

W.A.R.D. - GmbH (Iriedaily)

**RESPONSIBLE BUSINESS CONDUCT
POLICY**

December 2024



iriedaily

W.A.R.D. - GmbH (Iriedaily) regards responsible action as a prerequisite for sustainable corporate development. The following "Responsible Business Conduct Policy" defines our principles and standards, which we are committed to upholding, and defines a framework for responsible business practices along our supply chain. The commitment of W.A.R.D. - GmbH (Iriedaily) goes beyond national and international law and is reflected in voluntary measures that support sustainable action wherever possible.

The promotion of fair and sustainable business practices within our supply chain is the basis of socially responsible, ecological and economic corporate governance. We are aware that there are different laws, cultures, standards and traditions to be respected within the various countries in our supply chain. The "Responsible Business Conduct" is a supplement to the existing guidelines and reaffirms our commitment to responsible business practices in accordance with the following guidelines:

Our "Responsible Business Conduct Policy" is based on the internationally recognized principles for the protection of human and labour rights as set out in the United Nations Universal Declaration of Human Rights, the core labour standards of the International Labour Organization (ILO), the Fair Wear Foundation Code of Labour Practices, the United Nations Sustainable Development Goals, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

- Iriedaily_Sourcing Policy
- Internal Onboarding Process
- Iriedaily_Exit Policy
- Child Labor Policy
- Homeworker Agreement_W.A.R.D.-GmbH
- Supplier Code of Conduct W.A.R.D.-GmbH
- Environmental Policy
- Internal Code of Conduct
- Stakeholder Engagement Policy
- Iriedaily_Chemical Policy
- Transparency Policy
- Modern Slavery and Forced Labor Statement
- Animal Welfare Statement
- Anti-Corruption Statement

W.A.R.D. - GmbH (Iriedaily) Promise

The "Responsible Business Conduct Policy" is aimed at all employees, department heads, company managers, contractors, consultants and freelancers. Disregarding or violating our "Responsible Business Conduct Policy", including the guidelines stated therein, will not be tolerated.

W.A.R.D. - GmbH (Iriedaily) respects the internationally recognized principles for the protection of human and labour rights as defined in the United Nations Universal Declaration of Human Rights, the core labour standards of the International Labour Organization (ILO), the Fair Wear Foundation Code of Labour Practices, the United Nations Sustainable Development Goals, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the chemicals legislation of the European Union.

Obligations:

- We undertake to comply with the following guidelines and the above policies and to accept the associated work for implementation and to make the corresponding resources available.
- We are committed to equal opportunities and equal treatment. We reject any form of discrimination in the workplace and are expressly committed to promoting equal opportunities and diversity of employees in terms of gender, age, culture, religion, abilities, social background, marital status, origin, nationality and sexual orientation, taking into account the respective cultural and legal characteristics. We are committed to implementing this in the remuneration for comparable tasks, the awarding of positions and promotions and also to working towards this in our supply chain. We are also committed to strengthening the rights of women within our supply chain.
- We are committed to strengthening the influence of the people who represent the employees. We are committed to promoting voluntary, free and transparent employee elections through education and training.
- We are committed to appropriately and structurally identifying and reducing the risks in our supply chain and taking remedial action where necessary. In addition, we are explicitly committed to identifying gender-based risks in our risk-based approach and incorporating them into all decisions
- We are committed to fair purchasing behavior. This obliges us to engage in a joint dialog and long-term production and capacity planning, as well as to comply with fair payment terms.
- We are committed to recording the impact of our business activities on the environment and biodiversity and using this knowledge to promote the positive effects and reduce the negative effects.
- We are committed to reducing the use of harmful chemicals in production in accordance with our Chemicals Policy.
- We are committed to promoting training to implement democratically elected employee representation.
- We are committed to promoting worker representation and encouraging participation in meetings and audits, as well as engaging with management whenever required by the Fair Wear Foundation Code of Labor Practices
- We are committed to promoting „Meaningful Stakeholder Engagement“ in our supply chain to an appropriate extent.

In addition to the obligations established by W.A.R.D. - GmbH (Iriedaily), we are committed to fulfilling the binding requirements between us and all relevant parties. Such requirements include legal and regulatory requirements as well as customer relationship requirements.

Identification of risks

In light of our risk-based approach and in line with our Human Rights Due Diligence, we have identified the following potential risks, without limiting ourselves to these:

- Child labor
- Discrimination
- Gender equality
- Forced labor
- Excessive working hours
- Work-related and health-related damage
- Violation of the right of employees to form or join trade unions and representative organizations of their choice and of the right of employees to collective bargaining
- Non-compliance with minimum wage laws and wage levels that do not meet the living wage level to cover the basic needs of workers and their families
- Hazardous chemicals
- Water consumption and water pollution
- Greenhouse gas emissions
- Loss of biodiversity
- Bribery and corruption
- Animal welfare

We carry out our risk analyses for the above-mentioned risks at country, industry, business model, procurement model and product level as well as for our suppliers. W.A.R.D. - GmbH (Iriedaily) bundles third-party data and information on the above-mentioned risks in the form of reports, guides or country studies.

We use our supplier assessment and procurement strategy to ensure that suppliers' skills and capacities meet our requirements and that human rights and environmental risks are constantly monitored. We strive for long-term business relationships with our suppliers, whereby the willingness to eliminate risks together is an essential prerequisite.

Mitigating and preventing risks/preventing negative effects

We consider the joint implementation of preventive training programs with our suppliers and employee representatives to be essential for compliance with responsible procurement practices and our corporate duty of care. To ensure compliance with our guidelines, we consult with all parties involved and review them at regular intervals. In addition, we are committed to regularly

reviewing our own policies for negative impacts and adapting them if necessary.

Regularly assessing our suppliers helps us to identify problems and potential risks at an early stage and take appropriate measures. Training our employees and suppliers can be beneficial for both parties and is the key to fair working conditions, sustainable developments and improved product quality.

Transparent communication between suppliers and W.A.R.D.-GmbH (Iriedaily) is of fundamental importance for responsible production planning and compliance with social and environmental standards. For this reason, we regularly discuss their capacities with our suppliers and develop „Critical Production Path“ plans together. With these measures, we also hope to sensitize our suppliers to transparent communication and jointly create more space for more sustainable production conditions.

W.A.R.D.-GmbH (Iriedaily) is aware of its responsibility within the supply chain, but also in the fashion industry. We see it as our duty to actively use our influence to promote sustainable developments and to work together with interest groups and other companies.

Evaluation process

W.A.R.D. - GmbH (Iriedaily) uses an internal supplier evaluation to measure the effectiveness of long-term measures and strategies and at the same time to be able to consider these in relation to important parameters and factors. We practice a transparent approach to the evaluation of our suppliers. Together with the potential risks, the internal supplier assessment forms the basis for the action plans we draw up.

Furthermore, the sustainable commitment and the associated measures of W.A.R.D. - GmbH (Iriedaily) are reviewed and evaluated at regular intervals by auditors of the Fair Wear Foundation as part of the Brand Performance Check.

W.A.R.D. - GmbH (Iriedaily) strives to establish a two-way evaluation channel in our supply chain in order to systematically record the feedback from suppliers and stakeholders and take it into account in our evaluations and future decisions.

Reporting

We regularly monitor, measure and review our sustainability performance and developments with the help of the Fair Wear Foundation's Brand Performance Check. We also report transparently on our sustainable developments every year in the form of a social report, in which we also provide information on our goals and strategies for the future.

Responsible purchasing practices

W.A.R.D.-GmbH (Iriedaily) considers responsible purchasing practices to be one of our most important tools for acting responsibly. As a sustainable company, W.A.R.D.-GmbH (Iriedaily) adapts its purchasing practices to respond to the needs of our suppliers and find the best possible solutions for responsible cooperation. At the same time, we ensure that our requirements in terms of human rights, animal welfare and environmental protection are met. We rely on lasting, long-term supplier relationships that guarantee a particular willingness and ability to create positive developments in the supply chain.

Our sourcing strategy is designed to establish long-term business relationships with our producers. In order to promote a trusting partnership with our suppliers, we categorically rule out frequent changes of supplier. We are committed to dialog with suppliers to plan order and delivery dates. We endeavor to provide order and material forecasts as early as possible. Our goal is transparent price calculations that enable us to pay a living wage.

When selecting a new producer, we adhere to an internal onboarding plan that defines and monitors the onboarding process. Only if a supplier meets all requirements and our specifications does he qualify as a trustworthy partner and is integrated into our supply chain.

Responsible purchasing practices are crucial for improving working conditions in the factories and long-term supplier contracts are of fundamental importance. We strive to conclude contracts with as many suppliers as possible in order to create a clear legal framework for the entire production process. These contracts clearly regulate the following points, among others:

- Term of the contract
- Production planning with all deadlines
- Terms of payment
- Transfer of ownership
- Compliance with the Code of Conduct
- Handover of our designs (Techpacks)

Process for revising, accepting and integrating new suppliers (onboarding)

The acceptance of new suppliers follows a standard methodology defined by W.A.R.D. - GmbH (Iriedaily), compliance with which is mandatory.

The sourcing policy specified by W.A.R.D. - GmbH (Iriedaily) determines which countries are considered as possible sourcing countries. We use the following index categories to evaluate our sourcing countries:

- [Democracy Index](#)¹
- [Human Development index](#)²

- [Labor Rights Index](#)³
- [Corruption Perception Index](#)⁴
- [Environmental Index](#)⁵
- [Gender Inequality index](#)⁶

Potential sourcing countries must be assessed in advance using these indices and must not fall below a defined threshold value that combines all indices. An analysis using the methodology described is mandatory and forms the basis for the inclusion of a new sourcing country.

The onboarding process for new suppliers into the supplier structure of W.A.R.D. - GmbH (Iriedaily) is clearly defined and aims to eliminate possible risks in advance and to ensure a smooth and long-term cooperation between both parties.

We have decided to divide our onboarding process transparently into seven phases. Each phase contains specific requirements that we consider to be an essential basis for a trusting working relationship. The process is divided into the following phases:

- First Contact
- Initial Information
- Contract Agreement
- Sampling
- Factory Visit
- Order
- Confirmation of the producer

Long-term cooperation is only possible once all phases of the onboarding process have been completed and all requirements have been met and ends with the signing of our long-term supplier contract. If the requirements in the individual phases are not met, cooperation is excluded.

The joint coordination and definition of a „Critical Production Path“ between W.A.R.D.-GmbH (Iriedaily) and our suppliers aims to avoid production peaks and minimize the risk of excessive overtime and the associated risks caused by W.A.R.D.-GmbH (Iriedaily).

The „Critical Production Path“ is regularly revised and constantly monitored by Supply Chain Management. The relevant departments of W.A.R.D.-GmbH (Iriedaily) are instructed in the process and undertake to adhere to the deadlines that have been drawn up.

¹ <https://www.eiu.com/n/campaigns/democracy-index-2023/>

² <https://hdr.undp.org/data-center/country-insights#/ranks>

³ https://labourrightsindex.org/lri-2024-documents/lri-2024-complete-3-oct-2024_compressed.pdf

⁴ <https://www.transparency.org/en/cpi/2023/index/dnk>

⁵ <https://epi.yale.edu/measure/2024/EPI>

⁶ https://hdr.undp.org/sites/default/files/2023-24_HDR/HDR23-24_Statistical_Annex_GII_Table.xlsx



Our products and the environment

W.A.R.D. - GmbH (Iriedaily) is determined to constantly reduce the environmental impact associated with our company and our products.

W.A.R.D. - GmbH (Iriedaily) strives to source materials and products from sustainable and traceable sources in our supply chain. Designers are encouraged to consider the environmental impact, recyclability and origin of materials when sourcing and developing products and to continuously increase the proportion of recycled materials and ecologically certified alternatives in the collections.

W.A.R.D. - GmbH (Iriedaily) works together with its suppliers to guarantee the safe handling of hazardous chemicals. When developing products, care must be taken to ensure that the use of chemicals is reduced to a minimum. Through regular independent inspections, we ensure that the safety requirements for handling chemicals are guaranteed and that suitable measures are in place to prevent environmental pollution. In addition, our suppliers have undertaken to comply with national and international legal environmental standards.

Internal regulations of W.A.R.D. - GmbH (Iriedaily) to reduce the environmental impact of employees are laid down in the internal Code of Conduct of W.A.R.D. - GmbH (Iriedaily). All employees have read, contributed to and signed this code.

With the help of experts, our aim is to formulate realistic and measurable long-term climate targets to reduce greenhouse gas emissions and implement them effectively in our stores, offices and distribution networks. We are striving to have our corporate targets validated by 2025 as part of the „Science Based Targets Initiative“.

Responsibilities and expectations

We expect our employees to read, understand and comply with the Responsible Business Conduct and the guidelines stated therein. Decisions should be made transparently, ethically and in accordance with the relevant guidelines.

We expect our suppliers and subcontractors to meet the environmental and ethical standards we expect of them and to be willing to work together to promote social and environmental sustainability in the supply chain.

The employees of W.A.R.D. - GmbH (Iriedaily) are responsible for the:

1. implement this “Responsible Business Conduct Policy” and our “Code of Conduct and Labor Practices” in our supply chain using industry-accepted methods, including audits and site visits to assess compliance with the Code of Conduct.

2. appropriate support and training of our suppliers in the implementation of the Code of Conduct.

3. working with industry partners, governmental organizations, non-governmental organizations (NGOs) and trade unions to effectively implement the Code of Labour Practices and apply best practices to assess compliance.

The suppliers of W.A.R.D. - GmbH (Iriedaily) are responsible for:

1. signing our labor standards and a supplier code of conduct.

2. monitoring the implementation of our Code of Conduct in all factories and registered subcontractors approved by W.A.R.D.-GmbH (Iriedaily).

3. granting unrestricted, immediate and unaccompanied access and transparency to W.A.R.D. GmbH (Iriedaily) and/or our authorized representatives. In order to verify compliance with the Code of Labor Practices, W.A.R.D.-GmbH (Iriedaily) reserves the right to conduct unannounced audits within or outside the established audit cycle. In such cases, W.A.R.D.-GmbH (Iriedaily) and/or our authorized representatives must be granted access to the site in question immediately and without prior notice.

4. compliance with the Chemical Policy and support in the collection of data to minimize the harmful impact on the environment and biodiversity.

Ort: BERLIN.

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W.A.R.D. - GmbH
Einkaufsdienstleistungen Berlin
Postfach 19 00 19 00 030/6930719-00
Daniel Luger, CEO IRIEDAILY