

IT'S ON US.

Marc O'Polo

EST. IN STOCKHOLM

A WORD FROM OUR CEO

GRI 2-22

Dear readers,

Despite the difficult geopolitical situation and persistent market challenges, Marc O'Polo performed well internationally in financial year 2023/24, increasing its revenue to over €600 million and generating positive earnings. We defended our position as a top performer in our core market of Germany and in the DACH region.

We are working diligently to achieve sustainable profitable growth and have made good progress in the strategic areas we have defined as essential to this target: product success, new end customers, internationalisation, digital business and scalable organisation. Our focus throughout all of this lies squarely on sustainability.

We as a company feel it is our duty to offer products that meet the highest social and environmental standards. In the past three years, we have taken an important step to shouldering this responsibility with our 01 JOURNEY 10 PATHWAYS strategy. In our Casual and Marc O'Polo DENIM lines, we have virtually achieved our ambitious target of offering only what fits our definition of more sustainable versions of products by 2023. We have stepped up our environmental management efforts by partnering with ZDHC Foundation and Cascale and by implementing our environmental management system. We are particularly proud to have received top marks from the Fair Wear Foundation, having been designated a "leader" for the first time in this reporting period. Fair Wear issued this rating in recognition of our strong commitment to ethical procurement and transparency practices and our efforts to strengthen human rights along the supply chain.

All this progress notwithstanding, we note that the many challenges facing our industry are becoming ever more pronounced and that the demands placed on us are constantly evolving. For this reason, we updated our sustainability strategy in this reporting period. Our IT'S ON US 2030+ strategy provides a holistic framework which enables us to emphasise Marc O'Polo's long-held commitment to natural materials and lasting quality while laying the basis for maintaining our position as a leader in sustainability.

Every day, our roughly 2,300 highly-motivated employees work tirelessly to make Marc O'Polo as sustainable as possible. This fills me with immense pride, and my Executive Board colleagues and I owe our amazing team a huge debt of gratitude.

I hope you enjoy reading our sustainability report.
IT'S ON US.

Yours sincerely,
Maximilian Böck
CEO Marc O'Polo SE



MAXIMILIAN BÖCK
CEO MARC O'POLO SE

BASIS OF REPORTING


GRI 2-3, 2-4, 2-5 / ESRS 2 BP-1, BP-2

The Marc O'Polo Group's Sustainability Report is prepared on the basis of the internationally recognised Global Reporting Initiative (GRI) standards. GRI-relevant content is labelled accordingly in the text. Furthermore, the GRI Content Index indicates where in the Sustainability Report the relevant information can be found. At the same time, Marc O'Polo continues to monitor new regulations in the European Union and is preparing for the European Sustainability Reporting Standards (ESRS). The materiality analysis and the resulting structure of the report and presentation of the topics are based on the general ESRS requirements of the Corporate Sustainability Reporting Directive (CSRD). While references to the structure of the ESRS are contained throughout the report, this report does not claim to be ESRS-compliant.

Since the 2007/2008 financial year, the Marc O'Polo Group has openly reported on its sustainability activities with its annual sustainability report. This report presents developments, events and key figures for the 2023/2024 financial year (1 June 2023 to 31 May 2024). Any significant changes which occurred before the editorial deadline on 29 November 2024 have been taken into account. If information from previous reports is carried over in an altered format, it is noted accordingly in the respective sections of the report. The content and figures presented in this report refer to Marc O'Polo SE, including its subsidiaries. Any data or statements that refer to individual subsidiaries are identified accordingly in the report. This report is also available in German. An external audit was not carried out.

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1 COMPANY

A photograph of a modern building with a large glass facade and a wooden upper section. A young tree with green leaves is in the foreground. The building's design features a dark, perforated metal screen above the glass windows. The sky is clear and blue.

Founded in Stockholm, our Scandinavian roots and dedication to natural materials have characterised every aspect of our brand from the very beginning. This foundation underpins our commitment to responsible production, respectful treatment of people, animals and the environment. It embodies the highest quality and authentic naturalness with every product and experience. Determined to express sustainability with timeless modernity.

1.1 MANAGEMENT & COMPANY STRUCTURE

GRI 2-1, 2-9, 2-11, 2-12, 2-14, 2-17, 2-18, 2-19, 405-1 / ESRS 2 GOV-1, GOV-2, GOV-3, SBM-1

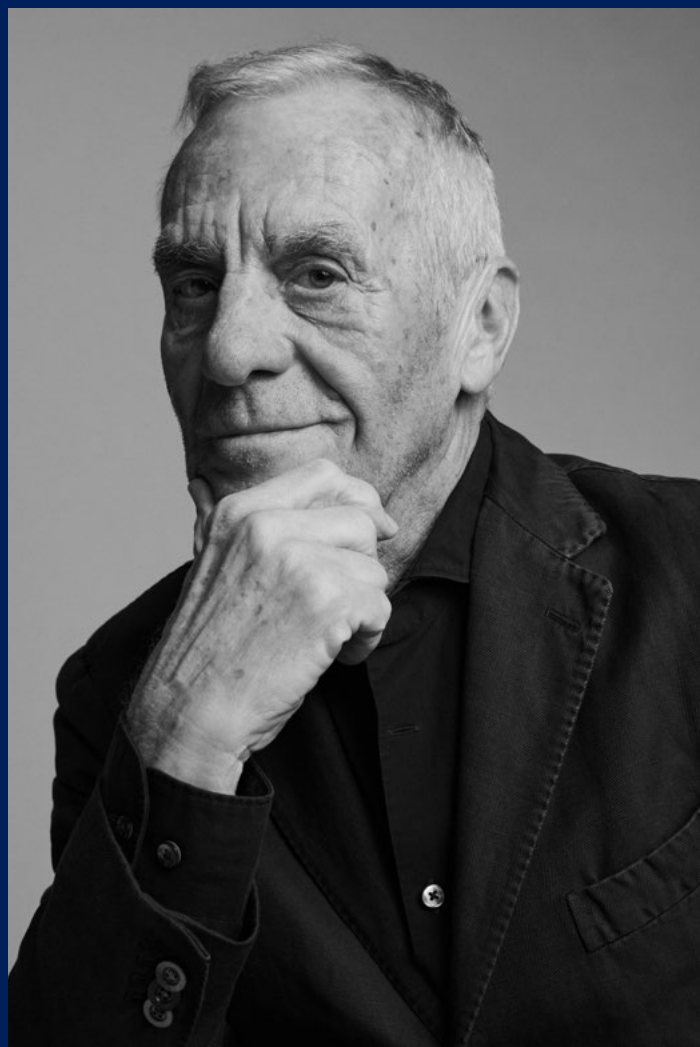
Marc O'Polo is an international fashion company present in over 40 countries and is headquartered in Stephanskirchen, Germany. The entire casual lifestyle brand business is concentrated under the umbrella company Marc O'Polo SE (see graphic "Our corporate structure").

The top-level controlling body of Marc O'Polo SE is the Supervisory Board, chaired by majority shareholder Werner Böck. As an owner-run family business, the company's Supervisory Board also comprises other representatives of the owner family. The members of the Supervisory Board include :

- Werner Böck (businessman, Stephanskirchen, member since 2012), Chairman
- Helmut Werner Fuchs (advanced-degree-holding businessman/auditor/tax adviser, Vaihingen, member since 2009), Deputy Chairman
- Elfriede Böck (businesswoman, Stephanskirchen, member since 2012)
- Peter Eberle (businessman, Grünwald, member since 2020)
- Dieter Holzer (businessman, Ravensburg, member since 2021)
- Dr Benjamin Strehl (advanced-degree-holding businessman, Kornwestheim, member since 2018)

In financial year 2023/2024, the members of the Supervisory Board and of the Executive Board held a total of seven ordinary and extraordinary meetings. The topics of the meetings included the company's performance as well as strategic issues discussed by the Executive Board and the Supervisory Board. Once a year, fundamental sustainability topics are also discussed depending on the agenda. The material topics and the sustainability report are acknowledged by the Supervisory Board.

The Executive Board manages the business of Marc O'Polo SE. The members of the Executive Board are remunerated based on the Marc O'Polo SE remuneration system in accordance with their duties and responsibilities. Sustainability targets are also incorporated into this remuneration. To enhance their knowledge and expertise in their roles and in sustainability-related and regulatory matters, Marc O'Polo provides training sessions conducted by external experts to the Executive Board members.



WERNER BÖCK
CHAIRMAN OF THE SUPERVISORY BOARD

¹ THE AGE DISTRIBUTION OF THE SUPERVISORY BOARD MEMBERS IS AS FOLLOWS: AT THE END OF THE REPORTING PERIOD, FIVE MEMBERS WERE AGED OVER 50 AND ONE WAS AGED BETWEEN 30 AND 50.

Our Executive Board has comprised five members since the 2023/2024 financial year. On 1 April 2024, Dr Dirk Schneider was appointed to the new role of Chief Sales Officer (CSO) at Marc O'Polo. He is responsible for all of the company's sales activities (B2B, B2C, online and offline). In keeping with the company's target to expand its international footprint

and generate sustainable profitable growth, the target is to systematically promote a completely integrated, customer-centric omnichannel strategy. Going forward, the Executive Board of Marc O'Polo SE will comprise CEO Maximilian Böck, Dirk Schneider (CSO), Susanne Schwenger (CPO), Patric Spethmann (COO) and Markus Staude (CFO/CHRO).



MAXIMILIAN BÖCK
CEO – EXECUTIVE BOARD
CHAIRMAN, STRATEGY,
SHOES, ACCESSORIES,
CORPORATE SUSTAINABILITY,
CORPORATE COMMUNICATIONS



SUSANNE SCHWENGER
CPO – DESIGN, PROCUREMENT,
LICENCING, MARKETING,
CSR, PRODUCT SUSTAINABILITY



DR. PATRIC SPETHMANN
COO – DIGITAL INTELLIGENCE,
IT & LOGISTICS



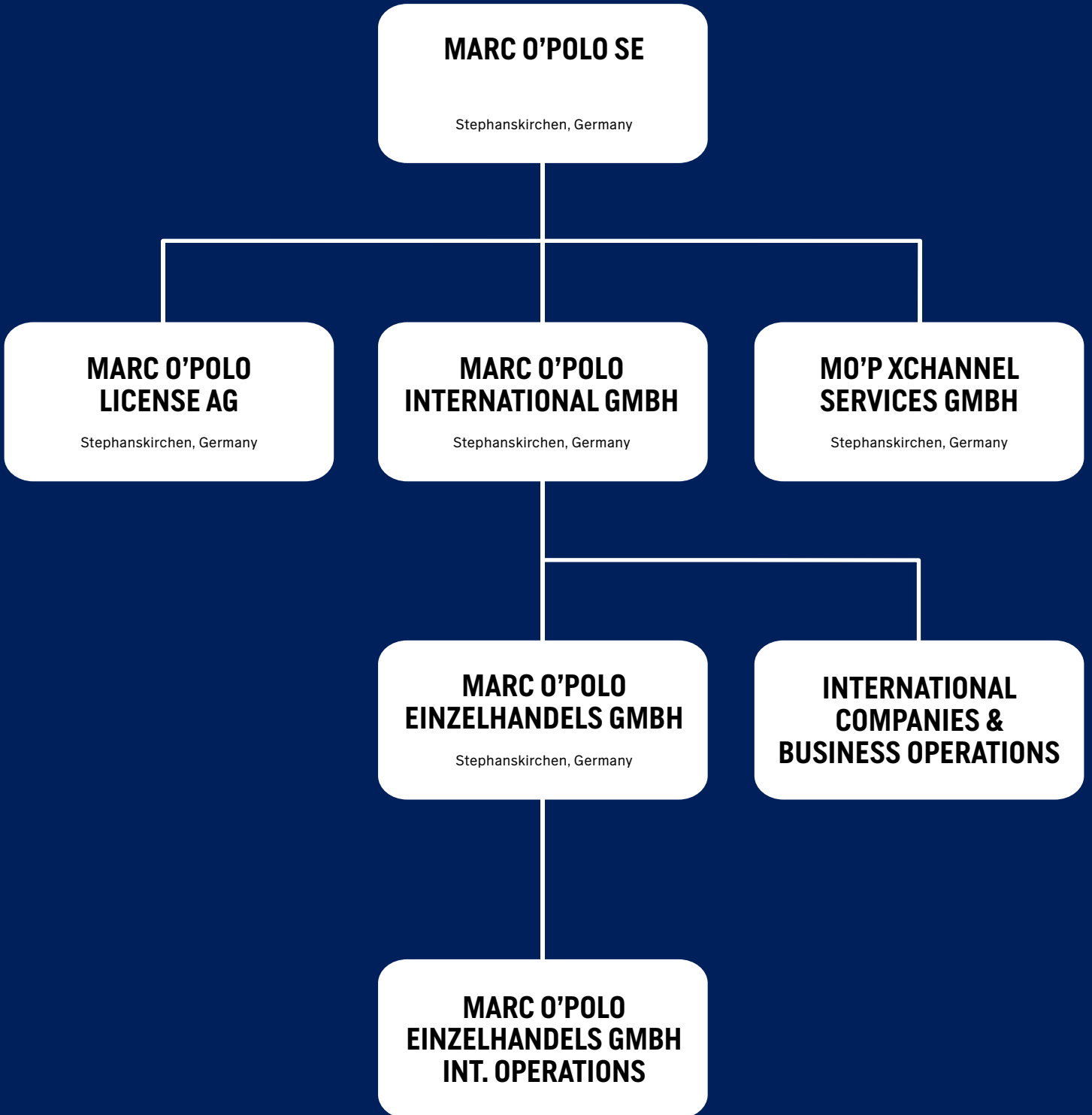
MARKUS STAUDE-SKOWRONEK
CFO/CHRO – FINANCE,
CONTROLLING, HR, GROUP
SERVICES, LEGAL & INDIRECT
PROCUREMENT



DR. DIRK SCHNEIDER
CSO – WHOLESALE, RETAIL &
E-COMMERCE DISTRIBUTION

CORPORATE STRUCTURE OF MARC O'POLO SE

GRI 2-2 / ESRS 2 SBM-1



1.2 SUSTAINABLE CORPORATE GOVERNANCE & ORGANISATION

GRI 2-12, 2-13, 2-14 / ESRS 2 GOV-1, GOV-2

Corporate responsibility and promoting sustainability are a top priority at Marc O'Polo. We pursue an integrated approach which allows us to holistically manage sustainability as well as properly respond to the many relevant questions. This offers us the benefit of being able to further develop the strategy and activities consistently throughout the company. In doing so, we rely on the input of multiple strategic and operational employees in different departments.

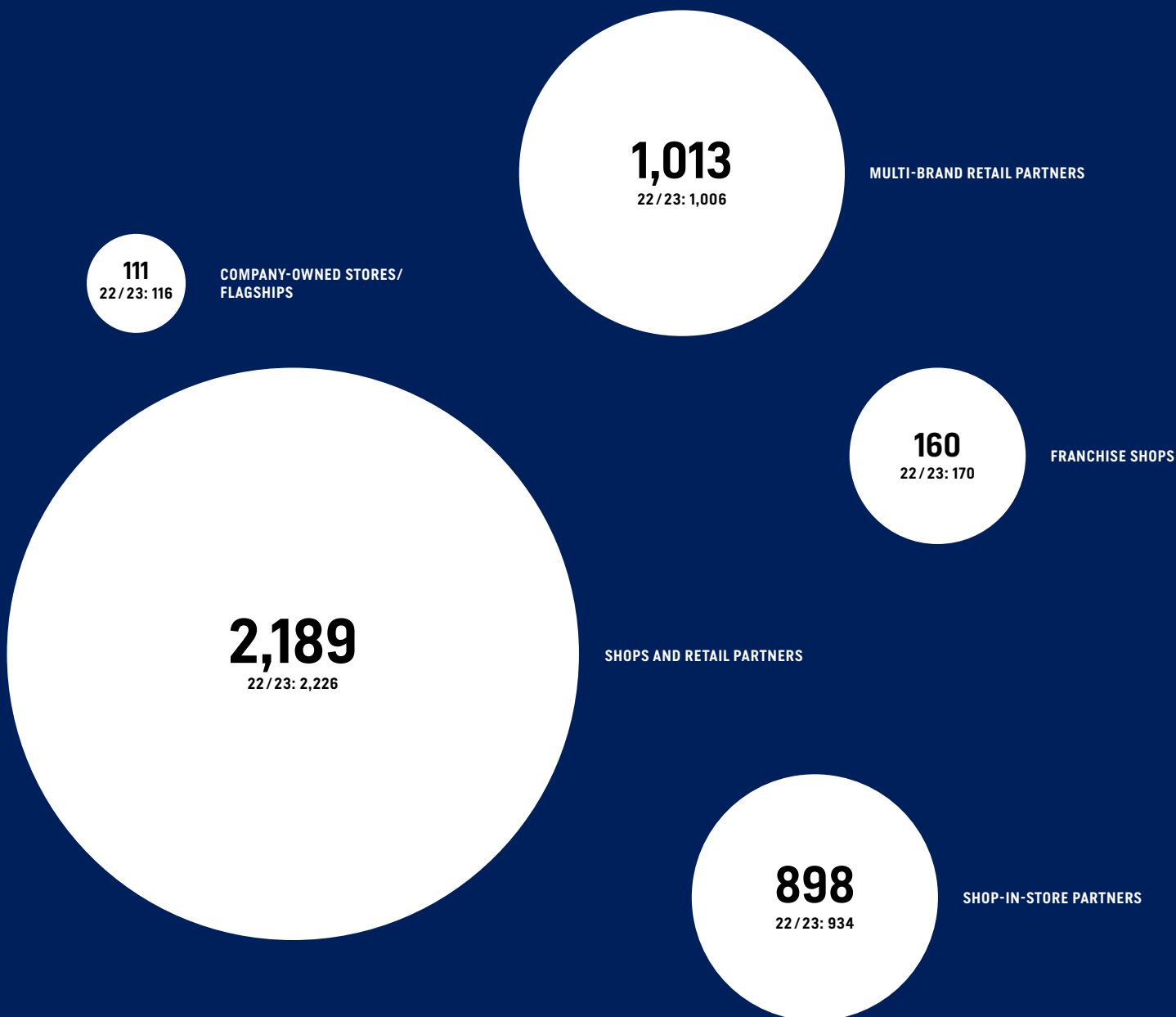
The Corporate Sustainability team reports directly to the CEO, thus ensuring the strategic relevance of sustainability issues. The Sustainable Sourcing team, which is responsible for the supply chain and product credentials reports to the CPO (Chief Product Officer). This ensures close contact with the relevant areas responsible for our core business—the product. The representatives of the aforementioned departments form the sustainability core team, which meets every four weeks. The core team and all the representatives of other departments relevant for sustainability meet every eight weeks to share information. This interdisciplinary exchange is essential to implementing our activities consistently and comprehensively, and allows us to ensure group-wide integration of sustainability into our core business over the long term.

Monthly reports are submitted to the Executive Board in order to ensure the successful implementation of the sustainability strategy, initiatives and projects. New or urgent topics, projects or actions are presented to the Executive Board by the respective heads of area, discussed with them and approved by them. In addition, the Executive Board examines and approves the sustainability report.

1.3 DATA & FACTS

GRI 2-6/ESRS 2 SBM-1

During the reporting period, we supplied more than 2,000 stores and retail partners nationally and internationally from our headquarters (HQ). Marc O'Polo products are available in stores and online in 46 countries (PY: 45).

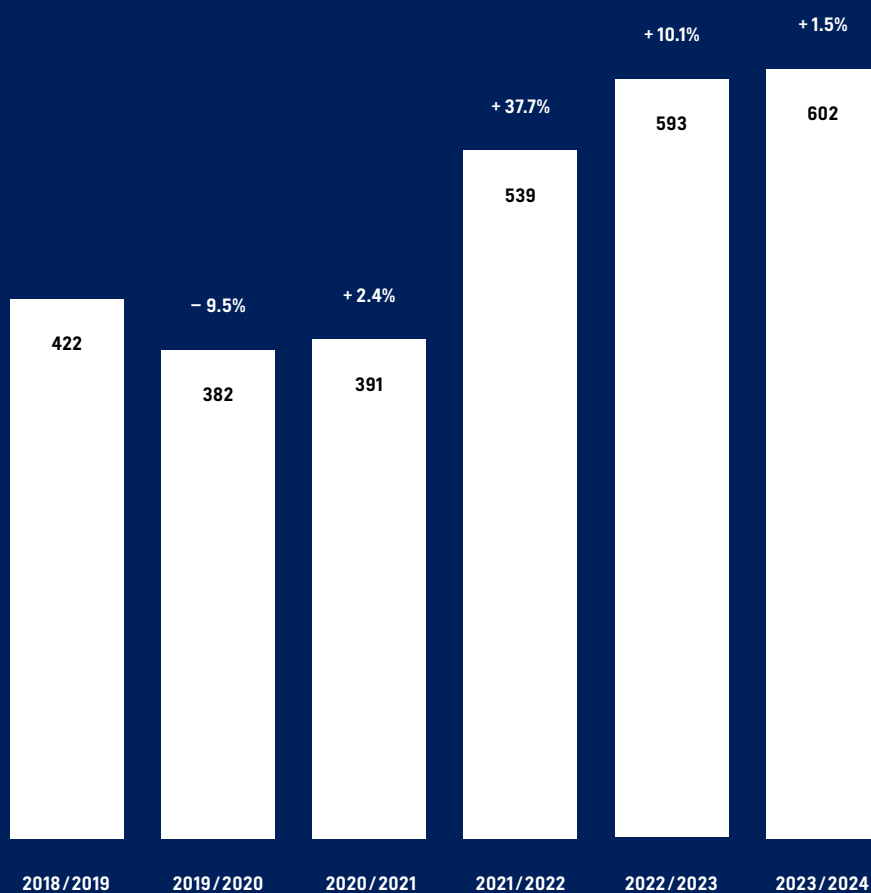


REVENUE

GRI 201-1/ESRS 2 SBM-1

Despite the persistently difficult and uncertain market situation, the Marc O'Polo Group grew by 1.5 per cent and generated net sales of €602 million in the 2023/24 financial year (1 June 2023 to 31 May 2024).

CONSOLIDATED REVENUE* IN € MILLION



* FROM THIS REPORTING PERIOD ONWARDS, WE ARE USING A NEW FORMAT TO PRESENT REVENUE. THE PRIOR-YEAR FIGURES ARE PRESENTED USING THE NEW FORMAT.

1.4 CHALLENGES & FOCUS

ESRS 2 SBM-1

As a German textile company with a global supply chain, we encounter a variety of challenges —whether increasing regulatory requirements, technological change, growing competition or evolving consumer needs.

Marc O’Polo faced a challenging economic environment in 2023/2024. Global geopolitical tensions, particularly the war in Ukraine and other escalating regional conflicts, and lingering pandemic-related effects destabilised supply chains and made it more difficult to procure our products. Rebel attacks on cargo ships in the Red Sea further exacerbated the situation. Furthermore, high inflation and rising interest rates adversely impacted our customers’ purchasing power. Although certain markets reported a slight recovery, demand in the textile and clothing industry fell below expectations overall. The introduction of an integrated ERP systems landscape throughout the group also had an impact in the financial year. We are also aligning ourselves with new legal requirements in order to utilise the associated opportunities at an early stage and make the brand even more attractive for our conscious customers.

However, thanks to its future-oriented structure, Marc O’Polo is confident about what lies ahead. We are pursuing our corporate strategy, which is bolstered by 17 strategic initiatives for product success, internationalisation, new end customers, digital business and a scalable organisation. They are intended to be the driving force for Marc O’Polo’s largest areas of activity and growth opportunities. The Sustainability Leader initiative is focused exclusively on our progress on sustainability. To ensure that the strategy is implemented successfully, monthly reports are submitted to the Executive Board.



2 MISSION & STRATEGY

A photograph of a wooden chair with a white sweater draped over its back, sitting in a field of tall grass and wildflowers. The background is a dense forest of green trees.

Our ‘Sustainability Leader’ strategic initiative ensures that sustainability is not just rooted in our corporate culture but is also firmly embedded in our strategy and throughout the organisation. It follows the clear vision of playing a leading role in sustainability. But what does that mean in 2024? How have the challenges within the industry evolved? And how can sustainability not just challenge us, our suppliers and our customers, but provide inspiration too?

2.1 OUR SUSTAINABILITY STRATEGY

As a brand, we know we have a clear responsibility to our customers to sell products that aim for the highest social and environmental standards across all collections. To meet this responsibility, we launched our '01 JOURNEY 10 PATHWAYS' strategy in 2020. Today, we are pleased to report that we have come a big step closer to meeting this responsibility.

At the same time we recognise that the demands placed on brands are constantly evolving, and playing a leading role also means facing up to uncertainties and helping the industry seek innovative solutions to our shared challenges. The fashion industry has also undergone a major transformation in recent years with far-reaching consequences. For example, we are observing pioneering developments towards more ecological and regenerative methods in agriculture, and witnessing ever greater investment in circular systems and the adoption of landmark legislation. Overall, we can state with optimism that the industry has diagnosed its problems and for the most part we as brands know what needs to be done. It is ultimately up to us to put the existing solutions in place and establish a new benchmark for sustainability.

Building on that conviction, this year saw the launch of our new IT'S ON US 2030+ sustainability strategy that forms the basis for the 'Sustainability Leader' strategic initiative.

Our new strategy takes an even more holistic approach to sustainability and will express Marc O'Polo's approach to the topic even more clearly. We are building on our decades-long tradition of natural materials, our high standards when it comes to lasting quality, and our conviction that staying authentic, natural and true to our social responsibility can empower people to lead more self-conscious and responsible lives. Our target is to cultivate and breathe new life into these traditions. IT'S ON US 2030+ is the framework and our corporate culture the foundation for us to do so.



2.1.1 OUR VISION

MARC O'POLO WILL BECOME THE LEADING MODERN CASUAL AND SUSTAINABLE LIFESTYLE BRAND IN THE GLOBAL PREMIUM SEGMENT DELIVERING HIGH QUALITY AND INNOVATIVE PRODUCTS.

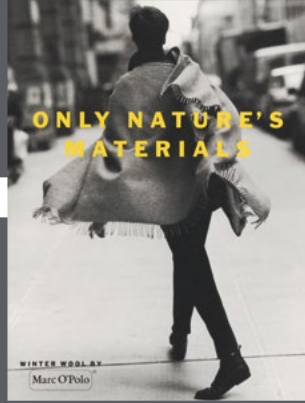
2.1.2 OUR MISSION STATEMENT

TO BECOME THE MOST SUSTAINABLE VERSION OF MARC O'POLO.

2.1.3 OUR JOURNEY SINCE 1967



1967 ESTABLISHED WITH THE APPROACH OF PRIMARILY USING NATURAL MATERIALS.



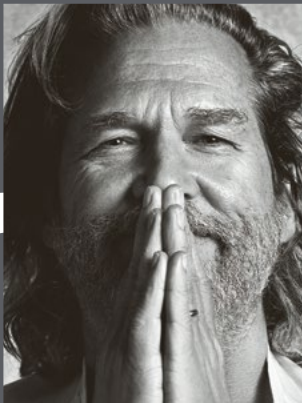
1970S 'ONLY NATURE'S MATERIALS' CAMPAIGN.



1970S BRAND PHILOSOPHY: 'FOLLOW YOUR NATURE'.



1980S LAUNCH OF THE 'RAW' COLLECTION.



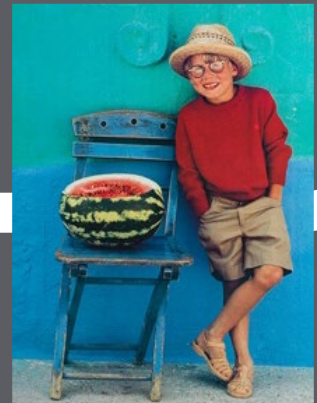
2016 RECYCLED FIBRES USED FOR THE FIRST TIME.



2009 SUSTAINABILITY REPORT PUBLISHED FOR THE FIRST TIME. MEMBERSHIP OF AMFORI BSCI.



2005 – 2006 NO-FUR POLICY INTRODUCED. ORGANIC COTTON USED FOR THE FIRST TIME.



1980S 'NO FUTURE WITHOUT NATURE' CAMPAIGN.



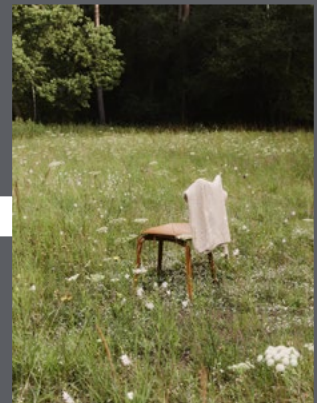
2020 RWS, GOTS AND OCS CERTIFICATION. JOINED LWG. PARTNERSHIP WITH THE FWF.



2021 – 2022 FRIEND OF THE ZDHC, PARTNER OF THE GOOD CASHMERE STANDARD® OF THE AID BY TRADE FOUNDATION, HIGG INDEX IN USE, RDS, RMS AND RCS CERTIFICATIONS.



2022 – 2023 PARTNERSHIP WITH CIRCULAR.FASHION AND DEVELOPMENT OF THE FIRST 'DESIGNED FOR CIRCULARITY' PRODUCTS.



2023 – 2024 RAS CERTIFICATION, MARC O'POLO BECOMES CANDIDATE FOR CASCALE MEMBERSHIP & ZDHC SIGNATORY BRAND. MARC O'POLO AWARDED FAIR WEAR FOUNDATION 'LEADER' STATUS.

“SINCE MANY YEARS, WE HAVE BEEN TALKING ABOUT THE GAP BETWEEN CONSUMERS’ ATTITUDES AND BEHAVIOURS REGARDING SUSTAINABILITY. WE BELIEVE IT IS OUR RESPONSIBILITY AS A BRAND TO BRIDGE THIS GAP BY LISTENING CLOSELY TO OUR CUSTOMERS AND COMMUNICATING SUSTAINABILITY IN AN AUTHENTIC AND ENGAGING WAY.”



MAXIMILIAN BÖCK
CEO

2.1.4 IT'S ON US. 2030+

ESRS 2 SBM-1

A LOOK BACK ON '01 JOURNEY 10 PATHWAYS'

Building on our long-standing brand philosophy, we adopted our first holistic sustainability strategy—'01 JOURNEY 10 PATHWAYS'—in 2020. Each pathway reflected its own sustainability aspect, for which we set ourselves specific targets and actions. We achieved a lot with this strategy, but given the stricter legislation, technological innovation and changing customer expectations, in 2023 we decided to refine our strategy and align our targets even more closely with the changes and opportunities in the industry.

We have summarised the strategic milestones we reached and the challenges we faced under our '01 JOURNEY—10 PATHWAYS' strategy, and would like to thank all of our partners, suppliers, employees and customers who contributed to its overall success.

STRATEGIC MILESTONES REACHED

Our strategic milestones reflect our successes and key steps forward in our development in recent years.

1. FAIR WEAR Leader Status in the Brand Performance Check 2022/23 (see section 4.2.1 Our Fair Wear Foundation membership [7]).
2. 100 per cent 'sustainable products' for our Marc O'Polo DENIM brand and 94 per cent 'sustainable products' for all collections based on our definition*.
3. Step-by-step certification in accordance with internationally recognised standards (GOTS, OCS, RCS, RDS, RWS, RMS, RAS) and the associated comprehensive range of certified products (see section 3.5.2 More sustainable materials and verifications [7]).
4. 100 per cent of the leather used for our products is sourced from LWG-certified tanneries (see section 3.2.5 More responsible leather production [7]).
5. 100 per cent of the wash treatments for our denim are assessed as 'low-impact processes' and meet our high standard for environmentally friendly jeans production (see section 3.2.4 A denim story [7]).
6. Implementation of our Chemical and Wastewater Management Programme (EMP) to remove substances of concern from Marc O'Polo's supply chain and dispose of effluents appropriately (see section 3.2.1 Marc O'Polo Chemical and Wastewater Management Programme (EMP) [7]).

STRATEGIC CHALLENGES

Our strategic challenges highlight areas in which we were unable to meet all of our own expectations and the targets we set ourselves in the past and therefore intend to focus on more closely going forward.

1. Climate neutrality

Due to a cross-industry rethink regarding the goal of climate neutrality and challenges with the data basis, we have not yet been able to fully achieve our strategic decarbonisation target. Nevertheless, we have gained valuable experience and optimised processes that will allow us to work more effectively on climate protection measures in the coming years. We are confident that we will realise ambitious progress and successfully implement our sustainability targets.

2. Stakeholder engagement

Our aim was to organise more webinars for our partners and to better engage both internal and external stakeholders on our sustainability journey through our own channels. Although we organised our first Partner Day last year, we are convinced that the new strategy requires more formats that promote knowledge transfer.

3. More responsible linen production

In the past, we have struggled to find a scalable solution for more responsible produced linen and have prioritised the topic for the upcoming strategy.

* MARC O'POLO LABELS PRODUCTS AS SUSTAINABLE IF, IN THE CLOTHING SECTOR, THE ESSENTIAL COMPONENTS (OUTER FABRIC, FILLING MATERIAL AND LINING), IN THE HOME TEXTILES SECTOR, THE ESSENTIAL COMPONENTS (OUTER FABRIC, FILLING MATERIAL), IN THE FOOTWEAR SECTOR, AT LEAST ONE OF THE ESSENTIAL COMPONENTS (UPPER MATERIAL, LINING, SOLE), AND IN THE ACCESSORIES SECTOR (BAGS, SMALL LEATHER GOODS), THE ESSENTIAL COMPONENTS (MAIN MATERIAL AND LINING) CONSIST OF AT LEAST 80% MORE SUSTAINABLE MATERIALS.

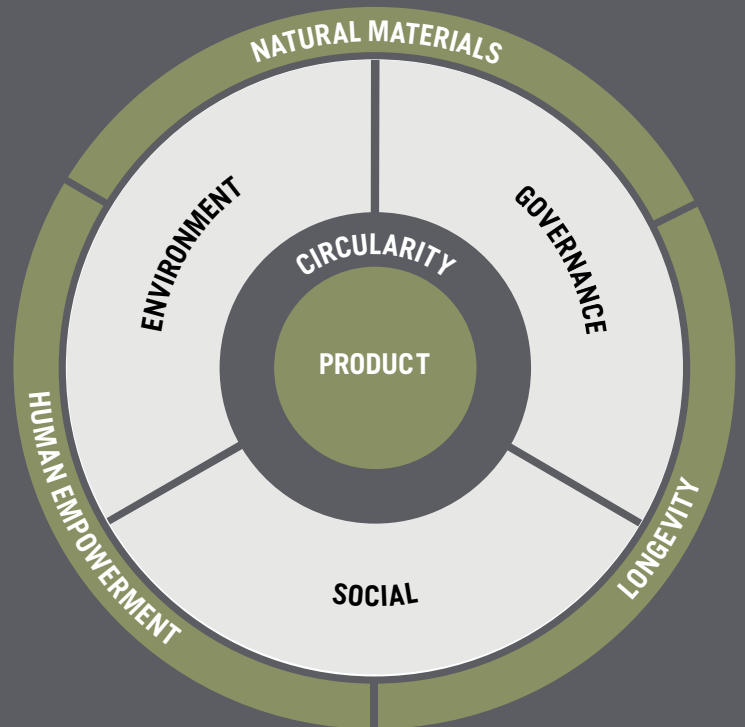
IT'S ON US. 2030+

Looking ahead, it was important for our new strategy to cover a longer period, and with this in mind we have set our sights on 2030.

As there are many changes in our new sustainability strategy, we have tried to maintain a certain continuity through the name. The new strategy carries forward our sustainability claim IT'S ON US, which at its core expresses the notion that we are all responsible for bringing about change. We as businesses, as consumers and as citizens share this responsibility and should start with ourselves. We are convinced of this as a brand—an approach that embodies our strategy and the message we want to send out.

The strategy development process was launched in autumn 2022, and we brought it to a close in 2024. We started with a stakeholder survey and the double materiality analysis building on that*. Based on the results, we used a multi-stage workshop process within the Sustainability Team to assign the topics strategically, set targets and define actions. We then held two interdisciplinary workshops with the full Executive Board to adopt targets and prioritise topics. We launched our efforts to implement and constantly refine the strategy in financial year 2024/2025. For certain sub-topics such as biodiversity, we have not yet set any specific targets and must first analyse the baseline situation in detail. In other words, we see 'IT'S ON US 2030+' as a living strategy that we are constantly refining, enriching with improved data sources and substantiating with new targets.

OUR STRATEGY – IT'S ON US. 2030+



* THE MATERIALITY ANALYSIS MENTIONED HERE WAS CONDUCTED IN THE 2022/2023 FINANCIAL YEAR AND DOES NOT MEET THE REQUIREMENTS OF THE CSRD. IT FORMS THE BASIS OF THE MATERIALITY ANALYSIS PRESENTED IN CHAPTER 2.2.4 ACCORDING TO ESRs.

2.1.5 SUSTAINABILITY TARGETS, ACTIONS & PROGRESS

GRI 2-29 / ESRS 2 SBM-1, ESRS E1-4, E2-3, E3-3, E4-4, E5-3, S2-5

Our strategic framework comprises four fundamental pillars: environment, social responsibility, governance and product. In other words, we have expanded on the conventional ESG model to add a core pillar of our own—product. Each of the pillars covers selected sub-topics for which we have set targets and defined actions.

PRODUCT

Building on our business-wide ‘Product First’ approach, our products are at the very core of our ESG strategy. This pillar covers strategy targets for the use of preferred materials and the share of recycled products. It also emphasises the application of international standards for product certification. These actions help us launch products on the market that have less of an environmental impact than conventional solutions.

OUR BASELINE:

- 74 per cent certified products
- Use of more sustainable materials (see section 3.5.1 [7])
- No real fur
- No exotic leather
- No silk
- No angora wool
- Certified down and feathers only
- Cashmere wool from recycled sources or certified under the Good Cashmere Standard only
- Certified mohair only

OUR CORE TARGETS:

- 2025: To only use certified recycled cotton or organic cotton
- 2025: To only use certified wool (mulesing-free)
- 2027: 10 per cent of our cellulosic fibres to be ‘next-gen MMCF’ (e.g. TENCEL™ REFIBRA™)
- 2027: To only use certified recycled polyester
- 2027: 70 per cent RAS-certified alpaca fibres
- 2027: 30 per cent of down and feathers to be recycled, the remaining 70 per cent to be RDS-certified
- 2030: To only use recycled polyamide

- 2030: 50 per cent of our products to be DFC

Fibers—our mission: From 2030 onwards, Marc O’Polo will only use preferred fibres.

We define preferred fibres (based on TEXTILE EXCHANGE) as “fibres that deliver consistently reduced impacts and increased benefits for climate, nature and people against the conventional equivalent, through a holistic approach to transforming production systems.”

For some fibre types, the more responsibly generated variants currently lack sufficient availability in the market. We have launched selected projects to seek out new solutions and in particular to promote the more widespread use of recycled fibres.

Preferred Linen Project: An ongoing project aimed at delivering scalable solutions and identifying alternatives that stand out against conventional linen, are available in sufficient quantities and satisfy our quality requirements.

ENVIRONMENT

As part of the textile and clothing industry, we contribute to the rise in global environmental impacts each year that are pushing the earth to its limits. The associated risks are becoming ever more acute and the need for action ever more urgent. Our new environmental strategy addresses this action, and is based on three pillars: hastening climate action, protecting the environment and promoting the circular economy.

OUR BASELINE:

- Calculation of our third corporate carbon footprint (CCF) and our first product carbon footprint (PCF)
- Photovoltaic system at headquarters expanded by 650kW
- Cooperation with software firm Carbonfact on automated carbon footprint calculation
- Chemical and Wastewater Management Programme (EMP) implemented to remove chemicals of concern from the Marc O’Polo supply chain and dispose of effluents appropriately
- Use of the HIGG Facility Environmental Module (FEM) to measure our suppliers’ environmental performance
- ZDHC Signatory Brand and candidate for membership of CASCALE (formerly the Sustainable Apparel Coalition—SAC)
- Biodiversity check carried out with the Global Nature Fund
- Pilot project on circular business models (‘fashion as a service’)

OUR CORE TARGETS:

- Decarbonisation targets in the period to 2030 to replace the target of net zero by 2025
- 2025: Develop and validate science-based reduction targets in accordance with the SBTi
- 2025: Develop a strategy and launch a supply chain programme to reduce air emissions from raw materials and manufacturing processes
- 2030: Develop a strategy and launch a programme to reduce impacts on biodiversity and ecosystems in our value chain
- 2030: 100 per cent of the man-made cellulosic fibres (MMCF) we use to be produced in accordance with the ZDHC MMCF Guideline
- 2030: Align global supply chains with the highest standards for sustainable chemicals management
- 2030: Zero discharge—avoid the release of substances of concern in Marc O’Polo’s supply chain due to insufficiently purified effluents
- 2030: Develop a water stewardship programme and take action to use water efficiently, reduce water consumption and strengthen supply chain partners’ resilience to water crises

SOCIAL RESPONSIBILITY

For us, social and responsible behaviour begins at our headquarters and in our own stores and continues throughout our supply chain. As part of the fashion industry, we therefore see it as our responsibility to play an active role in promoting fair working conditions within our supply chain in conjunction with partner organisations. At present, this part of our strategy focuses primarily on the supply chain. Going forward, we plan to further develop social topics at our headquarters and our stores and anchor them in our strategy.

OUR BASELINE:

- Fair Wear Leader Status
- 99 per cent of our tier 1 suppliers with a social audit
- Fair Wear complaint mechanism in place since 2021
- amfori BSCI member since 2009

OUR CORE TARGETS:

- Ongoing: Maintain Fair Wear Leader Status
- Ongoing: 100 per cent of complaints to be addressed with effective remedial action
- 2025: 100 per cent of our tier 1 suppliers to have a valid social audit and a remediation action plan
- 2025: Development of a programme to promote gender equality and support women in the supply chain
- 2027: 30 per cent of our tier 1 suppliers to be trained in the relevant human rights topics
- 2027: 100 per cent of our strategic tier 2 suppliers to have a social audit carried out by a third party
- 2027: Implementation of the programme to promote gender equality and support women in the supply chain
- 2030: Marc O’Polo contributes to help raise wages in our supply chain in pursuit of a living wage

GOVERNANCE

Governance brings together topics that act as a driving force for our entire sustainability strategy. The point is to develop foundations and systems that help us drive forward sustainability with the company, in the supply chain and for our customers. How we root sustainability in our ecosystems and integrate it into our existing processes is crucial to the success of our strategy.

OUR BASELINE:

- Introduction of Retraced, a blockchain-based supply chain traceability tool
- Implementation of sustainability e-learning
- Inclusion of sustainability targets in employee performance reviews
- Marc O’Polo partner and supplier days

OUR CORE TARGETS:

- 2025: Become a B Corp
- 2025: Organise the first Marc O’Polo sustainability stakeholder day, to be held as an annual event
- 2027: Develop a holistic training concept for sustainability at Marc O’Polo to promote a more sustainable corporate culture
- 2030: Transparency through to tier 4 in Marc O’Polo’s supply chain; 100 per cent of our products to be traceable through to tier 4

UNSER OWNERSHIP

Alongside our strategic framework, during the strategy process we constantly asked ourselves: What makes our sustainability approach special? What topics do we advocate for internationally? And what areas do we want to focus on in driving forward innovation? Following a process covering multiple stages, we decided on three ‘ownership topics’ throughout the company: natural materials, lasting quality and human empowerment.

NATURAL MATERIALS

Naturalness has always formed the core of our brand. Our long-standing tradition of using natural materials was part of our founding philosophy and something we continue to cultivate. Natural fibres currently make up some 80 per cent of our fibre volume. On the one hand, we want to explore opportunities for how and whether we can replace our synthetic-fibre products with natural fibres, and do so on a permanent basis with no loss of quality. On the other, for us ‘owning’ the topic of natural materials means thinking beyond the product—framing our entire brand experience in terms of natural materials and a natural feel.

LONGEVITY

We consider our product experience over half a century and our 'ageless modernity' design philosophy to be the foundation for products with lasting quality. For us, longevity means producing time-honoured favourites that bring our customers lasting joy and not the pursuit of fleeting trends. To future-proof our commitment to lasting quality, the key is to design products that are recyclable and to develop circular systems that allow us to keep products and fibres in circulation for as long as possible.

HUMAN EMPOWERMENT

For us as a company, people are at the centre of all we do. From our own employees through our entire supply chain down to our brand ambassadors, it is essential for us to lead with humanity. We want to constantly improve the lives of people in our value chain, drive forward equality and offer everyone the opportunity to develop with us.

Our 'ownership topics' are the very pinnacle of our sustainability strategy and the essence of our brand vision for sustainability. They will be a framework for our communication and a filter for innovation.

This section has provided a brief taster of our new strategy. 'IT'S ON US 2030+' will continue to be rolled out and added to next year. We look forward to presenting our new strategy in greater detail in the next report.

**“OUR GOAL TO FADE OUT
CONVENTIONAL FIBERS BY 2030
ENTIRELY INSPIRES THE TEAM AND
MYSELF EVERY DAY. TOGETHER
WE ARE CREATING NEW STANDARDS.”**



**SUSANNE SCHWENGER
CPO**

2.2 OUR SUSTAINABILITY MANAGEMENT

We take an integrated approach, as described in subsection 1.2 Sustainable corporate governance & organisation [7], in order to manage sustainability comprehensively and address a wide range of issues appropriately. In addition, we systematically analyse human rights and environmental risks across our value chain and involve our stakeholders.



2.2.1 STAKEHOLDER ENGAGEMENT

GRI 2-26, 2-29 / ESRS 2 SBM-2

Marc O'Polo relies on regular dialogue with its various stakeholder categories. We see transparent communication and solidarity with stakeholders as a basis for trust and the success factor in long-term cooperation.

In addition to regular exchange with various interest groups and NGOs in discussions, at conferences and at network meetings, we are increasingly working with universities on various high-innovation projects and seeking to exchange ideas with our customers at events, through surveys and via feedback channels. Marc O'Polo also uses detailed, critical feedback as an important tool for optimising products, processes and services.

We actively involve our employees in a wide range of issues related to sustainability, for example through workshops, surveys, interest groups, working groups and posts on our internal communication platform 'Inside'. In addition, our employees can use our 'Share with' tool to send questions, suggestions, ideas and criticism to Marc O'Polo's management anonymously.

A close working relationship with our suppliers is also very important to us. Detailed information can be found in section 5.5 Management of relationships with suppliers [\[7\]](#).

2.2.2 OUR VALUE CHAIN

GRI 2-6 / ESRS 2 SBM-1, GRI 3-3 (414), 414-2

In order to be able to guarantee corporate due diligence, it is necessary to know our own value chain as precisely as possible and to establish transparency. Only by understanding which partners in the supply chain are involved in the

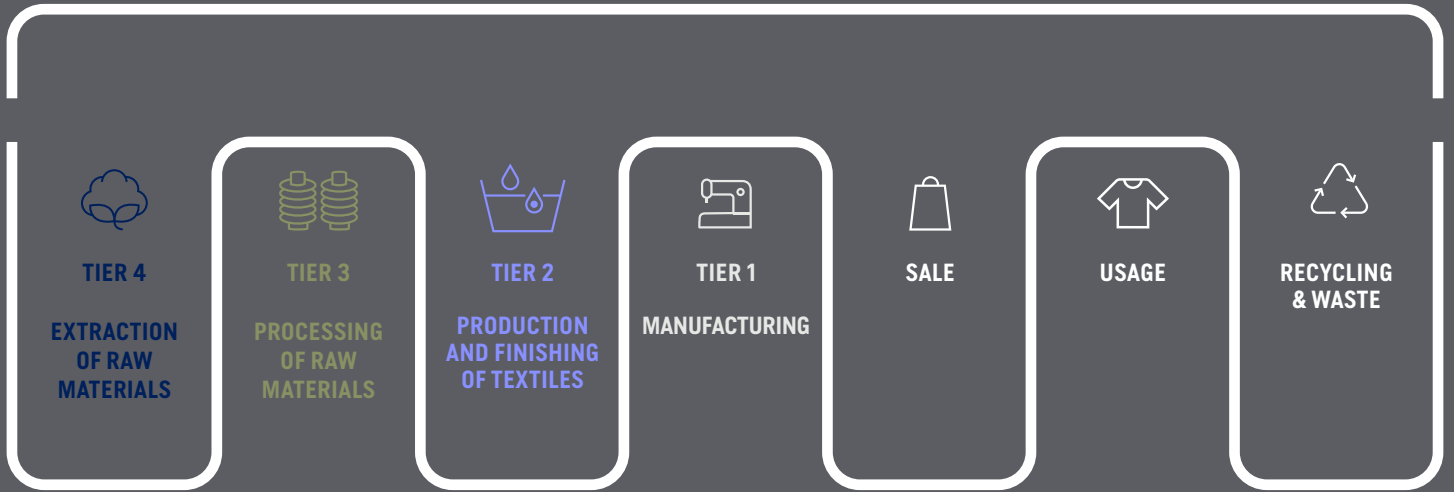
manufacture of our products, where and under what conditions they are manufactured can we identify, address and counteract social and environmental risks (see the following section 2.2.3 Risk analysis [7]).



TRANSPARENCY & TRACEABILITY



PACKAGING & LOGISTICS



VERTICAL SUPPLIERS ARE GENERALLY CATEGORISED AS TIER 1



MATERIAL STRATEGY



ENVIRONMENTAL & CHEMICAL MANAGEMENT



SOCIAL RESPONSIBILITY

TIERS IN THE SUPPLY CHAIN

In a global and multifaceted supply chain such as the textile and clothing industry, the various partners involved in the manufacture of our products are represented in successive tiers. The target is to gain transparency and understanding of the processes and suppliers involved, from the production of raw materials to the production of the final piece. Classification as tier 1, tier 2, etc. is always based on proximity to Marc O'Polo. This means that the lower the number, the 'closer' the respective process stage is to Marc O'Polo. The following diagram of the supply chain tiers illustrates this in a simplified way:

TIER 1

PRODUCTION OF FINAL PIECE

- MANUFACTURERS INCL. CUTTING AND FINAL ACCEPTANCE
- VERTICAL SUPPLIERS WITH MULTIPLE PROCESSES
- LINKING COMPANIES (LINKING OF KNITTED FABRICS)

TIER 2

TEXTILE PRODUCTION AND FINISHING

- LAUNDRIES
- DYE SHOPS
- PRINT SHOPS
- WEAVING MILLS
- KNITTING MILLS
- EMBROIDERERS
- COATERS AND LAMINATORS
- MANUFACTURERS OF COMPOSITE MATERIALS

TIER 3

PROCESSING OF RAW MATERIALS

- FIBRE MANUFACTURERS
- SPINNING MILLS AND THEIR DYEING MILLS
- DOWN AND FEATHER PROCESSORS
- TANNERIES
- MANUFACTURER OF FILMS AND TAPES
- METAL PARTS MANUFACTURERS

TIER 4

EXTRACTION OF RAW MATERIALS

- RAW MATERIAL PRODUCERS (AGRICULTURE, LIVESTOCK, FORESTRY, RAW MATERIALS INDUSTRY)
- SUPPLIERS OF RAW AND RECYCLED MATERIALS
- CLEANING AND PRE-PROCESSING COMPANIES

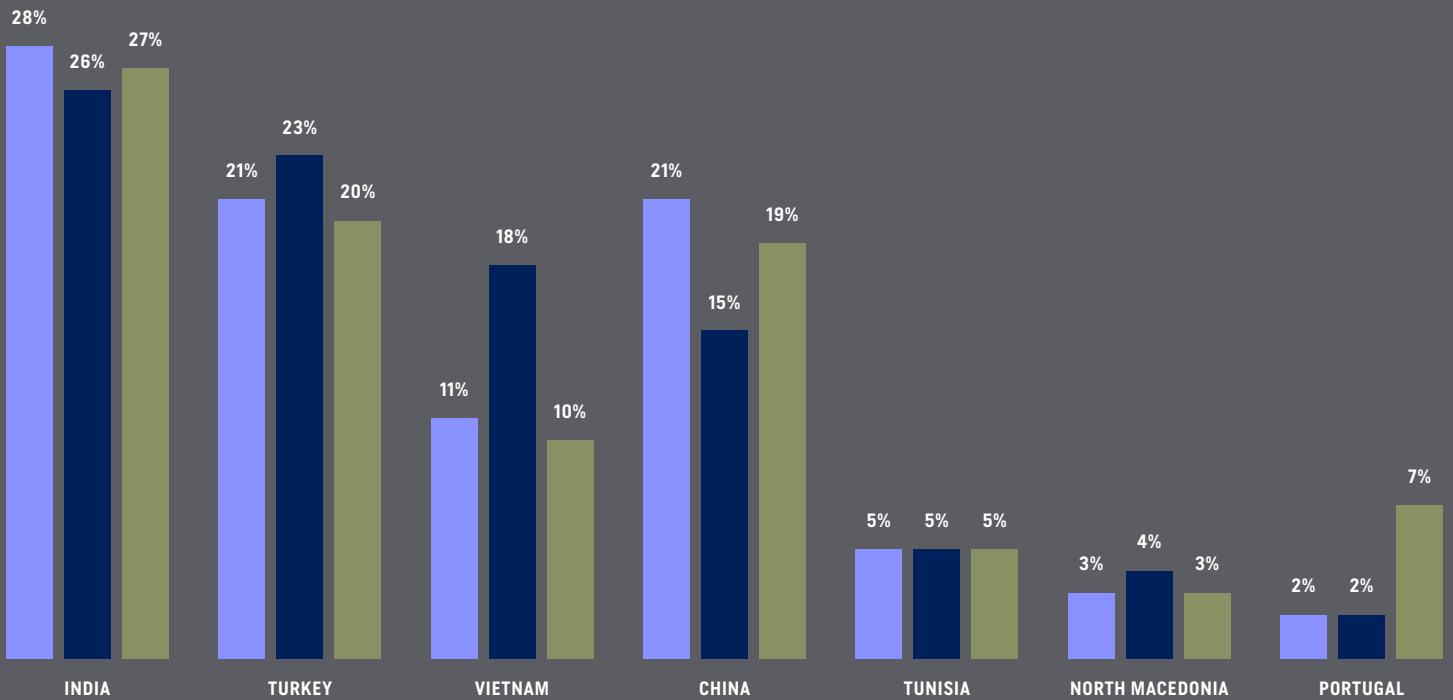
In the past financial year, we have worked with 95 (PY: 108) direct partners. Some of these partners are agencies, while in other cases we work directly with manufacturing suppliers.

As is customary in the textile industry, a single supplier often has several factories for different stages of production or greater production capacity. These also form part of our supply chain, although we do not generally have a direct business relationship with them. We have transparency concerning the garment factories in our supply chain—regardless of whether they are owned by our suppliers or their subcontractors. During the reporting period, 132 (PY: 130) garment factories were part of our supply chain.

Our target is to continuously increase transparency in our supply chain and introduce transparency to other upstream stages of the value chain. We took another key step in the financial year by including our strategic fabric suppliers and their production sites in addition to the subcontractors used by our suppliers for wet processes such as washing, colouring, printing and embroidery. We are currently working with 87 (PY: 71) tier 2 partners known to us, of which 25 (PY: 25) are in Europe, 55 (PY: 40) in Asia and 7 (PY: 5) in North Africa.

PERCENTAGE PRODUCTION COUNTRIES FOR GARMENTS, SHOES AND ACCESSORIES BASED ON OUR PURCHASING COSTS*

GRI 2-6 / ESRS 2 SBM-1



* ONLY COUNTRIES WITH A SHARE OF 2 PER CENT OR MORE ARE SHOWN.

† THE DISCLOSURES IN THE REPORTING PERIOD ALSO INCLUDED THE FURTHER PRODUCT GROUPS SHOES AND ACCESSORIES; AS SUCH, THEY ARE NO LONGER DIRECTLY COMPARABLE WITH THE PRIOR-YEAR DISCLOSURES

● 2021/22
● 2022/23
● 2023/24

TRACEABILITY TOOL: OUR PARTNERSHIP WITH RETRACED

ESRS 2 SBM-1

Transparency and seamless traceability in the supply chain are some of the most important topics in the industry and are also an integral part of Marc O'Polo's sustainability strategy. To this end, we have partnered with Düsseldorf-based start-up retraced since 2022. This enables us to record our partners in the supply chain digitally and in doing so to create a transparent supplier network. After successfully onboarding our tier 1 suppliers in retraced, work began in the reporting period to also integrate our tier 2 suppliers such as laundries, dye shops, printers and embroiders. Our long-term target is for our products to be traceable. This will let us further increase transparency in the supply chain and combine it with monitoring of our own sustainability targets.

The value chain in the textile industry is fraught with environmental and social challenges. It is complex with a wide division of labour and with labour-intensive production. The fashion orientation of our products and the variety in our collections require many direct and indirect supply relationships. There are numerous environmental challenges when raw materials are extracted, processed and refined. We use various analyses to identify and manage these impacts and risks.

**“IN THE AREA OF SUSTAINABILITY,
WE FOCUS ON COOPERATION
RATHER THAN COMPETITION.
ONLY BY ACTING TOGETHER CAN
WE MAKE SIGNIFICANT PROGRESS
AND ACHIEVE GROUND-BREAKING
SUCCESSSES.”**



LISSA ERLenkÖTTER
CSR & PRODUCT SUSTAINABILITY

2.2.3 RISK ANALYSES

GRI 2-23, 3-3 (413, 414) / ESRS 2 GOV-4

For us, the principles of good corporate governance also include responsible management of business risks. Marc O'Polo SE thus relies on a risk management system as a basis for targeted analysis and qualitative assessment of internal and external risks. Marc O'Polo works with detailed reporting to identify and respond to risks as early as possible.

In addition, Marc O'Polo has implemented human rights and environmental due diligence processes based on the UN Guiding Principles on Business and Human Rights (UNGPs). Our human rights and environmental risk analyses are some of the core elements of our due diligence processes.

These risk analyses are a means of identifying Marc O'Polo's relevant (material) impact on the environment and people. They use two criteria to evaluate the risks and opportunities associated with various sustainability aspects throughout the value chain: (1) the likelihood and severity of the impact and (2) the relevance for Marc O'Polo.

We completed the risk analyses with external assistance. The various aspects of the analyses were identified and assessed by external experts and an interdisciplinary team made up of employees in key positions within the company, such as product managers, sustainability officers and members of the Human Resources department.

In our human rights risk analysis, we identified several areas which present work-related human rights risks. These included occupational health and safety, working hours, pay, human trafficking, forced labour, child labour and discrimination.

In addition, we publish a Policy Statement for Human Rights, which is available on our website [\[7\]](#).

The prioritised environmental risks in our supply chain are water pollution from the use of substances of (very high) concern, greenhouse gas emissions, pollution of air and water consumption. We know that due diligence with regard to human rights and our environmental responsibility is a continuous process, so we analyse, review and update our risks annually and assess our actions accordingly. As part of our human rights and environmental risk analysis, we segment our suppliers and service providers according to various risk aspects and to our potential influence in the identified risk areas. We aim to use our actions to minimise potential risks in an even more targeted manner and to focus on the areas where we have the greatest opportunity for positive change due to our influence.

Marc O'Polo has implemented a comprehensive package of actions to counter the identified risks. You can find our more in the topic-specific sections of this report.

These risk analyses form a solid basis for our materiality analysis, which is described in detail in the following sections.



2.2.4 DOUBLE MATERIALITY ANALYSIS

GRI 2-14, 3-1, 3-2 / ESRS 2 IRO-1

The materiality analysis is a core process at Marc O'Polo. It enables us to gain a deep understanding of the key ESG topics and their relevance to the constantly changing environment in which we operate. This systematic approach helps us align our sustainability strategy and reporting with those aspects that are significant to our stakeholders and our business activities. In doing so, we can make sound decisions, optimise our strategy and risk management and develop actions that take into account both short and long-term sustainability effects.

To prepare for the new regulations soon to enter force, we have refined our materiality analysis used in financial year 2022/2023 and adapted it to the requirements of the European Sustainability Reporting Standards (ESRS). The two perspectives of double materiality will continue to be considered. The first covers the financial risks and opportunities from the perspective of our company, in other words the financial effects on Marc O'Polo's business, while the other considers the impacts our actions have on people and the environment.

These efforts have deepened our understanding of the material topics and expanded our analysis to include additional sustainability aspects that new data, methods and regulatory policies are drawing further into focus. The analysis considers Marc O'Polo's entire value chain and also, indirectly, the stakeholder perspective.

Based on the requirements of the CSRD (ESRS), we prepared a long-list of 37 topics to be assessed and appointed experts to carry out the analysis. These experts identified potential impacts, risks and opportunities (IROs) that they then assessed in accordance with ESRS methodology. This was based on the long-standing experience of our experts, due diligence processes already in place such as our human rights and environmental risk analyses (see section 2.2.3 [\[7\]](#)), studies, insights from self-assessments and ratings, whistleblower reports, regulatory requirements and international frameworks, enquiries from customers and non-governmental organisations (NGOs) and relevant topics reported in the media.

The definition of actual and potential impacts determined where they occur in the value chain and whether they occur over a short, medium or long time horizon. The actual impacts were assessed by severity (scale, scope and irremediable character), and the potential impacts were assessed by both severity and likelihood.

The material ESG-related financial risks and opportunities were identified by assessing short, medium and long-term financial risks and opportunities. They were assessed by likelihood and the scale of the financial effect on our cash flows and enterprise value.

Based on the experts' assessment, the ESG topics were classified holistically by representatives of stakeholders covering employees, customers (B2B and B2C), suppliers and civil society. In addition, the topics were likewise validated from an overarching strategic and regulatory perspective. Stakeholders were not surveyed directly due to the extensive insights from the previous year.

The results were then consolidated, plausibility-checked and assigned to the materiality matrix. The Executive Board validated and approved the results of the double materiality analysis.

Based on the analysis, 29 of the 37 topics were categorised as being material for Marc O'Polo. The two-dimensional materiality matrix shows the topics categorised in the two perspectives: 'Marc O'Polo's impact on people and the environment' and 'Financial effects on Marc O'Polo's business'. All of the topics identified in the previous GRI analysis remain material. Based on the list of topics and the assessment under ESRS methodology, three new sustainability topics have been added:

- Climate change adaptation
- Pollution of soil
- Microplastics

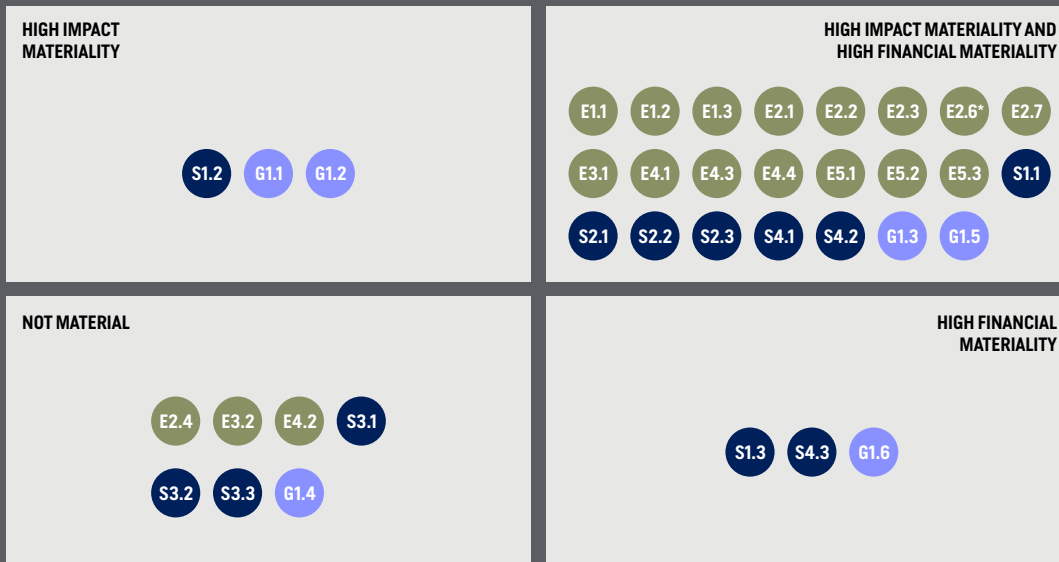
Under ESRS, the materiality analysis follows a structure defined in the standards. As such, the following topics are now considered and reported separately:

- Energy
- Substances of very high concern
- Resources inflows, including resource use
- Resource outflows related to products and services
- Own workforce—other work-related rights (privacy)
- Protection of whistleblowers
- Corruption and bribery

Some results of our materiality analysis have already been taken into consideration in this report. Our intention is to report on these topics in full in next year's report.

OUR MATERIALITY MATRIX

IMPACT MATERIALITY
Marc O'Polo's impact on people and the environment



ALLOCATION TO THE ESG TOPICS:

- ENVIRONMENT
- SOCIAL
- GOVERNANCE

FINANCIAL MATERIALITY
Financial effects on the business of Marc O'Polo

ENVIRONMENT

MATERIAL ✓
NOT MATERIAL ✗

E1 CLIMATE CHANGE	
E1.1 Climate change adaption	✓
E1.2 Climate change mitigation	✓
E1.3 Energy	✓
E2 POLLUTION	
E2.1 Pollution of air	✓
E2.2 Pollution of water	✓
E2.3 Pollution of soil	✓
E2.4 Pollution of living organisms and food resources	✗
E2.5 Substances of concern	✓
E2.6 Substances of very high concern*	✓
E2.7 Microplastics	✓
E3 WATER	
E3.1 Water	✓
E3.2 Marine resources	✗
E4 BIODIVERSITY & ECOSYSTEMS	
E4.1 Direct impact drivers of biodiversity loss	✓
E4.2 Impacts on the state of species	✗
E4.3 Impacts on the extent and condition of ecosystems	✓
E4.4 Impacts and dependencies on ecosystem services	✓
E5 RESOURCE USE & CIRCULAR ECONOMY	
E5.1 Resources inflows, including resources use	✓
E5.2 Resource outflow related to products and services	✓
E5.3 Waste	✓

SOCIAL

MATERIAL ✓
NOT MATERIAL ✗

S1 OWN WORKFORCE	
S1.1 Working conditions	✓
S1.2 Equal treatment and opportunities for all	✓
S1.3 Other work-related rights	✓
S2 WORKERS IN THE VALUE CHAIN	
S2.1 Working conditions	✓
S2.2 Equal treatment and opportunities for all	✓
S2.3 Other work-related rights	✓
S3 AFFECTED COMMUNITIES	
S3.1 Communities' economic, social and cultural rights	✗
S3.2 Communities' civil and political rights	✗
S3.3 Rights of indigenous peoples	✗
S4 CONSUMERS & END-USERS	
S4.1 Information-related impacts for consumers and/or end-users	✓
S4.2 Personal safety of consumers and/or end-users	✓
S4.3 Social inclusion of consumers and/or end-users	✓

GOVERNANCE

G1 BUSINESS CONDUCT	
G1.1 Corporate culture	✓
G1.2 Protection of whistle-blowers	✓
G1.3 Animal welfare	✓
G1.4 Political engagement & lobbying activities	✗
G1.5 Management of relationships with suppliers including payment practices	✓
G1.6 Corruption & bribery	✓

* ASSESSMENT ALSO INCLUDES E2.5. MARC O'POLO CONSIDERS ALL DANGEROUS CHEMICALS AS SUBSTANCES OF VERY HIGH CONCERN AND THEREFORE DOES NOT DIFFERENTIATE BETWEEN SUBSTANCES OF CONCERN AND SUBSTANCES OF VERY HIGH CONCERN.

3 ENVIRONMENT

As a business, we face major sustainability challenges in light of global ecological changes. This is because the textiles, clothing and footwear industry is a major contributor to climate change, global pollution and biodiversity loss due to high rates of resource consumption, the use of harmful chemicals, the emission of greenhouse gases in energy-intensive production processes, contamination with microplastics and the creation of substantial quantities of waste products, among other things. Marc O'Polo's ability to impact the environment extends throughout the entire value chain. We are aware that our international procurement involves sustainability risks and impacts, and consider it our commercial obligation to counteract them and take responsibility for protecting the environment and the climate.

For this reason, Marc O'Polo is working to continuously reduce the environmental impact of its business activities as well as the risks resulting from them. This includes introducing and further developing more environmentally and climate-friendly processes and actions at our administrative locations, at our retail stores and in the logistics chain—as well as collaborating on initiatives and with partners in the supply chain.

3.1 CLIMATE CHANGE & ENERGY

The fashion industry is responsible for at least four per cent of global GHG emissions. As a part of this industry, we are aware of our climate and environmental impacts and our role in achieving the Paris Agreement targets.

For this reason, we have been grappling with the issue of climate protection since 2021. We began by calculating our emissions, so as to provide a picture of what we need to do in order to decarbonise our business activities going forward. Our original strategy was to achieve climate neutrality by 2025 through compensation but this strategy was superseded by our target to decarbonise the business by 2030, reflecting the most recent discourse on climate neutrality.

In order to achieve our new target, we rely on partnerships and external support. By the end of the reporting year, with the assistance of ClimatePartner, we calculated all of our emissions based on our consumption. At the end of 2024, we decided to place greater focus on our products as well as on automated data collection and calculation processes going forward, which is why we have opted for a long-term partnership with the software provider Carbonfact. The standardised calculations, prepared with Carbonfact's assistance, will underpin our specific reduction targets and actions, which we will define in early 2025 based on the insights we gain.



3.1.1 OUR GREENHOUSE GAS EMISSIONS

GRI 3-3 (305), 305-1, 305-2, 305-3, 305-4, 305-5 / ESRS E1-3, E1-6

Our GHG emissions accounting is based on the Greenhouse Gas Protocol, the world’s most recognised and most used standard. Emissions are categorised into three scopes: while Scope 1 covers all direct GHG emissions, such as generated heat, Scope 2 covers indirect GHG emissions from purchased energy, such as electricity. Scope 3 covers all other indirect GHG emissions, including logistics activities and emissions in the supply chain, such as those caused by the extraction of raw materials or our suppliers’ production processes.

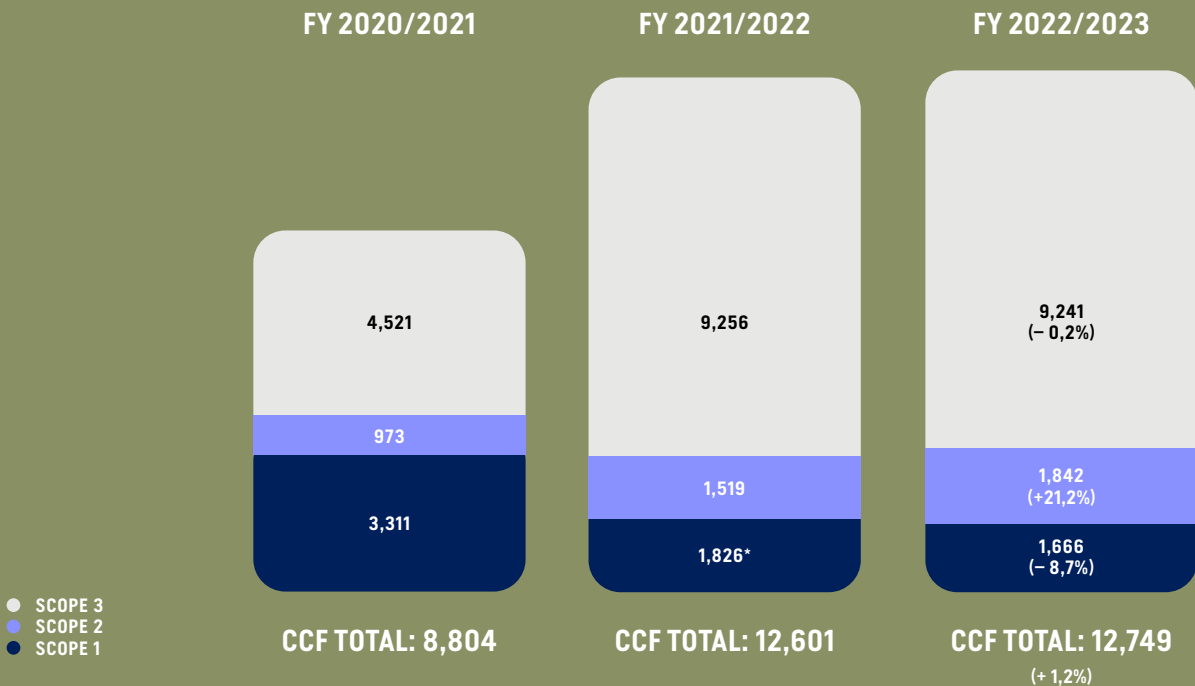
The project to increase the transparency of GHG emissions at Marc O’Polo started in May 2021 with the determination of the corporate carbon footprint (CCF), which includes all relevant data from our headquarters in Stephanskirchen as well as our own retail stores, showrooms and external warehouses. This includes Scope 1 and 2 emissions, such as heat, coolant, water, company vehicles and electricity. Scope 3 emissions are also considered for

this purpose, for example the ones from business travel, staff commutes and waste disposal. The results of our first three CCFs can be seen in the graphic ‘Categorisation of Our Corporate Carbon Footprint into Scopes 1 to 3’. The emissions in the supply chain are not included. Emissions in financial year 22/23 were just under 1.2 per cent higher than in the previous year, meaning that no significant change was apparent overall. Scope 3 in particular, which previously had been the source of the greatest increase due to increased business travel and the return of many employees to the headquarters, remained stable.

However, analysis of the intensity of employee GHG emissions within the CCF reveals a reduction in emissions and thus a positive trend. In financial year 22/23, it was 5.54 t CO₂e per employee, which is 8 per cent lower than in the previous year (FY 21/22: 5.99 t CO₂e per employee).

CATEGORISATION OF OUR CORPORATE CARBON FOOTPRINT INTO SCOPES 1 TO 3 IN TCO_{2E} *

GRI 305-1, 305-2, 305-3, 305-5/ESRS E1-6



- SCOPE 3
- SCOPE 2
- SCOPE 1

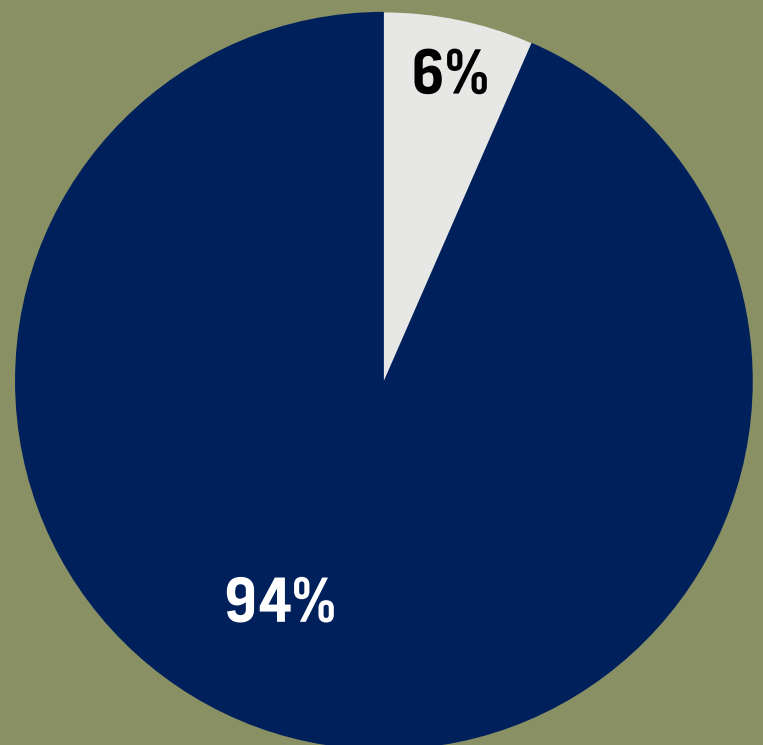
* THE CALCULATION INCLUDES ALL GREENHOUSE GASES IDENTIFIED BY THE KYOTO PROTOCOL: CARBON DIOXIDE (CO₂), METHANE (CH₄), NITROUS OXIDE (N₂O), HYDROFLUOROCARBONS (HFC), PERFLUOROCARBONS (PFC), SULPHUR HEXAFLUORIDE (SF₆) AND NITROGEN TRIFLUORIDE (NF₃). AS THESE GASES HAVE VARYING DEGREES OF INFLUENCE ON THE GREENHOUSE EFFECT AND ALSO REMAIN IN THE ATMOSPHERE FOR DIFFERENT LENGTHS OF TIME, THEY ARE CONVERTED INTO CO₂ EQUIVALENTS (CO₂e) IN ORDER TO BE ABLE TO REPORT THEM UNIFORMLY FOR THE CALCULATION. AT PRESENT, OUR CALCULATIONS DO NOT INCLUDE BIOGENIC EMISSIONS OR REDUCTIONS. WE USE THE CONSOLIDATION APPROACH OF OPERATIONAL CONTROL.

¹ THE PRIOR-YEAR SCOPE 1 FIGURE WAS CORRECTED AFTER THE FACT, AS IT WAS POSSIBLE TO DISCARD THE ASSUMED EMISSIONS DUE TO COOLANT LEAKS AT THE HEADQUARTERS. AS A RESULT, THE FIGURES NO LONGER REFLECT THOSE CONTAINED IN THE 2022/23 SUSTAINABILITY REPORT.

The product carbon footprint (PCF) was calculated in FY 20/21. Its focus is on the materials and the origin of the products—including the energy consumption of suppliers as well as packaging, logistics and the end of the life cycle. To calculate our first PCF, we collected data from individual products and extrapolated the emissions of the respective product group. The results of the PCF thus provide an initial overview of emissions along the supply chain and make it clear that the majority of our emissions originate in the upstream supply chain. As the 'Composition of our carbon footprint' graphic shows, our PCF accounted for 94 per cent of total emissions in FY 20/21. One target of our new partnership with Carbonfact will be to enable automated tracking of our annual product-based GHG emissions within the supply chain because one of the greatest options at our disposal is to transform our supply chain—for instance, by increasing our use of renewable energy sources.

COMPOSITION OF OUR CARBON FOOTPRINT 2020/2021

GRI 3-3 (305) / ESRS E1-6



● CCF (CORPORATE CARBON FOOTPRINT)
● PCF (PRODUCT CARBON FOOTPRINT)

A significant portion of Scope 3 GHG emissions can be attributed to incoming and outgoing logistics, which therefore also has potential for reduction. For the 23/24 reporting period, we were able to further reduce the share of air freight (-64 per cent) and air/sea freight (-94 per cent). Avoiding air freight will be an important lever in the future when it comes to reducing emissions in logistics. With air and air/sea freight accounting for 8 per cent of overall production volume, we have already made significant progress towards our target in the reporting period compared to previous years, with a clear downward trend (FY 22/23: 19 per cent).

Our first carbon footprints showed where data quality needed to be improved in order to obtain a reliable data basis and be able to continue to gather such data. Working with Carbonfact's software to automate the tracking of product-based GHG emissions over the long term, and thus to increase the share of primary data, therefore represents a key step on our path towards decarbonising the business by 2030. The improved data quality lays the foundation for our base year, which will be the starting point for our science-based climate targets. We chose the top-down approach based on the Science Based Targets initiative (SBTi) to develop an effective climate strategy and adopted it this financial

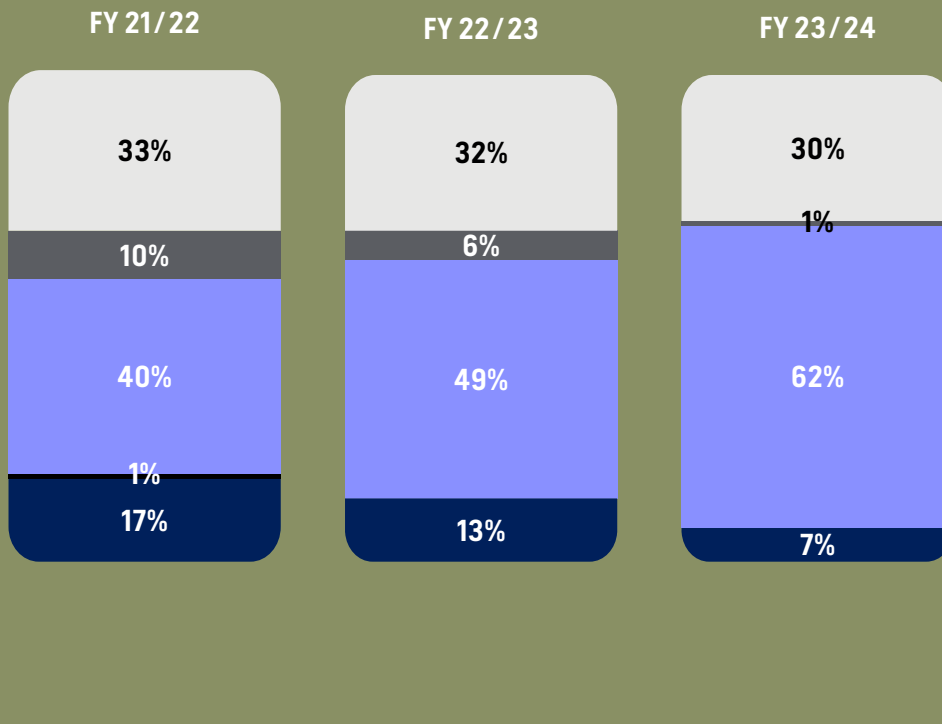
year as part of the new sustainability strategy (see section 2.1 [7]). The necessary reduction potentials as well as the corresponding recommendations and actions are currently being defined. These targets and actions will then be approved by the SBTi and regularly monitored for compliance. We plan to take this important step in early 2025.

In order to reduce our GHG emissions, various actions for each scope will be consolidated in the climate protection strategy in future. The first important steps are to reduce energy-related emissions from Scopes 1 and 2. To that end, we plan to gradually replace the remaining fossil-fuelled heat generation at HQ and in our retail stores, which is expected to result in reduced Scope 1 GHG emissions. The conversion of our vehicle fleet is also progressing. Detailed information can be found in the 'Business travel' section. In order to reduce indirect Scope 2 emissions, we will also gradually expand the international procurement of green electricity at all of our locations.

Scope 3 emissions account for the majority of our emissions. Detailed actions to reduce Scope 3 emissions will also be derived in the new financial year with the help of greater transparency along the supply chain and valid data sets. Close partnership with our suppliers will be of great importance in this regard.

SHARE OF PRODUCTION VOLUME BY TRANSPORT MODE IN INWARD LOGISTICS, TIER 1:

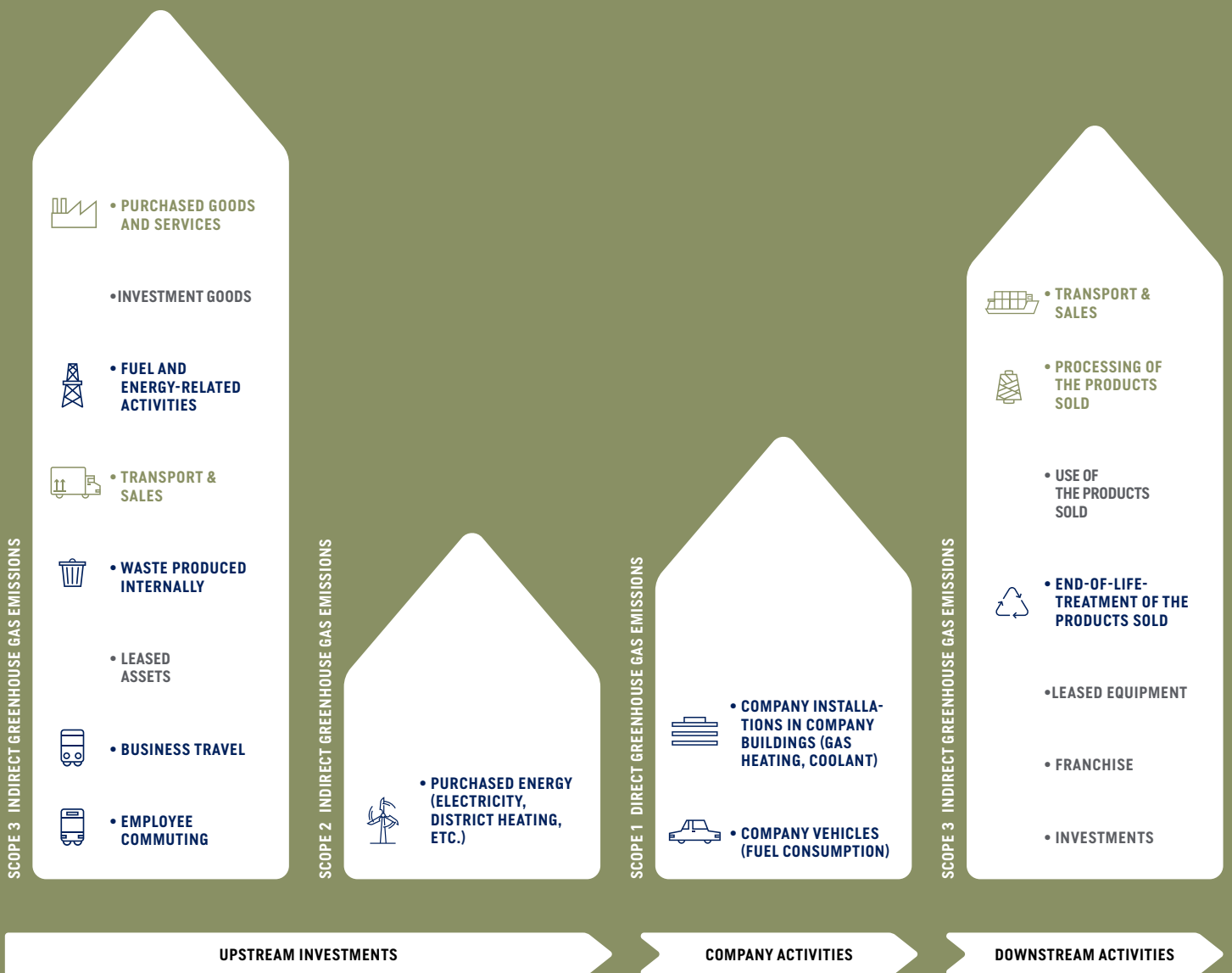
GRI 3-3 (305) / ESRS E1-6



BASED ON NUMBER OF UNITS PRODUCED

BREAKDOWN OF THE CARBON FOOTPRINT INTO SCOPES 1 TO 3

GHGS = CO₂ N₂O SF₆ NF₃ HFC₅ PFC₅ CH₄



- PRODUCT CARBON FOOTPRINT
- CORPORATE CARBON FOOTPRINT
- NOT INCLUDED

BUSINESS TRAVEL

GRI 3-3 (305), GRI 305-3 / ESRS E1-3, E1-6

In order to continuously reduce our GHG emissions, we have developed a new transport concept, which also includes travel policies.

We select low-emission models for our fleet of company cars and have acquired 43 electric vehicles, representing a 26 per cent share in the pool. This means we have nearly tripled the number of electric vehicles year on year (FY 22/23: 15 electric vehicles, 8 per cent of the fleet). This is also evident in the drop in fuel consumption by our fleet. During the reporting period, we reduced our diesel and petrol consumption by 17 per cent. In addition, we use a vehicle fleet management software to track driving behaviour and individual consumption and thus identify potential for improvement. Our travel policies also promote environmentally conscious driving behaviour. We reward staff who refrain from using a company car with a mobility allowance.

We also do our best to make business trips environmentally friendly. For distances of up to 400 km—and occasionally even longer—our employees use Deutsche Bahn. Small hire cars and public transport are designated for shorter distances. To make electric transport options more useful for employees, we increased the number of charging points at our headquarters to a total of 40 in 2022; they are available to employees and visitors.

A total of 5,086,011 km were travelled for business trips in the reporting period, representing a 31 per cent year-on-year increase. There has been a noticeable uptick in travel in recent years following the end of pandemic-related restrictions. Nevertheless, CO₂e emissions have risen by only 6 per cent to 777 tonnes of CO₂e. This translates to a nearly 20 per cent reduction in emissions per kilometre travelled. Above all, this is thanks to the use of rail transport, as the number of kilometres travelled by train was up year on year by 153 per cent. Our GHG emissions from business travel by air were 691 tonnes during the reporting period and therefore continued to account for a significant portion of our emissions from business travel.



DIESEL AND PETROL CONSUMPTION OF OUR FLEET

	21/22	22/23	23/24
	LITRES	LITRES	LITRES
DIESEL	96,052	132,309	58,676
PETROL	73,707	105,364	139,733
TOTAL	169,456	237,673	198,409

GHG EMISSIONS FROM BUSINESS TRAVEL

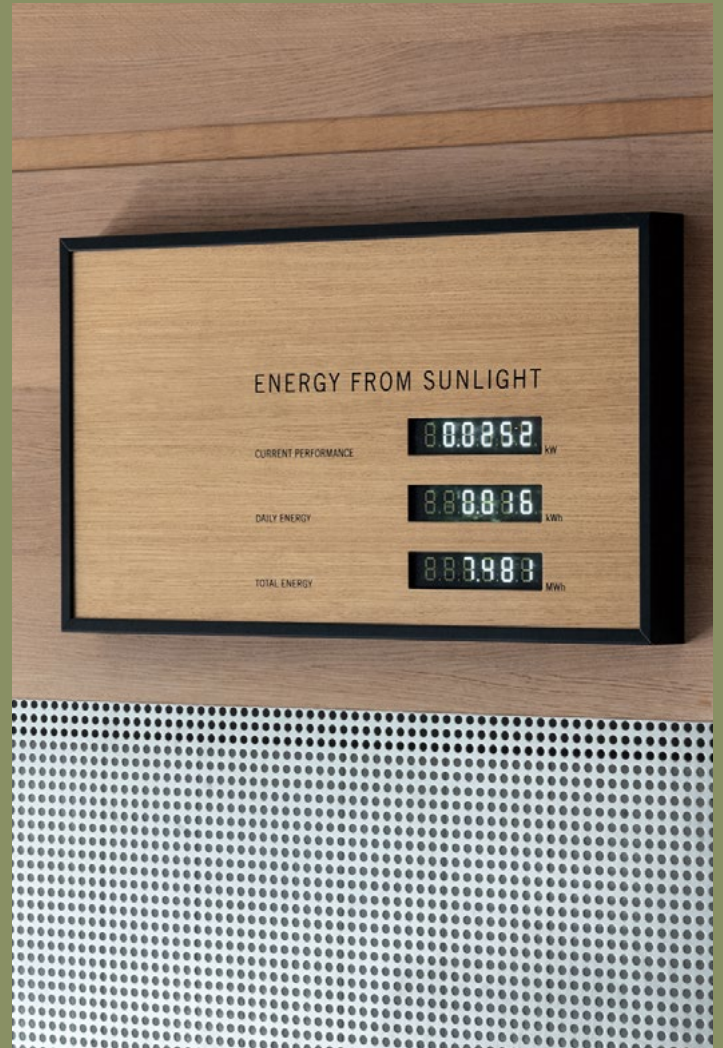
	21/22		22/23		23/24	
	T CO ₂ e	KM	T CO ₂ e	KM	T CO ₂ e	KM
HIRE CARS	66	438,857	46	359,718	67	384,636
FLIGHTS	66	2,153,818	663	3,019,765	691	3,415,073
TRAINS	9	405,865	21	508,341	19	1,286,302
TOTAL	510	2,998,540	730	3,887,824	777	5,086,011

3.1.2 ENERGY MANAGEMENT

GRI 3-3 (302) / ESRS E1-3, E1-4

The past financial years have made it clear that the resource-saving use of energy sources can be decisive for a company's commercial success today and in the years to come. Since 2016, we have been using an energy management system in accordance with DIN ISO 5,001 to record and evaluate energy consumption at Marc O'Polo locations and identify potential for optimisation. We bring together our activities and aims in our annual energy programme. Our energy management system is implemented by a team of experts in the fields of building management, human resources, fleet management, IT, retail and sustainability management. We also actively include our employees and involve them in our efforts. Our target is to save energy in the form of electricity and gas at all our sites. Amongst other things, we want to use more energy from renewable sources and have set ourselves the target of expanding this to our international locations in the future. We intend to anchor this overarching target within our climate protection strategy. Our annual energy programme also includes quantitative targets as well as actions aimed, for example, at raising the awareness of our employees and customers.

In addition, our energy management system is being integrated into our DIN ISO 14001:2015-certified environmental management system, with the audit slated for the end of 2024. The environmental management system is intended to help us measure, track and optimise all environmental factors at our headquarters. This includes our energy consumption as a factor which we will continue to manage for not only our headquarters but also our retail stores.



ENERGY EFFICIENCY AND SAVINGS

GRI 3-3 (302), 302-1, 302-3, 302-4 / ESRS E1-3, E1-4, E1-5

Absolute electricity consumption at our own locations amounted to 7,333 MWh during the 2023 reporting year. This was 1 per cent higher than in the previous year, which can be explained by the commissioning of our new building, the House of Product. Consumption was reduced slightly in the retail stores and showrooms (between -2 and -7 per cent). By looking at energy intensity, consumption can be set in relation to floor space. In 2023, we had an energy intensity based on electricity consumption per square metre of 77 kWh per square metre at our headquarters and 139 kWh per square metre in retail. This is 7 per cent less than in the previous year at our headquarters, but the intensity in Retail shows an increase of 5 per cent compared to the previous year, which is due to a reduced number of square metres and an improved data basis.

We at Marc O’Polo are continuously working to reduce energy consumption in all areas as part of our energy management. To this end, we relied once more on the internal ‘Saving Energy’ campaign during the reporting year, which provided employees with tips and recommendations on saving energy at work and at home. This has enabled us to reduce our gas consumption at our headquarters for another year running. In 2023, we were able to reduce consumption by 2 per cent as compared to 2022. At the same time, an e-learning concept is still available to all employees interested in learning more about energy management.

By the end of 2024, we aim to reduce our electricity consumption by 5 per cent on 2019 levels on a like-for-like

basis. In 2023, our energy intensity, based on electricity consumption by area, was 77 kWh per m2 at our headquarters and 136 kWh per m2 in retail. In retail, this is 4 per cent less than in the previous year, whereas we managed to reduce the intensity by 7 per cent year on year at our headquarters.

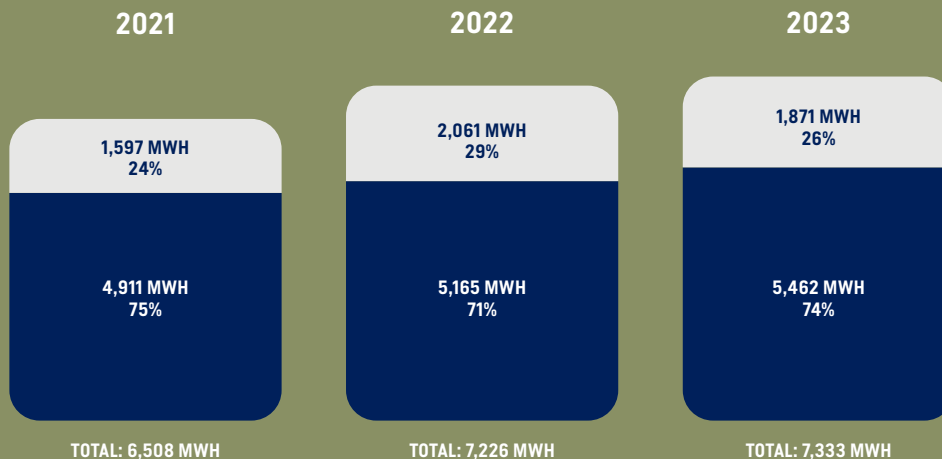
In the period from 2022 to 2023, photovoltaic systems with an additional capacity of 650 kWp were installed on five of the six roofs of our headquarters during the reporting period. Most of the electricity generated is used directly, with only a small proportion fed into the grid. In 2023, our systems generated 600,264 kWh of electricity, covering 31 per cent of our electricity requirements at our headquarters. At the same time, we had a new heating concept developed for our headquarters in order to check whether we can also use surplus electricity to heat and cool the buildings and thus reduce further fossil fuels. The concept will be gradually implemented in the course of upcoming renovation works.

In order to reduce energy consumption in our stores, we have converted the majority of our retail stores to LED lighting. At the end of 2024, 90 per cent of stores were equipped with LED lamps. Moreover, we choose energy-efficient appliances—such as air-conditioning units and electrical appliances—when we equip our stores. Our location analysis takes into account our flagship stores, retail stores and factory outlets as well as temporary pop-up spaces.

In order to gain even more transparency about the energy consumption of our stores, we returned to reading the meters at more frequent intervals this financial year.

ABSOLUTE ELECTRICITY CONSUMPTION (RENEWABLE/FOSSIL ENERGY SOURCES)*

GRI 302-1, ESRS E1-5



● RENEWABLE
● FOSSILE

* CALENDAR YEAR SERVES AS THE DATA BASIS.

ABSOLUTE ELECTRICITY CONSUMPTION FOR NATIONAL AND INTERNATIONAL LOCATIONS*

GRI 302-1, ESRS E1-5

	2021		2022		2023	
	IN MWH	IN %	IN MWH	IN %	IN MWH	IN %
HEADQUARTER	1,652	26	1,703	24	1,928	26
STORES	4,632	71	5,276	73	5,177	71
SHOWROOMS	223	3	247	3	228	3
TOTAL	6,508	100	7,226	100	7,333	100

* CALENDAR YEAR SERVES AS THE DATA BASIS. LOCATIONS INCLUDED: HEADQUARTERS, FLAGSHIP STORES, RETAIL STORES, FACTORY OUTLET STORES, SHOWROOMS AND POP-UP SPACES.

ELECTRICITY INTENSITY*

GRI 302-3 / ESRS E1-5

	2021	2022	2023	
	KWH/QM	KWH/QM	KWH/QM	DEVIATION IN %
HEADQUARTER	81	83	77	- 7
STORES	117	135	139	5

* CALENDAR YEAR SERVES AS THE DATA BASIS. THE STORES DATA FOR 2022 AND 2021 HAD TO BE ADJUSTED AND THEREFORE NO LONGER CORRESPONDS WITH THE VALUES IN THE 2022/23 SUSTAINABILITY REPORT.

GAS CONSUMPTION FOR OUR HEADQUARTER*

GRI 302-3 / ESRS E1-5

	2021	2022	2023	
	MWH	MWH	MWH	DEVIATION IN %
HEADQUARTER	1,238	1,081	1,060	- 2

* CALENDAR YEAR SERVES AS THE DATA BASIS.

“WE ARE DETERMINED TO MAKE OUR FUTURE SUSTAINABILITY GOALS MEASURABLE THROUGH IMPROVED IT INFRASTRUCTURE AND THE USE OF SPECIALISED ESG TOOLS. WITH ACCURATE DATA AND CONTINUOUS ANALYSIS, WE WANT TO CREATE A CLEAR OVERVIEW OF OUR PROGRESS AND MAKE INFORMED DECISIONS FOR A MORE SUSTAINABLE FUTURE.”



DR. PATRIC SPETHMANN
COO

3.2 POLLUTION

GRI 3-3 (303) / ESRS 2 IRO-1

Substances of concern and substances of very high concern that are used or produced in connection with the cultivation and processing of raw materials and textiles finishing are among the main causes of water, ground and air pollution. They not only adversely impact the environment by harming ecosystems and watersheds and by contributing to climate change, they also pose a risk to human health. They can be detrimental to the wellbeing of local communities and the people involved in the manufacturing processes, and toxic residues contained in products can have a negative impact on the health of our customers.



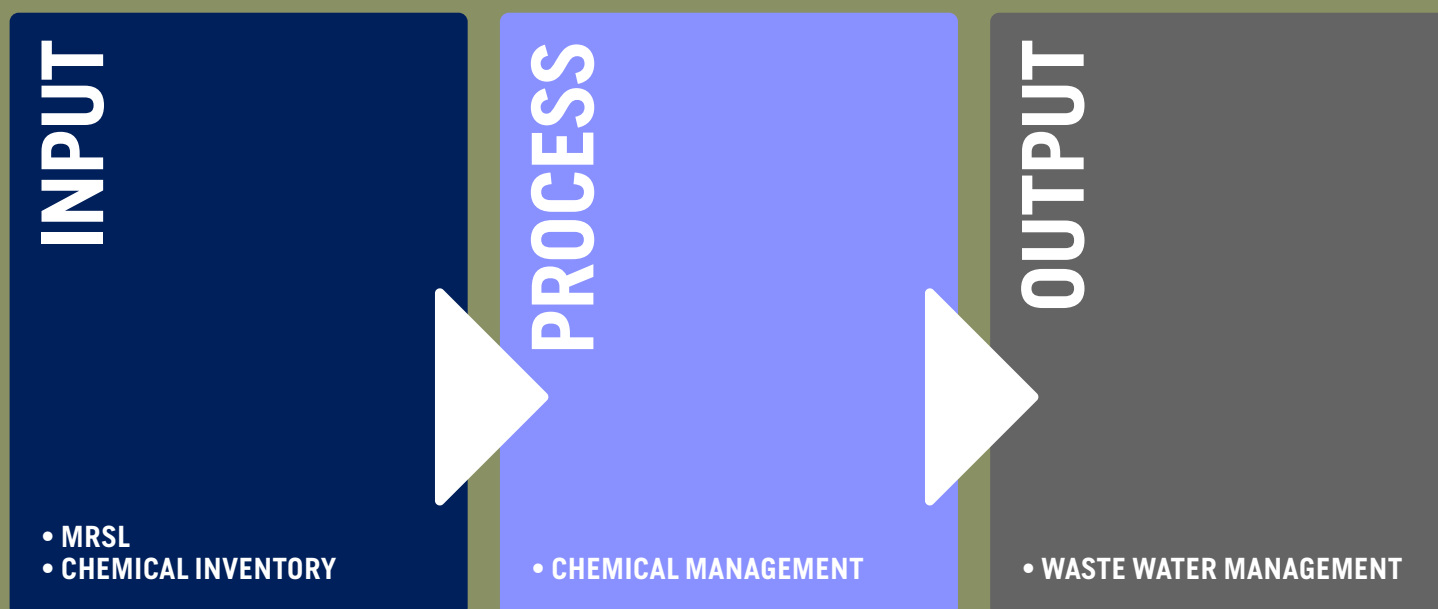
3.2.1 MARC O'POLO CHEMICAL AND WASTEWATER MANAGEMENT PROGRAMME (EMP)

GRI 3-3 (303)/ESRS E2-3

In order to minimise the risks from using substances of concern and substances of very high concern, one of the targets we defined in our Chemical and Wastewater Management Programme (EMP) is to remove them from our supply chain and replace them, as well as to implement an effective chemicals management regime and to dispose of waste water appropriately. A significant part of our EMP is based on ZDHC's Roadmap to Zero Programme. We believe in the need for systemic change in the industry and encourage our supply chain partners to adopt ZDHC's policies, platforms and solutions for their sustainable chemicals and waste water management.

The Marc O'Polo EMP comprises the following 3 pillars:

- Pillar 1—Input Management: Use and promotion of safer chemicals
- Pillar 2—Process Management: Introduction of an effective chemicals management regime
- Pillar 3—Output Management: Proper waste water treatment



3.2.2 CHEMICAL MANAGEMENT IN THE SUPPLY CHAIN

GRI 3-3 (303), 308-2 / ESRS E2-2

INPUT—CHEMICALS MANAGEMENT

We continuously work on eliminating substances of concern and substances of very high concern from our supply chain and promoting the use of more sustainable alternatives. We therefore oblige our suppliers to use chemical formulations that conform to the ZDHC Manufacturing Restricted Substances List (MRSL) in the manufacturing of our products. This means that all chemical products must be verified, tested and registered in the ZDHC Gateway in accordance with ZDHC's requirements. The MRSL is a restriction list that prohibits the intentional use of hazardous chemical substances in wet processes such as dyeing, tanning, printing and washing.

In order to facilitate the monitoring of the chemicals used in our products for MRSL conformity, our wet-process suppliers are required to maintain a digital chemicals inventory. To this end, we and our partners in the supply chain work with ZDHC-accredited solution providers such as The BHive®. At the end of May 2024, we were working with 101 tier 1 and tier 2 wet-process suppliers known to us, of which 71 (70 per cent) maintained a chemicals inventory which they shared with us. In accordance with our onboarding policy, we obligate all new wet-process suppliers to create a ZDHC Performance InCheck Report which they can use to check their chemicals inventory against the ZDHC MRSL on the ZDHC Gateway. From 2025 onwards, our strategic wet-process suppliers will also be required to prepare ZDHC Performance InCheck Reports.

SUBSTANCES OF VERY HIGH CONCERN (SVHC)

In addition to complying with the ZDHC MRSL, through our Product Restricted Substances List (PRSL), we prohibit the use of chemical substances and groups under REACH Regulation (EC) 1907/2006 Annex XVII and the Candidate List for Substances of Very High Concern (SVHC).

NO PFAS (PFCS)

PFAS (perfluorinated and polyfluorinated chemicals) belong to a very worrying group of chemical substances found, for example, in water- and oil-repellent textile finishes. We started eliminating these substances from our supply chain in 2015 and stopped using PFAS-based finishes in 2018.

PROCESS—CHEMICALS MANAGEMENT IN PRODUCTION PROCESSES

Effective chemicals management is essential in order to protect the environment and the health of workers. Particularly in tier 2 factories, where many chemicals are used, the corresponding processes and tools need to be in place to ensure safe handling. Aside from requirements placed on qualified personnel, this also entails the optimisation of procurement practices, the proper storage of chemicals, waste disposal and actions to safeguard workers.

ZDHC SUPPLIER TO ZERO (STZ) PROGRAMME

Standardised processes assist our wet-process suppliers in implementing an effective chemicals management regime. During the reporting period, we began to implement the ZDHC Supplier to Zero (StZ) Programme with our strategic suppliers. This programme helps them to identify room for improvement and reduce risks. It offers them access to the ZDHC Chemical Management System (CMS) Framework and industry-wide standards with best practice guidelines. Going forward, we will continue our efforts to introduce the ZDHC Supplier to Zero (StZ) Programme throughout our supply chain in order to improve chemicals management processes in the long run.

ENVIRONMENTAL ASSESSMENTS AT OUR WET-PROCESS SUPPLIERS

We can only manage the complex ecological challenges and promote improvements with the help of our suppliers. We carry out our own environmental assessments in order to better understand the situation in the plants of our strategic wet-process suppliers. During the reporting period, we visited 28 laundries, dyeing plants and printers in our most important production countries such as Turkey, India and China. We reviewed their management of inputs, chemicals and waste water, and made recommendations for improvements and on the use of resource-efficient technologies.

INVOLVEMENT OF SUPPLIERS THROUGH TRAINING

Chemicals management requires expertise. In cooperation with our learning technology partners, we carried out training sessions in India and Turkey in the local languages during the reporting period. Representatives from 38 wet-process suppliers took part (30 from India and 8 from Turkey). Information was shared about the significance of chemicals management and actions to reduce harmful impacts on the environment. The programme offered suppliers not only the option of increasing capacities and exchanging information on local best practices but also improved their collaboration with us.

3.2.3 POLLUTION OF WATER

GRI 3-3 (303), 308-2/ESRS 2 SBM-3, E2-2

An estimated 20 per cent of global water pollution is caused by insufficiently treated effluent from cultivation and manufacturing processes in the textiles value chain. The primary causes include substances of concern and substances of very high concern which contaminate groundwater and rivers and consequently threaten local ecosystems (flora and fauna) and pose risks to the health of local communities through drinking water contamination. These harmful substances are dispersed via global water flows and thus are detrimental to global water and ecosystems. The same applies for substances of concern and substances of very high concern that leach out of products as residues during the use phase or contaminate local water systems during disposal.

OUTPUT—WASTE WATER MANAGEMENT IN THE SUPPLY CHAIN

Tier 3 of our EMP—our requirements for responsible effluent management—represents a vital contribution by us to reducing water pollution and achieving the United Nations' Sustainable Development Goals (SDGs). SDG 6 aims to 'ensure the availability and sustainable management of water and sanitation for all', with water quality to be improved by 2030, for instance by reducing pollution and putting an end to the use of substances of concern and substances of very high concern and reducing the quantities of such substances leaching into the water table.

As part of our supply chain waste water management efforts, we require at a minimum that suppliers comply with statutory requirements pertaining to the clean-up of industrial effluents in the respective manufacturing country. Furthermore, we only onboard new wet-process suppliers if they comply with the latest ZDHC Wastewater Guidelines and can provide a valid waste water test (ZDHC ClearStream Report). At the end of May 2024, 54 (or 56 per cent) of our wet-process suppliers had a valid ZDHC ClearStream Report. Starting from 2025, we will be requiring all strategic wet-process suppliers to comply with the ZDHC Wastewater Guidelines and to test their effluents in line with the ZDHC standards.

EVALUATION OF EFFLUENT TREATMENT PLANTS

In order to continuously improve waste water treatment, during the reporting period we introduced an internal system for evaluating effluent treatment plants. This system enables us first and foremost to gauge the functionality and capacity of those plants.

In addition, we regularly perform our own assessments of our wet-process suppliers' effluent treatment plants (ETPs). Aside from the quantity and quality of the effluent that is treated, we check in particular plant capability and capacity. If these do not meet our standards, we first initiate external audits as a first step in order to have the current situation thoroughly evaluated by experts. During the reporting period, one plant did not meet our standards for responsible waste water management. We worked with the affected supplier to develop a plan to improve their waste water management, and the supplier made significant

progress to ultimately meet our standards. We use the Higg Facility Environmental Module (Higg FEM) developed by Cascale (formerly the Sustainable Apparel Coalition) to monitor the effluents generated in our supply chain. Measurements, expressed in cubic metres, comprise the entirety of effluents generated by all wet-process suppliers known to us, not only the share of those involved in Marc O'Polo's production activities. During the reporting period, we integrated further upstream stages of our value chain, such as our strategic materials suppliers and their wet-process suppliers, into our Chemical and Wastewater Management Programme (EMP).

Due to the inclusion of these production facilities (presented in the table 'Water consumption in our supply chain by tier' as T2-FM), whose processes are extremely water-intensive and therefore generate significant amounts of effluents, prior-year comparisons of the data collected are no longer possible. In light of the considerable impacts on the environment and the risks caused by the emissions generated by these production facilities, it is crucial that we place greater focus on them in our efforts to manage chemicals and effluents going forward.

WASTE WATER IN OUR SUPPLY CHAIN (IN MILLIONEN M³)

	2021	2022	2023 ²
WASTE WATER TOTAL ¹	3.8	3.9	64.2

¹ AGGREGATED AND VERIFIED HIGG FEM WATER CONSUMPTION OF OUR T1 AND T2 SUPPLIERS AT THE TIME OF PREPARING THE REPORT.

² DUE TO THE INCLUSION OF FURTHER EXTREMELY WATER-INTENSIVE PRODUCTION SITES FROM 2023, COMPARABILITY WITH PREVIOUS YEARS IS NO LONGER POSSIBLE.

WASTE WATER IN OUR SUPPLY CHAIN BY TIERS IN 2023 (MILLIONS OF M³)

GRI 3-3 (303), 303-2, 303-4 / ESRS E3-4

TIER	NUMBER OF SUPPLIERS	TOTAL WASTE WATER	% OF TOTAL
T1 – ASSEMBLY AND PACKAGING	72	21.5	33.5
T2 – TEXTILES FINISHING	32	5.4	8.5
T2 – TEXTILES CREATION AND MATERIALS MANUFACTURING	24	37.2	58
TOTAL	128	64.2	100

3.2.4 A DENIM STORY

GRI 3-3 (303), 303-2 / ESRS E2-2

Dyeing and washing processes used in conventional denim production pollute the environment due to their heavy use of water, energy and chemicals. In order to make the production of our jeans more environmentally friendly and to reduce pollution, we rely on an approach comprising three pillars.

These pillars are based on the use of preferred fibres (e.g., recycled cotton), the use of more responsible technologies for dyeing the yarns and measuring the environmental impact of our washing processes. For a pair of Marc O'Polo jeans to meet our high standard, at least the third pillar must be met and the overall score of the wash treatments must be rated as a 'low-impact process', which 100 per cent of our denims met in the reporting period.

The more pillars are fulfilled, the more environmentally friendly the jeans are.

PILLAR 1 – PREFERRED FIBRES

We promote the use of preferred fibres such as recycled and organic cotton, TENCEL™ Lyocell and recycled polyester.

PILLAR 2 – MORE RESPONSIBLE DYEING PROCESSES

We are working to find solutions that are less water and energy intensive and which reduce the use of chemicals.

PILLAR 3 – MEASURING THE ENVIRONMENTAL IMPACT OF OUR WASHING PROCESSES

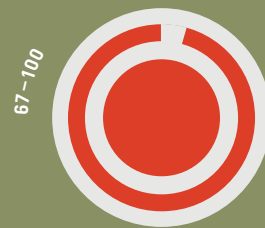
The overall score of our jeans washing processes must always be rated as a 'low-impact process'. We measure this using the EIMv2.0 (Environmental Impact Measurement) from Jeanologia, which evaluates the environmental impact in the categories of energy and water consumption, chemical impact and workers' health. The EIM presents these using the following traffic light system.

USE OF POTASSIUM PERMANGANATE (PP SPRAY) AND PUMICE STONES

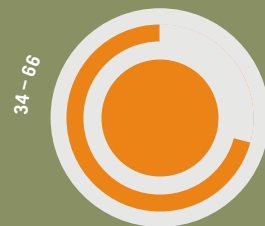
The EIM records the effects of chemicals of very high concern and chemicals of very high concern in finishing processes. In version 2.0, the EIM also negatively assesses the use of potassium permanganate and pumice stones and severely restricts their use as part of the assessment. Potassium permanganate is an oxidising agent that is mainly sprayed on manually during conventional production processes. It bleaches the colour of the jeans to achieve a used/worn look and can be harmful to the health of workers if applied manually.

Pumice stones are used in the stonewash process, in which they lighten the top colour layer of the fibre surface together with bleaching agents. This results in waste water that is contaminated with chemicals, which puts a strain on effluent treatment plants, and toxic pumice slag, which has to be disposed of at great expense. We are constantly working with our suppliers to find solutions that conserve resources and pollute the environment less. These include lasers, ozone washing, nano-bubble technologies, synthetic, reusable stones and more environmentally friendly oxidising agents. We also use denim fabrics that are easier to laser and therefore consume less energy.

EIM[®]
SCORE
by:
Jeanologia[®]



**HIGH-IMPACT
PROCESS**



**MEDIUM-IMPACT
PROCESS**



LOW-IMPACT PROCESS

3.2.5 MORE RESPONSIBLE LEATHER PRODUCTION

ESRS E2-2

Leather has been used by people in many different ways for thousands of years. It is a durable natural material that is characterised by high tensile strength, durability and elasticity. Conventional leather manufacturing processes such as tanning, dyeing and finishing often require large amounts of chemicals, water and energy and can cause significant environmental pollution. To support more responsible leather production and thus reduce negative impacts on the environment, we joined the Leather Working Group (LWG) in 2020. Our leather comes from tanneries that comply with the LWG audit protocol and receive at least a Bronze rating. The LWG audit standard assesses the impact on the environment from leather production on the basis of criteria such as water, energy and the handling of chemicals, waste and waste water. The target is to improve resource efficiency, increase traceability and transparency in the supply chain, reduce waste generation and emissions into the environment, improve chemicals management and promote the use of non-hazardous chemicals. During the reporting period, 100 per cent of the leather used for our products came from LWG-certified tanneries (see section 5.4 for further information on animal welfare [7]).

3.2.6 POLLUTION OF AIR

GRI 305-6, 305-7 / ESRS E2-3

Pollution of air and climate change are closely intertwined. The burning of fossil fuels not only accelerates climate change, it also releases great amounts of air pollutants, such as particulate matter, carbon monoxide, ozone and sulphur dioxide. These substances contribute to the overfertilisation and acidification of the environment, weaken ecosystems and exacerbate not only the climate crisis but also the loss of biodiversity. 99 per cent of the world's population lives in places where the WHO's thresholds for air pollution are exceeded. Pollution of air causes respiratory diseases and is the cause of premature mortality in many countries. Three quarters of the effects of air pollution arise in only six countries, including key production countries for us, such as India, China and Bangladesh.

As an industry, we mainly contribute to pollution of air through the production of raw materials, such as man-made cellulose fibres (MMCF), energy-intensive processes, such as dyeing and washing, and processes in which volatile organic compounds (VOCs) are used, for example in printing and gluing.

For the coming financial year, we have therefore set ourselves the target of improving data capture and quality, as well as developing a strategy with actions and targets. Our focus is based on the pollutants listed in the ZDHC Air Emissions Guidelines (v1). In our supply chain, we will concentrate on air pollutants such as nitrogen oxide (NO_x), sulphur oxide (SO_x), carbon monoxide (CO) and particulate matter (PM), which we record in addition to the emissions listed in the Greenhouse Gas Protocol. Our strategy for volatile organic compounds (VOCs) will be aligned with ZDHC, which will integrate a module for recording air pollutant data into its supplier platform in future.

3.2.7 MEASURING THE ENVIRONMENTAL PERFORMANCE OF OUR PARTNERS IN THE SUPPLY CHAIN

GRI 3-3 (308), 308-2/ESRS E2-2

We use the Higg Facility Environmental Module (Higg FEM) developed by Cascale (formerly the Sustainable Apparel Coalition) to track and measure the environmental sustainability performance of our tier 1 and tier 2 partners. At the reporting date, 166 suppliers had completed a self-assessment and 126 strategic partners had had their Higg FEM verified by a third party.

The Higg Facility Environmental Module (FEM) assesses a total of seven environmental aspects. In addition to water, waste water and energy, this includes air, waste and chemicals as well as environmental management systems. In addition to our tier 1 partners and their wet facilities (tier 2), our focus in the reporting period was on integrating strategic material suppliers and their production facilities into the Higg FEM assessment. We use information from the Higg FEM to derive targeted strategies and actions for the various environmental areas. We also use the Higg FEM results as the basis for our supplier assessments, which we use to evaluate their environmental performance once a year.

NUMBER OF MARC O'POLO TIER 1 AND TIER 2 SUPPLIERS WITH HIGG FEM SELF-ASSESSMENT OR VERIFICATION

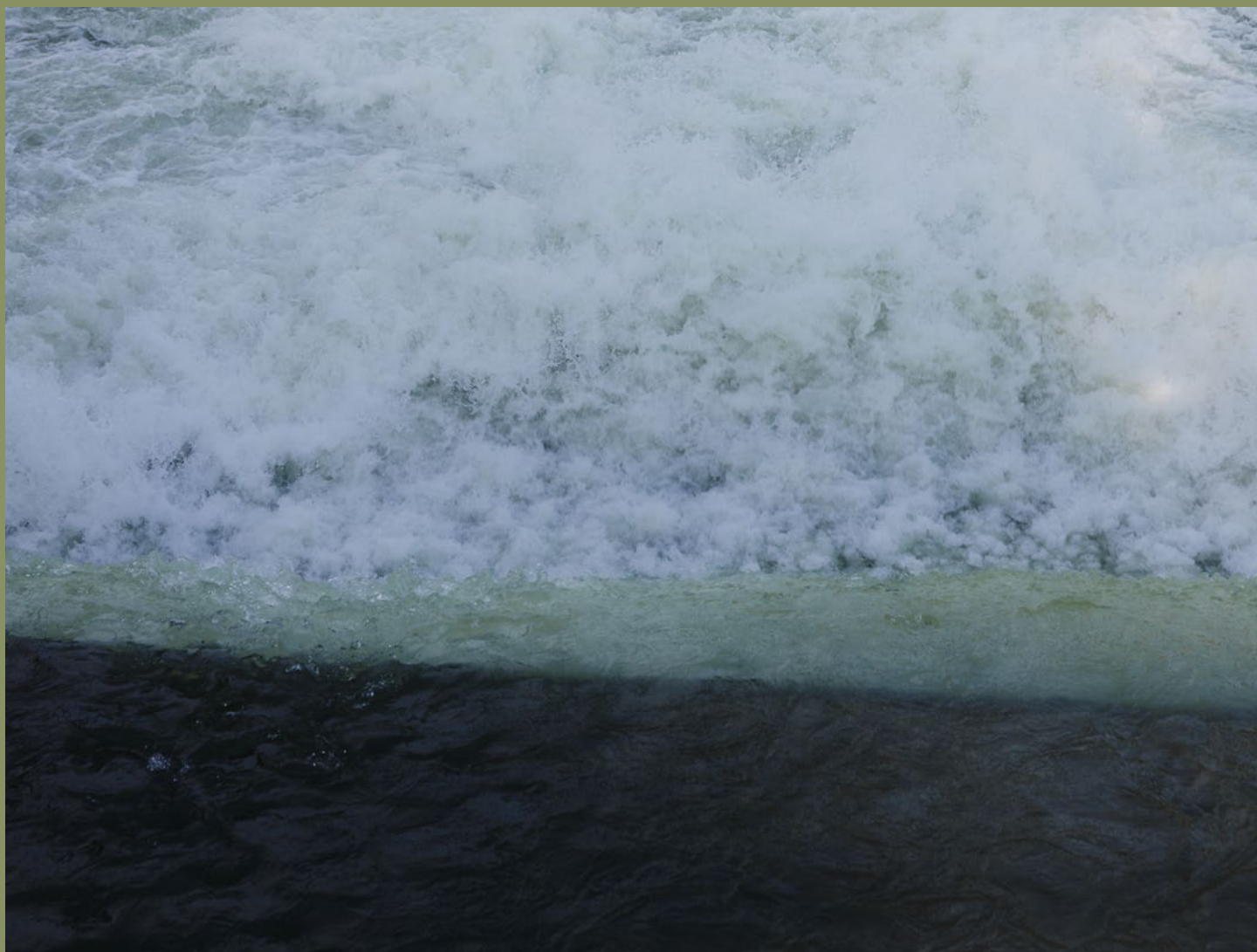
	2021		2022		2023	
	NUMBER	% SHARE	NUMBER	% SHARE	NUMBER	% SHARE
TIER 1 SUPPLIERS WITH COMPLETED HIGG FEM SELF-ASSESSMENT	48	40	92	76	90	84
TIER 2 SUPPLIERS WITH COMPLETED HIGG FEM SELF-ASSESSMENT	22	29	42	56	76	67
TIER 1 SUPPLIERS WITH HIGG FEM VERIFICATION	34	28	53	43	68	64
TIER2 SUPPLIERS WITH HIGG FEM VERIFICATION	17	22	28	36	58	51

3.3 WATER

GRI 3-3 (303) / ESRS 2 SBM-3, IRO-1

Water is the planet's most important resource—not only for humans but also for ecosystems and species. Water systems play a central role in the fight against climate change, as they fulfil key functions as carbon stores and thus help to stabilise our climate. Aside from this, they provide living space to a multitude of living creatures and plants, which is important for maintaining biodiversity and ecosystem functions on our planet. Access to clean water is furthermore a fundamental human right and plays a crucial role in the production of foods, consumer goods and energy supply and thus in economic development.

The textile and clothing industry is one of the economic sectors with the world's greatest impacts on water resources and quality. The high rates of water consumption and water withdrawal in the various stages of the value chain, such as the cultivation of natural fibres, the creation of synthetic fibres and in wet processes, put pressure on the available water in production areas, which are often located in water-poor regions. On the other hand, water scarcity and other impacts on water systems can have a direct impact on our business activities, as we, as part of this industry, rely heavily on water for agricultural production and various manufacturing processes such as dyeing and washing. This can lead to supply or production bottlenecks, rising raw material prices, supply chain disruptions and an impairment of product quality. Sustainable water management is therefore crucial for the development of a water-resilient supply chain and Marc O'Polo's ecological responsibility.

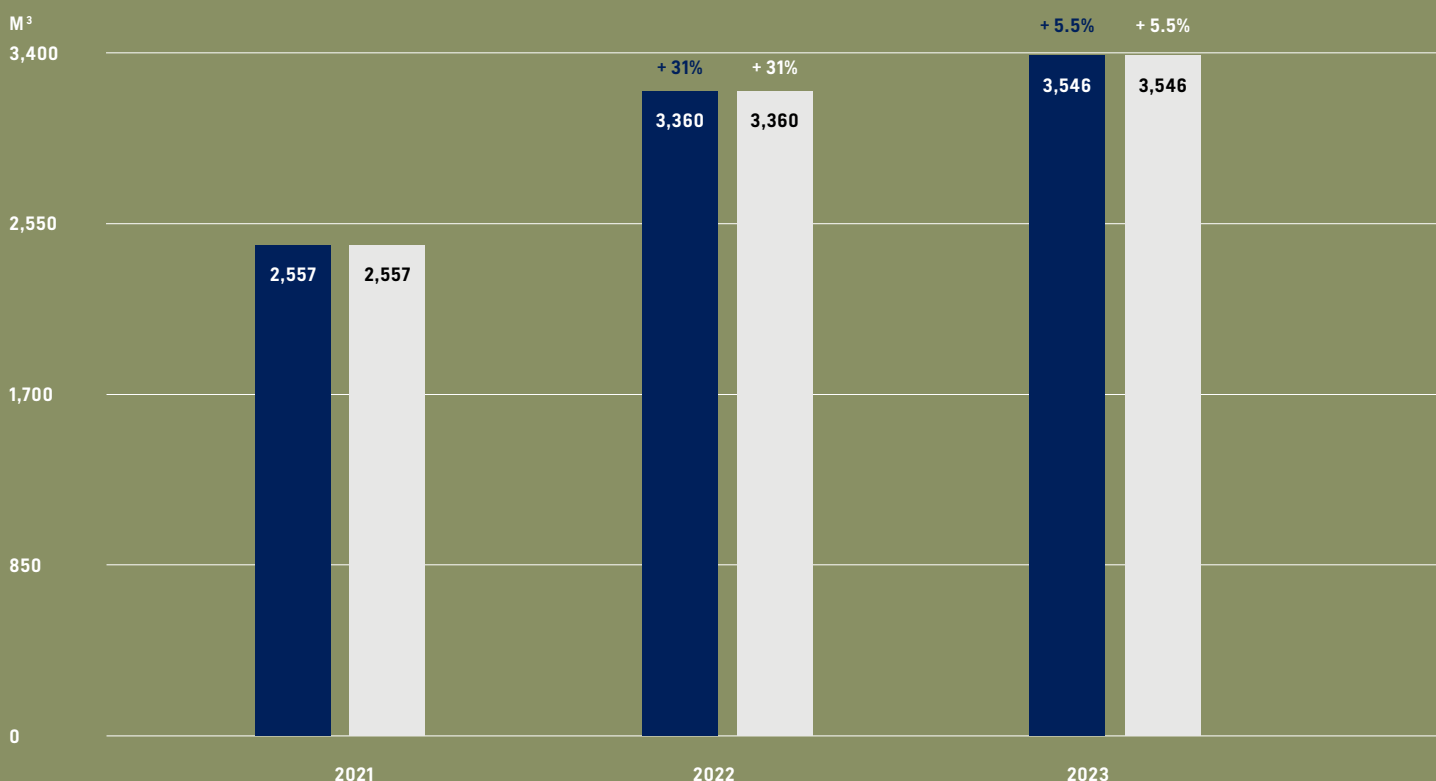


3.3.1 WATER MANAGEMENT AT OUR ADMINISTRATION SITES

GRI 3-3 (303), 303-1, 303-5/ESRS E3-2, E3-4

At our own stores and administrative offices, water is mainly used for sanitary facilities in addition to our canteen and kitchenettes. We source the water from the municipal water supplier and discharge it exclusively into the municipal sewage system. Water consumption is recorded by the utility company and regularly evaluated for our headquarters in Stephanskirchen. Water consumption at our headquarters rose by 5.5 per cent in 2023, which can be explained by the commissioning of our new building, the House of Product. To reduce our water consumption, we have a cistern (grey water system) at our headquarters, with this water used as service water for flushing toilets. The cistern has a capacity of approx. 50 m³ with the water level varying depending on the weather conditions. In addition, all hygiene facilities at our administration site are covered by a sustainability concept and equipped with features such as water-saving sensor taps.

WATER CONSUMPTION AT OUR HEADQUARTERS IN STEPHANSKIRCHEN:



- WATER CONSUMPTION¹
- WASTE WATER¹

¹ THE REPORTED CONSUMPTION FIGURES PERTAIN SOLELY TO OUR ADMINISTRATIVE SITE IN STEPHANSKIRCHEN. STORES AND SHOWROOMS ARE CURRENTLY NOT TAKEN INTO ACCOUNT DUE TO POOR DATA QUALITY. IN THE COMING REPORTING PERIOD, WE WILL WORK ON IMPROVING DATA QUALITY AND EXPANDING REPORTING.

3.3.2 WATER MANAGEMENT IN OUR SUPPLY CHAIN

GRI 3-3 (303), 303-5 / ESRS E3-4

The greatest potential to reduce water consumption, which we measure using the Higg Facility Environmental Module (Higg FEM) developed by Cascale, lies in our supply chain. The measurements, expressed in millions of cubic metres, cover the entire water consumption of all wet-process operations known to us, including those that service other brands. During the reporting period, we integrated further upstream stages of our value chain, such as our strategic materials suppliers and their wet-process suppliers, into our Chemical and Wastewater Management Programme (EMP). Due to the inclusion of these production facilities (presented in the table 'Water consumption in our supply chain by tiers' as T2-FM), whose processes are extremely water-intensive, prior-year comparisons of the data collected on water consumption in our supply chain are no longer possible.

identified this topic as material as part of our materiality analysis and integrated it into our new sustainability strategy (see also section 2.1 Our sustainability strategy). In the coming financial year, we will therefore carry out a detailed survey of water-related risks in our production countries. Our target is to develop a comprehensive water stewardship program by 2030 that takes into account actions to use water efficiently, reduce water consumption and strengthen the resilience of our supply chain partners to water crises.

IMPLEMENTATION OF LESS RESOURCE-INTENSIVE TECHNOLOGIES AND MATERIALS

GRI 3-3 (303), 303-2 / ESRS E3-2, E3-3

Previously, our efforts focused on optimising water-intensive production processes, which include the manufacture of denim and dyeing processes.

In order to reduce the demand for water, we are to find solutions that are more resource-efficient (à see chapter resources. We measure the environmental compatibility of our washing processes We measure the environmental impact of our washing processes using EIMv2.0 (Environmental Impact Measurement) from Jeanologia, whose overall score for our denims must always be 'Low Impact Process' and use as little water as possible (see chapter 3.2.4 A Denim Story [7]).

For a pair of Marc O'Polo jeans to meet our high standard, the overall score of the wash treatments must be rated as a 'low-impact process', which 100 per cent of our denims met in the reporting period.

Dyeing processes are also very water-intensive, as shown in the Higg FEM analysis of consumption data in the table 'Water consumption in our supply chain by tiers' (dye shops are presented as T2 FM). In order to reduce water consumption in this stage in the value chain, we are using less resource-intensive technologies. These include, for example, a spin solution dye process, which we use on technical outdoor materials. The dye pigments are added to the polymer solution during the spinning process, eliminating the need for subsequent dyeing. This leads to a reduction in water consumption compared to conventional dyeing processes. In addition, a waterless dyeing process is applied in which carbon dioxide is used as a solvent instead of water, achieving independence from water resources. We are also increasingly using fabrics whose yarns are dyed using water-reduced processes for our jeans.

Our previous focus was on collecting emissions data and reducing water consumption for particularly water-intensive product groups and materials, as well as our own administrative sites. As we are aware of the risks and impacts of water dependency in our industry, we have

WATER CONSUMPTION IN OUR SUPPLY CHAIN (IN MILLIONEN M³)

	2021	2022	2023 ²
TOTAL WATER CONSUMPTION¹	6	6.5	58.8

¹ AGGREGATED AND VERIFIED HIGG FEM WATER CONSUMPTION OF OUR T1 AND T2 SUPPLIERS AT THE TIME OF PREPARING THE REPORT.

² DUE TO THE INCLUSION OF FURTHER EXTREMELY WATER-INTENSIVE PRODUCTION SITES FROM 2023, COMPARABILITY WITH PREVIOUS YEARS IS NO LONGER POSSIBLE.

WATER CONSUMPTION IN OUR SUPPLY CHAIN BY TIERS (IN MILLIONEN M³)

TIER	NUMBER OF SUPPLIERS	TOTAL WATER CONSUMPTION	% OF TOTAL
T1 – (ASSEMBLY AND PACKAGING)	72	4.8	8.2
T2 – (TEXTILES FINISHING)	32	6.6	11.1
T2 FM – TEXTILES CREATION AND MATERIALS MANUFACTURING)	24	47.4	80.7
TOTAL	128	58.7	100

“WE ARE FACING MAJOR ECOLOGICAL CHALLENGES AND NEED A COMMON UNDERSTANDING OF SUSTAINABILITY SINCE WE ARE ALL PART OF CONNECTED SYSTEMS. IT IS OUR RESPONSIBILITY AS AN INDUSTRY AND BUSINESS TO TRANSFORM OURSELVES AND DRIVE POSITIVE CHANGE TO PRESERVE THE SUSTAINABILITY OF OUR PLANET.”



**MICHAELA WEBER
GROUP MANAGER ENVIRONMENTAL MANAGEMENT &
PRODUCT COMPLIANCE**

3.4 BIODIVERSITY & ECOSYSTEMS

GRI 3-3 (304), 304-2 / ESRS 2 SBM-3, IRO-1, ESRS E4-3

Aside from the climate crisis, biodiversity loss is another major threat to humanity. The concept of planetary boundaries illustrates the deteriorating condition of the earth due to the stress limits continuously being surpassed. One of these boundaries is biodiversity, which has already been significantly exceeded. At the same time, it is closely linked to the other planetary boundaries and interacts directly with them, such as climate change. For example, climate change influences habitats and the global distribution of species, as temperatures change and extreme weather events can lead to a loss of biodiversity. Conversely, a biodiversity-rich environment helps to stabilise the climate by storing GHG emissions and fulfilling climate regulation functions.

In addition to climate change, there are four other drivers of biodiversity loss: land use change, which refers to the conversion of natural ecosystems into agricultural land or settlement areas. This goes hand in hand with deforestation and the sealing of surface areas, and leads to the destruction and fragmentation of habitats and ecosystems. The overexploitation of resources is another driver. This refers to the exploitation of natural resources to an extent that exceeds their natural capacity for regeneration. This includes the depletion of natural animal populations, intensive agricultural use, the extraction of raw materials and the consumption of natural resources such as water. Global environmental pollution caused by chemicals, (micro)plastics, inadequately treated effluents and waste is also damaging and destroying both terrestrial and aquatic ecosystems. Finally, invasive species are a driver of biodiversity loss, as non-native species can disrupt native ecosystems by competing with them for resources, spreading diseases or changing the structure of existing habitats. The five drivers mentioned show the complexity that determines how we deal with biodiversity and ecosystems. The examples illustrate that key ecological processes are interlinked and that the protection of biodiversity contributes significantly to the preservation of our planet as a whole.

Our business activities are dependent on nature and natural resources. As we use natural materials such as cotton, but also animal fibres such as wool for our products, functioning ecosystems form the basis of our business model. Protecting healthy ecosystems is therefore of great importance to Marc O'Polo and biodiversity is defined as a key issue. We have incorporated the topic of biodiversity into our new sustainability strategy (see section 2.1 [\[7\]](#)). We will tackle this primarily via the aforementioned drivers of biodiversity loss in order to create synergies—for example with the climate or water strategy. With the support of the Global Nature Fund, we are conducting a biodiversity check to analyse the first key areas of action and influence, and to obtain an overview of direct and indirect effects along our value chain. The check is being carried out as part of the publicly funded project 'Unternehmen Biologische Vielfalt'. By taking part, we are supporting the development of a biodiversity check for the textiles industry and can also apply the findings to our company. The results obtained form the basis for developing our own specific targets with corresponding actions.

3.5 RESOURCE USE & CIRCULAR ECONOMY

GRI 3-3 (301)/ESRS 2 SBM-3

We have already made considerable progress in the use of materials with a lower impact on people, animals and the environment. Nevertheless, with our expanded product strategy we are setting ourselves more ambitious targets with regard to the increasing use of preferred fibres and an increasing share of products in the circular economy (see section 2.1.5 Sustainability targets, measures and progress [↗]). Certifications in accordance with internationally recognised standards and the use of branded fibres confirm the responsible sourcing of our products.



3.5.1 MATERIALS USED

GRI 3-3 (301) / ESRS E5-2

We have relied on natural fibres since our brand was founded in 1967. Cotton is our most frequently used material.

At Marc O'Polo, we have been making greater use of organically grown cotton since back in 2006. The extraction of conventional raw materials often has a major impact on the environment, for example due to high pesticide use and water consumption (see subsection 3.3 Water [7]).

We increasingly choose more environmentally friendly versions of other textile fibres as well. Animal welfare considerations also play a crucial role in the choice of materials (see section 5.4 Animal Welfare [7]).

We are increasingly sourcing animal-based materials from certified supply chains (see graphic 'Conventional Materials vs More Sustainable Materials').

PREFERRED FIBRE COMPASS

GRI 3-3 (301) / ESRS E5-2

Our 'Preferred Fibre Compass' provides guidance for our designers, product developers and suppliers when selecting materials to use during product development. It is valid regardless of season and is rooted in the usual standards of the industry and based on brand fibres which are created under better production conditions.

The Preferred Fibre Compass is subject to continuous updates to reflect the latest expertise in order to take market developments and materials innovations into account as early on as possible. A selection of the more sustainable materials used during the reporting period is shown in the 'Conventional Materials vs Preferred Materials' graphic.

LEATHER

GRI 3-3 (301) / ESRS E5-2

Marc O'Polo uses leather for clothing, bags, accessories and shoes. It comes exclusively from farm animals and is a by-product of meat processing. In section 3.2.5 [7], we report on our efforts to ensure more responsible leather production.

MATERIALS USED*

GRI 301-1, 301-2 / ESRS E5-4

MATERIAL	2021		2022		2023	
	INT	IN %	INT	IN %	INT	IN %
COTTON	3,425	62	4,215	66	3,764	70
SHEEP'S WOOL	362	6.6	272	4.2	197	4
OTHER NATURAL FIBRES ¹	356	6.5	529	8.3	228	4
LEATHER	25	0.5	1	0.2	10	0.3
DOWN & FEATHERS	13	0.3	47	0.7	33	0.7
REGENERATED CELLULOSIC FIBRES ²	402	7.3	232	3.6	306	6
POLYESTER	518	9.4	713	11	565	10
OTHER SYNTHETIC FIBRES ³	407	7.4	378	6	291	5
TOTAL	5,508	100	6,397	100	5,394	100

* DATA BASIS: CALENDAR YEAR, MARC O'POLO INTERNATIONAL GMBH AND MARC O'POLO DENIM & CAMPUS GMBH. EXCLUDES DATA FOR FACTORY OUTLETS, MARC O'POLO SHOES GMBH, MARC O'POLO ACCESSORIES GMBH AND MARC O'POLO LICENCE AG.

¹ PERCENTAGE OF THE TOTAL QUANTITY OF EACH FIBRE TYPE USED BY MARC O'POLO INTERNATIONAL GMBH AND MARC O'POLO DENIM & CAMPUS GMBH

² REGENERATED CELLULOSE FIBRES INCLUDES: VISCOSE, LYOCCELL, MODAL, ACETATE, CUPRO

³ OTHER SYNTHETIC FIBRES INCLUDES: POLYAMIDE, ELASTOMULTIESTER, ELASTANE, POLYACRYLIC, POLYURETHANE

CONVENTIONAL MATERIALS VS. MORE SUSTAINABLE MATERIALS*

GRI 301-1, 301-2/ESRS E5-4

		2021		2022		2023	
		IN T	AS IN % ¹	IN T	AS IN % ¹	IN T	AS IN % ¹¹
NATURAL FIBRES & MATERIALS	COTTON	3,425	100	4,215	100	3,765	100
	Conventional	760	22.2	195	5	109	3
	Organic	208	6.1	396	9	251	6.7
	OCS	1,270	37.1	1,701	40	1,735	46
	GOTS	1,172	34.2	1,809	43	1,617	43
	Recycled	15	1	51	1	32	0.8
	RCS Cotton	0	0	62	2	21	0.5
	WOOL	330	100	276	100	199	100
	Conventional	118	35.8	14	5	14	7
	RWS	212	64.2	217	78	127	64
	Responsible Wool	0	0	2	0.7	30	15
	Recycled	0	0	43	16	19	9.5
	RCS Wool	0	0	0	0	9	4.5
	CASHMERE	10	100	3	0	1,2	100
	Conventional	0	0	0	0	0	0
	The Good Cashmere Standard®	0	100	3	100	1,2	100
	ALPACA	69	100	35	100	11,5	100
	Conventional	69	100	35	100	11,5	100
	RAS	0	0	0	0	0	0
	MOHAIR	0	0	0,5	100	0,8	100
	Conventional	0	0	0	0	0	0
	RMS	0	0	0,5	100	0,8	100
	LINEN	270	100	223	100	211	100
Conventional	270	100	143	64	161	76	
Organic Linen	0	0	0	0	15	7	
Masters of Linen	0	0	80	36	35	17	
DOWN & FEATHERS	13	0	47	100	33	100	
Conventional	0	0	0	0	0	0	
RDS	13	0	47	100	33	100	
LEATHER²	25	100	11	100	9,7	100	
Conventional	25	100	11	100	9,7	100	

* DATA BASIS: CALENDAR YEAR, MARC O'POLO INTERNATIONAL GMBH AND MARC O'POLO DENIM & CAMPUS GMBH. EXCLUDES DATA FOR FACTORY OUTLETS, MARC O'POLO SHOES GMBH, MARC O'POLO ACCESSORIES GMBH AND MARC O'POLO LICENCE AG.

¹ PERCENTAGE OF THE TOTAL QUANTITY OF EACH FIBRE TYPE USED BY MARC O'POLO INTERNATIONAL GMBH AND MARC O'POLO DENIM & CAMPUS GMBH

CONVENTIONAL MATERIALS VS. MORE SUSTAINABLE MATERIALS*

GRI 301-1, 301-2 / ESRS E5-4

		2021		2022		2023	
		IN T	IN % ¹	IN T	IN % ¹	IN T	IN % ¹
SYNTHETIC FIBRES	POLYESTER	518	100	713	100	565	100
	Conventional	408	78.8	37	5	44	8
	Recycled	110	21.2	576	81	314	55
	RCS	0	0	100	14	207	37
	POLYAMIDE	314	100	281	100	242	100
	Conventional	224	71	115	41	88	36
	Recycled	90	28.7	136	49	77	32
	RCS	0	0	0	10	77	32
	POLYURETHANE	0	0	0.4	100	0	0
	POLYACRYLIC	0	0	15	100	8	100
	ELASTANE	0	0	43	100	38	100
	ELASTOMULTIESTER	0	0	39	100	3.6	100

		2021		2022		2023	
		IN T	IN % ¹	IN T	IN % ¹	IN T	IN % ¹
REGENERATED CELLULOSIC FIBRES	VISCOSE	250	100	131	100	194	100
	Conventional	119	47.6	23	17	44	23
	Lenzing™ Ecovero™	131	52.4	99	76	120.5	62
	Responsible Viscose	0	0	9	7	29	15
	LYOCELL	122	100	72	100	80	100
	Conventional	28.9	23.7	15	21	27	34
	Tencel™	93	76.2	57	79	53	66
	Tencel™ Refibra™	0.1	0.1	0	0	0	0
	MODAL	30	100	25	100	31	100
	Conventional	19	63.3	5	20	3	10
	Tencel™	11	36.7	20	80	28	90
	CUPRO					4.5	100
RCS					4,5	100	

* DATA BASIS: CALENDAR YEAR, MARC O'POLO INTERNATIONAL GMBH AND MARC O'POLO DENIM & CAMPUS GMBH. EXCLUDES DATA FOR FACTORY OUTLETS, MARC O'POLO SHOES GMBH, MARC O'POLO ACCESSORIES GMBH AND MARC O'POLO LICENCE AG.

¹ PERCENTAGE OF THE TOTAL QUANTITY OF EACH FIBRE TYPE USED BY MARC O'POLO INTERNATIONAL GMBH AND MARC O'POLO DENIM & CAMPUS GMBH

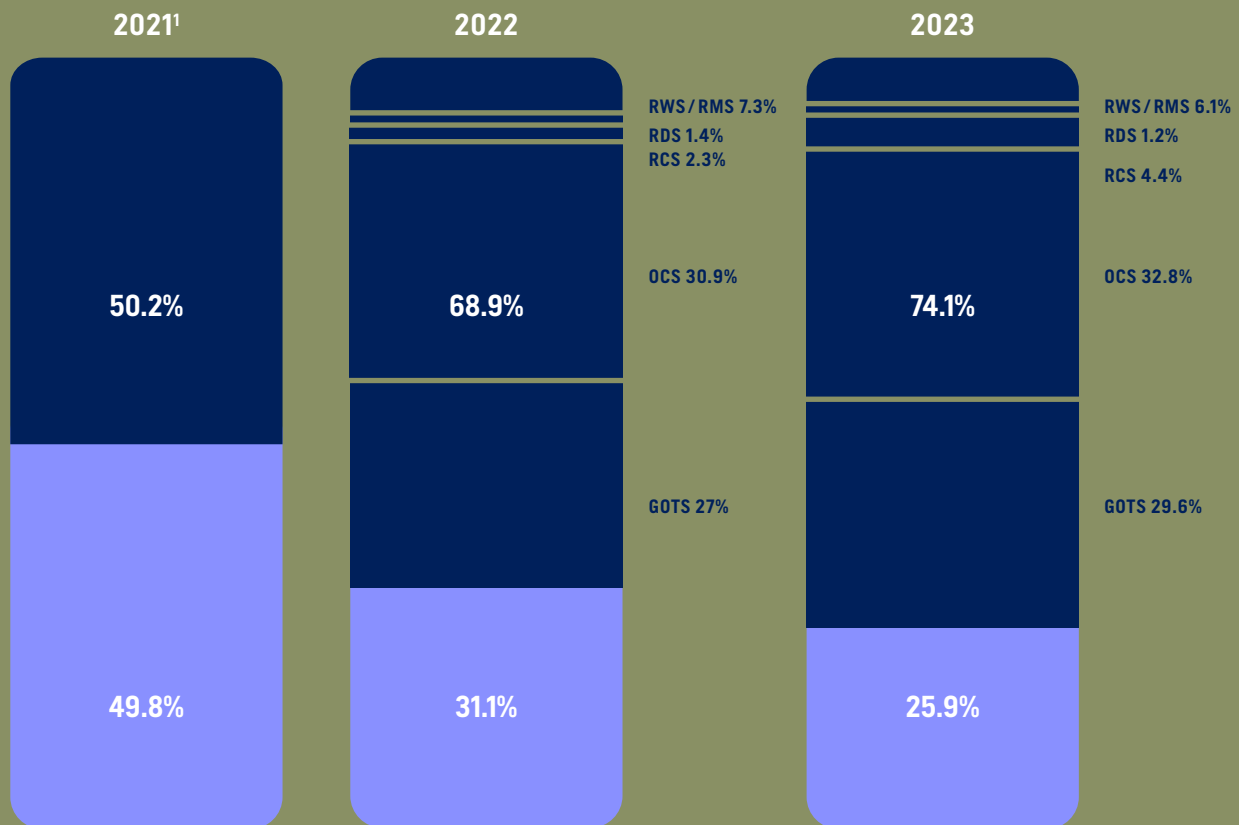
3.5.2 MORE SUSTAINABLE MATERIALS & VERIFICATIONS

GRI 3-3 (301, 417) / ESRS E5-2

When sourcing materials, we increasingly use industry-recognised standards for ecological and recycled fibres and more environmentally friendly regenerated cellulose fibres from brand-name manufacturers and those that take animal welfare and land management into account. For the standards (GOTS, OCS, RWS, RCS, RDS and RMS, RAS among others) independent third parties check at all levels of the textile production chain that the corresponding material is contained in the product. To ensure the necessary transparency in the supply chain, we are continuously expanding the relevant certification for our products. A logo on the care label shows whether a Marc O'Polo product is certified in accordance with a particular standard. Because the industry has yet to develop standardised criteria for certain types of fibres (e.g. MMCF) and therefore it is not possible to obtain an independent third-party inspection, not every product can be certified.

CERTIFIED PRODUCTS VS NON-CERTIFIED PRODUCTS*

GRI 417-1 / ESRS E5-2



- CERTIFIED
- NON-CERTIFIED

* DATA BASIS: CALENDAR YEAR, MARC O'POLO INTERNATIONAL GMBH AND MARC O'POLO DENIM & CAMPUS GMBH, EXCLUDING VOLUMES AT FACTORY OUTLETS, MARC O'POLO SHOES GMBH, MARC O'POLO ACCESSORIES GMBH AND MARC O'POLO LICENCE AG.

¹ IN THE 2021 CALENDAR YEAR, THERE WAS NO DIFFERENTIATED EVALUATION ACCORDING TO THE TYPE OF CERTIFICATION.

ORGANIC MATERIALS

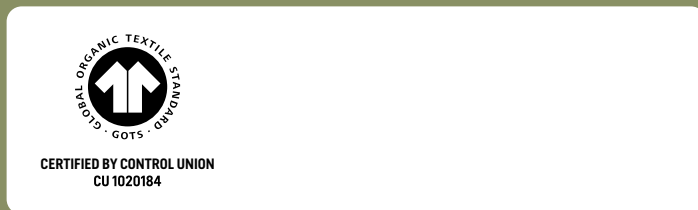
Many of our products containing organically grown fibres are certified in line with the Organic Content Standard (OCS) or Global Organic Textile Standard (GOTS), which are both well-known textile standards. The natural fibres from controlled organic farms are grown through crop rotation without genetically modified seeds, synthetic pesticides or fertilisers, which protects the health of the farm workers, the soil quality and the environment. Organic cotton and a small amount of organic hemp linen were used during the reporting period.

GLOBAL ORGANIC TEXTILE STANDARD (GOTS)

Products certified in compliance with the Global Organic Textile Standard (GOTS) must be made from a high proportion of organic natural fibres. This standard also places strict requirements on the ingredients and production processes used and requires compliance with social and environmental criteria during further processing.

GOTS ORGANIC
MINIMUM 95 PER CENT ORGANIC NATURAL FIBRES

GOTS MADE WITH ORGANIC
70–94 PER CENT ORGANIC NATURAL FIBRES



ORGANIC CONTENT STANDARD (OCS)

The Organic Content Standard (OCS) applies to products that contain 5 to 100 per cent organic material.

OCS 100
MINIMUM 95 PER CENT ORGANIC NATURAL FIBRES*

OCS BLENDED
5 TO 95 PER CENT ORGANIC NATURAL FIBRES*

* MOP DOES NOT USE ANY BLENDS OF ORGANIC- AND CONVENTIONAL-ORIGIN FIBRE TYPES IN ONE MATERIAL



MASTERS OF LINEN®

Linen certified as Masters of Linen® is made from European Flax® fibres. European Flax® is grown in western Europe without artificial irrigation*, without genetically modified seeds and with a responsible approach to pesticide and fertiliser use. Furthermore, Masters of Linen® guarantees that every step, from the field to the fabric, is carried out by European companies. Marc O'Polo goes even further and ensures that the entire value chain takes place in Europe—from the field to the finished garment.

* 99.9 PER CENT GUARANTEE BY THE CONFÉDÉRATION EUROPÉENNE DU LIN ET DU CHANVRE (CELC)

MATERIALS OF ANIMAL ORIGIN

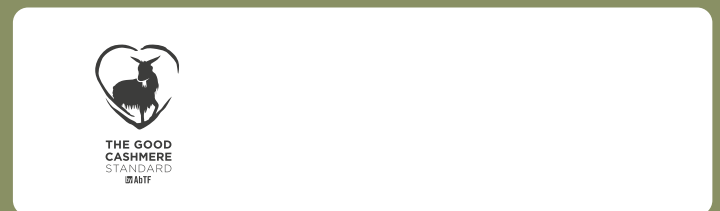
RESPONSIBLE WOOL STANDARD (RWS), RESPONSIBLE MOHAIR STANDARD (RMS) AND RESPONSIBLE ALPACA STANDARD (RAS)

Responsibly sourced wools (RWS) and animal hair (RMS and RAS) used in our products comes from certified farms that adhere to standards for animal welfare and sustainable use of agricultural land.



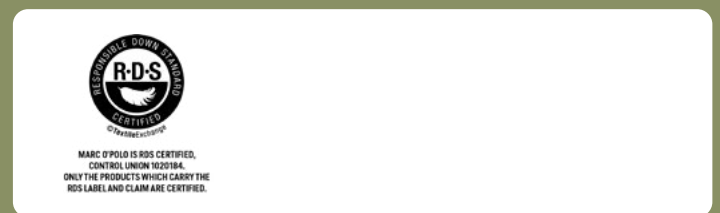
THE GOOD CASHMERE STANDARD®

The standard stands for greater animal welfare, improved working conditions for goat farmers and farm employees, and for environmental protection. Since 2022, Marc O'Polo has exclusively used cashmere wool in its products that has been certified in accordance with the Good Cashmere Standard® by AbTF.



RESPONSIBLE DOWN STANDARD (RDS)

Down and feathers that are certified according to the Responsible Down Standard (RDS) must meet the mandatory requirements for animal welfare. Certification involves a supply chain inspection by an independent third party. Marc O'Polo's certified down products are recognisable thanks to the RDS seal on the care label.



REGENERATED CELLULOSIC FIBRES

Marc O'Polo uses regenerated cellulose fibres (viscose, lyocell, modal and acetate) from fibre manufacturers that achieve at least 30 points out of the maximum possible of 40 ('dark green shirt' status) in Canopy's Hot Button Ranking. Canopy is a non-profit organisation dedicated to protecting old and endangered forests around the world.

The Hot Button Ranking is an analysis tool for the procurement of regenerated cellulose fibres. It enables us to ensure that we source fibres from producers who use wood from responsible plantations. In addition, the Canopy report also evaluates the chemical management of viscose and modal staple fibre manufacturers. This is based on the man-made cellulosic fibre (MMCF) Guideline of the ZDHC, which defines requirements in the areas of air, wastewater, and chemicals. Due to our strict criteria for regenerated cellulose fibres, we cooperate with manufacturers of viscose and modal staple fibres who are actively working on implementing the ZDHC standards.

In addition to the aspects already mentioned, the NextGen Solutions of the fibre manufacturer are also assessed. Based on it, we use the following fibre brands:

LENZING™ ECOVERO™

LENZING™ ECOVERO™ is a more sustainable viscose that has been awarded the EU Ecolabel. The pulp used comes from certified, sustainably managed forests—and is bleached in an environmentally friendly way. This fibre is associated with lower emissions than for conventional viscose, as well as a reduced water impact.

TENCEL™

TENCEL™ Lyocell and TENCEL™ Modal are industrially produced, regenerated cellulose fibres made from natural wood pulp. This pulp also comes from trees grown in more responsible plantations. TENCEL™ Lyocell is produced in a closed chemical cycle and thus reduces environmental impact.



RECYCLED MATERIALS

GRI 3-3 (301)/ESRS E5-2

Pre-consumer or post-consumer waste is used as a raw material to make new fibres. This reduces the environmental impact compared to conventional fibres. Marc O'Polo has set a minimum level of 20 per cent recycled material in recycled fibres. We continue to hope for innovative technologies that will make it possible to increase the availability of different types of recycled fibres in the market and increase the proportion of recycled material in fibres themselves. We aim to support textile-2-textile recycling and where MMCF is concerned, are focusing on fibres that are made in part from recycled materials. The following recycled fibres were used during the reporting period:

RECYCLED CLAIM STANDARD (RCS)

The Recycled Claim Standard (RCS) is a standard for the traceability of recycled raw materials within a supply chain. Using RCS enables us to increase the transparency of our products that feature recycled content.

RCS 100
MINIMUM 95 PER CENT RECYCLED MATERIAL

RCS BLENDED
5 TO 95 PER CENT RECYCLED MATERIAL*

* MARC O'POLO REQUIRES AT LEAST 20 PER CENT RECYCLED MATERIAL FOR LABELLING AS RCS



RECYCLED MATERIALS*

GRI 301-2/ESRS E5-4

MATERIAL	2021		2022		2023	
	IN T	IN % ¹	IN T	IN % ¹	IN T	IN % ¹
POLYESTER ²	110	21.2	676	95	522	92
POLYAMID	90	28.7	166	59	154	64
WOOL	32	8.8	43	16	28	14
COTTON	15	0.4	113	2.6	53	1.4
CASHMERE	2	20	0	0	0	0
TOTAL	249.1	4.5	998	15.6	757	14

* DATA BASIS: CALENDAR YEAR, MARC O'POLO INTERNATIONAL GMBH AND MARC O'POLO DENIM & CAMPUS GMBH. EXCLUDES DATA FOR FACTORY OUTLETS, MARC O'POLO SHOES GMBH, MARC O'POLO ACCESSORIES GMBH AND MARC O'POLO LICENCE AG.

¹ PERCENTAGE OF THE TOTAL QUANTITY OF EACH FIBRE TYPE USED BY MARC O'POLO INTERNATIONAL GMBH AND MARC O'POLO DENIM & CAMPUS GMBH

² CONTAINS PRE-CONSUMER AND PET BOTTLE RECYCLED MATERIAL, INCLUDING BRAND-NAME FIBRES THERMORE®, THERMORE® ECODOWN® AND REPREVE®

“AS SUSTAINABILITY IS THE NEW STANDARD, IT IS IMPORTANT TO INVEST IN PROJECTS THAT GO BEYOND AND THAT ALIGN WITH OUR BRAND PROMISES.”



DR. DIRK SCHNEIDER
CSO

3.5.3 INNOVATIONS

GRI 3-3 (301) / ESRS E5-2

For Marc O'Polo, innovation in products is the driving force behind further innovations that also affect adjacent areas. This makes it essential to take a joined-up view of sustainability, digitisation and corporate culture. For us, sustainability is an ongoing process. We understand that requirements and parameters may change over time. Our aim is to meet these requirements in the future as well.

Research into new fibres, materials and product concepts is at the heart of our innovation efforts, which were transferred from our Sustainable Materials & Innovation division and integrated into our Design department during the reporting period. In a first step, staff here liaise with manufacturers and suppliers to identify innovative approaches at product level which conserve resources while meeting the requirements for a long-lasting, premium casual product. In a second step, these approaches are then reviewed for approval by the Sustainability department. When researching and selecting new product concepts, they focus on new approaches in the fields of materials strategy, environmental and chemicals management, carbon emissions reductions and end-of-life scenarios.

INNOVATION THROUGH RECYCLING

In the area of technical outdoor clothing, we continued to develop innovative approaches to recycling from the previous year: firstly, jackets made from certified recycled material (PET bottles) were dyed using the spin solution dye process, which uses less water and chemicals and produces less carbon emissions than in conventional dyeing processes. In addition, a waterless dyeing process was applied in which carbon dioxide is used as a solvent instead of water. This reduces our dependency on water resources and reduces the use of hazardous chemicals.

We also continued our work to establish denim recycling processes. Both Marc O'Polo Casual and Marc O'Polo DENIM have developed individual styles that are made from 100 per cent recycled cotton.

MASK RECYCLING WITH RENEWCELL

During the COVID-19 pandemic, we produced many masks from fabric remnants, both for donation and for sale. As fabric masks ceased to be used later on in the pandemic, we went on the search for an innovative solution to return them to the textile cycle in 2023. In a pilot project, we worked with our partner Texaid and the recycling company Renewcell to recycle the masks fibre-for-fibre. Texaid prepared the cotton masks for recycling, and Renewcell converted the material into a regenerated cellulose, which was then processed into viscose.

DESIGNED FOR CIRCULARITY

In order to address the strategically important issue of textile waste and used textiles, it is only logical to start at the beginning of our value chain—with the design of our products. By continuing our partnership with circular.fashion, we are promoting the expansion of recyclable products in our collections. Building on the first coaching session in 2022, in which employees from several departments were trained in a multi-day workshop on fibres, processes, chemistry, design and circular business models, another half-day training format was implemented in the reporting period. Among other things, employees in the Design, Buying and Production departments were familiarised with circular.fashion's Circular Design Criteria, a comprehensive set of rules with requirements for materials, durability, recyclability and circular services. We use these requirements as a basis for optimising some of our designs for the circular economy so that they can be recycled into new high-quality fibres at the end of their useful lives. Compliance with the Circular Design Criteria for our products is checked with the help of circular.fashion's circular design software. All information and data collected is verified by an external, independent body. These products are marketed under the 'Designed for Circularity' label and accounted for 9% of our clothing sales in the reporting period. In order to meet the requirements of our industry with respect to transformation towards a circular economy, we have set ourselves the target of continuously increasing the proportion of Designed for Circularity products so that they account for at least 50 per cent of the volume produced by 2030.

LOCWOOL™ – VALORISING REGIONAL WOOL

Locwool™ is locally sourced wool from sheep farmers in southern Germany. A short and transparent supply chain and a contribution to biodiversity are key priorities for Locwool™.

During the reporting period, Marc O'Polo tested an innovative sourcing approach by using southern German wool from migratory sheep farming in order to valorise this local raw material. Wool is usually sourced primarily from Australia and New Zealand—there are hardly any buyers for domestic wool in the textiles industry. Even though the high-quality wool has excellent textile properties, in many cases the only options available to sheep farmers are not very lucrative: using the wool as insulation material, using it as a fertiliser or disposing of it. Paradoxically, the wool produced each year often becomes a cost factor instead of a lucrative source of income.

Because transhumance, where the sheep spend the majority of their time grazing outside, makes a valuable ecological contribution to promoting biodiversity and improving soil health, this type of farming is extremely worthy of support. The Casual Men division's development of a wool pea coat with Locwool™ represented a meaningful contribution to this aim.

COOPERATION WITH SACHSENLEINEN

ESRS E5-2

Marc O'Polo joined the publicly funded HEAF project (HighEnd AgroFibre) as an associate partner in summer 2023. Under the leadership of Sachsenleinen e.V., the project focuses on the regional development of a textile fibre wing, which is essential for hemp fibre production and enables an industrial production line for hemp long fibres. Marc O'Polo contributes design services to the project to promote the local cultivation and processing of ecologically beneficial bast fibres.

3.5.4 RETURNS MANAGEMENT

ESRS E5-2

We are constantly working to reduce returns via our online shop. However, they cannot be completely avoided—either because of the size of the item, because the item looks different than expected or because the customer has ordered several items to choose from.

Every product that is returned via our online shop has its condition checked manually and carefully. Marc O’Polo categorises returns into three categories (A, B, C). A Goods are stored and sold again. B Goods are first processed and then sold again. C Goods are prepared and resold via the outlet at a reduced price. In rare cases, for example in the case of heavy soiling, holes, strong odour or other defects in the items, we work together with the textile recycling company Texaid. These items account for 0.16 per cent of overall volume in our online shop. Texaid specialises in the professional collection, sorting and recycling of used textiles and offers an ecologically sound recycling service for used clothing and shoes.



3.5.5 PACKAGING

GRI 3-3 (306), 301-1, 306-1/ESRS E5-2, E5-3, E5-5

From a sustainability perspective, packaging is a major challenge for clothing companies—including Marc O’Polo because most of the packaging is only used once and only for a relatively short period of time. As a matter of principle, we believe that packaging should provide the best possible protection against various influences in order to meet our premium standards. It also facilitates handling in warehouses and retail outlets. However, the production of the packaging requires significant amounts of resources and the waste pollutes the environment.

This is why we wish to reduce the use of materials, reuse materials and packaging more frequently, use more sustainable packaging materials (recycled and/or certified) and further improve recyclability. When selecting our packaging, we currently favour recyclable materials and packaging with a high proportion of recycled and/or certified material. For example, we source our papers and paper-based packaging from recycled sources that are certified by the Forest Stewardship Council® (minimum requirement of FSC Mix). In addition, starting with the 2023 autumn/winter collection, just under 90 per cent of our Marc O’Polo Casual and Marc O’Polo DENIM items have been packaged in the post-consumer recycled plastic bags. Furthermore, the materials used were reduced by roughly 30 per cent. This combination of recycled material and materials reduction cut our carbon emissions down to half those for the previous carrier bags.

In calendar year 2023, we reduced our packaging volume in absolute terms by 10.5 per cent, although this was attributable primarily to a decline in the volume of items delivered. The average packaging volume per item remained virtually constant at 150 g. However, one positive development was that we increased the share of recycled material to 73 per cent, thanks in part to having changed our plastic bags.

We are aware that switching to recycled materials is not the definitive solution to the problem. In the future, we want to significantly reduce the use of disposable packaging and return more packaging directly to the reuse cycle. This also applies to our transport hangers, for example, and the comprehensive use of the reusable packaging already tested.

PACKAGING USED*

MATERIAL	PACKAGING TYPE	TOTAL QUANTITY (IN T)		RECYCLING RATE (AS %)	
		2022	2023	2022	2023
PAPER	Transport and delivery boxes	1,092	1,227	95	95
	Transport and delivery boxes	321	234	0.2	0
	Shopping bags	231	167	100	100
	Other paper packaging (tissue paper, hang tags, filling material, etc.)	375	280	28	34
	Paper, total	2,019	1,907	68	75
PLASTIC	Film bags (incl. clothing covers)	371	230	0	70
	Transport hangers	89	76	60	100
	Other plastic packaging (delivery note pouches, plastic clips, etc.)	11	11	11	13
	Plastics, total	471	317	12	75
METAL	Hanging hooks	29	26	0	0
	Metal, total	29	26	0	0
TEXTILE	Carry bags	1	0,3	0	0
	Other textile packaging (collar ribbons, gift ribbons, etc.)	41	40	24	30
	Textile, total	42	40	23	30
TOTAL		2,561	2,291	56	73

* PERIOD UNDER REVIEW: CALENDAR YEAR, MARC O'POLO INTERNATIONAL GMBH, MARC O'POLO DENIM & CAMPUS GMBH, FACTORY OUTLET, MARC O'POLO SHOES GMBH AND MARC O'POLO ACCESSORIES GMBH. NOT INCLUDING MARC O'POLO LICENCE AG VOLUMES. THE INFORMATION IS PARTLY BASED ON ASSUMPTIONS AND AVERAGE WEIGHTS OF THE RESPECTIVE PACKAGING COMPONENTS. WORK IS UNDER WAY TO FURTHER IMPROVE THE DATA BASIS IN THE COMING REPORTING PERIOD.

3.5.6 WASTE

GRI 3-3 (306) / ESRS E5-3

Waste is a material topic in virtually every stage of our value chain, from cuttings and residual materials from our suppliers to packaging waste from us and our customers to old textiles at the end of the product life cycle. The traditional linear economic model follows the principle of ‘make—use—throw away’ and requires enormous use of natural resources. We as well as the industry are looking for an alternative—‘circularity’ is therefore becoming increasingly important in the textile and fashion industry.

Going forward, we will take further steps to gradually reduce the environmental impact of our waste streams. We are defining specific targets in our new strategy. Waste management forms the foundation for doing business in a resource-efficient manner and is based on our waste hierarchy. That hierarchy sets out the sequence of methods for treating waste and comprises five steps: 1. Prevention 2. Preparing for re-use 3. Recycling 4. Other recovery 5. Disposal. The waste hierarchy promotes the avoidance and minimisation of waste at the source and gives preference to those methods that harm the environment the least. Our overarching aim is to integrate the next stage—the circular economy—into our new strategies.

WASTE AT OUR ADMINISTRATIVE SITES

GRI 3-3 (306), GRI 306-1, 306-2, 306-3/ESRS E5-5

At our headquarters, waste is mainly generated by packaging waste that we receive from the upstream value chain, such as cardboard boxes used to transport goods from the countries of production. The waste is collected separately for recycling or professional disposal.

WASTE AT OUR ADMINISTRATIVE SITES

	2021 (IN T) ¹	2022 (IN T) ¹	2023 (IN T) ¹
CARDBOARD BOXES (RECYCLED)	558	677	557
FILMS (RECYCLED)	15	17	12
WASTE PAPER (RECYCLED)	3	3	3
RESIDUAL WASTE	40	39	47
WASTE WOOD	27	39	29
ORGANIC/GREEN WASTE	28	14	16
ELECTRICAL WASTE			2
STYROFOAM			0,5
TOTAL	671	789	666

¹ THE REPORTED VOLUMES PERTAIN SOLELY TO OUR HEADQUARTERS IN STEPHANSKIRCHEN. STORES AND SHOWROOMS ARE CURRENTLY NOT TAKEN INTO ACCOUNT DUE TO POOR DATA QUALITY. IN THE COMING REPORTING PERIOD, WE WILL WORK ON IMPROVING DATA QUALITY AND EXPANDING REPORTING.

4 SOCIAL RESPONSIBILITY

At Marc O'Polo, social responsibility is at the core of what we do, because the success of our company is founded on integrity and respect for everyone we deal with. We are dedicated to fostering motivation and diversity in the workplace and creating an inspiring and cooperative atmosphere. We help our employees to further develop their skills and be innovative in order to ensure our shared success. Marc O'Polo is committed to strict compliance with international human rights standards and firmly rejects all forms of human rights violations. Risk-based audit processes and comprehensive training of our suppliers ensure compliance with our high social standards. Our customers are at the heart of what we do. We want to create trust through transparent communication and policies, as well as processes that offer the best-possible protection for our products. In this way, we make a vital contribution to stable, future-proof growth.

4.1 OWN WORKFORCE

ESRS 2 SBM-3, IRO-1

At Marc O’Polo, trust and responsibility shape our community, which has a positive effect on the working atmosphere (see section 5.1 Corporate culture [7]). Options for further development and equal opportunities are at the heart of everything we do. Marc O’Polo’s success lies in the hands of a diverse group of people who are passionate about driving change, who enjoy going yet another step further, who are leaders instead of followers. We believe that qualifications are not primarily measured by top degrees or awards, but rather by how great a person’s motivation is to create something innovative, to learn new things, to question and change existing processes. Human Resources & Central Services comprises the departments Talent Acquisition, Employer Branding & HR Projects, Human Relations, Payroll & HR Services, Personnel Development and Central Services and is the responsibility of the Director HR & Central Services, who reports to the CHRO/CFO.



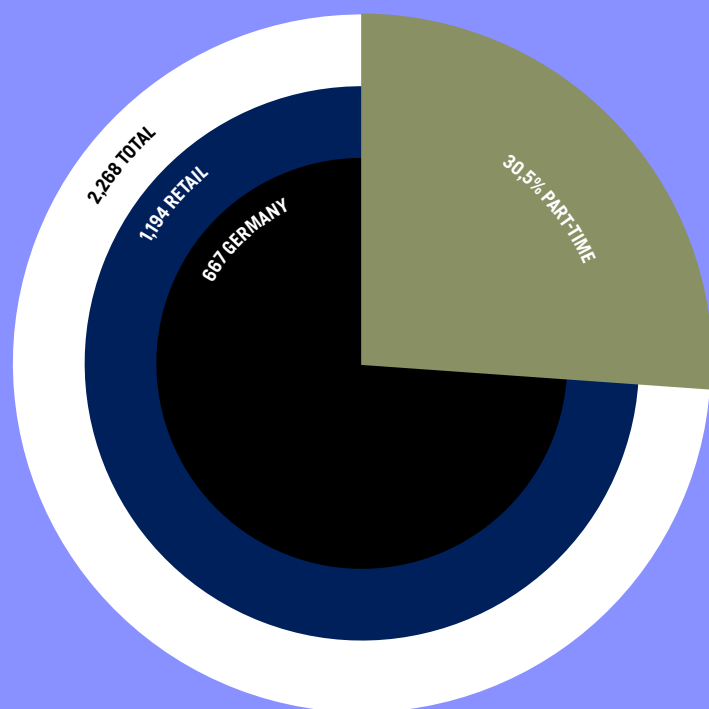
“SUSTAINABILITY FOR US IS A CORE PART OF OUR PAST, PRESENT AND FUTURE. IT’S ON ALL OF US TO FULL-FILL OUR VISION.”



MARKUS STAUDE-SKOWRONEK
CFO & CHRO

4.1.1 OUR WORKFORCE COMPOSITION

During the reporting period, Marc O'Polo SE had ● 2,268 employees globally (PY: 2,303), including apprentices, interns, integrated-degree students and trainees. There were ● 1,194 retail employees (PY: 1,185), of whom ● 667 in Germany (PY: 784). ● 30.5 per cent (PY: 30.5 per cent) of all employees were employed part-time.



EMPLOYEES 2022 / 24

TOP 5 NATIONALITIES

	2021 IN %	2022 IN %	2023 IN %
GERMAN	68.1	64.6	64.2
POLISH	6.6	6.5	7.1
RUSSIAN	3.8	3.8	3.8
DUTCH/BELGIAN	2.6	2.6	3.7
FRENCH	2	2.3	2.6

WORKFORCE COMPOSITION BY REGION*

GRI 2-7/ESRS S1-6

ORT	FINANCIAL YEAR	TOTAL	PERMANENT EMPLOYEES	TEMPORARY EMPLOYEES	FULL-TIME EMPLOYEES	PART-TIME EMPLOYEES
WESTERN EUROPE	21/22	1,801	1,393	408	1,000	801
	22/23	1,932	1,687	236	964	579
	23/24	1,897	1,707	232	966	613
EASTERN EUROPE	21/22	277	177	100	201	76
	22/23	200	120	0	122	77
	23/24	202	106	0	124	33
NORTHERN EUROPE	21/22	4	2	2	3	1
	22/23	92	88	1	87	4
	23/24	102	100	33	88	11
SOUTHERN EUROPE	21/22	21	10	11	13	8
	22/23	78	70	0	37	41
	23/24	82	70	0	38	44
ASIA	21/22	1	1	0	0	1
	22/23	1	0	1	0	1
	23/24	3	0	0	1	2
TOTAL	21/22	2,104	1,583	521	1,217	887
	22/23	2,303	1,965	237	1,210	702
	23/24	2,268	1,983	235	1,217	693

* THE DATA WAS COLLECTED AS AT 31 MAY 2024 AND REFERS TO THE PER-HEAD NUMBER OF EMPLOYEES. THE FOLLOWING COUNTRIES ARE ALLOCATED TO THE FOLLOWING REGIONS: WESTERN EUROPE (GERMANY, NETHERLANDS, BELGIUM, FRANCE AND AUSTRIA), EASTERN EUROPE (POLAND, CZECH REPUBLIC, ROMANIA AND RUSSIA), SOUTHERN EUROPE (ITALY AND SPAIN) AND NORTHERN EUROPE (SWEDEN). COMPARABILITY WITH THE PREVIOUS YEAR IS NOT POSSIBLE THIS YEAR DUE TO A RECLASSIFICATION OF THE COUNTRIES INTO DIFFERENT REGIONS. VERY RECENT HIRES MAY RESULT IN SMALL CHANGES IN HEADCOUNT.

NEW HIRES AND STAFF TURNOVER

GRI 401-1/ESRS S1-6

The average length of service at our company is 5.6 years (5.4 years for full-time employees and 5.8 years for part-time employees) (PY: 5 years for full-time and part-time employees).

As part of Marc O'Polo's growth strategy, we hired 628 people during the reporting period (PY: 643) despite the challenges in the clothing industry. Of this number, 457 (PY: 486) were full-time or part-time and 8 (PY: 28) were trainees. In addition, we filled 126 (PY: 109) temporary positions and 32 (PY: 18) internships during this period. There were 5 integrated degree programme positions in the reporting period (PY: 0), though there was no additional trainee position (PY: 1).

AVERAGE LENGTH OF SERVICE IN YEARS 2023 / 2024



NEW HIRES

GRI 401-1/ESRS S1-9

	2021/2022		2022/2023		2023/2024	
	DE	INT	DE	INT	DE	INT
TOTAL	552	248	436	233	403	225
FEMALE¹	389	192	302	194	295	190
MALE¹	163	56	134	39	108	35
UNDER 30	232	95	233	128	256	125
FEMALE¹	152	75	167	105	182	103
MALE¹	80	20	66	23	74	22
30-50	270	138	149	85	103	72
FEMALE¹	194	103	96	70	78	63
MALE¹	76	35	53	15	25	9
OVER 50	50	15	54	19	44	28
FEMALE¹	43	14	39	18	35	26
MALE¹	7	1	15	1	9	2
	HQ ²	RETAIL ²	HQ ²	RETAIL ²	HQ ²	RETAIL ²
TOTAL	204	596	189	480	201	427
FEMALE¹	126	455	116	379	152	335
MALE¹	78	141	73	100	49	92

* THE DATA WAS COLLECTED AS AT 31 MAY 2024 AND REFERS TO THE PER-HEAD NUMBER OF EMPLOYEES, INCLUDING APPRENTICES, INTERNS, TRAINEES, DUAL STUDENTS AND GAP YEAR PARTICIPANTS. VERY RECENT HIRES MAY RESULT IN SMALL CHANGES IN HEADCOUNT.

¹ GENDER AS STATED BY THE EMPLOYEES THEMSELVES. FEWER THAN 5 EMPLOYEES DID NOT IDENTIFY AS ONE OF THE BINARY GENDERS DURING THE REPORTING PERIOD. THEY ARE NOT REPORTED FOR THE SAKE OF DATA PROTECTION.

² HQ: EMPLOYEES AT OUR HEADQUARTERS IN STEPHANSKIRCHEN. RETAIL: EMPLOYEES IN ALL OUR STORES AND SHOWROOMS NATIONALLY AND INTERNATIONALLY.

ATTRITION*

GRI 401-1 / ESRS S1-6

	2021/2022		2022/2023		2023/2024	
	DE	INT	DE	INT	DE	INT
TOTAL	357	159	393	218	297	142
FEMALE¹	257	127	285	170	218	117
MALE¹	100	32	108	48	79	25
UNDER 30	196	112	229	123	154	82
FEMALE¹	138	88	157	93	110	67
MALE¹	58	24	72	30	44	15
30-50	129	42	124	76	103	42
FEMALE¹	93	34	94	59	77	32
MALE¹	36	8	30	17	26	10
OVER 50	32	5	40	19	40	18
FEMALE¹	26	5	34	18	31	18
MALE¹	6	0	6	1	9	0
	HQ ²	RETAIL ²	HQ ²	RETAIL ²	HQ ²	RETAIL ²
TOTAL	133	383	104	507	178	261
FEMALE¹	92	292	66	389	123	212
MALE¹	41	91	38	118	55	49

* THE DATA WAS COLLECTED AS AT 31 MAY 2024 AND REFERS TO THE PER-HEAD NUMBER OF EMPLOYEES. EXCLUDING APPRENTICES, INTERNS, TRAINEES, DUAL STUDENTS AND GAP YEAR PARTICIPANTS.

¹ GENDER AS STATED BY THE EMPLOYEES THEMSELVES. THERE WERE NO INDIVIDUALS NOT IDENTIFYING AS ONE OF THE TWO REPORTED BINARY GENDERS DURING THE REPORTING PERIOD.

² HQ: EMPLOYEES AT OUR HEADQUARTERS IN STEPHANSKIRCHEN. RETAIL: EMPLOYEES IN ALL OUR STORES AND SHOWROOMS NATIONALLY AND INTERNATIONALLY.

“SUSTAINABILITY IS A CORNERSTONE OF OUR CORPORATE CULTURE. WE ARE COMMITTED TO INSPIRING AND EMPOWERING OUR EMPLOYEES SO THAT THEY CAN ACTIVELY CONTRIBUTE TO A SUSTAINABLE FUTURE.”



SILKE WALZ
DIRECTOR HR & CENTRAL SERVICES

4.1.2 DIVERSITY & EQUAL OPPORTUNITIES

GRI 3-3 (405, 406) / ESRS S1-4, S1-9

At Marc O'Polo, we employ people from different nations and cultures. We value our employees equally as a key component of our team, regardless of their gender, age, religion, origin, sexual orientation or disability, and see diversity as an enormous enrichment of our corporate culture.

Diversity, equality and inclusion are very important to Marc O'Polo and we intend to focus even more on these topics in future. We want to raise our employees' awareness of diversity in order to create an inclusive working environment in the long run.

We developed a number of workstreams based on an analysis of the state of the diversity and inclusion at the company in the previous year. The focus this year was on the 'cross-divisional workstream'. With some outside help, we examined the company's careers page and the core processes behind the employee journey, such as recruiting and talent management, to see how inclusive they were and developed actions based on our findings. For example, we made some changes to the details and wording of job ads

and in our candidate communications based on recommendations we received in order to create a more open and inclusive experience. In the next financial year, we will tackle four focus areas in order to create a more diverse and inclusive environment in which everybody is valued and able to bring their individual strengths and views to bear in creating shared success.

Many more women work at Marc O'Polo than men. 65 per cent of managers across all levels are women (PY: 61 per cent). The proportion of female store managers is 70 per cent (PY: 68 per cent). Employees are paid on the basis of their position as well as the market and their performance, regardless of their gender. We review the consistency of our remuneration with the market and employee performance through regular salary surveys, drawing on external support and benchmarks across all areas of business. Our workforce is comparatively young, with 45 per cent under the age of 35 (PY: 45 per cent).

WORKFORCE COMPOSITION BY GENDER*

GRI 2-7 / ESRS S1-6

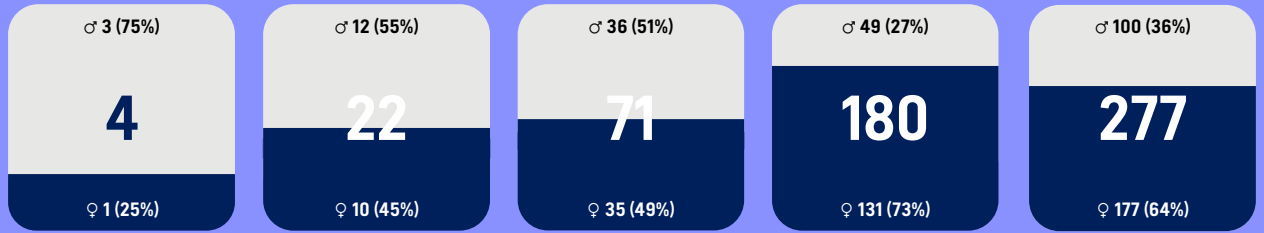


* THE DATA WAS COLLECTED AS AT 31 MAY 2024 AND REFERS TO THE PER-HEAD NUMBER OF EMPLOYEES. VERY RECENT HIRES MAY RESULT IN SMALL CHANGES IN HEADCOUNT. GENDER AS STATED BY THE EMPLOYEES THEMSELVES. FEWER THAN 5 EMPLOYEES DID NOT IDENTIFY AS ONE OF THE BINARY GENDERS DURING THE REPORTING PERIODS. THEY ARE NOT REPORTED FOR THE SAKE OF DATA PROTECTION.

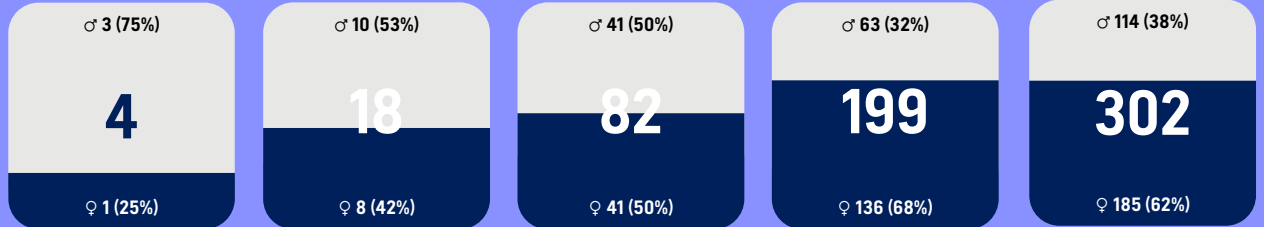
MANAGEMENT COMPOSITION BY GENDER AND MANAGEMENT LEVEL (ML)*

GRI 405-1/ESRS S1-9

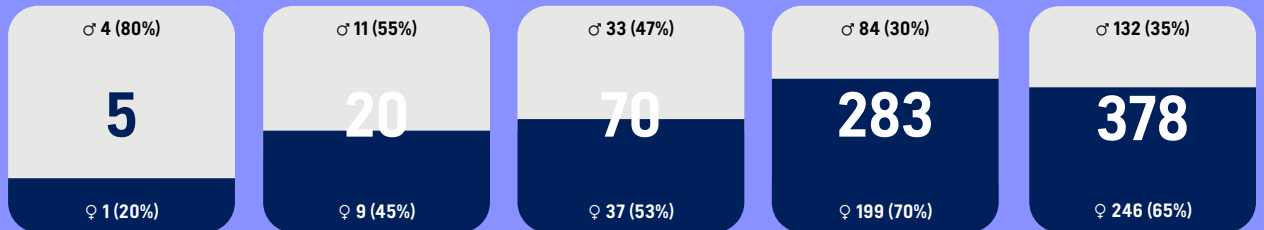
2021/2022



2022/2023



2023/2024



EXECUTIVE BOARD

SENIOR MANAGEMENT

MIDDLE MANAGEMENT

LOWER MANAGEMENT

MANAGERS* TOTAL

* THE DATA WAS COLLECTED AS AT 31 MAY 2024 AND REFERS TO THE PER-HEAD NUMBER OF EMPLOYEES. GENDER AS STATED BY THE EMPLOYEES THEMSELVES. THERE WERE NO INDIVIDUALS NOT IDENTIFYING AS ONE OF THE TWO REPORTED BINARY GENDERS DURING THE REPORTING PERIOD.

† UPPER MANAGEMENT: DIRECTORS, MIDDLE MANAGEMENT: HEADS OF, DISTRICT MANAGERS, RETAIL MANAGERS, LOWER MANAGEMENT: GROUP MANAGERS AND (DEPUTY) STORE MANAGERS

AGE DIVERSITY *

GRI 405-1/ESRS S1-9

AGE	% UNDER 30			% 30 – 50			% OVER 50		
	21/22	22/23	23/24	21/22	22/23	23/24	21/22	22/23	23/24
EMPLOYEES, OVERALL	34	31	31	46	48	47	20	21	22
MANAGERS	10	10	12	73	72	70	17	19	18

* THE DATA WAS COLLECTED AS AT 31 MAY 2024 AND REFERS TO THE PER-HEAD NUMBER OF EMPLOYEES.

4.1.3 HEALTH, SAFETY & WORK-LIFE BALANCE

We support our employees in finding a balance between their work and private life. This is crucial for our employees' health, motivation and ability to innovate, as well as to our quality promise.

FLEXIBLE WORKING

ESRS S1-4

We believe that innovation and success can come from anywhere. Most of the employees at our headquarters in Stephanskirchen work on a basis of trust. If possible and where it makes sense operationally, our employees can work remotely. It is also possible to book a workstation or meeting room free of charge at one of the design offices across Germany. Since August 2022, employees have been able to work from other EU countries for up to four weeks ('workation'). Freedom, flexibility and trust are vital elements of Marc O'Polo's work culture, which is why we are constantly developing working models which create an inspiring and motivational work environment. Beginning in the early part of the 23/24 reporting period, new options at HQ will offer even greater flexibility to employees: those who wish to can schedule 'flexi days' to offset overtime worked. In addition, employees who wish to dedicate more time to personal projects or matters can take advantage of temporary 'flexi part-time', which enables them to reduce their work hours or acquire up to 20 additional days of leave ('flexication'). Beyond taking off a few days or hours, there is also the option of taking a sabbatical for three or more months.



FAMILY FRIENDLINESS

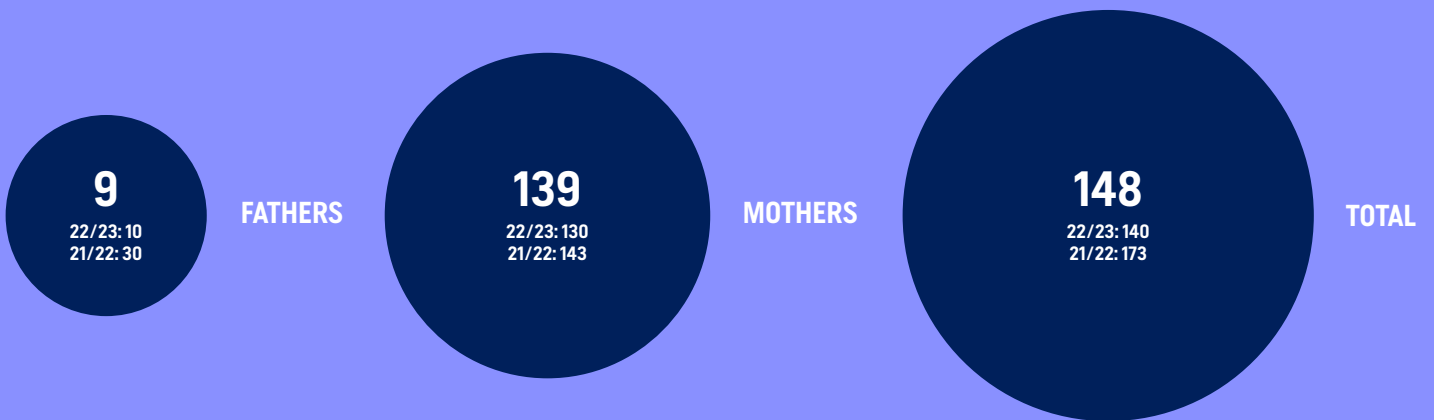
GRI 3-3 (401) / ESRS S1-4

With Marc O'Polo Family, we take steps to make our workplace more family-friendly. Throughout the Group, we offer a variety of part-time models and ensure that even managers have the option to work part-time. Trust-based working hours and the ability to work remotely contribute to the flexibility of work. In order to be able to provide even better support to (expecting) parents and carers, we added a family component to our Employee Assistance Programme (EAP) during the reporting period. In addition to advice, our national employees will receive tangible support in their search for a childcare solution for their children or family members in need of care. In addition, a children's holiday programme is available to parents at HQ looking for childcare during the summer holiday. Since 1 June 2004, there has also been a parent-children office on campus to handle short-term childcare emergencies. A dog-friendly company policy makes it possible to bring dogs to work when taking the interests of all colleagues into consideration.



EMPLOYEES ON PARENTAL LEAVE*

GRI 3-3 (401), 401-3 / ESRS S1-15



* THE DATA WAS COLLECTED AS AT 31 MAY 2024 AND REFERS TO THE PER-HEAD NUMBER OF EMPLOYEES. GENDER AS STATED BY THE EMPLOYEES THEMSELVES. THERE WERE NO INDIVIDUALS NOT IDENTIFYING AS ONE OF THE TWO REPORTED BINARY GENDERS DURING THE REPORTING PERIOD.

BENEFITS

GRI 3-3 (403), 401-2 / ESRS S1-4

In addition to performance-based remuneration, we offer our employees a wide range of additional benefits in the categories of mobility, fitness, flexwork, workation and sabbatical, discounts and more. In total, we offer our employees more than 30 benefits, including a staff discount on Marc O'Polo products, discounts at other (local) companies, discounted membership in the eGym company fitness network, numerous flexwork offers, a bike leasing initiative, a free morning shuttle bus between the train station and our headquarters in Stephanskirchen, and many more.

WORKPLACE HEALTH INITIATIVES

GRI 3-3 (403), 403-6 / ESRS S1-4

The health and well-being of our employees is very important to us. Our workplace health initiatives focus on mental health, nutrition and exercise.

With the Marc O'Polo Health Club, we work with local partners to offer an ever-changing health and sports programme at our headquarters (e.g. yoga and tennis). In addition, our retail and head office employees can sign up for discounted memberships with our cooperation partner, a company fitness network, across all of Germany. At our headquarters, there is also the option of renting stand-up paddleboards free of charge, as well as e-bikes. Two presentations on 'The forgotten art of breathing' and 'Hydration management' round off this year's Marc O'Polo Health Club offering.

At BISTRO at our headquarters, we offer subsidised, healthy dishes with a vegetarian/vegan selection as well as healthy breakfast options in line with the motto 'local and fresh'. We also grow fresh herbs in two raised beds on our company premises to prepare meals at BISTRO. Retail employees are offered free fruit and beverages.

We also offer our employees individual and personal support as well as professional advice through our Employee Assistance Programmes (EAP). This can be used for professional and personal issues as well as in problem and crisis situations. The EAP can be consulted on issues such as stress and burnout, educational issues, addiction problems and legal issues. Our partner for the implementation of the EAP is the external advisory service INSITE. The service is free of charge for all employees and enquiries are, of course, treated anonymously.



OCCUPATIONAL HEALTH AND SAFETY

GRI 3-3 (403), 403-1, 403-8, 403-9, 403-10 / ESRS 2 SBM-3, ESRS S1-4, S1-14

The safety and welfare of our employees is paramount at Marc O'Polo. For this reason, all the employees at headquarters and in national retail are covered by a health and safety management system with the support of our external service provider. In international retail, we are guided by the legal provisions of the respective countries.

In addition, external occupational health and safety specialists ensure that the working atmosphere is safe and develop preventative actions. They conduct regular inspections to check occupational health and safety at our headquarters, in logistics and in national retail. In addition, regular consultations are held between the occupational health and safety specialists and the company doctor. Any necessary actions are then checked during the next inspection.

We are continually making progress with occupational health and safety thanks to comprehensive actions. The accident rates at our locations are extremely low in relation to our employee headcount. During the reporting period, 17 reportable accidents were recorded (PY: 15), none of which resulted in high-consequence work-related injuries or deaths. The feedback from our employees attests to a sense of safety and a happy working environment. A sufficient number of safety officers have been appointed at our headquarters to answer any and all questions relating to occupational health and safety. In addition, comprehensive emergency and evacuation plans have been developed and are regularly reviewed for effectiveness and updated as needed so as to ensure that fast and effective action can be taken in an emergency.

Furthermore, we are continuously working to further improve our safety culture. To that end, we promote open dialogue with and feedback from our employees and make targeted investments in their health and safety.

Marc O'Polo will remain a responsible employer in future, and does not see its employees merely as valuable assets but as people who deserve respect and protection. Our commitment to workplace safety is an integral component of our corporate philosophy and is in harmony with our sustainable and responsible corporate culture as well as our Marc O'Polo Values (see section 5.1 Corporate culture [\[7\]](#)).

The sickness rate for Marc O'Polo's full-time employees in Germany is 3.3 per cent (PY: 3.8 per cent) and 3.5 per cent for part-time employees (PY: 5.2 per cent). No distinction is made by the type of illness or whether it was work-related. Work-related accidents are recorded separately.



* THE SICKNESS RATE AT OUR INTERNATIONAL LOCATIONS WAS NOT CENTRALLY RECORDED FOR THE REPORTING PERIOD.

4.1.4 DEVELOPMENT & TRAINING

When you draw on individual talents and strengthen your own abilities, this increases motivation and innovation. The aim is to use these for shared success. That is why it is important to us to offer our employees opportunities for personal and professional development. We support the development of junior employees as well as experienced specialists and managers at our headquarters and our stores, which paves the way for long-term employment and allows us to meet our target of filling managerial positions with candidates from within the company whenever possible. In addition, employee training plays a key role in our HR strategy.

TRAINING

GRI 3-3 (404), 404-2 / ESRS S1-4

Marc O'Polo's training concept is diverse. In addition to face-to-face training, we also offer virtual and hybrid formats for our employees, most of which are also available in different languages. A total of 1,700 employees attended 20,210 seminar/training hours during the reporting period (PY: 1,450 employees attended 19,883 hours).

At our Marc O'Polo University, we offer training courses, seminar series, workshops and lectures designed to strengthen our colleagues' methodological and specialist skills as well as their personal and social skills. In addition to the training series for high-potential and talented individuals, the reporting period also focused on the theme of 'Focusing on strengths' for managers, employees and the entire team.

In addition, the topics of internationalisation, digitalisation and management development were important, and corresponding actions were implemented. As part of the in-house academy, our employees have the opportunity to take part in a wide range of face-to-face, blended and virtual training courses. For example, a language portal and the online learning portal LinkedInLearning are available, giving employees access to a wide range of training content. Individual specialist training, coaching, team development and workshops round off the Marc O'Polo training concept.

The Retail Academy offers a wide range of training courses for employees and teams in the stores at all career levels. Store staff see their job not only as selling, but also looking after customers as guests. This understanding is consolidated in the Welcome Days for new employees (in English, German, Polish and Russian) as well as in various sales training sessions. In the various seminars and at the information events on the topic of collection/merchandise and sustainability, important specialist knowledge is taught about materials, cuts, special product features and Marc O'Polo's commitment to sustainability as well as on trends and style. Four retail sales trainers educate and train the teams in the stores as well as in a large number of online events, both nationally and internationally. During the reporting period, a focus was also placed on mental health, motivation and team development/management training.

OUR EMPLOYEES AVERAGE TRAINING HOURS*

GRI 404-1/ESRS S1-13

		FEMALE		MALE		TOTAL	
		22/23	23/24	22/23	23/24	22/23	23/24
MANAGERS	Blended Learning ¹	0.8	0.6	0.5	1.7	0.7	1
	Face-to-face	13.7	6.4	13.1	5.7	13.5	6.2
	Virtual	7.4	10.6	5.4	9.7	6.7	10.3
	TOTAL	21.9	17.7	19	17.1	20.9	17.5
EMPLOYEES	Blended Learning ¹	0.4	1.7	0.3	1.6	0.4	1.7
	Face-to-face	8.4	3.9	8.1	4.4	8.3	4
	Virtual	3.5	5.1	2.9	6	3.4	5.3
	TOTAL	12.3	10.8	11.3	12	12.1	11

* GENDER AS STATED BY THE EMPLOYEES THEMSELVES. FEWER THAN 5 EMPLOYEES DID NOT IDENTIFY AS ONE OF THE BINARY GENDERS DURING THE REPORTING PERIOD. THEY ARE NOT REPORTED FOR THE SAKE OF DATA PROTECTION.

¹ BLENDED LEARNING IS A COMBINATION OF E-LEARNING AND FACE-TO-FACE TRAINING.

TALENT MANAGEMENT

GRI 3-3 (404), 404-3 / ESRS S1-4

A caring and mindful approach fosters an appreciative, effective way of thinking, acting and communicating.

In order to encourage this behaviour and thus trusting cooperation, we offer disciplinary or cross-divisional teams the opportunity to clarify their expectations of successful cooperation in team development workshops and to jointly agree on actions, roles and responsibilities. In this context, our team development workshops are designed according to the individual needs and issues of the commissioning team.

At an individual level, annual appraisal interviews offer every colleague the opportunity to agree targets and expectations for joint collaboration and further development with their manager, and to define and document these in a way that is binding for both sides. The appraisal interviews provide a venue for a respectful and mutual exchange and feedback and also reference our Marc O'Polo Key Values (Naturalness, Quality, Innovation, Personality and Simplicity).

The optional pulse check meetings in addition to the appraisal interviews allow the status quo of the defined agreements to be reviewed at any time and offer flexibility for any adjustments. For these, too, we attach great importance to open, mutual feedback between managers and employees.

In keeping with the company's values, we have also paid particular attention to the issue of sustainability. An e-learning offering is available to all employees to help them prepare and assists them in defining their own sustainability targets which can be discussed and refined with their manager.

With our talent management strategy, we aim to establish a corporate culture where talented individuals are recognised and fostered, regardless of their level in the hierarchy, department or training. At Marc O'Polo, we offer both leadership and non-managerial career paths with corresponding training programmes, allowing us to train leaders and offer appropriate career and development opportunities to non-managerial specialists.

Under the motto 'Simplicity', the Talent Journey, in which the employee interviews are embedded, was revised in the financial year in favour of a lean, efficient process. This will be implemented in the following financial year.

Our Leadership Academy gives managers the opportunity to delve deeper into topics such as values, corporate culture and mindfulness. The 'Leadership Essentials Newcomer' training series introduces new managers to all the important tools they need to fulfil their leadership responsibilities at our company. It also gives them the opportunity to build up their network across all divisions within the company.

The 'Develop Yourself' program, the management trainee program for retail employees, is currently being revamped and was therefore not offered in this financial year.

Interested retail employees have the opportunity to qualify as experts for various roles. As a sales expert in styling, for example, they are the point of contact for customers with a private shopping appointment and, as a training agent, they train the retail team with internal sales training.

EDUCATION AND INTEGRATED DEGREE PROGRAMME

GRI 3-3 (404) / ESRS S1-4

Employee training plays a key role in our HR strategy. As an international fashion company, Marc O'Polo offers skilled occupations in various departments at our headquarters and in retail. At the end of the financial year, a total of 59 trainees and integrated-degree students (PY: 60) were employed at Marc O'Polo, of whom 28 (PY: 25) were at the headquarters and 31 (PY: 35) in retail.

With an integrated degree programme, we enable secondary school graduates with a university or university of applied sciences entrance qualification to learn comprehensive theory and gain practical experience in an international environment. In cooperation with the Duale Hochschule Baden-Württemberg (DHBW), we offer various opportunities to earn a Bachelor of Arts in Ravensburg.

4.1.5 OPEN DIALOGUE & EMPLOYEE SATISFACTION

We set great store by transparency and open communication. To promote successful collaboration among all the employees at headquarters and in retail, the members of the Executive Board regularly provide information via several channels, such as the ‘a message from ...’ video message as well as in the semi-annual Executive Board Update ‘O’Time’. The company intranet, ‘Inside’, serves as a communication and knowledge platform. On it, we publish relevant information, present department-specific content and create a platform for a well-functioning work network. In order to make information available to all national and international retail employees as best as possible, a weekly summary of the most important news is usually provided in the ‘Monday Memo’ which is sent by e-mail. Other formats give employees an opportunity to find out about updates or ask (anonymous) questions, both online and offline.

SUGGESTIONS AND CRITICISM

On the ‘Share with Marc O’Polo’ portal, all employees can anonymously submit recommendations for improvement, suggestions or criticism. The HR team discusses the topics raised with the relevant manager and the executive team. We publish a monthly overview of these topics on ‘Inside Marc O’Polo’ along with their status and any follow-up actions.

EMPLOYEE SATISFACTION

We survey our employees’ satisfaction at HQ as well as in the national and international retail organisation once a quarter using a company mood board which contains four questions that are graded from 1 to 7, with 7 indicating full agreement and 1 indicating full disagreement. In addition, the surveys give employees the opportunity to share their concerns with us in an open comment field. This allows us to gain an idea of the current mood on an ongoing, comparable basis.

It is used to identify and develop HR actions in order to create the best possible working environment for all our employees. Our fourth place as a top employer in Textil-Wirtschaft’s ‘Working in Fashion’ study during the financial year showed us that we are on the right track. We are the only medium-sized company listed in the top five.

COMPANY MOODBOARD*

GRI 2-29 / ESRS S1-2



* THE FIGURES IN THE GRAPHIC SHOW THE MEAN OF THE FOUR QUARTERS IN THE RESPECTIVE REPORTING PERIOD.

¹ THIS QUESTION WAS ADDED TO THE COMPANY MOOD BOARD IN AUGUST 2022 IN ORDER TO CONTINUOUSLY OPTIMISE WORK FLEXIBILITY AT MARC O’POLO.

4.2 WORKERS IN THE VALUE CHAIN

ESRS S2-1

Marc O'Polo champions efforts to uphold internationally recognised human rights and categorically rejects any form of human rights violations. Our commitment covers protecting the rights of all workers within our area of influence in accordance with the Universal Declaration of Human Rights, the UN Global Compact, the OECD Guidelines for Multinational Enterprises and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. We actively promote compliance with social standards by means of risk-based audit procedures and training programmes for our suppliers. Our Supplier Code of Conduct serves as a policy for our business activities, and our suppliers must confirm their acceptance and compliance in writing. Further information on our Supplier Code of Conduct can be found in section 5.5.1 [\[7\]](#).



4.2.1 OUR FAIR WEAR FOUNDATION MEMBERSHIP

GRI 3-3 (403), 403-8 / ESRS S2-4

Marc O'Polo has been a member of the Fair Wear Foundation (FWF) since 2020 as part of our efforts to ensure social responsibility in our supply chain. Our third FWF Brand Performance Check was carried out for the 2022/23 financial year during the reporting period. This check evaluates the activities of the members to report on them transparently and independently. The FWF examines the extent to which a company's internal management systems support the implementation of the Code of Labour Practice in the supply chain. It focuses on the production steps in which the product is packaged and also evaluates the purchasing practice and monitoring system in detail. Fair Wear has some of the strictest and most comprehensive requirements in this field.

We received the highest rating of 'Leader' in this year's FWF Brand Performance Check, increasing our score from 59 to 67 points despite the demands made of members increasing this year due to a new and significantly more challenging set of requirements. As such, Fair Wear acknowledges our exceptional progress across all performance indicators. This recognises our strong commitment to ethical procurement and transparency practices and our efforts to strengthen human rights along the supply chain, including actions to promote equal partnerships, gender equality and workers' rights. We demonstrated an in-depth understanding of the supply chain thanks to thorough risk assessments in connection with plans for improvement and prevention. The opportunities for improvement focus in particular on ensuring fair pay, introducing responsible purchasing practices and stakeholder engagement. The full report will be published both on the Fair Wear website and on our company website: Brand Performance Check report 22/23 [\[7\]](#).



“GOOD WORKING CONDITIONS ARE OUR COMMITMENT TO A SUSTAINABLE PRODUCT. THEREFORE, WE ARE PARTICULARLY PROUD TO HAVE ACHIEVED FAIR WEAR LEADER STATUS FOR THE FIRST TIME THIS YEAR. IT CONFIRMS THAT THROUGH CONTINUOUS EFFORTS TO IMPROVE SOCIAL STANDARDS IN OUR SUPPLY CHAIN AS WELL AS OUR OWN PROCESSES AND MEASURES, WE MEET THIS COMMITMENT AT A HIGH LEVEL.”



SARA STRÖDEL
GROUP MANAGER CORPORATE SOCIAL RESPONSIBILITY

4.2.2 FAIR WORKING CONDITIONS IN THE SUPPLY CHAIN

GRI 2-24, 3-3 (414) / ESRS S2-1, S2-4

At Marc O'Pollo we attach great significance to the inclusion and well-being of workers in our value chain. Our efforts cover ensuring fair working practices and compliance with international human rights standards as part of regular audits and on-site visits. By fostering an active relationship with our suppliers and partners, we promote transparency and take action to lock in constant improvement. Our tier 1 value chain covered some 85,000 workers in the reporting period, of which 61 per cent were women and 39 per cent men.

Code of Conduct compliance is assessed and evaluated on the basis of external audits. When carrying out audits, our suppliers are assessed on social criteria such as the prohibition of child and forced labour, occupational health and safety, protection against discrimination, the right to freedom of association and appropriate working hours and pay. We primarily initiate BSCI audits. As part of our Fair Wear membership, we also significantly increased the number of Fair Wear audits again during the reporting period. In doing so, our intention is to cover strategically important suppliers as well as suppliers in high-risk countries in order to gain a more transparent insight into the risks at the first step of our supply chain and, accordingly, support suppliers in their ongoing development.

We follow a risk-based approach when planning the audits, which is based on our supplier segmentation in the context of our human rights risk analysis (see section 2.2.3 Our risk analyses [7]). The audits focus in particular on garment factories, as the activity at these sites is less automated and very labour-intensive. As a rule, the auditors come from the region of the production facility being audited. We have stipulated that—in all but justified exceptions—the BSCI audits are to be carried out on a 'semi-announced' basis, with suppliers being given a four-week period to carry out the audit.

In the current reporting period (2023/2024), 99.2 per cent (PY: 94.2 per cent) of our tier 1 suppliers had a valid audit. Eighty-seven full BSCI audits, 20 follow-up audits and 6 Fair Wear audits were carried out.

The topics and consequences of the audits are explained in detail below.

THE MATERIAL TOPICS IN OUR SUPPLY CHAIN AND AUDITS OF THEM

ESRS S2-1, S2-4

Compliance with the principles of the relevant code of conduct (either the BSCI Code of Conduct or Fair Wear Code of Conduct) is monitored during the audits. This involves checking compliance with the applicable legal requirements as well as further-reaching requirements for suppliers' internal social compliance management systems. The auditors verify the information available with a factory tour, a document check and interviews with workers. For Fair Wear audits, these interviews are held outside the factory; for BSCI audits, the interviews are carried out in the factory.

PROHIBITION OF CHILD AND FORCED LABOUR

Through their signing of the Code of Conduct, Marc O'Polo requires its suppliers to comply with the following standard:

FORCED LABOUR

GRI 3-3 (409), 409-1/ESRS S2-1, S2-4

In addition to the written obligation, we carry out Fair Wear or BSCI audits on all our direct business partners in high-risk countries in order to monitor compliance. For example, the auditors check how employees are recruited, whether any overtime worked is voluntary, that wages are paid on time and in full; and whether workers are free to move around and leave the factory premises (e.g. access to the toilet is not restricted). During the reporting period, the audits did not reveal any cases of forced labour.

EXCERPT FROM OUR CODE OF CONDUCT:

“There shall be no use of forced, including bonded or prison, labour (ILO Conventions 29 and 105).“

CHILD LABOUR

GRI 3-3 (408), 408-1/ESRS S2-1, S2-4

Marc O'Polo is opposed to child labour as a matter of principle. We are aware of the increased risk of child labour in the textile industry. For this reason, all of our production facilities must undertake in writing not to employ children and to comply with youth protection laws for young workers.

In addition to the voluntary commitment, our producers are reviewed in Fair Wear or BSCI audits. The auditors also check whether there are cases of child labour. To this end, they review the recruitment processes and evidence of the workers' age. If young people are employed, particular care is taken to ensure that they do not work overtime or perform hazardous work. During the reporting period, the audits did not reveal any cases of child labour.

EXCERPT FROM OUR CODE OF CONDUCT:

“There shall be no use of child labour. The age for admission to employment shall not be less than the age of completion of compulsory schooling and, in any case, not less than 15 years. There shall be no forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour. Young people aged 15–18 are subject to special protection. They shall not perform work that jeopardises their health, safety or morals“

OCCUPATIONAL HEALTH AND SAFETY

GRI 403-5/ESRS S2-1, S2-4

We also require our suppliers to provide workers with safe workplaces and protect their health.

In day-to-day production operations, management and employees are often unaware of the risk of accidents at work and the importance of occupational safety. As a result, objections in relation to occupational health and safety can often arise during audits. In order to raise awareness of this and ensure more regular monitoring of the status quo in the area of occupational health and safety, our suppliers must make improvements based on the findings from the audits. The corporate social responsibility (CSR) officers at Marc O'Polo and at our agencies are regularly on-site to check that these actions are being implemented. In addition, we have trained our buyers and production managers so that they can also point out breaches of occupational health and safety on site.

EXCERPT FROM OUR CODE OF CONDUCT:

“A safe and hygienic working environment shall be provided, and best occupational health and safety practices shall be promoted, based on the prevailing knowledge in the industry and any specific hazards. Appropriate attention shall be paid to occupational hazards specific to this industry and assure that a safe and hygienic work environment is provided for. Effective regulations shall be implemented to prevent accidents and minimise health risks as much as possible (in line with ILO Convention 155). Physical abuse, threats of physical abuse, unusual punishments or discipline, sexual and other harassment, and intimidation by the employer is strictly prohibited.“

DISCRIMINATION AND PARTICIPATION

GRI 3-3 (406) / ESRS S2-1, S2-4

We require our suppliers to treat all employees equally. Gender equality plays a particularly important role in the textile industry, which has a high proportion of women.

In order to assess compliance, audits check, for example, whether women and men are paid equally for work of equal value. Fair Wear audits also examine the proportion of women managers in factories and, if necessary, make a recommendation to increase it (according to the Corrective Action Plan). If this is the case, we enter into dialogue with our suppliers.

EXCERPT FROM OUR CODE OF CONDUCT:

“Recruitment, wage policy, access to training and education, employee promotion policy, policies of employment termination, retirement, and any other aspect of the employment relationship shall be based on the principle of equal opportunities, regardless of ethnic origin, skin colour, gender, religion, political affiliation, trade union membership, nationality, social origin or disabilities (ILO Conventions 100 and 111).“

WORKING HOURS AND REMUNERATION

We oblige our suppliers to comply with the statutory working hour regulations and to ensure that they are remunerated appropriately and fairly.

WORKING HOURS

ESRS S2-1, S2-4

The audits check compliance with the statutory working hour regulations. If the Fair Wear or BSCI audits identify overtime, our focus is to ensure that the overtime worked was voluntarily and that it was correctly documented and remunerated punctually in accordance with the statutory requirements. In the event of a conspicuous accumulation of overtime, we enter into a dialogue with suppliers in order to jointly identify the causes.

EXCERPT FROM OUR CODE OF CONDUCT:

“Hours of work shall comply with applicable laws and industry standards. In any event, workers shall not regularly be required to work in excess of 48 hours per week and shall be provided with at least one day off within each seven-day period. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate (ILO Convention 1)“

ADEQUATE WAGES

ESRS S2-1, S2-4

Employee pay is examined in detail in the audits. Payroll documents and working time records are checked for this purpose. The Fair Wear audits provide us with a detailed overview of the wage levels in the factories audited. In the current financial year, we have started analysing this data in detail in order to compare it with recognised living wage benchmarks.

EXCERPT FROM OUR CODE OF CONDUCT:

“Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families and to provide some discretionary income (ILO Conventions 26 and 131). Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted. Deductions shall never constitute an amount that will lead the employee to receive less than the minimum wage. Employees shall be adequately and clearly informed about the specifications of their wages including wage rates and pay period“

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

GRI 3-3 (407), 407-1 / ESRS S2-1, S2-4

We oblige our suppliers to respect the rights of workers with regard to freedom of association and co-determination.

The BSCI and Fair Wear audits examine whether there have been any violations of freedom of association and whether there are existing co-determination and complaints processes in place at the production facilities. When carrying out the audits, it became clear that employees are not always aware of their rights to co-determination and that employee representatives are often appointed by the management and not freely by the workforce. The Fair Wear Workplace Education training courses are an effective action of counteracting this and strengthening communication between factory management and workers. So far, we have mainly organised the training at our suppliers in India. Next year, we plan to expand the training to other production sites.

EXCERPT FROM OUR CODE OF CONDUCT:

“The right of all workers to form and join trade unions and bargain collectively shall be recognised (ILO Conventions 87 and 98). Business Partner shall, in those situations in which the right to freedom of association and collective bargaining are restricted under law, facilitate parallel means of independent and free association and bargaining for all workers. Workers’ representatives shall not be the subject of discrimination and shall have access to all workplaces necessary to carry out their representation functions (ILO Convention 135 and Recommendation 143).“

CONSEQUENCES OF THE AUDITS

GRI 2-24, 414-2 / ESRS S2-4

The audits give us a better insight into the progress made ensuring humane working conditions. They reveal weaknesses and highlight potential means for improvement. The BSCI audits entail an evaluation with potential consequences:

RATING A OR B:

If suppliers complete an initial or repeat amfori BSCI audit with a rating of 'Excellent' or 'Good', another audit will be conducted after a period of two years.

RATING C OR D:

If the rating is just 'Acceptable' or even 'Inadequate', a corrective action plan will be developed, with implementation of the action plan reviewed within a period of one year.

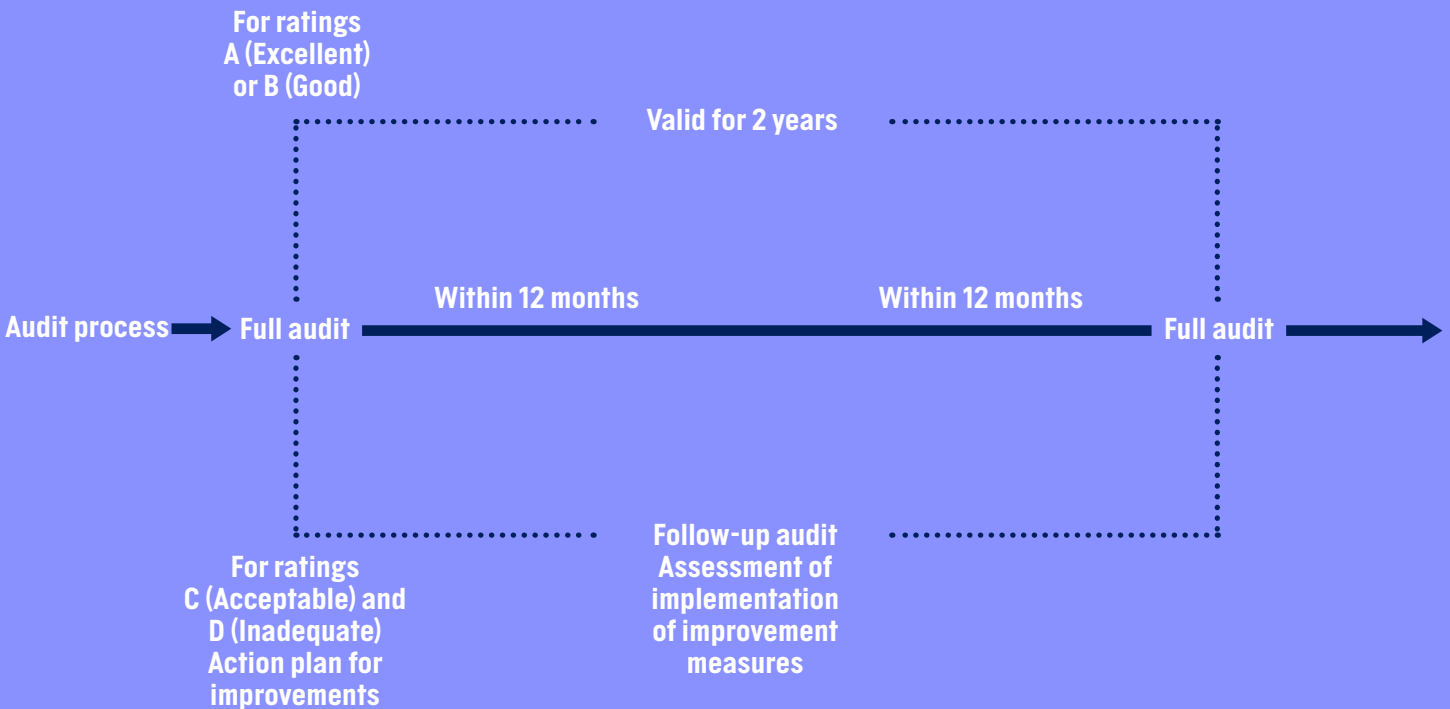
If suppliers are found to be in serious or repeated breach of the code of conduct, we may consider terminating the business relationship. However, we consider the exclusion of suppliers to be a last resort.

We work closely with our suppliers on the necessary corrective action as part of the Fair Wear audits. During the reporting period, we were able to discuss the audit results and comprehensive action plans on-site with our suppliers in India, China, Vietnam and Bangladesh and check their implementation.

INVOLVEMENT OF EMPLOYEES IN THE VALUE CHAIN

GRI 2-29 / ESRS S2-2

Another crucial aspect of our efforts to ensure fair working conditions within our supply chain is the direct involvement of employees in this process. We achieve this among other things by means of regular worker interviews as part of the audits and through in-person visits where we use interpreters to ensure that workers' voices are heard. Such interviews are crucial for us to gain an accurate picture of the working conditions and to identify and address potential problems early on. In addition, the complaints mechanism is a key instrument that gives workers the opportunity to communicate their concerns directly with us. A direct dialogue with workers means we can include their perspectives and develop tailored corrective action to improve their living and working conditions on a permanent basis.



4.2.3 TRAINING FOR EMPLOYEES IN THE VALUE CHAIN

GRI 2-24, 2-25, 3-3 (205) / ESRs S2-4

We do not rely just on audits to monitor our suppliers. Recognising and preventing sexual harassment, for example, requires a different approach than does fire safety. Many human rights issues are not based on verifiable facts alone, but on relationships. Consequently, improvements can only be achieved through dialogue with all of those involved, and that includes workers in the value chain.

Awareness of workers' rights and obligations forms the basis for actually improving working conditions at the production sites in our value chain. If both the management and the workers at production sites know their rights and obligations to the letter, and what opportunities they have to uphold and extend those rights, they can work together to identify areas for improvement and corrective action. That makes it easier for workers to assert their rights.

To support and encourage this, we organise regular training on social standards for both workers and managers at our production sites. We use a range of different training formats to ensure that content is communicated effectively.

FAIR WEAR WORKER EDUCATION PROGRAMME

This module provides factory management and local workers with a basic introduction to the Fair Wear code of conduct and the Fair Wear complaints hotline. We organised this training programme for four suppliers in India and one in China in the reporting period.

FAIR WEAR WORKPLACE EDUCATION VIOLENCE AND HARASSMENT PREVENTION PROGRAMME

This module lasts a total of 18 months and focuses on workplace standards, internal complaint systems and the Fair Wear complaint mechanism. At the same time, it supports the respective factories in establishing an anti-harassment committee. We organised this training programme for one supplier in Bangladesh in the reporting period.

FAIR WEAR FACTORY DIALOGUE PROGRAMME

This module offers a basic introduction to effective communication as problem-solving tool and to improve the dialogue between workers and management. We organised this training programme for one supplier in Turkey in the reporting period.

Over the past three years we have involved 16 tier 1 production sites in a training programme. This corresponds to 12 per cent of our suppliers and 24 per cent of our purchasing volume.

INTERNAL TRAINING FOR PURCHASING EMPLOYEES

As in the previous year, we conducted an internal training course on our 'Marc O'Polo Health and Safety' checklist to enable our buyers and production managers to check compliance with basic health and safety actions as part of their visits to production facilities.

4.2.4 COMPLAINTS MECHANISM

GRI 2-25, 3-3 (414) / ESRs S2-3

The Fair Wear Foundation offers its members a special complaints procedure. This can be used by both factory workers and NGOs to address violations of the Code of Labour Practices at member companies. For this purpose, every tier 1 supplier must display a 'Worker Information Sheet' with contact details (e-mail, telephone number) at a clearly visible location in the factories. Our on-site visits include checking whether the Worker Information Sheets are displayed. In the context of our 'worker interviews', the on-site visits also involve notifying some of the workers in the value chain about the complaints mechanism and sampling their knowledge of it. We organise Fair Wear training to proactively raise awareness of the complaints mechanism among a larger share of workers and to promote trust. Following this training, we encourage our partners to organise their own regular training on the complaints mechanism.

Workers can use the contact details to contact a local Fair Wear representative in their language, anonymously if desired. Fair Wear uses a transparent process to communicate and handle complaints.

The complaints we receive also give us a more detailed insight into our supply chain and a direct opportunity to advocate for improvements and leverage the insights gained from the complaints mechanism for our risk analysis. Eleven complaints were received in the 2023/24 financial year. The complaints and updates on their processing can be found on the Fair Wear website [\[7\]](#). The number of complaints increased year on year, which is due to our efforts to raise awareness, including the Fair Wear training, and which we see as a positive effect.

“TO IMPROVE WORKING CONDITIONS IN THE SUPPLY CHAIN AND REDUCE INEQUALITY, IT IS VERY IMPORTANT FOR US TO MAKE WORKERS—BOTH WOMEN AND MEN—AWARE OF THEIR RIGHTS. WE SENSITISE THEM THROUGH OUR STRICT MONITORING AND VARIOUS TRAINING INITIATIVES. “



RAHIMA AKTAR
SENIOR MANAGER CORPORATE SOCIAL RESPONSIBILITY

4.3 CONSUMERS & END USERS

Our customers are at the heart of all we do. Our commitment to sustainable development and responsibility to our stakeholders primarily involves the well-being of our consumers and end users. Responsible marketing practices are crucial to fostering a culture of transparency and trust with our customers. Our communications should be precise, honest and never misleading.

We have defined strict policies and extensive processes to avoid toxic residues in our products from having a negative impact on the health of our customers. We also meet statutory labelling obligations so that our consumers and end users receive precise and reliable information about our products.



"I THINK MANY CUSTOMERS DON'T KNOW HOW MUCH CRAFTSMANSHIP, DEDICATION AND DIFFERENT PEOPLE IT TAKES TO MAKE ONE SINGLE PRODUCT. I BELIEVE IT IS OUR RESPONSIBILITY TO CREATE MORE AWARENESS FOR THE JOURNEYS BEHIND OUR PRODUCTS."



**JULIAN AISSLINGER
HEAD OF SUSTAINABILITY, INNOVATION
AND RESPONSIBLE COMMUNICATION**

4.3.1 MORE RESPONSIBLE COMMUNICATION

ESRS S4-1, S4-5

Companies have to balance between two extremes in sustainability communication: Greenwashing—misleading presentation of environmental friendliness & other sustainability information—and greenhushing, the concealment of genuine sustainable measures for fear of being criticised. To gain the trust of consumers, companies should provide honest and transparent information about their sustainability efforts. Only through clear communication can real progress be promoted and scepticism reduced. To counter this ambiguity and consumers' uncertainty, last year we decided to develop an Anti-greenwashing policy to facilitate a trust-based retail experience for our customers.

The policy is primarily for internal purposes and is available to all employees via the 'Inside' internal information network. We are planning further workshops next year to raise more awareness of the policy throughout the company and anchor it firmly in our communications. The Anti-greenwashing policy therefore serves as a comprehensive basis for ethical marketing and brand-wide responsible sustainability communication.

We also conduct regular market research on how our customers perceive our brand. At present, 72 per cent of our customers consider the Marc O'Polo brand and its products to be sustainable. Our target for 2025 is to raise this figure to 80 per cent.

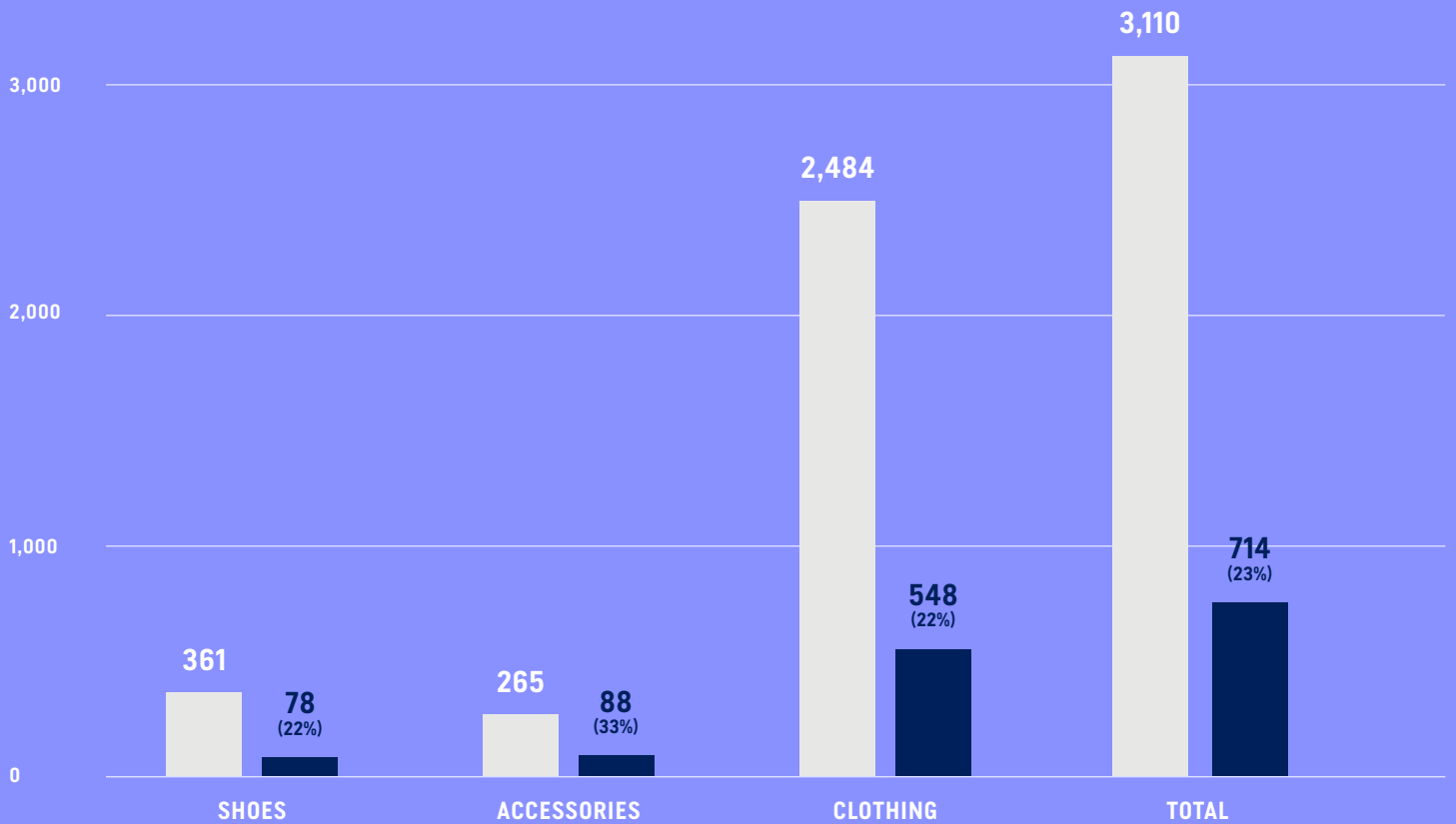
4.3.2 THE SAFETY OF OUR PRODUCTS

GRI 3-3 (416, 417), 416-1, 416-2, 417-1 / ESRS S4-1, S4-4

As a company, we see it as our responsibility to limit potential product defects that could adversely affect the health and safety of our customers. The greatest risk is connected with substances of (very high) concern, which are used in the growing of raw materials and in various textile refining processes. If these make their way into our products, they can adversely affect our customers' well-being due to carcinogenic or hormonal effects. This lends particular significance to the responsible use of chemicals, and we have defined comprehensive policies and implemented processes in order to protect our products as much as possible. As far upstream as treatment processes such as dyeing, printing or washing, we obligate our suppliers to use chemicals that comply with the ZDHC Manufacturing restricted Substances List (MRSL) and review their use. Our target is to remove and replace substances of (very high) concern that may adversely affect our customers' health from Marc O'Polo's supply chain (see section 3.2.2 Chemical management in the supply chain [\[7\]](#)).

Furthermore, our Product Restricted Substances List (PRSL) applies, which factors in the applicable national and international rules and regulations on the use of substances of (very high) concern. For many chemical parameters, we have defined internal standards that go beyond the statutory requirements. Compliance with the PRSL is mandatory for all suppliers. It applies to all products, materials and packaging, and is regularly updated. Independent accredited laboratories monitor compliance with our PRSL in extensive tests on the end product. Of a total of 3,110 product styles manufactured in the reporting period, 710 (PY: 657) individual products (approximately 23 per cent) were tested to minimise the share of products that don't meet market standards. Thanks to a defined escalation process involving all relevant specialist departments, only marketable products were delivered. During the reporting period, we were not aware of any violations in connection with the impacts of products and services on our customers' health and safety.

TESTED END PRODUCTS



- PRODUCT STYLES TESTED
- PRODUCT STYLES MANUFACTURED

4.3.3 LABELLING OBLIGATIONS & PRODUCT MAINTENANCE

GRI 3-3 (417), 417-1, 417-2 / ESRS S4-4

Marc O'Polo has established processes and mechanisms to meet statutory labelling requirements. To this end, information on the material composition and the country of origin, care symbols, additional notes, the product number and the manufacturer's address are provided on all products. During the reporting period, we were not aware of any violations in connection with product and service information or labelling.

In addition, Marc O'Polo published a Care & Repair Guide on its website that gives end consumers additional recommendations including specific care instructions tailored to the qualities and features of various materials, and instructions on how to make repairs. The target is to extend the lifespan of our products and minimise environmental impacts caused by water and energy consumption and the use of chemicals during the use phase.

5 GOVERNANCE

We need to succeed financially in order to hold our own against our competitors over the long term. We strive to combine running our business prudently with our environmental and social responsibility.

5.1 CORPORATE CULTURE

Our corporate culture is based on mutual respect and on fairness, openness, trust and responsibility.



EMBODYING VALUES

ESRS G1-1

Our success rests on five key values. Just like the roots of a plant—in this case symbolised by a strawberry, the theme of Marc O'Polo's first campaign in 1967—our values are interwoven in each decision, each product and each interaction. They define who we are and what we stand for, and guide us as we evolve to become the leading sustainable, modern casual lifestyle brand in the premium segment. They are reflected in our processes, in our corporate and leadership culture and in our models for further development.

QUALITY

We want to achieve the best results for our customers. We measure and acknowledge our successes and seek constant self-improvement.

PERSONALITY

We leverage our passion and personality.
We win and lose as a team.

SIMPLICITY

We focus on what matters. No nice-to-haves or complicated solutions.
Clear communication and direct feedback.

NATURALNESS

We stay natural and advocate for sustainability.

INNOVATION

We think creatively, take responsibility and always focus on our customers.

OUR AMBITION

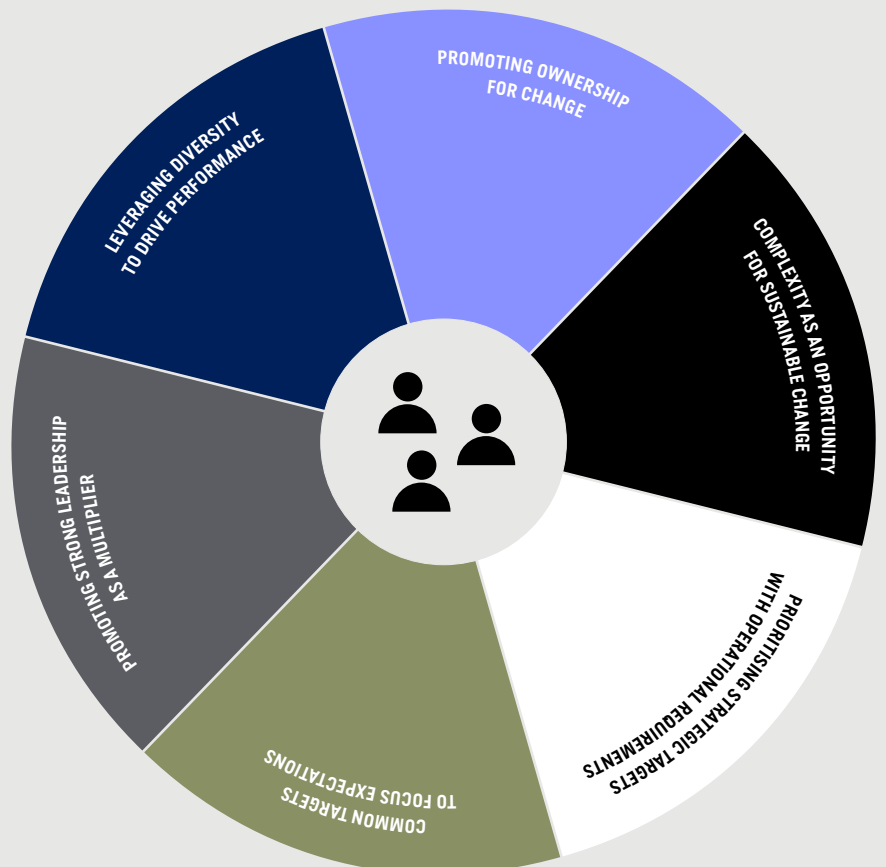
“Together as a ‘WOW’ employer, we empower our teams to shape the future by developing innovative solutions based on our belief in Quality and Simplicity. We nurture Personality and Naturalness while driving forward internationalisation.“

CULTURE AND LEADERSHIP PHILOSOPHY:

ESRS G1-1

- We want to create an integrative culture with values interwoven sustainably throughout the entire employee lifecycle, and in doing so offer our employees a solid basis to take responsibility, drive forward change and try out new approaches.
- We want to offer a modern, digital working environment in a streamlined organisation that can adapt easily to the rapidly changing environment.
- We want to pioneer internationalisation and sustainability. We want to pave the way for our company to become a global premium brand while maintaining high sustainability standards.

Strong, well-trained managers are an important means of fostering and spreading our values within the organisation. They leverage the following aspects make our culture accessible to each and every employee:



5.2 SUSTAINABLE BUSINESS

GRI 2-23, 3-3 (205, 418), 205-2, 418-1 / ESRS S1-3, S4-3, G1-1

CODE OF CONDUCT

Among other things, our Code of Conduct (Business Partner Code of Conduct for Non-Retail Products) defines key obligations, policies and values for doing business in compliance with the law. We expect our employees as well as our partner companies to comply with the code. The principles listed are essentially based on the core conventions of the International Labour Organization (ILO) and the United Nations Universal Declaration of Human Rights. They include a ban on child and forced labour, compliance with anti-corruption laws and action in pursuit of environmental responsibility and protection. The content of the Business Partner Code of Conduct for Non-Retail Products was made available to employees as part of an e-learning course. Further information on our supplementary policies for the supply chain can be found in subsection 5.5.1 Our policies [\[7\]](#).

WHISTLEBLOWER & COMPLAINTS SYSTEM

By our Whistleblower System, we are implementing the German Whistleblower Protection Act (Hinweisgeberschutzgesetz), which entered into force on 2 July 2023. We have also been implementing the requirements of the Supply Chain Due Diligence Act for a complaints procedure since 2024. This gives all employees at Marc O'Polo as well as our business partners and customers the opportunity to report violations of the law, the Code of Conduct or policies completely anonymously. We record these complaints and follow them up systematically. The whistleblower system is currently the responsibility of our data protection officer and human rights committee. Detailed information on our human rights complaints procedure can be found in our rules of procedure [\[7\]](#).

DATA PROTECTION

A data protection officer oversees the confidential handling of customers', suppliers' and employees' data. During the reporting period, there were no substantiated complaints concerning breaches or loss of customer data. Further information on data protection can be found here: [data protection information \[7\]](#).

SUSTAINABLE PROJECT AND DATA MANAGEMENT

In addition, we have a project management system that evaluates internal projects from all areas according to sustainability criteria and prioritises them accordingly. The target is to create a project landscape in which a certain basic standard is upheld and, at the same time, employees have the opportunity to optimise their projects in relation to sustainability. The evaluation framework is based on ESG criteria.

We also use the Higg Brand and Retail Module (BRM) to gain a comprehensive picture of our company's maturity in relation to environmental, social and governance (ESG) performance across the entire value chain. Data is collected annually and relates to the previous calendar year. By using BRM, we are able to identify potential improvements, track progress and compare our performance year by year with other companies in the industry.



5.3 PARTNERSHIPS

GRI 2-28

As a medium-sized company, Marc O'Polo only has a limited influence by itself, which is why we rely on partnerships based on trust and on the combined strength created through collaboration.

AMFORI BSCI

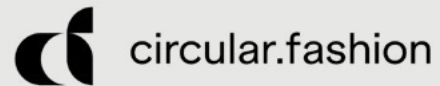
amfori BSCI is a leading business initiative dedicated to improving working conditions in global supply chains. The organisation offers a globally uniform supply chain management system that allows working conditions to be assessed and improved. Marc O'Polo has been a member of amfori BSCI since 2009 (see section 4.2.2 Fair working conditions in the supply chain [↗]).



Member of amfori, the leading global business association for open and sustainable trade. We participate in amfori BSCI. For more information visit www.amfori.org

CIRCULAR.FASHION

In 2022, Marc O'Polo entered a partnership with circular.fashion, which has developed the Circular Design Criteria with the target of creating a common product definition for the purposes of the circular economy. They make it possible to set targets in this area and measure progress. Marc O'Polo uses these comprehensive design policies to drive creativity and sustainable innovation, and is supported by circular.fashion in the implementation of recycling requirements and circular materials (see section 3.5.3 Innovations [↗]).



CLIMATEPARTNER

ClimatePartner supports companies in finding climate protection solutions and has been supporting us on our journey to decarbonisation since 2021. On this basis we have calculated our GHG emissions—our corporate carbon footprint—each year since financial year 2020/2021, and have identified potential to improve data quality along the entire value chain (see section 3.1 Climate change & energy [↗]).



FAIR WEAR FOUNDATION

We joined the Fair Wear Foundation (FWF) in 2020. This independent multi-stakeholder initiative based in Amsterdam works with clothing brands, factories, NGOs, unions and governments to improve working conditions at textile factories (see section 4.2.1 Our Fair Wear Foundation membership [↗]).



LEATHER WORKING GROUP

Marc O'Polo joined the Leather Working Group (LWG) in 2020 to support more responsible leather production. The Leather Working Group aims to drive improvements in the global leather supply chain, minimise the environmental impact of leather production and inspire, inform and challenge its member companies (see section 3.2.5 More responsible leather production [↗]).



CASCADE & HIGG INDEX

Formerly known as the Sustainable Apparel Coalition (SAC), Cascade is a global non-profit alliance bringing together more than 300 businesses around the world in the fields of clothing, footwear, home textiles, sport and outdoor articles, and bags and accessories. Cascale sees itself as a catalyst for collective action to implement more equitable and restorative business practices in the consumer goods industry.

The initiative owns and develops the Higg Index, the purpose of which is to objectively and systematically record and measure social and environmental sustainability performance along the value chain. Marc O'Polo has been a candidate for Cascale membership since July 2023 (see section 3.2.7 Measuring the environmental performance of our partners in the supply chain [↗]).



RETRACED

We are a partner of retraced. The Düsseldorf-based tech start-up offers a platform for sustainable supply chain management that helps fashion and textile companies capture, evaluate, manage and share their supply chain data. This enables products to be fully and transparently traced back from their final form to the origin of the raw material (see section 2.2.2 Our value chain [↗]).



TEXTILE EXCHANGE

Marc O'Polo has been a member of Textile Exchange since 2011 (with one year's interruption in 2019). This global non-profit drives beneficial impacts on the climate, people and nature in the fashion, textile and apparel industry, and is a standard-setter for the use of preferred materials in supply chains (see section 3.5.2 More sustainable materials and verifications [↗]).



THE GOOD CASHMERE STANDARD®

As a partner of the Good Cashmere Standard® by the Aid by Trade Foundation (AbTF), we advocate for greater animal welfare, better working conditions for goat farmers and farm employees, and for environmental protection in cashmere wool production (see section 3.5.2 More sustainable materials and verifications [↗]).



ZDHC

ZDHC is an association of international companies and organisations working together to eliminate hazardous chemicals in the textile and clothing industries. Marc O'Polo has been a ZDHC Signatory Brand since July 2024 (see section 3.2.2 Chemical management in the supply chain [↗]).



5.4 ANIMAL WELFARE

ESRS G1-1

Animal welfare is very important to us, which is why the responsible sourcing of materials of animal origin is an important part of our materials strategy. As described in section 3.5.1 and 3.5.2 [7], we increasingly source animal-derived materials from certified supply chains (RWS, RMS, RCS, The Good Cashmere Standard®, RDS) where available on the market.



OUR ANIMAL WELFARE POLICY

GRI 3-3 (301)/ESRS G1-1

Marc O'Polo has summarised corresponding requirements in a 'Policy for Animal-Derived Materials', based on the Five-Domain Model for Animal Welfare. The policy contains clear requirements for humane animal farming and treatment when sourcing raw materials, such as a ban on live feather plucking and forced feeding when sourcing down. The policy can be accessed here in detail: [Our animal welfare policy \[7\]](#).

The policy is constantly being refined and goes beyond the Code of Conduct to impose an additional set of requirements for all of our suppliers and their sub-suppliers.

WE DO NOT USE...

GRI 3-3 (304), 304-2 / ESRS G1-1

We have avoided using angora wool and have been fur-free for many years now. We only use faux fur made from synthetic fibres. To underline this, Marc O'Polo has committed to a no-fur policy as part of the Fur Free Alliance and is a 'Fur Free Retailer'.

We also avoid using exotic types of leather and do not process any raw materials from endangered and threatened species on the International Union for Conservation of Nature (IUCN) red list.

Marc O'Polo has already avoided the use of conventional mohair wool for a number of years and has undertaken to use only RMS-certified mohair wool. In the reporting period, we added silk to the list of materials we avoid using.

Marc O'Polo initially pledged to use only certified mulesing-free wool or recycled sheep's wool and to avoid using traditional sheep's wool from 2023 onwards. However, due to special fibre blends, we will not achieve this target until 2025. In 2023, we were already able to rule out mulesing from 83 per cent (PY: 84 per cent) of our wool products through material and product certifications (RWS, RCS, GRS). To publicly underline our target, Marc O'Polo signed the animal welfare organisation Four Paws' brand letter of intent in 2021, urging the Australian wool industry to stop all mulesing.

Because we have already started using mulesing-free wool, we were awarded gold in the Four Paws brand ranking (Four Paws Brand Check).

Marc O'Polo does not use traditional down and feathers. The only down and feathers used are sourced exclusively from ducks and are either certified in accordance with the Responsible Down Standard (RDS) or are obtained from certified recycled sources (Recycled Claim Standard) as an alternative to primary materials.



5.5 MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

ESRS G1-2

At Marc O'Polo, we are well aware of the challenges in the value chain and enforce our values and requirements when working with our suppliers. We have high quality standards when it comes to our products and especially the materials used and their processing. It is also important to us that our products are manufactured in humane and environmentally responsible working conditions and that required environmental and social standards are defined.

Our suppliers are primarily based in India, Turkey and Vietnam (see section 2.2.2 Our value chain [↗]). This involves structural and geographical risks, for instance due to political change or production being relocated to other countries. In addition, standards for the protection of employees and the environment or for the use of chemical substances are generally lower in the countries of production than they are in Germany.

For this reason, we employ a variety of actions to align local conditions with our own requirements and values as well as the expectations of our customers (see also section 4.2 Workers in the value chain [↗] and section 3 Environment [↗]).



5.5.1 OUR POLICIES

CODE OF CONDUCT

GRI 2-23, 3-3 (414) / ESRS S2-1, G1-1

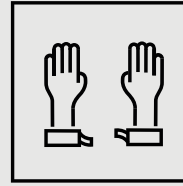
Our relationships with suppliers are based on our Code of Conduct for Retail Products, which includes the Fair Wear Foundation's Code of Labour Practices and comprises the most important international policies and agreements regarding human rights, occupational health and safety and fairness in the supply chain. We have made a commitment to work continuously with our suppliers on implementing these standards in our supply chain, and our membership of the Fair Wear Foundation plays a crucial role in this. The Code of Conduct is mandatory for all suppliers. Amongst other things, it prohibits child labour and sets out rules on safe workplaces, freedom of association and living wages. The code is based on international standards, such as the ILO core labour standards and the UN's Universal Declaration of Human Rights. Amongst other things, our Code of Conduct (Business Partner Code of Conduct for Non-Retail Products) provides further essential obligations, policies and values for doing business in compliance with the law (see section 5.2 Sustainable business [↗]).

ETHICAL SOURCING STANDARD

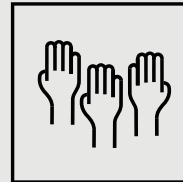
GRI 3-3 (205), 205-2 / ESRS E5-1, G1-2

Moreover, our ethical sourcing standard defines our requirements for material usage, for humane working conditions, for environmental protection and for the prevention of corruption. It takes the form of mandatory policies, which we are further developing at all times. The standard not only applies to our raw material procurement, but also acts as an additional catalogue of requirements beyond our Code of Conduct for all of our suppliers and their sub-suppliers. Our requirements for animal welfare are further summarised in our Policy for Animal-derived Materials (see section 5.4 [↗]).

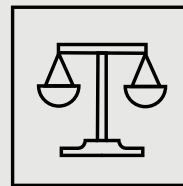
THE 8 FAIR WEAR WORKING GUIDELINES



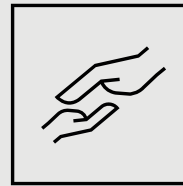
EMPLOYMENT IS FREELY CHOSEN



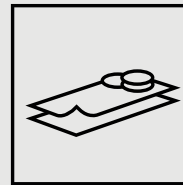
FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING



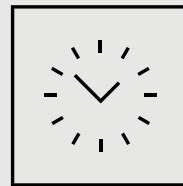
THERE IS NO DISCRIMINATION IN EMPLOYMENT



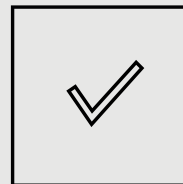
NO EXPLOITATION OF CHILD LABOUR



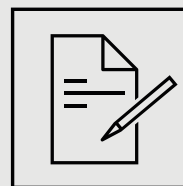
PAYMENT OF LIVING WAGE



REASONABLE HOURS OF WORK



SAFE AND HEALTHY WORKING CONDITIONS



LEGALLY BINDING EMPLOYMENT RELATIONSHIP

5.5.2 COLLABORATION WITH SUPPLIERS

ESRS G1-2

Marc O'Polo strives for long-term collaboration with all its partners throughout the supply chain. Our purchasing strategy is based on trust and continuity, which increases transparency and certainty in where and under which conditions our products are manufactured.

Of our production volume, 70 per cent relates to production sites (tier 1) with which a business relationship has been in place for at least five years.

It is important to us to work with partners which share and fulfil our requirements in terms of working conditions, environmental sustainability, transparency as well as our product responsibility. In many production countries, fair and humane working conditions are not a matter of course, but withdrawing from these regions would not help workers there—most of them women. Working in the textile industry is often the only way for them to generate their own income. Rather than avoiding certain production countries, we believe that it is important to ensure, within our sphere of influence, that our suppliers fulfil our standards and implement any actions necessary to improve working conditions. We therefore demand that our suppliers strictly adhere to our requirements. In order to implement our various sustainability aspects in the supply chain, we have also defined strict requirements for the use of subcontractors, i.e., garment factories and suppliers.

SELECTING NEW PARTNERS

Employees in our Corporate Responsibility (CR) and Procurement departments pursue a common strategy when selecting new production sites. While Procurement is responsible for proposing new suppliers, CR has a crucial say in the selection process, and a new partnership and contracting can only commence once CR has given its approval. In the case of existing partnerships, CR has the right and responsibility to halt production if risks reach a critical level. The decision-making process when selecting new suppliers includes an analysis of the social and environmental risks. Our partners may generally engage subcontractors; however, these first have to be screened and approved by us. The unauthorised use of subcontractors is prohibited. Those working from home may only be engaged after prior review and approval by Marc O'Polo (CR). All new suppliers onboarded in the reporting period were screened on the basis of social criteria.

TERMINATING COOPERATION

GRI 308-1, 414-1 / ESRS G1-2

We rely on long-term partnerships, and as such terminating a cooperation is the last resort. For cases in which we do terminate cooperation with suppliers, we have defined a responsible exit process in which we commit to notifying our partner in good time and to planning the exit together in a spirit of responsibility.

Once a year, we conduct a supplier evaluation that assesses not only price and quality, but also a supplier's sustainability performance. We assess the extent to which the supplier is committed to good working conditions, has implemented more sustainable actions, for example environmental actions, and if the supplier is certified in accordance with a textile standard (such as GOTS).

RESPONSIBLE PURCHASING PRACTICE

GRI 2-23 / ESRS G1-2

As a company, we are aware that our purchasing practices can have an impact on working conditions in factories. In order to minimise the resulting risks, we work on continuously improving our purchasing practices. That is why, since October 2022, we have been participating in the Learning & Implementation Community (LIC) of the Multi-stakeholder Initiative (MSI) Working Group, which consists of the Fair Wear Foundation, Partnership for Sustainable Textiles, Solidaridad, Ethical Trade Norway and the Ethical Trading Initiative. The MSI Working Group has developed the Common Framework for Responsible Purchasing Practices (CFRPP), the principles of which are intended to create a uniform frame of reference for how companies can implement responsible purchasing practices. The CFRPP supports companies in fulfilling their human rights and environmental due diligence obligations, including improving the working conditions of employees in the supply chain. As part of the LIC, we have committed to implementing improvements gradually.

5.6 MARC O'POLO FOUNDATION

As a company with regional roots in the Rosenheim area, Marc O'Polo sees itself as part of the local community. Getting involved in social causes and supporting others is a matter of course for us. For example, we support projects in the fields of art, culture, sport, education and charity.

During the reporting period, we further stepped up our support for Pro Arbeit Rosenheim, an association that supports disadvantaged young people as they make the transition from school to work, with the vision of enabling every young person in and around Rosenheim to finish school and enter the workforce. The target is to give all participants the chance to live independently and without financial support from third parties. A key cornerstone is the Qualipaten ('qualification mentors') programme. These mentors are intended to be a guide for the young

people and help them with job applications and other challenges. Since 2022, Marc O'Polo employees have been given two extra days off as part of a volunteering programme if they volunteer as a qualification mentor. Employees were also involved in job application training for the young people at the schools. During a visit to the company, young people from various middle schools got a look behind the scenes at Marc O'Polo and our day-to-day work. Like every year, it was also a great pleasure for Marc O'Polo to organise Christmas presents together with the employees for the children and young people at the Schöne Aussicht children's home run by Rosenheim's Stiftung St. Zeno.

Our project to support Ukraine is being wound up, and as such the total amount of our donations was lower in the past financial year.

PROJECT FUNDING IN FINANCIAL YEAR 2023/2024

GRI 201-1, 413-1

DONATIONS 2022/2023		DONATIONS 2023/2024	
Ukraine donations	66,778	Promised Land Foundation, Ghana School	30,000
Promised Land Foundation, Ghana School	15,000	Support for employees facing hardship	5,500
Culture donation, Rosenheim Festival	8,000	Pro Arbeit Rosenheim e.V.	5,000
Pro Arbeit Rosenheim e.V.	5,000	SV Schlossberg Stephanskirchen e.V. sports club	4,000
St. Georg kindergarten	5,000	Caritasverband Erzdioszese München und Freising e.V.	4,000
TSV 1860 Rosenheim	4,500	Stiftung St. Zeno, Schöne Aussicht children's home	1,000
TSV Rohrdorf-Thansau Kick for Help social project	4,003	Kreisgruppe Bund Naturschutz (Friends of the Earth)	1,000
Stiftung St. Zeno, Schöne Aussicht children's home	2,000	Süddeutsche Kinderhospiz-Stiftung (children's hospice)	500
Schloßberg-Stephanskirchen Sports Club	2,000		
Bärenstube kindergarten	2,000		
Emanuel Wöhrl-Stiftung	1,000		
Psychological support for earthquake victims	500		
Sächsische Jugendstiftung, GenialSozial campaign day	150		
TOTAL	115,931	TOTAL	51,000

GRI CONTENT INDEX

This report is based on the recognised sustainability reporting standards of the Global Reporting Initiative (GRI) published in 2021. In the following GRI Content Index, the corresponding indicators from the standards are clearly presented for all material topics and marked with page numbers in accordance with the explanations in this report.

GRI	GRI STANDARD INFORMATION	PAGES	COMMENTS
GRI 2-1	Organizational details	P. 6	
GRI 2-2	Entities included in the organization's sustainability reporting	Imprint P. 8	
GRI 2-3	Reporting period, frequency and contact point	Imprint	
GRI 2-4	Restatements of information	Imprint + P.3	
GRI 2-5	External assurance	P.3	
GRI 2-6	Activities, value chain and other business relationships	P. 10 & 26 ff.	
GRI 2-7	Employees	P. 79	
GRI 2-8	Workers who are not employees		As of 31 May 2024, the following non-employees worked for us: Trainees and integrated-degree students: 59; trainees: 0; interns: 19; working students: 24; contract workers in logistics: 105; cleaning staff: 7. Due to a lack of data, it is currently not possible to provide information on the number of freelancers employed.
GRI 2-9	Governance structure and composition	P. 6	Under the German Stock Corporation Act (Aktien-gesetz), members of the Supervisory Board are not permitted to act as directors at the same time. The Supervisory Board continued to monitor the Executive Board's management during the 2023/2024 financial year on an ongoing basis and advised it on the management of the company. The Executive Board has complied with its information obligations and provided regular, prompt and comprehensive information in written and verbal form on all issues of relevance to the company and the Group in relation to strategy, planning, business development and risk. The Supervisory Board does not have any other committees.
GRI 2-10	Nomination and selection of the highest governance body	P. 6	

GRI	GRI STANDARD INFORMATION	PAGES	COMMENTS
GRI 2-11	Chair of the highest governance body	P. 6	
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	P. 6 & 9	The Supervisory Board continued to monitor the Executive Board's management during the 2023/2024 financial year on an ongoing basis and advised it on the management of the company. The Executive Board has complied with its information obligations and provided regular, prompt and comprehensive information in written and verbal form on all issues of relevance to the company and the Group in relation to strategy, planning, business development and risk.
GRI 2-13	Delegation of responsibility for managing impacts	P. 9	
GRI 2-14	Role of the highest governance body in sustainability reporting	P. 6 & 9	The sustainability report and the material topics are acknowledged by the Supervisory Board and approved and assessed by the Executive Board of Marc O'Polo SE.
GRI 2-15	Conflicts of interest		A declaration on relationships with affiliated companies was issued for Marc O'Polo SE. This shows that Marc O'Polo SE received appropriate consideration for each transaction in the transactions listed in the report on relationships with affiliated companies and was not disadvantaged by measures being taken. No measures were omitted.
GRI 2-16	Communication of critical concerns		Critical concerns can be communicated to the Supervisory Board at the Supervisory Board meeting. There were no critical concerns to report during the reporting period.
GRI 2-17	Collective knowledge of the highest governance body	P. 6	
GRI 2-18	Evaluation of the performance of the highest governance body	P. 6	
GRI 2-19	Remuneration policies	P. 6	
GRI 2-20	Process to determine remuneration		For confidentiality reasons, we do not report on the process to determine remuneration.
GRI 2-21	Annual total compensation ratio		For confidentiality reasons, we do not report on the annual total compensation ratio. This is confidential as we do not disclose any individual salaries of the members of the Executive Board.
GRI 2-22	Statement on sustainable development strategy	P. 2	
GRI 2-23	Policy commitments	P. 31, 111 & 117f.	
GRI 2-24	Embedding policy commitments	P. 97 & 100f.	
GRI 2-25	Processes to remediate negative impacts	P. 101	
GRI 2-26	Mechanisms for seeking advice and raising concerns	P. 25	
GRI 2-27	Compliance with laws and regulations	P. 20, 25, 93 & 100	
GRI 2-28	Membership associations	P. 20, 25, 93 & 100	

GRI	GRI STANDARD INFORMATION	PAGES	COMMENTS
GRI 2-29	Approach to stakeholder engagement	P. 20, 25, 92 & 100	
GRI 3-1	Process to determine material topics	P. 32 f.	
GRI 3-2	List of material topics	P. 33	
GRI 201-1	Direct economic value generated and distributed	P. 11 & 119	
GRI 3-3 FÜR 205	Anti-corruption	P. 101 & 117	
GRI 205-1	Operations assessed for risks related to corruption		Corruption risks are taken into account in our internal risk management and risk analyses.
GRI 205-2	Communication and training about anti-corruption policies and procedures	P. 111 & 117	Anti-corruption is part of our Business Partner Code of Conduct for Non-Retail Products, which is available to all our employees on our intranet at any time. Our employees also have the opportunity to complete training on the Code of Conduct online. Our employees are required to report any kind of violations of the Code of Conduct immediately via a separate email address.
GRI 205-3	Confirmed incidents of corruption and actions taken		We were not aware of any incidents of corruption during the reporting period.
GRI 301-1	Materials used by weight or volume	P. 61 f. & 72 f.	
GRI 301-2	Recycled input materials used	P. 62 f. & 67	
GRI 3-3 FÜR 302	Energy	P. 41 f.	
GRI 302-1	Energy consumption within the organization	P. 41 ff.	
GRI 302-3	Energy intensity	P. 41 & 43	
GRI 302-4	Reduction of energy consumption	P. 41 f.	
GRI 3-3 FÜR 303	Water and Effluents	P. 45 ff. & 54 ff.	
GRI 303-1	Wasser als gemeinsame Ressource	P. 55	
GRI 303-2	Management of water discharge-related impacts	P. 47, 49 f. & 56	
GRI 303-4	Water withdrawal	P. 47 & 49	
GRI 303-5	Water consumption	P. 47 & 49	
GRI 3-3 FÜR 304	Biodiversity	P. 59 & 115	
GRI 304-2	Significant impacts of activities, products and services on biodiversity	P. 59 & 115	
GRI 3-3 FÜR 305	Emissions	P. 36 ff. & 40	
GRI 305-1	Scope 1	P. 36	
GRI 305-2	Scope 2	P. 36	
GRI 305-3	Scope 3	P. 36 & 40	

GRI	GRI STANDARD INFORMATION	PAGES	COMMENTS
GRI 305-4	GHG emissions intensity	P. 36	
GRI 305-5	Reduction of GHG emissions	P. 36	
GRI 305-6	Emissions of ozone-depleting substances (ODS)	P. 52	
GRI 305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	P. 52	
GRI 3-3 FÜR 306	Waste	P. 72 & 74	
GRI 306-1	Waste generation and significant waste-related impacts	P. 72 & 74	
GRI 306-2	Management of significant waste-related impacts	P. 74	
GRI 306-3	Waste generated	P. 74	
GRI 3-3 FÜR 308	Supplier Environmental Assessment	P. 53	
GRI 308-1	New suppliers that were screened using environmental criteria	P. 118	
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	P. 48 & 53	
GRI 3-3 ZU 401	Employment	P. 87	
GRI 401-1	New employee hires and employee turnover	P. 80 ff.	
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	P. 88	
GRI 401-3	Parental leave	P. 87	In Germany (HQ and retail), 100 per cent of our employees are entitled to parental leave. It is currently not possible to provide information about the other employees due to a lack of data.
3-3 FÜR 403	Occupational Health and Safety	P. 88 f. & 95	
GRI 403-1	Occupational health and safety management system	P. 89	
GRI 403-5	Worker training on occupational health and safety	P. 98	
GRI 403-6	Promotion of worker health	P. 88	
GRI 403-8	Workers covered by an occupational health and safety management system	P. 89 & 95	
GRI 403-9	Work-related injuries	P. 89	
GRI 403-10	Work-related ill health		
GRI 3-3 FÜR 404	Training and Education	P. 90 & 92	
GRI 404-1	Average hours of training per year per employee	P. 91	
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	P. 90	

GRI	GRI STANDARD INFORMATION	PAGES	COMMENTS
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	P. 92	
GRI 3-3 FÜR 405	Diversity and Equal Opportunity	P. 84 & 99	
GRI 405-1	Diversity of governance bodies and employees	P. 6 & 85	
GRI 3-3 FÜR 406	Non-discrimination	P. 84 & 99	
GRI 3-3 FÜR 407	Freedom of Association and Collective Bargaining	P. 99	
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	P. 99	
GRI 3-3 FÜR 408	Child labor	P. 98	
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	P. 98	
GRI 3-3 FÜR 409	Forced or Compulsory Labor	P. 98	
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	P. 98	
GRI 3-3 FÜR 413	Local Communities	P. 31	
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	P. 119	
GRI 3-3 FÜR 414	Supplier Social Assessment	P. 26, 31, 97 & 117	
GRI 414-1	New suppliers that were screened using social criteria	P. 118	
GRI 414-2	Negative social impacts in the supply chain and actions taken	P. 26 & 100	
GRI 3-3 FÜR 416	Customer Health and Safety	P. 105	
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	P. 105	
GRI 3-3 FÜR 417	Marketing and Labeling	P. 105 f.	
GRI 417-1	Requirements for product and service information and labeling	P. 64 & 105 f.	
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	P. 106	
GRI 417-3	Incidents of non-compliance concerning marketing communications		We were not aware of any violations of the law in connection with marketing and communication in the reporting period.
GRI 3-3 FÜR 418	Customer Privacy	P. 111	
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	P. 111	

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GRI 2-2, 2-3, 2-4, 2-5

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