



## OUR POLICY DECLARATION

kaya-kato.de

Textile supply chains operate globally and are highly fragmented. This presents us with significant challenges in terms of human rights compliance. We have made a conscious decision to build our supply chain locally in Europe. Nevertheless, our supply chain is not free of risks either. Our biggest risks include the payment of living wages, greenhouse gas emissions and occupational safety. Very consciously, we do not want to escape the various problems of the textile industry, but rather live up to our own responsibility.

For this reason, we are committed to preventing human and environmental risks, minimizing them, and taking remedial action where harm occurs. We explicitly refer not only to our own corporate actions, but include our entire supply chain, including subcontractors and agents.





We are committed to respecting human rights in accordance with the UN Guiding Principles on Business and Human Rights. We do this by aligning all our business activities with internationally recognized standards and guidelines. These include the ILO Core Labor Standards, ZDHC, the OECD Guidelines for Multinational Enterprises, and in particular the OECD Guidelines for the Apparel and Footwear Sector. To achieve this, we maintain a regular exchange with multistakeholder initiatives, train our employees on the relevant risks and regularly review our own internal requirements and guidelines. Furthermore, we incorporate findings from our own risk analysis into decision-making processes.

We impose particular conditions on our suppliers, who we expect to comply with internationally applicable human rights standards. This expectation is also included in the contractual agreements. Furthermore, we expect full transparency when subcontracting and oblige our suppliers to pass on the applicable requirements to their subcontractors. In case of disregard of the expectations, we reserve the right to draw consequences in our cooperation.

In particular, we want to fulfill our responsibility to protect and promote vulnerable stakeholders. These include amongst other women, children, refugees, migrant workers, and religious and sexual minorities.

To ensure this protection, we have established a grievance mechanism for employees from the factories of our direct suppliers in addition to our usual measures. For all complaints received, we are committed to protecting complainants from retaliation within our own means, to remediate, and additionally to reporting on complaints received.

In an effort to also counter environmental risks, we are committed to continuously increasing the use of sustainable materials. We do this by first identifying risks at product level, collecting key indicators and setting internal targets on which we also report. We already rely on strict environmental standards such as GOTS and GRS, which enable us to guarantee both sustainable raw materials and wet processes.

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