

Human Rights Due Diligence Policy

Our commitment

Our HRDD policy sets out our commitment to respecting human rights as an integral part of our core business of producing workwear. In our efforts of doing so we adhere to the principles and standards contained in the OECD Guidelines for Multinational Enterprises and United Nations Guiding Principles for Business and Human Rights.

Processes in our supply chain are structured in a manner that the international standard on sector-specific risks (ILO international labour standards) are embedded in the daily conduct of these processes. We are held accountable by our membership organisation Fair Wear whereby they evaluate how well we are working to uphold the FW Code of Labour Practices, based on the ILOs 8 core labour conventions.

Using the *Fair Wear Code of Labour Practices* (see below) we ensure due diligence of identified risks on the levels of Human Rights, product level, country level, business model, sourcing model, environmental, and bribery and corruption. We assess risks in terms of likelihood and severity of harm with a Risk Scoping per production location, prioritize these actions per supplier and monitor the risks with periodic-check-ins.

Code of Labour Practices:

1. Employment is freely chosen
2. There is no discrimination in employment
3. No exploitation of child labour
4. Freedom of association and the right to collective bargaining
5. Payment of a living wage
6. No excessive working hours
7. Safe and healthy working conditions
8. Legally binding employment relationship

Tailor & Stitch follows the shared responsibility approach with which the relationship within the supply chain, involving Tailor & Stitch, our suppliers, our production locations, will be strengthened through meaningful engagement and improvements. We cooperate with stakeholders that equally respect ethical standards in HRDD prevention, mitigation and remediation actions. We strongly encourage our stakeholders to engage in processes that highlight our efforts to align with the Common Framework for Responsible Purchasing Practices (CFRPP). It includes order & material forecasts, transparency in product costing and dialogue in delivery planning.

T&S staff is asked to be aware of all CSR policies, through quarterly company meetings with all departments staff gets updates on adjusted or new policies. Sourcing and pricing staff is in constant dialogue with CSR staff to optimize working in accordance with the CFRPP through our **Supplier Strategy**.

We are committed to keep suppliers and workers aware and educated about Fair Wear, the Code of Labour practices and about workers their freedoms regarding Freedom of Association, collective bargaining, grievances and social dialogue through our own awareness training and Fair Wear's Onboarding for Suppliers training. When grievances are received we hear and address these with all seriousness according to Fair Wear's complaint procedure.

We will continue to build our connections with workers in a structured manner, for example with questionnaires with workers, sit-downs with worker representatives and attend a Worker Committee meeting as a routine element in our visits to the factories.

Our expectations

In order to conduct Human Rights Due Diligence, we aim at cooperations with likeminded suppliers and production locations. Establishing long-term relationships with our suppliers is a parallel to our suppliers meeting specific ethical and environmental standards in order to have a proficient and fair collaboration. Thus, we expect this Human Rights Due Diligence policy to hold us accountable from our stakeholders (such as suppliers, workers, communities, customers, employees) and expect our suppliers and business partners to uphold the principles herein.

Our extensive onboarding process as set out in the Sourcing Strategy allows suppliers a straightforward view of expectations arising from a collaboration with Tailor & Stitch. Signing the **Social Code of Conduct** by both parties discloses willingness and commitment for cooperation in Human Rights Due Diligence, it establishes reciprocal expectations.

In specific terms, this means:

- We do not allow for any manufacturing to take place in a factory that has not gone through and been approved by our onboarding process.
- Full cooperation and transparency on Freedom of Association and collective bargaining which are fundamental and enabling rights and need to be put in practice in order to solve other sector risks.
- Full cooperation and transparency on production capacity and costings in order to achieve successful collective order and material forecasting and punctual planning.
- Work towards Gender Equality by tackling workplace discrimination and gender-based violence and harassment.

HRDD process

Tailor & Stitch's Human Rights Due Diligence is captured in this Human Rights Due Diligence policy, borrowing from Fair Wear's topical risk policies on Freedom of Association, Gender Equality and guidances on wages and working hours. We will continuously update this policy when material changes occur which affect how we work with social sustainability, and is therefore subject to change.

Corporate Social Responsibility staff within T&S is continuously improving their knowledge with training, learning programmes and webinar. As well as provided by Fair Wear, as external.

Actual and potential harms are identified with a **Risk Scoping** exercise. Fair Wear's country studies and its *Continuum of freedom of association* have been guiding principles for scoping risks on Code of Labour Practices level. Other risks have been identified through assessments, questionnaire's, discussions and studies, resulting in product risks, sourcing risks and business model risks. To all risks categories a gender lens has been added, including the risks arising from the CoLP.

Repeated assessments of risks per supplier by means of our FoA questionnaires and periodic check-ins are a central component of the **Risk Scoping** exercise. Through on site assessments and self-assessment a basis for **Root Cause Analysis** was established, in which the most prevalent and frequent risks were listed. Root Causes were evaluated attaching the kind of

measure or action appropriate, from which a **Prevention Plan – Human Rights and Safety** was created. An action plan to share with new suppliers in the Supplier Onboarding Process. In the first year of business an awareness training is organized to familiarize workers and factory management with the T&S method of operation. We commit to facilitating an official Fair Wear Supplier Onboarding Training where FoA, collective bargaining, grievance mechanisms and social dialogue is discussed in detail and thus enable and aid implementation of democratically elected worker's committees.

Above procedure is professionalized during 2023 and will remain under continuous development throughout 2024, as do all the policies and processes described. Further actions are tracked and monitored through CAPS, periodic check-ins with suppliers and worker representatives, factory visits, Quality & Control check-lists and worker questionnaires. We greatly encourage worker representatives to participate in audits, meetings, and discussions with management wherever it is relevant as per the Code of Conduct and Fair Wear CoLP. We engage with worker representatives during our visits to factories to learn about and listen to workers, to make sure that workers grievances are heard and addressed. Annual **Supplier Evaluations** are drafted and discussed with factory management. And in the exceptional cases where production locations do not cooperate on HRDD, an **Exit Strategy** will be implemented, in line with Fair Wear's Responsible Exit Strategy Guidelines.

Via our annual publicly shared **Social Report**, all parties will be able to read about our Human Rights Due Diligence, remedial actions, cooperation with suppliers and time-bound plans for improving working conditions in our production locations. After each Brand Performance Check we publicly share the corresponding report on our website.

We intend to continuously improve the functionality of the factory-level grievance mechanisms. We use different channels where workers can indicate their grievances, however, the degree of success of different channels depends on cultural context. We are committed to making every effort to support the most appropriate grievance mechanism at each individual production location.

Endorsed by top management

By endorsing this policy, our top management reaffirms our dedication to integrating human rights considerations into our business strategy, operations, and decision-making processes. We recognize that respecting human rights is not just a legal requirement but a moral imperative that contributes to the long-term sustainability and success of our business.

We encourage all internal and external stakeholders to familiarize themselves with our Human Rights Due Diligence Policy and actively support its implementation across our operations. Together, we can make a positive impact on the lives of individuals and communities worldwide.

Thank you for your commitment to upholding human rights principles in everything we do.

Tailor & Stitch

Date: 01-05-2024

A handwritten signature in black ink, appearing to read 'Bart Ebink', with a long horizontal line extending to the right.

Bart Ebink, CEO