CONFITEX™ TECHNOLOGY

RBC-01 Responsible Business Policy

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1. DOCUMENT OVERVIEW

1.1 GOAL

Confitex Technology EU s.r.o. is committed to doing business responsibly: respecting human rights, protecting the environment and acting with integrity, in our own operations and throughout our supply chain. This policy is issued in line with the international frameworks in section 1.4 and the criteria of the Global Organic Textile Standard (GOTS).

1.2 PURPOSE

This policy sets out what we expect of ourselves and of our business partners in human rights, working conditions, the environment and business ethics, and how we check that these expectations are met.

1.3 SCOPE

This policy applies to:

- Confitex Technology EU s.r.o., Nasobůrky 162, 783 21 Litovel, Czech Republic (the "Company"), part of the Confitex group;
- all our employees, including agency and temporary workers;
- material suppliers, subcontractors, service providers and other business partners throughout the value chain, from fibre growing to finished product.

The policy has been approved by the General Manager. It is publicly available at www.confitex.com and is given to employees and suppliers in a language they understand.

1.4 INTERNATIONAL FRAMEWORKS

This policy is based on:

- the UN Guiding Principles on Business and Human Rights (UNGPs);
- the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector;
- the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, including the ILO core conventions;
- the criteria of the Global Organic Textile Standard (GOTS) in its current version.

We always comply with the laws of the Czech Republic. Where the law gives less protection than these frameworks, we apply the stricter rule. Where they directly conflict, we comply with the law and look for ways to respect the international principles as far as possible.

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2. HUMAN RIGHTS AND WORKING CONDITIONS

We apply the following principles in our own operations and require them from all suppliers. At our own site the detailed rules are set out in HR-02 Social Policy and Code of Ethics, the Internal Regulation and the Wage Regulation; for suppliers, in FM-146 Supplier Code of Conduct. Where they differ, the stricter rule applies to our own site.

NO FORCED LABOUR

We do not retain identity documents, wages or deposits. Workers pay no recruitment fees. No one is forced to use company housing or transport. Everyone may leave the workplace freely after their shift and leave their job freely after the agreed notice period.

NO CHILD LABOUR

At our own site we do not employ anyone under 18 in any form of employment relationship or work placement, and we verify age before work starts. We require suppliers not to employ anyone under 15, or under the age of completing compulsory schooling or the limit set by local law, whichever is higher, and to verify workers' age before hiring. Their young workers under 18 do no night or dangerous work, no overtime, work no more than 8 hours a day and have at least 12 hours' rest between shifts. If child labour is found, we ensure remediation in the best interests of the child, not just dismissal.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Workers may form and join trade unions without retaliation. Workers' representatives must not be disadvantaged for their role.

NO DISCRIMINATION

No one is disadvantaged because of sex, age, ethnic origin, religion, disability, pregnancy, sexual orientation, political opinion or trade union membership. Pregnant workers and new mothers may not be dismissed because of pregnancy or maternity leave and do no work that puts their health at risk.

NO HARASSMENT OR VIOLENCE

We apply zero tolerance to sexual harassment, gender-based violence, bullying and degrading treatment.

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MIGRANT WORKERS

Migrant workers have the same conditions as other workers and a written contract in a language they understand, and are recruited only through vetted agencies holding a valid licence. Agency workers receive the same pay and conditions as comparable employees and pay nothing to the agency.

WAGES

We pay at least the legal minimum wage or the industry benchmark wage, whichever is higher, and all legal premiums. Wages are paid on time, at least monthly, with a clear and understandable payslip. Deductions are made only as the law allows. We strive for wages that reach the level of a decent wage (living wage), i.e. a wage that covers the basic needs of the worker and their family. We will gradually quantify this level for our site, compare it with actual wages and determine how to reduce any gap.

WORKING HOURS

At our own site regular working hours do not exceed 40 hours a week; overtime is worked only exceptionally and by agreement with the employee, averages no more than 8 hours a week and is paid with a premium of at least 25% (HR-02). At suppliers regular hours do not exceed 8 hours a day and 48 hours a week; overtime is voluntary, is not demanded regularly, is paid with a premium of at least 25% and does not exceed 12 hours a week (FM-146). Everyone has at least one day off a week.

HEALTH AND SAFETY

We provide a safe workplace, training, free protective equipment, safe handling of chemicals, emergency exits and drinking water. Workers may leave a dangerous situation without penalty. Details are set out in OHS-02 Occupational Health and Safety Policy.

REGULAR EMPLOYMENT

Every worker has a written contract. Agency work, repeated short-term contracts, sham apprenticeships and home working must not be used to avoid employment rights.

3. ENVIRONMENT, CHEMICALS AND PRODUCT SAFETY

Our products are in long-term contact with the skin, so chemical safety is a matter of user health as well as the environment. We implement our environmental commitments through ENV-01 Environmental and Waste Management Policy, which sets out detailed rules for chemicals, waste, energy and water and appoints the person responsible for managing environmental aspects.

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CHEMICALS

For GOTS goods we use only GOTS-approved chemical inputs, and the goods meet the GOTS restricted substances list. Materials and products comply with REACH, and we require suppliers to notify us of any substance on the SVHC Candidate List above 0.1% by weight. We do not use PFAS in waterproof and functional layers. We keep an up-to-date chemical inventory and safety data sheets.

MATERIALS

For certified products we meet the GOTS requirements on organic fibre content and on separating certified from non-certified material. For cotton and regenerated cellulose fibres (e.g. bamboo viscose) we check the origin for risks of forced labour and deforestation through suppliers' GOTS certificates.

WATER AND WASTEWATER

We monitor water consumption and discharge wastewater in compliance with legal limits. Where wet processing (dyeing, washing, finishing) takes place or could take place, at our own site or at suppliers, wastewater is treated before discharge so that it also meets the GOTS parameters.

ENERGY AND EMISSIONS

We monitor energy consumption; at least once a year we will quantify greenhouse gas emissions, and we will set targets and measures for reducing them in the environmental improvement programme.

WASTE

We sort and reduce waste and keep waste records. We never burn waste in the open or dump it uncontrolled; hazardous waste is handed over only to licensed companies. Textile offcuts are preferably recycled or reused.

MICROFIBRES

We will assess the risk of microfibre release in production and take measures according to the risk.

PACKAGING

We reduce packaging material and prefer recyclable and recycled packaging. For GOTS goods we do not use PVC packaging, and paper and cardboard are made from recycled material or certified to FSC or PEFC.

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PRODUCT SAFETY

Products are tested according to the requirements of the markets where they are sold and to customer specifications.

4. BUSINESS ETHICS

CORRUPTION

We do not offer, promise, give or accept bribes, including through intermediaries. Facilitation payments are also prohibited. Gifts and hospitality are acceptable only in reasonable amounts; those above CZK 1,000 must be approved in advance by the General Manager.

CONFLICTS OF INTEREST

Employees report any personal or family interest that could influence their decisions, especially in relation to suppliers and customers. Reports are submitted to HR, and the General Manager decides on measures.

FAIR COMPETITION

We comply with competition rules and do not agree prices or market sharing with competitors.

DATA PROTECTION

We handle the personal data of employees, customers, partners and complainants in accordance with the GDPR and Czech law.

CODE OF ETHICS AND TRAINING

Principles of ethical behaviour, honesty and fair dealing are set out in the Code of Ethics in HR-02 Social Policy and Code of Ethics (section 3.0). Employees in relevant roles are trained on integrity rules and the consequences of breaching them.

TRANSPARENCY

We do not submit false documents, certificates or test reports. From 2027 we will publish annually basic information on our environmental, social and governance (ESG) impacts and on how we implement this policy.

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5. DUE DILIGENCE

We implement the commitments in this policy through a continuous six-step due diligence process following the OECD Guidance, described in detail in HR-03 Due Diligence Procedure. The process runs in a cycle, not as a one-off exercise.

STEP 1 – EMBED IN MANAGEMENT

This policy, an appointed Due Diligence Representative, employee training and requirements in FM-146 Supplier Code of Conduct and in contracts.

STEP 2 – IDENTIFY AND ASSESS RISKS

At least once a year and before entering a new country or taking on a new supplier or material, we assess risks by country, process and material. We involve workers and their representatives in the assessment. Risks are ranked by severity and likelihood.

STEP 3 – PREVENT AND MITIGATE

Priority risks have corrective action plans with deadlines and owners. With suppliers we prioritise cooperation and remediation and apply responsible purchasing practices: clear orders, realistic lead times, prices that take into account the cost of fair wages and safe working conditions, and payment on time. Ending a relationship is a last resort, carried out responsibly with regard to the impact on workers.

STEP 4 – TRACK

We check the effectiveness of measures through internal and external audits, worker interviews without management present and indicators such as the number and resolution of complaints, overtime and workplace injuries.

STEP 5 – COMMUNICATE

From 2027 we will publish annually the risks we found and what we did about them.

STEP 6 – REMEDY

Where we have caused or contributed to an adverse impact, we provide or co-operate in remediation. Where we are only linked to it through a business partner, we use our leverage so that the partner provides it.

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6. GRIEVANCE MECHANISM AND REMEDIATION

Anyone affected by our activities may raise a complaint or report a breach of this policy: employees, workers of suppliers, local communities and others.

CHANNELS

Employees, including agency workers, may raise a complaint in person with the person designated to handle complaints, by e-mail to eu_ethics@confitex.com or through the complaints box. These complaints are received and handled by the person designated to handle complaints. Workers of suppliers and subcontractors and others in the supply chain send complaints to eu_complaints@confitex.com; these are received and assessed by the HR Generalist. Complaints may also be made directly to the certification body or GOTS through their web form. Details are set out in HR-02 Social Policy and Code of Ethics.

LANGUAGE AND ACCESS

Complaints may be made free of charge and anonymously, in Czech or in a language the worker understands; complaints from the supply chain may be made in any language.

PROTECTION FROM RETALIATION

We prohibit any retaliation against a person who raises a complaint in good faith, and we keep their identity confidential.

DEADLINES

We acknowledge receipt within 5 working days unless the complaint is anonymous. Serious cases (e.g. forced labour, violence, danger to life) are dealt with immediately; in other cases we inform employees of the outcome within 30 days; for supply-chain complaints we communicate, within 30 days, the outcome or the status of the investigation and its expected completion date. The outcome of an anonymous complaint is posted on the notice board without any details that could identify the complainant.

RECORDS

Every complaint is recorded with its outcome and the actions taken. Employee complaints are recorded by the person designated to handle complaints, and supply-chain complaints by the HR Generalist; records are kept confidential for at least 5 years. The HR Generalist, as the person responsible for social compliance, reviews the records regularly. Systemic findings are handled through the CAPA process.

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7. RESPONSIBILITIES AND REVIEW

RESPONSIBILITIES

Role	Responsibility
Management	The General Manager holds senior management-level responsibility for this policy and for due diligence, approves the policy, provides resources and oversees implementation
Due Diligence Representative	Leads the risk assessment, corrective action plans and the annual report
Person responsible for social compliance and person designated to handle complaints	Implement HR-02, prepare the annual human rights risk assessment and run the grievance mechanism (section 6)
Purchasing and supply chain	Pass the policy on to suppliers, assess their risks and follow up corrective actions
All employees	Follow the policy and report possible breaches

REVIEW

We review this policy at least once a year and whenever GOTS, legislation or our business changes significantly.

8. REFERENCES

- ENV-01 Environmental and Waste Management Policy;
- HR-02 Social Policy and Code of Ethics;
- HR-03 Due Diligence Procedure;
- OHS-02 Occupational Health and Safety Policy;
- FM-146 Supplier Code of Conduct;
- Global Organic Textile Standard (GOTS) and GOTS Implementation Manual;
- OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector;
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct;
- UN Guiding Principles on Business and Human Rights.

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