

SOLO Group Responsible Business Conduct Policy

At SOLO Group, we are committed to conducting our business operations responsibly and sustainably in our full supply chain. We recognize the importance of adhering to international standards and guidelines to ensure ethical practices in our industry. This Responsible Business Conduct (RBC) Policy outlines our commitment to promoting responsible business practices and driving positive change throughout our supply chain.

SOLO Group respects and supports the principles outlined in the Universal Declaration of Human Rights and is committed to carrying out their Human Rights Due Diligence by:

1. Upholding the principles and standards in the United Nations Guiding Principles on Business and Human rights (UNGP, 2011), the OECD Guidelines for Multinational Enterprises (2011), the OECD Due Diligence Guidance for Responsible Business Conduct (2018), the OECD Guidance for Responsible Supply Chains in the Garment and Footwear Sector (OECD 2018) and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.

SOLO Group will comply with all applicable local and international laws, regulations and industry standards related to our industry. This includes but is not limited to labor and employment laws, health and safety regulations, environmental protection, and fair-trade practices.

2. SOLO Group respects and supports the International Labor Organization's Core Conventions.
 - a. **No forced or child labor:** There shall be no use of child labor. The age for admission to employment shall not be less than the age of completion of compulsory schooling and, in any case, not less than 15 years – *ILO Convention 138*
There shall be no forms of slavery or practices like slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced compulsory labor. Children in the age of 15-18 shall not perform work which, by its nature or the circumstances in which it is carried out, is likely to harm their health, safety or morals – *ILO Convention 182*
 - b. **Non-discrimination:** Recruitment, wage policy, admittance to training programs, employee promotion policy, policies of employment termination, retirement, and any other aspects of the employment relationship shall be based on the principle of equal opportunities, regardless of race, color, sex, religion, political affiliation, union membership, nationality, social origin, deficiencies, or handicaps – *ILO Conventions 100 and 111*
 - c. **Freedom of association:** The right of all workers to form and join trade unions and bargain collectively shall be recognized – *ILO Conventions 87 and 98*
SOLO Group shall, in those situations in which the right to freedom of association and collective bargaining are restricted under law, facilitate parallel means of independent and free association and bargaining for all workers. Workers' representatives shall not be the subject of discrimination and shall have access to all workplaces necessary to carry out their representation functions – *ILO Convention 135 and Recommendation 143*
 - d. **Payment of living wage:** SOLO Group always verifies that wages and benefits for a standard working week shall meet at least legal or industry minimum standards and always

be sufficient to meet basic needs of workers and their families and to provide some discretionary income – *ILO Convention 26 and 131*

Deduction from wages for disciplinary measures shall not be permitted nor shall any deduction from wages not provided for by National Law be permitted. Deductions shall never constitute an amount that will lead the employee to receive less than the minimum wage. Employees shall be adequately and clearly informed about the specifications of their wages including wage rates and pay period.

- e. **Reasonable hours of work:** Hours of work shall comply with applicable laws and industry standards. In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every seven-day period. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate – *ILO Convention 1*
 - f. **Legally binding employment contract:** Obligations to employees under labor or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labor-only contracting arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment. Younger workers shall be given the opportunity to participate in education and training programs – *ILO Convention 94*
 - g. **Employment is freely chosen:** There shall be no use of forced, including bonded or prison labor – *ILO Conventions 29 and 105*
 - h. **Safe and healthy working conditions:** A safe and hygienic working environment shall be provided, and best occupational health and safety practice shall be promoted, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Appropriate attention shall be paid to occupational hazards specific to this branch of industry and assure that a safe and hygienic work environment is provided for. Effective regulations shall be implemented to prevent accidents and minimize health risks as much as possible, following *ILO Convention 155*. Physical abuse, threats of physical abuse, unusual punishments or discipline, sexual and other harassment, and intimidation by the employer is strictly prohibited.
3. **Environmental Sustainability:**
SOLO Group understands the impact of the promotional industry on the environment and is committed to minimizing our ecological footprint.
- a. Adopt environmentally friendly manufacturing processes and technologies to reduce waste, emissions, and water usage.
 - b. Promote the use of sustainable materials and responsible sourcing practices.
 - c. Encourage recycling and responsible disposal of waste throughout our operations.
 - d. Comply with applicable environmental laws and regulations.
4. **Supply Chain Management:**
SOLO Group recognizes the importance of transparency and accountability in our supply chain.
- a. Conduct due diligence to identify and mitigate risks related to human rights, labor practices and environmental impacts within our supply chain.
 - b. Work collaboratively with suppliers to promote responsible practices and continuous improvement.
 - c. Encourage suppliers to adhere to the principles outlined in this RBC policy.



- d. Regularly assess and monitor our suppliers' compliance with this policy.
 - e. Publish suppliers on the Fair Wear member hub
5. Stakeholder Engagement
SOLO Group values the input of stakeholders, including employees, customers, suppliers and other brands in which countries SOLO Group operates.
- a. Foster open and transparent communication channels to address concerns and feedback from stakeholders.
 - b. Collaborate with stakeholders to develop and implement sustainable practices that benefit all parties involved.
 - c. Engage in meaningful dialogue with local communities, NGOs, and other relevant stakeholders to address social and environmental challenges.
 - d. Collect and use information from different sources to act appropriately on HRDD.
6. Continuous Improvement:
SOLO Group is committed to continuously improving our responsible business practices.
- a. Regularly review and update this RBC Policy to align with evolving industry standards and best practices.
 - b. Work with main suppliers, consolidate suppliers and cooperate with other brands where possible, to improve the working conditions in the factories.
 - c. Set measurable goals and targets to drive progress towards our sustainability objectives.
 - d. Conduct internal and external audits to ensure compliance with this policy and identify areas for improvement.
 - e. Provide regular training and awareness programs to our employees and suppliers regarding responsible business practices.
7. Reporting and Communication:
SOLO Group will provide regular updates of their progress towards Human Right Due Diligence and sustainability goals. This includes:
- a. Publicly reporting on our sustainability performance, including key indicators and initiatives.
 - b. Ensuring transparency in our supply chain by disclosing relevant information about our suppliers and their practices, without jeopardizing our business interests.
 - c. Responding promptly to inquiries from stakeholders and providing accurate and comprehensive information.
 - d. SOLO Group's membership of Fair Wear facilitates the publication of worker grievances received via the Fair Wear grievance mechanism regarding our suppliers on the Fair Wear website.

SOLO Group's Sourcing Strategy: Addressing Human Rights Violations

This sourcing strategy aims to establish a framework that effectively addresses the risk of human rights violations. By implementing this strategy, SOLO Group aims to influence positive changes within its supply chain, ensuring ethical practices are upheld at all levels throughout the production chain. Therefore we outline in our policy what we do to prevent, mitigate and remediate labor and environmental violations and explain which steps we expect from our suppliers.



1. Risk Assessment:
 - a. Conduct thorough risk assessments: Identifying high-risk areas and product types within the supply chain, focusing on avoiding regions known for human rights violations and labor exploitations in our industry as much as possible. The level of likelihood and severity of the possible risks/harm are included in the risk scoping.
 - b. Engage third-party auditors: Collaborate with independent auditors who specialize in assessing human rights risk. They will conduct on-site and off-site visits and evaluate suppliers' compliance with international labor standards, including those outlined by the International Labor organization (ILO)
2. Supplier Selection:
 - a. Develop a robust supplier evaluation process: Consolidate the supplier base as much as possible. Prioritize suppliers who demonstrate a commitment to ethical practices and human rights. Consider factors such as compliance with national and international labor laws, transparency in operations, and adherence to recognized industry standards.
 - b. Collaborate with industry associations and stakeholders: Engage with industry-associations that promote ethical sourcing practices. Leverage their expertise and resources to identify reputable suppliers who demonstrate a strong commitment to human rights.
3. Supplier Engagement and capacity building:
 - a. Collaborative partnerships: Foster open and transparent relationships with suppliers, emphasizing the importance of ethical practices. Encourage suppliers to adopt responsible sourcing policies and participate in capacity-building programs.
 - b. Training and education: Providing programs for suppliers to raise awareness about human rights issues and labor standards. Facilitate workshops on fair employment practices, worker welfare, and health and safety regulations.
4. Monitoring and Compliance:
 - a. Regular monitoring and audits: Implement a robust monitoring system to ensure ongoing compliance with ethical standards. Conduct regular audits and assessments, both announced and unannounced, to assess suppliers' adherence to labor laws and human rights standards.
 - b. Remediation and support: Establish a clear process for addressing non-compliance issues. Work closely with suppliers to develop corrective action plans and provide support to improve working conditions and address human rights violations.
5. Collaboration and industry influence:
 - a. Collaborate with industry peers: Join forces with other organizations and other brands at the same supplier to address human rights violations collectively. Share best practices, collaborate on audits, and collectively exert influences to drive positive change.
 - b. Stakeholder engagement: Engage with stakeholders such as NGO's, labor unions, and advocacy groups to gain insights, address concerns, and ensure alignment with broader efforts to promote human rights in the industry.
 - c. Industry advocacy: Actively participate in industry initiatives, forums, and discussions to advocate for stronger regulations and standards that protect human rights.



6. Continuous Improvement and Transparency:
 - a. Perform tracking: Establish key performance indicators (KPI's) and Supplier Score cards to measure the effectiveness of the sourcing strategy. Regularly track and report progress on ethical sourcing and human rights compliance to demonstrate transparency and accountability.
 - b. Supplier feedback and collaboration: Encourage suppliers to provide feedback on the sourcing strategy and its implementation. Foster a collaborative environment where suppliers can contribute to improvements and ethical practices within the supply chain.
7. Steps when ending a business relation for reasons of human rights violations:

If remediation and support does not help and the supplier consistently makes violations against labour rights, shows structural unwillingness to cooperate and improve, (the threat of) ending the business relationship might be a last resort, though should be handled with great care. In line with the OECD due diligence guidance the step of disengaging should only be taken when steps to prevent or mitigate negative impacts have failed or are not feasible. Withdrawing from a non-compliant supplier should only happen as a last resort when no more effect on solving the issue can be gained from other strategies. When improvement options are exhausted and the decision has been made to end the business relationship, FAIR WEAR's guide line will be strict followed as indicated in the **FAIR WEAR Responsible Exit Strategy Guidance**.

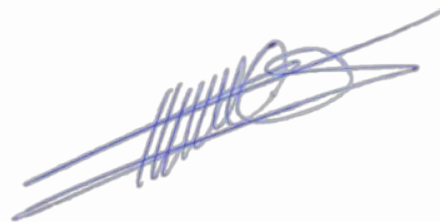
<https://api.fairwear.org/wp-content/uploads/2018/02/Responsible-exit-strategy-fina14-02-FINAL.pdf>

SOLO Group's Responsible Business Conduct Policy reflects our continuous commitment to conducting business ethically, responsibly and in alignment with the OECD Guidelines. We expect all employees, suppliers, and business partners to uphold and support the principles outlined in this policy. By working together, we can create and support a more sustainable and responsible industry that respects human rights, protects the environment, and contributes to the well-being of communities.

By following this formal sourcing strategy, SOLO Group aims to prevent, mitigate risk and remediate if necessary, human rights violations in the industry, facilitate change, and ensure fair and ethical practices are upheld at the factory level.



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