

SUSTAINABILITY PROGRAM

TODAY. TOMORROW. ALWAYS.

Within "CLAIM 5," HUGO BOSS regards sustainability as an important foundation of its strategy and thus an integral part of its business activities. The Company addresses sustainability through **ambitious goals and effective measures**, which it portrays in the annual publication of its Sustainability Program. It summarizes its activities and goals in the individual topics under the concept "TODAY. TOMORROW. ALWAYS.". The program shows that sustainability is a continuous process within the Company, which is constantly evolving and is firmly anchored in its business activities.

TODAY: Milestones achieved in the current reporting year as well as initiatives and programs implemented to strengthen sustainability in the corresponding field of action.

TOMORROW: Medium and long-term objectives in the corresponding field of action, along with their time frame and implementation status.

ALWAYS: Continuous efforts and commitments in the corresponding topics, which form the basis of sustainability management.



WE

Sustainability is an integral part of business operations at HUGO BOSS. The aim of the Company's sustainability activities is to ensure its long-term success through **continuous improvement and anticipatory management** of environmental, social and economic opportunities and risks. With the development and implementation of its sustainability strategy, HUGO BOSS relies upon **dialog and collaboration with its stakeholders**.

TODAY.

In 2022

- as **part of its climate strategy**, HUGO BOSS has adapted its reduction targets to the increased requirements of the **UNFCCC**.
- HUGO BOSS invited internal and external stakeholders to its seventh **stakeholder dialogue event**.
- HUGO BOSS was included in the **Dow Jones Sustainability Index (DJSI) World** for the sixth time and in the DJSI Europe for the third time.

TOMORROW.

The We topic forms the **overarching strategic framework** for the Company's sustainability activities and for the other topics (Environment, Employees, Partners, Products and Society). Therefore, HUGO BOSS does not define any specific sustainability goals under We. The Company's goals are detailed under the individual topics on the following pages.

ALWAYS.

- HUGO BOSS is committed to **free and fair competition** and respects competition and antitrust laws and regulations.
- HUGO BOSS **does not accept or tolerate any form of corruption** (such as bribery) or other corrupting behavior.
- HUGO BOSS takes over **responsibility for ethical corporate management** and considers it a matter of course that the payment of corporate tax is not only made in accordance with applicable laws but is also ethically justifiable.
- HUGO BOSS proactively and responsibly manages the **risks and opportunities associated with sustainability**.
- HUGO BOSS maintains **active and regular dialog with its stakeholders** and ensures that the concerns of stakeholders are incorporated into the sustainability strategy.



ENVIRONMENT

HUGO BOSS is committed to the **introduction and further development of environmentally and climate-friendly processes** and takes appropriate measures to improve the environmental footprint of its own locations, production facilities and stores as well as the entire logistics chain. In this context, the **careful use of natural resources** is just as important as the avoidance and recycling of waste and the reduction of CO₂ emissions.

TODAY.

In 2022

- the Company set itself the goal of **"net-zero" greenhouse gas emissions** throughout the entire value chain by 2050.
- almost 60% of the electricity consumed in the Group came from **renewable energy sources**.
- the Company's **own photovoltaic systems** generated electricity equivalent to the annual consumption of around 400 four-person households.
- the Company put into operation a **photovoltaic plant at its own production site** in Izmir (Turkey). The plant produces approximately 820 MWh of electricity per year.

TOMORROW.

SDG reference (direct or indirect)	Target year	Goal	Status quo
	2050	"Net-zero" greenhouse gas emissions throughout the value chain (Scope 1–3)	
	2030	Reduction of CO ₂ emissions along the entire value chain compared to the base year 2019: <ul style="list-style-type: none"> • Reduction of CO₂ emissions (Scope 1 and 2) by at least 50% • Reduction of CO₂ emissions (Scope 3) by at least 50% • Reduction of energy consumption (direct and indirect) in relation to area (m²) by 20% compared with the base year 2018 	Reduction of 6% Increase of 45% Reduction of 13%
	2030	100% of the electricity used comes from renewable sources	59%
	2025	Reduction of own water consumption (external water supply) in relation to Group sales by 40% compared to the base year 2016	Reduction of 38%
	2025	Reduction of waste volume (household waste) per employee by 10% compared with the base year 2018	Reduction of 19%

ALWAYS.

- HUGO BOSS is constantly working to **minimize** the **environmental impacts** of its own business activities and places a special focus on climate action.
- HUGO BOSS operates a **comprehensive environmental management** system and in its Environmental Policy it defines the principles of environmental protection for all relevant business areas.
- HUGO BOSS ensures that the new construction or renovation of existing **company buildings** takes sustainability criteria into account, and strives for sustainability certifications for new buildings.
- HUGO BOSS endeavors to use new innovative technologies wherever possible and in an economically viable manner in order to further **reduce the consumption of resources**.
- HUGO BOSS strives to **continuously reduce waste volumes in production** and, where this is not possible, to adequately recycle and reuse the waste.



EMPLOYEES

HUGO BOSS takes **responsibility for the well-being of its employees** and promotes a corporate culture of mutual appreciation and respect. The Company is committed to equal opportunities, helps employees to reconcile their private and professional lives, offers very good development opportunities and ensures safe, healthy workplaces. HUGO BOSS aims to inspire its employees every single day, motivate them with challenging and varied tasks, and retain their loyalty.



TODAY.

In 2022

- the Company redesigned its **career website** and added new features to make job search easier and more targeted.
- HUGO BOSS extended its online tool for the **Performance & Development Dialog** to include system-based succession planning.
- the Company was listed as **Financial Times Top 50 "Diversity Leaders"** in Europe.
- HUGO BOSS ranked third among Germany's most popular fashion employers in the **"Working in Fashion"** survey of the journal TextilWirtschaft.

TOMORROW.

SDG reference (direct or indirect)	Target year	Goal	Status quo
8	2025	Reduction of employee-related turnover (resignations) to: <8% in the Corporate area <30% in the Retail area	9% in Corporate, 32% in Retail
	2025	75% of vacancies for the top two management levels to be filled with internal candidates. Milestone by 2022: 70%	61%
5	2025	Share of at least 40% women in the first management level below the Managing Board (top management)	28%
5	2025	Share of at least 50% women in the second management level below the Managing Board (middle management)	46%
5	2024	Training of all employees on the topic of "Overcoming Bias for Business Success" Milestone 2023: all managers and HR managers involved in talent acquisition and management participated	The Managing Board, several top management members, and employees engaged in talent acquisition and management have been trained.

SDG reference (direct or indirect)	Target year	Goal	Status quo
8 	2025	Reduction of occupational and industrial accidents by 10% at the Headquarters in Metzingen (Germany) compared to the base year 2019	Reduction by 7.9%
8 	2025	Reduction of the Lost Time Injury Frequency Rate (LTIFR) by 5% compared with the base year 2019	Reduction by 3.2%

ALWAYS.

- **Employee satisfaction** according to the Great Place to Work® survey should be **at least 75% on a sustained basis**.
- The Company undertakes to comply with its Human Rights Policy and its Supplier Code of Conduct, which set out **fundamental rights to protect workers** (such as humane working conditions).
- HUGO BOSS is committed to improving **equal pay** regardless of diversity factors and also wants to ensure fair and market-based remuneration on a global level.
- For HUGO BOSS, the **diversity of its employees** is a natural element of its corporate culture and a living reality. By joining the Charta of Diversity in 2008, HUGO BOSS committed to enabling all employees to work in a non-discriminatory environment.
- HUGO BOSS is committed to **strengthening the physical and mental health of all employees** in accordance with its Health & Safety Commitment, through various measures.
- HUGO BOSS attaches great importance to **equal opportunities** and promotes this, among other things, by providing access to flexible working models throughout the entire Group to balance private and professional life.
- The Company is committed to the **continuous training of its employees** and offers a wide range of training opportunities.



PARTNERS

In addition to manufacturing at HUGO BOSS' own production sites, the Company sources finished goods as well as fabrics and trimmings from numerous suppliers globally. As their customer, HUGO BOSS assumes **co-responsibility for the well-being of their employees** and the **protection of the environment** in the sourcing countries. The basis for cooperation is therefore respect for human rights and compliance with internationally recognized environmental and social standards, which are reviewed in regular audits.


TODAY.

In 2022

- the Company **revised its human rights risk analysis** and used questionnaires to identify risks both in its own business operations and with all direct suppliers.
- more than **50 suppliers already submitted consumption and emissions data** to HUGO BOSS via the **"Resource Efficiency Module."**
- the Company started initial **pilot projects** in relation to **fair compensation in the supply chain** with selected suppliers.

TOMORROW.

SDG reference (direct or indirect)	Target year	Goal	Status quo
8	2025	Sourcing of all goods from finished goods suppliers (including the Company's own production sites) who achieved a result of "satisfying" or better in the last social audit	97%
8	2025	80% of the goods come from finished goods suppliers (including their own production sites) who achieved a result of "good" in the last social compliance check (proven by audit, SAQ or certificate of an external social compliance standard)	52%
8 12	2025	All finished goods suppliers have an appropriate control system (Governance Model) for their supply chain	47%
	2025	All fabric and trimmings suppliers with a direct contractual relationship with HUGO BOSS have an appropriate control system (governance model) in place for their supply chain	27%
8	2025	All fabrics and trimmings suppliers with a direct contractual relationship with HUGO BOSS are integrated into the HUGO BOSS Supply-Chain-Sustainability Program (SCSP)	33%

SDG reference (direct or indirect)	Target year	Goal	Status quo
	2025	<p>All suppliers with a high environmental impact comply with the environmental requirements defined by HUGO BOSS (measured by the result of their environmental audits)</p> <p>This means they:</p> <ul style="list-style-type: none"> • comply with national environmental legislation, • contribute to the implementation of the ZDHC alliance's standards and • support the Fashion Industry Charter for Climate Action of the UNFCCC. 	45%
	2030	<p>All suppliers with wet processes produce in compliance with the ZDHC MRS� standards (measured by their wastewater tests and chemical inventory)</p> <p>Milestone by 2025: all strategic finished goods suppliers with wet processes</p>	<p>Wastewater tests: 23% of all production sites inspected (24% of strategic finished goods suppliers) comply with the specifications</p> <p>Chemical inventory: 24% of all inspected production sites (35% of strategic finished goods suppliers) meet the requirements</p>

ALWAYS.

- HUGO BOSS is fully committed to **respecting human rights and fair working conditions** throughout its entire value chain and obliges its suppliers to comply with the HUGO BOSS Supplier Code of Conduct.
- HUGO BOSS, as a customer, assumes joint responsibility for ensuring that all the workers in its supply chain work in a **safe and healthy working environment**. A constant and obvious goal of the Company is for no fatal accidents to occur in its supply chain.
- HUGO BOSS is committed to improving **compensation standards within the global supply chain**.
- HUGO BOSS is committed to **reducing its environmental impact** along the entire supply chain, focusing on climate protection, the efficient use of resources and ensuring clean water.
- HUGO BOSS works closely and in good faith with its suppliers, and focuses on **dialog and joint development**. For example, the Company organizes training sessions for all finished goods suppliers on focus topics relating to the sustainable supply chain.



PRODUCTS

HUGO BOSS aspires to develop collections that not only meet customers' high standards in terms of design, quality, longevity and innovation, but also pose **no social, health or environmental risks**. HUGO BOSS therefore gives high priority to manufacturing processes that conserve resources as much as possible and safely return materials to the raw material cycle as well as to the responsible use of chemicals in production, animal welfare and biodiversity protection.




TODAY.

In 2022

- the Company advanced its cooperation with the Swiss innovation company HeiQ and **launched a first product with the innovative cellulose filament yarn AeonIQ™ on the market at the beginning of 2023**.
- HUGO BOSS entered into a partnership with Raddis® and was able to further advance the procurement of raw materials from **regenerative agriculture**.
- the Company developed products according to circular principles and was also able to bring a **repair service** and an **online resale platform** onto the market, thereby actively contributing to the circular economy.
- HUGO BOSS included guidelines for the use of chemicals in packaging in its RSL.

TOMORROW.

SDG reference (direct or indirect)	Target year	Goal	Status quo
	2030	80% of products meet the requirements for circular products	The first products were developed
	2025	At least 60% of the product range consists of RESPONSIBLE styles	35%
	2025	Use of 100% sustainably sourced cotton in accordance with the criteria of the HUGO BOSS Policy for Cotton and Other Plant Fibers	93%
	2025	100% of the leather used is to come from tanneries certified by the Leather Working Group or a similar standard	86%
	2030	Use of 100% mulesing-free wool in purely woolen products	43%
	2025	30% of all products contribute to a water-saving footprint through responsible treatment processes of the materials (dyeing, washing, refinement, tanning) (water consumption is reduced by at least 30% in the production of these products)	10%
	2022	Increase the share of reused transport packaging in outbound shipments by 3% compared with the base year 2019	The share of reused carton amounts to 49% (2019: 49%)

SDG reference (direct or indirect)	Target year	Goal	Status quo
12 ∞	2025	Reduction of single-use plastic used in packaging by 10% (per sold item) compared with the base year 2019	Reduction by 8%
12 ∞	2025	100% of plastic packaging is made of recycled or other sustainably sourced material	47%
12 ∞ 15 	2025	Reduction of packaging paper by 5% (per sold item) compared with the base year 2019	Reduction by 2%
12 ∞ 15 	2025	100% of the packaging paper comes from sustainably managed forestry and/or is made from recycled material	90%
12 ∞ 15 	2025	>80% of the packaging paper comes from recycled material	69%
12 ∞	2025	Reduction of metal in packaging by 30% (per sold item) compared with the base year 2019	Reduction by 78%

ALWAYS.

- HUGO BOSS ensures that its products can be used over a long period of time by using **selected materials** and high-quality workmanship.
- HUGO BOSS recognizes its particular responsibility for animal welfare and is opposed to animal testing as well as animal breeding and husbandry methods that are not appropriate to the species.
- HUGO BOSS excludes the use of **down** obtained through live plucking and force feeding.
- HUGO BOSS does not use **farmed fur**.
- HUGO BOSS does not use **angora wool**.
- HUGO BOSS only uses **leather** that is a by-product of the food industry and does not use exotic types of leather.
- HUGO BOSS uses **at least 60% recycled material** in all paddings in clothing and accessories.
- HUGO BOSS only uses **mulesing-free wool** in purely woolen knitted products.
- In the future, HUGO BOSS will only source viscose fibers from suppliers according to the 20 **Hot Button Canopy Ranking**.
- HUGO BOSS ensures that all of its products that reach the market meet **international standards in the area of chemicals**.
- All the **product packaging** used should be reduced to the absolute minimum required to bring the products to the customer intact and in line with the brand's premium claim. Wherever possible, the Company uses paper from sustainable forestry.



SOCIETY





As a Company, HUGO BOSS' commitment to **society's wellbeing** is an integral part of its corporate responsibility. With its corporate citizenship strategy, HUGO BOSS also leverages being a role model as a global leading fashion company. The focus is directed towards supporting and promoting educational opportunities for young people, as well as the Company's commitment to equal opportunities in general.

TODAY.

In 2022

- the **total amount of donations was EUR 863,324**.
- the Company supported **women's clubs in Zambia** for the second time, together with the organization Cotton made in Africa.
- the Company again supported the ILGA organization with a donation as part of the sale of a **Pride capsule collection**.
- HUGO BOSS once again supported the **UNICEF project Living Schools in Malawi**.
- a total of 126 pupils and students received support in the form of a **scholarship from the HUGO BOSS Education Association** in Izmir (Turkey).
- 727 women at the Izmir location were supported to **re-enter the workforce** with the Open Doors for Women program.

TOMORROW.

SDG reference (direct or indirect)	Target year	Goal	Status quo
5 	2025	Reaching 2,100 women from a disadvantaged economic background with a training course to re-enter the workforce at the Izmir location (the "Open Doors for Women" project)	2,352 women
4 	2025	Reaching 1,400 pupils and students through the HUGO BOSS Education Association (Izmir location)	1,384 pupils and students
4 	2025	Reaching 75 disadvantaged children through the Food & Art project in cooperation with the Filderstadt art school (project start 2015)	61 children
10 	2025	Support of 150,000 people in difficult living conditions through a donation of HUGO BOSS products (base year 2020)	89,900 People

ALWAYS.

- HUGO BOSS is particularly committed to promoting prospects and long-term partnerships, supporting **high-quality education for children** at global and local level.
- HUGO BOSS is committed to providing **professional training** at a local level to strengthen the skilled workforce in the fashion segment.
- HUGO BOSS is committed to **equal opportunities and diversity** and particularly promotes women along the value chain.
- HUGO BOSS takes **responsibility in the global textile supply chain** and is actively involved in dedicated programs to strengthen vulnerable groups.
- HUGO BOSS sees itself as a **part of society** and, in crisis situations, always looks at ways in which the Group can provide support.