

ARMEDANGELS

made to make a difference

Responsible Business Conduct

V1.1



ARMEDANGELS

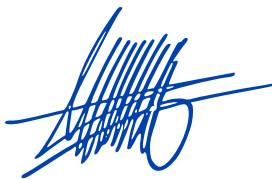
OUR VISION:
CREATING A PLANET WE'RE PROUD TO PASS ON TO FUTURE
GENERATIONS.



“Our lifestyle is filthy. From ethics to environmental impact, the way products are made and thrown away destroys everything in its path. We’ve refused to accept this since day one. 15 years ago, long before sustainability was a thing, we went all out to change the system and have been setting the bar higher and higher ever since.

Why? Business as usual is no longer an option, neither for the industry nor for the people or the planet. It is not about being perfect, it is about finding solutions and working collectively to make a real difference. Together, with our many partners, we are convinced that we can make a positive impact on scale.

We don’t have a lot of time left to pull humanity out of the mess that we got ourselves into. So, let’s get it done. Let’s support and inspire each other in the process. Are you ready to go the extra mile with us?”



MARTIN HÖFELER, FOUNDER AND CEO

SCOPE OF COMMITMENT

The Responsible Business Conduct Supply Chain spells out the basic principles based on which ARMEDANGELS, and suppliers work together. It applies to all supply chain partners of ARMEDANGELS that take part in the purchasing, manufacturing, and finishing of our products. We expect all supply chain partners to understand and act consistently with the requirements set in this Conduct.

This document is intended to be used by ARMEDANGELS and all of its supply chain partners to understand the core values of ARMEDANGELS, to align and become stronger together. Supply chain partners are encouraged to use this document to educate their suppliers and subcontractors on ARMEDANGELS' standards.

This document will be reviewed and distributed by ARMEDANGELS every year and must be confirmed by all partners annually.

While this document refers to multiple guidance and requirement documents, this document does not provide operational instructions. The operational instructions can be found in the internally provided Vendor Manual.

TABLE OF AMENDMENTS

Date	Version	Key changes	Valid from
18/12/2022	1.0	Creation	01 Jan 2023
19/06/2024	1.1	Update contact details	01 July 2024

CONTACTS

If you have any questions, do not hesitate to contact us.

Julia Kirschner (Director Impact & Innovation): julia.kirschner@armedangels.com | +49 175 418 4108

Stefan Schaub (Director Supply Chain): stefan.schaub@armedangels.com | +49 152 22 500 249



IT ONLY WORKS TOGETHER

ARMEDANGELS is a brand deeply rooted in environmental and social justice. You can read on the mission, vision, and effort of our brand on [our mission page](#). We can only achieve our ambitious vision together with our partners worldwide. Below we outline ARMEDANGELS core values and the basic principles of responsible business conduct. Aligned along the supply chain, these principles enable us to work together and progress towards a future that is fair for people and planet.

OUR FUNDAMENTAL BELIEVES: OUR CORE VALUES

The values that drive us create the actions that define us. Let us introduce you to our core values.

GROW TO MATTER

We are evolving and growing, not to make a profit but to make an impact. The more we grow, the more of a difference we can make. Here's the math, Impact = Change X Growths.

But why the hell are we not growing for profit – are we clinically insane? Well, because the science has dropped: the earth is not flat and the environmental challenges of the present and near future will be the biggest humanity has ever faced.

So, we are working on growing so big and so strong, it will make mother nature proud. So big that the whole planet will look at us, listen to us and change with us so we all live sustainably ever after.

We are brave, rebellious, and passionate and we absolutely won't stop, ever, until we change how people think and consume.

GO GREEN WITH SUBSTANCE

Every breath we take, every action we make, every ball we break, every innovation we create is for the planet and the people, now and forever.

We challenge convention, we dive deep into the science, we face up hard truths. We decide, we never hide, we hope to teach but we don't preach.

We don't waste any resources, we recycle, reuse and repair but most of all we dare to care.

TOGETHER

to change the world for the better, we all need to play for the same team. Humankind – helping each other thrive.

Mutual respect, openness, brutal honesty and trust in each other are the foundation of all paradigm-shifting collaborations.

So, we appreciate our similarities and celebrate our differences. We understand our journeys might be different but our path is the same.

Eco before ego, ergo, let's go!

Team human. Team human. Team human.

POSITIVITY BREAKS ALL BOUNDARIES

Turn that clown upside down.

It's positivity that makes the world go round. Positivity that helps fail better every day. Positivity that helps us grow from our mistakes. Positivity that gives us wings of perspective. Positivity that lights our halos of hope.

Positivity that fuels our flight.

Positivity that cushions the fall when sometimes we crash-land.

Start with a smile, the rest will follow...

P.S. A problem is just a solution in need of some positivity and critical thought.



RESPONSIBLE BUSINESS CONDUCT PRINCIPLES

Our core values define how we see ourselves and what we stand for as a company. The following principles are a translation of the core values into our supply chains and the requirements that we set for ourselves and all our partners worldwide.



PARTNERSHIPS

We respect our suppliers, stakeholders, and partners, and treat them on eye-level.

- We see mutual trust, honesty, and transparency as the basis for all partnerships.
- We responsibly select our suppliers who share the same values and always strive for long-term commitments.
- We enforce dialogue and we believe in achieving partnership in problem solving. We all go the extra mile for solutions.
- In rare cases where we do have to end a business relationship, we employ our responsible exit strategy to make the process as fair and transparent as possible for all parties.
- Good planning and forecasting are key: We aim for collaborative production planning considering business needs and opportunities of multiple stakeholders. We intent to give our suppliers steady and predictable business across the year.
- We support our suppliers by making payments in full and on time, by guaranteeing to cover costs caused by us and by always honoring our contractual obligations.
- We see other brands (sharing same suppliers) as partners and aim to cooperate with them in risk identification, mitigation, remediation and prevention.



TRANSPARENCY

We hold ourselves and our partners to outstanding levels of transparency. We believe in mutual transparency as a basis for making better decisions together.

- We strive to know our partners closely, and we visit our partners regularly at site. We ask questions. We get to know people and realities. And so do our suppliers.
- We strive to build [transparent](#) and traceable supply chains – from field to factory. Our suppliers are part of this, providing transparency on subcontractors (prior approval necessary) and suppliers.
- Our partners support us with data collection on climate impacts (e.g. carbon footprint) as well as social impacts (e.g. wage data) and work towards improving the data systems.
- We do not hide mistakes – we share and learn from them – together.

RESPECT THE PLANET

We're on Team Earth. Our goal is to constantly look for new ways to minimize the negative impact of our products on the planet (and people). Together with our partners, we don't only follow best practices. We set them.

From materials, to our manufacturing partners: Climate Justice is the guiding factor in everything we do. Our measure of success: Achieving NET GREEN. A future where we save more CO₂-eq. through enabling lifestyle changes than we generate.

- We only partner with entities that follow our rigid standards and system-based tools such as Global Organic Textile Standard ([GOTS](#)), Global Recycled Standard ([GRS](#)) and the Zero Discharge of Hazardous Chemicals Initiative ([ZDHC](#)). Even if we do not use the certification on the product, all partners uphold the standards in production.
- Naturally, we only partner with entities that comply with all applicable national and local legal environmental requirements applicable to their processing/manufacturing stages.
- We select materials carefully, taking into account their climate intensity, recycled content, animal welfare and other factors. The resulting mandatory material requirements are set in the Material Guideline and our preferred materials matrix.
- Together with our suppliers, we continuously work on improving material and energy efficiency of our processes along the supply chain.
- We aim to close the loop. We look for processes and partners that regenerate water, energy and chemicals in manufacturing. We aim to keep all our products in the cycle as long as possible by offering circular business solutions such as our [take back system](#) and our [second hand shop](#).

RESPECT THE PEOPLE

ARMEDANGELS and its suppliers aim for the highest standards in responsible and ethical business. People are the life force of all global supply chains and respect for all human rights is critical to our culture. We are aware that the implementation of human rights is an ongoing process, our supplier and us are on the forefront of that evolution.

- We adapted the eight labour standards set out in the [The Code of Labor Practices](#) of Fair Wear Foundation ([FWF](#)) deriving from the [ILO](#) Conventions and the [UN's Declaration on Human Rights](#) as our minimum social standards.
 - Employment is freely chosen ([click](#))
 - Freedom of association and the right to collective bargaining ([click](#))
 - There is no discrimination in employment ([click](#))
 - No exploitation of child labor ([click](#))



- Payment of a living wage ([click](#))
- Reasonable hours of work ([click](#))
- Safe and healthy working conditions ([click](#))
- Legally binding employment relationships ([click](#))
- ARMEDANGELS expects all partners to apply a gender lens throughout their due diligence process and work towards closing the [gender](#) gap.
- We expect all partners to establishing good [social dialogue](#) in their factories as an enabler for better working conditions and social justice. Should social dialogue mechanisms fall short, for any reason, we expect all partners to have stable internal grievance mechanisms for workers to address their concerns. The external [FWF complaint hotline](#) acts as a safety net, should internal grievance mechanisms not work properly.
- We expect our partners to pay wages and benefits (for a standard working week) that meet at least legal or industry minimum standards. Basic needs of workers and their families shall be met and some discretionary income provided by the wages (and benefits).
- We support suppliers in their endeavor to pay [living wages](#) to their workers by implementing [living wage projects](#) in our supply chain.
- We use our True Costing methodology to calculate prices as much as possible – a system in which we make all costs (including labor costs) transparent in garment prices. We expect all partners to support us in this endeavor and present us with necessary data.

NEUTRAL VERIFICATION

We trust in independent, third-party checks as a mean to help us all uphold the high standards and get better.

- Third-party audits are used in our supply chain to monitor progress on social topics, where possible, we conduct these audits with [FWF](#). ARMEDANGELS is annually checked by FWF through the so-called [Brand Performance Checks](#).
- [Ourselves](#) and all our partners are at least GOTS or GRS certified.
- We offer training programs and consultancy to our partners to further support their journey to become a more responsible business. Audit schedules and training offers are based on the outcomes of the risk mapping. All partners are expected to fully cooperate with third-party auditing and training bodies.
- Independent certifications are basic requirements for many of our materials.
- Random samples of final products are tested in independent labs for chemical composition and quality indicators.

EVOLVE

The journey to a better future is never over. Our suppliers and ARMEDANGELS are on a continuous improvement journey – always questioning the status quo and setting the bars higher. We inspire and motivate each other to be better.

- We implemented a risk mapping system to identify human rights and environmental risks in our supply chains.
- Risk mapping is used to evaluate the performance and associated risks of countries and factories, both existing and new ones.
- If any risks or shortcomings to comply with our standards are detected, we go full force into ceasing, preventing and mitigating any harm – afterwards we track the progress closely.
- We will continuously review and develop our set of principles and report fails as well as achievements in our annual [ARMEDANGELS Action Report](#).



NATIONAL AND INTERNATIONAL GUIDELINES

The following standards and policies define the framework for our actions, industry standards and internal policies (among others):

- the United Nations Universal Declaration of Human Rights ([UDHR](#))
- the United Nations Guiding Principles on Business and Human Rights ([UNGPR](#))
- the International Labor Organization's ([ILO](#)) conventions and recommendations on labour and social standards
- the Organization for Economic Cooperation and Development ([OECD](#)) Guidelines for Multinational Enterprises
- the [OECD](#) Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector
- the Principles of the United Nations Global Compact ([UNGC](#))
- the United Nations Convention on the Rights of the Child ([CNC](#))
- the United Nations Convention on the Elimination of All Forms of Discrimination against Women ([CEDAW](#))

