

BESTSELLER



SUPPLY CHAIN DUE DILIGENCE REPORT

2023—24

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Supply chain due diligence report

INTRODUCTION

This report's aim is to provide clarity on the measures undertaken to promote, protect and remedy human rights and environmental impact concerns across our supply chain. It provides detailed accounts for our comprehension of the risks faced and our approach to addressing them.

In this report we strive to demonstrate our commitment to industry requirements and guidance regarding responsible business conduct and can be used by stakeholders who want to learn more about the people and processes we have in place to manage the risks in our supply chain.

The report is structured according to the OECD's due diligence guidance. Each chapter is dedicated to providing qualitative explanations for how we:

1. Embed Responsible Business Conduct into our business
2. Identify and Assess the risks related to our supply chain
3. Cease Prevent and Mitigate the identified risks
4. Address and Remediate risks and instances of harm
5. Track and Transparency on the data delivered by the due diligence systems

Each chapter is divided into human rights, environmental harm, and product safety risks, which reflects the three types of risks we face in the supply chain.

GUIDANCE FOR USAGE

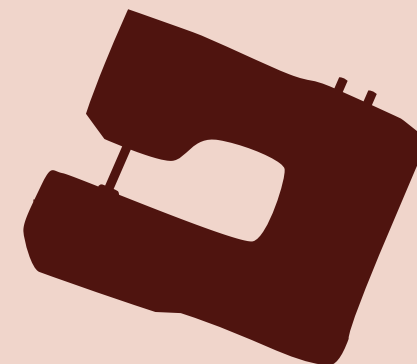
If you are looking to use the report to benchmark BESTSELLER against the following criteria, please use the Context Index at the end of this report, which lists all disclosures included in this report and its footnote reference code.

For example, if you want to benchmark BESTSELLER's supply chain due diligence processes against the Ethical Trading Initiative's 2023 Corporate Transparency Framework, go to the annex and find the footnote references for each reporting requirement, and then Ctrl+F "ETI CTF" to find the footnotes which identify the sentences in this report that answer the 24 questions asked by the ETI's CTF.

The report incorporates the following reporting frameworks:

- German Supply Chain Due Diligence Law
- OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector¹
- UNGP Reporting Framework
- Cascale's HiggBRM (supply chain only)
- Ethical Trading Initiative's Corporate Transparency Framework

¹:
OECD GI 24



Outside the scope of this report

We collaborate with supply chain partners, peers and multi-stakeholder initiatives to mitigate environmental and human rights risks in the parts of our supply chain where we do not have direct business relations. This encompasses the production and processing of raw materials (tiers 3-4), where there has traditionally been limited transparency.

To account for and mitigate the fashion industry's impact on the environment and society, it is imperative that brands must enhance material transparency and traceability. Not least within the cotton supply chain.

BESTSELLER works with solution providers to ensure transparency and traceability of our materials.² One such example is our collaboration with Textile Genesis, a pioneering traceability platform custom built for the fashion and textile ecosystem. Our partnership focuses on fibre forward tracing of manmade cellulosic fibres and direct-to-farm cotton.

Another example is our engagement with Better Cotton, a multi-stakeholder initiative, which accounts for more than 20 percent of global cotton production. We actively support Better Cotton's development of traceable and credible solutions for Better Cotton supply chain.

These two examples illustrate our two-pronged approach to our supply chain. This is focused on improving the performance of BESTSELLER's own supply chain and seeking to inspire the entire industry to move towards more transparent and traceable supply chains. See

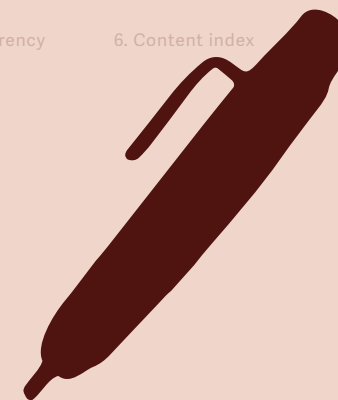
the [BESTSELLER annual report 2023-24](#) for further details about our work with Better Cotton and Textile Genesis.

Achieving full transparency and traceability across global supply chains requires collaborative efforts beyond individual brands or even the industry as a whole. Host country specificities, regional regulations, and even geopolitics significantly impact the ability to build responsible supply chains and implement effective due diligence.

BESTSELLER welcomes new regulations aimed at raising the bar and creating a level playing field for responsible business practices. We emphasise the importance of harmonising such legislation across countries, adopting a riskbased approach to due diligence, and aligning with internationally recognised frameworks.

We firmly believe that national and international regulators must acknowledge the challenges and limitations in achieving efficient due diligence and transparency in global supply chains. Addressing these challenges requires active collaboration between affected industries, nation states, and international bodies, along with public and private support, financing, and adequate regulation.

This comprehensive approach ensures that BESTSELLER proactively addresses supply chain risks and drives positive change within its supply chain.



²:
HiggBRM 2023 GEB02

Supply chain structure

INTRODUCTION

While BESTSELLER provides the inspiration for product design, our suppliers produce our products to prescribed quality to meet the demands of our customers.

Historically, our supply chain has been described in terms of tiers.

Tier 0 — are the businesses we place orders with, we refer to them in this report as “suppliers”. To become a BESTSELLER supplier, the business must have gone through the onboarding process, during which they sign BESTSELLER’s Supplier Agreement, whereby they agree to uphold our Code of Conduct (CoC) and related policies. Typically, but not always, suppliers are agents for tier 1 factories – some suppliers can be a factory and can have in-house materials manufacturing facilities too. In instances where the factory and the supplier are the same, we refer to them as a “vertically integrated” supplier.

Tier 1 — refers to production units involved in the making and finishing of garments and products, including units with capabilities including cut-to-pack, embroidery, washing, dyeing, printing, and finishing of garments or finished products. We refer to them in this report as “factories.” All factories are subject to the standards outlined in our CoC and related supply chain policies and are routinely assessed as part of BESTSELLER’s Factory Standards Programme, which you can read more about in this report.³

Tier 2 — refers to materials suppliers, including fabric and trim suppliers, as well as tanneries. Our [Public Factory List](#) includes our list of tier 2 Approved Materials Suppliers. This is a list of materials suppliers that we encourage our brands and suppliers to source materials from. The Approved Materials Suppliers have agreed to uphold BESTSELLER’s CoC, and their production facilities pass our basic requirements and are covered by the environmental and chemical requirements chapters of the Factory Standards Programme. It is important to note that BESTSELLER does not have full transparency on all tier 2 suppliers in our supply chain.

Tiers 3 and 4 — refers to fibre processors and raw materials suppliers. While we encourage our suppliers and factories to disclose their supply chains to deliver greater transparency on our supply chain and understand the wider impacts related to the manufacture of our products, we have limited transparency on the facilities operating in these tiers of our supply chain. All suppliers are encouraged to cascade BESTSELLER’s sourcing policies and standards in their own supply chain.

To be transparent with our peers and customers and about our supply chain partners, BESTSELLER publishes its [public factory list](#)⁴ once every two months. This list includes a full account of our tier 1 business partners, related tier 0 partners, as well as our Approved Materials Suppliers (tier 2).

3: [HiggBRM 2023 SWK06](#)

4: [OECD 5.1.7](#), [ETI CTF 2023 1.4.1](#), [ETI CTF 2023 1.4.2](#), [ETI CTF 2023 1.4.4](#), [ETI CTF 2023 3.2](#), [OECD GI 29](#) and [HiggBRM 2023 SWK12.II](#)

COMPOSITION:⁵

BESTSELLER's due diligence processes are led by our Global Supply Chain organisation and its Responsible Sourcing team.⁶ The processes are managed centrally by qualified industry experts on relevant risk areas and implemented by teams of Social & Labour and Chemical & Environment Specialists based in our regional sourcing offices. Approximately 45 labour and human rights and chemical and environment experts work full time to uphold and monitor compliance with our supply chain policies. These teams operate out of our regional sourcing offices in China, India, Bangladesh, Pakistan, Türkiye, Myanmar, and Cambodia. These countries account for more than 90 percent of our tier 1 factories and more than 98 percent of garments sourced, at the time of writing. The local teams will be referred to extensively throughout this report.

These social and labour or chemical and environment experts in our sourcing countries are equipped with the necessary skills and expertise to do effective due diligence on the risks we face in the supply chain.⁷

We continuously review the qualifications of our in-country teams. For example, Social & Labour specialists and managers all are already trained according to the health and safety standard ISO45001 and are either certified for labour and human rights standard SA8000, or in the training process to becoming certified.

APPROACH TO DUE DILIGENCE:

Our target is to continuously stop, prevent and mitigate prioritised risks and impacts. To do this, we work on addressing supply-chain related risks across four different levels, namely workers, factory management, industry, and our own business practices.

We strive to minimise the risk of BESTSELLER causing and/or contributing to human rights harm and environmentally adverse impacts.⁸ We invest in collective industry-level initiatives that require collective

action to build a more resilient and socially and environmentally conscious industry.

Due diligence over BESTSELLER production at all approved production sites (as published in the [Public Factory List](#)) is managed by BESTSELLER's Global Supply Chain Responsible Sourcing team. Our local teams conduct regular factory-level assessments of our human rights, environmental and chemical risks and use those assessments to inform and update our policies, factory assessment criteria and methodology, and invest resources in risk mitigation.

We also develop and enforce standards of conduct to ensure our suppliers and their factories operate in accordance with safety and international welfare standards. Our approach to responsible supply chain management recognises that reducing the industry's environmental impact and addressing human rights concerns is an integrated and interrelated process.⁹

Our Factory Standards Programme is BESTSELLER's primary tool for monitoring and holding factories accountable to our social and labour and environmental and chemical requirements. We help mitigate risks via educational programmes, designed to give suppliers, factory management, and workers the skills they need to effectively manage these risks in their own day-to-day life and operations.

Our due diligence processes and policies are reviewed continuously and updated on an iterative basis. Our goal and purpose are to continuously address the human rights, environmental and product harm risks faced in our supply chain, guided by best practices in responsible business conduct and legally mandated requirements, as a minimum.¹⁰

5:
UNGP RF B1.1.B and UNGP RF B.1.1.A

6:
ETI CTF 2023 1.2 and GSCDDA 4.3

7:
HiggBRM 2023 ECH08

8:
GSCDDA 4.4

9:
OECD GI 5.1.1

10:
HiggBRM 2023 SWK03

1. Embed policies

1.1 SUPPLY CHAIN POLICIES

Supply chain policies articulate BESTSELLER's commitments to responsible business conduct in its supply chain and our corresponding expectations of our supply chain partners,¹¹ articulating our approach of shared responsibility for due diligence, including remediation.¹²

All supply chain policies articulate and reflect our commitment to respecting internationally recognised human rights¹³ and the principles and guidance in the United Nations (UN) Guiding Principles on Business and Human Rights and OECD Guidelines on Responsible Business Conduct.¹⁴ These policies include commitment from BESTSELLER to remedy the adverse impacts on individuals and workers and communities that it has caused or contributed to and the expectation that suppliers to make this commitment.¹⁵

Our supply chain policies are informed by and incorporate the International Bill of Human Rights, the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and the OECD's Guidelines for Multinational Enterprises.¹⁶

Our policies are updated and informed by the results of BESTSELLER's own risk assessment processes, as well as relevant internal and external industry expertise.¹⁷ Any updates include the ILO's core labour standards and take account for local labour laws. All policies are publicly available, endorsed by the leadership of BESTSELLER,¹⁸ and are

shared with each supplier and their approved production units via BESTSELLER's supplier portal. All policies are reflected in BESTSELLER's operational policies and procedures.¹⁹

Code of Conduct — BESTSELLER's Code of Conduct describes the ethics and behaviour that BESTSELLER promotes throughout the supply chain and is directed at any supplier and their subcontractors and/or factories, who manufacture products for BESTSELLER A/S.²⁰

Child Labour Policy — This policy articulates that the use of child labour is not acceptable, and we will not work with suppliers that use child labour in their facilities, or who do not have efficient systems in place to ensure that child labour cannot occur on the production premises.²¹

Environmental Management Requirements²² — This manual outlines standards and expectations on chemical and environmental management in the supply chain and is directed at all factories that supply BESTSELLER orders, including tier 1 and tier 2 facilities. These expectations are the basis for the environmental rating applied to each supplier.

Forced Labour Policy — In recognition of the salient risk of forced labour in its supply chain, BESTSELLER has developed a policy in coordination with worker representatives articulating our understanding of this risk and how it manifests in our supply chain.²³ The policy sets out the processes and requirements we have of our suppliers and factories to prevent, protect, and mitigate the risk of occurrence among our business partners.²⁴

11:
GSCDDA 6.2.3, OECD 5.1.4 and
ETI CTF 2023 1.1

12:
HiggBRM 2023 SG15

13:
UNGP RF A.1.1.A

14:
UNGP RF A.1.1.B

15:
HiggBRM 2023 SG10, UNGP RF
A.1.4.A and GSCDDA 6.3.1

16:
UNGP RF A.1.2.A

17:
ETI CTF 2023 2.1, OECD GI
1.1-ii, OECD GI 1.1 iv and OECD
GI 1.1 iv

18:
OECD GI 1.1

19:
OECD GI 1.1 v

20:
OECD GI 1.1 iii, UNGP RF
A.1.2.B, HiggBRM 2023 SG12,
HiggBRM 2023 SG13, HiggBRM
2023 SG11, HiggBRM 2023
SG20, HiggBRM SWK39.III and
HiggBRM 2023 SWK27 to this
footnote

21:
HiggBRM 2023 SWK21 and
HiggBRM 2023 SWK47.II

22:
HiggBRM 2023 EG08, HiggBRM
2023 EG09 and HiggBRM 2023
EG10

23:
ETI CTF 2023 2.2

24:
HiggBRM SWK39.III and
HiggBRM 2023 SWK19

Gender Identity-Based Violence Policy — Gender identity-based violence is any form of violence directed against an individual or group of individuals based on their sex, gender identity, or expression. Recognising the heightened risk of acts of violence such as harassment and abuse in various forms in the global apparel supply chain, this policy, developed in consultation with labour representatives, articulated BESTSELLER's requirements and expectations on our suppliers in relation to this risk.

Migrant Labour Policy — Migrant workers face heightened risk of discrimination in the global apparel supply chain. This policy, developed in consultation with the UN's International Organization for Migration (IOM),²⁵ articulates BESTSELLER's requirements and expectations on our suppliers in relation to this group.

Homeworking Policy — This policy expresses BESTSELLER's understanding that many households benefit from homeworking. Our policy requires suppliers to declare the use of any small workshop subcontractors, temporary workers or homeworkers to BESTSELLER and these people must be employed according to our requirements and local legal requirements.

Responsible Offboarding Policy²⁶ — This policy recognises that workers are subject to increased human rights risk when factories are off-boarded from our supply chain. To mitigate these risks, BESTSELLER's Responsible Offboarding Policy articulates clear expectations and corresponding responsibilities to safeguard workers from negative impacts when the business relationship concludes.²⁷

Restricted Substances List — BESTSELLER's Restricted Substances List (RSL) describes the limitation and prohibition of substances in products manufactured for BESTSELLER. The RSL has been developed based on the law, a concern for the health of our customers, the working conditions inside the factories producing our goods, and the preservation of the environment – both in production countries, and where our products are sold.²⁸

Restricted Substances List for Packaging and Test Programme — This manual describes the limitation and prohibition of substances in

all packaging parts delivered to BESTSELLER and the corresponding testing protocols to ensure compliance.

Unauthorised Subcontracting Policy²⁹ — Our suppliers must disclose all factories and subcontractors they will use for the manufacturing of BESTSELLER products. If a factory or subcontractor has not been approved and authorised, BESTSELLER has no certainty that conditions at the workplace comply with BESTSELLER's Code of Conduct, therefore, production at unauthorised factories and subcontractors is a critical violation of BESTSELLER policy and prohibited.

25:
ETI CTF 2023 2.2

26:
HiggBRM 2023 SWK36

27:
ETI CTF 2023 3.1

28:
HiggBRM 2023 ECH29, HiggBRM 2023 ECH02 and HiggBRM 2023 ECH30

29:
HiggBRM 2023 SG21 and
HiggBRM 2023 SWK05



1.2 POLICY IMPLEMENTATION

When a supplier is onboarded into our supply chain they must sign a supplier agreement, where they commit to respect and uphold all BESTSELLER policies in their business. Suppliers must agree to monitoring and to take action in the event that adverse impacts are found.

Suppliers sign a Supplier Agreement, under which they agree to adhere to our Code of Conduct supply chain policies. They agree that all sites they contract for production of BESTSELLER products will meet our requirements, thus cascading our requirements to all factories and production units that make products and samples for BESTSELLER.

Social and labour requirements, articulated in our human rights related supply chain policies, are applied to the following types of production sites: Cut, Stitch, Weave/Link/Knit of garments, Iron, Pack, Embroidery, Attach of sequins, pearls etc., Assembly (Shoes, Sunglasses, Jewellery etc.), Upper Manufacturer (shoes), and Sample room (sales samples) on product and garmenting level. Casting and Homeworkers are also covered in this scope. All onsite workers are included in the scope of the requirements, including temporary, labour agency workers, contract workers, cleaning, and security staff, etc.

Environmental Management Requirements are applied to cut-make-trim (CMT) with in-house light washing facilities, CMT with in-house heavy wash, print, dyeing, tannery, etc, outsourced light wash, outsourced heavy wash, print, dyeing, etc, Electroplating and assembly, and only electroplating facilities.

We do not accept production from factories or production sites that have not been assessed and approved for production by BESTSELLER. Sites unknown or not approved by BESTSELLER are unauthorised sub-contracting and a breach of our terms of business.

Adherence to our policies and standards is monitored by Social & Labour and Chemical & Environment Specialists based in our regional sourcing offices. The regional teams provide a key role in risk mitigation and remediation activities. To read more about our processes for assessing facilities, please review the “Cease, Prevent & Mitigate” section of this report.



2. Identify & assess

Our BESTSELLER local and head office teams conduct regular risk assessments of our human rights, environmental and chemical risks and use those assessments to inform and update our policies, factory assessment criteria and methodology, and invest resources in risk mitigation, and guide our remediation processes.³⁰

Risks related to human rights, environmental impact, and product safety are reviewed on a continuous basis through a combination of our factory-level risk monitoring systems and consultation with experts and stakeholders. Any new risks are integrated into our strategies and process updates.³¹

In line with UN/OECD guidance we identify and pay special attention to risks where BESTSELLER and our partners can have the most severe adverse impacts. Severity of harm is judged on scale, scope, and irreparable character and in collaboration with third-party stakeholders and experts.³²

Any identified severe risks of harm are communicated to relevant departments and colleagues in BESTSELLER, including, for example, the executive team or brand management teams.³³

BESTSELLER receives external consultation on risk identification through various initiatives and stakeholder engagements, such as the ACT Purchasing Practices Assessments,³⁴ Cascale's Higg Brand and Retail Module, and the Ethical Trading Initiative membership meetings. For a detailed explanation of the stakeholders engaged, please refer to the Supply Chain Stakeholders section of this report.

2.1 HUMAN RIGHTS RISKS³⁵

For human rights risks, we have a risk identification and mapping process, whereby there is a continuous review of six separate streams of input regarding human rights risks related to BESTSELLER's tier 0 and tier 1 supply chain partners.³⁶

These data streams are:³⁷

- International legal responsibilities
- Local legal responsibilities in each sourcing country
- Country-specific human rights risk assessment
- Local monitoring of emerging critical human rights risks
- Global monitoring of emerging critical human rights risks
- Day-to-day implementation of Factory Standards Programme

Risk identification is informed by consultation with national and international stakeholders such as: National and international trade unions, Ethical Trade Initiatives, Civil Society Organisations, Employer Associations, ILO, National Contact Points of the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and other organisations working in the field of labour and human rights in the garment sector. Stakeholder perspectives are included in BESTSELLER's Risk Identification through annual bipartite, direct, and formal stakeholder consultation, as well as through ongoing formal and informal dialogue with our key stakeholders.

Affected rightsholders are a key voice in the assessment process and are consulted at numerous points in BESTSELLER's supply chain due

30:
GSCDDA 10.2.1, GSCDDA 5.1,
OECD 5.1.2 and ETI CTF 2023
1.3

31:
GSCDDA 5.4

32:
GSCDDA 5.2 and HiggBRM 2023
SG05

33:
GSCDDA 5.3

34:
ETI CTF 2023 3.1

35:
HiggBRM 2023 SG01

36:
HiggBRM 2023 SG04

37:
HiggBRM 2023 SG02

diligence processes. Firstly, on a factory-level, all factory assessments involve employee interviews.³⁸ These interviews are conducted on site, without the presence of factory management or a line manager, and information received here is treated confidentially and in line with relevant legislation. All local social and labour teams are also in regular contact with worker representatives, such as unions or worker representative committees. Both local teams and head office teams engage with organisations that include worker perspectives, such as the International Accord, ACT, and the ETI. These voices and input are integrated into the country-level and supply chain-wide risk assessment identification process.³⁹

This data stream also incorporates learnings from the operations of our due diligence. Twice a year the Social and Labour teams have update meetings with the Head Office, where local teams provide feedback on risks and the relevant due diligence processes, including insights from remedial action processes.⁴⁰

For newly identified risks⁴¹ that need immediate steps, we engage with relevant stakeholders and rightsholders to understand the risks, update our policies and due diligence processes accordingly, and share this information with the relevant stakeholders. For example, during the wage negotiations in Bangladesh in late 2023 - on top of working with suppliers to ensure that each factory had the cashflow to pay increased wages, the local Bangladesh team communicated regularly with buyers to ensure they were fully aware of the proposed new wage levels to ensure they would negotiate the next season's orders in a way that accounted for the anticipated increased labour costs. During this period, BESTSELLER coordinated and consulted with external stakeholders. For example, through ACT we engaged in consultations with local and international unions and employer associations to understand and address concerns regarding the minimum wage review process.⁴²

The list and prioritisation of salient human rights risk has been determined by assessing which risks are most severe and likely.

Severity of harm is judged on three key criteria.

1. Scale — the gravity or nature of the impact (i.e., what is happening, what is the nature of that harm, does it result in a serious breach of human rights)
2. Scope — the reach of the impact (i.e., how many people are affected by the harm, what is the extent)
3. Irremediability — the ability to restore those affected to the same or equivalent position they were in before the harm occurred.

BESTSELLER's salient risk identification and prioritisation process also includes an assessment of likelihood. For human rights risks, severity is given a higher prioritisation than likelihood. Likelihood is the probability of the harm occurring. When considering likelihood we assess contextual issues – such as the legal framework, efficacy of the judicial system, systemic discrimination, rates of migrant labour, level of informality within the sector, etc. which may increase or decrease the probability of that risk occurring.

For each of these salient risks, and the prioritised risks, BESTSELLER continuously reviews its policies, factory-level assessment methodology, supplier and BESTSELLER capacity to address these risks, potential for supplier and worker engagement to mitigate the risks, availability of dispute resolution mechanisms, and potential industry engagement.⁴³ Please see latter chapters for explanations of cease, prevent and mitigation efforts, as well as transparency on the efficacy of these efforts.

For example, after identifying the risks relevant to migrant workers in our supply chain as a salient risk, BESTSELLER, in consultation with the UN's International Organization for Migration (IOM) developed a Migrant Worker Policy, which is publicly available on our website.⁴⁴

BESTSELLER is also developing migrant labour risk focused Social Impact Initiatives to mitigate some of the risks faced by migrant workers in high-risk countries. BESTSELLER is exploring partners for initiatives in India.⁴⁵ Please see our descriptions of these efforts in the chapter on mitigation.

38: HiggBRM 2023 SWK02 and HiggBRM 2023 SG06

39: UNGP RF B.2.2.B and HiggBRM 2023 SG03

40: GSCDDA 7.4

41: HiggBRM 2023 SG07

42: GSCDDA 5.3

43: GSCDDA 6.5

44: ETI CTF 2023 2.1 and GSCDDA 9.3.4

45: HiggBRM 2023 SWK44.IX and GSCDDA 9.3.2

Please find below the list of salient human rights risks⁴⁶ in our supply chain, their definitions, as well as the table mapping these salient human rights risks in our sourcing countries:

Freedom of Association — The suppression of Freedom of Association (FOA) and the absence of Collective Bargaining Agreements (CBAs) in workplaces pose significant human rights risks. Suppression of FOA can lead to workers being denied their fundamental right to organize and advocate for their interests, potentially resulting in exploitation and unsafe working conditions. Simultaneously, the lack of CBAs leaves workers without a structured mechanism to negotiate fair wages and working conditions, perpetuating wage disparities and substandard labour practices. These risks undermine workers' dignity, economic well-being, and overall human rights within the workplace.

Forced Labour — This risk is defined as all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily. Elements of coercion may include threats or violence against workers or workers' families and relatives; restrictions on workers' movement; debt bondage or manipulation of debt; withholding of wages or other promised benefits; withholding of valuable documents (such as identity documents or residence permits); and abuse of workers' vulnerability through the denial of rights or privileges, threats of dismissal or deportation.

Child Labour⁴⁷ — The human rights risk of child labour refers to the violation of children's fundamental rights when they are engaged in work that is detrimental to their physical, mental, and emotional well-being. This risk is internationally recognized and addressed through conventions such as ILO Convention No. 182 (Worst Forms of Child Labour Convention) and ILO Convention No. 138 (Minimum Age

Convention), which aim to eliminate child labour in all its forms and protect the rights and dignity of children.

Occupational Health and Safety — The human rights risk associated with Occupational Health and Safety (OHS) relates to the potential harm and violations of workers' fundamental rights in the workplace. OHS rights entail employers' responsibility to identify and mitigate workplace risks, provide necessary training and protective equipment, and establish procedures for reporting and addressing hazards.

Migrant Workers — Migrant workers (both internal and international) face heightened risk of discrimination in the global apparel supply chain. This discrimination can take many forms, such as pay discrimination and deductions, poor working conditions, and forced labour.

Gender-based violence — The human rights risk associated with Sexual and Gender-Based Violence (SGBV) refers to the potential for physical, psychological, or sexual violence and harassment that disproportionately affects individuals based on their gender identity in the workplace. This includes unwelcome behaviours, acts, or threats that create hostile or unsafe working environments, violate workers' rights to dignity, and hinder their full participation in the workforce.

Wages — Wage risk represents the potential threats or challenges faced by workers concerning their earnings. This includes risks associated with insufficient or unfair wages, non-payment or delayed payment of wages, wage discrimination, and violations of agreed-upon wage standards and working conditions.

46:
HiggBRM 2023 SWK43.III,
HiggBRM 2023 SG09, GSCDDA
6.2.2 and UNGP RF B.2.2.A

47:
HiggBRM 2023 SWK21

Working Time — The human rights risk associated with working time concerns the potential for workers to experience violations of their fundamental rights due to excessive working hours. This encompasses risks related inadequate rest periods, overtime abuses, and violations of legally established limits on working hours. In extreme cases, prolonged or unfair working hours can lead to forced labour practices and denial of workers' rights to rest and leisure.

Prioritised human rights risks in tier 0 and tier 1:⁴⁸

Human Rights Risk	Severity of harm	Priority Countries
Gender-based violence	High	India, Pakistan, Cambodia, Turkey
Worker representation & collective bargaining	High	India, China, Pakistan, Cambodia, Türkiye, Bangladesh
Wages	High	India, Pakistan, Myanmar
Working time	High	India, China, Pakistan, Cambodia, Türkiye, Bangladesh
Occupational, Health & Safety	High - extreme high	China, Cambodia, Türkiye, Bangladesh
Forced labour	High	Cambodia
Child labour	High	Cambodia, Bangladesh

⁴⁸:
ETI CTF 1.4.3 and GSCDDA 5.2

2.1.1 BESTSELLER'S CONTRIBUTION TO HUMAN RIGHTS RISKS: PURCHASING PRACTICES⁴⁹

Purchasing practices are the way that BESTSELLER interacts and does business with the manufacturers that supply their products. Purchasing practices encompass strategic planning, sourcing, development. There are numerous human rights risks that can be exacerbated through poor purchasing practices.

For example, brands that have unstable or short business relationships with suppliers results in factories not being able to count on regular production. This can cause cash flow problems, which can impact the factory's ability to pay wages or may result in the factory having to fire workers at short notice. Conversely, if brands make late changes to orders that increase the volumes, then there is an increased risk of forced labour, through excessive overtime. There has also been industry research that indicates that there is an increased risk of gender-based harassment when factories regularly mandate employees to work overtime.

Another aspect of purchasing practices worth considering is pricing. If order prices (typically referred to as FOB prices) are too low (i.e. if a supplier agrees to an order below production costs), this can exacerbate the risk that workers not receiving their entitled wages. Additionally, pushing low prices can also limit suppliers' ability to deliver due diligence in their own business, such as investing in occupational health and safety.

Similarly, making unilateral payment terms changes or paying too late for orders can cause serious cash flow issues of suppliers and their factories, leading to an increased risk of late or failure to pay workers.

BESTSELLER brands' buying departments are provided with training materials on responsible purchasing practices, which are available on an internal learning platform.⁵⁰

49:
GSCDDA 6.3.2 and ETI CTF
2023 2.5

50:
GSCDDA 6.3.3, HiggBRM 2023
SWK38 and HiggBRM 2023
ECHO8

2.2 ENVIRONMENTAL HARM RISK

BESTSELLER conducts regular environmental risk assessments that draw upon known sector and sub-sector risks and engagement with relevant rights holders to determine the likelihood of risks and severity of potential harm in our supply chain. We have a continuous risk assessment that is conducted by our local teams and coordinated by our head office, and we supplement that assessment with an external assessment, conducted by a third-party, every two years.

Knowing where our biggest risks are is the first step in developing plans to anticipate, prevent and mitigate those risks. The latest external environmental risk assessment was conducted by an independent third party, BluWin, and investigated potential adverse impact BESTSELLER's production operations on the environment in our eight largest sourcing countries. The assessment included a thorough analysis of the potential risks associated with the company's known supply chain,⁵¹ as per the public factory list at the time, and evaluated the effectiveness of the company's existing policies and procedures for managing those risks.⁵² The risk assessment's country level assessments referred to relevant industry frameworks such as the Zero Discharge of Hazardous Chemicals (ZDHC), World Wildlife Fund (WWF), United Nations Sustainable Development Goals (SDGs), World Resources Institute (WRI) resources, such as the Aqueeduct Water-Risk-Atlas, as well as local laws, guidance, and regulations.⁵³

The latest third-party assessment's output included prioritised list of the most significant environmental risks, based on geography, along with recommendations for mitigating and managing those risks.⁵⁴

This is an overview of the assessment's findings:⁵⁵

COUNTRY	OVERALL RISK	MAJOR CONCERNS ⁵⁶
Pakistan	High to extreme high	Water, chemical & wastewater
Bangladesh	High to extreme high	Water, chemical & wastewater
Myanmar	High to extreme high	Energy, chemical & wastewater
Cambodia	Medium	Chemical & wastewater, air emission
India	Medium	Air, GHG/energy
Vietnam	Medium	Chemical & wastewater
Türkiye	Medium	Water, chemical & wastewater
China	Low	Water, GHG/energy

The risk assessment was presented to our regional Chemical & Environment managers. BluWin engaged in company discussions on actual or potential impacts, and strategies to monitor, control, mitigate or eliminate the risks.⁵⁷ The findings have been integrated into a risk-informed strategy to address the findings and mitigate these risks through additional policies or supplier and factory management trainings.

51:
HiggBRM 2023 EG03

52:
HiggBRM 2023 EG01

53:
HiggBRM 2023 EG04, HiggBRM 2023 EWT02 and HiggBRM 2023 EWT05

54:
GSCDDA 5.2

55:
GSCDDA 6.2.2 and ETI CTF 2023 3.2

56:
HiggBRM 2023 EG02

57:
GSCDDA 5.3

In addition to the full assessment, BESTSELLER's global Chemical & Environment managers, responsible for managing environmental and chemical performance of suppliers in our key sourcing regions, meet regularly to discuss emerging risks and share findings from ongoing due diligence efforts.⁵⁸ Each regional Chemical & Environment manager also regularly engage with supply chain partners, local entities, and industry environmentally-focused organisations and updates our policies, programmes and processes accordingly.⁵⁹ For example, in Bangladesh our team works closely with local sustainability engineering specialists, Engineering Resources International, which conducts training for suppliers on best practices for ETP (Effluent Treatment Plant) management, which helps inform our assessment team when they are visiting factories to assess ETP performance and providing guidance to factory ETP management teams at wet-processing facilities.

With each of these risks, we continuously review our policies, assessment methodology, remediation, and mitigation efforts, to ensure they meet guidance on best practice, and dedicate resources accordingly.⁶⁰

58:
HiggBRM 2023 EG05

59:
HiggBRM 2023 EG07,
HiggBRM 2023 ECL20 and
HiggBRM 2023 ECH08

60:
GSCDDA 6.5

2.3 PRODUCT SAFETY RISKS⁶¹

2.3.1 CHEMISTRY

Chemicals are used in each stage of the production of garments and footwear and BESTSELLER has a continuous risk assessment process in place to identify risks to customers.

There are numerous inputs for identifying chemical related risks. The first is external guidance based on the rules for all our sales markets, for example, we monitor clothing-related alerts from the EU Safety Gate: The EU rapid alert system for dangerous non-food products, to identify particular products or chemical risks in the industry. BESTSELLER's Product Safety colleagues also use it as a risk assessment tool to collect data on products and hazards and determine whether BESTSELLER has sufficient policies and procedures in place to safeguard against these risks.

The second input is best practice guidance. We are members of MSIs (multi stakeholder initiatives) such as AFIRM and No to PFAS, which provide a forum for discussion on emerging risks and best practices for addressing them.

BESTSELLER also takes a lot of input from media and NGO-level research. Based on our learnings from these forums and research, we conduct our own focused testing. For example, in the past year we have conducted focus testing on bisphenols in leather samples tanned in different ways, data from this focused testing informs our annual update to bisphenol controls and process guidance in the RSL.

When updating our RSL and when we consider a total ban on a chemical, we research alternatives. For example, one chemical risk we have is volatile organic compounds (VOCs). You can reduce VOCs in products by switching from solvent-based polyurethanes (PUs) to water-based PUs. To facilitate this transition for our suppliers, we first must understand the availability of water-based PUs in our sourcing countries.

Our research found there is not sufficient water-based PU producers available for all BESTSELLER brand orders, therefore we need to do a soft-transition. We are doing this through advising our brands to require their orders be made using water-based PU's from a list of approved suppliers.

2.3.2 FLAMMABILITY

In the textile industry, most products are flammable to some degree. To manage the risks related to different products, we have a digital product-flammability management system that automatically assigns flammability testing requirements to product orders based on the product's materials.

Our risk identification and application process go above and beyond minimum flammability testing requirements, where if one sales country has a specific flammability requirement, then we consider whether this should be applied to all sales countries.

This management system is continuously updated by a dedicated employee according to legislation in the sales markets and advice and guidance from stakeholders such as SGS and Bureau Veritas.

2.3.2 PRODUCT SAFETY

Our Product Safety Manual requires suppliers to do a risk assessment on all styles produced for BESTSELLER.⁵⁸ For products that are not covered in the Product Safety Manual, suppliers are instructed to reach out to the local BESTSELLER sourcing office for specific guidance.

All articles, including samples (offers/1st samples/sales samples etc.), must meet the requirements outlined in the BESTSELLER Product Safety Manual, our supplier facing document that outlines minimum requirements for the physical and mechanical safety of products.

⁶¹:
HiggBRM 2023 SCN04



We have numerous requirements related to product safety, such as components such as zippers, touch and close fasteners, materials, such as rubber, ceramics, and sequins, etc. The Product Safety Manual is available to all suppliers via the Supplier Portal.

3. Cease, prevent & mitigate

This section of the report provides details on the measures BESTSELLER has implemented to cease, prevent and mitigate the risks described in the previous chapters.⁶²

3.1 ONBOARDING

Before being approved for production, a supplier that wants to work with us must sign our Supplier Agreement,⁶³ where they agree that all facilities involved in BESTSELLER production comply with our Code of Conduct and applicable supply chain policies, and to having their production facilities inspected on a regular basis to verify compliance. All suppliers are provided with an information pack and given access to our online supplier portal, which make available detailed guidelines for suppliers, describing among other things our Factory Standards Programme, onboarding and assessment criteria. Supplier representatives are given a personal introduction to these requirements, our processes, and systems, by local specialist teams, either via in-person meetings or online meetings.

Each of the suppliers' factories are also provided with a factory information pack, which provides guidance on our basic social and all our chemical and environment requirements, our above and beyond social and labour sustainability indicators, as well as general and country-specific requirements for factories to check whether they have sufficient resources to handle our requirements.

BESTSELLER then verifies whether suppliers and their factories meet our basic requirement - all production facilities must pass our onsite assessment before starting production for BESTSELLER.⁶⁴ All suppliers and factories must pass a comprehensive onsite assessment, which is conducted by one or more member of the BESTSELLER in-country Social & Labour and Chemical & Environment team in countries where we have sourcing offices (China, India, Bangladesh, Pakistan, Türkiye, Myanmar, and Cambodia). The members of our Social & Labour and Environment & Chemical teams are qualified assessors and equipped with the necessary skills to monitor production sites for compliance with BESTSELLER's requirements and expectations. In countries where BESTSELLER has no sourcing office (accounting for less than 2% of our volumes), onsite assessments are conducted by a third-party auditor, according to BESTSELLER's methodology. These countries account for more than 90 percent of tier 1 factories and more than 98 percent of garments sourced, at the time of writing.

⁶²:
GSCDDA 6.1, GSCDDA 6.3.1,
OECD 5.1.3, UNGP RF B.2.3.A,
ETI CTF 2023 1.6, GSCDDA 9.3.3
and GSCDDA 6.4.4

⁶³:
GSCDDA 6.4.2

⁶⁴:
HiggBRM 2023 SWK12.VIII and
GSCDDA 6.4.1

3.2 RISK MONITORING⁶⁵

We monitor our supply chain partners systematically, through the Factory Standards Programme.

The Factory Standards Programme is our primary tool for holding suppliers accountable to our social and labour, environmental and chemical requirements, which includes ILO core labour standards and all aligns with local labour laws, and are endorsed by BESTSELLER's leadership team, and shared with all suppliers during onboarding.⁶⁶ At BESTSELLER, all approved production units are subject to the programme, which means they are subject to assessments by our in-country teams or 3rd party auditors. These regular assessments are conducted to check that these factories are complying with our Code of Conduct and social and labour and environmental and chemical requirements.

The Factory Standards Programme is a continuous quality assurance process that requires documentation collection, worker interviews, and on-site visits from either our local teams or third-party assessors.⁶⁷ The data from each factory assessment is fed into our internal information systems. This data serves as the basis for our Supplier Sustainability Evaluation, which is shared with our colleagues at brand level to help them make informed purchasing decisions, and place orders with socially and environmentally responsible suppliers.

We have our own local specialist Social & Labour Teams and Chemical & Environment Teams in our main sourcing countries (Türkiye, China, Bangladesh, Pakistan, India, and Myanmar), counting approximately 45 full time colleagues. Several of these local colleagues are certified assessors.

BESTSELLER's standard assessment verification cycle is 18 months. However, the majority of suppliers and their factories are visited at least once per year by our Social & Labour Teams and/or Chemical & Environment Teams, to maintain a strong dialogue about their social and environmental performance. Many suppliers are visited by

BESTSELLER teams at much more frequent intervals, up to monthly if visits from our commercial and quality teams are included. Part of our due diligence is a close dialogue and connection with key suppliers and the factories.

Factory visits can be announced, semi-announced or un-announced, depending on the risk profile of the factory, and follow clearly defined methodologies, protocols, and performance indicators, which are aligned across BESTSELLER's brands and sourcing offices. For example, if a factory's last assessment found indicators of heightened risks for workers, such as a lack of a harassment policy, it would be visited more regularly than a factory that had a robust set of HR policies for its salient risks. Additionally, if BESTSELLER receives allegations of misconduct and serious violation of a CoC violation at a factory, then there will be an unannounced site visit to reduce the chance of factory management hiding or destroying evidence of misconduct.

3.2.1 MONITORING HUMAN RIGHTS RISKS

BESTSELLER's social and labour assessments are designed to monitor indicators of the identified salient risks at our tier 1 production units.⁶⁸ The assessment covers more than 124 graded performance indicators and the 25 additional "above & beyond" compliance indicators are structured under various headings that correspond to identified salient human rights risks.

1. Management Systems & Licenses
2. Ethics & Transparency
3. Child labour⁶⁹
4. Young Workers
5. Forced Labour⁷⁰
6. Discrimination
7. Employment Practices (Hiring, Contracts etc.)
8. Working hours⁷¹

65:
HiggBRM 2023 SWK01.II, HiggBRM 2023 SWK01.III, HiggBRM 2023 SWK01.IV, UNGP RF 4.2.4.A and GSCDDA 9.3.1

66:
UNGP RF 4.2.4.A and GSCDDA 9.3.1

67:
HiggBRM 2023 SWK02

68:
HiggBRM SWK05

69:
HiggBRM 2023 SWK21

70:
HiggBRM 2023 SWK19

71:
HiggBRM SWK39.III



9. Wages and Benefits
10. Employee Treatment (Disciplinary Practices, Harassment & Abuse)
11. Employee Involvement (Freedom of Association & Collective Bargaining, Employee Dialogue)
12. Health & Safety (Management & Training, Electrical safety, Building/ structural safety, Emergency preparedness & Fire safety, Chemical safety & Management, Machine & Equipment safety, PPE (Personal Protective Equipment), First aid, Health checks, medical facilities, and Dormitories)
13. Region-specific BESTSELLER requirements (e.g. Accord and regions of heightened due diligence)

BESTSELLER's monitoring procedures are regularly reviewed for their effectiveness, and where opportunities for improvement are identified, systems are updated. For example, in India, where temporary contract workers are sometimes used by factories to meet increased demand, we realised that our assessment was not robust enough to assess whether these workers were facing risks of forced labour. Consequently, we developed an SOP (Standard Operating Procedures) specifically for factories in India that engage in temporary contract workers to ensure we can better monitor these risks.⁷²

The performance indicators that BESTSELLER assesses are aligned with relevant industry guidance, for example our assessment covers the International Labour Organisation (ILO)'s defined 11 indicators of forced labour,⁷³ and guidance on monitoring indicators of risk in the global garment supply chains as described in the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector, The International Labour Organization Handbook on Combatting Forced Labour and The UN Guiding Principles on Business and Human Rights.

This assessment is applied to all types of tier 1 unit, i.e., CMT (Cut Make Trim), CMT with inhouse light washing, CMT with inhouse heavy wash, print, dyeing, tannery etc, outsourced heavy wash, print, dyeing, tannery etc, outsourced embroidery, attachment of sequins, pearls, etc, and electroplating and assembly units. The Social & Labour assessment

applies to all sites within the business license as well as all processes within the premises/business license, even if BESTSELLER is only using a part of the available in-house processes. (E.g., when we only use printing, laundry, or embroidery processes the assessment will apply to all parts and employees in that business unit). The assessment includes all buildings and workshops within the facility boundary, even those not involved directly in BESTSELLER production and all onsite workers, including temporary, labour agency workers, contract workers, cleaning, and security staff etc.⁷⁴

BESTSELLER's supply chain policies articulate our expectation and encouragement that suppliers and their factory management teams go above and beyond minimum legal requirements regarding worker well-being.⁷⁵

Where a factory's assessment reports show room for improvement, we have a set process to follow, which you can read more about in this report's chapter Address & Remediate.

BESTSELLER is also a signatory to the Social and Labour Convergence Program (SLCP),⁷⁶ which aims to reduce duplicative audits and audit fatigue, by offering one Converged Assessment Framework (CAF) that is accepted across multiple brands. The data from the CAF can be shared with multiple customers via the SLCP Gateway, meaning factories save both time and financial resources by substituting multiple 3rd party audits with one SLCP verification.

BESTSELLER accepts verified SLCP assessments, as equal to 3rd party audits and we are integrating our work with SLCP (and as a HIGG member, its corresponding HIGG tool, FSLM (Facility Social & Labour Module)) in our data management systems. BESTSELLER supports suppliers that wish to use the SLCP tools by accepting the SLCP verified data, but we do not require suppliers to adopt SLCP if they do not wish to do so.

Following each factory assessment, the performance data is recorded in BESTSELLER's supplier management system and each factory is given a rating. The rating and any notes for concern are shared with

72:
UNGP RF B.2.4.B

73:
HiggBRM 2023 SWK01.II

74:
HiggBRM 2023 SWK05

75:
HiggBRM 2023 SWK04

76:
HiggBRM 2023 SWK46

the factory management team, the supplier, and the brand with active orders with the production unit.

The social and labour component of the rating prioritises key risk areas, such as the supplier's management systems, to ensure a continued high performance and risk management on social, labour/human rights. When a factory performs beyond our basic standards it will be rewarded in the performance rating. Any factory must have strong management systems for human and labour rights and strong social dialogue/worker representation to qualify for a high rating.

The factory-level ratings are not only used in the dialogue with the factory management but also contribute to the Supplier Sustainability Evaluation, which you can read about later in this chapter.

3.2.2.1 HUMAN RIGHTS RISK MITIGATION: PURCHASING PRACTICES⁷⁷

3.2.2.1.1 ORDER PLACEMENT – CAPACITY

One risk in the garment manufacturing industry is suppliers accepting more orders than they have capacity for, leading to increased risk of forced labour and unauthorised subcontracting. To mitigate this risk, during the supplier onboarding process, suppliers submit their production volumes, and capacity. However, when placing orders BESTSELLER does not determine whether that capacity is reserved for manufacturing for other brands. This capacity overview tool is applied to all suppliers⁷⁸, and helps us monitor whether order volumes and their agreed delivery time correspond to the reported capacity.

3.2.2.1.2 PAYMENT TERMS⁷⁹

BESTSELLER has clear payment terms regarding payment timelines.⁸⁰ Penalties are written into agreements with suppliers prior to order placements.⁸¹ Suppliers understand that non-compliance with the

BESTSELLER Supplier Standards may be considered a material breach of contract which implies e.g., that BESTSELLER is entitled to invoke relevant legal remedies related to and depending on the breach of agreement.⁸² The BESTSELLER Manual details that both payment timelines and financial responsibility are covered within the payment terms, which are agreed with the supplier.

3.2.2.1.3 SUPPLIER FEEDBACK⁸³

The relationship with our suppliers is one of equal partnership. Suppliers have a regular opportunity to evaluate our business practices and BESTSELLER is committed to improve accordingly. BESTSELLER participates in ACT's bi-annual Purchasing Practices Survey by Brands and Suppliers, where we invite more than 50% of our suppliers to participate and provide feedback on their experience of BESTSELLER's purchasing practices. Feedback is analysed and integrated with our sourcing practices and policies. The results are also shared with the heads of brand buying departments, who are expected to understand and integrate the learnings into their buying practices.⁸⁴

77:
GSCDDA 6.3.2 and ETI CTF
2023 3.1

78:
HiggBRM 2023 SWK40

79:
HiggBRM 2023 SWK09

80:
HiggBRM 2023 SWK09.I

81:
HiggBRM 2023 SWK32

82:
HiggBRM 2023 SWK09.II and
SWK09.III

83:
HiggBRM 2023 SWK10

84:
HiggBRM 2023 SWK37

3.2.2 MONITORING ENVIRONMENTAL HARM RISKS

Our supply chain is where we have the biggest environmental impact, therefore, strong cooperation and support is required to help suppliers efficiently manage their consumption of water, chemicals, energy, and the production of waste.

BESTSELLER takes a risk-based approach to addressing environmental impacts in our supply chain, whereby we distinguish high impact from low impact facilities and focus our resources on ensuring high impact facilities are implementing responsible environmental management systems.

We define a low impact facility as one that meets the following three criteria; the facility has less than 250 employees, uses less than five chemicals in their processes, and they discharge less than 15 cubic metres of industrial water per day. If a facility exceeds at least one of these criteria, they are subject to our Environmental Management Requirements.

The Environmental Management Requirements are applied to all high impact facilities across product (tier 1) manufacturers as well as our approved materials suppliers (tier 2), including vertically integrated suppliers.

Considering the high environmental risk related to tanneries, BESTSELLER has additional requirements related to these production facilities. Tanneries are assessed based on whether the facility has a Leather Working Group Certificate. Only facilities that have an in-date silver or gold certificate can be approved for BESTSELLER production. BESTSELLER also requests each tannery to share their LWG Scorecard via the LWG website, and their full LWG audit report upon request. Failing to comply with this requirement will prevent onboarding of the tannery.

Additionally, agents and traders dealing in leather must hold a Leather Working Group certification and disclose all their suppliers involved in the making of leather, from raw hides to finished leather.

Regarding chemical management, our Restricted Substances List

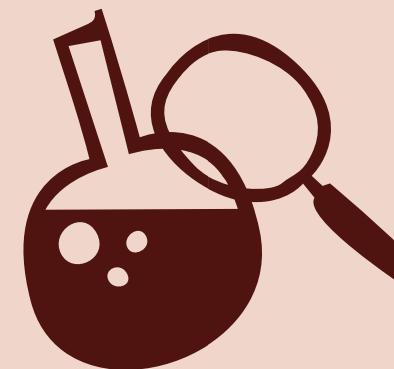
notes that suppliers must ensure that all subcontractors, suppliers of materials and accessories (including labels and packaging), dye-houses, print-houses, tanneries, carriers, etc., are fully aware of the RSL and agree to follow it. Suppliers must ensure that all parts of their production network have the latest version of our RSL and that they assist in educating all parts of the supply chain in meeting these requirements – and only work with suppliers that are able to do so.⁸⁵ Suppliers should work to understand the chemical aspects of their own supply chain to cascade the requirements to their respective business partners to effectively identify and control the risks.

Our Environmental Management Requirements, which are publicly available, outline standards and expectations on chemical and environmental management. Each factory's performance is used as the basis for the wider environmental rating applied to each supplier.

The factories are assessed on the following. Please note this is not an exhaustive list:

- a. Legal compliance: The factories that produce BESTSELLER products must comply with all applicable environment and chemical laws in their jurisdiction. This includes adherence to the permits, authorisations, licenses, registrations, certificates, waste/effluent treatment contracts, and other compliance requirements.
- b. Transparency and Industry Collaboration: BESTSELLER uses the Higg Facility Environment Module (FEM) tool as one part of its environmental performance evaluation for factories in our supply chain. All high impact wet processing facilities of BESTSELLER need to adopt the Higg FEM so we can measure environmental performance across seven impact areas: environmental management systems, water use, wastewater, chemical use, waste management, energy use and greenhouse gas emissions. The use of Higg FEM means this data is consistently recorded and tracked across all sourcing markets.
- c. Environmental Management Systems (EMS): BESTSELLER requires factories to have a clearly defined and effectively implemented EMS.

⁸⁵:
HiggBRM 2023 ECH16



An effective EMS is essential to understand and address potential risks and impacts, to achieve legal compliance, and to work towards continuous environmental improvement.

- d. **Energy Use & GHG (Greenhouse Gas) Emissions:** BESTSELLER requires factories to reduce greenhouse gas emissions by reducing the total amount of energy used at their facility and/or by switching to cleaner fuel sources. To achieve the goal, all factories should identify and track all sources of energy that are used and set a normalized baseline for energy use. They are also required to set targets with accompanying action plans and demonstrate progress.⁸⁶
- e. **Wastewater:** Beyond complying with local laws and ZDHC Wastewater Guidelines, all wastewater from both industrial processes and domestic processes must be treated onsite before being pumped out of the facility –or it must be sent to an approved and licensed treatment centre. Uncontrolled discharge of untreated wastewater is a zero-tolerance issue for BESTSELLER and will result in a halt on orders.⁸⁷
- f. **Chemical Management:** We request transparency and visibility on all chemicals used in production and check them against ZDHC's MRSL.⁸⁸ We encourage suppliers to replace unverified chemicals with approved alternatives. BESTSELLER aims to achieve 100% traceable and approved chemicals in our production by 2025. To ensure our products are meeting the standard set in the RSL, we have a Chemical Testing Programme, which must be followed by all manufacturers. Testing is performed based on risk, suppliers that are unable to meet the Chemical Restrictions are placed under 'observation,' and a higher level of product chemical testing is required.⁸⁹ You can read more about our chemical testing regime later in this chapter.
- g. **Water Use:** Factories with wet process should identify and track the quantity of water the facility withdraws from all sources and set normalized baseline for water use and identify which factors (processes, machines or operations) contribute most to water use on site.
- h. **Waste Management:** Factories are required to track all hazardous and non-hazardous waste streams, record and report the volume

generated and disposal method for all hazardous and non-hazardous waste streams. All waste must be properly segregated and stored, and workers must be trained in the handling of all hazardous and non-hazardous waste streams.

- i. **Air Emissions:** Factories must identify sources of air emissions from operations and onsite processes.

BESTSELLER monitors the follow-ups made by suppliers regarding non-conformities in the implementation of our expectations regarding environmental and chemical management systems.⁹⁰ As with our social and labour requirements, to handle non-performance to our requirements, we have a clearly defined escalation protocol. The protocol applies from minor issues to the most serious cases where suppliers may be offboarded. Such cases are, however, rare.⁹¹

As part of our efforts to reduce the risk of causing or contributing to environmental harm, BESTSELLER's requirements and assessments focus on the ability of suppliers and their factory management teams to manage these risks. The efficacy of these policies and our requirements in addressing the evolving risk landscape is continuously reviewed and, where relevant updates are made.⁹²

3.2.3.1 GREENHOUSE GASES/ENERGY

To mitigate the risk of contributing to environmental harm, BESTSELLER has numerous requirements on its high impact facilities regarding greenhouse gas emissions and energy efficiency.

As per BESTSELLER's Environmental Requirements, factories must identify and track all sources of energy that are used and set a normalized baseline for energy use, normalized targets and an action plan with specific actions and strategies for energy reduction. Suppliers are also required to identify equipment and processes that use significant energy (e.g. boilers, compressed air, dyeing equipment, drying processes, garment washing, heating tunnels, rubber moulding,

86:
HiggBRM 2023 ECL06 and
HiggBRM 2023 ECL08.1

87:
HiggBRM 2023 ECH22

88:
HiggBRM 2023 ECH09,
HiggBRM 2023 ECH13 and
HiggBRM 2023 ECH28

89:
HiggBRM 2023 ECH10

90:
HiggBRM 2023 ECH15

91:
HiggBRM 2023 ECH11

92:
GSCDDA 6.5

etc.); and identify equipment, processes, fuel sources, and substances that produce significant GHG emissions (e.g. fuel oil, propane, natural gas, or coal for boilers, heat, or generating electricity, etc.). By doing this, suppliers can identify energy inefficient processes or equipment (e.g., old boilers, leaking compressed air systems, etc.). To make progress on baselines, suppliers are required to improve or replace energy inefficient processes or equipment (e.g., old boilers, leaking compressed air, etc.) and improve or replace processes or equipment that produce significant GHG emissions. Suppliers are also required to replace or eliminate fuels that produce significant GHG emissions and use best available technology (BATs (Best Available Techniques)) for energy reduction.⁹³

BESTSELLER bars the onboarding of tier 1 factories that use coal-fired boilers on site, and through its requirements is supporting the remaining 0.5% of factories in the supply chain that do have on-site coal boilers to adopt cleaner alternative power sources.⁹⁴

When onboarding new material into the Approved Materials Suppliers programme we evaluate the facilities' on-site energy sources, including coal usage. Suppliers using coal will be considered if they present a credible phase-out plan for transitioning away from coal. The phase-out plan should include clear milestones, timelines, and actions to reduce coal dependency.

BESTSELLER regularly monitors the progress of suppliers' phase-out plans. If progress stalls or deviations occur, we will engage in corrective actions and reassess their eligibility. BESTSELLER's target is to phase out on site coal production within material suppliers by 2028.

BESTSELLER works with our suppliers to achieve year-on-year improvements and support efforts to achieve these targets through training programmes either ran by in-country BESTSELLER colleagues or third parties.⁹⁵

To incentivise suppliers to implement these changes, BESTSELLER has a public target of allocating 75% percent of our sourcing volume to suppliers that are highly rated on our sustainability evaluation by

2025. The Supplier Sustainability Evaluation integrates factory-level performance data on GHG emissions/energy performance.⁹⁶

One way that BESTSELLER supports the adoption of GHG-reducing technologies is the Greener Garment Initiatives, SPV, through which BESTSELLER's parent company, HEARTLAND, finances the purchase and installation of solar power generation systems on roofs of factories in Bangladesh. Similarly in Bangladesh, BESTSELLER co-funds factory participation in the FWD>>ENV programme, which is described in further details below.⁹⁷

In China, we require suppliers to publish PRTR (Pollutant Release and Transfer Register) data on the on the IPE platform yearly to enable greater transparency and accountability for our supply chain impacts and risks. Facilities submit annual environmental data such as energy consumption, and air emissions.

3.2.3.2 Water Usage⁹⁸

To mitigate the risk of contributing to environmental harm through overuse of water, BESTSELLER has numerous requirements on its high impact facilities regarding water.

For high impact facilities, strategy and target on water use, wastewater, energy, and chemical management are expected. Factories with wet process facilities are required to identify and track the quantity of water the facility withdraws from all sources and set normalised baseline for water use and identify which factors (processes, machines, or operations) contribute most to water use on site. Suppliers are required to identify and implement Best Available Technology (BATs) for water reduction and suppliers are required to implement facility wide water efficiency programmes.

All wet-processing units' performance on water efficiency contributes to the overall rating in our Supplier Sustainability Evaluation. To get a high rating, all CoC covered units within a supplier's chain must satisfy our further expectations on water management, articulated in our

93:
HiggBRM 2023 ECL08.I

94:
HiggBRM 2023, ECL09.I

95:
HiggBRM 2023, ECL08.II

96:
HiggBRM 2023, ECL08.III

97:
HiggBRM 2023 EWT16

98:
HiggBRM 2023 EWT02,
HiggBRM 2023 ECL09.II and
HiggBRM 2023 ECL09.III

Environmental Requirements. A facilities' responsible management of their water impacts are incorporated into each factory rating, which is then included in the overall Supplier Sustainability Evaluation.⁹⁹

BESTSELLER works with our suppliers to achieve year-on-year improvements and support efforts to achieve these targets through training programmes either ran by in-country BESTSELLER colleagues or third parties¹⁰⁰ and our local teams offer regular seminars to build capacity and knowledge sharing on best practices.

Through the FWD>>ENV programme, over the past two years, the 30 participating factories achieved large savings on their water consumption, decreasing annual water consumption by an average of 12%, equivalent to 1.7 million m³/year.¹⁰¹

3.2.3.3 Wastewater¹⁰²

BESTSELLER requires 3rd party testing of wastewater in regions and production sites where it consider risk to be high—and where we have concerns about ETP operation and/ or input chemicals used in production. This testing is handled by BESTSELLER's regional Chemical & Environment teams.

Factories must keep internal quarterly and independent yearly test reports for at least 12 months, unless using a Zero Liquid Discharge (ZLD) system.

Wastewater tracking must be robust, including data on discharge, reclaimed/recycled/reused water - a full list of the parameters that must be tracked can be found in our Environmental Management Requirements.¹⁰³

All wastewater from both industrial processes and domestic processes must be treated onsite before being pumped out of the facility –or it must be sent to an approved and licensed treatment centre. There must be no uncontrolled discharge of untreated wastewater. Physical,

chemical, and biological processes are required for the appropriate treatment of wastewater. Uncontrolled discharge of untreated wastewater is a zero-tolerance issue for BESTSELLER and will result in a halt on orders.¹⁰⁴

Non-conformities are monitored, and remediation assessed by local teams, with whom the supplier/factory agrees a Corrective Action Plan and a timeline for remediation.¹⁰⁵ To handle non-performance to our requirements, we have a clearly defined escalation protocol. The protocol applies from minor issues to the most serious cases where suppliers may be offboarded. Such cases are, however, rare.¹⁰⁶

For other hazardous chemicals and substances, we assess whether production units have sufficient waste management processes in place for the safe management and disposal of hazardous waste or materials.

In China, we require supplies to publish PRTR data on the on the IPE platform yearly to enable greater transparency and accountability for our supply chain impacts and risks. Facilities submit annual environmental data such as wastewater quality tests.

Our Environmental Requirements outline clear guidelines regarding wastewater treatment. All suppliers are required to follow ZDHC guidelines as well as local laws regarding wastewater treatment, management and disposal¹⁰⁷ and are monitored and held accountable to them by the Factory Standards Programme. For wet processing facilities, we request quarterly water report requests and annual third party The treatment and disposal of wastewater must comply with local laws and meet industry standards. BESTSELLER requires all regional legal standards be met as well as compliance with ZDHC Wastewater Guidelines as the aligned industry standard.¹⁰⁸

Responsible management and efforts to reduce wastewater discharge is rewarded in our Supplier Sustainability Evaluation. BESTSELLER has a public target to allocate 75 percent of our sourcing volume to suppliers that are highly rated in our sustainability evaluation by 2025.¹⁰⁹ The 75 percent target is a strong tool for incentivising and social and labour, and environmental and chemical improvements in our supply chain.



99:
HiggBRM 2023 EWT09.I

100:
HiggBRM 2023 EWT09.II

101:
HiggBRM 2023 EWT16, Higg-
BRM 2023 EWT15, HiggBRM
2023 ECL22 and HiggBRM 2023
ECL21

102:
HiggBRM 2023 EWT02

103:
HiggBRM 2023 ECH19

104:
HiggBRM 2023 ECH05

105:
HiggBRM 2023 ECH21

106:
HiggBRM 2023 ECH20

107:
HiggBRM 2023 ECH23

108:
HiggBRM 2023 ECH03

109:
HiggBRM 2023 ECH 24

The FWD>>ENV programme is also designed to help suppliers and their factories reduce their volumes of wastewater.¹¹⁰

3.2.3.4 Waste

Factories are required to track all hazardous and non-hazardous waste streams, record and report the volume generated and disposal method for all hazardous and non-hazardous waste streams. All waste must be properly segregated and stored, and workers must be trained in the handling of all hazardous and non-hazardous waste streams.¹¹¹

Tier 1 (CMTs) units are expected to have a strategy and target on energy and waste management. They are assessed on whether waste is handled, sorted, and disposed of safely, as per legal requirements. In China, we required suppliers to publish PRTR data on the on the IPE platform yearly to enable greater transparency and accountability for our supply chain impacts and risks. Facilities complete and submit data to the IPE, which includes annual environmental data on waste information.¹¹²

To be highly rated in the Supplier Sustainability Evaluation, each related production unit, must meet our further and leading EMS implementation requirements articulated in our Environmental Requirements in relation to waste.¹¹³

3.2.3.5 Chemicals

Chemicals are used in each stage of the production of garments and footwear. We have a pre-onboarding assessment process, whereby if a factory does not have the capacity to adopt and implement our MRSL, they will not be onboarded to our supply chain.¹¹⁴ For factories that are approved for production, we manage chemical risk on two levels. Firstly, we work closely with our suppliers to ensure that they are managing their chemical inventory.

High impact factories are expected to maintain detailed chemical inventories, as well as having an excel system for submitting Chemical Inventory Lists (CIL). Since 2021, we have required factories to have chemical inventory management system. We request ZDHC compliance data from suppliers every quarter we request suppliers via their incheck reports provided by any of the ZDHC approved providers (Bv3, Bluechain, BHive). Furthermore, for facilities participating in pilot with BHive we see a monthly overview of their inventory monthly, and whether the list is compliant with ZDHC.

For suppliers in Bangladesh and Pakistan, which are high risk countries for this risk, BESTSELLER pays for strategic suppliers' membership to the BHive app, a digital chemical inventory tool, to share their CIL with BESTSELLER. The app automatically cross-checks the CIL with BESTSELLER's MRSL (Manufacturing Restricted Substances List) and provides both the factory and BESTSELLER with detailed information about the CIL compliance level at that production site in real-time.

We systematically check whether the factories have protocols in place for the safe handling of chemicals. During factory assessments, our assessors check that safety precautions regarding the use, storage and handling of chemicals are being taken, and that employees are provided with protective equipment and have been sufficiently trained in handling chemicals.¹¹⁵

We have year on year targets for Higg FEM levels related to chemical management, which contribute to factories' environmental rating for chemical management scores. We work with our partner suppliers to achieve year-on-year improvements and support efforts to achieve these targets (training programmes, access to consultancy, financing agreements, etc.). These targets and supplier performance are reflected in the Supplier Sustainability Evaluation. We also consider other tracking systems, such as IPE in China and chemical transparency performance.¹¹⁶

Maintaining a CIL is an important part of good record-keeping and confirms a facility's understanding of which chemical products are used on-site. Inventories are also important to identify the source

110:
HiggBRM 2023 ECH18

111:
HiggBRM 2023 EWS06

112:
HiggBRM 2023 EWS25

113:
HiggBRM 2023 EWS06

114:
HiggBRM 2023 ECH16

115:
HiggBRM 2023 ECH01

116:
HiggBRM 2023 ECH25 and
HiggBRM 2023 ECH26

of a product failure in the case of a non-compliance. As per our Environmental Requirements, data on suppliers' compliance with our MRSL is rated and incorporated into our quarterly-updated Supplier Sustainability Evaluation.¹¹⁷

Regarding the management of chemicals in the supply chain, all production sites are given a rating based on their environmental management practices, a unit that does not adequately manage their environmental risks (including chemical management), will not get a good rating. We monitor and update the scores quarterly, based upon CIL compliance and any update to the unit's Higg FEM scores, and updates to the unit's IPE resolution data for units in China. We are transparent with each production site with their score and provide them with a report and guidance on how to improve their score. This factory rating contributes to an overall supplier rating, which is tied to our public goal of placing 75% of orders with highly Supplier Sustainability Evaluation.¹¹⁸

All newly onboarded suppliers are educated about our RSL and chemical management systems by BESTSELLER's regional environment and chemical teams and educated on our chemical requirements and any updates made to those requirements every year. In addition to that, through the FWD>>ENV programme, chemical teams at factories are trained on chemical management systems.¹¹⁹

We have a public target of having 100% approved and traceable chemistry in our core products, to improve the traceability of chemicals used in our products.¹²⁰

To develop an industry-wide culture of responsible chemical usage and management, we engage with multiple platforms and fund initiatives,¹²¹ such as the development of and piloting of GoBlu's B Hive app. BESTSELLER is a member of Swedish non-profit ChemSec's PFAS Movement, which advocates for reducing the use of PFAS in the apparel manufacturing industry. Their 'No to PFAS' campaign brings together companies and organisations to accelerate legislation on hazardous substances. BESTSELLER has been PFAS free for many years. We test each style for traces of PFAS, and if we find traces of PFAS above more

than 1,000 parts per billion, the style is rejected and sent back to the factory for reworking. Instead of using chemicals that contain PFAS, BESTSELLER asks suppliers to use Bionic Eco – a water repellent finishing that is a safer and fluorocarbon-free alternative.

BESTSELLER is a member of the AFIRM group whose mission is to reduce the use and impact of harmful substances in the apparel and footwear supply chain. Through our engagement in AFIRM, we can align with the industry on restricted substances, the limits to be set, test methods and chemical investigations and responses to legislative updates. BESTSELLER also participates in multi-brand collaborative studies. One example of this was on the chemical content of post-consumer recycled textiles.¹²² The study, which was led by H&M and IKEA Group, was investigating the presence of legacy chemicals and potentially hazardous chemicals in recycled materials, a key roadblock to realising circularity in the textile industry.¹²³

3.2.3 MONITORING PRODUCT SAFETY RISKS

3.2.3.1 CHEMISTRY

BESTSELLER has a thorough Chemicals Testing Programme to ensure all products meet our requirements. Our Restricted Substances List (RSL)¹²⁴ and Packaging Restricted Substances List (PRSL) catalogue chemicals that are banned or restricted in our final products. It is updated annually based on the latest legislation, AFIRM guidelines, as well as precautionary principles and industry best practice, and shared with suppliers.¹²⁵

Through our Chemical Testing Programme, we systematically test our products and materials at accredited global independent laboratories to ensure that all products made for us comply with our requirements, and we ask supplier to rework those requirements.¹²⁶

All tests are conducted at internationally accredited laboratories such as SGS and Bureau Veritas. Products are tested according to our RSL during production as per our in-depth RSL testing programme.

117:
HiggBRM 2023 ECH09 and
HiggBRM 2023 ECH27

118:
Higg FEM 2023 ECH07

119:
HiggBRM 2023 ECH08

120:
HiggBRM 2023 ECH07

121:
HiggBRM 2023 ECH34

122:
HiggBRM ECH31

123:
HiggBRM 2023 ECH34 and
HiggBRM 2023 ECH33

124:
HiggBRM 2023 ECH14

125:
HiggBRM 2023 ECH09

126:
HiggBRM 2023 ECH06

3.2.3.2 FLAMMABILITY

BESTSELLER takes a risk-based approach to flammability testing. For the flammability testing programme, we have two categories. For products that are high-risk, then we have mandatory testing. For products that are low-risk, we conduct random sample testing to ensure they meet our requirements. All products, regardless of the sale market testing requirements, are subject to our testing requirements.

In BESTSELLER, we have a flammability management system, that automatically assigns flammability tests to specific styles, which informs suppliers about which products need to be tested and the specifications of each required test. This system reduces duplicate testing and ensures that products have the necessary documentation to evidence that the product has passed the relevant testing requirements of the product's intended sales markets.

3.2.3.3 PRODUCT SAFETY

BESTSELLER suppliers are responsible for ensuring full product compliance with Product Safety Manual. The BESTSELLER Product Safety Manual outlines the minimum requirements for the physical and mechanical safety of BESTSELLER products. This manual is a part of the BESTSELLER supplier manual collection and must be fully understood and implemented by all suppliers and their subcontracted factories. All BESTSELLER supplier manuals are available on the Supplier Portal. All compliance testing for BESTSELLER products is performed by BESTSELLER Authorised Laboratories. BESTSELLER also carries out additional random spot checks to ensure all production meets BESTSELLER requirements.

3.3 SUPPLIER SUSTAINABILITY EVALUATION

In 2022, BESTSELLER completed implementation of its Supplier Sustainability Evaluation system globally. This system is the basis of our public target of allocating 75% percent of our sourcing volume to suppliers that are highly rated on our sustainability evaluation by 2025. The evaluation integrates factory-level data from social and labour, and environmental performance with supplier-level data on responsible supply chain management, commitment, ethics and transparency.

The 75% target is a strong tool for incentivising and driving social and labour, and environmental improvements across our supply chain.¹²⁷ The goal represents our public commitment to do business with supply chain partners that take sustainability seriously.

Each supplier has a designated BESTSELLER colleague with whom they can engage and work on improvements. Likewise, our brands can incentivise improvements by rewarding highly rated suppliers with their custom.

One insight we have observed since the implementation of our Supplier Sustainability Evaluation, suppliers with whom we have had long-term relationships and consistent orders are typically our highest performers in the supplier rating, indicating that consistent engagement with and feedback from our monitoring results in stronger social and environmental performance. It is our strategic goal to expand our business with highly-rated suppliers or those committed to making progress and reaching higher standards.¹²⁸

3.3.1 SOCIAL AND LABOUR RATING

The social and labour aspect of the rating incentivises our supply chain partners to improve their management systems, a key step in mitigating the human rights risks at our supplier's production units.

Suppliers Social & Labour Performance is assessed within four overall performance areas:

1. **Responsible Supply Chain Management (20%):** An assessment of a suppliers' management systems to ensure competent management of human and labour rights risk and ability to prevent Code of Conduct violations.
2. **Collaboration with BESTSELLER (20%):** This is an assessment of the suppliers' communication with BESTSELLER and can be demonstrated by commitment to follow up on factory remediations, up-front disclosure of critical factory incidents, commitment to info meetings and training seminars conducted by BESTSELLER as well as commitment to social or environmental impact initiatives.
3. **Factories' social and labour performance (60%):** This is an average performance level of factories under the supplier, according to BESTSELLER's Factory Social and Labour Performance rating. This rating is calculated based on the factory-level assessments.
4. **Engagement with social sustainability in the community:** As a prerequisite for a supplier being rated A, the supplier must engage in national, and international sustainability forums, or factory sustainability activities and engage with initiatives that support local communities in their manufacturing countries.

127:
HiggBRM 2023 SWK03 and
HiggBRM 2023 SWK12.VII

128:
HiggBRM 2023 SWK31



3.3.2 ENVIRONMENTAL RATING

129:
GSCDDA 6.4.3

The environmental impact aspect of the supplier rating incentivises our supply chain partners to improve their environmental management systems, a key step in mitigating the environmental impact risks at our supplier's production units.

Suppliers' environmental performance is assessed on two performance criteria:

-
- Supplier performance score (30%)
 - a. Engagement and performance in chemical and environmental training and information meetings
 - b. Environment Management System (EMS) team competency
 - c. Supplier senior management engagement and investment level
 - Associated factories' performance score (70%)
 - a. Average factory performance score across all factories linked to the supplier.
 - b. Factory-level progress on EMS, Energy Use, GHG emissions, water use, wastewater, solid waste, and chemical management baselines (where applicable)

Our regional Chemical & Environment teams offer suppliers training on environmental and chemical risk management best practices. Suppliers are invited to attend these seminars, which are provided free of charge.¹²⁹

Our teams also offer advice to factory management teams during the factory assessments and guidance on how to improve their factory's environmental and chemical rating.

3.4 MITIGATING SPECIFIC RISKS

BESTSELLER invests in a number of additional programmes and initiatives to further mitigate the risk of causing and contributing to harm in our supply chain.

3.4.1 MITIGATING HUMAN RIGHTS RISKS

We have a range of Social Impact Initiatives that address human rights risks for workers in the supply chain.¹³⁰

To address the specific and often nuanced nature of the wide range of human and labour rights risk violations salient in tier 1 of our supply chain, BESTSELLER has a range of processes and programmes specifically to address these risks. All initiatives engage with various stakeholders, such as consultants, MSIs, NGOs, and rightsholders.¹³¹ Please see the full list of stakeholders engaged by BESTSELLER to manage our human rights, environmental and chemical risks in BESTSELLER's supply chain in the transparency section of this report.

BESTSELLER has invested significantly in many of these programmes,¹³² often in the development of toolkits and curriculums – for example, in the localisation and translation of the then-BSR's HERessentials software for a Pakistani audience.

The majority of Social Impact Initiatives are implemented on a co-funding model, which is one way of increasing the probability of factory "buy-in" and support for a programme. In cases of pilot programmes or in cases where the factory does not have the financial resources required, BESTSELLER can and does fully fund these human rights risk mitigating Social Impact Initiatives.

3.4.1.1 GENERAL SOCIAL AND LABOUR SUPPLIER TRAINING

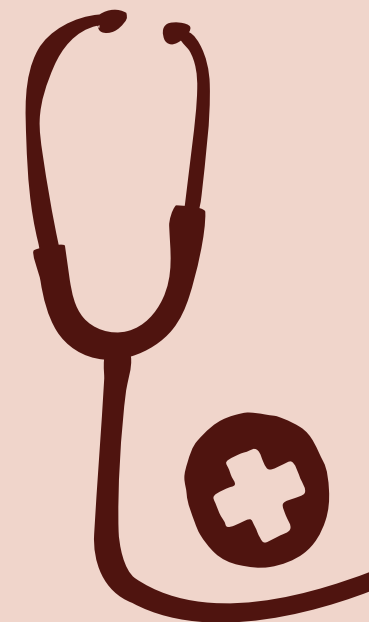
Our regional Social and Labour teams offer suppliers training on salient human rights risks. Suppliers are invited to attend these seminars, which are provided free of charge.¹³³ These regional teams also offer advice to factory management teams during the factory assessments and guidance on how to improve their factory's Social and Labour rating, which contributes to the wider Supplier Sustainability Evaluation, which is linked to the public target of placing 75% of orders with highly rated suppliers.

3.4.1.2 OCCUPATIONAL HEALTH & SAFETY

Our vision is to have a supply chain that safeguards the welfare of those working in the factories. To achieve this, we regularly assess factories, which safeguards workers from immediate risk, and then we have industry initiatives to raise awareness of occupational health and safety standards among workers, teach suppliers how to address these risks, and thirdly to raise the industry's standards.

BESTSELLER is a signatory to the International Accord for Health and Safety in the Textile and Garment Industry.¹³⁴ It is a legally binding agreement between global brands and retailers, IndustriALL Global Union, and UNI Global Union, to work towards a safe and healthy garment and textile industry.

All BESTSELLER factories in Bangladesh and Pakistan, and their employees, are subject to the terms and protections offered by this agreement. This means all factories receive regular inspections from engineers. When concerns are found, the RSC engineers in Bangladesh and Pakistan Accord engineers in Pakistan, produce reports and Corrective Actions Plans (CAPs) for remediation, BESTSELLER monitors factory progress on remediation, and informs the Accord Secretariat when they have been completed. Please note that the International Accord has introduced Financing Remediation Protocols, whereby



130: HiggBRM 2023 SWK11, HiggBRM 2023 SWK43.IV, ETI CTF 2023 2.5 and ETI CTF 2023 2.6

131: UNGP RF B.2.3.B

132: HiggBRM 2023 SWK12.V

133: HiggBRM 2023 SWK12.I and GSCDDA 6.4.3 part I

134: ETI CTF 2023 2.6 and HiggBRM 2023 SWK12.IV

factories and all responsible brands agree on a CAP Finance Plan with financing and remediation schedules, to address factories capacity to pay for outstanding remediation costs if support is requests by the factory, incorporating the UNGP's Principle of Proportionality.¹³⁵

As a signatory to the International Accord, BESTSELLER agrees to continue the health and safety programme in Bangladesh through the RMG Sustainability Council (RSC), which is responsible for the continuation of the inspections, remediation, and workplace programmes as of June 2021. We fully support the goal of the RSC to become Bangladesh's sector-wide factory safety programme.

As a member of the Steering Committee of the International Accord, we worked with other signatories and national stakeholders to secure a country-specific Accord programme in Pakistan. BESTSELLER signed the Pakistan Accord in January 2023.

In India, BESTSELLER has worked with LABS (Life and Building Safety), which aims to improve worker safety in the garment industry by identifying and remediating fire, electrical and structural building safety risks at factories. We have been a steering committee member of LABS and supported the development of its programmes and eventually piloted the programme with some of our suppliers.

In 2023, after consultation with our supply chain partners BESTSELLER began phasing out from the LABS (Life and Building Safety) programme in India. The cost models of the programme were no longer appropriate for the majority of our supply chain partners in the country. We are exploring alternative third parties that can offer occupational health and safety assessments and training that better fit our suppliers' needs.

Related to OHS risks in Bangladesh, BESTSELLER is supporting the ILO's Pilot on Employment Injury Scheme (EIS), whereby all workers engaged in the export oriented readymade garment sector have social protections based on two contingencies; one being workplace death and the second being permanent disability arising out of workplace accident or occupational diseases. This is the first scheme in the history of social protection in Bangladesh, enabling the family of a worker who dies or

a worker who has an accident and is permanently disabled to receive financial support. The pilot will run for four years, and BESTSELLER is supporting it through a 0.019% levy on RMG orders in Bangladesh.¹³⁶ The funding will be used for long-term related injury benefits and the administration of the scheme. The aim is that by 2026, a law will be adopted by the Bangladeshi government whereby factories will pay directly to the EIS, creating a long-term financing solution.

3.4.1.2 FREEDOM OF ASSOCIATION¹³⁷

At BESTSELLER, we believe our supply chain should be a place where all workers are free and encouraged to join and form trade unions or workers' organisations of their choosing. This freedom of association (FoA) is enshrined in the Universal Declaration of Human Rights, and, for BESTSELLER, this means that all workers at our suppliers have the right to freedom of assembly, association, and trade union membership. It is a precondition for working with BESTSELLER that suppliers accept this.¹³⁸ We monitor suppliers and their factories adherence to this requirement through the monitoring mechanisms mentioned earlier in this chapter.

Collective bargaining agreements, based on freedom of association, empower workers and employers to build stronger industrial relations where working conditions, including wages, are negotiated transparently and constructively. For us, collective bargaining is the preferred mechanism for workers to freely negotiate their working conditions with their employers and we believe this is a useful mechanism for workers to safeguard their wider human rights beyond the workplace.

In 2018, BESTSELLER joined Action, Collaboration, Transformation¹³⁹ - an agreement between 20 global brands and IndustriALL Global Union in pursuit of living wages for workers in textile and garment supply chains. Within BESTSELLER, we are working to improve our purchasing practices and externally, we work with our union partners to support Freedom of Association, and develop dispute resolution mechanisms (DRMs).

135:
HiggBRM 2023 SWK12.III and
HiggBRM 2023 SWK12.VI

136:
HiggBRM 2023 SWK12.III,
HiggBRM 2023 SWK12.V and
HiggBRM 2023 SWK12.VI

137:
ETI CTF 2023 1.5, ETI CTF 2023
3.4 and HiggBRM 2023 SWK19

138:
HiggBRM 2023 SWK18

139:
HiggBRM 2023 SWK12.IV, ETI
CTF 2023 2.4, HiggBRM SG14
and HiggBRM 2023 SWK17.I.

At the factory-level, we support and encourage the use of DRMs, where-by grievances are aired and remediated in a recognised and respected forum, such as the Accord/RSC. In cases where DRMs do not exist at a country level, we support the development of them, such as the ILO-endorsed Myanmar DRM (Dispute Resolution Mechanism), developed by ACT, which provides a platform to navigate and solve disputes between local labour unions and factory management in a peaceful and efficient way, providing workers with protection and support. These mechanisms cover Freedom of Association disputes and disputed cases linked to the dismissal of workers, wages and severance payments.

Having these mechanisms in place, however, is not the full solution. In some of our sourcing countries, there is a general lack of understanding of workers' basic rights, as well as strategies and mechanisms for ensuring those rights are protected. At BESTSELLER, we want to support our suppliers in this capacity building, so we have teamed up with QuizRR¹⁴⁰ – a global organisation that provides digital training solutions specifically for educating workers and mid-level managers using real-life situation videos and questionnaires. We enrol factories in QuizRR, which offers country-tailored training modules related to FOA and collective bargaining.

3.4.1.3 WAGES

Like most apparel & textile companies, we outsource production to independent manufacturers. This means we do not pay garment workers' salaries, nor can we decide how much they are paid. But there are many things we can do to have a positive impact on wages and wage development to give workers and their families better livelihoods. One way we try to do this is by setting clear standards and expectations for every supplier that makes our products, as well as acting if the standards are not met.

As per our Code of Conduct, suppliers' employees are entitled to at least the statutory minimum wage, or the standard benchmark rate

in the industry, whichever is higher, and should be enough to meet basic needs and provide some discretionary income. Beyond that, our Code of Conduct requires suppliers to respect Freedom of Association and expects them to be open and work on reaching a sustainable solution to providing fair wages negotiated through collected bargaining agreements.

As a member of ACT, BESTSELLER has committed to achieve living wages for workers in the global garment, textiles and footwear industry through collective bargaining at industry level and responsible purchasing practices. BESTSELLER has signed a memorandum of understanding regarding this with other brands, retailers and IndustriALL¹⁴¹.

3.4.1.4 WAGE DIGITALISATION

Digitalising payment of wages is something we support our suppliers in implementing. We require them to have strong, verifiable mechanisms to ensure workers are paid in full and on time. Our 2018 Fashion FWD strategy included a goal that by 2025, we will support all tier 1 factories in implementing digital payment of wages.¹⁴² Wage digitalisation offers many benefits, primarily for worker safety, as receiving and transporting volumes of cash can be dangerous. However, since setting this target we have learnt that wage digitalisation can also be problematic in some of our sourcing regions, for example where women do not have full control over their bank accounts or may not be living close to a physical branch of their nominated bank. In these cases, wage digitalisation can cause more harm than good, and for that reason we are no longer working towards this goal and instead focusing on higher priority human rights risks.

¹⁴⁰:
HiggBRM 2023 SWK12.IV

¹⁴¹:
HiggBRM 2023 SWK07

¹⁴²:
HiggBRM 2023 SWK04

3.4.1.5 GENDER-BASED DISCRIMINATION

We recognise that in some of our sourcing countries people have different expectations of gender, reflective of local cultural and legal contexts. Nonetheless, we are committed to achieving equal opportunities and responsibilities for women at our suppliers, regardless of where they are in the world.

One aspect of this commitment focuses on gender-based violence. We recognise there are many contexts and cultural norms that may restrict women and men from discussing or reporting their experiences related to sexual harassment and sexual and gender-based violence. Therefore, when developing gender-focused Social Impact Initiatives, we sometimes pursue partnership with trained experts to engage with workers and/or community members in discussion on these issues.¹⁴³

In relation to the wider commitments to improving women's rights in our supply chain, we have a public target: "By 2025, all women employed with our strategic suppliers are provided with and have access to the resources to make their own informed decisions about health and professional development."

In reflection of our view that one size does not fit all, we work with the following partners to deliver tailored women empowerment programmes at our suppliers' factories:¹⁴⁴

RISE in Bangladesh, Cambodia, China, India, and Pakistan (*RISE includes numerous country and language-tailored programmes such as HERhealth, HERessentials, HERfinance and HERrespect), ACEV in Türkiye, QuizRR in China and Bangladesh, and Phulki in Bangladesh. The RISE-managed HERproject develops tailor-made workplace education programmes that increase well-being, confidence, and economic potential of low-income women working in global supply chains. As well as giving women important life skills, our suppliers enrolled in the programmes report improved workplace communication and higher productivity, and workers report feeling more self-confident entering dialogue with management to find common solutions to everyday issues. Historically, BESTSELLER has worked with BSR to deliver women's

empowerment programmes in Bangladesh, India, China, Vietnam, Myanmar, Cambodia and most recently Pakistan. However, with BSR (now RISE) not covering Türkiye, which accounts for roughly 15 percent of our sourcing volumes, we have partnered with local NGO, ACEV – to develop and implement women's empowerment programme for our suppliers in Türkiye.

3.4.1.6 MIGRANT WORKERS

Migrant workers (both internal and international, including internally displaced persons and refugees) face heightened risk of discrimination in the global apparel supply chain.

This discrimination can take many forms, such as pay discrimination and deductions, poor working conditions, and forced labour. Given the well documented increased risk for human and labour rights abuses, we have committed to extra due diligence to better safeguard this group.

In 2023, BESTSELLER, in consultation with the UN's International Organization for Migration (IOM) developed a Migrant Worker Policy, which is publicly available on our website.

We are developing migrant labour risk focused Social Impact Initiatives to mitigate some of the risks faced by migrant workers in high-risk countries. In India, we are currently piloting a workplace training, called Upfront, focused on providing internal migrant workers with information regarding their workplace rights, social protection systems and available grievance mechanisms.¹⁴⁵

143:
HiggBRM 2023 SWK20

144:
ETI CTF 2023 3.3

145:
UNGP RF B.2.3.B, HiggBRM 2023 SWK43.VII, HiggBRM 2023 SWK44.IX and HiggBRM 2023 SWK47.IX

3.4.2 MITIGATING SPECIFIC ENVIRONMENTAL RISKS

3.4.2.1 SUPPLIER TRAININGS

Our regional Chemical & Environment teams offer suppliers training on industry best practices for environmental management systems. Suppliers and factory management teams are invited to attend these seminars, which are often provided free of charge. These teams also offer advice to factory management teams during the factory assessments, and when sharing the results of assessments offer guidance on how to improve their factory's rating, which contributes to the wider supplier Supplier Sustainability Evaluation. Having a public target of placing 75% of orders with highly rated suppliers offers additional incentive for factories to engage and take our feedback on board.¹⁴⁶

3.4.2.2 FWD>>ENV programme¹⁴⁷

As one of our largest sourcing markets, Bangladesh represents a large chunk of BESTSELLER's environmental footprint and an area where small improvements can make a significant difference.

Our key suppliers in Bangladesh are enrolled in the FWD>>ENV programme, a novel initiative that aims to go further than traditional corporate social responsibility initiatives by not only working with our suppliers to improve environmental performance at their factories, but to train their staff and create a team of qualified environmental experts with the hard and soft skills to effect real change.

The curriculum, which was designed by our implementing partner Bangladeshi consultancy Engineering Resources International (ERI), provides participants with the latest training on environmental supply chain management as well as leadership skills and incorporates the four pillars of the Fashion FWD strategy: design responsibly, produce leaner, work better, and consume better.

The FWD>>ENV programme is a two-year programme during which suppliers nominate their staff to participate in the programme. Each participant receives eight capacity building and four knowledge-sharing sessions along with two awareness-raising sessions for relevant supervisors and workers during follow-up visits. The course participants attend seminars where they receive training on technical topics such as steam engineering and process improvements, as well as leadership and communication skills.

Through the FWD>>ENV programme, BESTSELLER has funded ERI in the development of a Resource Tracking Information System (RTIS¹⁴⁸), which provides real-time analytics of resource usage at the factories enrolled in the programme. Where other tracking and verification tools, such as the Higg FEM for example, use annual readings, that are subsequently verified the following year, the RTIS provides real time data to both the factory management and BESTSELLER, and can be used to track improvements over a baseline across multiple KPIs, from GHG (Greenhouse Gas) emissions, thermal heat management, waste, etc. BESTSELLER is encouraging ERI to share the RTIS tool with other brands and suppliers, as it provides an unprecedented level of transparency on key environmental impact indicators. We also part-funded the factories enrolment in the FWD>>ENV programme, which included capacity building for enrolled factories' chemical and environmental managers, training them in industry best practices, including waste management.¹⁴⁹

This programme also has a focus on developing cases studies. To be awarded their certificate, the participants will have to develop action plans to address a specific issue at their factory and present the case studies to their peers. The focus here will be on these peers sharing their own experiences and collectively developing solutions and sharing ideas and techniques to overcome hurdles.

The project focus is on improving chemical management, water use, wastewater management, energy use, GHG emissions, waste, and environmental management systems. This curriculum is also designed to help suppliers improve their performance in the Higg FEM and will also help to improve the quality of the environmental data that factories collect and then report to their own partners and stakeholders. The

¹⁴⁶:
GSCDDA 6.4.3 part II

¹⁴⁷:
ETI CTF 2023 3.3, HiggBRM 2023 EWS26 HiggBRM 2023 ECL22, HiggBRM 2023 ECL09.II and HiggBRM 2023 ECL09.III

¹⁴⁸:
HiggBRM 2023 EWT16, HiggBRM 2023 EWS25 and HiggBRM 2023 EWS26

¹⁴⁹:
HiggBRM 2023 EWS26



ERI team also provides quarterly progress reports to the factory owner, the factory's senior management, and BESTSELLER.

In parallel, our in-country team of environmental experts work closely with the factory team during our regular assessments of the factories' environmental performance and on developing solutions and implementing changes to reduce the factory's environmental impact.

After a successful 2-year pilot in Bangladesh, this programme has been renewed in Bangladesh and expanded to Pakistan and India. To make the expansion relevant to the suppliers, the curriculum has been tailored to the risks and concerns regularly found in these sourcing countries. In 2023-24, 28 of the 30 factories enrolled in the pilot in Bangladesh, have enrolled in phase II of the programme, and will continue to participate for another two years.

The FWD>>ENV programme's expansion to Pakistan will engage 14 factories covering 67 percent of our sourcing volume in the country. Together with suppliers, we are setting reduction targets, which will be implemented in 2024-25. The Resource Tracking Information System (RTIS) will provide accurate, timely data on factory environmental performance. RTIS is being used by 71 production units in Bangladesh and Pakistan.

3.4.3 MITIGATING PRODUCT RISKS

Regarding safe chemicals, from a product safety perspective, we believe that engagement with our peers and industry stakeholders is key to reducing the risk of harm.¹⁵⁰

Beyond our own processes and policies, our efforts to mitigate this risk is directed at industry engagement and policy. BESTSELLER is a member of Swedish non-profit ChemSec's PFAS Movement, which advocates for reducing the use of PFAS in the apparel manufacturing industry. Their "No to PFAS" campaign brings together companies and organisations to accelerate legislation on hazardous substances. ChemSec wants to create a strong link between researchers, decision makers and companies in the fight against harmful chemicals. Through ChemSec's PFAS movement, BESTSELLER and our fellow member brands, are committed to getting hazardous fluorides covered by EU chemicals legislation, REACH, which lists the harmful chemicals that are banned from use in the EU. BESTSELLER has also cascaded the corresponding requirements through our supply chain, and we monitor all products for compliance through our chemical testing programme

BESTSELLER is a member of the AFIRM group whose mission is to reduce the use and impact of harmful substances in the apparel and footwear supply chain. Through our engagement in AFIRM, we can align with the industry on restricted substances, the limits to be set, test methods and chemical investigations and responses to legislative updates. AFIRM provides a unique forum to discuss chemical details, legislative changes, and different materials. It is also a great resource for us and other companies like us, as it produces materials in various languages that we can use in training for suppliers and stakeholders.

At BESTSELLER we endeavor to contribute proactively to these groups, so that peer brands can align and provide consistent guidance to our suppliers on how to reduce our collective chemical-related risks and impacts. In 2022, we developed a sampling guide; a resource instructing brands on how to run chemical test on product samples. We have shared this guide with AFRIM members, and is publicly available on their website, to share and align best practices with our industry

partners who may not have the resources to develop such guidance internally.

BESTSELLER also participates in multi-brand collaborative studies. One example of this was on the chemical content of post-consumer recycled textiles. The study, which was led by H&M and IKEA Group, was investigating the presence of legacy chemicals and potentially hazardous chemicals in recycled materials, a key roadblock to realising circularity in the textile industry.

¹⁵⁰:
HiggBRM 2023 ECH32 and
HiggBRM 2023 ECH33

4. Address & remediate

BESTSELLER is committed to identifying, addressing, and remediating human rights, environmental, and product safety risks within our supply chain, in alignment with industry best-practice guidance. We take proactive steps to ensure suppliers and their factories meet our Code of Conduct and supply chain sourcing policies. When concerns are identified, we collaborate with relevant partners and rightsholders to develop mutually agreed corrective action plans (CAPs), ensuring effective, accountable, and transparent remediation.¹⁵¹

4.1 GRIEVANCE IDENTIFICATION AND REPORTING MECHANISMS¹⁵²

BESTSELLER is open to all stakeholders in reporting of and engagement in remediating CoC violations in our supply chain.¹⁵³ There are multiple avenues and contact points for workers to raise grievances related to human rights risk and environmental harm.

BESTSELLER strictly prohibits any form of retaliation against whistleblowers or users of grievance mechanisms,¹⁵⁴ such prohibitions are outlined in our Code of Conduct. Complainants' confidentiality is prioritised, though there are instances where confidentiality may not be possible. In such cases, we secure permission from the relevant rightsholders before proceeding.

4.1.1 FACTORY ASSESSMENT AND INDUSTRY ENGAGEMENT

Most issues are identified through BESTSELLER's routine factory and supplier assessments, as outlined in Chapter 3. Additionally, reports may come from external sources such as unions, workers, local media, or NGOs, with whom we regularly engage as part of our due diligence efforts.

When approached by NGOs, multi-stakeholder initiatives (MSIs), or unions, we assure them that allegations will be taken seriously and investigated in accordance with the UN Guiding Principles on Business and Human Rights and the OECD Garment Sector Guidance. Examples of our processes can be found on the Business and Human Rights Resource Centre (BHRRC) website, which publishes case-related communications with BESTSELLER.¹⁵⁵

4.1.1 BESTSELLER WHISTLEBLOWER PROGRAMME

BESTSELLER's parent company, HEARTLAND, has a whistleblower programme that provides a safe and effective channel where colleagues and business partners can raise complaints and grievances concerning our group of companies. The whistleblower programme is managed by HEARTLAND A/S and United Law A/S.

¹⁵¹:
GSCDDA 7.1 and GSCDDA 9.3

¹⁵²:
ETI CTF 2023 2.8, UNGP RF C.2.B, UNGP RF C.1.A, GSCDDA 8.2, GSCDDA 8.4, GSCDDA 8.1 and HiggBRM 2023 GEB04

¹⁵³:
HiggBRM GEB05 and GSCDDA 9.1

¹⁵⁴:
HiggBRM 2023 GEB06 and GSCDDA 8.4

¹⁵⁵:
UNGP RF B.2.5.A and UNGP RF C.7.A

4.1.2 FACTORY-LEVEL GRIEVANCE REPORTING

As per our Code of Conduct, all production sites manufacturing BESTSELLER products are required to provide an anonymous method for workers to report grievances in their chosen language. Policies must be in place to protect workers who report complaints in good faith.¹⁵⁶

We assess all production sites on the availability and effectiveness of onsite grievance mechanisms. As part of our factory assessment process, we assess whether a suggestions box is implemented and working. The absence of such mechanisms in the appropriate languages and low-level worker awareness, would result in a mutually agreed corrective action plan (CAP), which would be subject to monitoring and escalation if it is unresolved.

In addition to that, our factory assessment process includes employee interviews. Interviewees are selected to represent a diversity of departments and perspectives, and offer workers opportunities for workers to raise grievances. These interviews are conducted on site, without the presence of factory management or a line manager, and information received here is treated confidentially and in line with relevant legislation.

4.1.3 INDUSTRY REPORTING MECHANISMS

BESTSELLER engages with several industry-level grievance reporting mechanisms, which are independent reporting mechanisms, aligned with the criteria for effective grievance mechanisms provided in the UNGP's on Business and Human Rights and relevant ILO guidance.¹⁵⁷

4.1.3.1 BANGLADESH: RMG SUSTAINABILITY COUNCIL

In Bangladesh, all BESTSELLER factories are covered by the RMG Sustainability Council's independent complaints mechanism, as per the International Accord agreement.

4.1.3.2 PAKISTAN: HEALTH AND SAFETY ACCORD PVT. LTD.

The Health and Safety Accord in Pakistan also provides a comprehensive complaints reporting mechanism for workers at BESTSELLER factories.

4.1.3.3 MYANMAR: ULULA PILOT

In Myanmar, BESTSELLER has launched a worker voice tool with Ulula and MICS, allowing workers to provide feedback anonymously. This pilot programme covers four factories with over 5,000 workers, and gives them the opportunity to raise grievances to via the platform.

4.1.3.4 ACT DISPUTE RESOLUTION MECHANISMS

In Myanmar and Bangladesh, ACT's dispute resolution mechanisms provide opportunity for raising grievances related to FOA and workers' rights particularly pertaining to due payment of wages and benefits., although ACT's operations in Myanmar are currently paused.

¹⁵⁶:
HiggBRM 2023 GEB07,
HiggBRM 2023 GEB08,
GSCDDA 9.1, UNGP RF C.1.B
and UNGP RF C.2.B

¹⁵⁷:
UNGP RF C.2.A



4.2 GRIEVANCE INVESTIGATION PROCESS

When potential violations are reported, BESTSELLER's local teams initiate investigations that typically involve unannounced assessments, worker interviews, and document verification. In some cases, we collaborate with other brands to triangulate findings. All investigations align with best practice guidelines, and responses follow a globally-aligned set of standard procedures and escalation protocols.

Our approach to worker interviews and stakeholder engagement ensures that sensitive information is handled with care, protecting workers from retribution. Confidential data is not included in CAPs and is shared with factory management only in aggregate form.

Local teams regularly engage with unions, NGOs, and other stakeholders as part of the investigation process.¹⁵⁸ However, it is critical to communicate our scope of responsibility clearly. For example, while we can investigate and ensure compliance with our Code of Conduct, we may not always have the leverage to address broader socio-economic issues outside this remit.

In some instances, external stakeholders such as unions or workers rights organisations contact BESTSELLER and other brands sourcing from a particular factory where they have a concern. In cases like this, we are open to collaboration with the other brands sourcing from the factory on the investigation. If appropriate, we share collaborate with brands that are willing to engage and contribute to the investigation process and can work together to triangulate findings.

Once a case has been investigated and allegations confirmed, it enters the resolution process. The majority of cases confirmed through in-

vestigations are non-critical, there are some that are “Critical” or “Zero-Tolerance” concerns. Critical concerns are defined as working conditions which involve risk to life (e.g. machine, fire, electrical, building safety, structural issues, sagging beams, cracks in concrete, including unsafe dormitories – that involves threat to life) or non-compliances related to forced labour indicators.

As describe above, at BESTSELLER, we take all concerns or suspected violations of our Code of Conduct at our suppliers seriously and conduct thorough investigations to verify such claims. However, there are instances where the investigation does not yield sufficient evidence to substantiate the allegations.

In such cases, our ability to take corrective action is limited to situations where verifiable breaches are identified. This limitation can understandably be frustrating for external stakeholders, and we do sometimes face criticism from these stakeholders when we are unable to corroborate their concerns. In cases where evidence is lacking, we do communicate our investigation results to the stakeholder and encourage them to provide any concrete information that may assist us in holding our suppliers accountable and ensuring compliance with our Code of Conduct.

¹⁵⁸:
UNGP RF B.2.3.B, UNGP RF C.7.A, UNGP RF C.7.B and UNGP RF B.2.5.B

4.3 GRIEVANCE HANDLING MECHANISMS & REMEDIATION

4.3.1 CORRECTIVE ACTION PLAN DEVELOPMENT AND MONITORING

When a non-compliance is identified, a Corrective Action Plan (CAP) is jointly developed between BESTSELLER and the factory management team. The CAP outlines specific corrective measures tailored to address the identified issues, aligned with industry best practices. All CAPs are mutually agreed upon and designed to prevent future occurrences of the same or similar violations.¹⁵⁹

BESTSELLER actively monitors the implementation of CAPs, with regular follow-ups to assess progress. The local team provides guidance and, where necessary, recommends training to ensure the factory has the resources and knowledge to implement the agreed changes.

If progress is insufficient or critical issues persist, the CAP is escalated in line with our established protocols, potentially leading to suspension of new orders or offboarding from our supply chain, as a last resort if all avenues have proven fruitless.¹⁶⁰

BESTSELLER applies standardized escalation protocols across all markets. These protocols ensure consistent handling of non-compliances and provide reliable data for continuous improvement.

Our escalation stages are as follows:

-
- **Stage 0: Notification of Concern** — Increased monitoring.
 - **Stage 1: Official Warning** — Impact on Supplier Sustainability Evaluation.
 - **Stage 2: Official Warning** — Financial penalties may apply.

— **Final Stage: Letter of Dismissal** — Offboarding the supplier or factory.

Factories not meeting minimum standards can be temporarily suspended while they work to address risks, particularly if these pose serious threats to workers, the environment, or the community.¹⁶¹

Please note that if Critical or Zero-Tolerance issues are found during an onboarding assessment, that factory is not onboarded or activated for production before all major or critical concerns are remediated.

In cases of labour disputes, our strategy is to handle complaints at the factory-level by encouraging unions and factory management to negotiate. As per ACT guidance on industrial relations, BESTSELLER does not adjudicate disputes, but instead encourages, supports, and respects the outcome of fair and transparent grievance mechanisms. BESTSELLER commits to collaborating with judicial or non-judicial mechanisms to provide access to remedy, and to work with suppliers to remedy adverse impacts that are directly linked to the company's operations, products, or services. We also commit to acting impartially, acting in accordance with BESTSELLER's values and standards articulated in the UNGP criteria on grievance mechanisms.¹⁶²

If appropriate and available, BESTSELLER also invites the factory to enrol in one of our training programmes designed prevent future violations.

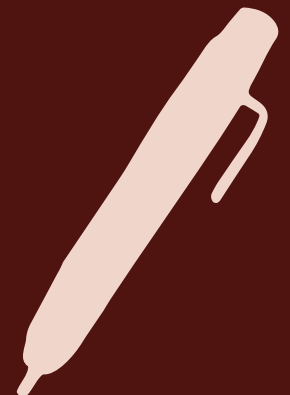
Examples of how BESTSELLER handles cases can be found on the BHRRC's Myanmar case tracker, where we provide detailed descriptions of each case, it's investigation, and if-confirmed how the cases were handled and harms redressed.

¹⁵⁹:
GSCDDA 7.2.1, GSCDDA 7.2 and GSCDDA 9.3.3

¹⁶⁰:
GSCDDA 7.3.1, GSCDDA 7.3.2 and GSCDDA 7.3.3

¹⁶¹:
GSCDDA 7.2.3

¹⁶²:
UNGP RF C.1.A, ETI CTF 2023 2.8, GSCDDA 8.2, GSCDDA 8.3 and HiggBRM 2023 SWK16



4.3.2 ALTERNATIVE DISPUTE RESOLUTION MECHANISMS AND COLLABORATION¹⁶³

4.3.2.1 BRAND COLLABORATION

In cases where multiple brands are sourcing from a factory facing non-compliance, BESTSELLER collaborates with these brands to address the concerns more effectively. A coordinated approach often strengthens the factory's commitment to remediation, as consistent pressure and unified expectations from multiple sourcing brands increase the likelihood of prompt and sustained corrective actions.

This collaborative effort not only improves factory compliance but also promotes a more transparent and cohesive response to supply chain risks across the industry.

4.3.2.2 INDUSTRY DISPUTE RESOLUTION MECHANISMS

Some cases are handled through or in partnership with industry-level dispute resolution mechanisms.

4.3.2.2.1 INTERNATIONAL ACCORD

The International Accord's complaints mechanism is operated on behalf of Accord signatories, including BESTSELLER, by independent complaints handlers who are trained in protecting confidentiality. Where an occupational health and safety complaint is found to have grounds, the complaints handler develops a resolution that ensures remediation of hazards and remedy for any harm done. BESTSELLER is notified, and if the lead brand at that facility, engaged in collaborative efforts to resolve the case and remediate any harm done.

4.3.2.2.2 ACT DISPUTE RESOLUTION MECHANISMS

In Myanmar and Bangladesh, BESTSELLER has used ACT dispute resolution mechanisms, which were developed to bring relevant industrial relations stakeholders together, to support employers and workers on the ground in addressing grievances related to Freedom of Association in an ILO-aligned methodology.

For industrial disputes in Myanmar, we still rely on IndustriALL-affiliated Industrial Workers' Federation of Myanmar (IWFM) negotiated and agreed upon the Myanmar Freedom of Association Guideline (FOA Guideline) and rely on our experience of the jointly developed a Framework Dispute Resolution Mechanism (DRM) to guide dispute resolution processes. However, since 2021, as ACT has paused its operations in Myanmar and there are no cases being raised through this DRM.

In Bangladesh, cases are still raised through the ACT DRM and handled as per the terms of the DRM agreements. Such cases are monitored and resolved in collaboration with our unions partners.

¹⁶³:
GSCDDA 7.2.2

4.4 TRAINING AND CAPACITY BUILDING

As part of our remediation process, factories are often required to enrol management or workers in targeted training programmes aimed at addressing specific risks. These training sessions are designed to equip factory staff with the knowledge and skills necessary to implement corrective measures and increase the likelihood of sustained corrective actions.

Training topics are tailored to the identified issues and may include health and safety practices, labour rights, or environmental management. BESTSELLER partners with local and international organisations to provide specialised training, ensuring that factory teams have access to the latest best practices and regulatory requirements. By building capacity within the factory, we aim to foster long-term improvements in working conditions and compliance. A list of these stakeholders is included in chapter 5 of this report.

4.5 ADDRESS & REMEDIATE REVIEW

*BESTSELLER regularly reviews its processes for identifying, addressing, and remediating harms and updates are made to improve practices and reduce the risk of harm happening in the future.*¹⁶⁴

For example, in India our local Social & Labour team was involved in remediating a case where contract workers that were assigned to a BESTSELLER factory did not receive due payments as per our Code of Conduct. On reflection, we agreed that our regular factory assessment was not sufficient to assess the risk that contract workers (workers employed by a labour organisation brought into the factory on a short-term basis to fulfil increased order volumes) were being paid correctly. Therefore, we added an India-specific set of requirements to verify and clearly track payments made by the principal employer to contract workers.

In addition to this, we carried out a global contract worker risk assessment to understand this risk across our supply chain. Our assessment found this is primarily a concern for the Indian market, where short term contract workers are used by factories to deal with peaks in production volume. We will continue to monitor this risk in other sourcing countries and bring in new assessment criteria to mitigate these risks in future if required.

164:
HiggBRM 2023 GEB09,
HiggBRM 2023 GEB10, UNGP
RF C.7.B, GSCDD 9.2, GSCDDA
8.5 and GSCDDA 9.3.4



4.6 ADDRESS & REMEDIATE: PRODUCT SAFETY

BESTSELLER manages chemical testing failures within its supply chain according to set protocols designed to reduce the risk of reoccurrence. Each style is tested for compliance with the RSL prior to being shipped. If a style fails, on any of the parameters detailed in the RSL, the supplier is informed of the fail and instructed to rework the order to our requirements. Once the supplier is confident the concern has been addressed it is re-submitted for testing. An order cannot be shipped until it has passed our RSL testing regime.

Suppliers that fail chemical tests are placed under observation and required to conduct higher levels of product testing, until their performance improves to a point where they are consistently passing product tests.

If it is discovered that an unsafe BESTSELLER product has made it to market (in terms of chemical content, flammability and general product safety), the relevant authority is notified, and product recall messages are communicated to consumers through brand website and in-store messages. This process is coordinated by the Sustainability, Legal Department, together with other relevant corporate functions and brands.¹⁶⁵

¹⁶⁵:
HiggBRM 2023 SCN15 and
HiggBRM 2023 SCN16

5. Track & transparency

5.1 SUMMARY OF DUE DILIGENCE EFFORTS

Summary of supply chain due diligence efforts 2023-24¹⁶⁶

1. Embed policies

BESTSELLER has updated the human rights policies which apply to its supply chain.

- **Migrant Labour Policy** — Informed by engagement with the UN agency for migration, IOM, this policy establishes clear expectations for suppliers regarding the recruitment and treatment of migrant workers.
- **Gender-Based Violence Policy** — This policy outlines BESTSELLER's expectations for suppliers to prevent and address gender-based violence, promoting a safe and respectful work environment for all employees.
- **Forced Labour Policy** — Developed in collaboration with worker representatives, this policy ensures that BESTSELLER's policies reflect its values and best practice expectations for the prohibition of forced labor in its supply chain.

The development and implementation of these policies, reflects our efforts to regularly review and update our standards to ensure their continued relevance and effectiveness in mitigating the risks we see in our supply chain.

2. Identify and assess

Over the past year, BESTSELLER has made progress in terms of updating its prioritised human rights risks list, and sharing that list with relevant internal colleagues as well as publishing that information in this report.

This risk identification and prioritisation process is the result of continuous engagement with stakeholders, such as labor unions, NGOs, and government authorities, to understand regional human rights risks. It also incorporates data and experiences from the factory assessment and supply chain monitoring process. This information helps BESTSELLER target resources effectively and implement appropriate risk mitigation measures.

3. Cease, prevent, and mitigate

BESTSELLER continuously implements various measures to cease, prevent, and mitigate identified human rights and environmental risks in its supply chain. Some key initiatives include:

- **Proactive engagement** — Continuous dialogue with suppliers on human rights issues, including capacity-building workshops and training programs. Please see below for data on the number of trainings conducted with our supply chain partners.
- **Supplier monitoring and incentivisation for improvement** — Regular assessments of supplier adherence to our supply chain policies continues, in order to continuously identify and address areas

¹⁶⁶:
GSCDDA 6.3.4, ETI CTF 2023 3.6
and HiggBRM 2023 SWK15 and
HiggBRM 2023 SWK44

of concern. This combined with the public target of placing 75% of orders with factories that are highly rated in our Supplier Sustainability Evaluation, has been a strong combination to incentivise factories to make changes to their ways of working to align with our expectations. 78% of product orders were placed at suppliers that are highly rated in our Supplier Sustainability Evaluation. Please see the Annual Report for more data on Supplier Sustainability Evaluation goal.

— **Innovation and collaboration** — We continue to partnering with other companies and industry organizations to develop solutions for tackling complex human rights and environmental challenges in global supply chains. Examples include the International Accord, which we have supported and engaged with in the rolling out of the occupational health and safety programme to Pakistan. This year we've also partnered with Ulula to roll out a worker voice tool pilot at suppliers in Myanmar. Please see our list of stakeholders to understand the many ways in which we partner

4. Address and remediate

In cases where actual or potential human rights violations are identified within its supply chain, BESTSELLER takes concrete steps to address and remediate the situation. These efforts have included:

— **Engaging with affected stakeholders** — Providing support to individuals who have been negatively affected, including ensuring payment lost wages, medical care, and access to justice. In Bangladesh, through our support of the Employment Injury Scheme pilot, whereby all workers engaged in the export oriented readymade garment sector have social protections, enabling the family of a worker who dies or a worker who has an accident and is permanently disabled at work to receive financial support.

— **Public reporting and transparency** — BESTSELLER continues to engage in reporting on the number, type, and resolution data on cases. We also continue to provide detailed responses to MSIs and labour rights

organisations, such as the Worker Rights Consortium and Business and Human Rights Resource Centre on the steps BESTSELLER has taken to investigate allegations, and if confirmed, provide remedy.

5. Track and transparency

Transparency plays a vital role in effective due diligence and accountability, both internally and externally. We have taken steps this year to foster trust with stakeholders, strengthen monitoring of risk indicators, and report effectively on our due diligence processes.

— This year, we have adapted and developed existing data systems to effectively track and monitor a growing list of human rights and environmental harm risk indicators, providing real-time insights and enabling better informed decision-making.

— This year, we have also developed this Supply Chain Due Diligence report and endeavoured to deliver greater transparency by providing detailed explanations and descriptions of the systems and processes in place that constitute our due diligence efforts.

5.2 HUMAN RIGHTS RISK MITIGATION DATA

167:
HiggBRM 2023 SWK15

Social impact initiatives delivered in calendar year 2023¹⁶⁷

— Please note number of workers reached refers to the calendar year, not the financial year.

— Please note while workers reached refers to number of individuals engaged in the programme, for programmes such as the Accord – “All” refers to workers covered by the programme, and may not necessarily denote direct engagement with safety training, for example.

Programme	Country offered	Description	Risks addressed	Workers reached 2023 (to nearest 1,000)
RISE	Bangladesh, Cambodia, China, India, Pakistan	Previously known as BSR HER project, RISE: Reimagining Industry to Support Equality is a collaborative initiative of BSR's HERproject, Gap Inc. P.A.C.E, CARE and Better Work supporting industry to advance equality for women workers in global garment supply chains.	Reduces risk of gender-based violence and discrimination in the workplace.	5,000
Accord: RSC	Bangladesh	The RSC conducts structural, electrical, fire and boiler safety inspections, at all BESTSELLER factories. The RSC monitors remediation of concerns found through corrective action plans. The RSC also conducts safety training for factory workers. It also operates an independent safety & health complaints mechanism available to all workers at Accord factories in Bangladesh.	The primary focus of the Accord is on structural building safety, but the grievance mechanism also provides brands with wider worker concerns, reducing the risk of human rights violations going unaddressed in factories.	All

Accord: Pakistan	Pakistan	The Pakistan Accord conducts structural, electrical, fire and boiler safety inspections, at all BESTSELLER factories. The Pakistan Accord monitors remediation of concerns found through corrective action plans. The Pakistan Accord also conducts safety training for factory workers. It also operates an independent safety & health complaints mechanism available to all workers at Accord factories in Pakistan.	The primary focus of the Accord is on structural building safety, but the grievance mechanism also provides brands with wider worker concerns, reducing the risk of human rights violations going unaddressed in factories.	NA in 2023
QuizRR	Bangladesh, China, India	QuizRR offers digital gamified training for workers and middle management in their local language. The courses focus on workers and employers rights and responsibilities, and other topics relevant to the factory-level risks and priorities.	Reduces risk of forced labour, ¹⁶⁸ provides training on proper wages & working hours, and reduces risk of workplace discrimination, including gender-based violence.	4,000
Power Programme, ACEV	Turkiye	ACEV's Power Programme provides trainings on topics linked to personal development and women's rights, critical thinking and effective communication.	This programme specifically targets gender-based discrimination and violence, and provides a wider introduction to appropriately addressing factory management with concerns and grievances.	<1,000
Childcare, Phulki	Bangladesh	Phulki provides childcare facilities at factories, and training for the childminders.	Reduces the risk of women leaving the workplace, improving gender equity in factories.	12,000
Migrant worker wellbeing, upfront	India	Workplace training focused on educating internal migrant workers understanding of workplace rights, social protection systems and available grievance mechanisms.	Internal migrant workers can make up to 70% of factory workforces in India. This group is at higher risk of forced labour, ¹⁶⁹ discrimination, and associated risks.	NA in 2023
Ulula	Myanmar	Worker voice tool, that gives workers a platform to raise concerns anonymously. Provides suppliers and BESTSELLER with data on worker concerns and grievances.	Transparency on worker concerns reduces all risk of human rights violations going unaddressed in factories, such as failure to pay wages, discrimination, etc.	NA in 2023

168:
HiggBRM 2023 SWK19

169:
HiggBRM 2023 SWK19

Employment Injury Scheme (EIS)	Bangladesh	Through supporting the EIS, BESTSELLER is supporting the provision of social security for all garment workers in Bangladesh. The EIS provides social security to any worker injured in their place of work. The EIS is also gathering comprehensive data and learnings on industry accidents, diseases, and rehabilitation best practices.	This programme provides social security to all garment workers in Bangladesh, reducing the risk of a workers family falling into poverty following an injury or death at work.	All
MADE's SMART training	Myanmar	Multi-Stakeholder Alliance for Decent Employment (MADE) runs the SMART Factories Programme, which aims to improve working conditions through training on labour standards and best practice working conditions.	Reduces risk of forced labour, ¹⁷⁰ provides training on proper wages & working hours, and reduces risk of workplace discrimination, including gender-based violence	8,000

170:
HiggBRM 2023 SWK19



Financial year human rights risk mitigation and engagement data (year on year comparison)

	2023—24	2022—23
Average RSC remediation rate in %	88% (as of 1Q24)	91.92% (as of 1Q23)
% of factories completed RSC's safety training	90% (as of 1Q24)	82.88% (as of 1Q23)
GOAL: % of strategic suppliers reached by BS women empowerment programmes	83%	38%
Since 2012, total number of women reached in supply chain	203,176	150,730
QuizRR: Number factories by country	6 in Bangladesh, 2 in India	5 in BD
QuizRR: Number of employees	29,567	13,263
QuizRR: Number of modeles completed	134,308	43,010

5.3 ENVIRONMENTAL IMPACT RISK MITIGATION DATA

Factory management teams supported through capacity building/knowledge sharing in 2023 and 2024

Impact area	Year	Country	Number of sessions	Avg. No. of participants pr. session	Training Partner
Higg FEM and ETP operation	2023	Pakistan	1	38	BESTSELLER
Baseline assessment training (water and energy tracking, monitoring and data keeping)	2023	Bangladesh	1	57	ERI
BESTSELLER RSL testing programme & challenges	2023	Bangladesh	4	96	SGS
BHive (chemical inventory management tool)	2023	Bangladesh	2	50	BESTSELLER
BHive (chemical inventory management tool)	2023	Bangladesh	1	25	BHive
Higg FEM	2023	Bangladesh	1	44	BESTSELLER
Chemical management	2023	Pakistan	1	40	BHive
Chemical management	2024	Bangladesh	2	25	ERI (FWD>>ENV)
Climate action training batch 1 (GHG emission, GHG accounting, target setting etc)	2024	Bangladesh	8	75	ERI (FWD>>ENV)
Climate action training batch 2 (GHG emission, GHG accounting, target setting etc)	2024	Bangladesh	5	41	ERI (FWD>>ENV)

Environment annual meeting & Higg FEM 4.0 training	2024	China	1	309	SGS
Environmental management	2023	Turkey	1	80	BESTSELLER
Environmental management	2023	India	1	30	BESTSELLER
Environmental management	2024	Pakistan	1	45	BESTSELLER
Environmental management requirments and supplier sustainability evaluation	2023	Turkey	1	45	BESTSELLER
Environment program training in Cambodia	2023	Cambodia	2	30	BESTSELLER
Environment programs training for new person	2023	China	1	28	BESTSELLER
Supplier sustainability rating	2023	India	15	4	BESTSELLER
ETP operation and process control	2023	Bangladesh	2	84	BESTSELLER
Higg FEM	2024	Turkey	1	66	Minerva Sustainability
Higg FEM & environmental management	2024	India	2	15	BV
Best practice and knowledge sharing session	2024	Bangladesh	2	50	ERI
KPI trend & root cause analysis of the suppliers	2023	Bangladesh	2	75	ERI (FWD>>ENV)
Environmental management	2023	Turkey	1	NA	BESTSELLER
Supplier soft skills session: presentations	2024	Bangladesh	1	38	ERI

Process optimisation, chemical management, energy, water & co2 emissions.	2024	Pakistan	1	50	ERI (FWD>>ENV)
Renewable Energy & Rainwater Harvesting: Overcoming Implementation Challenges	2023	Bangladesh	2	74	ERI (FWD>>ENV)
BESTSELLER RSL testing programme & challenges	2024	India	1	45	SGS
BESTSELLER RSL testing programme & challenges and chemical rating Q&A	2023	Pakistan	1	56	BESTSELLER
BESTSELLER RSL testing programme & challenges	2024	Pakistan	1	60	BESTSELLER
BESTSELLER RSL testing programme & challenges	2024	Pakistan	1	25	SGS
Environmental management	2024	China	4	10	BESTSELLER
Supplier sustainability evaluation	2023	India	2	8	BESTSELLER
BESTSELLER RSL testing programme & challenges	2023	Bangladesh	2	85	SGS & BV
BESTSELLER RSL testing programme & challenges	2023	Pakistan	2	59	SGS & BV
Higg FEM	2023	Bangladesh	2	90	BESTSELLER
Updated RSL, RSL test program & chemical rating system	2024	Turkey	1	60	BESTSELLER
Waste management	2023	Turkey	1	NA	BESTSELLER
Wastewater (including ETP)	2023	Turkey	1	NA	BESTSELLER

5.4 GRIEVANCES RAISED AND ADDRESSED DATA

During the 2023-24 financial year, we identified and solved hundreds of minor non-compliances at factory level and conducted 97 in-depth investigations into allegations of critical and zero-tolerance non-compliance with our supply chain requirements.

These cases refer to allegations of critical Code of Conduct non-compliance, as well as escalation procedures for factories that did not meet Corrective Action Plans timelines for less critical Code of Conduct violations.

	2023—24	2022—23
Number of investigations	97	88
Case status (30 Aug)	68%	66%
Supplier offboarded	2	1
Investigation found no evidence	14%	7%
Case resolution in progress at time of reporting	16%	26%

% cases raised via	2023—24	2022—23
BESTSELLER Factory Standards Programme & colleagues	19	32
Media	18	20
Accord/RSC	15	17
3rd party audit companies	2	5
International NGOs	9	5
Local NGOs	8	3
Local Federation/ Union	11	5
International unions	0	3
Anonymous	1	0
Other	16	10
Total	99	100

Most common case type %	2023—24	2022—23
	Wages & benefits 28%	Unauthorized subcontracting 25%
	Occupational health & safety 14%	Wages & Benefits 12%
	Worker unrest related risks 14%	Occupational health & safety 11%

This financial year, the largest categories of confirmed cases were wages & benefits (28 percent), occupational health and safety (14 percent), and risks related to worker unrest/protests (14%).

The case resolution data is as follows: 14% of cases investigated were dismissed after the investigation found no evidence of violation. 68% of cases had been closed as of 31st July, meaning required action has been taken and remediation is either completed or on track for completion within stakeholder agreed timelines. The remaining cases are in progress (e.g. monitoring CAP progress). Two suppliers were offboarded during the reporting period, one was a case of attempted bribery, and the second related to consistent failure to comply with the Code of Conduct.

The cases were raised via the following channels:

19 percent came from BESTSELLER monitoring, 18 percent from media, 16 percent from other, 15 percent from the Accord/RSC (please note Accord/RSC can raise non-OHS cases (8 percent of the 15 percent of cases were non-OHS), 9 percent came from international NGOs, 8 percent from local NGOs, unions raised 11 percent of the cases, 2 percent came from 3rd party auditing companies, and 1 case was delivered anonymously in writing to a BESTSELLER sourcing office.

Coordinating with the relevant stakeholders and rightsholders is an essential part of effective due diligence. We coordinate employer associations, labour rights organizations, factory level unions, federation level unions and global unions, ethical trade and human rights consultancy organizations in resolution of these cases.

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5.5.4.1 COMMUNICATION ON CASES

In some cases, we communicate directly with or with proxies of affected stakeholders to account for how a case has been addressed or an impact has been remediated. Depending on the cases, these can be communicated externally, e.g., when asked to respond to allegations of CoC violations by [Business and Human Rights Resource Centre](#). In some instances, we report on a regular basis, for example in our bi-annual [Region of Heightened Human Rights Risk Report](#).

In all instances, these communications are designed to provide sufficient material information to illustrate that adequacy of our response to the case and to do so in a manner that does not pose risks to affected or related stakeholders.

5.5.4.2 REFLECTIONS ON GRIEVANCE DATA

There is still a need to focus on factory-level wage systems. BESTSELLER will continue to invest in training both workers and factory management in methods for effective social dialogue and understanding of wage legislation so both sides have strong understandings and fair expectations.

5.5 SUPPLY CHAIN STAKEHOLDERS

We work with numerous stakeholders to manage our human rights, environmental and chemical risks in BESTSELLER's supply chain.

- **ACEV** — Mother Child Education Foundation based in Türkiye. We partner with ACEV to develop and run a women empowerment programme for key suppliers in Turkey.
<https://www.acev.org/en/about-us/>
- **ACT** — BESTSELLER is a member of Action Collaboration Transformation (ACT) – an agreement between 21 major global brands and IndustriALL Global Union to support the development of an industry that prioritises decent work, based on freedom of association, collective bargaining and living wages. As a member of ACT, BESTSELLER commits to taking steps to improve its purchasing practices to facilitate achievement of living wages for workers in its supply chain.
- **AFIRM** — BESTSELLER is a member of the AFIRM group whose mission is to reduce the use and impact of harmful substances in the apparel and footwear supply chain.
<https://afirm-group.com/>
- **Alliance for Water Stewardship** — BESTSELLER became a member of the AWS in 2019 and is working with suppliers in water-stressed regions to apply AWS' standard framework for major water-users to achieve sustainable water management within a river catchment area.
- **Bangladesh, Employment Injury Scheme (EIS)** — The EIS is a pilot scheme for Bangladesh's garment industry and provides compensation in-kind benefits for medical treatment and rehabilitation services, and in-cash benefits for income loss – providing a social safety net to workers in the country's garment industry. BESTSELLER is one of several brands participating in this pilot.
- **BluWin** — Environmental consulting company, specialised in wet-processing, aims to help customers reduce the environmental footprint from textile, leather, apparel, and footwear production. BESTSELLER commissioned BluWin to do an environmental risk assessment of its supply chain in 2022 and regularly consults with the team on updates to policies and processes.
- **Business and Human Rights Resource Centre (BHRRC)** — BHRRC is a non-profit organisation drawing attention to the human rights impacts of international businesses. BESTSELLER engages with BHRRC on allegations of human rights violations related to BESTSELLER.
- **ChemSec** — This is an independent non-profit organisation based in Sweden that advocates for substitution of toxic chemicals to safer alternatives. BESTSELLER engages with the organisation, and for example, took part in ChemSec's No to PFAS (Polyfluoroalkyl Substances) Movement, which advocates for reducing the use of PFAS in the apparel manufacturing industry.
- **Clean Clothes Campaign (CCC)** — This organisation represents a network of NGO's and labour representatives focused on improving working conditions in the garment industry. BESTSELLER works with the CCC in multiple forums, such as in the International Accord, where the CCC is a witness signatory.
- **Engineering Resources International** — ERI is a sustainability engineering company and our specialist third party implementation partner for the FWD>ENV programme in Bangladesh.
- **Ethical Trade Denmark** — Ethical Trade Denmark is a Danish multi-stakeholder platform for responsible and sustainable trade. Bringing together private and public partners from companies, business and trade organisations, the trade union movement, civil society organisations, public institutions, and foundations. BESTSELLER is a member and board member of Ethical Trade Denmark. Ethical Trade Denmark is a sister organisation to the UK based Ethical Trading Initiative.



- **Ethical Trading Initiative** — ETI is a UK-based alliance of companies, trade unions and NGOs that promote respect for workers' rights around the globe.
- **EuroCham Myanmar** — In 2020 BESTSELLER joined the European Chamber of Commerce in Myanmar and have been working with other brands in the Garment Advocacy Group to support the sustainable development of the garment sector.
- **Federation of Dutch Trade Unions (FNV)** — FNV is the largest trade union in the Netherlands. FNV is also engaged internationally in BESTSELLER's sourcing countries. BESTSELLER consults FNV on various labour and human rights related topics.
- **GIZ (The Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH)** — In 2022, BESTSELLER committed to support an Employee Insurance Scheme pilot, which has been developed by the International Labour Organisation (ILO) and GIZ. The pilot scheme aims to bring security to Bangladeshi export garment industry workers by providing a system for financial support for workplace accidents resulting in deaths and permanent disabilities in the export oriented RMG sector.
- **GoBlu/BHive** — The BHive is an app developed by German-based fashion transparency company GoBlu, which brings a new level of transparency to chemical inventory management processes, helping suppliers share their inventories and us monitor chemical usage in our products.
- **Higg FEM** — The Higg Facility Environmental Module (Higg FEM) is an industry-wide tool developed by the Sustainable Apparel Coalition (SAC). It is designed for the apparel and footwear industry to measure performance across seven impact areas, environmental management systems, water use, wastewater, chemical use, waste management, energy use and greenhouse gas emissions.
- **Higg Facility Social & Labor Module (FSLM) and Social Labour Convergence Programme (SLCP) assessment** — BESTSELLER is

also a signatory to the SCLP, which aims to reduce duplicative social and labour audits and audit fatigue, by offering one Converged Assessment Framework (CAF) that can be accepted across multiple brands. BESTSELLER accepts verified SLCP assessments, as equal to 3rd party audits and integrates the data into our own systems. BESTSELLER supports suppliers that wish to use the SLCP tools by accepting the SLCP verified data, but we do not require suppliers to adopt SLCP if they do not wish to do so.

- **IndustriALL** — IndustriALL is a global union federation, founded in Copenhagen and based in Switzerland. BESTSELLER works closely with this organisation in multiple forums, such as in the International Accord, where IndustriALL is a member of the Steering Committee, and ACT, where IndustriALL is a member of the Board.
- **International Accord** — BESTSELLER is a signatory to the International Accord for Health and Safety in the Textile and Garment Industry. BESTSELLER also contributes to the governance of the International Accord Steering Committee.
- **International Labour Organisation (ILO)** — BESTSELLER regularly engages and takes note of guidance from the ILO on industry concerns. For example, BESTSELLER supports the ILO's Employment Injury Scheme initiative in Bangladesh.
- **Institute of Public Affairs (IPE)** — In China, BESTSELLER cooperates with the Institute of Public Affairs (IPE), a non-profit environmental research organisation based in Beijing that monitors many aspects of environmental supply chain management and records suppliers' performance on a public database.
- **Leather Working Group** — In 2022, BESTSELLER joined the LWG, an NGO that provides industry's most credible assessment methodology for leather production facilities. We rely on LWG to assess the environmental performance of leather manufacturing facilities, as well as basic social and labour performance, and factories' operating permits, traceability, restricted substances list compliance.

- **ME SOLshare Ltd** — Clean technology company based in Bangladesh. They are a partner with BESTSELLER's parent company, HEARTLAND, with whom we have formed a SPV, Greener Garment Initiative, which is a power company that buys, installs, and maintains solar power plants atop the roofs of suppliers, who then purchase the power.
- **Multi-Stakeholder Alliance for Decent Employment in Myanmar (MADE in Myanmar)** — BESTSELLER has worked with this organisation since 2019. It has three components: the SMART Factories Programme, the Forum on Supply Chain Conduct, and the Centre for Women's Advancement. When relevant, BESTSELLER nominates suppliers and factories for SMART TAG training.
- **Myanmar Centre for Responsible Business (MCRB)** — The Myanmar Centre for Responsible Business is an initiative to encourage responsible business activities throughout Myanmar. The Centre is a joint initiative of the Institute for Human Rights and Business (IHRB) and the Danish Institute for Human Rights (DIHR). We consult regularly with MCRB as part of our due diligence on emerging risks in Myanmar.
- **Myanmar Industry Craft Service-Trade Unions Federation (MICS)** — BESTSELLER engages closely with MICS in relation to development of social impact programmes in Myanmar in response to salient human rights risks in the country. The organisation has been consulted in the development of worker voice tools and grievance mechanisms.
- **OECD National Contact Point Denmark (NCP Denmark)** — The Danish Mediation and Complaints-Handling Institution for Responsible Business Conduct – also known as NCP Denmark – is the Danish National Contact Point of the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. BESTSELLER engages with and seek advice from NCP Denmark, on topics related to Responsible Business Conduct.
- **Phulki, Bangladesh** — BESTSELLER has partnered with Phulki, an NGO that specializes in setting up childcare facilities at workplaces, to pilot childcare facilities at two suppliers. Phulki's role is to conduct a needs assessment and make recommendations to the factories on their childcare facilities and support caretaker training and provide operational supervision support to ensure the quality of childcare facilities is sustained at factories.
- **RISE** — In 2023, BSR's HERproject, Gap Inc., P.A.C.E, CARE, and Better Work joined to form a new initiative called RISE: Reimagining Industry to Support Equality to scale impact and accelerate equality for women workers in global garment, footwear, and home furnishings supply chains. RISE provides country and language-tailored women empowerment programmes on a variety of topics including health, digital tools, financial planning, respect in the workplace, and advancement and leadership.
- **RMG Sustainability Council (RSC), Bangladesh** — BESTSELLER continues the Accord's occupational health and safety program in Bangladesh through the RSC. From 1 June 2020 onwards, the Accord signatories' obligations with respect to inspections, remediation and workplace programs at their supplier factories have been implemented through the RSC.
- **QuizRR** — BESTSELLER has been working with QuizRR since 2019. The company's focus is on educating workers and middle management at our suppliers' factories on employee rights, employer responsibilities, and health and safety.
- **Ulula** — Ulula is a technology company that provides multi-channel mobile platforms for brands to engage with workers in their supply chains. In partnership with Ulula and MICS, BESTSELLER has developed an assessment for workers to provide feedback to their workplace on areas for improving working conditions and employer well-being.
- **United Nations International Organization for Migration (IOM)** — In 2022, BESTSELLER consulted the IOM in the development of a new policy to address the increased human rights risks facing migrant workers in our supply chain.

- **United Federation of Danish Workers (3F)** — 3F is the largest trade union in Denmark. 3F is also engaged internationally in BESTSELLER's sourcing countries. BESTSELLER consults 3F on various labour and human rights related topics.
- **UNI Global Union** – BESTSELLER works with this global union federation for the skills and services sectors through our work on the International Accord, where the organisation is a signatory representative.
- **Workers' Rights Consortium** — An independent labour rights monitoring organization focused on protecting the rights of workers who sew apparel and make other products sold in the United States. BESTSELLER works with the WRC in multiple forums, such as in the International Accord, where the WRC is a witness signatory, and we work with WRC in identifying and resolving cases of labour rights abuses in our supply chain.

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REPORTING REQUIREMENT AND/OR INFORMATION REQUESTED	FOOTNOTE WHERE RESPONSE GIVEN
Lieferkettengesetz (German Supply Chain Due Diligence Act, GSCDDA)	
The enterprise must prepare an annual report on the fulfilment of its due diligence obligations in the financial year and make it publicly available free of charge on the enterprises website no later than four months after the end of the FY for a period of seven years.	Whole report articulates fulfillment of due diligence obligations in past financial year.
Whether the enterprise has identified any human rights and environment-related risks or violations of a human right-related or environment-related obligation, and if so, which ones	GSCDDA 10.2.1
What the enterprise has done to fulfill its due diligence obligations with reference to the measures described in sections 4 to 9; this also includes the elements of the policy statement pursuant to 6)2) as well as measures taken by the enterprise as a result of complaints pursuant to section 8 or section 9. (4) (1)Enterprises must establish an appropriate and effective risk management system to comply with due diligence obligations (section 3 (1)). Risk management must be enshrined in all relevant business processes through appropriate measures.	Whole report endeavors to articulate actions and processes implemented to fulfill due diligence obligations.
How the enterprise assesses the impact and effectiveness of the measures and what conclusions it draws from the assessment for future measures	Please see Chapter 5. Track & Transparency.
(2) Effective are those measures that make it possible to identify and minimise human rights and environment-related risks and to prevent, end or minimise the extent of human rights-related or environment-related obligations if the enterprise has caused or contributed to these risks or violations within the supply chain.	Please see Chapter 5. Track & Transparency.

<p>(3) The enterprise must ensure that it is determined who within the enterprise is responsible for monitoring risk management, for example by appointing a human rights officer. Senior management must seek information on a regular basis, at least once a year, about the work of the responsible person or persons.</p>	GSCDDA 4.3
<p>(4) In establishing and implementing its risk management system, the enterprise must give due consideration to the interests of its employees, employees within its supply chains and those who may otherwise be directly affected in a protected legal position by the economic activities of the enterprise or by the economic activities of an enterprise in its supply chains.</p>	GSCDDA 4.4
<p>5) (1) As part of risk management, the enterprise must conduct an appropriate risk analysis in accordance with paragraphs (2) to (4) to identify the human rights and environment-related risks in its own business area and at its direct suppliers. In cases where an enterprise has structured a direct supplier relationship in an improper manner or has engaged in a transaction in order to circumvent the due diligence obligations with regard to the direct supplier, an indirect supplier is deemed to be a direct supplier.</p>	GSCDDA 5.1
<p>(2) The identified human rights and environment-related risks must be weighted and prioritised appropriately. The criteria listed in section 3 (2), amongst others, are decisive in this regard.</p>	GSCDDA 5.2
<p>(3) The enterprise must ensure that the results of the risk analysis are communicated internally to the relevant decision-makers, such as the board of directors or the purchasing department.</p>	GSCDDA 5.3
<p>(4) The risk analysis must be carried out once a year as well as on an ad hoc basis if the enterprise must expect a significantly changed or significantly expanded risk situation in the supply chain, for example due to the introduction of new products, projects or a new business field. Findings from the processing of reports according to section 8 (1) are to be taken into account.</p>	GSCDDA 5.4
<p>(1) If an enterprise identifies a risk in the course of a risk analysis pursuant to section 5, it must take appropriate preventive measures pursuant to paragraphs (2) to (4) without undue delay.</p>	GSCDDA 6.1
<p>(2) The enterprise must issue a policy statement on its human rights strategy. Senior management must adopt the policy statement. The policy statement must contain at least the following elements of a human rights strategy of the enterprise:</p>	<u>Human Rights Policy</u>
<p>1. the description of the procedure by which the enterprise fulfils its obligations under section 4 (1), section 5 (1), section 6 (3) to (5), and sections 7 to 10,</p>	See references to GSCDDA 5.1, 6.3 and 6.5

2. the enterprise's priority human rights and environment-related risks identified on the basis of the risk analysis and	GSCDDA 6.2.2
3. the definition, based on the risk analysis, of the human rights-related and environment-related expectations placed by the enterprise on its employees and suppliers in the supply chain.	GSCDDA 6.2.3
(3) The enterprise must lay down appropriate preventive measures in its own area of business, in particular:	
1. the implementation of the human rights strategy in the relevant business processes set out in the policy statement,	GSCDDA 6.3.1
2. the development and implementation of appropriate procurement strategies and purchasing practices that prevent or minimize identified risks,	GSCDDA 6.3.2
3. the delivery of training in the relevant business areas,	GSCDDA 6.3.3
4. the implementation of risk-based control measures to verify compliance with the human rights strategy contained in the policy statement in its own business area.	GSCDDA 6.3.4
(4) The enterprise must lay down appropriate preventive measures vis-à-vis a direct supplier, in particular:	
1. the consideration of human rights-related and environment-related expectations when selecting a direct supplier,	GSCDDA 6.4.1
2. contractual assurances from a direct supplier that it will comply with the human rights-related and environment-related expectations required by the enterprise's senior management and appropriately address them along the supply chain,	GSCDDA 6.4.2
3. the implementation of initial and further training measures to implement the contractual assurances made by the direct supplier according to number 2,	GSCDDA 6.4.3 part I and part II
4. agreeing on appropriate contractual control mechanisms and their risk-based implementation to verify compliance with the human rights strategy at the direct supplier.	GSCDDA 6.4.4

(5) The effectiveness of the preventive measures must be reviewed once a year and on an ad hoc basis if the enterprise must expect a significantly changed or significantly expanded risk situation in its own business area or at its direct supplier, for example due to the introduction of new products,	GSCDDA 6.5
(1) If the enterprise discovers that a violation of a human rights-related or an environment-related obligation has already occurred or is imminent in its own business area or at a direct supplier, it must, without undue delay, take appropriate remedial action to prevent, end or minimise the extent of this violation. Section 5 (1) sentence 2 applies accordingly. In its own business area in Germany, the remedial action must bring the violation to an end. In the own business area abroad and in the own business area pursuant to section 2 (6) sentence 3, the remedial action must usually bring the violation to an end.	GSCDDA 7.1
(2) If the violation of a human rights-related or an environment-related obligation at a direct supplier is such that the enterprise cannot end it in the foreseeable future, it must draw up and implement a concept for ending or minimising the violation without undue delay. The concept must contain a concrete timetable. When drawing up and implementing the concept, the following measures in particular must be taken into consideration:	GSCDDA 7.2
1. the joint development and implementation of a plan to end or minimise the violation with the enterprise causing the violation,	GSCDDA 7.2.1
2. joining forces with other enterprises in sector initiatives and sector standards to increase the ability of influencing the entity that causes or may cause a harm,	GSCDDA 7.2.2
3. a temporary suspension of the business relationship while efforts are made to minimise the risk.	GSCDDA 7.2.3
(3) The termination of a business relationship is only required if	
1. the violation of a protected legal position or an environment-related obligation is assessed as very serious,	GSCDDA 7.3.1
2. the implementation of the measures developed in the concept does not remedy the situation after the time specified in the concept has elapsed,	GSCDDA 7.3.2
3. the enterprise has no other less severe means at its disposal and increasing the ability to exert influence has no prospect of success.	GSCDDA 7.3.3

<p>The effectiveness of the remedial action must be reviewed once a year and on an ad hoc basis if the enterprise must expect a significantly changed or significantly expanded risk situation in its own business area or at the direct supplier, for example due to the introduction of new products, projects or a new business field. Findings from the processing of reports according to section 8 (1) are to be taken into account. The measures must be updated without undue delay if necessary.</p>	GSCDDA 7.4
<p>(1) The enterprise must ensure that an appropriate internal complaints procedure is in place in accordance with paragraphs (2) to (4). The complaints procedure enables persons to report human rights and environment-related risks as well as violations of human rights-related or environment-related obligations that have arisen as a result of the economic actions of an enterprise in its own business area or of a direct supplier. Receipt of the reported information must be confirmed to the person having reported the information. The persons entrusted by the enterprise with the implementation of the procedure must discuss the facts with the persons having reported the information. They may offer a procedure for amicable settlement. The enterprises may instead participate in an appropriate external complaints procedure, provided it meets the following criteria.</p>	GSCDDA 8.1
<p>(2) The enterprise establishes rules of procedure in text form which are publicly available.</p>	GSCDDA 8.2
<p>(3) The persons entrusted by the enterprise with the conduct of the proceedings must offer a guarantee of impartiality; in particular, they must be independent and not bound by instructions. They are bound to secrecy.</p>	GSCDDA 8.3
<p>(4) The enterprise must make clear and comprehensible information on accessibility and responsibility and on the implementation of the complaints procedure publicly available in an appropriate manner. The complaints procedure must be accessible to potential parties involved, must maintain confidentiality of identity and must ensure effective protection against disadvantage or punishment as a result of a complaint.</p>	GSCDDA 8.4
<p>(5) The effectiveness of the complaints procedure must be reviewed at least once a year and on an ad hoc basis if the enterprise must expect a significantly changed or significantly expanded risk situation in its own business area or at the direct supplier, for example due to the introduction of new products, projects or a new business field. The measures must be repeated without undue delay if necessary.</p>	GSCDDA 8.5
<p>(1) The enterprise must set up the complaints procedure pursuant to section 8 in such a way that it also enables persons to report risks to human rights or environment-related risks as well as violations of human rights-related or environment-related obligations that have arisen due to the economic actions of an indirect supplier.</p>	GSCDDA 9.1

(2) The enterprise must adapt its existing risk management system as defined in section 4 in accordance with paragraph (3) below.	GSCDDA 9.2
(3) If an enterprise has actual indications that suggest that a violation of a human rights-related or an environment-related obligation at indirect suppliers may be possible (substantiated knowledge), it must without undue delay and as warranted	GSCDDA 9.3
1. carry out a risk analysis in accordance with section 5 (1) to (3),	GSCDDA 9.3.1
2. lay down appropriate preventive measures vis-à-vis the party responsible, such as the implementation of control measures, support in the prevention and avoidance of a risk or the implementation of sector-specific or cross-sector initiatives to which the enterprise is a party,	GSCDDA 9.3.2
3. draw up and implement a prevention, cessation or minimisation concept and	GSCDDA 9.3.3
4. update its policy statement in accordance with section 6 (2), if necessary.	GSCDDA 9.3.4
OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector	
Communicate publicly on the enterprise's due diligence processes, including how the enterprise has addressed potential and actual harm	OECD GI 24
Increase sector transparency – collaboration can help to facilitate the disclosure of aggregate information, for example, on supplier assessments, corrective action taken and measured improvements and therefore increase the transparency of the sector broadly, while enabling individual enterprises to communicate on site-level information as they are ready.	OECD GI 29
Enterprises express their commitment to respect human rights through a statement of policy that: (i) is approved at the most senior level of the enterprise;	OECD GI 1.1
(ii) is informed by relevant internal and/or external expertise;	OECD GI 1.1-ii
(iii) stipulates the enterprise's human rights expectations of personnel, business partners and other parties directly linked to its operations, products or services;	OECD GI 1.1 iii
(iv) is publicly available and communicated internally and externally to all personnel, business partners and other relevant parties;	OECD GI 1.1 iv

(v) is reflected in operational policies and procedures necessary to embed it throughout the enterprise	OECD GI 1.1 v
The enterprise's RBC policy or policies. The enterprise should likewise communicate any additional value statements to which the company subscribes (e.g. through participation in sector initiatives, agreements with trade unions or multi-stakeholder initiatives).	OECD GI 5.1
The enterprise's due diligence management systems, including how due diligence is incorporated into decision-making processes and information management systems to support due diligence.	OECD GI 5.1.1
The most significant risks of harm in the enterprise's own operations and in its supply chain. The enterprises should likewise explain its processes for assessing those risks. Where the enterprise has prioritised some risks of harm for immediate attention, it should justify its prioritisation process.	OECD 5.1.2
The components of the enterprise's plan to prevent or mitigate harm in its own operations and in its supply chain and the effectiveness of those measures.	OECD 5.1.3
Where relevant, the enterprise's intent in policy engagement as well as the outcomes of the engagement itself.	OECD 5.1.4
The enterprise's systems to provide access to remediation in its own operations and its supply chain. Enterprises may also choose to disclose cases that are brought against the enterprise and how they were resolved.	OECD 5.1.5
How the enterprise engages meaningfully with its stakeholders: If the enterprise is engaging with a sector or multi-stakeholder initiative for the purposes of collaborating on due diligence and which specific components the enterprise is collaborating on (e.g. collaboration on identification of risks, supplier assessments, etc.). The enterprise should publicly communicate information annually at a minimum. Communication may take a number of forms. However, in all cases, information should be maintained and communicated in a way that is relevant, accurate, current, clear and user-friendly and enable intended users to access information. The enterprise is also encouraged to make information available in plain language	OECD 5.1.6
<ul style="list-style-type: none"> • a list of their direct suppliers 	OECD 5.1.7
<ul style="list-style-type: none"> • the grievances raised against them and how those grievances were addressed. 	OECD 5.1.8

<p>5.2 Communicate with affected stakeholders: in order to account for how they address their human rights impacts, business enterprises should be prepared to communicate this externally, particularly when concerns are raised by or on behalf of affected stakeholders. Business enterprises whose operations or operating contexts pose risks of severe human rights impacts should report formally on how they address them. In all instances, communications should</p>	OECD 5.2
<ul style="list-style-type: none"> • be of a form and frequency that reflect an enterprise's human rights impacts and that are accessible to its intended audiences; 	OECD 5.2.1
<ul style="list-style-type: none"> • provide information that is sufficient to evaluate the adequacy of an enterprise's response to the particular human rights impact involved; 	OECD 5.2.2
<ul style="list-style-type: none"> • in turn not pose risks to affected stakeholders, personnel or to legitimate requirements of commercial confidentiality.”²⁷ In relation to labour rights, the enterprise should communicate with its workers and trade unions and representative organisations of the workers’ own choosing. The enterprise should engage with the stakeholders to understand what they deem to be material information. 	OECD 5.2.3
<p>As stated above, enterprises retain individual responsibility for their due diligence and should ensure that all joint work duly takes into consideration circumstances specific to the individual enterprise. In practice this means that enterprises are encouraged to consider how they might contribute towards the effectiveness of collaborative initiatives. For example by:</p> <ul style="list-style-type: none"> • reporting instances of harm and emerging risks that it has identified independently <p>For example, a stakeholder may flag a change in the context on-the-ground which may increase the risk of harm to the enterprise. The enterprise should share this with the initiative.</p>	OECD 5.2.4
UNGP Reporting Framework	
<p>The company has a publicly available policy statement committing it to respect human rights OR the rights under the Universal Declaration of Human Rights OR the International Bill of Human Rights.</p>	UNGP RF A.1.1.A
<p>The company's publicly available policy statement also commits it to respecting the UN Guiding Principles on Business and Human Rights OR the OECD Guidelines for Multinational Enterprises.</p>	UNGP RF A.1.1.B
<p>The company has a publicly available policy statement committing it to respect the human rights that the ILO has declared to be fundamental rights at work AND the company's policy statement includes explicit commitments to respect: freedom of association and the right to collective bargaining and the rights not to be subject to forced labour, child labour or discrimination in respect of employment and occupation</p>	UNGP RF A.1.2.A

<p>The company's publicly available policy statement also expects its suppliers to commit to respecting the human rights that the ILO has declared to be fundamental rights at work AND explicitly lists them in that commitment.</p>	<p>UNGP RF A.1.2.B</p>
<p>The company has a publicly available policy statement committing it to remedy the adverse impacts on individuals and workers and communities that it has caused or contributed to AND the company expects its suppliers to make this commitment.</p>	<p>UNGP RF A.1.4.A</p>
<p>The company indicates the senior manager role(s) accountable for implementation and decision making on human rights issues within the company. Note: In order to get a score of 1, the company needs to meet the ILO requirement for own operations under indicator A.1.2.a (i.e., the company has a publicly available statement of policy committing it to respect the human rights that the ILO has declared to be fundamental rights at work and explicitly lists them in that commitment).</p>	<p>UNGP RF B.1.1.A</p>
<p>The company describes how it assigns responsibility for implementing its human rights policy commitment(s) for day-to-day management across relevant departments AND how it allocates resources and expertise for the day-to-day management of relevant human rights issues within its own operations AND within its supply chain</p>	<p>UNGP RF B.1.1.B</p>
<p>The company describes its process(es) for assessing its human rights risks and discloses what it considers to be its salient human rights issues. This description includes how relevant factors are taken into account, such as geographical, economic, social and other factors AND this includes a description of how these processes apply to its supply chain OR the company publicly discloses the results of its assessments, which may be aggregated across its operations and locations.</p>	<p>UNGP RF B.2.2.A</p>
<p>The company describes how it involves affected stakeholders in the assessment process(es).</p>	<p>UNGP RF B.2.2.B</p>
<p>The company describes its global system to prevent, mitigate or remediate its salient human rights issues AND this includes a description of how its global system applies to its supply chain OR the company provides an example of the specific actions taken or to be taken on at least one of its salient human rights issues as a result of assessment processes in at least one of its activities/operations in the last three years. Note: Where the company has a clear global system, it can be assumed that this system or approach is used in each particular location the company operates in.</p>	<p>UNGP RF B.2.3.A</p>
<p>The company describes how it involves affected stakeholders in decisions about the actions to take in response to its salient human rights issues.</p>	<p>UNGP RF B.2.3.B</p>

<p>The company describes its system(s) for tracking or monitoring the actions taken in response to human rights risks and impacts and for evaluating whether the actions have been effective or have missed key issues or not produced the desired results OR it provides an example of the lessons learned while tracking the effectiveness of its actions on at least one of its salient human rights issues as a result of its due diligence process(es).</p>	<p>UNGP RF B.2.4.A</p>
<p>The company meets both of the requirements under Score 1 AND describes how it involves affected stakeholders in evaluation(s) of whether the actions taken have been effective.</p>	<p>UNGP RF B.2.4.B</p>
<p>The company provides at least two examples demonstrating how it communicates with affected stakeholders regarding specific human rights impacts raised by them or on their behalf.</p>	<p>UNGP RF B.2.5.A</p>
<p>The company describes any challenge(s) to effective communication it has identified and how it is working to address them.</p>	<p>UNGP RF B.2.5.B</p>
<p>The company indicates that it has one or more mechanism(s), or participates in a third-party or shared mechanism, accessible to all workers to raise complaints or concerns related to the company. Note: An explicit reference to human rights is not required, but a mechanism that is specifically designed to cover other topics (e.g., a corruption hotline) will need to make clear to stakeholders that it can be used for human rights concerns as well.</p>	<p>UNGP RF C.1.A</p>
<p>The company describes how it ensures the mechanism(s) is available in all appropriate languages and that workers are aware of it (e.g., specific communication(s)/training) AND the company describes how it ensures workers in its supply chain have access to either: the company's own mechanism(s) to raise complaints or concerns about human rights issues at the company's suppliers or the company expects its suppliers to establish a mechanism(s) for their workers to raise such complaints or concerns AND the company expects its suppliers to convey the same expectation on access to grievance mechanism(s) to their own suppliers.</p>	<p>UNGP RF C.1.B</p>
<p>The company indicates that it has one or more mechanism(s), or participates in a shared mechanism, accessible to all external individuals and communities who may be adversely impacted by the company, or those acting on their behalf, to raise complaints or concerns. Note: An explicit reference to human rights is not required, but a mechanism that is specifically designed to cover other topics (e.g., a corruption hotline) will need to make clear to stakeholders that it can be used for human rights concerns as well.</p>	<p>UNGP RF C.2.A</p>

<p>The company describes how it ensures the mechanism(s) is available in local languages and that all affected external stakeholders at its own operations are aware of it (e.g., specific communication(s)/ training) AND the company describes how it ensures external individuals and communities have access to either: the company's own mechanism(s) to raise complaints or concerns about human rights issues at the company's suppliers or the company expects its suppliers to establish a mechanism for them to raise such complaints or concerns AND the company expects its suppliers to convey the same expectation on access to grievance mechanism(s) to their suppliers.</p>	UNGP RF C.2.B
<p>For adverse human rights impacts which it has caused or to which it has contributed, the company describes the approach it took to provide or enable a timely remedy for victims OR if no adverse impacts have been identified then the company describes the approach it would take to provide or enable timely remedy for victims.</p>	UNGP RF C.7.A
<p>For adverse human rights impacts which it has caused or to which it has contributed, the company also describes changes to systems, processes and practices to prevent similar adverse impacts in the future AND the company describes its approach to monitoring implementation of the agreed remedy OR if no adverse impacts have been identified then the company describes the approach it would take to review and change systems, processes or practices to prevent similar adverse impacts in the future.</p>	UNGP RF C.7.B
<p>ETI</p>	
<p>Publish a statement articulating company's commitment to respect labour rights in its supply chain activities, in line with the ETI Base Code</p>	ETI CTF 2023 1.1
<p>Set out internal governance and accountability structures</p>	ETI CTF 2023 1.2
<p>Describe how you have identified and prioritised human rights risks in your operations or supply chains.</p>	ETI CTF 2023 1.3
<p>Description of your supply chain</p>	ETI CTF 2023 1.4.1
<p>Geographical spread of production and/or sourcing</p>	ETI CTF 2023 1.4.2
<p>Areas of highest risk</p>	ETI CTF 2023 1.4.3
<p>List of first tier suppliers</p>	ETI CTF 2023 1.4.4

Describe the company's approach with regard to respect for trade union rights including respect for freedom of association and collective bargaining.	ETI CTF 2023 1.5
Report on salient risks found and plans made to mitigate risk.	ETI CTF 2023 1.6
Publish policies specific to salient risks identified	ETI CTF 2023 2.1
Provide evidence of relevant stakeholder input, including workers' organisations, into the development of human rights due diligence policies and their involvement in processes.	ETI CTF 2023 2.2
Publish supply chain information relevant to identified salient risks, including disaggregated data.	ETI CTF 2023 2.3
Publish information on trade union presence in the supply chain and the company's engagement with trade unions in the supply chain	ETI CTF 2023 2.4
Report on root causes of salient risks including the impact of business practices, and what actions have been taken, independently or with others, to address these.	ETI CTF 2023 2.5
Report on both internal and collaborative actions taken to mitigate salient risks and remediate their impacts.	ETI CTF 2023 2.6
Report on severe labour rights abuses identified in the supply chain and the resulting remediation actions taken	ETI CTF 2023 2.7
Report on grievance mechanisms and remedy processes in place in the supply chain and their alignment to UNGP criteria.	ETI CTF 2023 2.8
Set out forward looking objectives and KPIs addressing human rights in supply chains using an HRDD approach	ETI CTF 2023 2.9
Provide evidence that human rights considerations have been incorporated into purchasing and sourcing policies and practices.	ETI CTF 2023 3.1
Publish an extended supplier list, going beyond tier one, demonstrating high-risk areas.	ETI CTF 2023 3.2
Share results from effective partnerships with civil society to identify, mitigate and remedy salient risks	ETI CTF 2023 3.3

Share results from effective collaboration with trade unions to identify, mitigate and remedy salient risks.	ETI CTF 2023 3.4
Publish a human rights strategy and demonstrate how the process of strategy development included input from workers or their legitimate representatives.	Whole report
Report on annual progress against forward looking objectives and KPIs addressing human rights in supply chains, evidencing impact on workers and sharing lessons learned	ETI CTF 2023 3.6
HiggBRM (supply chain only)	
Has your company carried out a business wide environmental risk assessment to identify and prioritize the most significant or salient risk areas the business is facing in relationship to its environmental impacts?	HiggBRM 2023 EG01
Which impact areas are included in your company's environmental risk assessment? (Climate; Water; Waste; Chemicals; Biodiversity OR None)	HiggBRM 2023 EG02
Which value chain stages are included in your environmental risk assessment?	HiggBRM 2023 EG03
Were external standards, tools or frameworks specific to environmental risks referenced in your company's environmental risk assessment?	HiggBRM 2023 EG04
Does your company have a process to update the risk assessment of environmental priorities in response to changing business or external circumstances?	HiggBRM 2023 EG05
For significant areas of environmental risk, has your company carried out additional, more granular risk assessments, in order to identify and assess specific actual and potential adverse impacts and opportunities?	HiggBRM 2023 EG07
Does your company have an Environmental Policy, or equivalent corporate statement, recognizing your company's commitment to manage its business in a way that meets local, national and international regulations and good practice in order to prevent, mitigate and remediate negative impacts on the environment?	HiggBRM 2023 EG08
Which impact areas does your company's Environmental Policy or equivalent corporate statement address?	HiggBRM 2023 EG09

For which of these impact areas does your company have specific policies or equivalent documents?	HiggBRM 2023 EG10
Did your company have a reduction program or strategy to achieve its GHG emission reduction targets? (tier 1; Scope 3)	HiggBRM 2023 ECL06
Which of the following tier 1 initiatives did your company implement in its program or strategy to reduce GHG emissions? (Select yes, partial yes or no per each of the initiatives presented)	
Facilities engagement in GHG emissions measurement and target-setting	HiggBRM 2023 ECL08.1
Facilities supported through capacity building, knowledge-sharing, and/or access to other resources	HiggBRM 2023, ECL08.II
Facility incentives (e.g., climate action is part of supplier scorecard or better payment conditions)	HiggBRM 2023 ECL08.III
Which of the following tier 1 results did your company achieve in its program or strategy to reduce GHG emissions? (Select yes, partial yes or no per each of the results presented)	HiggBRM 2023 ECL09
Coal phase-out	HiggBRM 2023 ECL09.I
Energy efficiency measures implemented	HiggBRM 2023 ECL09.II
Renewable electricity use (onsite generation and/or purchased with Energy Attribute Certificates)	HiggBRM 2023 ECL09.III
Did your company consult with relevant stakeholders as part of the development of its GHG emissions reduction program or strategy?	HiggBRM 2023 ECL20
Did your company have any specific partnerships, agreements or initiatives with stakeholders, supply chain partners or local entities to reduce GHG emissions across the value chain?	HiggBRM 2023 ECL21
Did your company develop, support or fund any mechanism to contribute to science-aligned GHG emission reductions of the value chain? (Select all that apply OR None)	HiggBRM 2023 ECL22
Does your company measure or estimate its impacts on water quality in the following value chain stages? (tier 1 and tier 2)	HiggBRM 2023 EWT02

Which of the following tier 1 initiatives did your company implement in its program or strategy to reduce water impacts?	
Facilities engagement in water use measurement and target-setting	HiggBRM 2023 EWT09.I
Facilities supported through financing, capacity building, knowledge-sharing, and/or access to resources	HiggBRM 2023 EWT09.II
Did your company consult with relevant stakeholders as part of the development of its water impacts reduction program or strategy?	HiggBRM 2023 EWT14
Did your company have any specific partnerships, agreements or initiatives with stakeholders, value chain partners or local entities to address water impacts across the value chain?	HiggBRM 2023 EWT15
Did your company develop, support or fund any mechanism to contribute to its water impact reduction in the value chain?	HiggBRM 2023 EWT16
Did your company implement an improvement program or strategy to achieve its waste targets (reduction and/or disposal targets)?	
Tier 1 pre-consumer manufacturing waste	HiggBRM 2023 EWS06
Did your company actively engage in any multi-stakeholder initiative to drive improvement in waste management in the textile, apparel and footwear industry?	HiggBRM 2023 EWS25
Did your company develop, support or fund any mechanisms to contribute to the improvement of the waste management in the value chain?	HiggBRM 2023 EWS26
Does your company have chemical management system guidelines?	HiggBRM 2023 ECH01
Does your company have a Manufacturing Restricted Substances List (MRSL) for its suppliers?	HiggBRM 2023 ECH02
Does your company have wastewater guidelines that your suppliers must follow?	HiggBRM 2023 ECH03
Does your company have expectations and requirements concerning management and disposal of hazardous waste that your value chain suppliers must follow?	HiggBRM 2023 ECH05

Does your company have a Product Restricted Substance List (Product RSL) or other lists of restricted chemicals for its products and the materials contained within them?	HiggBRM 2023 ECH06
Has your company formally set and approved targets for the implementation of a chemical management program?	HiggBRM 2023 ECH07
Did your company build internal staff capabilities to address chemical risks?	HiggBRM 2023 ECH08
Did your company set clear requirements for suppliers on the implementation of respective chemical management guidelines?	HiggBRM 2023 ECH09
Did your company monitor the implementation by your suppliers of the requirements set on the chemical management program?	HiggBRM 2023 ECH10
Did your company monitor the follow-up made by suppliers regarding non-conformities in the implementation of your chemical management program?	HiggBRM 2023 ECH11
Did your company have an escalation process for those suppliers who do not commit to the adoption of your chemical management program?	HiggBRM 2023 ECH13
Did your company require your supply chain partners to adopt the MRSL defined by your company?	HiggBRM 2023 ECH14
Did your company have an escalation process for suppliers who do not commit to the adoption of the MRSL defined by your company?	HiggBRM 2023 ECH15
Did your company include the requirement to adopt the MRSL when selecting supplier facilities?	HiggBRM 2023 ECH16
Did your company implement a program or strategy to reduce or mitigate wastewater in its supply chain?	HiggBRM 2023 ECH18
Did your company require suppliers to adopt and implement wastewater guidelines?	HiggBRM 2023 ECH19
Did your company require suppliers to follow-up on non-conformities indicated in wastewater test-results as described in the wastewater guidelines used?	HiggBRM 2023 ECH20
Did your company have an escalation process for those suppliers who do not commit to the adoption of your wastewater guidelines?	HiggBRM 2023 ECH21

Did your company impose consequences if suppliers do not follow-up on non-conformities as indicated in wastewater test-results?	HiggBRM 2023 ECH22
Did your company set the requirement that wastewater testing results meet a minimum level as specified by your company's own standard or by other relevant standards or regulations?	HiggBRM 2023 ECH23
Did your company support its suppliers in reducing wastewater and improving wastewater treatment?	HiggBRM 2023 ECH24
Did your company require suppliers to work on the results from the Chemical Inventory List (CIL) conformance review?	HiggBRM 2023 ECH25
Did your company have a program or strategy to ensure compliance with its Product Restricted Substance List (Product RSL) or other lists of restricted chemicals?	HiggBRM 2023 ECH26
Did your company incentivize supply chain partners who have demonstrated improvement in chemicals management?	HiggBRM 2023 ECH27
Did your company report publicly on its chemical management program?	HiggBRM 2023 ECH28
Did your company publicly report its commitment to its MRSL?	HiggBRM 2023 ECH29
Did your company publicly report its commitment to its Product RSL?	HiggBRM 2023 ECH30
Did your company consult with relevant stakeholders as part of the development of its chemical management program or strategy?	HiggBRM 2023 ECH31
Did your company have any specific partnerships or agreements with stakeholders related to addressing chemical impacts across the value chain?	HiggBRM 2023 ECH32
Did your company actively engage with communities of practice to share information, knowledge, and best practices that accelerate the adoption of sustainable or green chemistry?	HiggBRM 2023 ECH33
Did your company develop, support or fund any mechanisms to contribute to the improvement of the chemical management in the supply chain?	HiggBRM 2023 ECH34
Has your company carried out a business-wide risk assessment to identify and prioritize the most significant or salient risk areas the business is facing in relation to Human Rights?	HiggBRM 2023 SG01

Did your company involve stakeholders throughout the risk assessment to identify and prioritize the most significant or salient risk areas?	HiggBRM 2023 SG02
Which of the following stakeholder groups are included in your company's Human Rights risk assessment?	HiggBRM 2023 SG03
Which value chain stages are included in your Human Rights risk assessment?	HiggBRM 2023 SG04
Were international Human Rights standards referenced and used as the benchmark to assess your company's Human Rights risks and impacts?	HiggBRM 2023 SG05
Was worker feedback a standard component of your Human Rights risk assessment?	HiggBRM 2023 SG06
Does your company have a process to update the risk assessment of social priorities in response to changing business or external circumstances?	HiggBRM 2023 SG07
For significant areas of Human Rights risk, has your company carried out additional, more granular risk assessments in order to identify and assess specific actual and potential adverse impacts?	HiggBRM 2023 SG09
Does your company have a Human Rights policy, or equivalent corporate statement, recognizing your company's commitment to manage its business in a way that meets the businesses' responsibility to respect Human Rights?	BESTSELLER Human Rights Policy
Does your company's Human Rights policy, or equivalent corporate statement, outline the expectations your business has in relation to Human Rights for its value chain and business partners?	HiggBRM 2023 SG11
Does your company have a supplier code of conduct, labor rights policy or equivalent document that addresses specific Human Rights risks for workers in your value chain?	HiggBRM 2023 SG12
Which of the following areas of risk to value chain workers are covered by your company's supplier code of conduct or labor rights policy?	HiggBRM 2023 SG13
Does your company have policies or equivalent documents to express your company's commitment towards responsible purchasing practices?	HiggBRM 2023 SG14
Does your company's supplier contract include shared responsibility for due diligence, including remediation?	HiggBRM 2023 SG15

Does your company have a Human Rights due diligence policy covering its own operations and its value chain?	BESTSELLER Human Rights Policy
Which value chain and business partners are explicitly covered by your company's Human Rights related policies and commitments?	HiggBRM 2023 SG20
Does your company have a policy (or equivalent document) that defines if and under which conditions subcontracting is allowed which is shared with all suppliers?	HiggBRM 2023 SG21
Does your company consistently monitor and report on worker related human rights' risks at your value chain in a process that includes the following elements?	HiggBRM 2023 SWK01
is publicly available	This report
includes ILO's core labour standards and local labour laws	HiggBRM 2023 SWK01.II
is endorsed by leadership of your company	HiggBRM 2023 SWK01.III
is shared with all suppliers	HiggBRM 2023 SWK01.IV
Was worker feedback a standard component of your monitoring process?	HiggBRM 2023 SWK02
Has your company formally set targets to stop, prevent or mitigate the prioritized worker related human rights risk and impacts?	HiggBRM 2023 SWK03
In addition to the identified risks and impacts, has your company set targets for other worker-related priorities (workers well-being) that go over and beyond the law and/or international regulations?	HiggBRM 2023 SWK04
Does your company assess and monitor worker related human rights risks and impacts in subcontractors?	HiggBRM 2023 SWK05
Has your company formally set targets to mitigate and remediate prioritized risks and impact in subcontracting factories?	HiggBRM 2023 SWK06
Has your company formally set and approved targets to continuously improve its purchasing practices?	HiggBRM 2023 SWK07

Has your company formally set and approved targets for fair payment terms that include the following topics? (Select all that apply OR none)	HiggBRM 2023 SWK09
Payment timelines	HiggBRM 2023 SWK09.I
Price changes	HiggBRM 2023 SWK09.II
Compensation for late payments	HiggBRM 2023 SWK09.III
Does your company ask for suppliers' feedback through a structured and comprehensive approach (such as Better Buying, ACT, other approaches broadly accepted by the industry, or through direct dialog with suppliers) as part of the monitoring and evaluation of its purchasing practices?	HiggBRM 2023 SWK10
Did your company implement specific programs to achieve its targets in relation to prioritized worker-related human rights risks for workers in the value chain?	HiggBRM 2023 SWK11
Which of the following initiatives did your company implement as part of its program or strategy to achieve its targets related to the improvement of worker-related human rights risks for workers in the supply chain? (Select all that apply OR None)	
Training of facilities on salient sector risks (child labour, forced labour, FOA, gender inequality and harassment)	HiggBRM 2023 SWK12.I
Transparent reporting of facilities	HiggBRM 2023 SWK12.II
Provide funding for remediation or arbitration processes	HiggBRM 2023 SWK12.III
Other larger scale programmes focussing on working conditions across multiple factories and multiple countries	HiggBRM 2023 SWK12.IV
Pay for dedicated facility level improvement programmes (such as OSH, IR, wage systems)	HiggBRM 2023 SWK12.V
Provide favorable loans to facilities to make structural adjustments to improve the health and safety conditions or other important working conditions	HiggBRM 2023 SWK12.VI
Provide business incentives to suppliers with good performance on worker rights and working conditions	HiggBRM 2023 SWK12.VII

Contractual requirement for assessment and pre-approval of any sub-contracted sites/facilities	SWK12.VIII and HiggBRM 2023 SWK12.VIII
Which of the following initiatives did your company implement in third-party Logistics and Distribution as part of its program or strategy to achieve its targets related to the improvement of labor conditions? (Select all that apply OR None)	
Did your company meet its targets to address the prioritized worker-related risks and adverse impacts as identified in its human rights risk assessments?	HiggBRM 2023 SWK15
Was worker feedback a standard component of your worker-related human rights remediation action plans?	HiggBRM 2023 SWK16
Did your company implement a specific program or strategy to support the payment of living wages for workers in its value chain that includes? (Select all that apply OR None)	HiggBRM 2023 SWK17
The company has publicly committed to support living wages in its value chain	HiggBRM 2023 SWK17.I
Did your company implement a specific program or strategy to support freedom of association and collective bargaining in its value chain?	HiggBRM 2023 SWK18
Did your company implement a specific program or strategy to address issues of forced labor and modern slavery in its value chain?	HiggBRM 2023 SWK19
Did your company implement a specific program or strategy to increase gender equality amongst workers in its value chain?	HiggBRM 2023 SWK20
Did your company implement a specific program or strategy to address issues of child labor in its value chain?	HiggBRM 2023 SWK21
Did your company implement specific programs to achieve its targets related to the prioritized worker-related human rights risks and impacts in subcontracting factories?	HiggBRM 2023 SWK27
Did your company implement a program or strategy for expanding its business relationship with long term strategic suppliers?	HiggBRM 2023 SWK31
Did your company agree with suppliers on penalties before starting business or placing purchase orders?	HiggBRM 2023 SKW32

Did your company have a responsible exit strategy to ensure that, in the event of ending a factory and supplier relationship, the termination is managed in a manner that reduces the impact on suppliers and workers, including providing severance payments to workers?	HiggBRM 2023 SWK36
Did your company consistently inform relevant staff (buyers, senior management), about its progress against Responsible Purchasing Practices (RPP) targets?	HiggBRM 2023 SWK37
Did your relevant staff participate in a responsible purchasing practices training program?	HiggBRM 2023 SWK38
Did your company consistently collaborate with suppliers in support of their production planning methodology through the following elements?	HiggBRM 2023 SWK39
Aiming for production to take place within normal working hours	HiggBRM 2023 SWK39.III
What percentage of your tier 1 suppliers were covered by your collaborative production planning approach?	HiggBRM 2023 SWK40
Did your company publicly communicate on the identified worker related Human Rights risks and impacts? (Select all that apply OR none)	HiggBRM 2023 SWK43.III
Targets and action plans to address the human and labour risks in its value chain	HiggBRM 2023 SWK43.IV
Results of the action plans in its value chain	HiggBRM 2023 SWK43.VII
Did your company report publicly on the worker-related human rights performance of its value chain? (Select all that apply OR none)	HiggBRM 2023 SWK44
Forced Labour/Modern Slavery	HiggBRM 2023 SWK44.I
Child Labour	HiggBRM 2023 SWK44.II
Living wage	HiggBRM 2023 SWK44.III
FoA	HiggBRM 2023 SWK44.IV
Bipartite dialogue	HiggBRM 2023 SWK44.V
Harassment and abuse	HiggBRM 2023 SWK44.VI

Diversity, Equity and Inclusion	HiggBRM 2023 SWK44.VII
Training and development	HiggBRM 2023 SWK44.VIII
Migrant workers	HiggBRM 2023 SWK44.IX
Young worker policy	HiggBRM 2023 SWK44.X
Contracts	HiggBRM 2023 SWK44.XI
Collective Bargaining	HiggBRM 2023 SWK44.XII
Grievance systems	HiggBRM 2023 SWK44.XIII
Anti-discrimination	HiggBRM 2023 SWK44.XIV
Health and safety	HiggBRM 2023 SWK44.XV
Other human and labour rights issues	HiggBRM 2023 SWK44.XVI
Did your company have any specific partnerships, agreements or collaborations with stakeholders related to addressing workers related human rights across the value chain?	HiggBRM 2023 SWK45
Did your company actively participate in joint industry efforts to reduce duplicative social and labor audits/assessments?	HiggBRM 2023 SWK46
Did your company actively participate in industry collective programs/partnerships to improve suppliers' social and labor performance? (Select all that apply OR none)	
Forced Labour/Modern Slavery	HiggBRM 2023 SWK47.I
Child Labour	HiggBRM 2023 SWK47.II
Living wage	HiggBRM 2023 SWK47.III

FoA	HiggBRM 2023 SWK47.IV
Bipartite dialogue	HiggBRM 2023 SWK47.V
Harassment and abuse	HiggBRM 2023 SWK47.VI
Diversity, Equity and Inclusion	HiggBRM 2023 SWK47.VII
Training and development	HiggBRM 2023 SWK47.VIII
Migrant workers	HiggBRM 2023 SWK47.IX
Young worker policy	HiggBRM 2023 SWK47.X
Contracts	HiggBRM 2023 SWK47.XI
Collective Bargaining	HiggBRM 2023 SWK47.XII
Grievance systems	HiggBRM 2023 SWK47.XIII
Anti-discrimination	HiggBRM 2023 SWK47.XIV
Health and safety	HiggBRM 2023 SWK47.XV
Other human and labour rights issues	HiggBRM 2023 SWK47.XVI
Did your company actively advocate for worker-related human rights to influence improved policies, laws, or regulations?	HiggBRM 2023 SWK48
Did your company have any specific partnerships, agreements or collaborations with stakeholders related to the improvement of the responsible purchasing practices across the value chain?	HiggBRM 2023 SWK49
What percentage of worker rights-related issues in your company's supply chain have been successfully remediated or are in the process of remediation, in comparison to the total issues detected during the reporting period	HiggBRM 2023 SWKD7
Does your company assess the safety risks of its products?	HiggBRM 2023 SCN04

Did your company have a process for responding to any reported breaches of safety standards?	HiggBRM 2023 SCN15
Did your company have a process for recalling faulty or unsafe products?	HiggBRM 2023 SCN16
Does your company have additional traceability systems that enable the tracking of your products through the value chain?	HiggBRM 2023 GEB02
Did your company provide safe and effective mechanisms for stakeholders to raise complaints, comments, suggestions or grievances?	HiggBRM 2023 GEB04
Which stakeholders were able to make use of your company's grievance or complaint mechanisms? (Tick all that apply OR None)	HiggBRM 2023 GEB05
Did your company ensure that retaliation is prohibited, confidentiality is preserved, and there are no negative consequences for internal and external stakeholders who report grievances/complaints?	HiggBRM 2023 GEB06
Did your company ensure that its business partners have complaints/grievance mechanisms in place?	HiggBRM 2023 GEB07
Which types of business partners or suppliers are required to have complaints/grievance mechanisms in place?	HiggBRM 2023 GEB08
Does your company adopt new or revised company practices to mitigate concerns raised via complaints/grievance mechanisms?	HiggBRM 2023 GEB09
Did your company assess the effectiveness of its own complaints/ grievance mechanisms and their outcomes?	HiggBRM 2023 GEB10
Did your company publicly disclose the results of its value chain mapping?	Please see Public Factory List
What value chain information did your company publicly disclose?	Please see Public Factory List
Did your company actively engage in any multi-stakeholder initiative to drive transparency in the textile, apparel and footwear industry?	HiggBRM 2023 GEB17

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