

Statement on International Human Rights of Peek&Cloppenburg KG*

* There are two independent companies Peek&Cloppenburg with their headquarters in Düsseldorf and Hamburg. This document belongs to the Peek&Cloppenburg KG group of companies in Hamburg, whose locations can be found [here](#).

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Peek&Cloppenburg KG

Mönckebergstraße 8

20095 Hamburg

Germany

www.peek-und-cloppenburg.de

www.vangraaf.com

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Commitment to respect human rights and the environment

For over 100 years, Peek&Cloppenburg Hamburg has stood for quality, because - quality attracts. We act and do business responsibly out of conviction. We seize this opportunity to make a difference, at the interface between fashion and fairness, between style and safety.

Peek&Cloppenburg KG Hamburg is committed to respecting human rights and the environment throughout the Group and along the supply chain. We have committed ourselves to compliance with international frameworks as part of the amfori BSCI Code of Conduct, which include the

- Universal Declaration of Human Rights of the United Nations (UN)
- Conventions and Recommendations of the International Labor Organization (ILO)
- UN Guiding Principles on Business and Human Rights (UNGPR)
- OECD Guidelines for Multinational Enterprises
- UN Principles on Children's Rights and Business
- Gender dimension of the UN Guiding Principles on Business and Human Rights

belong. These are the basis of our economic activities.

We also take the protection of the environment very seriously and attach importance to the sustainability of our actions. We respect the ban on the import and export of hazardous waste as defined by the Basel Convention, bans from the Minamata Convention on Mercury and the bans from the Stockholm Convention on Persistent Organic Pollutants.

We stand by this responsibility as a company regardless of the ability or willingness of the producing countries to fulfill their duty to protect human rights and environmental aspects.

This policy statement on human rights explains our approach to dealing with potential risks and the resulting requirements for.

Our expectations of employees and suppliers

We care about recognizing and respecting human rights and improving them, as well as protecting the environment along our supply chains. We therefore expect our employees and direct and indirect suppliers to implement the principles set out in this declaration in their

daily work at and for Peek&Cloppenburg KG Hamburg and to address them appropriately along the supply chain. We also expect our direct and indirect suppliers to work with us to increase transparency in the supply chain.

Our [internal Code of Conduct](#) for all employees and the [external Code of Conduct](#) (also part of our General Terms and Conditions for Suppliers (GTCS)) for our business partners explicitly state our commitment to respecting human rights and protecting the environment and provide guidance for all stakeholders.

Accordingly, Peek&Cloppenburg KG Hamburg understands that the regulations for the protection of human rights that apply worldwide must be respected as fundamental and universally valid requirements. This includes paying fair wages, working towards appropriate local working conditions and preventing the exploitation of children. The right of employees to organize must be respected. For Peek&Cloppenburg KG Hamburg, equal rights for women and men are a matter of course, and we do not discriminate against anyone on the basis of sexual identity or orientation, ancestry, language, home country and origin, faith, religious or political views, or disability. We reject corruption, forced labor and human trafficking without exception. Environmental and climate protection requirements must be complied with in full.

We take our prioritized risks from the results of our risk analyses. Due to the geopolitical situation of our own-brand suppliers, we see potential risks here in the purchasing of our merchandise.

For the risks, we take immediate and appropriate preventive and remedial measures to minimize and avoid compliance with human and environmental rights risks. For example, we have sustainable and firmly defined procurement strategies and purchasing practices that control the selection of direct suppliers in the context of a risk-based process in terms of human and environmental rights. In cooperation with the amfori initiative, contractual control measures are carried out unannounced at our direct suppliers of our own brands.

Peek&Cloppenburg KG Hamburg stands by these guidelines and trains its employees and suppliers to live these values in the company and to communicate them to the outside world. This begins with the conscious perception of violations of these principles, which are taken up and dealt with via defined processes and then result in suitable measures for the company.

Risk management and risk analysis

To protect human rights and environment-related aspects in our own business operations and along the supply chain, Peek&Cloppenburg KG Hamburg has set up a risk management system to identify human rights and environment-related risks, and to prevent, end or minimize violations of protected legal positions or environment-related obligations.

As part of our risk management, measures are taken to ensure sustainable and effective compliance with human rights in our own business operations and within the supply chain at direct and indirect suppliers where we have obtained substantiated knowledge of risks.

To ensure the sustainable and smooth implementation of these standards, we have created clear and personalized responsibilities within the company, not least by appointing a human rights officer and a sustainability manager. Risk management is carried out in cooperation between the Compliance department and the respective specialist departments of the suppliers and our own business unit. Any necessary escalation processes take place in coordination between the Compliance departments and the specialist departments. In addition, the company management is informed about the activities of the departments within the framework of the LkSG on an annual basis as well as in the four fix meetings during the year.

Risks in our supply chains are identified on the basis of high-quality external and internal sources. These include the results of the extensive amfori BSCI audits (see also "Preventive measures"), which enable us to carry out audit-based, country-specific risk mapping, information from specialist and recognized sources (CSR risk check), and many years of experience from our purchasing department. The country- and commodity group-specific risk mapping we have drawn up is used to identify core and ancillary risks and thus ensure an appropriate risk-based approach to resources.

We see the priority risks in our supply chains as part of the textile industry in the geopolitical structures of suppliers outside the EU. These include suppliers and business partners in the Far East, particularly from China, Bangladesh, Madagascar, and Pakistan. We see possible commodity group-specific risks, for example, in the area of cashmere extraction and the production of leather goods.

We score the countries in which our suppliers produce with the help of a standardized evaluation system.

We audit our own brands and thus the majority of our direct suppliers using the amfori Initiative's BSCI system. As part of the amfori BSCI audit of our direct textile suppliers, we check, among other things, the standards and guidelines listed in Annex 1.

We use a supply management tool to record all the necessary data from our private label suppliers and logistics service providers. In addition, this tool also records the suppliers and materials of the private label suppliers required under the LkSG.

With the help of our AI-supported fully automated risk management tool from the company Osapiens, we will in future often eliminate risks before they actually occur and reduce possible human errors in risk analysis. This combines automated risk analysis with the know-how of leading law firms and works in an unbiased manner while maintaining consistent quality. The data here comes from interfaces with existing systems, such as the supply chain management tool or amfori BSCI audits. Thus, we identify and prioritize risks in order to then define and implement appropriate measures for critically assessed items in terms of compliance with human rights and environmental obligations in our supply chain.

We currently document risk management in an appropriate form by the Compliance department in consultation with the specialist departments. The documentation currently takes the form of an ongoing report in digital text form and, in the future, will take the form of an automated log in our risk management software. We use the findings and documentation as a basis for internal and external training for sustainable quality assurance. We review the functionality of our risk management and whistleblowing system at least once a year, update it as necessary, and ensure that it is accessible along the supply chain.

Prevention measures

Improving the transparency of our supply chains and our effective risk management enable us to respond quickly to changes in the risk structures of our suppliers and their countries that come to our attention and to implement preventive and remedial measures derived from them in a timely manner.

In our [Code of Conducts](#), we oblige all employees and business partners to comply with these in all areas and business relationships. The obligation to implement human rights and environmental standards is contractually anchored in our business relationships. For us at Peek&Cloppenburg KG Hamburg, the Code of Conduct is an expression of our vision of sustainability and corporate governance with integrity. In this way, we are committed to assuming social as well as ethical responsibility and to standing up for it.

The persons involved will receive appropriate training and continuing education to ensure that appropriate measures are enforced.

To meet our responsibility to people and the environment along our supply chains, we also rely on internationally recognized initiatives to take social responsibility for our actions. We joined the amfori-BSCI initiative (Appendix 1) in 2012. It meets our own ethical standards and ensures on-site social standards and environmental frameworks at our producers. Unannounced audits are carried out regularly by amfori as well as by our quality management, which serve as effective preventive measures.

In addition, our own employees carry out regular on-site inspections to ensure sustainable impact monitoring. The amfori audits are part of our sustainable procurement strategy when integrating new (private label) suppliers. In addition, we carry out a sanctions list check before concluding a contract in order to create the legal basis for a healthy business relationship.

These preventive measures are reviewed once a year or on an ad hoc basis and updated as necessary.

No tolerance for violations of human rights or environmental obligations

If we identify an (imminent) violation of human rights or environmental obligations, we will immediately take defined remedial action in accordance with our escalation processes documented in the risk management system. The aim here is to prevent or end this violation or to minimize the extent of the violation. If the violations cannot be ended even through remedial measures, we will also separate from a business partner if necessary. If the violation occurs at an indirect supplier, we will work with our business partners to find a remedy.

Complaints procedure - whistleblower system

The protection of human rights and the environment is of central importance to us. We have therefore set up a publicly accessible, IT-based [complaints system](https://peek-und-cloppenburg.integrityline.org/). This enables our employees, direct and indirect suppliers and other third parties to report violations of the rules. The whistleblower system can be accessed at <https://peek-und-cloppenburg.integrityline.org/>.

In accordance with the law, the multilingual whistleblower system is processed by independent and impartial employees from the Compliance and Auditing departments who are not bound by instructions in the processing of the reports and who are obliged to maintain absolute confidentiality.

The complaint procedure is set out and documented in a publicly accessible multilingual set of procedural rules. The description of the process for receiving notices is set out in the Rules of Procedure. The Rules of Procedure are available on our website.

Peek&Cloppenburg KG Hamburg ensures and requires its business partners to protect whistleblowers. Whistleblowers will not be disadvantaged or penalized by Peek&Cloppenburg KG Hamburg and its business partners as a result of whistleblowing. Violations of this policy will not be tolerated by Peek&Cloppenburg KG Hamburg and may lead to termination of the employment or business relationship.

The effectiveness of the grievance procedure is reviewed once a year or on an ad hoc basis.

Documentation and report

We document the fulfillment of our due diligence obligations continuously and in full. In addition, we report annually within the meaning of Section 10 (2) LkSG, no later than four months after the end of the previous fiscal year, on the measures we have taken and the fulfillment of our human rights and environmental due diligence obligations. This report will subsequently be made available on our website for seven years.

The tasks of documentation and reporting are performed by the Compliance department in cooperation with the specialist departments.

Responsibilities

The management of Peek&Cloppenburg KG considers itself responsible for the implementation of and compliance with this declaration. It is supported in this by the Risk and Compliance Department both technically and operationally.

Hamburg, the 19.12.2022

The Management of Peek&Cloppenburg KG

Attachments:

Appendix 1: Amfori BSCI

[Amfori BSCI](#) has formulated a Code of Conduct. The amfori BSCI Code of Conduct is a commitment document for amfori members and their business partners to conduct due diligence in their global supply chains with regard to human rights and environmental protection.

By signing the amfori BSCI Code of Conduct, signatories confirm that they are committed to complying with the following values, among others:

- *Universal Declaration of Human Rights of the United Nations (UN)*
- *Conventions and Recommendations of the International Labor Organization (ILO)*
- *UN Guiding Principles on Business and Human Rights (UNGPR)*
- *OECD Guidelines for Multinational Enterprises*
- *UN Principles on Children's Rights and Business*
- *Gender dimension of the UN Guiding Principles on Business and Human Rights*
- *Sector-specific OECD guidelines*

We commit to this code as a company and our producers, and they are regularly and independently audited on it - from fair remuneration to the prohibition of child labor.

In addition, every supplier and service provider has signed our Code of Conduct for Business Partners, in which we commit our business partners to compliance with human rights and environmental standards.

Appendix 2: Code of Conduct for Employees

Appendix 3: Code of Conduct for service providers and suppliers

Annex 4: General supplier conditions (ALB)