

Sustainability Plan

Scope: Global

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1. Purpose of the Plan

This Plan seeks to establish and define the key principles adopted by VRANDED Haus to integrate sustainable practices across all areas of the Company, aligning our operations with sustainability objectives. These principles apply to the Company's entire business model and reflect the commitment that all activities will be carried out in a manner that respects the environment, people and the community, stemming from VRANDED's commitment to sustainable development.

2. Objectives

The values arising from this Plan guide the joint actions of the Company so that decision-making is oriented by it, particularly by the Board of Directors and its committees. It also facilitates the awareness, dissemination and application of VRANDED's ethical corporate culture, firmly grounded in the sustainability of its business model.

This Plan applies to VRANDED and is binding on all its personnel, regardless of their position and function. The application of the Plan may be extended, in whole or in part, to any other natural and/or legal person linked to VRANDED by a relationship other than employment, when possible due to the nature of the relationship and where appropriate for fulfilling the purpose thereof.

3. Principles

In carrying out its activity, VRANDED incorporates sustainable development criteria across all areas of its business, guaranteeing the respect and promotion of Human and labour Rights for all its stakeholders, efficient management of natural resources and adequate protection of the environment in which it operates and of the ecosystems that comprise it, in line with environmental principles consistent with planetary limits. To implement this Plan, VRANDED undertakes to comply with and ensure compliance throughout its value chain with the following principles:

- a. Considering social, environmental, and product health and safety variables in the planning and development of its activities and those of its business partners and suppliers, while promoting awareness in matters of sustainability.



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- i. Social variables include, in particular, worker participation, the empowerment of women, living wages, health and occupational safety, among others.
 - ii. Environmental variables include, in particular, the consequences of climate change, water management, waste generation and the protection of biodiversity.
 - iii. Product health and safety variables include the use of chemicals and manufacturing processes that are respectful of people's health and the environment.
- b. Compliance with labour, environmental and Human Rights legislation applicable to its activities, as well as with any other obligations that may be established, including those voluntarily assumed by the Company.
- c. Environmental stewardship, by developing continuous improvement actions to reduce greenhouse gas emissions, reduce consumption of natural resources, control the use and discharge of potentially hazardous chemicals, and reduce waste throughout the production chain and within its environmental management system.
- d. Identification of potential social and environmental risks arising from its activity in order to prevent them or, where appropriate, implement corresponding measures aimed at minimising or eliminating them.
- e. Ensuring dissemination of this Plan among all employees and the companies within its Group.

4. Integration of sustainability into the business model

VRANDED's view of sustainability is part of the Company's values and ethical corporate culture, as well as the commitment that all areas of the business act as a lever for change towards the objective of being a sustainable company. VRANDED is committed to creating economic, social and environmental value for all its Stakeholders, so as to generate the greatest positive impact and contribute to sustainable development. Thus, value creation throughout the Company's value chain is notably based on the following pillars:

4.1. Contribution to Sustainable Development

VRANDED is committed to the 2030 Agenda for Sustainable Development of the United Nations and has aligned its sustainability strategy with it. This roadmap is common to all actors involved in sustainable development, including governments, private companies and civil society. It therefore represents an opportunity for the Company to align its contribution to sustainable development and to maximise its positive impact jointly with its stakeholders, putting into practice what Sustainable Development Goal 17 itself promotes: Partnerships for the Goals.

The commitment extends to the entire Company and to all 17 Sustainable Development Goals (SDGs) and their targets, although the sector, the context and the business model itself lend certain principles special relevance for the Company. Among them, the following stand out: SDG 3 (Good Health and Well-being), SDG 5 (Gender Equality), SDG 8 (Decent Work and



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Economic Growth), SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action) and SDG 17 (Partnerships for the Goals).

The Company's contribution to the global achievement of the 17 Goals and their various targets extends throughout its entire value chain and is carried out by all areas of the business: from product manufacturing to stores, including all Company processes and departments.

4.2. Human Rights

VRANDED's firm commitment to the promotion and respect of Human Rights, within the framework of the UN Guiding Principles on Business and Human Rights, is fundamental and indispensable for sustainable development. VRANDED aims to play an active role in their promotion and to work proactively to respect them.

4.3. Diversity and inclusion

VRANDED has a strong commitment to diversity and multiculturalism. Its teams are made up of people with different profiles, cultures, backgrounds and experiences, including diversity factors such as race, gender, gender identity and expression, ethnicity, age, education, socio-economic background, disability, religion, sexual orientation, etc.

The Company recognises that people are unique thanks to their differences and similarities and promotes the utmost respect and understanding towards others. The Company firmly believes that having diverse talent makes it possible to better understand and know the diversity of customers and communities with which it relates. VRANDED also advocates a culture of inclusion and acceptance. Inclusion is fostered by creating a working environment in which each person can achieve their goals and develop.

An environment of understanding and acceptance is promoted in which everyone can develop their talent each day. The Company is committed to creating workplaces in which all employees have the responsibility to treat workers, candidates, suppliers, contractors and customers with the utmost respect. There is a zero-tolerance policy towards all forms of discrimination. This Plan governs all of the Company's human resources practices, such as hiring and selection, remuneration and benefits, promotions, transfers, professional development and training, demotions, dismissals and other disciplinary measures, among others.

VRANDED's commitment to diversity in its actions and in its employees, executives and directors is set out in the Diversity and Inclusion Policy. It also extends to the workers of the suppliers and manufacturers that form part of the Group's supply chain.

4.4. Environmental sustainability

VRANDED understands that progressing towards a sustainable business model involves using the resources it employs more efficiently. The Company has three environmental strategies (Energy, Water and Biodiversity) that structure the efforts made to achieve environmental excellence.

More efficient use of resources is not only a maxim in the products marketed by VRANDED but also in its own facilities: headquarters, stores and logistics centres. In addition, circularity is an essential aspect in advancing towards decarbonisation of the value chain. Following the



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principles of the circular economy can improve air quality, promote cleaner, healthier water and protect biodiversity.

VRANDED is committed to the protection and development of biodiversity through responsible and sustainable management of natural resources. This commitment is based on the principles of the United Nations Convention on Biological Diversity and aims to protect biodiversity at all levels of our activity and to guide our business decisions by ethical and environmental criteria.

4.5. Animal welfare

VRANDED's Animal Welfare Policy establishes that:

- Animal-derived products used in items supplied to VRANDED shall come from animals treated ethically and responsibly, in accordance with the internationally accepted "Five Freedoms" of animal welfare.
- Animal-derived products from slaughtered animals shall come from species farmed for meat production.
- Under no circumstances shall animal-derived products be used that come from animals slaughtered exclusively for the commercialisation of their skins, shells, antlers, bones, feathers or down, among others.

4.6. Tax responsibility

VRANDED's tax strategy is fully aligned with applicable international tax standards, thereby ensuring a tax compliance model based on good tax practices, transparency and a fair tax contribution by VRANDED in each of the markets in which it operates.

4.7. Compliance and prevention of corruption and bribery

VRANDED adopts a zero-tolerance approach to practices related to corruption, fraud and bribery. It also assumes a full commitment in the fight against money laundering and the financing of terrorism, as well as full cooperation with the competent authorities in this area.

- **Environmental:** Significantly reduce the carbon footprint of our operations, adopt clean technologies in textile production, and move towards circularity in the management of textile waste.
- **Social:** Foster an inclusive and ethical working environment, with a commitment to diversity, ongoing training of our team, and the well-being of all those involved in the supply chain.
- **Economic:** Maintain long-term sustainable economic growth, minimising costs through energy efficiency and responsible production practices.

5. Key stakeholders

5.1. Clients and clients' staff



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VRANDED's commitment to its clients and their staff is present throughout the Company's business model, across all areas of work and, especially, in the products it markets. In particular, the principles governing the relationship between the products marketed by VRANDED and its clients are as follows:

- a. Responsible garment design, promoting the use of raw materials and textile fibres obtained from traditional production systems and sustainable fibres.
- b. Ethical and responsible product manufacturing.
- c. Compliance with the most demanding health and safety standards, based on the Company's own standards set out in Clear to Wear and Safe to Wear.

5.2. Employees

VRANDED's employees are key to ensuring the sustainability of the business. For this reason, VRANDED works to attract, retain and engage the best professionals, always ensuring that they provide the best service to customers.

The principles governing VRANDED's relationship with its employees are as follows:

- a. Respect for diversity; no workplace discrimination on grounds of gender, race, age, ethnicity, religion, or any other circumstance.
- b. Promotion of employment stability, labour flexibility and work-life balance, as well as health and safety at work for its professionals.
- c. Promotion of equal opportunities for all professionals, aiming for balanced representation across all functions and responsibilities.
- d. Promotion of awareness programmes so that employees gain awareness of social and environmental issues, including measures for good environmental management practices and personal well-being.
- e. The behaviour of VRANDED's employees shall comply with the spirit and letter of the Code of Conduct and Responsible Practices. Thus, all persons who have an employment relationship with the Company shall receive fair and dignified treatment.

The principles governing the relationships between employees and VRANDED, in addition to those described in Section 3 of the Code of Conduct and Responsible Practices and in Section 3.3 of the Human Rights Policy, are as follows:

- a. Teamwork.
- b. Open communication.
- c. The highest level of self-demand.

5.3. Manufacturers and suppliers

All manufacturers and suppliers that make up VRANDED's supply chain must commit to respecting Human and labour Rights and are obliged to comply with the principles contained in the Code of Conduct for Manufacturers and Suppliers and in the Code of Conduct and Responsible Practices, as developed in this Plan. In particular, the following principles stand out:



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- a. Compliance with the labour laws of the countries in which VRANDED operates, as well as with the Conventions of the International Labour Organization and other international standards, with special emphasis on compliance with Human Rights within the framework of the UN Guiding Principles on Business and Human Rights.
- b. Promotion of sustainable production environments in geographic areas that are strategic for the development of VRANDED's business model.
- c. An ongoing process of improvement through social dialogue and coordination with the Company's various Stakeholders, in particular trade unions, non-governmental organisations, business associations and international buyers.
- d. Compliance with the environmental standards established by VRANDED including, where applicable, the reduction and offset measures necessary to apply such standards. In addition, manufacturers and suppliers shall maintain an ongoing commitment to environmental protection and shall comply with Clean to Wear, as well as other requirements established in applicable local and international legislation.

5.4. Shareholders and partners

VRANDED carries out its activity in accordance with corporate interest, understood as the viability and maximisation of the Company's long-term value, in the common interest of all shareholders and partners of the Company.

The principles governing the relationship with them are:

- a. Transparency.
- b. Encouragement of informed participation.

5.5. Community

VRANDED conceives investment in the community as an opportunity to contribute to the United Nations 2030 Agenda for Sustainable Development, through the voluntary application of its business resources, both monetary and in kind, as well as the time of the employees who make up its workforce. This understanding of community investment is based on the following premises:

- a. VRANDED adopts socially responsible practices that generate value in the community and in the Company.
- b. Community investment initiatives carried out by the different VRANDED companies are aligned with the corporate strategy.
- c. Guarantee of a high level of reputation, transparency and good practices of the social organisations that develop the projects in which VRANDED collaborates.



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6. Related policies

This Plan is linked to the following internal regulations, in which the principles set out herein are developed in detail:

- Code of Conduct for Manufacturers and Suppliers
- Diversity and Inclusion Policy

7. Updating the Plan

The Plan shall be reviewed as appropriate, in order to adapt it to legal changes or to incorporate the best practices deemed necessary at any time as a result of its implementation, so as to fulfil its objectives.

8. Dissemination and communication of the Plan

This Plan will be available on the corporate website, <https://www.vranded.haus/>