



## Due Diligence Policy on Human Rights and the Environment

### 1. Purpose and Management Commitment

ELVE S.A. recognizes that its activities in the textile sector may be associated with human rights and environmental risks, particularly within international supply chains.

The Company is committed to conducting its business responsibly, transparently and with respect for human rights and the environment. This includes implementing due diligence processes to identify, prevent, mitigate and remediate adverse impacts.

This commitment is implemented through the Company's Code of Ethics, Supplier Code of Conduct and contractual requirements (Annex).

Overall responsibility lies with Management. Operational implementation is assigned to the responsible functions, including procurement and compliance.

### 2. Scope of Application

This Policy applies to:

- all products and business activities
- all employees and management
- all suppliers, subcontractors and business partners

It covers the entire value chain, including high-risk and medium-risk sourcing countries.

### 3. International Standards and Legal Framework

ELVE S.A. aligns its due diligence approach with internationally recognized standards, including:

- UN Guiding Principles on Business and Human Rights (UNGPs)
- OECD Due Diligence Guidance for Responsible Business Conduct
- ILO Core Labour Standards
- German Supply Chain Due Diligence Act (LkSG)
- Green Button 2.0 requirements



#### **4. Risk-Based Due Diligence Approach**

The Company applies a risk-based approach to identify, assess and prioritize risks.

Risks are prioritized based on their severity and likelihood.

Risk assessments consider:

- country-specific risks
- sector and production processes
- supplier profile and past performance
- business leverage

Assessments are conducted regularly and updated as needed.

#### **5. Salient Human Rights and Environmental Risks**

Based on its assessments, ELVE S.A. identifies key risks in sourcing countries, including:

Bangladesh:

- low wages and excessive overtime
- occupational health and safety risks
- restrictions on freedom of association
- unauthorized subcontracting

China:

- limited freedom of association
- risks related to migrant workers
- potential forced labour risks in specific regions
- limited access to independent grievance mechanisms

#### **6. Preventive and Mitigation Measures**

The Company implements appropriate measures, including:

- a Supplier Code of Conduct
- contractual compliance requirements
- supplier assessments and audits
- corrective action plans
- responsible purchasing practices integrated into supplier selection and evaluation



# U N I F O R M S

## 7. Remediation and Grievance Mechanism

ELVE S.A. provides access to grievance mechanisms that are:

- accessible and transparent
- confidential
- free from retaliation

Grievances are assessed promptly and remediation is provided where necessary.

## 8. Monitoring and Effectiveness

The effectiveness of due diligence measures is monitored through:

- audit results
- corrective action plan (CAP) completion rates
- training participation rates
- regular risk reviews
- internal audits and management reviews

Results are documented and reported to management on a regular basis.

## 9. Documentation and Reporting

All due diligence activities are documented appropriately.

The Company ensures transparency towards relevant stakeholders and fulfills applicable reporting obligations.

## 10. Continuous Improvement

ELVE S.A. is committed to continuously improving its due diligence system and adapting it to evolving risks, legal requirements and best practices.

## 11. Approval and Review

This Policy is approved by the Management of ELVE S.A. and is reviewed regularly or when significant changes in the risk profile occur.