



Our commitment to sustainable production

As a company in the hosiery industry, we are aware of our special corporate responsibility towards people and the environment. Sustainability is firmly anchored in our corporate philosophy - our motto is: "We live responsibility".

We have carried out a risk analysis to enable us to minimise the unintended effects of our commercial activities. We have defined a series of measures and mandatory minimum standards to assess the actual impacts identified from the analysis.

In the area of environmental ecology, the main risks are water pollution, the inefficient use of resources, pollutant emissions and excessive waste production.

The potential risks in the area of social responsibility are essentially child labour, forced labour, discrimination, working hours / overtime, occupational safety, freedom of association, collective bargaining, minimum wages and bribery and corruption.

We implement a comprehensive range of measures to ensure compliance with the minimum standards and to reduce risks and the potential effects of such.

REDUCTION OF POLLUTANTS- CO2 EMISSIONS

All the suppliers who work with Wilox Strumpfwaren GmbH and who have a wet process during production must submit an annual waste water report in accordance with ZDHC (Zero Discharge of Hazardous Chemicals). The qualified textile experts analyse the test results internally. Personnel and technicians from our own country offices and our technicians from our head office visit the production companies at regular intervals.

As we care about our environment and future generations, we are keen to support our partners, where necessary, through external training, e.g. in detox / chemical management.

Our new head office in Wolferschwenden was built in 2018 and designed to comply with the latest ecological standards. We have installed highly efficient heat pumps, and no refrigerants are used in our air conditioning system.

We have been a climate-neutral company since January 2021, and all our products are certified. Wilox views the minimisation of emissions in the context of textile production as an investment in the future. We are also using offsetting to support four selected gold standard projects worldwide and a woodland reforestation project in the Allgäu region.

WASTE MINIMISATION

We have engaged in permanent dialogue with our customers to ensure that, in addition to Wilox's own products, 95% of all sales packaging is either made from sustainable forestry (FSC) or from recycled qualities.

Since 2019, all the plastic hooks on the sales packaging have also been gradually phased out and replaced with paper hooks. The raw material for the paper hooks derives from sustainable forestry. The design of new product presentation has enabled us to reduce the volume of product packaging film by approx. 8 tons annually since 2019.

The majority of the Wilox packaging film is made from recycled and biodegradable material, which has saved 21 tons of new plastics a year.

80% of all shipping packaging used is already produced using recycled material.



CORPORATE RESPONSIBILITY

The Wilox Code of Conduct is designed to uphold our social responsibility, and forms the basis of all our procurement activities. Wilox is also committed to international standards of social compliance and applies these standards to our relationships with suppliers around the world. These include the

- United Nations Guiding Principles on Business and Human Rights,
- OECD Guidelines for Multinational Enterprises,
- OECD Due Diligence Guidance for Responsible Business Conduct,
- OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear,
- ILO Labour Standards.

The CoC forms the basis of our long-standing business relationships and stipulates clear requirements for all our business partners to minimise negative social impacts along our supply chain. All our business partners must accept the minimum requirements and ensure that these standards are implemented along their own supply chains.

Any breach of our CoC will result in immediate action at a senior management level and, in serious cases, will lead to a termination of the business relationship.

Wilox is a member of the Business Social Compliance Initiative (BSCI), a non-profit organisation based in Brussels which was founded in 2003 on the initiative of the Foreign Trade Association (FTA). Wilox is committed to the principles of the Amfori BSCI Code of Conduct. BSCI determines the framework conditions for basic minimum social and environmental standards. All our production partners must be certified in accordance with the BSCI, and will be subject to annual audits.

We uphold the RSP ("Responsibility holder") for the majority of our producers within the context of the BSCI - all audits are inspected by our Social Compliance Department, and any deviations are discussed with the companies. We require our suppliers to remedy any deviations immediately, and reserve the right to perform a follow-up audit.

Our local qualified social compliance personnel visit the production sites regularly to support the BSCI audit process. In particular, the aim is to identify existing deficiencies in the respective factory. Our local teams help factories to remedy any deficiencies identified during our social monitoring or external BSCI audits.

PRODUCTION FACILITIES / ADMINISTRATION

Our long-term partnership with the manufacturing companies enables us to guarantee secure jobs both in Germany and around the world.

This is ensured, among others, by the annual BSCI audits, third-party audits of our customers and the constant presence of our personnel on site.

Companies that have recently entered the production pool must be BSCI-certified and submit the relevant documentation regarding fire protection, building safety, installations, and inspection reports for the pressure vessel system and lifts, and must present documented evidence of the safety training for employees.

HUMAN RIGHTS

As part of our commitment to the United Nations Guiding Principles on Business and Human Rights, we fulfil our due diligence obligation to take action to mitigate adverse impacts on human rights in our supply chains. We constantly monitor threats to human rights in our supply chain through our membership of various associations and our country offices.

On-site personnel monitor our direct business partners to ensure that the fundamental rights of workers are upheld. We also conduct interviews with the employees in their native language for this purpose. External audits are also carried out regularly by the BSCI and our customers.



Wilox Strumpfwaren GmbH's internal complaints management system ensures that we receive an immediate notification of any violation of our CoC and the principles stipulated therein. Employees in the production facilities can report any infringement anonymously using the specifically designated email address: csr@wilox.de, or can contact our country offices by telephone in the respective native language.

The new complaints management system has received no complaints to date since it was introduced in January 2021.

COMPANY TRANSPARENCY AND ETHICS

Our teams visit the production facilities in the various production countries at regular intervals. During the visits, we raise awareness of the issues of responsible production with our business partners. We explicitly prohibit subcontracting without prior agreement.

CERTIFICATIONS ALONG THE SUPPLY CHAIN

All Wilox products are essentially manufactured and certified in accordance with OEKO-TEX Standard 100, which is far more stringent than the legal requirements.

To support more environmental and social responsibility, we are certified pursuant to GOTS (Global Organic Textile Standard), OCS (Organic Cotton Standard) and Grüner Knopf (green button), and are also a member of the Partnership for Sustainable Textiles.

We produce items in GOTS and OCS quality for our customers to ensure traceability throughout the entire supply chain. We also conduct an annual supplier evaluation.