of precious metals and stones.

²⁸ Forest Stewardship Council® (FSC®)

²⁹ Programme for the Endorsement of Forest Certification (PEFC)

³⁰ Textile Exchange (2024) – Recycled Claim Standard (RCS) + Global Recycled Standard (GRS)

³¹ Lenzing AG (2024) – Innovative by nature

³² German Environment Agency (2017) – Responsible mining? Challenges, perspectives and approaches, Summary of the findings of the research project “Approaches to reducing negative environmental and social impacts in the production of raw materials (UmSoReSS)”

³³ ECHA (2024) – Substances restricted under REACH

Goals

Business Partners **should ensure traceability** for all key raw materials used in metal products. Business partners selling diamonds should comply with the Kimberley Process Certification Scheme³⁴ and the World Diamond Council's System of Warranties³⁵.

3.7. Animal-derived materials

We recognize our responsibility as a retailer to guarantee high animal welfare standards when sourcing animal-derived material and establish compliance mechanisms for all business transactions.

For ABOUT YOU, the animal welfare recommendations set out by the World Organization for Animal Health (WOAH) in their Animal Health Codes³⁶ and the Farm Animal Welfare Committee (FAWC)³⁷ are at the core of preserving animal welfare. These foundations are substantiated by additional principles we have laid down to increase their comprehensiveness. The sale of products with animal-derived materials is generally permitted.

Requirements

Business Partners **must** observe the Requirements and principles concerning animal-derived materials outlined in **our Animal Welfare Policy**.

Additional Requirements for Business Partners

The deployment of **mulesing on any animal is prohibited**. Documentary Proof of compliance must be provided on request (such as RWS certification). Business Partners should demonstrate their progress towards sustainably sourced (i.e., certified, organic, or recycled) wool and hair.

Business Partners are **encouraged** to source **sheep and lamb wool certified** by the Responsible Wool Standard (RWS)³⁸, or by any other comparable certification that ensures animal safety.

Business Partners **must** only source **mohair certified** at yarn level by the Responsible Mohair Standard (RMS)³⁹, or by any other comparable certification that ensures animal safety.

Business Partners **must** only source **virgin down and feathers certified** by the Responsible Down Standard (RDS)⁴⁰ or by any other comparable certification that ensures animal safety.

Goals

Business Partners **should** source **100% more sustainable leather** (by volume), such as recycled leather or LWG⁴¹, or through using innovative alternatives, such as chrome-free or plant-based tanned leather.

Business Partners **should** use certified leather, such as LWG, that ensures a **deforestation-free supply chain**.

³⁴ Kimberley Process (2024) – Stronger Together: Stemming the tide in conflict diamonds to safeguard lives the world over

³⁵ World Diamond Council (2024) – System of Warranties

³⁶ World Organisation for Animal Health (2024) – Codes and Manuals

³⁷ FAWEC (2012) – The farm animal welfare fact sheet – What is animal welfare?

³⁸ Textile Exchange (2024) – Responsible Wool Standard (RWS)

³⁹ Textile Exchange (2024) – Responsible Mohair Standard (RMS)

⁴⁰ Textile Exchange (2024) – Responsible Down Standard (RDS)

⁴¹ Leather Working Group (2024) – About Us

Whenever possible, Business Partners **should** source **more sustainable animal hair** based on sustainable certification such as RWS or RMS, or by ensuring responsible treatment of animals.

3.8. Use of packaging

Packaging includes all packaging material used by Business Partners to send products to our warehouses.

Requirements

All packaging **must** comply with the **legal Requirements** of the packaging act⁴² regarding recyclability. Additionally, any kind of packaging for ABOUT YOU **must be compliant with our Restricted Substances List (RSL)**, which is available on the corporate website.

Business Partners **must** use **100% recyclable** packaging. Polybags **must** contain **100% recycled materials** and be **certified** with a recognized standard, such as GRS⁴³.

Business Partners **must** only use **polybags made of low-density polyethylene (LDPE)**. The use of PVC, sulfur or hydrogen peroxides in packaging is forbidden.

Business Partners **must** use paper and cardboard packaging made of certified and/or recycled materials, such as FSC 100%, FSC-recycled or FSC-mixed quality⁴⁴.

On request, Business Partners **must** provide **DocumentaryProof** of the certified and recycled content of their packaging.

Goals

No additional Goals.

3.9. Standards and certification

We work with global textile standard organizations to increase the credibility of our progress and the claims we make. Standards are internationally accepted tools that validate and communicate sustainability claims made by companies about their products and materials. For us, standards are the means to enhance the credibility of environmental, social, and animal welfare practices in our supply chains⁴⁵.

We accept international standards such as the **Global Organic Textile Standard (GOTS)**⁴⁶, **Organic Content Standard (OCS)**⁴⁷, **Global Recycled Standard (GRS)**, **Responsible Wool Standard (RWS)**, **Responsible Mohair Standard (RMS)**, **LENZING™ ECOVERO™**⁴⁸, **TENCEL™ (Lenzing)**⁴⁹ and **Livaeco™ by Birla Cellulose**⁵⁰.

Requirements

On request, Business Partners **must** provide **Proof of certification** when making a claim relating to a standard at a product or material level. We **encourage** Business Partners to use **certified materials and products**.

⁴² Germany's Federal Cabinet (2021) – German Packaging Act – Amendment 2021, Important Modifications

⁴³ Textile Exchange (2024) – Global Recycled Standard

⁴⁴ FSC (2022) – What's in a Label?

⁴⁵ Textile Exchange (2024) – Our Standards

⁴⁶ Global Standard (2024) – Global Organic Textile Standard

⁴⁷ Textile Exchange (2024) – Organic Content Standard

⁴⁸ Lenzing (2024) – LENZING™ ECOVERO™

⁴⁹ Lenzing (2024) – TENCEL™

⁵⁰ Birla Cellulose (2024) – Livaeco™



Goals

Business Partners are **encouraged** to obtain the **certificates accepted** by ABOUT YOU. Additionally, Business Partners **should** continuously **increase the use of certified materials and products**.

4.Manufacturing Requirements

4.1. Environmental

Textile manufacturing processes involve various environmental risks. Together with our Business Partners, we strive to reduce the environmental impact of production processes by banning methods that are considered harmful across the industry and by promoting more sustainable and innovative production alternatives.

Business Partners **should implement strategies and action plans to reduce the environmental impact** of their supply chain, including, but not limited to, reducing energy consumption, transitioning to renewable sources, and reducing greenhouse gas emissions, water consumption, solid waste, and wastewater. Business Partners are **encouraged** to implement **environmental management systems (EMS)** to define their environmental strategy. EMS are sets of processes and practices used to manage environmental aspects, fulfill environmental compliance obligations, and address environmental risks and opportunities⁵¹.

Furthermore, we **encourage** Business Partners **to continuously reduce their environmental impact** by also establishing more circular processes within their supply chain, starting with Tier 1 Factories. This includes, but is not limited to, reusing water, procuring, or generating renewable energy and minimizing solid waste. Progress should also be tracked via key metrics such as energy consumption, freshwater use, and waste going to landfills.

4.1.1. Overview

The following table summarizes the environmental manufacturing Requirements and additional Goals for Business Partners. Further details can be found below.

Criteria	Requirements	2030 Goals
Higg Facility Environmental Module (Higg FEM)	Business Partners must complete a Higg FEM and share their results with us for all their Tier 1 Factories (100%) annually. Business Partners should verify their Higg FEM scores annually.	Business Partners should achieve a minimum total score of 60 in a Higg FEM and at least Level 2 in the energy section.
GHG emissions & energy consumption	Business Partners must comply with applicable legislation on energy use. Business Partners must have GHG emission reduction	Business Partners must reduce the Scope 1 & 2 GHG emissions in all their Tier 1 Factories (100%) in line with implemented targets.

⁵¹ ISO (2024) – ISO 14001:2015

	<p>targets in place for their Tier 1 Factories (Scope 1 & 2) by the end of 2025.</p> <p>Business Partners must develop and implement a time-bound plan to phase out coal from their supply chains.</p> <p>Business Partners should procure all their electricity from renewable sources in Tier 1 Factories.</p> <p>Business Partners should operate in Tier 1 Factories with lower carbon intensity and renewable energy sources.</p>	<p>Business Partners must eliminate coal from their supply chains.</p> <p>Business Partners should be able to demonstrate progress toward following the air emissions guidelines of industry standards.</p>
Water consumption	Business Partners must comply with legislation on water consumption.	Business Partners should reduce the water consumption in all their Tier 1 Factories (100%).
Wastewater	Business Partners must comply with wastewater legislation.	<p>Business Partners should reduce the wastewater in all their Tier 1 Factories (100%).</p> <p>Business Partners should demonstrate progress toward compliance with wastewater industry standards.</p>
Waste management	<p>Business Partners must comply with waste management legislation.</p> <p>Business Partners should responsibly collect hazardous waste.</p>	<p>Business Partners should improve waste management in all their Tier 1 Factories (100%).</p> <p>Business Partners should reduce waste and the use of virgin materials.</p> <p>Business Partners should implement recycle, reuse and circular systems.</p>
Chemical management	<p>Business Partners must comply with the ABOUT YOU RSL, MRSL, and REACH EU.</p> <p>Business Partners are encouraged to conduct frequent self-tests throughout their production processes to ensure compliance with our chemical Requirements.</p>	<p>Business Partners should improve chemical management in all their Tier 1 Factories (100%).</p> <p>Business Partners should demonstrate progress in compliance with chemical management industry standards.</p>
Sandblasting	The use of sandblasting is banned for all operations and supplies.	No additional Goals apply.
Wet processes	We encourage Business Partners to implement	No additional Goals apply.



	strategies and action plans targeted to improve the environmental impact of their wet processes.	
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4.1.2. Higg Facility Environmental Module (FEM)

As a member of Cascale⁵² (formerly the Sustainable Apparel Coalition), we work with the global consumer goods industry’s leading companies to develop the Higg Index, a suite of sustainability self-assessment tools that measure social and environmental supply chain impacts in a standardized way⁵³.

The Higg Factory Environmental Module (Higg FEM) is conducted annually and informs manufacturers, brands, and retailers about the environmental performance of their individual facilities, thus empowering them to scale sustainability improvements. The Higg FEM provides facilities with a clear picture of their environmental impacts and also helps them identify and prioritize opportunities for performance improvements⁵⁴.

Requirements

Business Partners **must complete and share their Higg FEM with ABOUT YOU annually** to track and measure the environmental impact of their supply chain factories.

Business Partners **should verify their Higg FEM results** annually through an approved independent verifier body.

Goals

Business Partners **should achieve** a minimum **total score of 60** in their Higg FEM and at least **Level 2** in the **Higg FEM energy section**⁵⁵.

4.1.3. Greenhouse gas emissions & energy consumption

Greenhouse gasses are gasses that increase the temperature of the Earth’s atmosphere by absorbing some of the Earth’s outgoing radiation. Greenhouse gas (GHG) emissions are emitted when fossil fuels such as coal, gas, and oil are burned to produce energy. Other sources of GHG emissions also exist. The use of energy from fossil fuels is one of the main contributors to climate change through releasing GHG emissions⁵⁶ while, at the same time, contributing to other detrimental environmental impacts.

Requirements

Business Partners **must comply with all international and national applicable legislation** on energy use, air emissions, and air quality that is applicable to all operations at their factories.

Business Partners **must have GHG emission reduction targets in place** for their Tier 1 Factories (Scope 1 & 2) by the end of 2025.

Business Partners **must develop and implement a time-bound plan to phase out coal** from their supply chains.

Business Partners **should** procure **all their electricity from renewable sources** in Tier 1 Factories.

⁵² Cascale (2024) – A new era of impact for consumer goods
⁵³ Cascale (2024)) – Higg Index Tools
⁵⁴ Cascale (2024) – Higg Facility Environmental Module
⁵⁵ As per Higg FEM 4.0 version
⁵⁶ IPCC (2024) – Intergovernmental Panel on Climate Change

Business Partners **should** implement **lower carbon intensity and renewable energy sources** in all their Tier 1 Factories (100%).

Goals

Business Partners **must reduce the GHG emissions** of their Tier 1 Factories (Scope 1 & 2) in line with implemented targets.

Business Partners **must eliminate coal** from their supply chains.

Business Partners **should** be able to demonstrate their progress toward following the **air emissions guidelines** of industry standards, such as the ZDHC Air Emissions Position Paper⁵⁷, in their Tier 1 Factories.

4.1.4. Water consumption

Fresh water is an essential and limited resource on our planet. As industrial processes are impacting the availability of potable (drinking) water that is critical to sustaining natural systems and communities, it is important to improve water efficiency and reduce the water withdrawn from the environment.

Requirements

Business Partners **must** comply with all **international and national legislation** on water consumption and water quality that is applicable to all their Tier 1 Factories (100%).

Goals

Business Partners **should** have an **environmental management system (EMS)** that includes **reduction of water consumption** in all their Tier 1 Factories (100%).

4.1.5. Wastewater

Wastewater can significantly contribute to the pollution and contamination of surrounding natural systems and communities if it is not managed, treated, and discharged properly.

Requirements

Business Partners **must** comply with all **international and national legislation** on wastewater that is applicable to all their Tier 1 Factories (100%).

Goals

Business Partners **should** have an **environmental management system (EMS)** that includes **reduction of wastewater** in all their Tier 1 Factories (100%).

Business Partners **should** be able to demonstrate their progress toward compliance with the **wastewater quality parameters** of industry standards, such as **ZDHC Wastewater Guideline**⁵⁸.

4.1.6. Waste management

Waste is any unusable material or substance that is discarded after use and may contaminate the environment. The operational activities in fashion manufacturing factories can produce both hazardous and non-hazardous waste. Hazardous waste is waste that could be harmful to public health and/or the environment because of its chemical, physical, or biological characteristics. Non-hazardous waste includes all additional waste that may still cause contamination if not properly managed.

⁵⁷ Roadmap to Zero (2021) – ZDHC Air Emissions Position Paper

⁵⁸ Roadmap to Zero (2024) – ZDHC Wastewater Guidelines

Requirements

Business Partners **must** comply with all **international and national legislation** on waste management that is applicable to all operations at their factories.

Business Partners **should** ensure that the collection of all **hazardous waste is handled by an authorized party**.

Goals

Business Partners **should** have an **environmental management system (EMS)** that includes **reduction of waste** in all their Tier 1 Factories (100%).

Business Partners **should reduce the generation of waste and the use of virgin materials** in their operations. Additionally, Business Partners **should** continuously seek to implement **recycle, reuse and circular systems** to reduce waste generation in their factories.

4.1.7. Chemical management

We have established a chemical management system to **track, control, and steer the use and discharge of (hazardous) chemicals** in our products. We follow the EU REACH regulations and exercise due diligence testing to ensure compliance.

Our Restricted Substances List (RSL) lists substances and groups of substances that are either permitted to a limited extent or banned completely in our **finished products**. Our RSL covers the complete ABOUT YOU private-label assortment and applies to all product categories on offer.

To increase product safety for our customers, **we carry out selective additional tests across the product range**. We neither accept nor sell goods from Business Partners that are non-compliant with our RSL, which is amended from time to time.

Our Manufacturing Restricted Substances List (MRSL) lists chemicals that are restricted to specific dosages or completely prohibited in the **production process**.

Requirements

Business Partners **must comply with the ABOUT YOU RSL and MRSL** in their Tier 1 Factories and forward them to their Tier 2 and Tier 3 Factories.

Business Partners **must** ensure that all delivered items are free of harmful substances or substances hazardous to health in terms of the applicable regulations and that all delivered items **meet the Requirements of Regulation (EU) 1907/2006 (REACH) and Directive 2001/95/EC (product safety)**.

Business Partners are **encouraged to conduct frequent self-tests** throughout their production processes to ensure compliance with our chemical Requirements.

Goals

Business Partners should have an environmental management system (EMS) in place to achieve responsible chemical management in all their Tier 1 Factories (100%).

Business Partners should be able to demonstrate their progress toward compliance with the chemical discharge Requirements of industry standards, such as the **Zero Discharge of Hazardous Chemicals (ZDHC)** initiative⁵⁹.

⁵⁹ Roadmap to Zero (2024) – ZDHC



4.1.8. Sandblasting

Sandblasting (aka abrasive blasting) is a finishing technique used to give denim fabrics (and other apparel) a pre-worn look by projecting sand onto the fabric by means of high-pressure compressed air. The workers executing this operation are exposed to a significant health risk, since inhaling elements of the sand can lead to silicosis, a potentially fatal lung disease.⁶⁰

Requirements

To address this issue, **sandblasting is banned** for all products sold to ABOUT YOU.

Business Partners **should use alternative processes** that use few resources, such as chemical treatments complying with our MRSL, stonewashing, brushing, sandpaper, or laser treatment.

4.1.9. Wet processes

Some of the most water-intensive manufacturing processes in the fashion industry are wet processes. Wet processes are mainly used for dyeing, printing, and finishing purposes. This production step is a major cause of environmental pollution due to the large quantities of water, dyes, and chemicals used.

Requirements

We **encourage** Business Partners to implement strategies and action plans targeted at **reducing the environmental impact of wet processes** in all their Tier 1 Factories.

4.2. Social

In the fashion industry with its highly globalized supply chains, international brands have a responsibility for preventing the negative impacts of their activities on people and the environment, as well as triggering positive systemic changes in a sector built on global inequalities.

As a part of the global garment industry, we implement measures to reduce the risk of human rights violations in our supply chain. To achieve this, **compliance with social, labor and human rights standards** is a vital element that underpins our business relationships. In this respect, our Business Code of Conduct clarifies our expectations toward Business Partners in terms of ethical business conduct and sets out the basis for our partnerships.

On the other hand, we urge our Business Partners to go beyond minimum (legal) Requirements and implement action plans to improve the ways of working to generate **positive social impact** in the communities they operate in.

4.2.1. Overview

The following table summarizes the social manufacturing Requirements and additional Goals for Business Partners. Further details can be found below.

Criteria	Requirements	Goals 2030
Supply chain transparency	Business Partners must disclose their Tier 1 Factories to us prior to order placement to	Business Partners must disclose all their Tier 1 and 2 Factories to us at the order and product level.

⁶⁰ Fair Trade Center (2010) – Fashion victims – a report on sandblasted denim

	<p>avoid unannounced subcontracting.</p> <p>Tier 1 Factories should keep a record of all homeworkers and share this during social assessments.</p> <p>Business Partners must also disclose the Tier 2 Factories used to produce ABOUT YOU orders.</p>	<p>Business Partners should work to enhance transparency and traceability, and also map out and disclose the deeper levels of their supply chain.</p>
Regular and equal employment	<p>Business Partners and Tier 1 Factories must implement measures to ensure that all workers receive the same treatment, protection and rights, particularly amongst worker groups at risk, such as those on short-term or limited-hours contracts, employed via third parties, or homeworkers.</p>	<p>Business Partners and their associated factories should work to enhance transparency and awareness with regard to disadvantaged worker groups and deploy specific protective measures for those more likely to suffer marginalization, such as women, migrants, people with disabilities, younger and older workers.</p>
Supply chain monitoring	<p>Business Partners must have valid BSCI social audits or equivalent assessments in their Tier 1 Factories and renew them in due time throughout the partnership.</p>	<p>Business Partners should engage with their Tier 2 Factories so that they increasingly conduct and share social assessments with us.</p>
Social performance ratings	<p>Tier 1 Factories must have A, B or C social performance ratings and implement remediation plans if they have a D or E rating.</p> <p>Tier 1 Factories should implement measures to improve their social performance over time, whenever high-risk findings are uncovered during a social assessment.</p>	<p>Business Partners should increasingly engage with their Tier 2 Factories to improve their social performance and must provide remedy measures in case of D/E ratings or zero tolerance.</p>
Capacity building	<p>Business Partners should join the ABOUT YOU Partner University and amfori Academy, and work to increase their internal awareness and social responsibility and compliance capacities on an ongoing basis.</p>	<p>Business Partners should increasingly participate in social responsibility platforms, training, and knowledge-sharing spaces offered by us or others, and also encourage their Tier 1 Factories to do so.</p>

4.2.2. Supply chain transparency

At ABOUT YOU, we consider transparency to be a key enabler for social compliance and responsible business conduct. It is also important for us to know where our products have been made. Traceability is a key component in our compliance efforts so we always know

about the Tier 1 Factory before any orders are placed. This reduces the risk of human rights violations.

Requirements

Business Partners **must disclose their Tier 1 Factories to us**. As part of our onboarding process, new Business Partners **must** fill out our **Transparency Sheet**, with information such as product assortment, address, valid social assessments, and sustainability standards/certifications for their Tier 1 Factories and Tier 2 Factories. All Business Partners **must announce any changes to their production location** to us in due time.

Business Partners **must** also **confirm the Tier 1 Factory producing our orders** prior to order placement.

In this respect, **unannounced subcontracting is not permitted**. If at any point, it becomes a necessity to outsource our orders, Business Partners **must** inform us in good time and share the company's name, address and valid social assessments with us for our approval.

Lastly, Business Partners **must disclose the Tier 2 Factories** used for our production at least once a year.

Goals

Business Partners **must disclose their Tier 1 and 2 Factories (100%)** to us at an order and product level and **should** commit to **continuously increasing transparency and traceability** and disclosing the deeper levels of their supply chain.

4.2.3. Regular and equal employment

With regard to the provisions of the ABOUT YOU Business Code of Conduct with respect to precarious employment, forced labor and discrimination, we expect Business Partners and their associated factories to provide regular forms of employment to their workers in line with national laws and practices⁶¹.

Requirements

Business Partners and Tier 1 Factories **must implement measures to ensure that all workers receive the same treatment, protection, and rights** with respect to freedom of association, occupational health and safety, and employment conditions⁶². This is particularly relevant for worker groups at risk, such as those on short-term or limited-hours contracts, those employed via third parties, or homeworkers.

Such measures include formalizing all employment relationships through contracts and measures against discrimination in terms of wages, working time, social security benefits, training, etc. For example, Tier 1 Factories **should keep a record of worker groups at risk**, the quantity of work distributed, the payments made, and any social security or health insurance provided. This information **should be shared during social assessments** as part of their transparency efforts.⁶³ Besides, hiring from private employment agencies that charge **their workers recruitment fees must be prohibited**.⁶⁴

Goals

Business Partners and their associated factories **should work to increase transparency and awareness with regard to disadvantaged worker groups** in the supply chain and **lay down specific protective measures** for those more likely to suffer marginalization and

⁶¹ Ethical Trading Initiative, ETI – Base Code clause 8: Regular employment is provided

⁶² International Labour Organization, ILO (1994) – Part-time Work Convention (No. 175)

⁶³ International Labour Organization, ILO (1996) – Home Work Convention (No. 177)

⁶⁴ International Labour Organization, ILO (1997) – Private Employment Agencies Convention (No. 181)

precarious working conditions, e.g., women, migrants, people with disabilities, and younger or older workers.

4.2.4. Supply chain monitoring

Tier 1 Factories are required to continuously undergo social assessments by third parties based on international standards on human rights.

Requirements when onboarding new Business Partners

At the start of the partnership, Business Partners **must** provide a **valid social assessment** for their Tier 1 Factories. The assessment types accepted are the amfori BSCI social audit and equivalent social assessments.

Requirements for existing Business Partners

Throughout the partnership, Business Partners **must** ensure that their associated Tier 1 Factories **always have a valid social assessment** and must therefore take the necessary measures to renew their reports in due time.

In cases where risk assessments have identified significant human rights risks for a specific business activity or region (such as the ones laid out in Chapter 3.2), **we reserve the right to request further information** about the issue and/or DocumentaryProof of due diligence efforts from the Business Partner. We may also organize independent monitoring activities or unannounced visits or checks, including to indirect suppliers, which the Business Partner is required to facilitate.

Goals

Business Partners **should engage with their Tier 2 Factories** so that they increasingly conduct and share social assessments with us.

4.2.5. Social performance ratings

Each Tier 1 Factory that produces goods for us receives an internal social performance rating from A to E. This depends on their social assessment results and remediation measures. We use an internal rating system to make different assessment types comparable. These ratings, in turn, are part of our scorecards for Business Partners, which also capture other sustainability and quality criteria, to help our buying teams transition to more sustainable purchasing practices.

Requirements when onboarding new Business Partners

To prevent the risk of additional human or labor rights violations, **only Tier 1 Factories that are internally rated as A, B or C can be accepted**. New Tier 1 Factories with a D or lower rating cannot be onboarded.

Requirements for existing Business Partners

If a current Tier 1 Factory scores a D or lower rating, which signifies a **significant risk of non-compliance with our Business Code of Conduct**, we will request a **remediation plan** to be implemented within six months. The business relationship can be terminated in cases where the Tier 1 Factory fails or is unwilling to implement any remedial measures to act in line with our values and social performance Requirements.

Tier 1 Factories **should also implement measures to improve their social performance** over time if high-risk findings are uncovered during a social assessment – independent of their social performance rating. This includes establishing standards on working conditions that go beyond the minimum legal Requirements.

Goals

Business Partners should implement measures to improve the social performance of their Tier 2 Factories over time. In particular, they **must provide remedial measures** if a factory is shown to have a high social risk, e.g., if it scores a D or lower rating or the assessment uncovers zero tolerance findings.

4.2.6. Capacity building

There are various resources available to build capacities to improve social performance. We invite Business Partners and Tier 1 Factories to participate in the **ABOUT YOU Partner University and amfori Academy** as well as in the wide range of training measures and workshops on social responsibility. These are available in local languages and often targeted to specific countries/contexts so that our partners can strengthen their own measures in line with their own interests and needs. The topics covered include, for example, human rights due diligence, ethical recruitment and employment standards, inclusion and diversity, or women empowerment.

Requirements

We **encourage** Business Partners and Tier 1 Factories to **join the amfori Academy and ABOUT YOU Partner University** and participate in training measures and workshops.

Goals

Business Partners **should** increasingly participate in **social responsibility platforms, training and knowledge-sharing spaces** offered by us or others so we can work together to improve our supply chain's social performance. They should also encourage their Tier 1 Factories to do so, too.

5. Management systems and due diligence

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

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

All direct Business Partners guarantee that ABOUT YOU itself or independent third parties authorized by ABOUT YOU may, if necessary, verify compliance with the principles established by this Private Labels Sustainable Sourcing Policy at their premises. The Business Partner in question will designate the workplaces for this purpose.

If non-compliance is detected, the Business Partner will be obliged to take appropriate remedial actions without delay. ABOUT YOU will grant the Business Partner sufficient time

for the remedial actions. Irrespective of whether the direct Business Partner itself or its agents violate the principles established in this policy and corresponding remedial actions are not taken, the right to extraordinary termination of the business relationship by ABOUT YOU will remain unaffected and not be hereby restricted.

6. Compliance and whistleblowing system

We have established a management system to strengthen compliance and prevent compliance violations in connection with the provisions laid down in this policy, and, if they do occur, investigate and sanction them. Any comments or questions regarding the Sustainable Sourcing Policy should be directed to ABOUT YOU.

Moreover, we would like to be informed about any illegal behavior in our company in order to clarify and stop such behavior. We therefore encourage anyone to inform us of any legal violations via our special whistleblowing system at [BKMS System](#). We guarantee that all whistleblowers will be treated confidentially. Our whistleblowing system can also be used anonymously. However, we would ask whistleblowers to set up a mailbox, at least under a different name, which does not allow any conclusions to be drawn, but does enable ABOUT YOU, if necessary, to ask any clarifying questions. It is important to understand that this whistleblowing system should only be used to report any violations of laws, guidelines, policies, or our Code of Conduct. General complaints or product and warranty inquiries will not be processed.

Moreover, we expect our Business Partners to set up their own whistleblowing mechanisms so that violations of any relevant legislation or of this Private Labels Sustainable Sourcing Policy can be reported anonymously, thus maintaining confidentiality and ruling out any negative consequences for the whistleblowers.

7. Contact


ABOUT YOU, Schwedter Str. 263, 10119 Berlin

Please address any questions to

Private Labels Department

Team Sustainability

sustainability-privatelabels@aboutyou.com

Signed by:

408AED1881F94C8...
Hannes Wiese
(Co-CEO)

DocuSigned by:

DD546C4A9FC0491...
Tarek Müller
(Co-CEO)

Signed by:

551B3713F5F6405...
Sebastian Betz
(Co-CEO)