

IT'S ON US.

Marc O'Polo

EST. IN STOCKHOLM

A WORD FROM OUR CEO

GRI 2-22

Dear readers,

At a time when global uncertainties are shaping our everyday lives and economic conditions are shifting priorities in many places, Marc O'Polo remains true to its responsibilities and long-term vision. This year, we have once again reached important milestones on our journey to becoming the most sustainable version of Marc O'Polo.

Precisely because public interest in sustainability seems to be waning in many places, we are determined to stay the course. For us, responsible business practices are not a trend, but have always been an integral part of our brand identity and the basis for all our decisions. In financial year 2024/25, we performed well in the international environment and increased our revenue to over €630 million. It is a clear sign that economic stability and sustainable action go hand in hand for us. We continue to invest in high-quality materials, transparent processes and long-term partnerships. The past year has impressively demonstrated how important this attitude is: With the first Marc O'Polo Supplier Summit in India in October 2024, we opened a new chapter of cooperation and transparency. In January 2025, we were once again awarded Fair Wear Leader status—confirmation of the continuous improvement of our own processes and our commitment to humane working conditions at our suppliers. In addition, we had our chemicals and wastewater management externally evaluated as part of the ZDHC 'Brands to Zero' assessment, thereby underpinning our commitment to responsible management systems for handling chemicals and wastewater at the relevant stages of our supply chain.

A particularly significant step forward is our switch to certified organic or recycled cotton, which accounts for 72 per cent of our material usage. This brings us closer to our goal of using only preferred fibres by 2030. We now also use only certified mulesing-free or recycled wool for our sheep's wool products, thereby reinforcing our clear commitment to responsible material selection.

In October 2025, we signed the SBTi Commitment Letter, thus initiating the process of developing science-based climate targets in accordance with the guidelines of the Science-Based Targets Initiative. It was an important step in the further development of our climate strategy.

Even though this step no longer falls within the past financial year, I would like to highlight it here: in January 2026, we were recognised as a Certified B Corporation™—another milestone on our journey to embed responsibility holistically and transparently within the company.

Together with our partners, suppliers and our dedicated Marc O'Polo team, we work every day to develop our company in a responsible and forward-looking manner. My fellow Executive Board members and I are very proud of this. We will resolutely continue on this path in order to create the most sustainable version of Marc O'Polo, step by step.

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 has been reporting annually on its sustainability activities and their development since the 2007/2008 financial year. This report covers the 2024/2025 financial year (1 June 2024 to 31 May 2025). Significant events after this period were taken into account up to the editorial deadline on 31 January 2026.

The reporting is based on the internationally recognised standards of the Global Reporting Initiative (GRI). Relevant content is marked in the report. The GRI Content Index refers to the respective sections.

In addition, Marc O'Polo is preparing for the legal requirements of the Corporate Sustainability Reporting Directive (CSRD) and the associated European Sustainability Reporting Standards (ESRS). The structure and topics of the ESRS are already taken into account, as far as is reasonable and possible at the time of writing this report. As the legal requirements and their interpretation are still under development at the time of writing, this report does not claim to be fully ESRS-compliant.

Unless otherwise stated, the content and key figures presented refer to Marc O'Polo SE including its subsidiaries. If data or statements relate only to individual subsidiaries, this is indicated accordingly in the report. The report is also available in English. An external audit has not been carried out.

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1 COMPANY



Marc O'Polo was founded in Stockholm in 1967 with the idea of using predominantly natural materials. Today, the brand is an international casual lifestyle brand in the premium segment, characterised by its Scandinavian roots and consistent focus on natural materials. The products of the divisions Marc O'Polo CASUAL, DENIM, SHOES, ACCESSORIES, LEGWEAR, and the licences BODYWEAR, BEACHWEAR, EYEWEAR, HOME and JUNIOR stand for innovation, quality and Scandinavian design. Our philosophy combines tradition and responsibility: it forms the basis of our commitment to more sustainable production and mindful treatment of people, animals and the environment, while also embodying the highest quality and authentic naturalness in every product and experience.

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

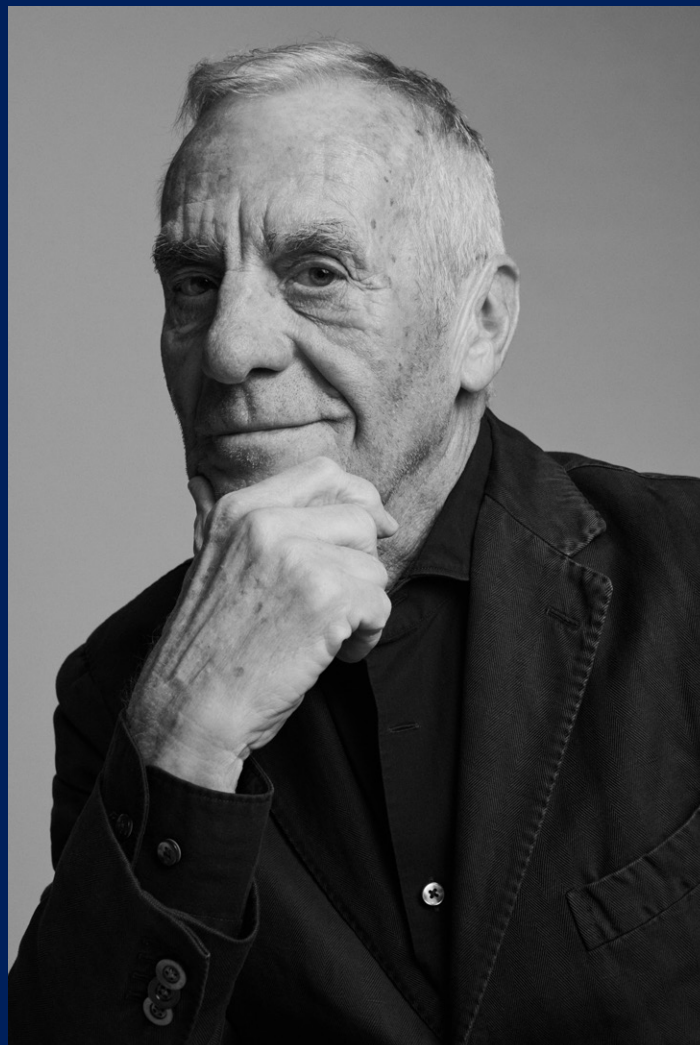
Marc O'Polo is an international fashion company present in 46 countries and is headquartered in Germany (Stephanskirchen). The entire casual lifestyle brand business is concentrated under the umbrella company Marc O'Polo SE (see graphic "Our corporate structure").

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 Supervisory Board also comprises other representatives of the owner family. The members of the Supervisory Board include¹:

- 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 2024/2025, the members of the Supervisory Board and of the Executive Board held a total of four regular and three extraordinary meetings. The topics discussed at the meetings included the company's development and strategic issues, which were discussed by the Executive Board and the Supervisory Board. Once a year, depending on the agenda, fundamental sustainability issues are also discussed. 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 remuneration system of Marc O'Polo SE 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 AGE DISTRIBUTION OF THE SUPERVISORY BOARD MEMBERS: AT THE END OF THE REPORTING PERIOD, FIVE MEMBERS WERE AGED OVER 50 AND ONE WAS AGED BETWEEN 30 AND 50.

Our Executive Board consists of five members. Susanne Schwenger (CPO), Dr Patric Spethmann (COO), Markus Staude (CFO/CHRO) and Dr Dirk Schneider (CSO) form the Executive Board of Marc O'Polo SE under the leadership of CEO Maximilian Böck.



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



SUSANNE SCHWENGER
CPO—DESIGN, PROCUREMENT,
LICENSING, MARKETING,
SUSTAINABILITY & CORPORATE
RESPONSIBILITY



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



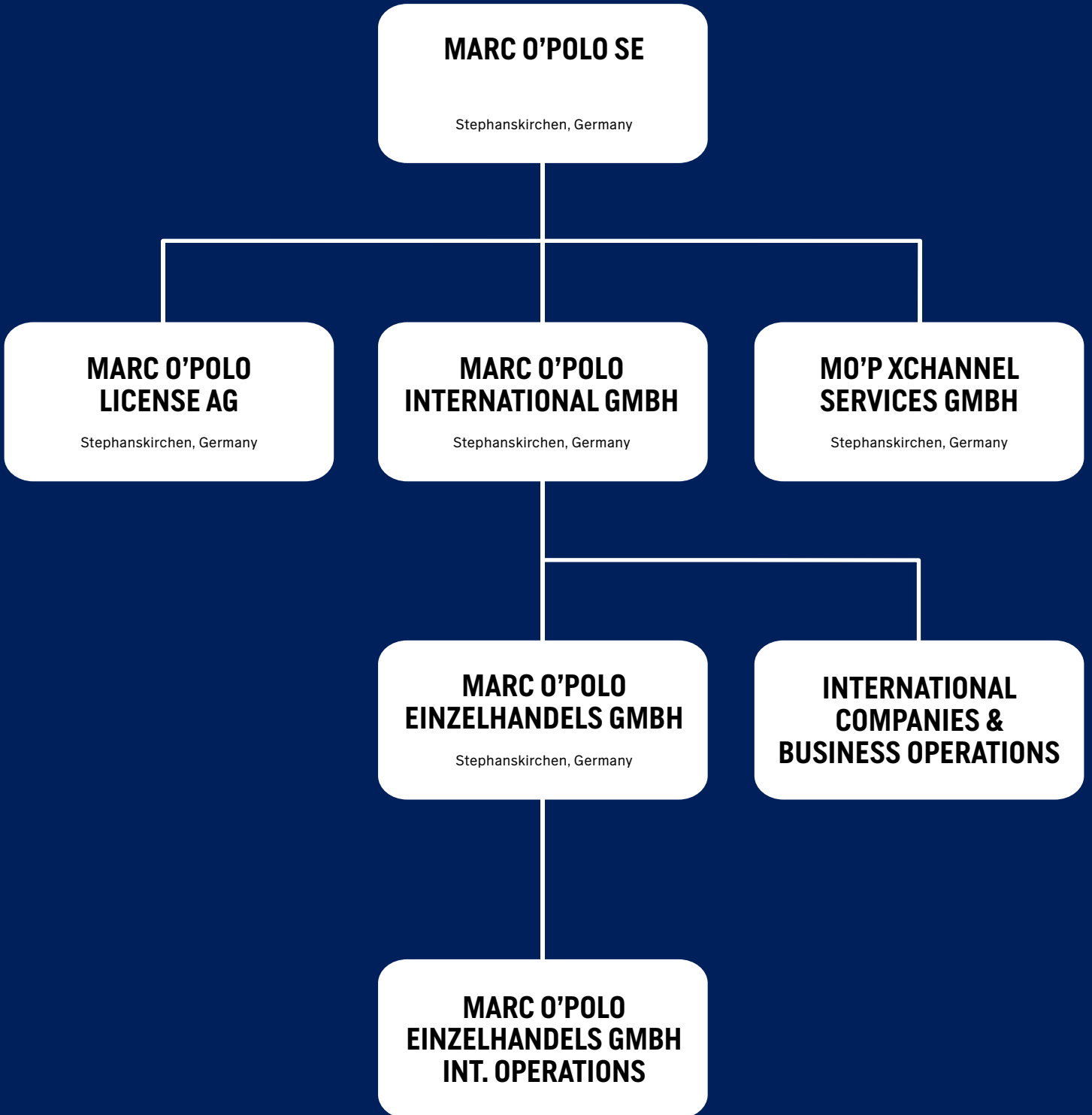
MARKUS STAUDE-SKOWRONEK
CFO/CHRO—FINANCE,
CONTROLLING, HUMAN
RESOURCES & ADMINISTRATION



DR. DIRK SCHNEIDER
CSO—WHOLESALE (B2B)
AND RETAIL DISTRIBUTION
(D2C: FULL PRICE, OUTLET,
E-COMMERCE)

CORPORATE STRUCTURE OF MARC O'POLO SE

GRI 2-2 / ESRS 2 SBM-1



1.2 RESPONSIBILITY & COLLABORATION FOR SUSTAINABILITY

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

Corporate responsibility and mindful action are highly valued at Marc O'Polo and are firmly integrated into our corporate organisation. In order to manage sustainability in a more targeted manner and anchor it more firmly in our core business, we further developed our organisational structure in this area during the reporting year. The previously separate teams have been merged into a central Sustainability & Corporate Responsibility unit that reports directly to our Chief Product Officer. This focus enables more efficient coordination and clear responsibilities, and underscores the strategic importance of sustainability within the company.

The team brings together experts with knowledge in the areas of environmental management, product compliance, social responsibility, climate and circular strategies, more sustainable materials and certifications and sustainability reporting. The clear structure provides the basis for addressing the diverse range of topics in a coherent and effective manner and with a high degree of technical depth, ensuring that sustainability is taken into account in all key areas of activity.

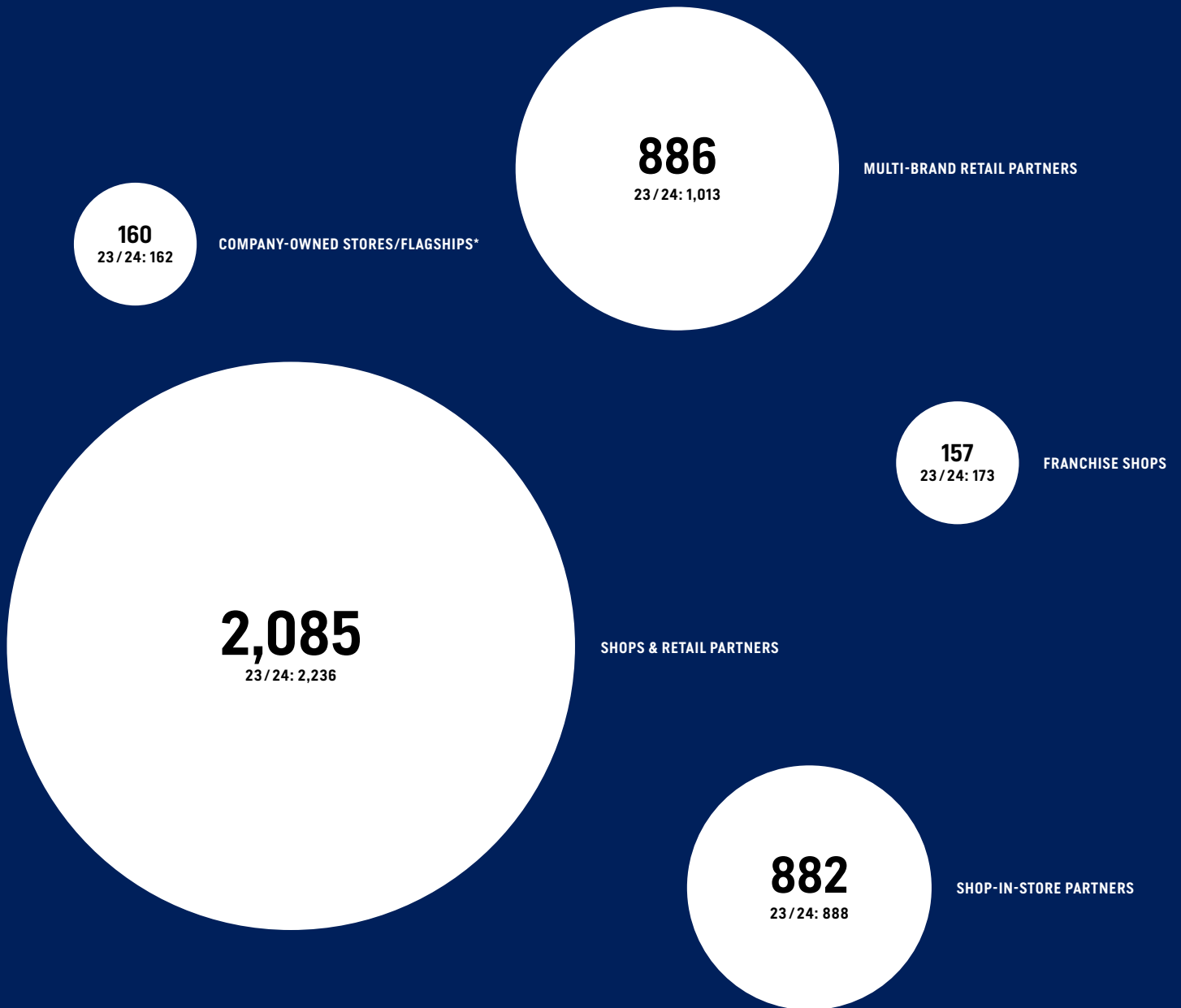
Regular coordination formats promote the consistent implementation and further development of our sustainability strategy. The subject matter experts exchange information every two weeks, the entire sustainability team meets monthly, and every eight weeks there is an extended dialogue with representatives from other relevant areas of the company. This interdisciplinary exchange is essential to implementing sustainability activities consistently and comprehensively. This is how we ensure the long-term integration of sustainability across the Group in our core business.

Monthly reports are submitted to the Executive Board in order to ensure the transparent management of the sustainability strategy, initiatives and projects. New or urgent topics, projects or actions are presented by the respective heads of area, discussed with the Executive Board and approved by it. In addition, the Executive Board reviews and approves the sustainability report. This clearly regulates both operational responsibilities and strategic control and monitoring of sustainability issues at the highest level of the company.

1.3 DATA & FACTS

GRI 2-6 / ESRS 2 SBM-1

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



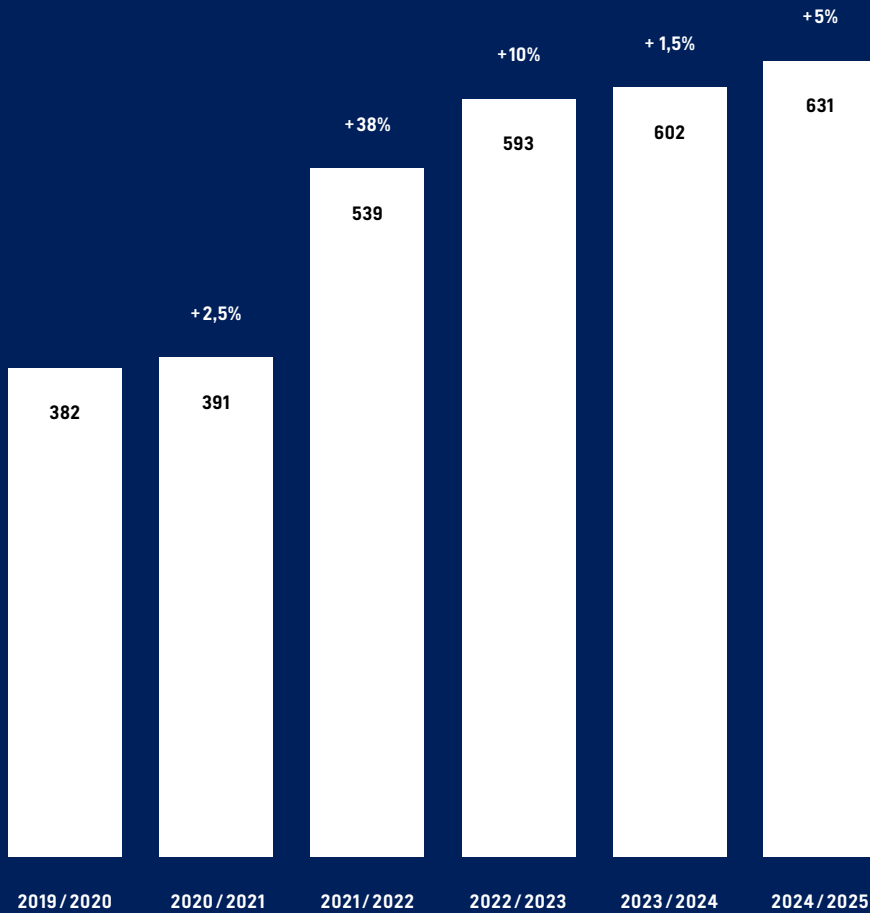
*This year, our factory outlets were included in the evaluation for the first time, which is why there are discrepancies compared to our last sustainability report.

REVENUE

GRI 201-1 / ESRS 2 SBM-1

Despite the continuing difficult and uncertain market situation, the Marc O'Polo Group grew by 4.9 per cent and generates net sales of €631 million in the 2024/25 financial year (1 June 2024 to 31 May 2025).

CONSOLIDATED REVENUE IN € MILLION



1.4 CURRENT CHALLENGES & FOCUS

ESRS 2 GOV-2


In 2024/2025, Marc O’Polo faced a complex economic environment. Ongoing geopolitical tensions and dynamic changes in the global economy led to uncertainties within supply chains and made it difficult to procure our products. Additional challenges arose from high inflation rates and rising interest rates, which affected our customers’ purchasing power. Although some markets showed initial signs of recovery, overall economic demand in the textile and apparel industry fell short of expectations.

Despite these conditions, Marc O’Polo is looking positively to the future with a clear corporate strategy. A key component of this strategy is our growth drivers—product excellence, brand power, customer commitment, international growth and efficiency leaders designed to promote sustainable growth. Based on these growth drivers, we have developed strategic initiatives and projects, the progress of which is regularly reported to the Executive Board and closely monitored. This is how we ensure that we achieve our corporate goals and can respond flexibly to future developments.

While public interest in sustainability currently appears to be waning and economic conditions in many places are leading to a rebalancing of priorities, Marc O’Polo remains true to its focus. For us, sustainable business practices are not a trend, but an integral part of our brand identity and decision-making process. Even in a challenging environment, we continue to invest in more responsible materials, transparent processes and long-term partnerships because we are convinced that sustainability can only be achieved through consistent action.



2 MISSION & STRATEGY

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

Through our strategic 'Sustainability Leader' initiative, sustainability is not only culturally rooted within the company, but is also deeply anchored strategically and integrated across all departments. The initiative has a clear vision of taking a leading role in the field of sustainability. But what does that mean in 2025? How have the challenges in the textile and apparel industry developed? And how can sustainability not only present challenges for us, our suppliers and our customers, but also inspire us and unlock new opportunities?

2.1 OUR VISION & MISSION STATEMENT

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

OUR MISSION-STATEMENT

IT'S ON US TO BECOME THE MOST SUSTAINABLE VERSION OF MARC O'POLO.

2.2 OUR SUSTAINABILITY STRATEGY

As a brand, we have a clear responsibility to our customers and partners to sell products that meet high social and environmental standards across all collections. Building on this conviction, we adopted our updated sustainability strategy, IT'S ON US 2030+, last year. It forms the basis for our strategic 'Sustainability Leader' initiative.

At the same time, we are observing that the demands placed on brands are constantly evolving. Being a leader means facing uncertainties and helping the industry come up with new solutions to shared challenges. The fashion industry is also undergoing a profound transformation: pioneering developments towards ecological and regenerative methods in agriculture, ever-greater investment in circular systems and a changing regulatory environment that is presenting the fashion industry with new challenges. Overall, we recognise that the industry is increasingly addressing its problems—our task is to consistently implement the existing solutions and continuously establish a new, more sustainable status quo.

Our strategy takes a holistic approach to sustainability and reflects Marc O'Polo's commitment to responsible business practices. It builds on decades of tradition in 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 adopt a more conscious and responsible lifestyle. We want to cultivate and breathe new life into these traditions. IT'S ON US 2030+ is the strategic framework and our corporate culture is the foundation for us to do so.



2.3 IT'S ON US. 2030+

ESRS 2 SBM-1

Our slogan 'IT'S ON US' underscores our shared responsibility to drive change—as a company and partner, as customers and citizens. We as a brand are convinced of this; this approach embodies our strategy and we want to spread this message throughout the world.

The time horizon of our strategy extends to 2030 in order to achieve a long-term impact. The strategy development process was completed in 2024.

The starting point was a stakeholder survey and the double materiality assessment based on it. Based on these results, we strategically organised the topics, set goals and defined measures through a multi-stage workshop process within the sustainability team. The goals were adopted and prioritised in two interdisciplinary workshops with the entire Executive Board. We have been working on implementing and continuously developing the strategy since financial year 2023/2024. We have not yet set specific targets for certain subtopics, such as biodiversity; we will first conduct a comprehensive status analysis in this area. This means that we view IT'S ON US 2030+ as a living strategy that is continuously developed, enriched with better data and supplemented with measurable goals.

OUR STRATEGY – IT'S ON US. 2030+

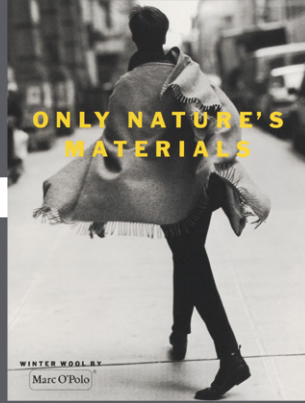


*The materiality analysis mentioned here was conducted in the 2022/2023 financial year and does not meet the requirements of the CSRD. It forms the basis of the materiality analysis presented in Chapter 2.2.4 according to ESRS.

2.4 OUR JOURNEY SINCE 1967



ESTABLISHED IN STOCKHOLM IN 1967 WITH THE APPROACH OF PRIMARILY USING NATURAL MATERIALS.



1970S 'ONLY NATURE'S MATERIALS' CAMPAIGN.



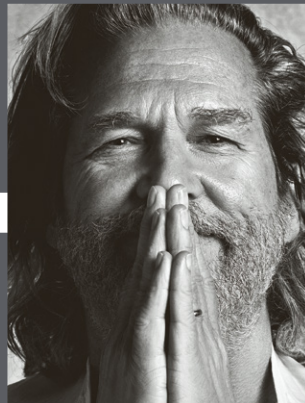
1980S LAUNCH OF THE 'RAW' COLLECTION.



1980S 'NO FUTURE WITHOUT NATURE' CAMPAIGN.



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



2016 RECYCLED FIBRES USED FOR THE FIRST TIME.



2009 FIRST PUBLICATION OF A SUSTAINABILITY REPORT. MEMBERSHIP OF AMFORI BSCI.



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



2021-2022 FRIEND OF THE ZDHC, 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. AWARDED FAIR WEAR FOUNDATION 'LEADER' STATUS.



2024-2025 PARTICIPATION IN THE ZDHC BRANDS TO ZERO ASSESSMENT FOR THE FIRST TIME, SIGNING OF THE SBTI COMMITMENT LETTER, EXCLUSIVE USE OF PREFERRED COTTON & WOOL.

“OUR VISION IS TO CREATE FASHION THAT INSPIRES AND LASTS. WE DEVELOP PRODUCTS TO SHOW THAT STYLE AND RESPONSIBILITY CAN GO HAND IN HAND. SUSTAINABILITY DOES NOT LIMIT US—IT STRENGTHENS OUR COMMITMENT TO SETTING STANDARDS WITH EXCELLENT, LONG-LASTING PRODUCTS.”



MAXIMILIAN BÖCK
CEO

2.5 SUSTAINABILITY GOALS & PROGRESS

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

Our strategic framework has four pillars: environment, social responsibility, governance and product. We have added a dimension that is vital to us to the classic ESG model: our product. Behind each pillar are selected sub-topics for which we have defined specific goals and measures.

PRODUCT

Derived from our company-wide 'product first' approach, the product is at the heart of our ESG strategy. This area covers strategic goals relating to the use of preferred materials and the proportion of recyclable products. In addition, the application of international standards for product certification is emphasised. These measures help us bring products to market that have a lower environmental impact than conventional solutions.

UNSERE BASIS:

- Extensive use of preferred materials (see chapter 3.5.1 [7] & 3.5.2 [7])
- No real fur
- No reptile leather or exotic leather
- No real silk
- No angora wool
- Certified down and feathers only
- Cashmere wool from recycled sources or certified under the Good Cashmere Standard™ by AbTF only
- Certified mohair only

OUR CORE TARGETS:

Overarching fibre target Marc O'Polo will exclusively use preferred fibres starting in 2030.

MO'P DEFINITION OF PREFERRED FIBRES (BASED ON TEXTILE EXCHANGE):

'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, variants that offer holistic benefits for the climate, nature and people are currently still limited in availability. That is why we are closely monitoring developments in this area in order to achieve our overarching goal for 2030. This vigilance enables us to access innovative materials and techniques at an early stage.

YEAR	ZIEL	STATUS
2025	COTTON: Certified recycled cotton or organic cotton only ¹	100% ● achieved
	SHEEP'S WOOL: Certified sheep's wool (mulesing-free) only ¹	100% ● achieved
	DFC: 10% of products are Designed for Circularity (DFC)	10% ● achieved
2027	MMCF: 10% of man-made cellulosic fibres are New Generation MMCF	– ● In progress
	POLYESTER: Certified recycled polyester only	81% ● In progress
	ALPACA: 70% RAS-certified alpaca fibres	47% ● In progress
	DOWN & FEATHERS: 30% recycled down and feathers, remaining 70% RDS certified	40% ● In progress
	DFC: 25% of products are DFC	10% ● In progress
2030	DFC: 50% of products are DFC	10% ● In progress
	OVERALL FIBRE TARGET: 100% preferred fibres.	88% ● In progress

¹ Starting with the Autumn/Winter 2025 collection, we will only use preferred cotton and sheep's wool. Due to the evaluation period, this target achievement is not yet reflected in the figures reported in chapter 3.5.

ENVIRONMENT

As part of the textile and apparel industry, we contribute to the annually increasing global environmental impact that is 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 is designed to reflect this approach and is therefore based on three pillars: accelerating climate actions, protecting nature and promoting the circular economy. The sub-topics can be classified according to the ESRS system.

OUR BASELINE:

- Almost all of our own national sites are powered by certified green electricity (98 per cent)
- Cooperation with software company Carbonfact for automated carbon footprint calculation
- Calculation of our robust base year and an additional CCF (Corporate Carbon Footprint) with Carbonfact
- Signing of the SBTi Commitment Letter
- Implementation of our Chemical and Wastewater Management Programme (EMP)
- Measuring the environmental performance of our suppliers using the HIGG Facility Environmental Module (FEM)
- Being a ZDHC Signatory Brand and candidate for membership of CASCALE (formerly the Sustainable Apparel Coalition—SAC)
- Biodiversity check carried out with the Global Nature Fund

OUR CORE TARGETS:

YEAR	TARGET	STATUS
2025	DECARBONISATION INSTEAD OF CLIMATE NEUTRALITY: New decarbonisation targets for 2030 replace the previous goal of climate neutrality by 2025.	100% ● achieved
	SCIENCE-BASED CLIMATE TARGETS: Develop and validate reduction targets in accordance with SBTi.	80% ● In progress
	CONTROL AIR EMISSIONS: Develop a strategy and implement a programme to reduce air emissions from raw materials and production processes.	30% ● In progress
	PROTECT BIODIVERSITY: Develop a biodiversity strategy and introduce a programme to reduce environmental impact along the value chain.	30% ● In progress
2030	PREFERRED MMCF: 100 per cent of the man-made cellulosic fibres (MMCF) we use are manufactured in accordance with the ZDHC MMCF Guideline.	10% ● In progress
	ENERGY EFFICIENCY: Reduction of electricity consumption at own sites by 10 per cent compared to 2022 (like-for-like).	5% ● In progress
	STRENGTHEN CHEMICAL MANAGEMENT: Align global supply chains with the highest standards for more sustainable chemicals management	– ● In progress
	ZERO DISCHARGE: Avoid the discharge of substances of concern in the Marc O'Polo supply chain due to insufficiently treated effluents	– ● In progress
	WATER STEWARDSHIP PROGRAMME: Develop a programme to improve water efficiency, reduce water consumption and increase suppliers' resilience against water crises.	0% ● waiting

SOCIAL RESPONSIBILITY

For us, social and responsible conduct 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 work with partner organisations to play an active role in promoting fair working conditions within our supply chain. At present, this part of our strategy focuses primarily on the supply chain. Going forward, we plan to incorporate social issues into our sustainability strategy at our headquarters and in our stores as well.

OUR BASELINE:

- Fair Wear Leader Status
- 99 per cent of our tier 1 suppliers have a social audit in place
- The Fair Wear complaint mechanism has been in place in our supply chain since 2021
- Member of amfori BSCI since 2009

OUR CORE TARGETS:

YEAR	TARGET	STATUS
Ongoing	FAIR WEAR STATUS: Maintain Fair Wear Leader status	100% ● achieved
	COMPLAINT MANAGEMENT: Validated complaints are processed and addressed with effective remedial measures	100% ● achieved
2025	FEMALE EMPOWERMENT: Develop a programme to promote gender equality and the advancement of women in the supply chain	100% ● achieved
	SOCIAL AUDITS: 100 per cent of our tier 1 suppliers have a valid social audit and a plan for corrective measures	99% ● In progress
2027	SOCIAL AUDITS: 100 per cent of our strategic tier 2 suppliers have undergone a social audit by a third party	– ● In progress
	HUMAN RIGHTS TRAINING: 30 per cent of our tier 1 suppliers have received training on relevant human rights issues	16% ● In progress
	FEMALE EMPOWERMENT: Implement the programme to promote gender equality among strategic suppliers	25% ● In progress
2030	LIVING WAGES: Marc O'Polo contributes to developing wages in our supply chain towards a living wage.	– ● In progress

GOVERNANCE

The area of governance brings together topics that act as drivers for the entire sustainability strategy. The focus is on establishing structures, processes and systems that enable us to effectively embed sustainability within the company—internally, in the supply chain and in relation to our customers. The success of our strategy depends largely on how consistently and comprehensively we integrate sustainability into existing business processes and make it accessible to employees and partners alike.

OUR BASELINE:

- Introduction of Retraced, a tool for improving transparency and traceability in our supply chains
- Implementation of sustainability e-learning
- Integration of sustainability goals into employee performance reviews
- Marc O'Polo partner and supplier days

IMPLEMENTATION STATUS OF CORE OBJECTIVES:

YEAR	TARGET	STATUS	
2025	B CORP™: We will become a certified B Corp™.	100%	● achieved
2027	STRENGTHENING KNOWLEDGE TRANSFER: Develop a comprehensive sustainability training plan at Marc O'Polo to promote a more sustainable corporate culture	0%	● waiting
	ESTABLISHMENT OF A STAKEHOLDER DIALOGUE: Organisation of the first MO'P Sustainability Stakeholder Day, to be continued annually*	0%	● waiting
2030	INCREASING SUPPLY CHAIN TRANSPARENCY: TTransparency up to all significant tier 2 suppliers For hazardous materials and processes, we also know the supply chain up to the relevant stage.	—	● In progress

* The target year for this objective has been adjusted from 2025 to 2027.

OUR OWNERSHIP

In addition to our strategic framework of topics that underpin our credibility as a trusted pioneer and thus form the core of our strategy, we have repeatedly asked ourselves what makes our sustainability approach special, which topics we stand for internationally and in which areas we want to drive innovation in a targeted manner. After a multi-stage process, we decided on three 'ownership themes' for the entire company: natural materials, lasting quality and human empowerment. These themes set clearly recognisable accents and are what the outside world associates with our brand. They act as brand-defining signposts that set us apart from our competitors and with which we want to set new standards.

NATURAL MATERIALS

Naturalness has always been part of the brand's core identity. The long-standing tradition of using natural materials is part of our founding philosophy, which we continue to uphold. Currently, natural fibres account for approximately 80 per cent of our fibre volume. On the one hand, it is important for us to identify potential ways in which we can replace synthetic fibres with high-quality natural fibres in the long term, and to what extent. Furthermore, we view the topic of natural materials as a holistic approach that shapes our entire brand experience and is accompanied by an authentic, natural attitude towards life.

LONGEVITY

We consider our more than 50 years of product experience and our 'Ageless Modernity' design philosophy to be the foundation for lasting products. For us, longevity means that our products become favourite items that customers enjoy for a long time and are not geared toward short-lived trends. In order to meet the demand for longevity in the future, it is important to design products that are recyclable and to develop circular systems that enable us to keep products and fibres in circulation for as long as possible.

HUMAN EMPOWERMENT

For us as a company, people always come first. Starting with our employees, through our entire supply chain, to the personalities who represent our brand, it is essential for us to lead with humanity. We want to gradually improve the lives of people in our value chain, promote equality and offer everyone the opportunity to grow with us.

Our 'ownership topics' are at the forefront of our sustainability strategy and will serve as guidelines for our communication and as a filter for innovation.

We are currently working on further specifying these topics and linking them to measurable objectives and progress, as well as to our strategic framework.

**“EVERY PRODUCT TELLS A STORY—
ABOUT MATERIALS, ORIGIN AND THE
STANDARDS BY WHICH IT IS CREATED.
OUR GOAL IS TO CREATE FASHION
THAT MAKES QUALITY TANGIBLE AND
RESPONSIBILITY VISIBLE.”**



SUSANNE SCHWENGER
CPO

2.6 OUR SUSTAINABILITY MANAGEMENT

In order to manage sustainability holistically and address a wide range of issues in an appropriate manner, we rely on the involvement of our stakeholders and long-term, topic-specific partnerships.



2.6.1 STAKEHOLDER ENGAGEMENT

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

Marc O’Polo is committed to regular communication with its various stakeholder groups. We see transparent communication and solidarity with stakeholders as the basis for trust and a key factor for success in long-term cooperation.

In addition to regular exchanges with interest groups and non-governmental organisations in discussion rounds, at conferences and network meetings, we are increasingly collaborating with universities on innovation projects and seeking dialogue 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.

During the reporting period, we were able to maintain an in-depth dialogue with our most loyal customers, among others. The focus of the so-called ‘Member Day’ was on personal conversation; we wanted not only to thank our best and most loyal customers, but also to learn from them. That is why there were always deliberately created time slots for discussions between guests, Marc O’Polo representatives and the Executive Board. The honest and open feedback that we expressly requested was particularly valuable, even if it was critical. Following an in-depth dialogue with the members of the Executive Board, two workshops explored the topics of sustainability and the digital shopping experience in greater depth. Here, our guests were not only able to ask questions, but also contribute their own ideas in an enriching experience for both sides.

We also actively involve our employees in a wide range of sustainability issues, for example through workshops, surveys, interest and working groups and posts on our internal communication platform ‘Inside’. In addition, our employees can use our Share-with tool to anonymously send questions, suggestions, ideas and criticism to Marc O’Polo management. As part of the conversion of Marc O’Polo AG into an SE, the MO’P Forum, a platform for exchange between representatives of Marc O’Polo employees from Europe and the Executive Board, has also been taking place once a year since 2023. This year, one of the focus topics was the participants’ perspective on our most central issues in the context of the materiality assessment. Further dialogue formats for our employees can be found in chapter 4.1.5 [\[7\]](#).

We value working closely with our suppliers highly. In keeping with the principle of ‘In Sustainability: We collaborate, not compete.’, we brought together our international strategic suppliers for a three-day summit in Indore, India for the first time this financial year. The aim of the summit was to promote cooperation and exchange between the various partners in the supply chain and to find joint solutions for a more sustainable future. The focus was on presenting our IT’S ON US 2030+ sustainability strategy and raising awareness for greater transparency, lasting quality and social and environmental impact in our supply chain. One particular highlight of the summit was a joint visit to a cotton field that is cultivated according to the principles of regenerative organic agriculture, thereby supporting biodiversity.

Further information on cooperation with our suppliers is available in chapter 5.5 ‘Management of supplier relationships [\[7\]](#)’.

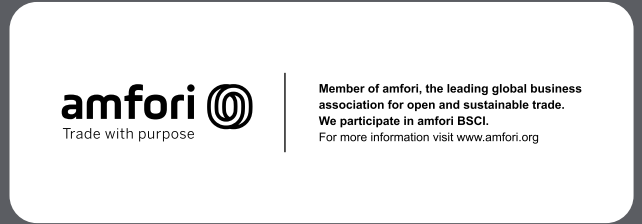
2.6.2 PARTNERSHIPS

GRI 2-28 / ESRS 2 SBM-2

As a medium-sized company, Marc O’Polo has limited room for manoeuvre on its own. That is why we rely on trusting partnerships and the combined strength of cooperation.

AMFORI BSCI

amfori BSCI is a leading corporate initiative designed to improve working conditions in global supply chains. The initiative stands for a globally uniform supply chain management system that aims to review and improve working conditions. Marc O’Polo has been a member of amfori BSCI since 2009 (see chapter 4.2.2 ‘Monitoring working conditions in the value chain’ [↗]).



ACCORD

We have been signatories to the Bangladesh Accord since December 2024. The Accord on Fire and Building Safety in Bangladesh, or Bangladesh Accord for short, is a legally binding agreement that was concluded in 2013 after the Rana Plaza disaster to improve the safety of textile workers in Bangladesh. It obliges international brands and retailers to have independent safety inspections carried out in their suppliers’ factories and to remedy any deficiencies. The Accord plays an important role in improving working conditions and preventing occupational accidents in the Bangladeshi textile industry. Even though Bangladesh is not one of our main production countries, our participation underscores our clear commitment to responsible corporate governance and the protection of workers’ rights throughout our entire supply chain.



CARBONFACT

In 2024, Marc O’Polo entered into a partnership with Carbonfact. Carbonfact is a platform that helps apparel and footwear companies reliably calculate and reduce the carbon footprint of their products and services. It provides tools for analysing emissions, thereby helping to make informed and transparent decisions to reduce environmental impact. For Marc O’Polo, accurate and scalable carbon accounting is crucial for setting climate targets and monitoring progress in a transparent manner (see chapter 3.1 ‘Climate change and energy’ [↗]).



CASCALE & HIGG INDEX

Cascale, formerly known as the Sustainable Apparel Coalition (SAC), is a global non-profit alliance with over 300 member companies worldwide from the apparel, footwear, home textiles, sports and outdoor goods and bags and accessories industries. Cascale sees itself as a catalyst for collective action to enforce more equitable and restorative business practices in the consumer goods industry. The initiative owns and develops the Higg Index with the aim of objectively and systematically recording and measuring social and environmental sustainability performance along the value chain. Marc O’Polo has been a candidate for Cascale membership since July 2023 (see chapter 3.2.1 ‘Measuring the environmental performance of our partners in the supply chain’ [↗]).



CIRCULAR.FASHION

Marc O'Polo entered into a partnership with circular.fashion in 2022. With the aim of creating a common definition for products in the context of the circular economy, circular.fashion has developed the Circular Design Criteria. These criteria enable measures to be developed in this area and progress to be measured. Marc O'Polo uses these integrated design guidelines as a driver for creativity and sustainable innovation and is supported by circular.fashion in the implementation of recycling requirements and circular materials (see chapter 3.5.3 'Innovations' [7]).



FAIR WEAR FOUNDATION

In 2020, we joined the Fair Wear Foundation (FWF). This independent multi-stakeholder initiative based in Amsterdam works with clothing brands, factories, NGOs, trade unions and governments to improve working conditions in textile factories (see chapter 4.2.1 'Our membership in the Fair Wear Foundation' [7]).



LEATHER WORKING GROUP

The Leather Working Group (www.leatherworkinggroup.com) is a not-for-profit multi-stakeholder organisation committed to reducing the environmental impact of leather manufacturing. It sets the LWG Standards of environmental criteria against which leather manufacturers are independently audited and certified. Marc O'Polo joined the Leather Working Group (LWG) in 2020. Our membership in the LWG highlights our commitment to transparency and continuous improvement in leather manufacturing (see chapter 3.2.6 'More responsible leather production' [7]).



RETRACED

We are partners with retraced. The Düsseldorf-based start-up offers a tool for improving supply chain transparency and traceability from the end product to the origin of the raw material (see chapter 2.6.3 'Our value chain' [7]).



TEXTILE EXCHANGE

Marc O'Polo has been a member of the non-profit organisation Textile Exchange since 2011, with a one-year hiatus in 2019. Textile Exchange is a global organisation committed to positively impacting the climate, people and nature in the fashion, textile and apparel industries. It promotes the use of sustainable materials and develops standards for their integration into supply chains (see chapter 3.5.2 'Preferred Materials & Verifications' [7]).



THE GOOD CASHMERE STANDARD®

As a partner of The Good Cashmere Standard® by AbTF (Aid by Trade Foundation), we are committed to improving animal welfare, working conditions for goat farmers and farm workers and environmental protection in connection with cashmere production (see chapter 3.5.2 'Preferred Materials & Verifications' [7]).



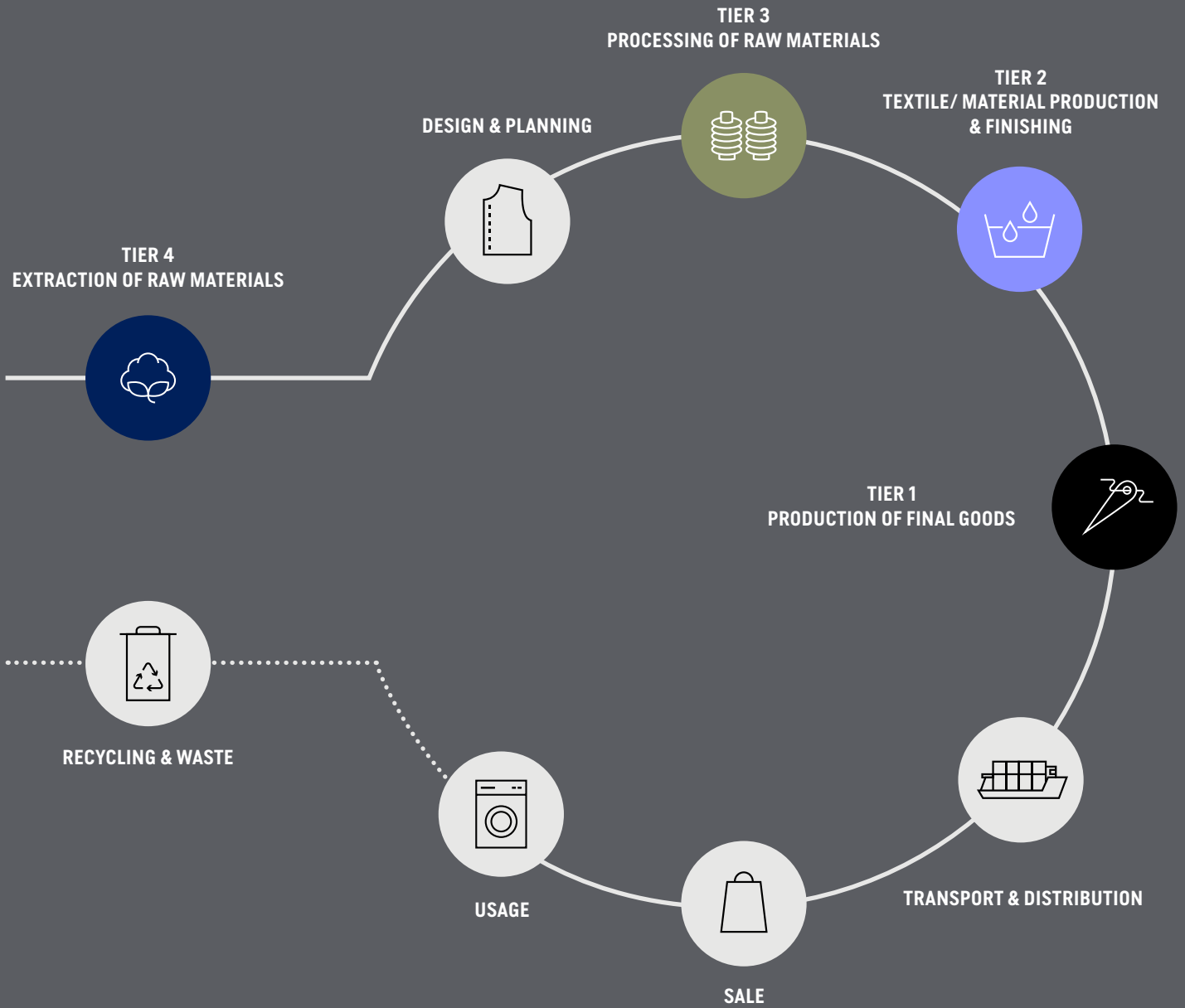
ZDHC

The ZDHC is an association of international companies and organisations working together to eliminate hazardous chemicals in the textile, apparel and footwear industry. Marc O'Polo has been a ZDHC Signatory Brand since July 2024 (see chapter 3.2.3 'Chemical management in the supply chain' [7]).



2.6.3 OUR VALUE CHAIN

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



.....
LOOP TO BE CLOSED

STAGES OF THE SUPPLY CHAIN

In order to fulfil our corporate due diligence, we need a comprehensive understanding of our entire value chain, from upstream to downstream processes.

Only when we know which actors are involved and under what conditions the individual steps are taken can we identify, address and counteract social and environmental risks (see chapter 2.6.4 'Risk analyses' [7]). In addition, we are examining how value creation can be structured more strongly in the future in terms of a cycle, such as by extending product life cycles or identifying possible starting points for closing material loop. The aim is to return products and materials to the production cycle at the end of their service life instead of disposing of them.

In a global and diversified supply chain such as the textile and apparel industry, the various partners in the upstream value chain involved in the manufacture of our products are represented in successive stages (known as tiers). The aim is to achieve transparency and understanding of processes and suppliers involved, from the production of raw materials to packaging. Classification into tier 1, tier 2 etc. is always based on proximity to Marc O'Polo. This means that the lower the number, the 'closer' the process stage is to Marc O'Polo. The following illustration of the supply chain stages shows this in a simplified way:

TIER 1

PRODUCTION OF FINAL GOODS

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

TIER 2

TEXTILE/ MATERIAL PRODUCTION & 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

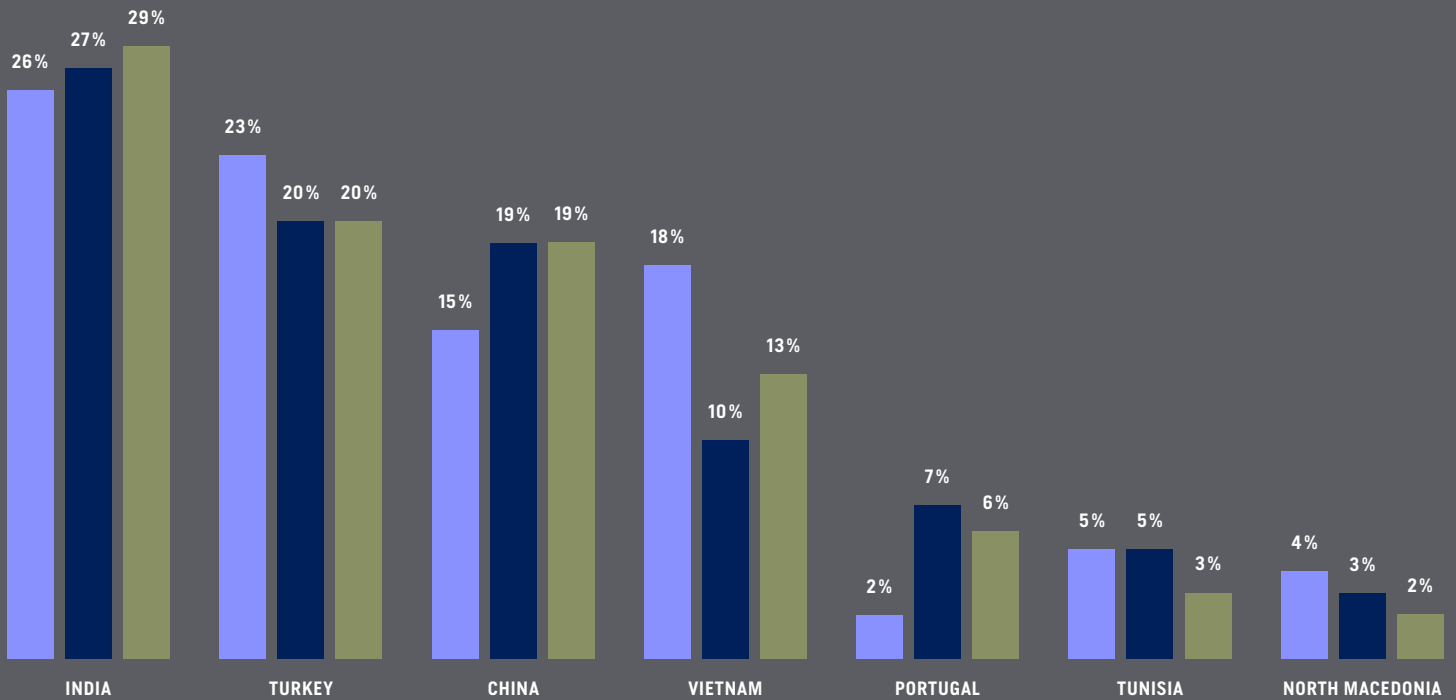
- RAW MATERIAL PRODUCERS (AGRICULTURE, LIVESTOCK, FORESTRY, RAW MATERIALS INDUSTRY)
- SUPPLIERS OF RAW AND RECYCLED MATERIALS
- CLEANING AND PRE-PROCESSING COMPANIES

We worked with 102 direct partners in the last financial year (previous year: 95). Some of these partners are agencies; in other cases, we work directly with manufacturing suppliers.

As is common in the textile industry, a supplier often has several factories behind it that take on different production steps or expand production capacities. These factories are also part of our supply chain, although we do not usually have direct business relationships with them. We have transparency regarding the garment factories in our supply chain—regardless of whether they are owned by our suppliers or their subcontractors. During the reporting period, 129 garment factories were part of our supply chain (PY: 132).

Our goal is to continuously increase transparency in our supply chain and extend it to further upstream stages of the value chain. In addition to our suppliers' subcontractors for wet processes such as washing, colouring, printing and embroidery, we also included our strategic fabric suppliers and their production facilities in our reporting for the financial year. We currently work with 132 (PY: 87) known tier 2 partners for apparel, of which 42 (PY: 25) are in Europe, 82 (PY: 55) are in Asia and 8 (PY: 7) are in North Africa.

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



¹ In financial fiscal year 22/23, the additional Shoes & Accessories product groups were not yet included in the figures, which means that a direct comparison with subsequent years is not possible.

* Only countries with a share of 2 per cent or more are shown.

● FISCAL YEAR 2022 / 23¹
 ● FISCAL YEAR 2023 / 24
 ● FISCAL YEAR 2024 / 25

SUPPLY CHAIN TRANSPARENCY: OUR PARTNERSHIP WITH RETRACED

ESRS 2 SBM-1

Transparency and seamless traceability in the supply chain are not only key issues for the industry, but also an integral part of Marc O'Polo's sustainability strategy. Our goal is to promote both the achievement of our sustainability goals and their efficient monitoring through increased transparency, while at the same time strengthening trust internally and externally. Since 2022, we have been cooperating with the innovative Düsseldorf-based start-up retraced to ensure digital recording of our partners in the supply chain. This collaboration provides us with the foundation for building a transparent supplier network based on trust and clarity.

Following the successful onboarding of our tier 1 suppliers in retraced, we integrated additional tier 2 suppliers during the reporting period, such as laundries, dye shops, printers and embroiders. Our long-term goal remains to continuously improve transparency in our supply chains and the traceability of products.

“AMBITIOUS CLIMATE TARGETS, STRONG PARTNERSHIPS AND A CONSISTENT FOCUS ON SOCIAL RESPONSIBILITY SHAPE OUR ACTIONS AT MARC O’POLO. WITH INNOVATIVE NATURAL MATERIALS AND A CLEAR COMMITMENT TO THE CIRCULAR ECONOMY, WE ARE DRIVING REAL TRANSFORMATION. OUR AMBITION IS TO ACTIVELY HELP SHAPE THE STANDARDS OF TOMORROW—TODAY.”



LISSA ERLenkÖTTER
HEAD OF SUSTAINABILITY & CORPORATE RESPONSIBILITY

2.6.4 RISK ANALYSES

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

For us, the responsible management of business risks is one of the principles of good corporate governance. Marc O'Polo uses a risk management system for this purpose, which provides a basis for targeted analysis and qualitative assessment of internal and external risks. Marc O'Polo works with a detailed reporting system to identify and respond to risks as early as possible.

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

This is a tool for identifying the relevant (material) impacts of Marc O'Polo on the environment and people. Various sustainability aspects along the value chain are assessed for their human rights and environmental risks and opportunities based on two criteria: (1) the likelihood and severity of the impact and (2) the relevance to Marc O'Polo. We conduct risk analyses with external assistance. The various aspects of the analyses are identified and assessed by external experts and by an interdisciplinary team comprising employees in key positions 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, including occupational health and safety, working hours, pay, human trafficking and 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, soil and air pollution from the use of chemicals of concern and chemicals of very high concern, greenhouse gas emissions and damage to marine ecosystems. We know that exercising due diligence with regard to human rights and our environmental responsibility is an ongoing process. We therefore analyse, review and update our risks annually and review our measures accordingly. As part of our human rights and environmental risk analysis, we segment our suppliers and service providers according to different risk aspects and our potential influence in the identified risk areas. The aim is to use our measures to minimise potential risks in an even more targeted manner and to focus on the areas where we have the greatest opportunity to bring about positive change due to our influence.

Marc O'Polo has implemented a comprehensive package of actions to counter the identified risks. Further information can be found in the topic-specific sections of this report.

These risk analyses form a sound basis for our materiality assessment, which is presented in detail in the following section.



2.6.5 DOUBLE MATERIALITY ASSESSMENT

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

The materiality assessment is a key process at Marc O'Polo. It enables us to gain a comprehensive understanding of the most important sustainability issues and their relevance across the entire value chain. This systematic approach helps us to focus our sustainability strategy and reporting on the aspects that are material to our stakeholders and our business activities. This enables us to make informed decisions, optimise our strategy and risk management and develop measures that take into account both short-term and long-term sustainability effects.

To prepare for the upcoming regulations, we have further developed our materiality analysis and adapted it to the requirements of the European Sustainability Reporting Standard (ESRS—Set 1). In doing so, we continue to take into account the two perspectives of double materiality: on the one hand, the financial risks and opportunities from a corporate perspective, i.e. the financial effects on Marc O'Polo's business, and on the other hand, the impact of our actions on people and the environment.

Based on the CSRD requirements (ESRS—Set 1), a long list of 37 topics to be evaluated was drawn up and subject matter experts were appointed to carry out the analysis. These experts identified potential impacts, risks and opportunities (IROs) and assessed them using the ESRS methodology. This process was based on the many years of experience of our experts as well as previously implemented due diligence processes such as our human rights and environmental risk analyses (see chapter 2.6.4 [\[7\]](#)), studies, insights from self-assessments or ratings, information from complaints, regulatory requirements and international frameworks, enquiries from customers or NGOs and relevant topics from media reports.

When determining the actual and potential impacts, it was established where in the value chain they occur and whether they occur in the short, medium or long term. The actual impacts were assessed according to severity (scope, extent, irreversibility), while the potential impacts were also assessed based on probability.

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 flow and enterprise value.

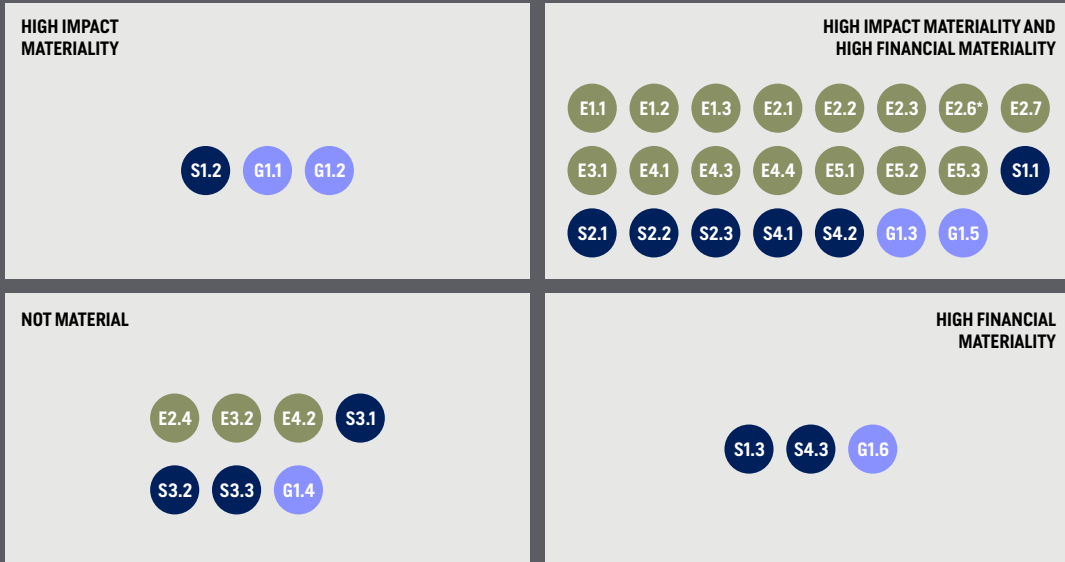
Based on the experts' assessment, representatives of stakeholders carried out a comprehensive classification of the ESG issues. They represented employees, customers (B2B and B2C), suppliers and civil society. In addition, the topics were validated from an overarching strategic and regulatory perspective.

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 assessment.

Based on the analysis, 29 of 37 topics were classified as 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'.

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, apparel 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, greenhouse gas emissions from energy-intensive production processes, contamination with microplastics and the creation of substantial quantities of waste, 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 not only has negative consequences for the environment but also creates dependencies on natural resources and functioning ecosystem services, which pose risks for our company. We therefore consider it our commercial obligation to counteract this and take responsibility for protecting nature and the climate.

For this reason, Marc O'Polo is working to continuously reduce the environmental impacts 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 own administrative locations, at our retail stores and throughout the value chain, as well as collaborating on initiatives and with partners in the supply chain.

3.1 CLIMATE CHANGE & ENERGY

ESRS 2 SBM-3, IRO-1

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.

That is why we have been grappling with the issue of climate protection since 2021. Since then, we have begun calculating our emissions in order to understand what levers are necessary to decarbonise our business activities in the future. As part of the new strategy development, the goal of climate neutrality with the help of offsetting was replaced by the development of concrete decarbonisation targets by 2030. In this reporting year, the focus was on calculating a robust carbon footprint, which will serve as the basis for developing our climate strategy.

To achieve this goal, we rely on partnerships and external support. Since the end of 2024, we have entered into a long-term partnership with the software provider Carbonfact. Carbonfact is a platform that helps apparel and footwear companies calculate the carbon footprint of their products and services. An accurate and scalable carbon footprint is crucial for our brand in order to understand where we stand in achieving our climate goals. The standardised calculations using Carbonfact serve as the basis for our specific reduction targets and measures.

Based on our new carbon footprint, we have been working intensively since the beginning of the year on developing our climate strategy and the subsequent SBTi process. Since the majority of our emissions originate in the supply chain, we have launched a parallel Supplier Engagement Programme in which we train our tier 1 and tier 2 suppliers in the areas of carbon footprint calculations and the SBTi process. In addition, the programme includes a workshop with a small selection of suppliers, whose results will also be incorporated into our climate strategy. The strategy is to be finalised by the end of 2025 and the SBTi process completed. As a sign of our commitment, we signed the SBTi Commitment Letter in September 2025.



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 accounting¹ is based on the Greenhouse Gas Protocol (GHGP), the most widely recognised and used standard worldwide. 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. Thanks to our collaboration with Carbonfact, we have been able to automatically collect all relevant CCF emissions, including those from our supply chain and our products, since financial year 2023/2024. The new collection method, which uses emission factors that differ in some cases, makes it difficult to compare with previous calculations. For this reason, we will only discuss and present the results obtained using Carbonfact below.

The results of our first two CCFs with Carbonfact can be seen in the chart entitled 'Categorisation of our corporate carbon footprint into Scopes 1 to 3.' Emissions for the 2024/2025 reporting year are 24 per cent higher than in the previous year. This can be attributed primarily to the higher production volume during the period under review. We still have a long way to go to meet our emission reduction targets by 2030. The implementation of the measures outlined in our climate strategy is essential to achieving our goal.

Some further increases in Scope 3 emissions can also be attributed to our increased production capacity, for example transport (categories 3.4 and 3.9), product and packaging waste (category 3.5) and the use and end-of-life of sold products (categories 3.11 and 3.12). At the same time, the increase in emissions in upstream transport also reflects the higher proportion of air freight in this financial year (see 'Proportion of production volume per means of transport in Tier 1 inbound logistics').

In Scopes 1 and 2, however, we were able to reduce our emissions by 20 per cent compared to our base year (FY 2023/2024). This is primarily due to the electricity savings we have achieved at our own locations, particularly our retail stores. In Scope 2, we were able to reduce emissions by 32 per cent year-over-year, while emissions in Scope 1 fell by 5 per cent.

¹The calculation includes all greenhouse gases identified by the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), 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.

CATEGORISATION OF OUR CORPORATE CARBON FOOTPRINT INTO SCOPES 1 TO 3, INCL. GHGP CATEGORIES*

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

GHGP CATEGORIES	FY 23/24		FY 24/25		YOY CHANGE
	FOOTPRINT (tCO _{2e})	CATEGORY SHARE	FOOTPRINT (tCO _{2e})	CATEGORY SHARE	
TOTAL SCOPE 1 EMISSIONS	1,416	1%	1,339	0.5%	-5%
TOTAL SCOPE 2 EMISSIONS (MARKET-BASED)¹	1,891	1%	1,294	0.5%	-32%
TOTAL SCOPE 3 EMISSIONS	233,479	98%	291,527	99%	25%
Purchased goods and services	198,240	84%	247,863	84%	25%
Investment goods	237	0.1%	239	0.1%	1%
Fuel and energy-related emissions	541	0.2%	683	0.2%	26%
Transport and sales (upstream)	12,509	5%	16,977	6%	36%
Waste from business operations	116	0.1%	167	0.1%	44%
Business travel	885	0.3%	952	0.3%	8%
Employee commuting	2,482	1%	3,846	1%	55%
Transport and sales (downstream)	712	0.3%	800	0.3%	12%
Use of sold products	9,820	4%	11,591	4%	18%
End-of-life treatment of sold products	5,262	2%	5,850	2%	11%
Franchise companies	2,677	1%	2,797	1%	5%
TOTAL	236,786	100%	294,160	100%	24%

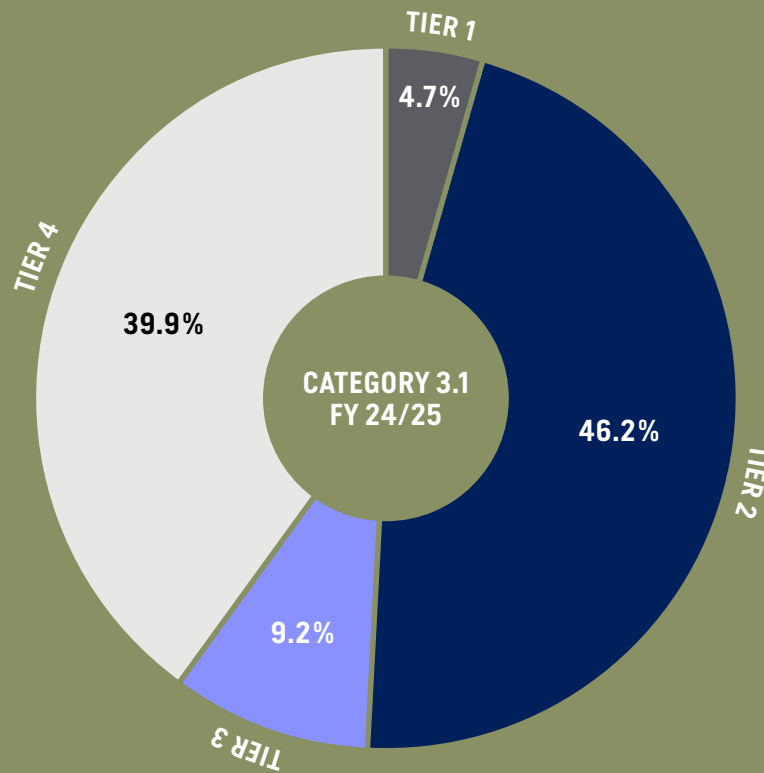
¹ Scope 2 emissions are calculated using a market-based approach, which uses specific emission factors from energy suppliers for certified green electricity. Country-specific emission factors are used for conventional electricity. In the reporting year 2024/2025, site-related Scope 2 emissions amounted to 2,557 tCO_{2e} (FY 2023/2024: 3,067 tCO_{2e}).

* Carbonfact utilises a variety of different emission factor databases, with most emission factors originating from EF 3.1, Ecoinvent and scientific literature. In addition, Carbonfact automatically fills in data gaps based on insights gained from its experience with many fashion brands.

The GHG emissions of our products (category 3.1) account for 84 per cent of our total emissions and show where we need to focus our reduction efforts. When we look at which stages of the supply chain GHG emissions originate from, it becomes clear that tier 2 processes are responsible for most emissions. This is mainly due to fabric production, especially weaving, as these are very energy-intensive processes. This is followed by emissions from our raw materials (tier 4). The following chart, 'Breakdown of category 3.1 product emissions by tiers', gives an impression of their distribution per supply chain stage.

BREAKDOWN OF CATEGORY 3.1 PRODUCT EMISSIONS BY TIERS

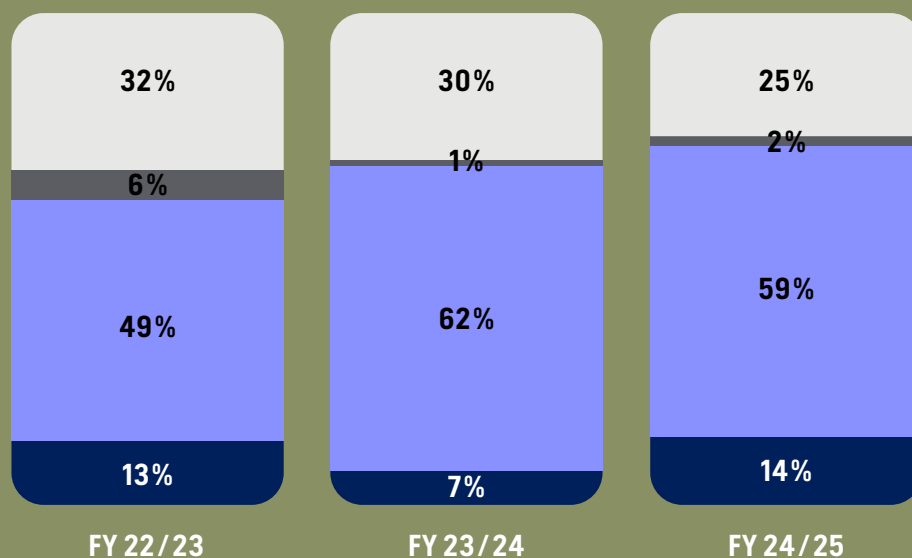
GRI 3-3 (305)/ESRS E1-6



Another significant area of GHG emissions in Scope 3 can be attributed to inbound and outbound logistics, which also offers potential for reduction. For the reporting year 2024/2025, the share of air freight (+116 per cent) and air-sea freight (+212 per cent) increased significantly. Avoiding air freight will be an important lever for reducing emissions in logistics in the future. With air and air-sea freight accounting for 16 per cent of the total production volume, we moved further away from our target in the reporting period compared with the previous year. However, this is still below the figure for financial year 2022/2023 (share in FY 2022/2023: 19 per cent).

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

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



- TRUCK
- AIR AND SEA FREIGHT
- SEA FREIGHT
- AIR FREIGHT

*BASED ON THE NUMBER OF UNITS PRODUCED

The improved data quality provides the basis for our annual climate accounting, including our base year (FY 2023/2024), which is the starting point for our science-based climate targets. In September 2025, we reinforced our commitment by signing the SBTi Commitment Letter. By the end of 2025, we plan to submit our reduction targets to the SBTi and complete the validation process in the following months.

In order to reduce our GHG emissions, various measures are summarised for each scope in our climate action strategy. The first important steps are to reduce energy-related emissions from Scope 1 and 2. To this end, we plan to gradually convert the remaining fossil-fuel-based heat generation at our headquarters and in our retail stores, which should lead to a reduction in our Scope 1 GHG emissions. The conversion of our vehicle fleet is also continuing

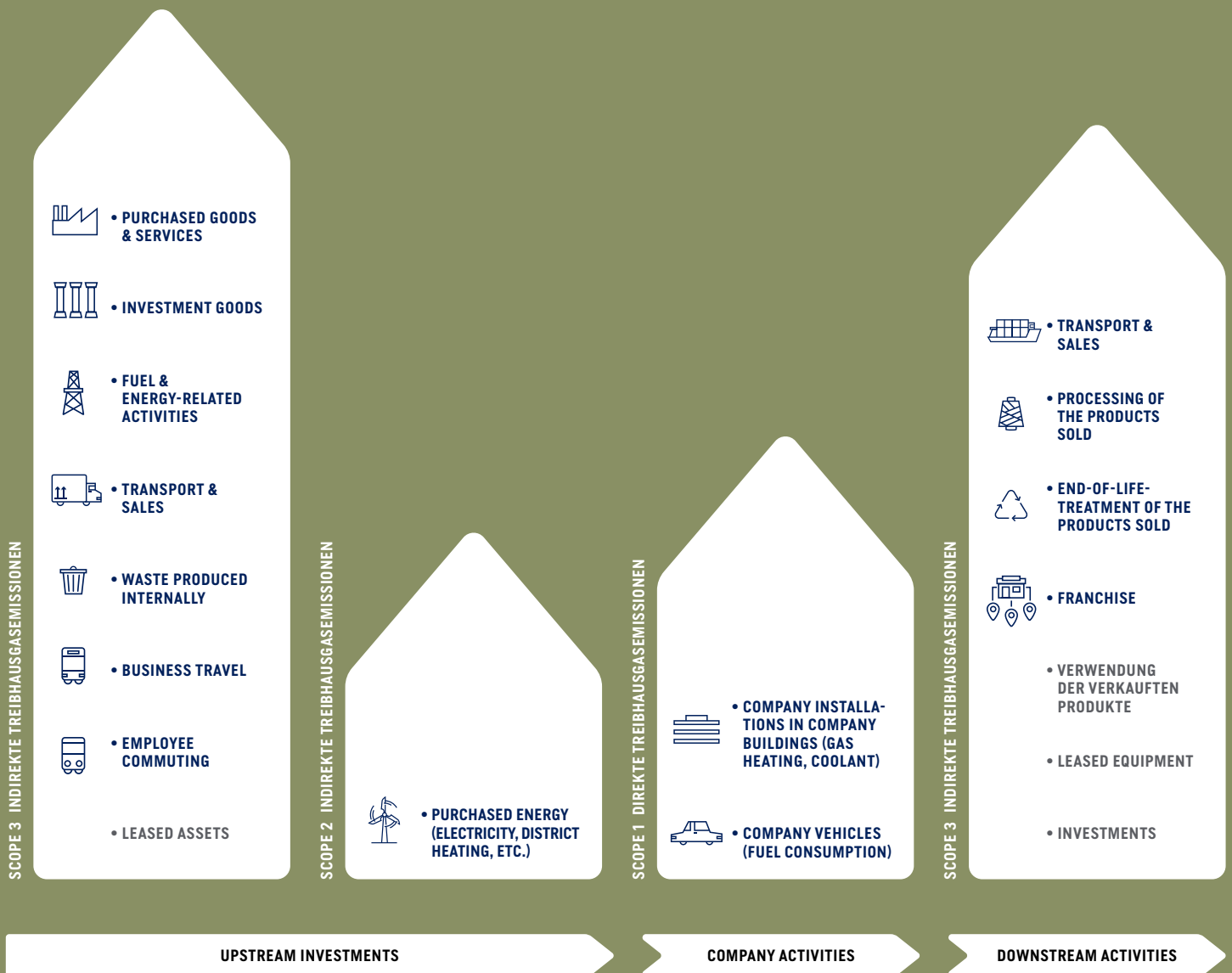
to progress. Detailed information can be found in the following section, 'Business travel'. In order to reduce indirect emissions from Scope 2, we will also gradually expand the use of international green electricity at all our locations.

The majority of our emissions are Scope 3 emissions. Close cooperation with our suppliers is of great importance in this regard. We will continue to support them in independently measuring their GHG emissions and setting an SBTi target.

The consistent implementation of our 'Preferred Fibres' material strategy (see chapter 3.5.2 'Preferred materials & verifications' [7]) is an important building block in reducing our GHG emissions. As part of developing our climate strategy, we are reviewing which of our material targets are sufficient and where we may need to raise our targets further.

BREAKDOWN OF THE CARBON FOOTPRINT INTO SCOPES 1 TO 3 GHGS = CO₂ N₂O SF₆ NF₃ HFC₅ PFC₅ CH₄

- INCLUDED
- NOT INCLUDED



BUSINESS TRAVEL

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

In order to continuously reduce our GHG emissions from internal activities, we have developed a mobility strategy that also includes our travel policy.

When it comes to our company cars, we look for models with low emissions and now have 58 electric vehicles (PY: 43) in our fleet, which corresponds to a share of 39 per cent (PY: 26 per cent). This has enabled us to increase the number of electric vehicles by more than a third year-over-year. This is also reflected in the continuing decline in fuel consumption by our fleet. During the reporting period, we were able to reduce our diesel and petrol consumption by a further 22 per cent (PY: -17 per cent). We also use fleet management software to determine driving behaviour and individual fuel consumption and to identify potential for improvement. We reward employees who waive their company car entitlement with a mobility allowance.

We also take care to make business trips more environmentally friendly. For distances of up to 400 kilometres and longer in some cases, our employees use Deutsche Bahn. For short distances, we recommend the smallest class of rental cars or public transportation. To make electric mobility more accessible to employees, we increased the number of electric charging points at our headquarters to a total of 44 (PY: 40) in the reporting year; these are available to employees and visitors alike. In addition, employees have the option of leasing company bicycles. In 2024, there were 199 bicycles.

A total of 4,745,984 km were travelled for business trips in the reporting year, which is 2 per cent less than in the previous year. Nevertheless, GHG emissions have fallen by 14 per cent to 952 tonnes of CO₂e, which is attributable to a higher proportion of flights and hotel stays. Our GHG emissions from business travel by air amounted to 790 tonnes in the reporting period, making them the main contributor to emissions from business travel.



DIESEL AND PETROL CONSUMPTION OF OUR FLEET

	22/23	23/24	24/25
	LITRES	LITRES	LITRES
DIESEL	132,309	58,676	23,396
PETROL	105,364	139,733	131,822
TOTAL	237,673	198,409	155,219

GHG EMISSIONS FROM BUSINESS TRAVEL

	22/23		23/24		24/25	
	T CO ₂ e	KM	T CO ₂ e	KM	T CO ₂ e	KM
HIRE CARS	46	359,718	16	126,183	17	130,445
FLIGHTS	663	3,019,765	690	3,415,073	790	4,085,395
TRAINS	21	508,341	19	1,286,302	21	530,144
TOTAL	730	3,887,824	833	4,827,558	952	4,745,984

¹ The data for financial year 2023/2024 had to be adjusted retrospectively and therefore no longer corresponds in part with the figures from the Sustainability Report 2023/2024.

“THE INFLUENCE OF CLIMATE AND CIRCULARITY IS CRUCIAL FOR A MORE SUSTAINABLE FUTURE. WITH THE HELP OF INNOVATIVE, CIRCULAR BUSINESS MODELS, WE CAN REDUCE OUR EMISSIONS AND FULFIL OUR ENVIRONMENTAL RESPONSIBILITY WHILST CREATING LONG-TERM VALUE FOR OUR COMPANY.”



KATRIN MANN
GROUP MANAGER CLIMATE & CIRCULARITY

3.1.2 ENERGY MANAGEMENT

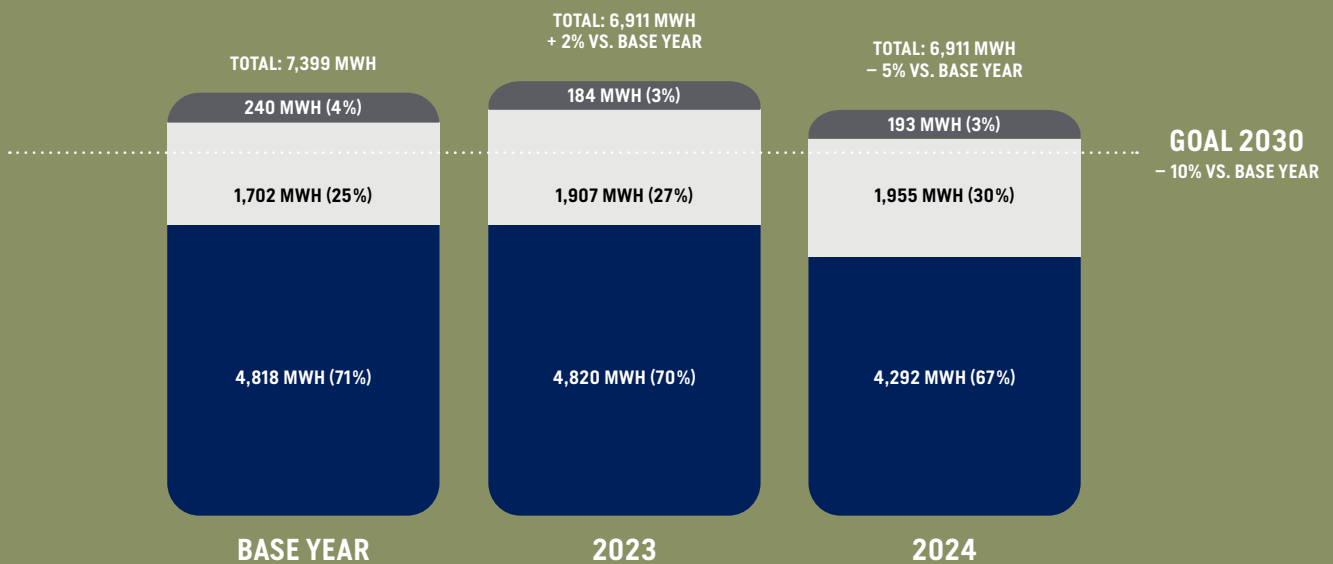
GRI 3-3 (302) / ESRS E1-3, E1-4

Recent financial years have shown that the economical use of energy resources can be crucial to a company's economic success, both now and in the years to come. In order to record and evaluate consumption at Marc O'Polo locations and identify potential for optimisation, we have been using an energy management system in accordance with ISO 50001 since 2016. 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 goal 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. This overarching goal is also anchored in our climate action strategy. Our annual energy programme also includes quantitative targets as well as measures aimed at raising awareness among our employees and customers, for example.

We have achieved our goal of reducing our electricity consumption by 5 per cent on a like-for-like (LFL) basis compared to 2022 by the end of 2024. This reduction is mainly seen in the retail and showroom sectors. Electricity consumption at our headquarters has increased, primarily due to the commissioning of the House of Product; a new building that houses the design, product management and sustainability teams. By 2030, we aim to reduce our electricity consumption by 10 per cent compared to 2022. In 2024, we had an energy intensity based on electricity consumption per square metre of 78 kWh per square metre at our headquarters (PY: 77) and 127 kWh per square metre in retail (PY: 136). In retail, this is 9 per cent less than in the previous year. At our headquarters, our intensity increased by 3 per cent compared to the previous year, which can be explained by higher electricity consumption from electromobility.

ELECTRICITY CONSUMPTION LFL AREA-ADJUSTED*

GRI 302-1/ ESRS E1-5

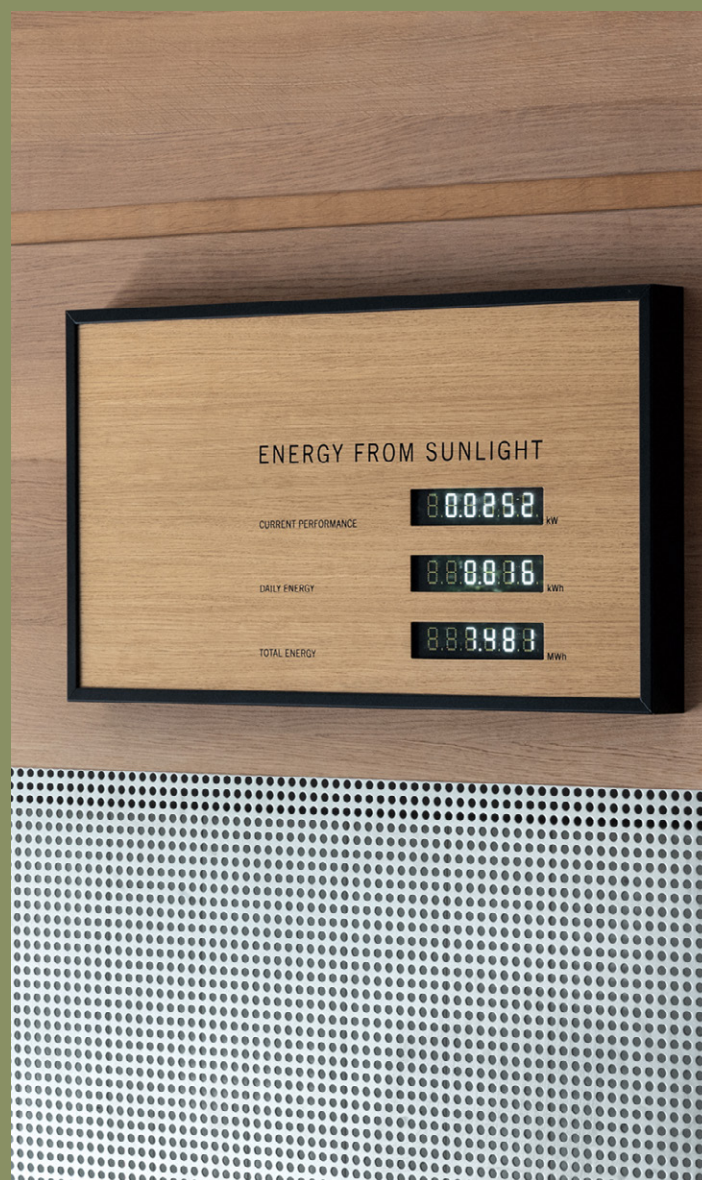


- SHOWROOMS
- HQ
- STORES

*The calendar year serves as the data basis. In our analysis, we continue to focus on area adjustments. Openings and closures can improve the metric. That is why we normalise and calculate consumption at affected sites on a twelve-month basis. Locations included: Headquarters, flagship stores, retail stores, factory outlet stores, showrooms, pop-up spaces.

Between 2022 and 2023, photovoltaic systems with an additional output of 650 kWp were installed on five of the six roofs of our headquarters. Most of the electricity generated is consumed directly, with only a small proportion being fed into the grid. In 2024, we generated 610,752 kWh (PY: 600,264 kWh) of electricity with our systems, covering 31 per cent (PY: 31 per cent) of the electricity requirements at our headquarters. At the same time, we have had a new heating plan developed for our headquarters to check whether we can also use surplus electricity to heat and cool the buildings, thereby reducing our consumption of fossil fuels even further. The plan is to be implemented gradually as part of upcoming renovation work.

In addition, with the audit at the end of 2024, our energy management system was integrated into the comprehensive environmental management system in accordance with ISO 14001:2015. With the help of the environmental management system, all environmental factors at our headquarters are measured, tracked and optimised. In 2025, the environmental management system in accordance with ISO 14001:2015 was then successfully extended to the national retail stores. For international retail stores, implementation will be evaluated by the end of 2025, based on which a decision will be made on whether to expand certification.



ELECTRICITY INTENSITY ADJUSTED FOR AREA*

GRI 302-3/ ESRS E1-5

	2022 ¹	2023 ¹	2024	
	kWh/qm	kWh/qm	kWh/qm	YoY change
HQ	120	115	108	-6%
STORES	83	76	78	3%
TOTAL	139	140	127	-9%

¹ The store data for 2022 and 2023 had to be adjusted retrospectively and therefore no longer corresponds with the figures from the Sustainability Report 2023/2024.

* The calendar year serves as the data basis. In our analysis, we continue to focus on area adjustments. Openings and closures can improve the metric. That is why we normalise and calculate consumption at affected sites on a twelve-month basis.

ENERGY EFFICIENCY AND SAVINGS

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

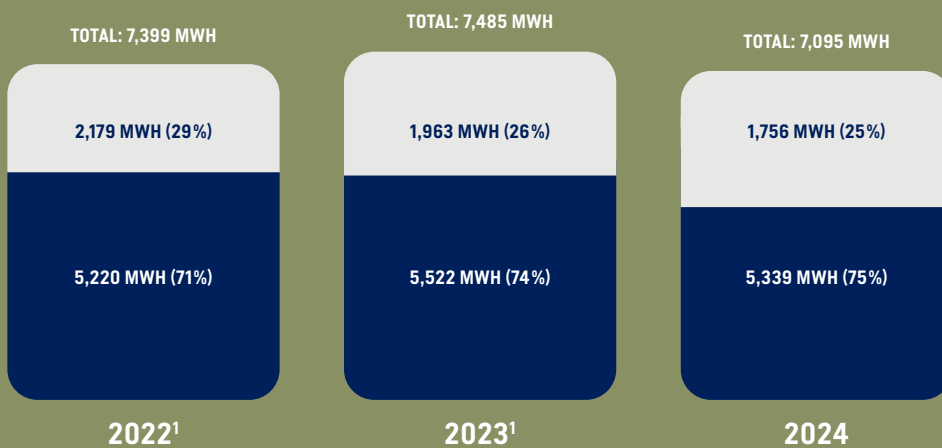
The power supply at headquarters continued to consist of 100 per cent certified green electricity in the reporting year, as did almost all of the company's own national locations (98 per cent). In the 2024 reporting year, the absolute electricity consumption at our own sites amounted to 7,095 MWh. This was 5 per cent below the previous year's figure.

As part of our energy management, we at Marc O'Polo are continuously working to reduce energy consumption in all areas. In the reporting year, we ran the internal 'Saving Energy' campaign again to support employees with tips and recommendations on how to save energy at work and at home. At the same time, an e-learning unit continues to be available to all interested employees, providing them with additional information on energy management. However, we recorded significantly higher gas consumption at our headquarters in 2024. This 19 per cent increase compared to 2023 is due to temporarily higher capacity utilisation in our warehouses.

To reduce electricity consumption in our stores, we have converted most of our retail stores to LED lighting. By the end of 2025, approximately 90 per cent of stores will have LED lighting. In addition, we use energy-efficient equipment in our stores, for example in air-conditioning systems and electrical appliances. Our location analysis takes into account our flagship stores, retail stores, factory outlets and temporary pop-up spaces. In order to achieve even greater transparency in the energy consumption of our stores, we have been reading the meter readings at shorter intervals since the last financial year.

TOTAL ELECTRICITY CONSUMPTION (RENEWABLES/FOSSIL FUELS) *

GRI 302-1, ESRS E1-5



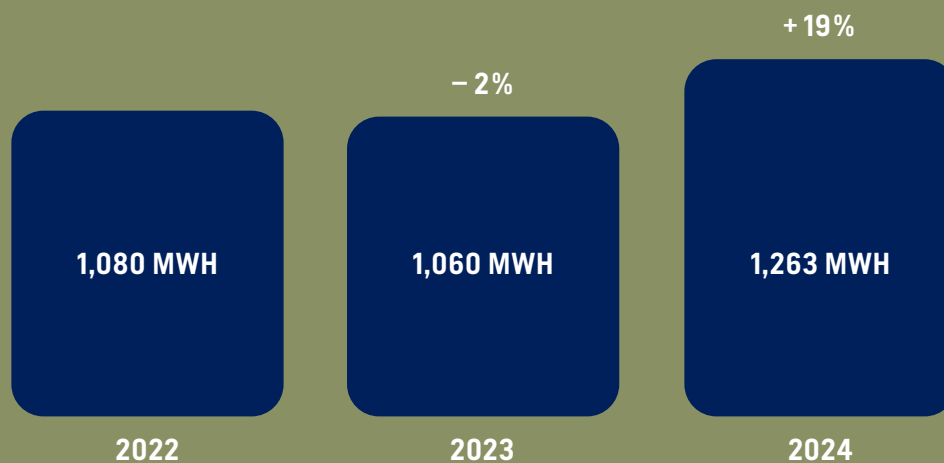
● RENEWABLE
● FOSSIL

¹ The store data for 2022 and 2023 had to be adjusted retrospectively and therefore no longer corresponds with the figures from the Sustainability Report 2023/2024.

*The calendar year serves as the data basis.

GAS CONSUMPTION FOR OUR HEADQUARTERS*

GRI 302-3/ESRS E1-5



*The calendar year serves as the data basis.

3.2 POLLUTION

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

Substances of concern and substances of very high concern originating from the cultivation and processing of raw materials and from textile finishing are one of the main causes of water, soil and air pollution. Not only do these have negative impacts on the environment by damaging ecosystems and water systems and contributing to climate change, they also pose risks to human health. They can be detrimental to the wellbeing of local communities and the people involved in manufacturing processes, and toxic residues contained in products can have a negative impact on the health of our customers.



3.2.1 MEASURING THE ENVIRONMENTAL PERFORMANCE OF OUR SUPPLY CHAIN PARTNERS

GRI 3-3 (308), 308-1, 308-2 / ESRS E2-2

'You can't improve something if you can't measure it.' That is why we started introducing Cascale's (formerly Sustainable Apparel Coalition) Higg Facility Environmental Module (Higg FEM) into our supply chain back in 2022. With its help, we record, measure and evaluate the environmental sustainability performance of our tier 1 and tier 2 partners in a total of seven environmental categories. In addition to water, wastewater and energy, it also covers air, waste, chemicals and environmental management systems. By early September 2025, 190 suppliers had completed a self-assessment and 158 strategically important partners had their Higg FEM verified by an independent third party. In the reporting year, in addition to our tier 1 partners and their wet processing facilities (tier 2), we focused on integrating strategically important fabric mills and their production facilities into the Higg FEM assessment.

Having achieved very high coverage in our supply chain in recent years (89 per cent of tier 1 suppliers and 69 per cent of tier 2 suppliers known to us), we are now focusing on improving the environmental performance of our supply chain partners in various environmental aspects. We use information from HIGG FEM to derive targeted strategies, measures and minimum requirements for the various environmental impact areas.

The HIGG FEM results also form the basis for our supplier rating, 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

	2022		2023		2024	
	NUMBER	SHARE	NUMBER	SHARE	NUMBER	SHARE
TIER 1 SUPPLIERS WHO HAVE COMPLETED THE HIGG FEM SELF-ASSESSMENT	92	76%	90	84%	92	89%
TIER 2 SUPPLIERS WHO HAVE COMPLETED THE HIGG FEM SELF-ASSESSMENT	42	56%	76	67%	98	69%
TIER 1 SUPPLIERS WITH HIGG FEM VERIFICATION	53	43%	68	64%	72	70%
TIER 2 SUPPLIERS WITH HIGG FEM VERIFICATION	28	36%	58	51%	86	61%

3.2.2 THE MARC O'POLO ENVIRONMENTAL & CHEMICAL MANAGEMENT PROGRAMME (EMP)

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

We have established strict environmental policies and guidelines and have set ourselves the goal of ensuring that our global supply chains meet the highest standards for sustainable chemical and wastewater management by 2030. This includes eliminating substances of concern and substances of very high concern from the Marc O'Polo supply chain, replacing them with safer alternatives, implementing effective chemical management and properly treating wastewater.

We believe in the need for systemic change in the industry, but this can only be achieved together with our partners in the supply chain. Our focus is on our tier 1 and tier 2 wet-process suppliers, as the greatest risks occur in the lower stages of the supply chain in wet processes such as dyeing, washing or printing.

Together, we focus on continuously improving their environmental performance and introducing more responsible practices. To this end, our suppliers must comply with local regulations and legal requirements as a minimum. In addition, they are required to comply with the Marc O'Polo environmental standards that we have defined as part of our Environmental & Chemical Management Programme (EMP). This is based on the ZDHC Roadmap to Zero programme and consists of the following three pillars:

- Pillar 1—Input Management:
Use and promotion of safer chemicals
- Pillar 2—Process Management:
Introduction of effective chemical management
- Pillar 3—Output Management:
Proper wastewater treatment

BRANDS TO ZERO—VALIDATION PROCESS FOR RESPONSIBLE CHEMICAL AND WASTEWATER MANAGEMENT

GRI 3-3 (303) / E2-2

As a ZDHC signatory brand, we are committed to having our progress in responsible chemical and wastewater management evaluated. This takes place as part of an annual validation process known as the Brands to Zero Assessment. This review assesses whether we have established effective corporate policies and control mechanisms for monitoring and reducing hazardous chemicals and for the proper treatment of wastewater. In addition, it is assessed how well the ZDHC standards are integrated into operations both within our own organisation and among our supply chain partners. The assessment also covers how openly Marc O'Polo discloses its processes and practices and how we report on them to our stakeholders.

We conducted the Brands to Zero Assessment for the first time in the reporting year and completed it at the Pioneer level. The systematic evaluation process enables us to identify potential for improvement in order to derive targeted best practice measures.



3.2.3 CHEMICAL MANAGEMENT IN THE SUPPLY CHAIN

GRI 3-3 (303) / ESRS E2-1, E2-2, E2-3, E2-4

INPUT—CHEMICAL MANAGEMENT

By regulating the use of chemicals in our manufacturing processes, we strive to achieve safer products, cleaner water and better air quality. Therefore, only chemicals that comply with the ZDHC Manufacturing Restricted Substances List (MRSL) may be used in these processes. This means that chemicals must be checked, tested and registered in the ZDHC Gateway in accordance with ZDHC requirements. A Manufacturing Restricted Substances List (MRSL) is a list of restrictions that prohibits the intentional use of hazardous chemical substances in wet processes.

In order to monitor the MRSL compliance of the chemicals used, we require our wet-process suppliers to maintain a digital chemical inventory and update it monthly. To this end, we and our partners in the supply chain cooperate with ZDHC-accredited solution providers such as The BHive®. At the time of reporting, we worked with 135 known tier 1 and tier 2 wet-process suppliers for apparel, of which 85 per cent maintained a chemical inventory and shared it with us.

In addition, we require our wet-process suppliers to prepare a monthly ZDHC Performance InCheck Report, which supports the comparison of their chemical inventory against the ZDHC MRSL in the ZDHC Gateway. At the time of reporting, 75 per cent of the tier 1 and tier 2 wet-process suppliers for apparel known to us had this report, and 11 per cent already had a verified ZDHC Performance InCheck Report. In the latter case, verification is carried out by an independent third party, which checks the integrity and accuracy of the information.

GOALS AND PROGRESS TO DATE— INPUT CHEMICAL MANAGEMENT

As part of our strategy for responsible input chemical management, we have set ourselves the goal of achieving the highest ZDHC MRSL compliance level (Level 3) in our supply chain by 2030. At the time of writing, over 90 per cent of the chemicals used in our manufacturing processes already meet this standard as follows:

PERCENTAGE BY WEIGHT*:

ZDHC MRSL-COMPLIANT CHEMICALS BY WEIGHT¹ 94,8%

ZDHC MRSL LEVEL 3 COMPLIANT CHEMICALS BY WEIGHT¹ 93,2%

PERCENTAGE BY NUMBER*:

ZDHC MRSL-COMPLIANT CHEMICALS BY NUMBER¹ 92,5%

ZDHC MRSL LEVEL 3 COMPLIANT CHEMICALS BY NUMBER¹ 90,4%

ZDHC FOOTWEAR ENGAGEMENT PROGRAMME

At the beginning of 2025, the ZDHC initiated the project '2025 Footwear Engagement 2.0: Catalyzing ZDHC Gateway Growth' with the aim of improving the MRSL compliance of chemicals in the supply chains of the footwear and leather industry.

Nine shoe brands, including Marc O'Polo, as well as associations and suppliers have joined forces to increase the number of chemicals registered by the footwear and leather industry in the ZDHC Gateway. At the same time, shoe manufacturers and chemical producers should be supported in sustainable chemical management, and industry-wide cooperation to reduce the use of substances of concern and substances of very high concern should be promoted. This is because the footwear industry must master the difficult task of effectively tracking and categorising chemical formulations while integrating a broad and fragmented supply chain.

As part of this initiative, we are committed to continuously increasing the proportion of MRSL-compliant chemicals used in shoe manufacturing in the ZDHC Gateway, integrating shoe manufacturers and their supply chain partners into it and expanding their knowledge through targeted training. Small and medium-sized enterprises in particular often have limited knowledge, awareness and resources to meet the growing demands of responsible chemical management. At the time of writing, the project is in the phase of engaging and training chemical formulators and supply chain partners, as well as reviewing project progress with regard to the involvement of other stakeholders.

¹ Achieved by suppliers known to MO'P for wet processes in connection with apparel

WE DELIBERATELY REFRAIN FROM USING PFAS (PCFS)

PFAS (per- and polyfluoroalkyl substances) are synthetic water and dirt-repellent chemical compounds that do not occur naturally. In the textile industry, they are used to impregnate and finish functional outerwear, among other things. As their biodegradability is low, they accumulate in organisms and the environment and pose a health risk to humans and animals. We began eliminating these substances back in 2015 and have been avoiding the deliberate use of PFAS-based impregnations and finishes since 2018. Although we avoid it, minimal traces may occur in our products due to contamination in water, raw materials or machinery. To ensure that any residues do not exceed the legal limits and the strict limits of our PRSL, we regularly test our products for PFAS.

SUBSTANCES OF VERY HIGH CONCERN (SVHC)

In addition to complying with the ZDHC MRSL, our PRSL (Product Restricted Substances List) prohibits the use of chemical substances and groups in accordance with REACH Regulation (EC) 1907/2006 Annex XVII and the candidate list of substances of very high concern (SVHC).

PROCESS—CHEMICAL MANAGEMENT IN PRODUCTION PROCESSES

Effective chemical management is crucial to protecting the environment and the health of workers. Appropriate processes and tools must be in place to ensure safe handling, especially in tier 2 factories where many chemicals are used. In addition to requirements for qualified personnel, this includes the optimisation of procurement practices, the proper storage of chemicals and waste disposal, as well as measures to protect workers.

ZDHC SUPPLIER TO ZERO (STZ) PROGRAMME

Standardised frameworks such as the ZDHC Chemical Management System Framework (CMS) and the ZDHC Technical Industry Guide (TIG), as well as the ZDHC's Supplier to Zero (StZ) programme, help our wet-process suppliers implement effective chemical management. These include clear implementation guidelines and best practice guides.

GOALS AND PROGRESS TO DATE—INPUT CHEMICAL MANAGEMENT

As part of our responsible process chemical management strategy, we have set ourselves the goal of ensuring that 100 per cent of our strategically important wet-process suppliers achieve at least Supplier to Zero Level 1 by 2030. At the time of reporting, these requirements had already been met as follows:

NUMBER (SHARE) OF WET-PROCESS SUPPLIERS' WITH A SUPPLIER TO ZERO LEVEL 1 CERTIFICATE

80 (59%)

NUMBER (SHARE) OF WET-PROCESS SUPPLIERS' WITH A SUPPLIER TO ZERO LEVEL 2 OR 3 CERTIFICATE

7 (5%)

TOTAL: NUMBER (SHARE) OF WET-PROCESS SUPPLIERS' WITH A SUPPLIER TO ZERO CERTIFICATE (LEVEL 1 OR HIGHER)

87 (64%)

ENVIRONMENTAL ASSESSMENTS AT OUR WET-PROCESS SUPPLIERS

Only by working together with our suppliers can we overcome complex environmental challenges and drive improvements forward. We conduct our own environmental assessments in order to better understand the conditions at our strategic wet-process suppliers' facilities. During the reporting period, we visited 18 (PY: 28) laundries, dye houses, finishing mills and shoe manufacturers in Italy and China. We reviewed their input, chemical and wastewater management and provided recommendations for improvements and the use of resource-efficient technology.

¹ Wet-process suppliers of apparel known to MO'P at the time of reporting. Suppliers with less than 15 m³/day who are indirect dischargers were exempted from submitting a ClearStream report in accordance with the ZDHC wastewater guidelines.

3.2.4 POLLUTION OF WATER

GRI 3-3 (303), 303-2, 303-4, 308-2 / ESRs E2-1, E2-2, E2-3, E2-4

An estimated 20 per cent of global water pollution is caused by insufficiently treated wastewater from cultivation and manufacturing processes in the textiles value chain. The primary causes are substances of concern and substances of very high concern, which contaminate groundwater and rivers and consequently threaten local ecosystems (flora and fauna). They also get into the drinking water, posing a threat to the health of the local population. The same applies to 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—WASTEWATER MANAGEMENT IN OUR SUPPLY CHAIN

As part of wastewater management in our supply chain, we require compliance with the legal requirements of the respective manufacturing country for the treatment of industrial wastewater, as well as implementation of the ZDHC wastewater guidelines. These specify globally uniform requirements and criteria for sampling, testing, documentation and monitoring of industrial wastewater and sludge produced in wet processes. As proof, wet process suppliers conduct wastewater tests once a year and create a ClearStream report for each test, which is uploaded to the ZDHC Gateway. In the event of non-conformities, they are required to conduct a root cause analysis and upload a corrective action plan (CAP) to the ZDHC Gateway. During the reporting period, nine suppliers exceeded the limits for wastewater testing. Two had submitted a CAP at the time of reporting.

We also promote transparency by publishing the results of wastewater tests and other ZDHC certificates on the publicly accessible platform Detox.Live [7].

GOALS AND PROGRESS TO DATE— OUTPUT WASTEWATER MANAGEMENT

By 2030, we have set ourselves the goal that 100 per cent of our known, strategically important wet-process suppliers will achieve at least the ZDHC Foundational Level for wastewater. This means that all limits for ZDHC MRSL parameters and, if applicable, at least the wastewater limit values (Foundational Level) for all heavy metals, conventional parameters and anions must be complied with. At the time of reporting, these requirements had already been met as follows:

WET-PROCESS SUPPLIERS' WITH CLEARSTREAM REPORT—
FOUNDATIONAL LEVEL 76 (64%)

17 (15%)

WET-PROCESS SUPPLIERS' WITH CLEARSTREAM REPORT—
ABOVE FOUNDATIONAL LEVEL

TOTAL: WET-PROCESS SUPPLIERS' WITH CLEARSTREAM REPORT THAT HAVE ACHIEVED AT LEAST FOUNDATIONAL LEVEL (OR HIGHER) 93 (79%)

WET-PROCESS SUPPLIERS' WITH CLEARSTREAM REPORT THAT ARE DIRECT DISCHARGERS AND HAVE ACHIEVED AT LEAST FOUNDATIONAL LEVEL (OR HIGHER) 21 (90%)

EVALUATION AND ASSESSMENT OF EFFLUENT TREATMENT PLANTS

In order to assess the functionality of wastewater treatment plants and ensure continuous improvement in wastewater treatment, we have introduced an internal evaluation system. We regularly evaluate the effluent treatment plants (ETPs) of our wet-process suppliers. In addition to the quantity and quality of the treated effluents, we check their performance and capacity in particular. If these do not meet our standards, we first initiate an external audit to have the current situation comprehensively analysed by experts. Together with the suppliers, we then develop an action plan to optimise effluent management in order to meet our requirements in the future.

DISCHARGED WATER IN OUR SUPPLY CHAIN

We measure the amount of wastewater generated in our supply chain using the Higg Facility Environmental Module (Higg FEM) from Cascale (formerly the Sustainable Apparel Coalition). The measurements include the total amount of wastewater from all wet processing facilities known to us that also work for other brands. During the reporting period, this wastewater was either discharged into surface water or groundwater or transferred to third parties.

As part of our transparency strategy, we integrated 25 new upstream supply chain partners, such as fabric mills and their water-intensive wet processing operations, into our Environmental & Chemical Management Programme (EMP) during the reporting period, resulting in an average increase of around 40 per cent in the amount of water discharged in our supply chain compared to the previous financial year. In view of the high emissions and associated environmental impacts in these process stages, we have already stepped up our activities in chemical and wastewater management for this group of suppliers in the past financial year and plan to intensify this focus even further in the future.

¹ Wet-process suppliers of apparel known to MO'P at the time of reporting. Suppliers with less than 15 m³/day who are indirect dischargers were exempted from submitting a ClearStream report in accordance with the ZDHC wastewater guidelines.

3.2.5 A DENIM STORY

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

The dyeing and washing processes involved in conventional denim production have a negative impact on the environment due to the high consumption of water, energy and chemicals. In order to make the production of our jeans more resource-efficient and reduce environmental pollution, we focus on three pillars.

To fulfil our high standards, a Marc O'Polo jeans must at least comply with the criteria of the 3rd pillar for wash treatments to be classified as a 'low impact process', which 100 per cent of our denims achieved in the reporting year.

The more pillars are complied with, the more environmentally friendly the jeans are.

PILLAR 1—PREFERRED FIBRES

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

PILLAR 2—MORE RESPONSIBLE DYEING PROCESSES

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

PILLAR 3—MEASURING THE ENVIRONMENTAL IMPACT OF OUR WASH TREATMENTS

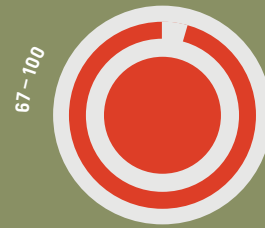
The overall score for our jeans wash treatments must always be rated as a 'low impact process'. We measure this using EIMv2.0 (Environmental Impact Measurement) from Jeanologia, which assesses environmental impacts in the categories of energy and water consumption, chemical impact and worker health.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

USE OF POTASSIUM PERMANGANATE (PP SPRAY) AND PUMICE STONES

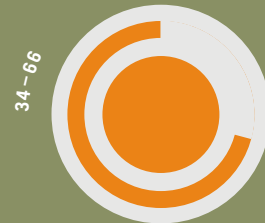
EIMv2.0 imposes strict requirements on the use of potassium permanganate and pumice stones and significantly restricts their use in the scoring system. Potassium permanganate is an oxidising agent that is predominantly sprayed on manually in conventional manufacturing processes. It bleaches the colour of jeans to achieve a used/worn look and can be harmful to workers' health when applied manually.

Pumice stones are used in the stonewash process, in which they are combined with bleaching agents to lighten the top layer of colour on the fibre surface. This produces wastewater contaminated with chemicals, which puts a strain on effluent treatment plants, as well as 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 technology, synthetic, reusable stones and more environmentally friendly oxidising agents. We also use denim fabrics that are easier to laser and therefore consume less energy.

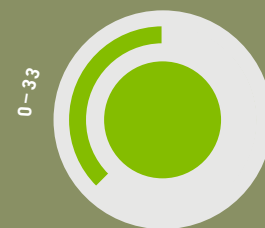
EIM[®]
SCORE
by:
Jeanologia[®]



**HIGH-IMPACT
PROCESS**



**MEDIUM-IMPACT
PROCESS**



LOW-IMPACT PROCESS

3.2.6 MORE RESPONSIBLE LEATHER PRODUCTION

ESRS E2-2

Leather has been used by humans in many different ways for thousands of years. It is a durable natural material 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 the establishment of globally recognised environmental standards for leather manufacturing, we joined the Leather Working Group (LWG) in 2020. The Leather Working Group is a non-profit, multi-stakeholder organisation committed to reducing the environmental impact of leather manufacturing. It sets the LWG Standards of environmental criteria, against which leather manufacturers are independently audit and certified. Marc O'Polo sources 100 per cent of its leather from tanneries that are certified according to the LWG standard and have received at least a bronze rating. The LWG audit standard assesses the environmental impact of leather production based on criteria such as water and energy consumption, and the handling of chemicals, waste and wastewater. Membership in the LWG underscores our commitment to transparency and continuous improvement in leather production (for more information about animal welfare, see chapter 5.4 [\[7\]](#)).



3.2.7 AIR POLLUTION

GRI 3-3 (305) /ESRS E2-1, E2-2

Air pollution and climate change are closely linked: burning fossil fuels accelerates climate change and simultaneously releases large amounts of air pollutants. These damage ecosystems, exacerbate biodiversity loss and intensify the global climate crisis.

Around 99 per cent of the world's population lives in regions where air pollution exceeds the World Health Organisation's limits – with serious consequences such as respiratory diseases and premature deaths. Six countries are particularly affected, including key manufacturing countries such as India, China and Bangladesh.

STRATEGY FOR BETTER AIR QUALITY

As an industry, we contribute to air pollution, particularly through the production of raw materials—such as in the manufacture of man-made cellulosic fibres (MMCF)—through energy-intensive processes and through processes that use volatile organic compounds (VOCs).

Against this backdrop, we developed a strategy to improve air quality in the reporting year, based on two pillars:

- Pillar 1—Reduction of critical air pollutants
- Pillar 2—ZDHC-compliant management of air emissions (VOC & MMCF)

PILLAR 1—REDUCTION OF CRITICAL AIR POLLUTANTS

Pillar 1 of our strategy on critical air pollutants aims to reduce particulate matter, carbon monoxide, nitrogen oxides and sulphur oxides. These pollutants are generated in various areas of textile manufacturing processes, such as in the operation of boilers or generators and other fuel-based processes. The goal is to empower our suppliers to improve the management and recording of their emissions data and to establish a reliable reporting system that will serve as the basis for future reduction initiatives. Our approach focuses on helping suppliers create complete and accurate air emissions inventories and report their emissions correctly in the HIGG Facility Environmental Module (FEM) in kg/year. In doing so, they must ensure that their approach complies with the requirements of local environmental authorities.

In the reporting year, we launched a pilot project with 25 suppliers who had achieved Level 0 in the Higg FEM 2023 for air emissions. We set ourselves the goal of improving their data quality so that they could achieve Level 1 in Higg FEM 2024, and we also wanted to establish a reference year for these critical air pollutants. Through the use of the Marc O'Polo air emissions calculator and training courses, 15 suppliers achieved Level 1 in HIGG FEM 2024, with one supplier each achieving Levels 2 and 3, while seven did not meet the requirements. Due to a lack of reference values for the various processes in the textile and footwear industry, we were unable to specify a reference year. Therefore, we are focusing initially on comparing similar processes and plan to continue the project in 2026 with additional partners.

PILLAR 2—ZDHC-COMPLIANT MANAGEMENT OF AIR EMISSIONS—VOC AND MMCF

Pillar 2 of our strategy focuses on reducing air emissions in accordance with the ZDHC Air Emissions Guidelines (v1 2024), which currently treat volatile organic compounds (VOCs) as the primary emission category. In the textile and footwear industries, these are mainly generated during finishing processes such as dyeing and printing, the manufacture of synthetic materials, coating and laminating processes, as well as during the bonding of components and the production of foams for shoe soles. Our strategy for reducing VOCs is based on the ZDHC Air Emissions Guidelines (v1 2024). The ZDHC uses an input-based methodology to estimate VOC emissions, taking into account the emission potential of chemical substances.

During the reporting period, partners from our supply chain participated in a pilot project to inventory and document VOC-emitting chemicals. Data collection was carried out using the ZDHC Air Emissions Module, which was developed to promote sustainable air emissions management and standardise data collection. Due to ongoing technical adjustments to the ZDHC module, our pilot programme is still in the development phase. We will continue to monitor this issue in order to improve data quality and ensure compliance with ZDHC guidelines.

MAN-MADE CELLULOSIC FIBRES (MMCF)

The production of regenerated cellulose fibres, also known as man-made cellulosic fibres (MMCF), generates air emissions in upstream fibre manufacturing processes. The management of these impacts is supported by the implementation of recognised manufacturing guidelines, such as the ZDHC guideline for MMCFs. These promote responsible practices throughout the entire supply chain and define requirements for air, wastewater and chemical management in fibre production. In addition to our requirements under our 'Preferred Fibres' material strategy (see man-made cellulosic fibres), we prefer manufacturers of viscose and modal staple fibres that are listed as ZDHC-approved MMCF suppliers.

3.3 WATER

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

Water is our planet's most important resource, both for humans and other species and the ecosystems in which they live. Water systems play a central role to combat climate change, as they fulfil key carbon storage functions and help stabilise our climate. They also provide a habitat for numerous animals and plants, which is crucial for the preservation of biological diversity and ecosystem functions on our planet. Access to clean water is also a fundamental human right and plays a key role in the production of food, consumer goods and energy supply, and, in turn, economic development.

The textile and apparel industry is one of the economic sectors with the greatest impact on water resources and quality worldwide. The high rates of water consumption and water extraction at various stages of the value chain, such as the cultivation of natural fibres, the production of synthetic fibres and in wet processes, put pressure on the available water in production areas, which are often located in arid regions. Water scarcity and negative impacts on water systems can in turn have a direct impact on our business activities, as we, as part of this industry, are heavily dependent on water in agricultural production and various manufacturing processes. This can lead to delivery or production bottlenecks, rising raw material prices, disruptions in supply chains and impaired product quality.

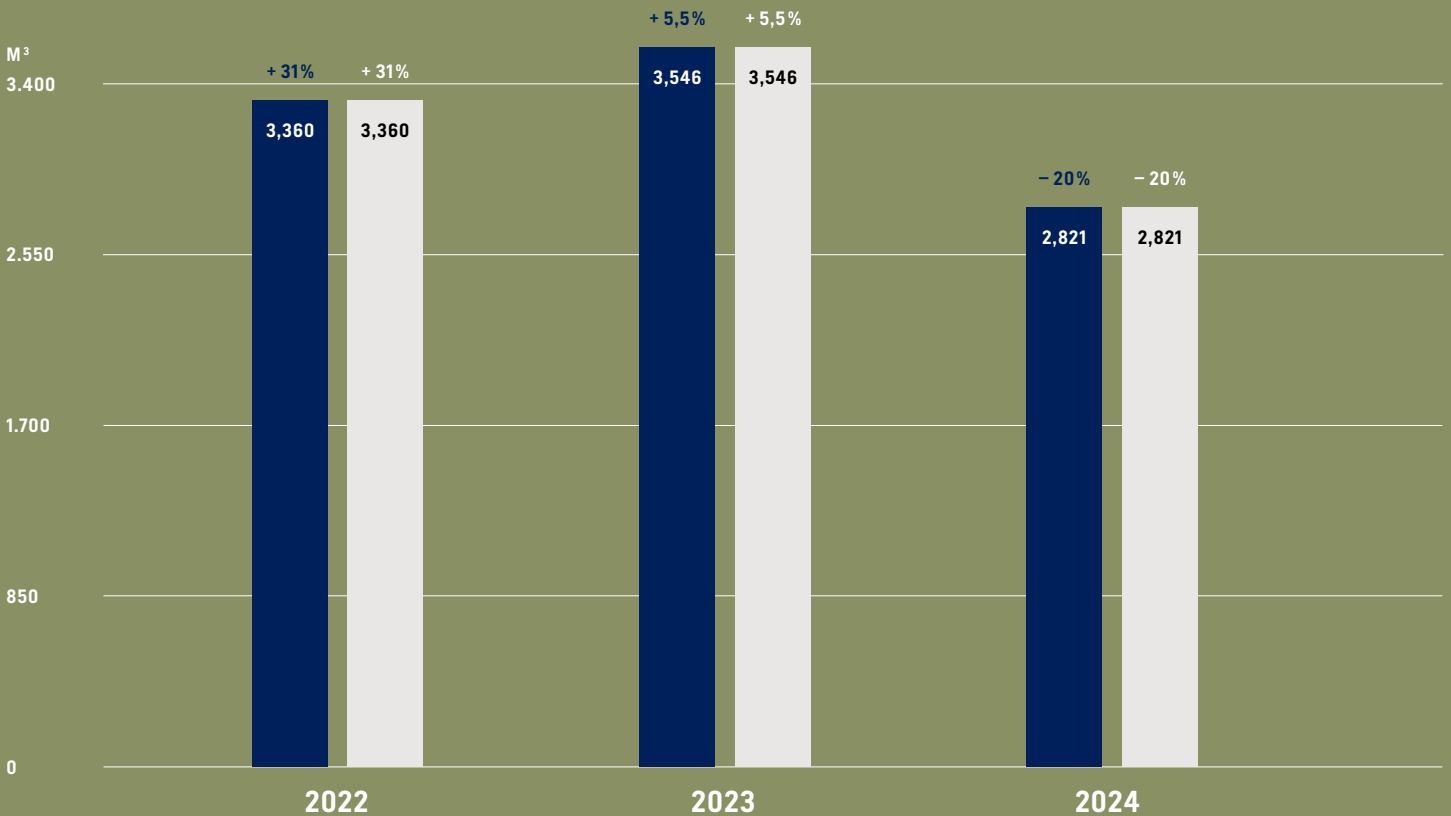


3.3.1 WATER MANAGEMENT AT OUR ADMINISTRATION SITES

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

In our own stores and administrative offices, water is mainly used in sanitary facilities, in addition to our canteen and kitchenettes. We source our 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 withdrawal at our headquarters fell by 20 per cent in 2024. This can be attributed to the work-from-home policy, which means that fewer employees are present in our headquarters' office buildings. 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 approximately 50 m³, with the water level varying depending on weather conditions. In addition, we have implemented a sustainability concept for all hygiene facilities at our administration site and equipped them with features such as water-saving sensor taps.

WATER WITHDRAWAL AT OUR HEADQUARTERS IN STEPHANSKIRCHEN



- WATER WITHDRAWAL¹
- WASTEWATER¹

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 year, we will continue to work on improving data quality and expanding reporting.

3.3.2 WATER MANAGEMENT IN OUR SUPPLY CHAIN

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

Sustainable water management is crucial to both building a water-resilient supply chain and effectively managing the water-related risks that arise for our supply chain partners and for Marc O'Polo. We record and measure the water consumption and water withdrawal of our partners—who also work for other brands—using Cascale's Higg Facility Environmental Module (Higg FEM). This data helps us better understand our impacts and dependencies, identify water-related hotspots and make informed decisions for a future water conservation programme and our goals.

So far, we have focused on collecting data from particularly water-intensive tier 1 and tier 2 processes such as washing, dyeing and finishing. At the same time, we have implemented measures to reduce water consumption in our particularly water-intensive product groups and materials, as well as at our own administrative sites. As part of our materiality assessment, the topic of water was classified as central and integrated into our new sustainability strategy (see chapter 2.2 'Our sustainability strategy' [7]). Our goal is to develop a comprehensive water stewardship programme by 2030 that includes measures for efficient water use, reducing water consumption and strengthening the resilience of our supply chain partners to water crises.

WATER WITHDRAWAL IN OUR SUPPLY CHAIN (APPAREL)

Water withdrawal in our supply chain comprises the total amount of water used for various purposes and industrial processes and sourced from suppliers during the reporting period from different sources, such as surface water, ground-water or municipal water supplies. This topic is becoming increasingly important as it highlights the impact of our water use on ecosystems and allows us to identify potential areas for improvement.

This figure represents an average increase of 55 per cent compared to the previous financial year. The reason for this is our efforts to achieve greater transparency regarding upstream stages of the value chain—such as fabric suppliers and their water-intensive wet processes—and to integrate these into our Environmental & Chemical Management Programme (EMP). Conventional methods use large amounts of water in the washing processes for denim products, which give them their typical used/worn look. To reduce water consumption, we are continuously working to find solutions that conserve resources (see chapter 3.2.5 'A denim story' [7]). The following table illustrates water withdrawal in our supply chain by source.

WATER WITHDRAWAL IN OUR SUPPLY CHAIN (APPAREL) BY SOURCE*

SOURCES	WATER WITHDRAWAL IN MILLIONS OF LITRES	SHARE
SURFACE WATER	13,967	15.3%
RAINWATER	180	0.2%
GROUNDWATER	19,377	21.2%
MUNICIPAL WATER (BLUE)	12,598	13.8%
MUNICIPAL WATER (SOURCE UNKNOWN)	6,179	6.8%
CONDENSATE	1,396	1.5%
MUNICIPAL WATER (GREY)	1,485	1.6%
RECYCLED WATER	31,150	34.1%
REUSABLE WATER	3,623	4.0%
TREATED (EXTERNAL) WASTEWATER	335	0.4%
UNTREATED (EXTERNAL) WASTEWATER	1,026	1.1%
TOTAL	91,315	100%

* Aggregated and verified Higg FEM water consumption of our tier 1 and tier 2 suppliers for apparel, time of data collection: 25 September 2025

“TOGETHER WITH OUR PARTNERS IN THE SUPPLY CHAIN, WE HAVE MADE GREAT PROGRESS IN CHEMICAL AND WASTEWATER MANAGEMENT. WITH OUR INTEGRATED ENVIRONMENTAL STRATEGY, WE ARE MAKING CONSISTENT PROGRESS AND ARE COMMITTED TO REDUCING AND AVOIDING ENVIRONMENTAL IMPACTS ALONG OUR VALUE CHAIN.”



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

3.4 BIODIVERSITY & ECOSYSTEMS

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

Alongside the climate crisis, the loss of biodiversity poses another major threat to humanity. The concept of planetary boundaries illustrates the deteriorating state of the Earth due to the stress limits continuously being surpassed. One of these limits is biodiversity, which has already been significantly exceeded. At the same time, it is closely linked with other areas such as climate change. For example, climate change affects habitats and the global distribution of species, as temperature changes and extreme weather events can lead to a loss of biodiversity. Conversely, a biodiverse environment contributes to climate stabilisation by sequestering GHG emissions and performing climate regulation functions.

In addition to climate change, there are four other drivers of biodiversity loss: first, 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 soil sealing, leading to the destruction and fragmentation of habitats and ecosystems. Secondly, there is the overuse of resources. This refers to the exploitation of natural resources to an extent that exceeds their natural capacity for regeneration. These include the depletion of wild animal populations, intensive agricultural use, the extraction of raw materials and the consumption of natural resources such as water. Thirdly, global environmental pollution—caused by chemicals, (micro)plastics, inadequately treated wastewater and waste—is damaging both terrestrial and marine 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 disease or altering the structure of existing habitats. These five drivers illustrate the complexity of dealing with biodiversity. The examples show that key ecological processes are interlinked and that protecting biodiversity makes a significant contribution to preserving our planet.

Our business activities depend on nature and its resources. Since we use natural materials such as cotton, but also animal fibres such as wool for our products, our business model depends on functional ecosystems. That is why protecting healthy ecosystems is so important to Marc O'Pollo, and why we have defined biodiversity as a key issue. With the support of the Global Nature Fund (GNF), we conducted a biodiversity check in the reporting year. This is a tool developed by the Global Nature Fund for the 2010 European Business and Biodiversity Campaign. The check provides an initial overview of the company's relationship to biodiversity in terms of opportunities, impacts and risks. It is based on the philosophy and objectives of the Convention on Biological Diversity for the conservation and sustainable use of natural resources and the fair and equitable sharing of the benefits arising from their use. The check was carried out as part of the publicly funded project 'Unternehmen Biologische Vielfalt' ('Biodiversity in Business'). By participating, we are supporting the development of a biodiversity check for the textile industry, while also being able to apply the findings to our own company.

As a result, the Global Nature Fund recommended that we develop a biodiversity strategy addressing issues such as land use, deforestation and water management. Biodiversity considerations should be integrated into areas such as real estate, purchasing, supply chain and product development to reduce our environmental footprint. The purchasing strategy should take greater account of biodiversity criteria and traceability, especially for materials such as cotton, wool, synthetic fibres and leather. The implementation of regenerative agricultural practices and the promotion of the circular economy—such as a focus on recyclable monomaterials and repairable products—were recommended as key measures.

The topic of biodiversity is strategically anchored within our sustainability strategy (see chapter 2.2 'Our sustainability strategy' [7]). The results and recommendations from the biodiversity check serve as a basis for the further development of our strategies on transparency, preferred fibres, circularity, climate, pollution and water. The aim is to create synergies and derive concrete goals and measures for sustainable development from them.



3.5 RESOURCE USE & CIRCULAR ECONOMY

GRI 3-3 (301) / ESRS 2 IRO-1, SBM-3

The debate surrounding the impact of resource use at Marc O’Polo highlights the considerable challenges facing the apparel industry. Excessive use of natural resources—such as water, fossil fuels and other raw materials—can damage ecosystems and lead to significant water shortages. The increased use of recycled materials and fibres from certified organic cultivation helps conserve natural resources, reduce the carbon footprint and promote biodiversity. These measures are crucial for achieving our sustainability goals and help to relieve the long-term strain on soils and ecosystems.

At Marc O’Polo, we have already made considerable progress in integrating materials with a reduced impact on people, animals and the environment. Nevertheless, with our expanded product strategy, we are setting ourselves more ambitious goals with regard to the use of preferred fibres that are considered beneficial from an environmental or ethical perspective. We are also striving to continuously increase the proportion of products that are in line with the circular economy (see chapter 2.5 ‘Sustainability goals, measures and progress’ [\[7\]](#)).

One area that requires particular care is materials of animal origin. To counter the associated risks to animal welfare, we are increasingly relying on certified supply chains and adhering to strict international standards (see chapter 5.4 ‘Animal welfare’ [\[7\]](#)).



3.5.1 MATERIALS USED

GRI 3-3 (301), 301-1, 301-2 / ESRS E5-4

Since our founding in 1967, natural fibres have been at the heart of our brand philosophy. Cotton in particular is a key component of our creations. Since 2006, it has been sourced predominantly from organic agriculture, as conventional production often has a significant environmental impact, including high pesticide use and intensive water consumption.

MATERIALS USED*

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

	2022		2023		2024	
	IN T	SHARE	IN T	SHARE	IN T	SHARE
COTTON	4,215	66%	3,764	70%	5,726	72%
SHEEP'S WOOL	272	4.2%	197	4%	273	3%
OTHER NATURAL FIBRES¹	587	9%	271	5%	336	4%
MAN-MADE CELLULOSIC FIBERS²	232	3.6%	306	6%	533	7%
POLYESTER	713	11%	565	10%	679	9%
OTHER SYNTHETIC FIBRES³	378	6%	291	5%	378	5%
TOTAL	6,397	100%	5,394	100%	7,925	100%

¹ Other natural fibres include: leather, down & feathers, linen, alpaca, mohair, cashmere, hemp

² Man-made cellulosic fibres include: viscose, Lyocell, Modal & Cupro

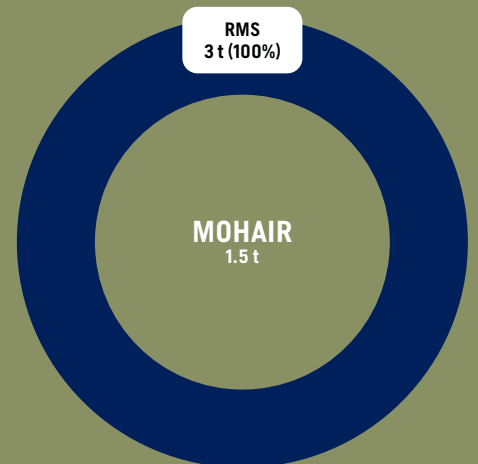
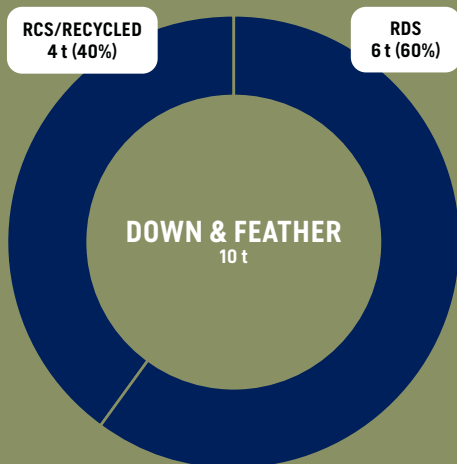
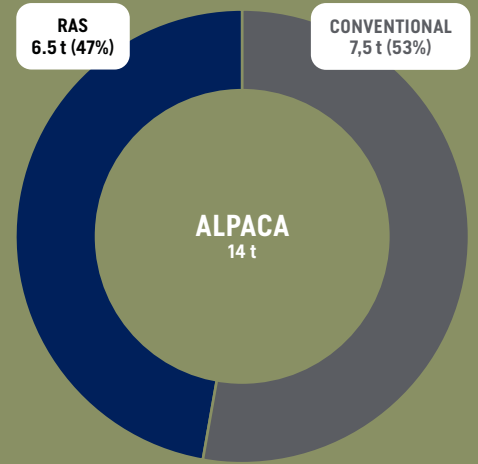
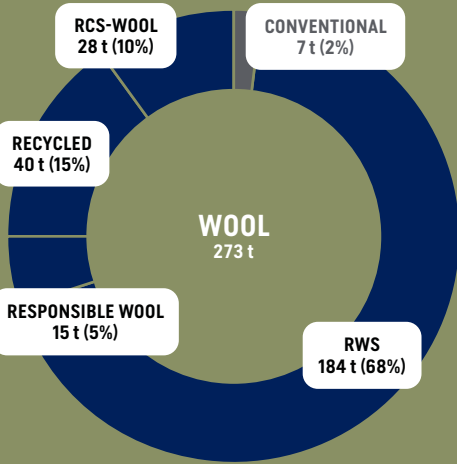
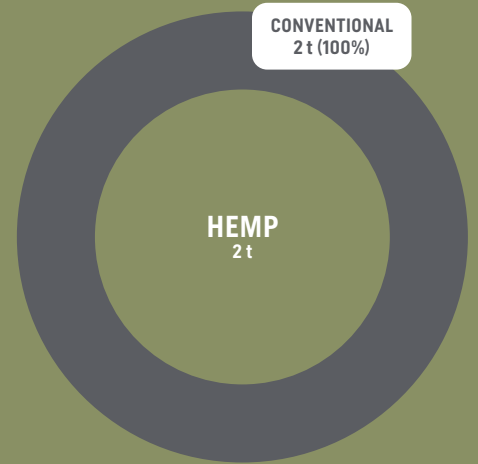
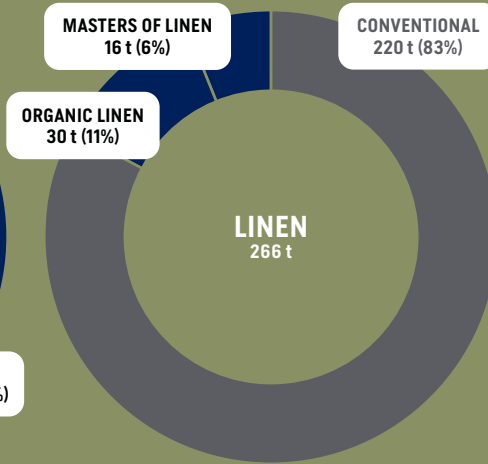
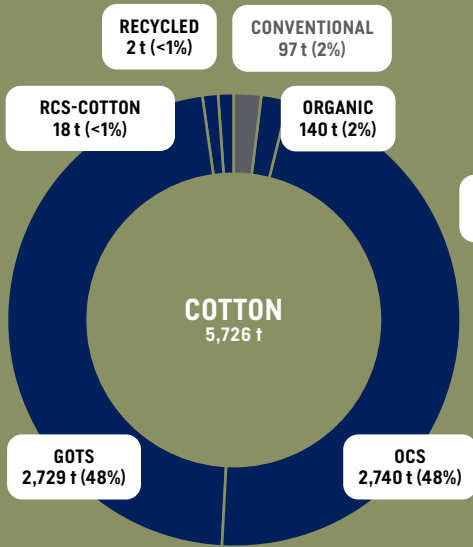
³ Other synthetic fibres include: polyamide, elastomultiester, elastane, polyacrylic, polyurethane

*Data basis: Quantities of Marc O'Polo International GmbH in the calendar year, excluding shoes, accessories and licensed products. Due to the inclusion of additional product areas this year, direct comparability with previous years is only possible to a limited extent.

CONVENTIONAL AND PREFERRED MATERIALS USED 2024*

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

NATURAL FIBERS & -MATERIALS



- PREFERRED
- CONVENTIONAL

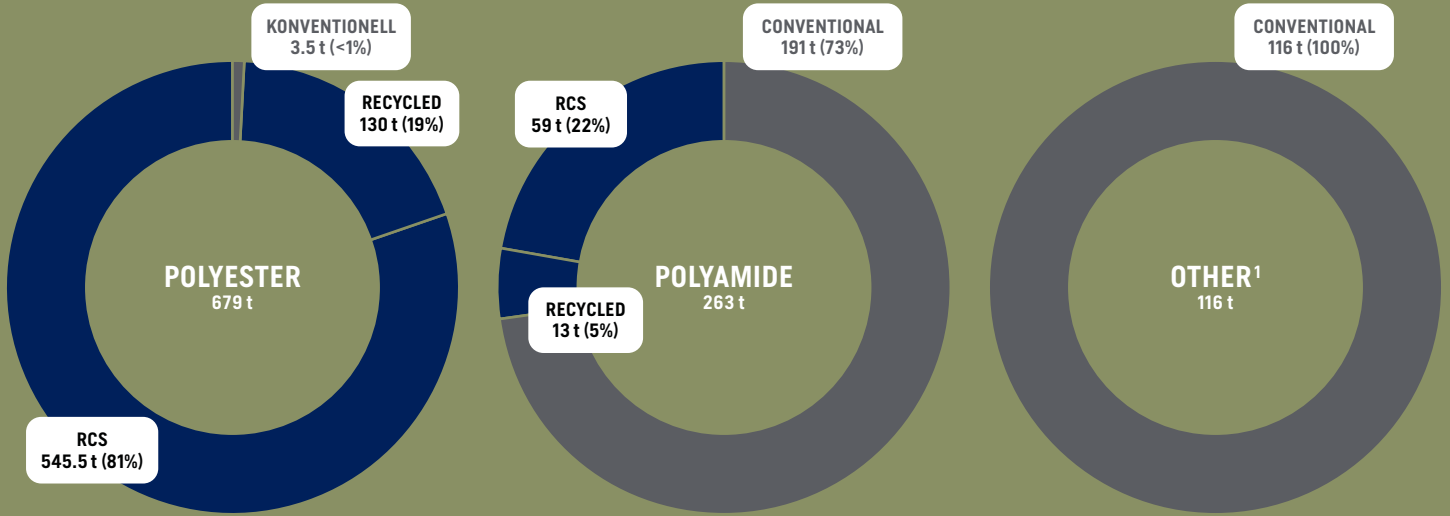
* Other synthetic fibres include polyurethane, polyacrylic, elastane and elastomultiester.

*Data basis: Quantities of Marc O'Polo International GmbH in the calendar year 2024, excluding shoes, accessories and licensed products. Due to the inclusion of additional product areas this year, direct comparability with previous years is only possible to a limited extent. The previous year's figures and more detailed information can be found in the appendix to this report.

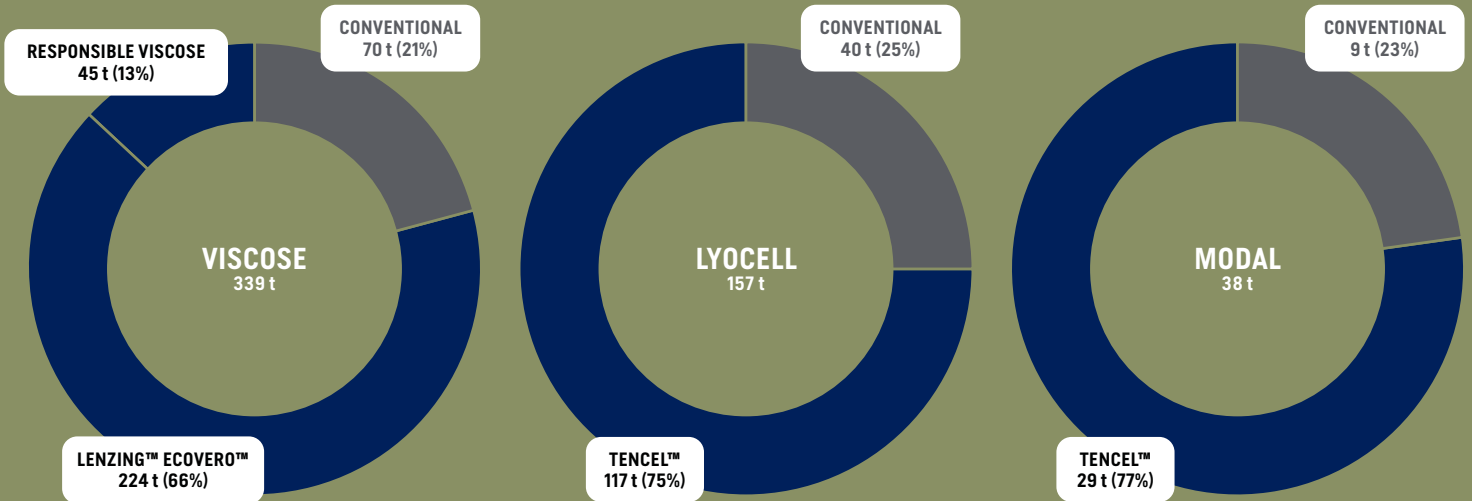
CONVENTIONAL MATERIALS VS. MORE SUSTAINABLE MATERIALS 2024*

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

SYNTHETIC FIBERS



MAN-MADE CELLULOSIC FIBERS



- PREFERRED
- CONVENTIONAL

¹ Percentage of the total quantity of each fibre type used by Marc O'Polo International GmbH

² Other synthetic fibres include polyurethane, polyacrylic, elastane and elastomultiester.

*Data basis: Quantities of Marc O'Polo International GmbH in the calendar year 2024, excluding shoes, accessories and licensed products. Due to the inclusion of additional product areas this year, direct comparability with previous years is only possible to a limited extent. The previous year's figures and more detailed information can be found in the appendix to this report.

3.5.2 PREFERRED MATERIALS & VERIFICATIONS

GRI 3-3 (301, 417), 417-1 / ESRS E5-2, E5-3

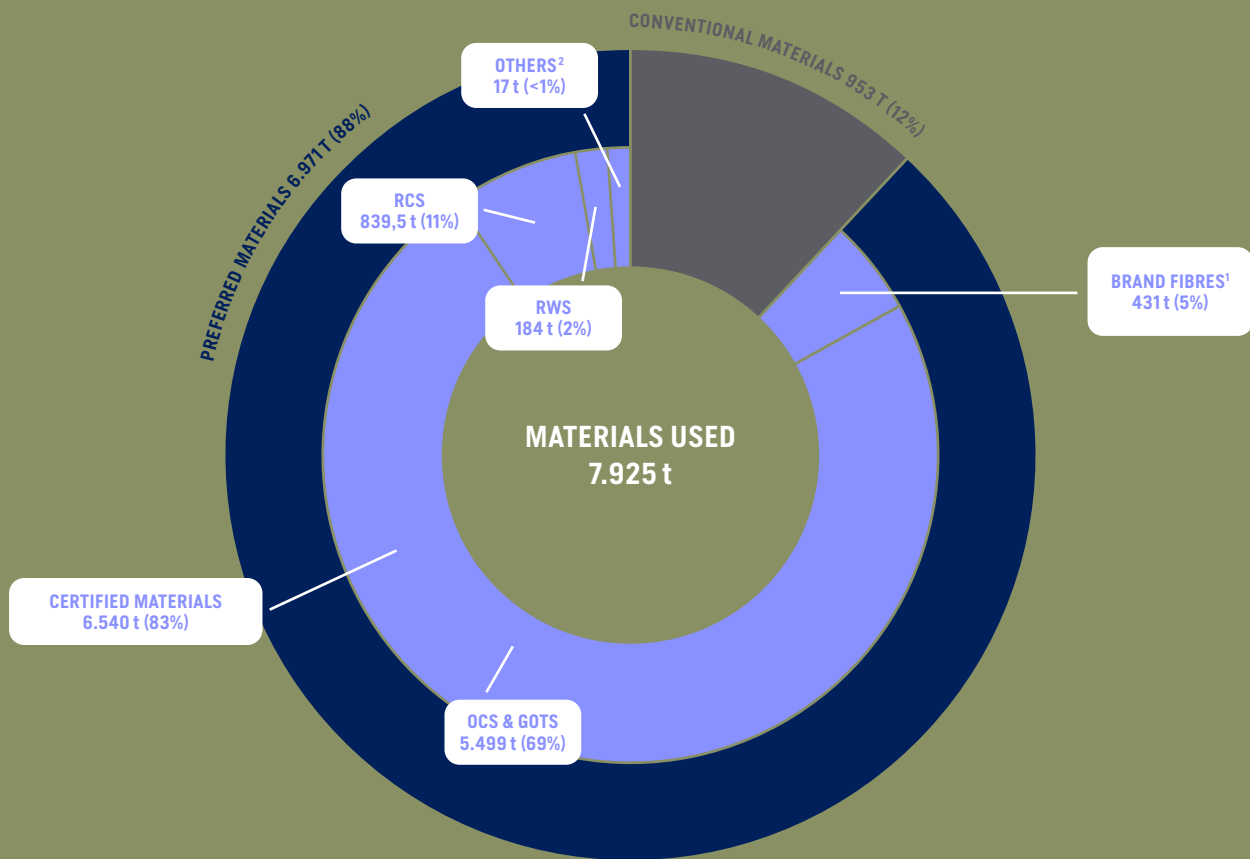
At Marc O'Polo, careful material procurement is at the heart of our sustainability strategy. We are increasingly focusing on preferred fibres that are certified according to recognised standards. These certifications apply to both organic and recycled fibres, as well as those that take animal welfare and sustainable land management into account. Independent third parties verify whether the relevant material is contained in the product at all levels of the textile production chain in accordance with standards (such as GOTS, OCS, RWS, RCS, RDS, RMS, RAS). Whether a Marc O'Polo product is certified to a specific standard can be identified by the seal on the care label of that product.

To further enhance transparency in our supply chain, we are continuously expanding the certification of our products. However, the challenge remains that not all of our products can be certified, as uniform standard criteria have not yet been developed in the industry for some types of fibres (MMCF such as viscose, modal, acetate etc.). For these fibre types, we prefer branded fibres from manufacturers with improved production conditions.

Our goal is to use only preferred fibres by 2030, not only in the main materials and outer fabrics, but across all product components. In the current reporting year, we stand at 88 per cent (PY: 84 per cent).

PREFERRED MATERIALS STATUS 2024*

GRI 417-1/ESRS E5-2



¹ Preferred brand fibres are LENZING™ ECOVERO™, TENCEL™ and Masters of Linen®.

² Other certified materials include RDS, RMS, RAS and The Good Cashmere Standard® by AbTF.

* Data basis: Quantities of Marc O'Polo International GmbH in the calendar year, excluding shoes, accessories and licensed products. Due to the inclusion of additional product areas this year, direct comparability with previous years is only possible to a limited extent.

PREFERRED FIBRE COMPASS

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

The Preferred Fibre Compass provides our designers, product developers and suppliers with guidance on material selection in product development. This tool is valid across all seasons and is based on industry standards and branded fibres obtained under improved production conditions. The Preferred Fibre Compass is continuously updated to reflect the latest findings, so that market developments and material innovations can be taken into account at an early stage. The preferred materials used in the reporting year are shown in the 'Preferred materials status' chart.

ORGANIC MATERIALS

Many of our products containing organically sourced fibres are certified according to one of the two well-known textile standards: the Organic Content Standard (OCS) and the Global Organic Textile Standard (GOTS). The natural fibres from certified organic agriculture are grown in crop rotation without genetically modified seeds, synthetic pesticides or fertilisers, which protects the health of agricultural workers, soil quality and the environment.

With the Fall/Winter 2025 collection, we have achieved our goal and have since been using only certified organic cotton or certified recycled cotton—a significant milestone on the way to our strategic goal of using only preferred fibres from 2030 onwards.

GLOBAL ORGANIC TEXTILE STANDARD (GOTS)

Products certified according to the Global Organic Textile Standard (GOTS) must consist of a high proportion of organically produced natural fibres. In addition, the standard sets strict requirements for the ingredients and production processes used and demands compliance with social and environmental criteria during further processing.

GOTS ORGANIC
AT LEAST 95 PER CENT ORGANICALLY PRODUCED NATURAL FIBRES

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



CERTIFIED BY CONTROL UNION
CU 1020184

ORGANIC CONTENT STANDARD (OCS)

The Organic Content Standard applies to products that contain between 5 and 100 per cent organic material.

OCS 100
AT LEAST 95 PER CENT ORGANICALLY PRODUCED NATURAL FIBRES¹

OCS BLENDED
5–95 PER CENT ORGANICALLY PRODUCED NATURAL FIBRES¹



MARC O'POLO IS OCS CERTIFIED,
CONTROL UNION CU 1020184.
ONLY THE PRODUCTS WHICH CARRY THE
OCS LABEL AND CLAIM ARE CERTIFIED.



MARC O'POLO IS OCS CERTIFIED,
CONTROL UNION CU 1020184.
ONLY THE PRODUCTS WHICH CARRY THE
OCS LABEL AND CLAIM ARE CERTIFIED.

MASTERS OF LINEN®

Masters of Linen® Certified linen is made from European Flax® fibres. European Flax® is grown in Western Europe without artificial irrigation*, free from genetically modified seeds and with a responsible approach to the use of pesticides and fertilisers. Furthermore, Masters of Linen® guarantees that every step, from field to 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.

¹ BEI MOP WERDEN KEINE MISCHUNGEN EINES FASERTYPS AUS BIOLOGISCHER UND KONVENTIONELLER HERKUNFT IN EINEM MATERIAL VERWENDET

² GARANTIE 99,9 PROZENT DURCH DIE CONFÉDÉRATION EUROPÉENNE DU LIN ET DU CHANVRE (CEL)

RECYCLED MATERIALS

GRI 3-3 (301), 301-2 / ESRS E5-2, E5-4

Pre-consumer or post-consumer waste is used as a raw material to produce new fibres. This means that the impact on the environment is lower than with conventional fibres. We continue to focus on innovative technologies that make it possible to increase the availability of various types of recycled fibres on the market and the proportion of recycled material in the fibre itself. We want to support textile-to-textile recycling and are also focusing on fibres in the MMCF sector that have been produced partly with the aid of recycled materials. The following recycled fibres were used in the reporting year:

RECYCLED CLAIM STANDARD (RCS)

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

RCS 100
AT LEAST 95 PER CENT RECYCLED MATERIAL

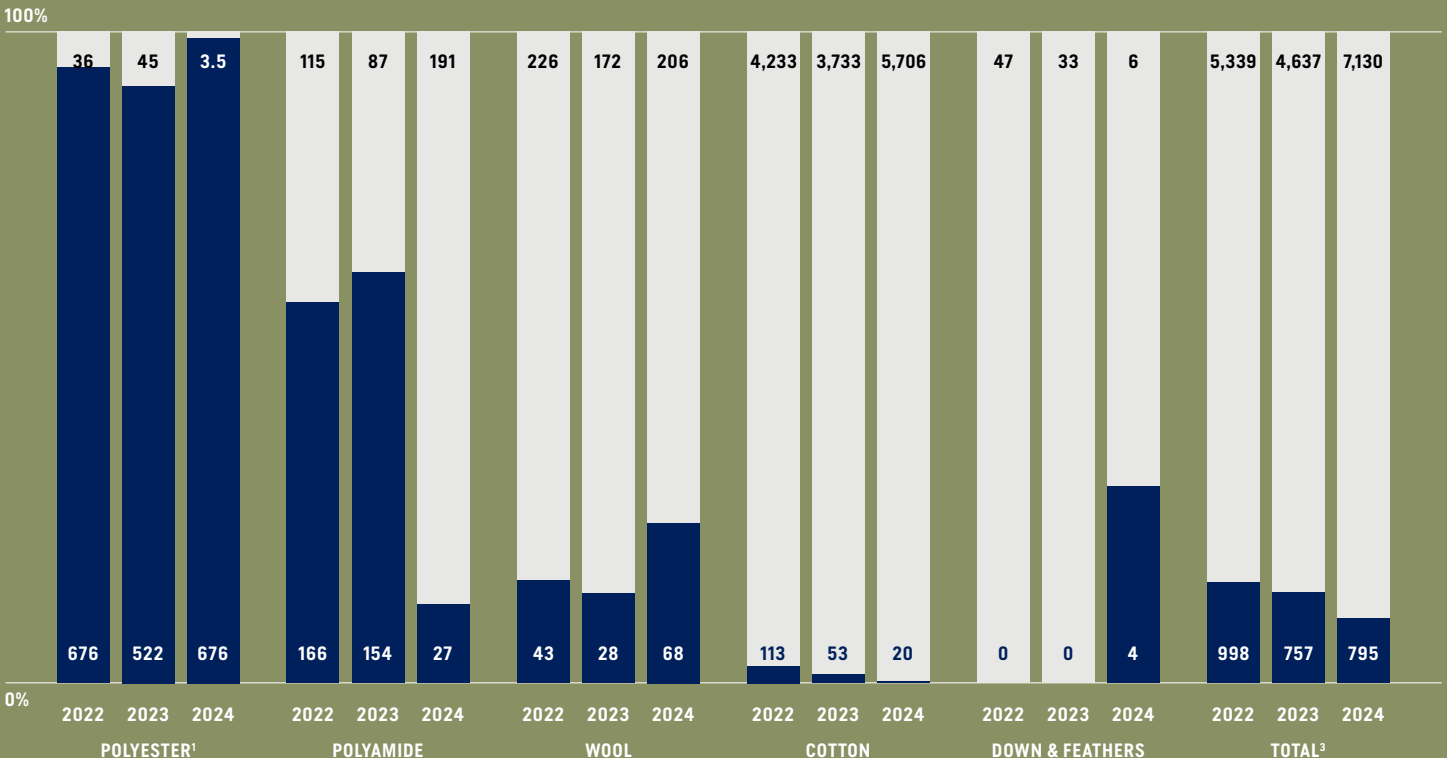
RCS BLENDED
5 – 95 PER CENT RECYCLED MATERIAL*

* MARC O'POLO REQUIRES AT LEAST 20 PER CENT RECYCLED MATERIAL FOR RCS CERTIFICATION.



RECYCLED MATERIALS USED IN T*

GRI 301-2 / ESRS E5-4



- RECYCLED
- VIRGIN

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 material from pre-consumer and PET bottle recycling and includes, among other things, the branded fibres Thermore®, Thermore® Ecodown® and Repreve

³ Includes all fibres used, including those that do not contain recycled fibres.

* Data basis: Quantities of Marc O'Polo International GmbH in the calendar year, excluding shoes, accessories and licensed products. Due to the inclusion of additional product areas this year, direct comparability with previous years is only possible to a limited extent.

“DESPITE ONGOING CHALLENGES IN SUPPLY CHAIN TRANSPARENCY, THE INCREASED USE OF CERTIFIED MATERIALS AND CLEAR COMMUNICATION ABOUT THEM IS AN IMPORTANT STEP TOWARD GREATER TRUST AND CREDIBILITY. I AM THEREFORE PARTICULARLY PROUD OF THE MILESTONES WE HAVE ACHIEVED WITH COTTON AND SHEEP’S WOOL, AS THEY UNDERSCORE OUR STRINGENT APPROACH.”



**FRANZISKA SCHUMANN
GROUP MANAGER CORPORATE SOCIAL
RESPONSIBILITY & TRANSPARENCY**

MATERIALS OF ANIMAL ORIGIN

GRI 3-3 (301) / ESRS E5-2, ESRS G1-1

Marc O'Polo increasingly sources animal materials from certified sources. These certifications are based on internationally recognised standards that are verified by independent third parties. They include comprehensive animal welfare criteria and often go beyond this by also taking into account progressive land management methods and improved working conditions at the agricultural level.

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

With its Autumn/Winter 2025 collection, Marc O'Polo has achieved another significant milestone in its sustainability strategy: instead of conventional wool, we now exclusively use certified mulesing-free or recycled sheep's wool for our products. Furthermore, we have been avoiding the use of conventional mohair for several years and instead use only RMS-certified mohair.

The RWS-certified wool and RMS and RAS-certified animal hair used in our products come from certified farms that respect animal welfare and promote responsible use of agricultural land.



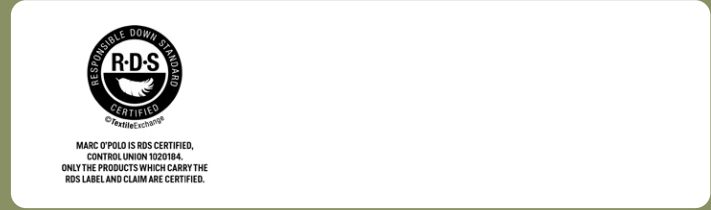
THE GOOD CASHMERE STANDARD®

The standard stands for greater animal welfare, better working conditions for goat farmers and farm workers and protection of the environment. Since 2022, Marc O'Polo has been using only cashmere wool for its products that has been verified in accordance with The Good Cashmere Standard® by AbTF.



RESPONSIBLE DOWN STANDARD (RDS)

Down and feathers certified according to the Responsible Down Standard (RDS) must meet mandatory animal welfare requirements. Supply chains are audited by independent third parties as part of the certification process. A certified Marc O'Polo down product is identified by the RDS seal on the care label.



LEATHER

Marc O'Polo uses leather for clothing, bags, accessories and shoes that comes exclusively from farm animals and is a by-product of meat processing. Although there is currently no internationally recognised product standard that comprehensively covers all aspects such as transparency in the supply chain, animal welfare and the protection of natural landscapes, we have nevertheless formulated clear animal welfare requirements that our suppliers must meet (see chapter 5.4 'Animal welfare' [7]).

We source our leather exclusively from tanneries that operate in accordance with the Leather Working Group's (LWG) strict audit protocol and have at least a bronze rating.

In chapter 3.2.6 of our report, we provide a deeper insight into our measures for more responsible leather production.

MAN-MADE CELLULOSIC FIBRES

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

Marc O'Polo uses man-made cellulosic fibres (viscose, Lyocell, Modal) from fibre manufacturers that score at least 30 out of a possible 40 points ('Dark Green Shirt' status) in Canopy's Hot Button Ranking. Canopy is a non-profit organisation dedicated to protecting old and endangered forests worldwide.

The Hot Button Ranking is an analysis tool for the procurement of man-made cellulosic fibres. It enables us to ensure that we source fibres from supply chain partners who use wood from responsible forestry. The Hot Button Ranking is published annually and our Preferred Fibre Compass is adjusted accordingly. In addition, the Canopy report assesses the chemical management practices of viscose and modal staple fibre manufacturers based on the ZDHC's Man-made Cellulosic Fibres (MMCF) Guideline (see chapter 3.2.7 'Air pollution'[7]).

In addition to the aspects already mentioned, the fibre manufacturer's 'Next Generation Solutions' (NextGen) are evaluated. 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 comes from certified sustainably managed forests and is bleached in an environmentally friendly manner. This fibre is characterised by lower emissions and less water pollution compared to conventional viscose.

TENCEL™

TENCEL™ Lyocell and TENCEL™ Modal are industrially produced man-made cellulosic fibres made from natural wood pulp, which also comes from trees sourced from responsible forestry. TENCEL™ Lyocell is manufactured in a closed chemical cycle, which reduces the environmental impact.



“THE USE OF PREFERRED FIBRES IS OF CENTRAL IMPORTANCE TO US IN ORDER TO MAKE A SIGNIFICANT CONTRIBUTION TO THE TRANSFORMATION OF THE INDUSTRY AND DEVELOP INNOVATIVE, RECYCLABLE PRODUCTS. CONSCIOUS USE OF FIBRE MATERIALS PROMOTES PRODUCTION THAT MEETS BOTH FUTURE MARKET REQUIREMENTS AND ENVIRONMENTAL STANDARDS.”



**KATHARINA BITZER
SUSTAINABILITY MANAGER**

3.5.3 INNOVATIONS

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

For Marc O'Polo, product innovations are the driving force behind further innovations that also affect related areas. This makes it essential to take a joined-up view of sustainability, digitisation and corporate culture. We see sustainability as an ongoing process. We are aware that requirements and parameters may change over time. Our goal is to continue to meet these requirements in the future.

Research into new fibres, materials and production processes is at the heart of our innovation efforts. In discussions with manufacturers and suppliers, the first step is to identify innovative approaches at the product or process level that conserve resources while meeting the requirements for a long-lasting, premium casual product. These are then reviewed and approved by the Sustainability department in a second step. When researching and selecting new product concepts, they focus on approaches in the fields of material strategy, chemical and environmental management, CO₂ emission reductions and end-of-life scenarios

ORANGE FIBRE

Marc O'Polo is adding orange fibre to its collection; an innovative cellulosic fibre made from wood and waste products from citrus juice production in Sicily. By using these agricultural by-products, we reduce the need for new raw materials and promote the circular economy.

Our partner Orange Fiber S.r.l. in Sicily extracts cellulose from citrus fruit production waste, which would otherwise incur economic and environmental costs. Through the partnership with the Lenzing Group, this pulp is processed with wood to produce Lyocell. The result is an innovative textile fibre: TENCEL™ Limited Edition × Orange Fibre, a next-generation synthetic cellulosic fibre.

Since the licence was registered in Italy in 2014, the pulp extraction technology has been expanded to other citrus-growing countries in order to achieve a greater impact in promising markets.

COOPERATION WITH SACHSENLEINEN

The future of the textile industry lies in the use of preferred materials that are considered advantageous from an ecological or ethical point of view. With this in mind, Marc O'Polo is entering into a groundbreaking partnership with Sachsen-Leinen e.V. With financial support totalling €60,000 over three years, the Marc O'Polo Foundation is funding an ambitious research and development project for the extraction and processing of organically grown flax fibre in Germany.

3.5.4 DESIGNED FOR CIRCULARITY

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

In order to address the strategically important issue of textile waste and old textiles, it remains crucial for us to start at the beginning of our value chain—with the design of our products. The partnership with circular.fashion was continued to promote recyclable products in our collections. Last year, we strengthened the continuous transfer of knowledge through regular onboarding of new employees. These introductory events focus on the relevance of the circular economy and the application of the Circular Design Criteria. These form a comprehensive set of rules with requirements for materials, durability, recyclability and circular services. They serve as a basis for optimising some of our designs with regard to circular economy, so that they can be recycled into new high-quality fibres at the end of their useful life.

As part of the HoliTex Cycle project, which we joined as an associate partner in the reporting year, we are underlining our ambitions in the circular economy. Led by circular.fashion and supported by other experts such as the Berlin University of Applied Sciences and Hohenstein Innovations gGmbH, the project focuses on developing an integrated standard for circular products. The aim is to define the longevity and recyclability of textiles through standardisation and digitisation, and to promote the closure of cycles by networking relevant stakeholders.

In the 2024/2025 reporting year, our 'Designed for Circularity' products accounted for 9 per cent of clothing items sold by the Marc O'Polo Casual and DENIM Division (PY: 9 per cent). In the 2025 calendar year, we were able to increase this to 10 per cent, thereby achieving our first interim target. These products have been developed based on circular.fashion's Circular Design Criteria and Circular Design Software.*

Our goal of achieving at least 50 per cent of our production volume with 'Designed for Circularity' products by 2030 remains unchanged—a commitment that reflects both our aspirations and our responsibility.

* Period under review: Quantities for the Autumn/Winter 2024 and Spring/Summer 2025 apparel collection of Marc O'Polo International GmbH, excluding quantities of Marc O'Polo License AG.

3.5.5 PACKAGING

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

From a sustainability perspective, packaging poses a major challenge for apparel companies—and Marc O’Polo is no exception. Most packaging is only used once and for a relatively short period of time. As a general rule, packaging should protect the goods as effectively as possible from external influences in order to meet our premium standards. It also facilitates handling in warehouses and retail outlets. However, the production of packaging requires large amounts of resources, and the resulting waste has a negative impact on the environment.

PACKAGING USED*

MATERIAL	PACKAGING TYPE	2022		2023		2024/2025	
		QUANTITY (IN T)	OF WHICH RECYCLED MATERIAL	QUANTITY (IN T)	OF WHICH RECYCLED MATERIAL	QUANTITY (IN T)	OF WHICH RECYCLED MATERIAL
PAPER	Transport and delivery boxes	1,092	95%	1,227	95%	1,096	94%
	Product/gift boxes	321	0.2%	234	0%	279	0%
	Shopping bags	231	100%	167	100%	163	100%
	Other paper packaging (tissue paper, hang tags, filling material etc.)	375	28%	280	34%	299	32%
	Paper, total	2,019	68%	1,907	75%	1,837	70%
PLASTIC	Plastic bags (including clothing covers)	371	0%	230	70%	245	72%
	Transport hangers	89	60%	76	100%	66	100%
	Other plastic packaging (delivery note pouches, plastic clips etc.)	11	11%	11	13%	18	1%
	Plastics, total	471	12%	317	75%	329	74%
METAL	Hanger hooks & small parts	29	0%	26	0%	20	0%
	Metal, total	29	0%	26	0%	20	0%
TEXTILE	Carry bags	1	0%	0,3	0%	0,3	0%
	Other textile packaging (collar ribbons, gift ribbons etc.)	41	24%	40	30%	40	31%
	Textiles, total	42	23%	40.3	30%	40.3	30%
TOTAL		2,561	56%	2,291	73%	2,226	69%

¹ Due to this year’s change in the reporting period from the calendar year to the financial year, direct comparability with previous years is now only possible to a limited extent.

*Period under review: calendar years 2022 and 2023, and financial year 2024/2025. Quantities from Marc O’Polo International GmbH, excluding Marc O’Polo License AG. The information is based in part on assumptions and the average weights of the packaging components.

When selecting our packaging, we currently favour recyclable materials and packaging with a high proportion of recycled and/or certified material. For example, we procure our paper and paper-based packaging from recycled and/or Forest Stewardship Council®-certified sources (minimum requirement FSC Mix). In addition, almost 90 per cent of our Marc O'Polo Casual and Marc O'Polo DENIM items are packaged in certified, post-consumer recycled plastic bags. The material thickness of these bags has also been reduced by approximately 30 per cent compared to 2022.

In view of upcoming reporting requirements, we have changed the reporting period for packaging placed on the market this year from the calendar year to the financial year. In the current reporting period, the absolute packaging volume has decreased by three per cent, thus following the trend in the volume of items shipped. At 150 grams, the average packaging quantity per item is almost at the same level as last year. The decline in the recycling rate is due to shifts within the types of packaging used; the proportions of the individual packaging components themselves have not been reduced.



3.5.6 WASTE

GRI 3-3 (306) / ESRS 2 SBM-3

Waste is a relevant issue at almost every stage of our value chain, from cutting scraps and residual materials at our suppliers to packaging waste at our facilities and those of 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 an enormous amount of natural resources. The industry, and we too, are searching 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 basis for resource-efficient business practices and is guided by our waste hierarchy. That hierarchy sets out the sequence of methods for treating waste and consists of five steps:

1. Prevention
2. Re-use
3. Recycling
4. Other recovery
5. Disposal

The waste hierarchy promotes the avoidance and minimisation of waste at the source and favours methods that have the smallest impact on the environment. Our overarching goal is to firmly anchor the next level—the circular economy—in our new strategy.

WASTE AT OUR ADMINISTRATIVE SITES

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

Waste at our headquarters mainly consists of packaging waste that we receive from the upstream value chain, such as cardboard boxes used to transport goods from the countries of production. Waste is collected separately so that it can be recycled or properly disposed of. Over the past two years, our waste volume has steadily decreased.

WASTE AT OUR ADMINISTRATIVE SITES

	2022 (IN T) ¹	2023 (IN T) ¹	2024 (IN T) ¹
CARDBOARD BOXES (RECYCLED)	677	557.3	403.7
FILMS (RECYCLED)	17.2	11.5	8.8
WASTE PAPER (RECYCLED)	3.2	3.4	3.2
RESIDUAL WASTE	38.5	46.9	37.3
WASTE WOOD	38.7	28.5	18.9
ORGANIC/GREEN WASTE	14	16	18
ELECTRICAL WASTE		2.3	0.5
STYROFOAM		0.5	0
TOTAL	788.6	666.4	490.4

¹ The reported quantities 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 year, we will continue to work on improving data quality and expanding reporting.

4 SOCIAL RESPONSIBILITY

ESRS 2 SBM-3

At Marc O'Polo social responsibility is at the core of what we do, because our company's success 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 any form of human rights violations. We are committed to safe, fair and humane working conditions worldwide through risk-based audit procedures and comprehensive training for our suppliers. Our customers are also at the heart of what we do. We want to build trust through transparent communication and through policies and processes that provide the best possible protection for our products. In this way, we make a significant contribution to stable, future-proof development.

4.1 OUR WORKFORCE

ESRS 2 GOV-1 / ESRS SBM-3

At Marc O'Polo, trust and responsibility are the cornerstones that shape our community and create a positive working atmosphere. Our actions are centred on opportunities for further development and equal opportunities, which give the diverse people in our company the space to drive change with passion.

We believe that our success does not depend on top degrees or awards, but on the motivation to innovate, learn new things and question and change existing processes.

Our Human Resources & Central Services division covers a wide range of functions, from Talent Acquisition, Employer Branding & HR Projects, Human Relations and Payroll & HR Services to Personnel Development and Central Services. These departments report to the Director of HR & Central Services, who reports directly to the CHRO/CFO.



“TRUST AND RESPONSIBILITY ARE THE CORNER-STONES THAT CHARACTERISE OUR POSITIVE WORKING ATMOSPHERE AT MARC O’POLO AND ENCOURAGE OUR DIVERSE PEOPLE TO CREATE INNOVATIONS WITH PASSION AND DRIVE CHANGE FORWARD.”

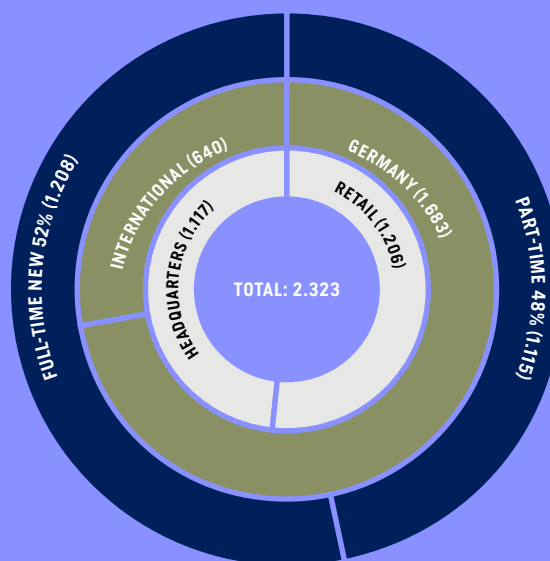


MARKUS STAUDE-SKOWRONEK
CFO & CHRO

4.1.1 OUR WORKFORCE COMPOSITION

GRI 2-7 / ESRS S1-6

In financial year 2024/2025, Marc O’Polo SE employed 2,323 people worldwide (PY: 2,268), including apprentices, interns, integrated-degree students and trainees. Of these, 1,206 worked in retail and 1,117 at headquarters. The majority of our workforce is based in Germany (1,683 people), while 640 employees work at international sites. In the reporting year, 52 per cent (PY: 69.5 per cent) of employees worked full-time and 48 per cent part-time (PY: 30.5 per cent).



EMPLOYEES 2024/2025

TOP 5 NATIONALITIES

	2022/2023	2023/2024	2024/2025
GERMAN	65%	64%	62%
POLISH	7%	7%	6%
RUSSIAN	4%	4%	4%
BELGIAN	3%	4%	3%
FRENCH	—	3%	3%

WORKFORCE COMPOSITION BY REGION (PLACE OF WORK)*

GRI 2-7/ESRS S1-6

	FY	PERMANENT EMPLOYEES	TEMPORARY EMPLOYEES	FULL-TIME EMPLOYEES	PART-TIME EMPLOYEES	PARENTAL LEAVE ¹	TOTAL
WESTERN EUROPE	22/23	1,687	236	964	862	97	1,923
	23/24	1,707	232	966	890	83	1,939
	24/25	1,662	284	848	1,018	80	1,946
EASTERN EUROPE	22/23	120	0	41	77	2	120
	23/24	106	0	68	33	5	106
	24/25	91	89	114	64	2	180
NORTHERN EUROPE	22/23	88	1	85	4	–	89
	23/24	100	33	122	11	–	133
	24/25	101	1	86	15	1	102
SOUTHERN EUROPE	22/23	70	0	29	41	–	70
	23/24	70	0	26	44	–	70
	24/25	90	2	40	52	–	92
ASIA	22/23	0	1	0	1	–	1
	23/24	3	0	1	2	–	3
	24/25	3	0	1	2	–	3
TOTAL	22/23	1,965	238	1,119	985	99	2,203
	23/24	1,986	265	1,183	980	88	2,251
	24/25	1,947	376	1,089	1,151	83	2,323

in thousands

¹ Data relating to parental leave by region was collected and reported for the first time this year.

*The data was collected as at 31 May 2025 and refers to the per-head number of employees. The following countries are allocated to the following regions: Western Europe (Germany, Netherlands, Belgium, France, Austria, Switzerland); Eastern Europe (Poland, Czechia, Romania, Russia); Southern Europe (Italy, Spain); Northern Europe (Sweden). Comparability with the previous year is not possible due to a reclassification of the countries into different regions this year. Short-term hiring may result in minor changes in headcount.

NEW HIRES AND STAFF TURNOVER

GRI 401-1 / ESRS S1-6

The average length of service at Marc O'Polo is 6.6 years overall (PY: 5.6 years), 6.3 years for full-time employees and 6.9 years for part-time employees.

As part of Marc O'Polo's growth strategy, we hired 587 people in the reporting year (PY: 628), despite the challenges facing the apparel industry. Of these, 577 (PY: 457) were full-time or part-time employees and 10 (PY: 13) were trainees. In addition, we were able to fill 126 temporary positions (PY: 109), 32 internships (PY: 18) and two integrated degree programme positions (PY: 5) during this period.

Overall, the turnover rate for the financial year was 28.5 per cent across the Group (PY: 32.4 per cent). In national and international retail, it is 38.5 per cent, in sales 31.9 per cent and at headquarters it is 14.2 per cent.

AVERAGE LENGTH OF SERVICE IN YEARS



NEW HIRES*

	2022/2023		2023/2024		2024/2025	
	GER	INT	GER	INT	GER	INT
TOTAL	436	233	403	225	356	231
Female¹	302	194	295	190	273	195
Male¹	134	39	108	35	83	36
UNDER 30	233	128	256	125	202	121
Female¹	167	105	182	103	155	98
Male¹	66	23	74	22	47	23
30 – 50	149	85	103	72	122	81
Female¹	96	70	78	63	90	70
Male¹	53	15	25	9	32	11
OVER 50	54	19	44	28	32	29
Female¹	39	18	35	26	28	27
Male¹	15	1	9	2	4	2
	HQ	RETAIL	HQ	RETAIL	HQ	RETAIL
TOTAL	189	480	201	427	211	376
Female¹	116	380	152	335	165	303
Male¹	73	100	49	92	46	73

¹ Gender as stated by the employees themselves. In the reporting years, fewer than five employees did not identify with either of the two binary genders and are therefore not shown for data protection reasons.

* The data was collected as at 31 May 2025 and refers to the per-head number of employees. Including apprentices, interns, trainees, integrated-degree students and gap year students. Short-term hiring may result in minor changes in headcount.

ATTRITION*

	2022/2023		2023/2024		2024/2025	
	GER	INT	GER	INT	GER	INT
TOTAL	393	218	297	142	264	160
Female¹	285	170	218	117	204	127
Male¹	108	48	79	25	60	33
UNDER 30	229	123	154	82	154	94
Female¹	157	93	110	67	116	73
Male¹	72	30	44	15	38	21
30 – 50	124	76	103	42	86	50
Female¹	94	59	77	32	66	40
Male¹	30	17	26	10	20	10
OVER 50	40	19	40	18	24	16
Female¹	34	18	31	18	22	14
Male¹	6	1	9	0	2	2
	HQ	RETAIL	HQ	RETAIL	HQ	RETAIL
TOTAL	104	507	178	261	150	274
Female¹	66	389	123	212	118	213
Male¹	38	118	55	49	32	61

¹ Gender as stated by the employees themselves. In the reporting year, there were no individuals who did not identify with either of the two binary genders.

* The data was collected as at 31 May 2025 and refers to the per-head number of employees. Excluding apprentices, interns, trainees, integrated-degree students and gap year students.

“OUR VALUES ARE MORE THAN WORDS. THEY CONNECT US, PROVIDE GUIDANCE IN TIMES OF CHANGE, AND INSPIRE US TO TAKE ACTION. THIS IS HOW SUSTAINABILITY BECOMES A LIVED PART OF OUR CULTURE.”



SILKE WALZ
DIRECTOR HR & CENTRAL SERVICES

4.1.2 DIVERSITY & EQUAL OPPORTUNITIES

GRI 2-7, 3-3 (405), 405-1 / ESRS S1-9

At Marc O’Polo, we employ people from different nations and cultures. We value all our employees equally as important members of our team, regardless of gender, age, religion, origin, sexual orientation or disability, and see diversity as an enormous asset to our corporate culture.

Diversity, equality and inclusion (DEI) are highly valued at Marc O’Polo. We will continue to devote considerable attention to these issues in future. We want to raise awareness of diversity among our employees in order to create an inclusive working environment in the long term.

In the financial year ended, our focus was on our largest business segment, Retail. A workshop was held at headquarters with one representative from each state to emphasise the importance of diversity and inclusion and to jointly identify measures to promote diversity and inclusion in stores. To strengthen non-discriminatory hiring processes, a DEI-aligned training plan for hiring managers is currently being developed, initially with a focus on national retail. In the form of training courses, videos and accompanying

documentation, it promotes diverse recruiting processes and, as a result, diverse employee structures. This will be finalised and implemented in the new financial year and subsequently rolled out to other national and international business areas. It will enable us to continue creating an inclusive environment in which each individual is valued and in which individual strengths and perspectives contribute to our shared success.

Overall, significantly more women than men work at Marc O’Polo. Across all management levels, the proportion of women was 62 per cent (PY: 65 per cent). The proportion of female store managers is 68 per cent (PY: 70 per cent). We remunerate our employees according to their role, based on market conditions and performance—regardless of gender. We review market and performance-based remuneration in regular salary surveys with external support and benchmarks across all areas. Our workforce is relatively young: 40 per cent of our employees are under 35 (PY: 45 per cent).

WORKFORCE COMPOSITION BY GENDER*

GRI 2-7/ESRS S1-6

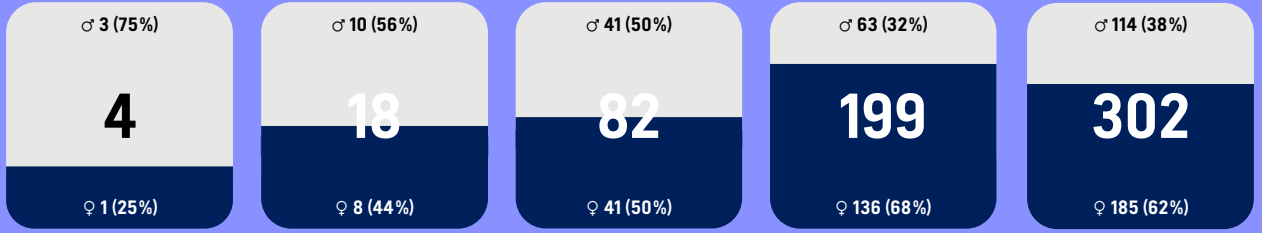


*The data was collected as at 31 May 2025 and refers to the per-head number of employees. Short-term hiring may result in minor changes in headcount. Gender as stated by the employees themselves. In the reporting years, fewer than five employees did not identify with either of the two binary genders and are therefore not shown for data protection reasons. This can result in differences in the total numbers of gender-specific analyses.

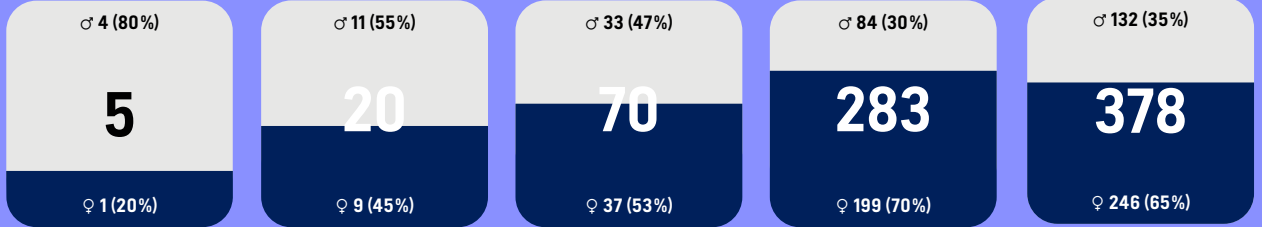
MANAGEMENT COMPOSITION BY GENDER AND MANAGEMENT LEVEL (ML)*

GRI 405-1/ESRS S1-9

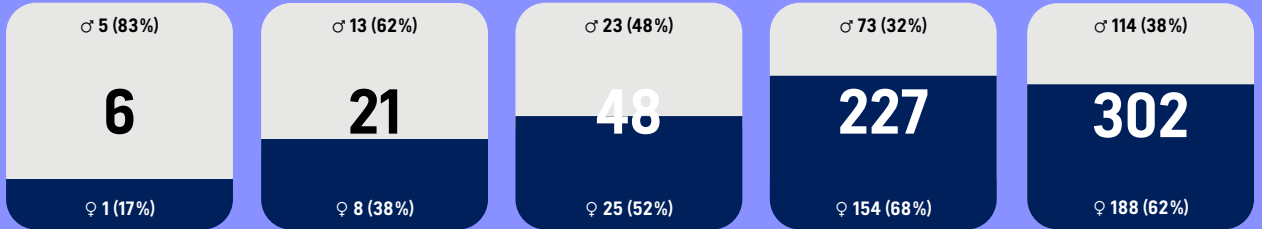
22/23



23/24



24/25



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. In the reporting year, there were no individuals who did not identify with either of the two binary genders.

¹ Upper management: directors, Middle management: heads of, district managers, retail managers, Lower management: group managers & (deputy) store managers

AGE DIVERSITY*

GRI 405-1/ESRS S1-9

ALTER	UNDER 30			30 – 50			OVER 50		
	22/23	23/24	24/25	22/23	23/24	24/25	22/23	23/24	24/25
ALL EMPLOYEES	31%	31%	30%	48%	47%	47%	21%	22%	23%
MANAGERS	10%	12%	13%	72%	70%	59%	19%	18%	28%

*The data was collected as at 31 May 2025 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 professional and private lives. This is crucial for our employees' health, motivation and ability to innovate, as well as our quality promise.

FLEXIBLE WORKING

ESRS S1-4, S1-15

We believe that innovation and success can come from anywhere. Most of the employees at our headquarters in Stephanskirchen work on a trust basis. If possible and operationally feasible, our employees can work remotely 50 per cent of the time. It is also possible to book a workstation or meeting room free of charge in 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 important pillars of the work culture at Marc O'Polo, which is why employees can offset any overtime they work on flexi days on a trust basis. In order to be able to devote more time to private projects or concerns on a temporary basis, employees also have the opportunity to take advantage of 'flexi part-time' to reduce their working hours for a limited period or take up to 20 additional days of leave ('flexication'). Beyond taking off a few days or hours, it is also possible to take a sabbatical for three or more months.



FAMILY FRIENDLINESS

GRI 3-3 (401), 401-3 / ESRS S1-4, S1-11, S1-15

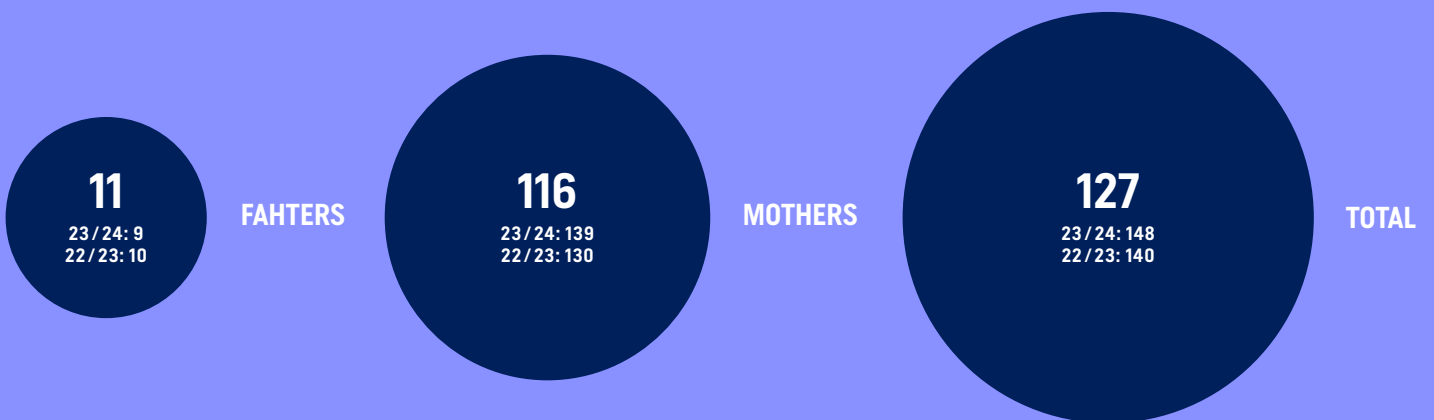
With Marc O’Polo Family, we are creating the conditions for a more family-friendly working environment. We offer various part-time models across the Group and ensure that managers are also able to work part-time. Trust-based working hours and the ability to work remotely contribute to flexibility at work. In order to provide even better support to (expecting) parents and carers, our Employee Assistance Programme (EAP) offers special counselling services for families. In addition to providing advice, our national employees receive practical assistance with finding childcare solutions for their children or family members in need of care. For parents at HQ, there is also a children’s holiday programme to bridge the summer holidays. Since June 2024, there has also been a parent-children office on campus for short-term childcare emergencies.

A dog-friendly company policy allows dogs to be brought to work while taking into account the needs of all colleagues.



EMPLOYEES ON PARENTAL LEAVE AND MATERNITY LEAVE*

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



* The data was collected as at 31 May 2025 and refers to the per-head number of employees. Gender as stated by the employees themselves. In the reporting year, there were no individuals who did not identify with either of the two binary genders specified.

BENEFITS

ESRS S1-4

In addition to performance-based remuneration, we offer our employees a wide range of additional benefits in the areas of mobility, fitness, flexwork, workation and sabbatical, discounts and many other areas. Our employees enjoy a total of 30 benefits. These include, for example, a staff discount on Marc O'Polo products and discounts at other (regional) companies, a wide range of training and development opportunities (including language courses) and discounted membership in the Wellpass (formerly eGym) or Medcover company fitness network. In addition, there are numerous flexwork models, a bike leasing initiative, a free morning shuttle bus between the train station and our headquarters in Stephanskirchen and a bistro with subsidised breakfast, lunch and snack options.

WORKPLACE HEALTH INITIATIVES

GRI 3-3 (403), 403-6, 403-10/ ESRS S1-4, S1-14

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

at our headquarters, we offer a varied health and sports programme (e.g. yoga and tennis) in collaboration with local partners through the Marc O'Polo Health Club. In addition, our retail and head office employees in Germany can sign up for discounted memberships with our partner, a company fitness network. In Stephanskirchen, employees can even borrow stand-up paddleboards and e-bikes free of charge.

In May 2025, an internal fitness challenge took place in which all national and international employees had the chance to participate in the categories of running, cycling and/or swimming. This allowed us to both promote exercise and create shared moments. In preparation, free running training was offered to employees on campus.

In our company cafeteria, the BISTRO', we offer subsidised, healthy meals with vegetarian/vegan options and healthy breakfast options, in line with our commitment to fresh, local produce. We also grow fresh herbs in two raised beds on our company premises for use in preparing dishes at BISTRO'. This year, a detailed survey was also conducted among campus employees to understand their specific dietary habits and optimise the menu accordingly. Retail employees are provided with free fruit and beverages.

As part of World Mental Health Day 2024, we paid special attention to mindfulness and the promotion of mental health. On this occasion, a lecture on 'Mindfulness-Based Stress Reduction' (MBSR) was held to mark the start of a new course offering. The MBSR practice was offered in various formats and proved very popular among employees. In addition, several e-learning courses on health and wellbeing were added to the existing continuing education catalogue, and selected training courses on the topics of



mindfulness and resilience were initiated. Another special offer was the opportunity to complete a qualification as a Mental Health First Aid Instructor.

We also offer our employees individual and personal support as well as professional advice through our EAP (Employee Assistance Programme). 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 excessive demands, parenting issues, addiction problems and even legal matters. Our partner for implementing the EAP is the external consulting service INSITE. The service is free of charge for all employees and concerns are, of course, treated anonymously.

The sickness rate among Marc O'Polo employees in Germany is 2.9 per cent for full-time employees (PY: 3.3 per cent) and 4.2 per cent for part-time employees (PY: 3.5 per cent). No distinction is currently made between the type of illness or whether it was work-related.

*The sickness rate at our international sites was not recorded centrally for the reporting period.

OCCUPATIONAL HEALTH AND SAFETY

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

The safety and welfare of our employees are paramount at Marc O'Polo. At our headquarters and in national retail outlets, 100 per cent of employees are covered by a health and safety management system implemented with the support of an external service provider. In international retail, we comply with the legal requirements of each country. In addition, external occupational health and safety (OHAS) specialists ensure that work environments are designed to be safe and that preventive measures are developed.

These specialists conduct regular OHAS inspections at our headquarters, in logistics and in national retail outlets. In addition, coordination meetings are held on an ongoing basis with OHAS specialists and the company doctor. Any necessary measures are reviewed again during the next inspection.

Thanks to comprehensive OHAS measures, the accident rate at our sites is very low in relation to the number of employees. In the reporting year, 16 reportable accidents were recorded (PY: 17), including no work-related injuries with serious consequences or fatalities.

Feedback from our employees clearly shows that a sense of safety and satisfaction in the working environment is ensured by a more than adequate number of appointed safety officers, first aiders and fire safety officers. In addition, regularly updated emergency and evacuation plans as well as regular evacuation drills ensure additional safety.

We are also continuously working to further improve our safety culture. We encourage open dialogue and feedback from our employees and invest specifically in their safety and health. Marc O'Polo will continue to act as a responsible employer who values and protects its employees not only as valuable professionals, but above all as human beings. Our commitment to occupational safety is an integral part of our philosophy and is consistent with our responsible corporate culture and our Marc O'Polo values.



4.1.4 DEVELOPMENT & TRAINING

GRI 3-3 (404), 404-1, 404-2 / ESRS S1-4, S1-13

Motivation and innovation are the driving forces that inspire Marc O'Polo to draw on the individual talents of our employees and continuously strengthen their skills. Our goal is to leverage these strengths for mutual success while preserving the essence of our brand values: quality, sustainability and innovation.

Promoting the professional and personal development of our employees is a key component of our corporate strategy. We invest equally in junior employees and experienced specialists and managers at our headquarters and in our stores. These investments are not only a promise to our employees, but also a prerequisite for ensuring their long-term employability. Our principle of preferentially filling management positions with talent from within our own ranks is an expression of our deep conviction that trust and responsibility go hand in hand. Marc O'Polo firmly believes that our employees are not only part of our company, but also the driving force that propels us forward and inspires us in the fashion world and beyond.

A total of 1,656 employees (PY: 1,700) took part in 20,951 seminar/training hours (PY: 20,210) during the reporting year.

AVERAGE TRAINING HOURS *:

GESCHLECHT		FEMALE		MALE		TOTAL	
		23/24	24/25	23/24	24/25	23/24	24/25
MANAGER	Blended Learning ¹	0.6	2.2	1.7	2.1	1.0	2.1
	Face-to-face	6.4	10.1	5.7	9.3	6.2	9.7
	Virtual	10.6	7.3	9.7	3.5	10.3	5.8
	TOTAL	17.7	19.5	17.1	14.9	17.5	17.7
EMPLOYEES	Blended Learning ¹	1.7	2.1	1.6	2.1	1.7	2.1
	Face-to-face	3.9	6.3	4.4	6.5	4.0	6.3
	Virtual	5.1	3.5	6.0	1.9	5.3	3.1
	TOTAL	10.8	11.9	12.0	10.4	11.0	11.5

¹ Blended learning is a combination of e-learning and classroom training.

* Gender as stated by the employees themselves. In the reporting years, fewer than five employees did not identify with either of the two binary genders and are therefore not shown for data protection reasons.

TRAINING

GRI 3-3 (404), 404-2/ESRS S1-4, S1-13

Sustainable learning success requires continuous commitment and regular training. At Marc O'Polo, we believe that education is not a purely formal process, but rather a journey that requires constant adaptation and innovation. That is why we offer a wide range of flexible and easily accessible training courses to cater to the diverse interests of our employees, both in terms of professional skills and personal and social skills.

Our training plan offers a wide range of learning formats through an internal training catalogue. In addition to in-person workshops and lectures, the programme includes virtual and hybrid live training courses in German and English. This is supplemented by remote learning units on current topics and multilingual web-based training courses. In some cases, we already use AI-assisted formats to provide learners with immediate feedback. Access to a language portal and the LinkedIn Learning online platform round off our digital offering.

Tailor-made team and organisational development programmes also make it possible to address the specific needs of individual groups. Under the expert guidance of experienced trainers, solutions are developed together to optimise collaboration and actively shape change. In this context, we view conflicts as an opportunity to achieve new orientation and balance through clarification.

RETAIL TRAINING

At Marc O'Polo, we view our stores not only as retail spaces, but as places of experience and hospitality. This concept is supported by the comprehensive training programmes offered by our Retail Academy, which cover all career levels of our employees in the stores in order to create a consistent and distinctive customer experience.

Our Welcome Days, offered in English, German, Polish and Russian, are designed specifically for new retail employees. They lay the foundation for a work and service culture characterised by high standards and personal attentiveness. In addition, comprehensive sales training courses consolidate communication and sales skills, enabling our employees not only to meet customer expectations, but to exceed them.

Four expert retail sales trainers train and support our teams in the stores, not only on site but also through numerous national and international online events.

The training courses include seminars and information events on the collection and merchandise, as well as our service promise. Here, valuable expertise about materials, cuts and the special features of our products is imparted. At the same time, participants will gain insights into Marc O'Polo's commitment to sustainability as well as current trends and styles. This expertise strengthens our employees' know-how and promotes a deeper understanding of the brand and its values.

TALENT MANAGEMENT

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

In the dynamic world of Marc O'Polo, we understand that developing our talents is key to sustainable success. Our talent management strategy aims to create a corporate culture that values and promotes talent, regardless of position, department or educational background. As part of our Talent Journey, annual development reviews offer all employees the opportunity to agree on goals and expectations for their collaboration and personal development with their manager and to set these out in a binding manner. The discussions are conducted in a respectful manner and based on mutual exchange, and refer to our Marc O'Polo key values. In addition, we offer optional pulse check meetings, which allow employees and managers to review the status quo at any time. We greatly value constructive feedback. It promotes continuous dialogue and creates an atmosphere of open cooperation by focusing on transparency and trust.

In our annual talent reviews, which are conducted by the respective management teams of the specialist departments, we also provide strategic impetus for the sustainable development of our organisation. A key aspect is identifying the performance and potential of our employees, enabling us to promote talent in a targeted manner and strengthen their development. At the same time, we reflect on our current organisation, make forward-looking decisions about future skills requirements and evaluate key positions and their succession planning. In this way, we promote a corporate culture that is geared toward the long term and change.

DEVELOPMENT PROGRAMMES

GRI 3-3 (404), 404-2 / ESRS S1-13

At Marc O'Polo, we recognise that different target groups have specific needs and challenges. That is why we have developed established programmes that support our employees in their professional development and specifically promote their skills.

Our Challenge Yourself programme offers selected internal high-potential employees the opportunity to develop further in a protected and supportive environment. This programme is designed to provide participants with valuable reflective experiences through a cross-departmental learning group. In a safe environment, they can initiate and work on personal challenges themselves in order to develop and strengthen their individual skills in a targeted manner. This self-development is complemented by targeted support and guidance to gain clarity about future goals.

The Champions Career training series is designed to support our internal experts and junior managers at HQ. We support our talented employees in acting competently and professionally through targeted methods and strategies. At the same time, we offer space for personal development and reflection on one's own abilities. The focus is on cross-functional networking and the expansion of key competencies in order to strengthen a culture of continuous improvement and sustainable success.

The leadership development programme for retail employees ('Develop Yourself') will be relaunched for disciplinary and lateral managers following an extensive redesign. During the reporting period, the nomination and selection process for a national and an international format took place.

For new, externally recruited managers, we offer the Leadership Essentials Newcomer training series. This programme teaches all the essential tools and skills required to fulfil leadership responsibilities at Marc O'Polo. It not only covers strategic and operational aspects of leadership, but also places great emphasis on helping new managers to network across all divisions within the company. Strong, cross-departmental networking is essential for developing and maintaining an effective and inclusive leadership culture.

In the reporting year, Marc O'Polo also placed a special focus on the topic of leadership development—a crucial component of our comprehensive training strategy. This special programme was developed for executives who work directly with the Executive Board and aimed to strengthen their transformative leadership skills. Based on in-depth personality diagnostics and expectation analysis, individual development plans were created, supplemented by a new, specially designed training catalogue and opportunities to strengthen cross-departmental networking and collaboration.

This underscores our commitment to sustainable and innovative corporate management that not only aims to increase efficiency but also positively develops our corporate culture.

EDUCATION AND INTEGRATED DEGREE PROGRAMME

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

Training is a key element of our HR strategy. It is the foundation on which we build the future. Through targeted programmes and individual support, we create a learning-friendly environment in which talent can flourish. In doing so, we remain committed to our promise: to support the development of our employees with the same dedication and precision with which we design our products—naturally, responsibly and with a focus on quality.

As an international fashion company, Marc O'Polo offers apprenticeships in various departments at its headquarters and in retail. At the end of the financial year, Marc O'Polo employed a total of 44 trainees and integrated-degree students (PY: 59), 21 of whom were based at the headquarters (PY: 28) and 23 in retail (PY: 31).

With an integrated degree programme, we enable graduates with university or technical college entrance qualifications to learn comprehensive theory and gain practical experience in an international environment. In cooperation with the Duale Hochschule Baden-Württemberg (DHBW), we offer various study options leading to a Bachelor of Arts degree.

4.1.5 OPEN DIALOGUE & EMPLOYEE SATISFACTION

GRI 2-29 / ESRS S1-2, S1-3

We place great value on transparency and open communication. As a basis for successful cooperation between all employees at the headquarters and in retail, the Executive Board team provides regular updates via several channels, for example via video messages entitled 'A Message from...' and twice-yearly Executive Board updates entitled 'O'Time'. Our internal intranet, 'Inside Marc O'Polo', serves as a communication and knowledge platform. Here we publish relevant information, present department-specific content and create a platform for a functioning work network. In order to make the information as accessible as possible to all national and international retail employees, a summary of the most important news is usually compiled weekly in the Monday Memo for retail and sent out by email. In other formats, employees have the opportunity to learn about updates or ask questions (anonymously) both online and offline.

SUGGESTIONS AND CRITICISM

All employees can submit anonymous suggestions for improvement, ideas or criticism via the 'Share with Marc O'Polo' portal. The HR team discusses the incoming topics with the relevant managers and the Executive Board team. We publish a monthly overview of the topics, their status and follow-up actions on 'Inside Marc O'Polo'.

EMPLOYEE SATISFACTION

We survey the satisfaction of our employees at HQ and in national and international retail once a quarter using a company mood board, which contains four questions that are rated from 1 to 7, with 7 meaning full agreement and 1 meaning no agreement. In addition, the surveys give employees the opportunity to share their concerns with us via an open comment field. This allows us to paint a continuous, comparable picture of the current mood.

HR measures are derived from this mood board in order to create the best possible working environment for all our employees. Being ranked the third-best employer by TextilWirtschaft's prestigious 'Working in Fashion' study in the financial year ended showed us that we are on the right track. We are the only medium-sized company listed in the top three. In the current financial year, we were able to build on this position and achieve second place. This result confirms our continuous progress and our commitment to further developing Marc O'Polo as a modern and responsible employer.

COMPANY MOOD BOARD*

GRI 2-29 / ESRS S1-2



*The values in the chart represent the average of the four quarters of the reporting period.

4.2 WORKERS IN THE VALUE CHAIN

ESRS S2-1

As an internationally active company, Marc O'Polo is aware of the social risks in the textile supply chain and takes responsibility for addressing them with clear measures and binding standards. Risks affecting fundamental human rights and decent working conditions exist along the value chain worldwide. These include child labour, forced labour and other forms of modern slavery. Inadequate occupational health and safety can also endanger the health and safety of workers. There are also risks in the form of discrimination, unequal treatment and inadequate remuneration, which can undermine social justice and equal opportunities.

Marc O'Polo is expressly committed to upholding internationally recognised human rights and firmly rejects any form of human rights violations. Our commitment includes protecting the rights of all workers within our sphere 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 Organisation (ILO) Declaration on Fundamental Principles and Rights at Work. We actively promote compliance with social standards through risk-based audit procedures and training programmes for our suppliers. Our Supplier Code of Conduct for Trading Goods serves as a guideline for our business activities, and our suppliers must confirm their agreement and compliance in writing. Further information on our Supplier Code of Conduct for Trading Goods can be found in chapter 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, one of the most recognised multi-stakeholder initiatives in the field of social responsibility in the textile supply chain. The initiative deliberately focuses on the sewing industry, where most labour-intensive processes take place and where a particularly large number of people can be reached. As a member of the Fair Wear Foundation, Marc O’Polo is committed to consistently implementing human rights due diligence obligations.



FAIR WEAR LEADER STATUS

Marc O’Polo is comprehensively audited once a year by the Fair Wear Foundation (FWF). As part of the Brand Performance Check, we disclose to the Fair Wear Foundation how we fulfil our responsibility for appropriate working conditions in the supply chain. The FWF highlights how we comply with our human rights due diligence obligations. Since fair working conditions are not just about how hard suppliers work, but about shared responsibility, our Brand Performance Check looks at our buying practices, like how we pick partners and how long we work with them. In addition, our audit and training system as well as our approach to worker complaints are reviewed with the aim of remedying grievances and achieving continuous improvement.

In the reporting year, our fourth FWF Brand Performance Check was carried out for the 2023/24 financial year. Here, we were once again able to achieve the highest rating of Leader. The Leader rating is awarded to companies that systematically and proactively fulfil their responsibility to provide appropriate working conditions. We were able to improve from 67 points to an outstanding 84 points. The Fair Wear Foundation certifies that we are making continuous progress in our human rights due diligence. Our commitment to ethical procurement and transparency, as well as actively promoting human rights in the supply chain, was highlighted. This includes measures to promote equal partnerships, support gender equality and promote workers’ rights. Through thorough risk assessments combined with improvement and prevention plans, we were able to demonstrate a comprehensive understanding of the supply chain. Opportunities for improvement focus in particular on ensuring living wages. The full report will be published on both the Fair Wear website and our company website: Brand Performance Check report 23/24 [\[↗\]](#)

4.2.2 MONITORING WORKING CONDITIONS IN THE VALUE CHAIN

GRI 2-25, 3-3 (414), 414-2 / ESRS 2 SBM-3, ESRS S2-1, S2-4, S2-5

We work with production facilities that commit to complying with our binding standards (Code of Conduct). Marc O'Polo works directly with what are known as 'cut-make-trim' manufacturers who assemble the products: cutting fabric, sewing individual pieces, checking quality and packaging the finished product. Since this labour-intensive section of the supply chain has a significant impact on working conditions, it is a key focus of our monitoring and auditing programme. During the reporting period, approximately 85,000 workers were part of our tier 1 value chain, of whom 61 per cent were women and 39 per cent were men.

MATERIAL TOPICS IN OUR SUPPLY CHAIN AND AUDIT REVIEW

All partner companies undergo regular amfori BSCI or Fair Wear audits. These audits review and evaluate compliance with the Marc O'Polo Supplier Code of Conduct for Trading Goods. In addition, compliance with applicable legal requirements and further requirements for an internal social compliance management system are also checked. When planning audits, we take a risk-based approach based on our supplier segmentation as part of our human rights risk analysis (see chapter 2.6.4 'Our risk analyses' [7]).

Our suppliers are evaluated in particular on the basis of social criteria, including the prohibition of child labour and forced labour, occupational health and safety, protection against discrimination, the right to freedom of association and appropriate working hours and pay. As part of our audit strategy, we primarily initiate BSCI audits. Through our Fair Wear membership, both strategic suppliers and suppliers with an increased risk profile are audited by Fair Wear. This gives us more transparent insight into the risks in the first stage of our supply chain and supports our partner companies in their further development.

During the audit process, the auditors verify the available information by conducting factory inspections, reviewing documents and interviewing workers. In Fair Wear audits, these interviews are conducted outside the production facilities, whereas in BSCI audits they take place inside the factories. BSCI audits are generally conducted on a 'semi-announced' basis: suppliers are given a four-week time frame in which the audit will take place unannounced. As a rule, the auditors come from the region where the production site is located in order to minimise linguistic and cultural barriers and to take local legal requirements into account.

In the current reporting year (2024/2025), 99.2 per cent (PY: 99.2 per cent) of our tier 1 suppliers had a valid audit. A total of 80 BSCI full audits, 12 follow-up audits and seven Fair Wear audits were conducted.

Regular on-site visits to production facilities by our CSR team complement the audits and promote close cooperation and transparency with our partners. The key issues and consequences of the audits are presented in detail below.

THE MATERIAL TOPICS IN OUR SUPPLY CHAIN

In our audits and on-site visits, we focus in particular on the following key human rights issues:

PROHIBITION OF FORCED LABOUR

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

Marc O'Polo is committed to combating forced labour and debt bondage. This means that, according to our policy, no ID cards may be retained, overtime must be voluntary, wages or bonus payments may not be withheld and every worker must be able to terminate their employment contract in compliance with the statutory notice period and within the framework of the applicable labour law provisions.

PROHIBITION OF CHILD LABOUR

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

Marc O'Polo takes a zero-tolerance stance towards child labour. We are aware that the textile industry is associated with an increased risk of child labour. Therefore, all production companies undertake in writing not to employ children and to comply with the applicable youth protection laws for young workers. Children may not be employed. Employment is only permitted from the age of 15 and after completion of compulsory schooling. Young people between the ages of 15 and 18 are subject to special protection and may not perform any work that could endanger their physical, mental or social development.

Beyond our voluntary commitment, our production facilities are audited by Fair Wear or BSCI. The auditors also check for the possible existence of child labour. To this end, hiring processes and proof of age are checked. In the case of young workers, particular attention is paid to ensuring that they do not work overtime or perform dangerous tasks. No cases of child labour were identified in the audits during the reporting year.

OCCUPATIONAL HEALTH AND SAFETY

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

We expect our suppliers to provide their workers with safe workplaces and adequate health protection. These include, in particular, fire protection, chemical management, electrical safety, machine safety, ergonomic measures and first aid. In everyday production, challenges in the area of occupational safety can arise due to a lack of training or awareness of risks. For this reason, complaints in this area may also arise during audits. In order to raise awareness of occupational health and safety and regularly review the status quo, our suppliers are required to implement improvement measures based on the audit results. The CSR (Corporate Social Responsibility) managers at Marc O'Polo and our agencies conduct regular on-site visits to monitor the implementation of these measures. In addition, our buyers and production managers are trained to draw attention to potential OHAS violations on site and to identify areas for improvement.

DISCRIMINATION AND PARTICIPATION

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

We expect our suppliers to treat all workers equally. Recruitment, remuneration, access to training and further education, promotions, termination of employment and all other aspects of the employment relationship must be based on the principle of equal opportunity regardless of ethnic origin, skin colour, gender, religion, political opinions, union membership, nationality, social background or disability.

The issue of gender equality plays a particularly important role in the textile industry, which has a high proportion of female workers. Fair Wear audits check, among other things, whether women and men receive equal pay for work of equal value. In addition, the proportion of female managers in production facilities is also taken into account. If this deviates significantly from the general gender distribution, we make appropriate recommendations and enter into dialogue with our partner companies to analyse possible causes and effect improvements.

WORKING HOURS AND REMUNERATION

ESRS S2-1, S2-4

We expect our suppliers to comply with statutory working time regulations and to ensure fair, appropriate remuneration.

WORKING HOURS

Working hours must not exceed legal requirements or internationally recognised standards. As a rule, this means a maximum of 48 hours per week, voluntary and limited overtime, and at least one day off per week. These requirements are part of our Code of Conduct and are regularly reviewed during audits and on-site visits.

If overtime is identified in Fair Wear or BSCI audits, we check whether it was worked voluntarily, correctly documented and remunerated in accordance with legal requirements. In the event of a noticeable increase in overtime, we engage in dialogue with our partner companies to identify the causes and define appropriate measures.

ADEQUATE WAGES

As part of the audits, employee pay is reviewed, with auditors using the statutory minimum wages as a benchmark. If violations are detected, we will investigate them with the highest priority and expect them to be remedied promptly.

Wages and benefits paid for a standard working week must meet at least legal or industry minimum standards. In addition, we adhere to the principles of ILO Conventions 26 and 131, according to which remuneration should be sufficient to cover the basic needs of workers and their families and allow for a certain amount of disposable income (excerpt from our Code of Conduct).

LIVING WAGE PROJECT

In many manufacturing countries, the statutory minimum wages do not cover the actual cost of living. We are helping to promote living wages through our Living Wage Project. In the reporting year, our Indian supplier Kaniska Garments paid a one-time bonus totalling €27,000 to 334 workers. Each person receiving support received €76; equivalent to approximately one month's basic salary. Payments were transferred directly to the workers' individual bank accounts to ensure transparency and avoid overlaps with regular wages or overtime pay. The measure was overseen by the local NGO Save, which supported its proper implementation.

The additional payments helped to cushion short-term financial burdens, such as medical expenses or education costs. At the same time, we are aware that individual measures cannot completely solve structural challenges in the area of living wages. That is why we are continuously working with our partners to further develop long-term approaches to promoting living wages in our supply chain.

RESULTS AND CONSEQUENCES OF THE AUDITS

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

The audits provide us with insights into the progress made ensuring humane working conditions at our partner companies. They reveal weaknesses and highlight potential areas for improvement.

BSCI audits involve an evaluation with potential consequences:

RATING A OR B:

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

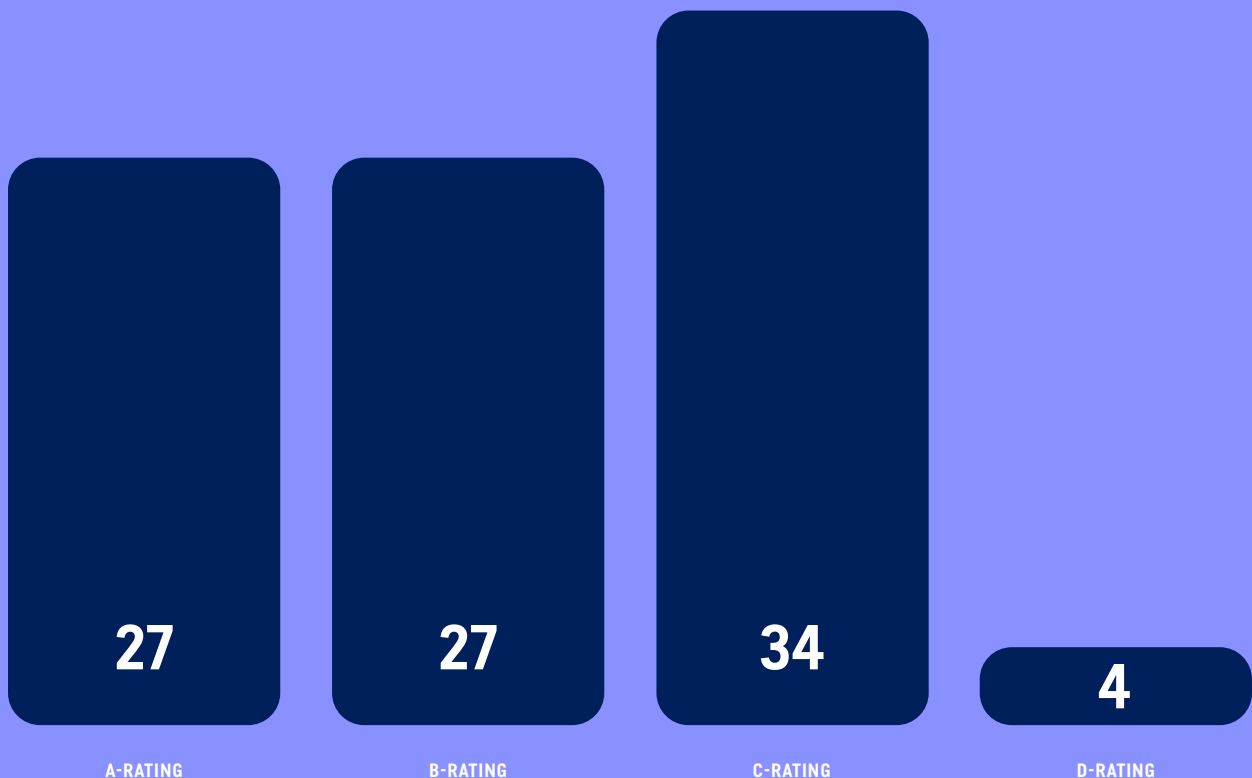
RATING C OR D:

If the rating is just 'Acceptable' or even 'Inadequate', a corrective action plan is developed, the implementation of which is reviewed after one year at the latest as part of a follow-up audit.

For us, audits are the starting point for continuous improvement. After each audit, we draw up a corrective action plan (CAP). Together with our partners, we evaluate the results, develop customised solutions and agree on specific deadlines for rectifying the identified shortcomings. This is not just a matter of short-term adjustments, but of permanently embedding humane working conditions in everyday business life. If suppliers commit serious or repeated violations of the Code of Conduct, termination of the business relationship will be considered. However, we consider the exclusion of suppliers to be a last resort.

As part of the Fair Wear audits, we work closely with our suppliers on the necessary improvements. The audits are repeated at least every three years. In the case of serious violations, an inspection will be carried out earlier.

NUMBER OF BSCI AUDIT RESULTS



INVOLVEMENT OF WORKERS IN THE VALUE CHAIN

GRI 2-29 / ESRS S2-2, S2-3

An essential aspect of our approach to promoting fair working conditions in our supply chain is the involvement of workers. This is done, among other things, through regular worker interviews as part of the audits and through personal on-site visits. In doing so, we ensure—with the help of independent translators, if necessary—that workers can contribute their perspectives confidentially. The interviews are a key tool for us to gain a nuanced picture of working conditions and identify potential risks at an early stage. The findings are incorporated into the assessment of risks and the derivation of appropriate improvement measures.

Our complaints mechanism is another tool that workers can use to address concerns or provide feedback directly to us (see chapter 4.2.4 ‘Complaints mechanism’ [7]).



4.2.3 TRAINING FOR WORKERS IN THE VALUE CHAIN

GRI 2-25, 3-3 (205) / ESRS S2-3, S2-4, S2-5

We supplement the auditing of our suppliers with additional approaches, as certain human rights risks—such as sexual harassment—require different prevention and intervention mechanisms than technically verifiable issues such as fire safety. Many human rights issues arise in everyday working life and in interpersonal relationships. Sustainable improvements therefore require a continuous dialogue between all parties involved and the active involvement of workers in the value chain.

A key element is raising awareness of rights, obligations and existing complaint and enforcement mechanisms. If both the management of the production facilities and the workers have the relevant knowledge, risks can be identified at an early stage and appropriate measures developed.

To support this process, we conduct regular training sessions on social standards for workers and management at our production sites. We use a variety of training formats to ensure that the content is conveyed effectively and in a manner appropriate to the target group.

FAIR WEAR WORKER EDUCATION PROGRAMME

This module provides factory management and workers on site with a basic introduction to the Fair Wear code of conduct and the Fair Wear complaints hotline. In the reporting year, we conducted this training with seven suppliers in India, China, Vietnam, Bangladesh, Tunisia and Turkey.

FAIR WEAR WORKPLACE EDUCATION VIOLENCE AND HARASSMENT PREVENTION PROGRAMME

This module spans 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 introducing an anti-harassment committee.

FAIR WEAR FACTORY SOCIAL DIALOGUE

This module provides a basic introduction to effective communication as a tool for problem-solving and improving dialogue between workers and management. In the reporting year, we conducted this training with two suppliers in Turkey.

FAIR WEAR FAIRPRICE TRAINING

This module helps suppliers develop transparent pricing. The supplier is trained to calculate the cost per minute of labour and to incorporate this into the pricing. In the reporting year, we conducted this training with one supplier in India.

INTERNAL TRAINING FOR PURCHASING WORKERS

We want to empower our buyers and production managers to check compliance with basic health and safety measures when visiting production facilities. Therefore, as in the previous financial year, we conducted internal training on our Marc O'Polo Health & Safety checklist.

NUMBER OF TRAINED WORKERS:

FAIR WEAR ONBOARDING TRAINING MODULE

1,644

WORKERS TRAINED

24 / 25: 7
NUMBER OF TRAININGS

23 / 24: 7
22 / 23: 1
NUMBER OF TRAININGS

FAIR WEAR WEPVH PROGRAMME

196

WORKERS TRAINED

24 / 25: –
NUMBER OF TRAININGS

23 / 24: 1
22 / 23: 4
NUMBER OF TRAININGS

FAIR WEAR FACTORY SOCIAL DIALOGUE

186

WORKERS TRAINED

24 / 25: 2
NUMBER OF TRAININGS

23 / 24: 2
22 / 23: –
NUMBER OF TRAININGS

FAIR WEAR FAIRPRICE TRAINING

3

WORKERS TRAINED

24 / 25: 1
NUMBER OF TRAININGS

23 / 24: –
22 / 23: –
NUMBER OF TRAININGS

4.2.4 COMPLAINTS MECHANISM

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

The Fair Wear Foundation offers its members a special complaints mechanism. This can be used by workers in factories, supply chain partners and NGOs to address complaints about violations of the Fair Wear Code of Labour Practices to the member company. To this end, every tier 1 supplier must display a Worker Information Sheet with contact details (email, telephone number) in clearly visible locations in our suppliers' factories. We regularly check for the presence of worker information sheets during our on-site visits. In addition, during our on-site visits as part of our 'worker interviews', we inform some of the workers in the value chain about the complaints mechanism and ask them about their level of knowledge of the mechanism. In order to proactively raise awareness of the complaints mechanism among a larger proportion of workers and to promote trust, we conduct Fair Wear training sessions (see chapter 4.2.3 [7]). After the training sessions, we encourage our partners to conduct training on the complaints mechanism independently and at regular intervals.

Workers can contact a local Fair Wear representative using the contact details provided in their language— anonymously if they wish. The complaints are communicated and processed by Fair Wear in a transparent process together with us.

The complaints we receive also give us more detailed insights into our supply chain and provide us with a direct opportunity to advocate for improvements and use the findings from the complaints mechanism for our risk analysis. Ten complaints were received in financial year 2024/25 (PY: eleven). Both the content and the current processing status can be found on the Fair Wear website [7]. We view incoming complaints as confirmation that the complaint mechanism is effective and as an opportunity to work on improvements together with workers in the supply chain and factory management.

4.2.5 WOMEN EMPOWERMENT IN THE SUPPLY CHAIN

GRI 3-3 (405, 406) / ESRs 2 SBM-3, ESRs S2-2, S2-4

Women play a key role in the global textile supply chain. They are disproportionately represented in many manufacturing countries, but often have limited access to further training, management positions and equal opportunities for advancement. In addition, they are sometimes exposed to an increased risk of discrimination, unequal pay and gender-based violence. Marc O'Polo is therefore committed to strengthening women's rights and, as part of its supply chain strategy, promotes initiatives that support equality, self-determination and economic independence for women. We believe that empowering women contributes significantly to decent working conditions, more stable communities and more sustainable development. In the reporting year, we implemented various initiatives and projects specifically aimed at empowering women in the supply chain. Below, we present these measures and their objectives in more detail.

PROMOTING WOMEN IN LEADERSHIP POSITIONS IN INDIA

In the reporting year, we worked with the local NGO Save to provide targeted training for Indian female workers to prepare them for leadership roles. In mid-December 2024, as part of intensive supervisor training, a total of 14 women were able to acquire the necessary skills within two weeks to successfully master the transition from workers to team leaders. With this project, we are not only strengthening individual career opportunities, but also helping to promote equality and empowerment for women throughout our supply chain in a sustainable manner.

GENDER-APPROPRIATE HEALTH PROTECTION IN THE SUPPLY CHAIN

As part of the Gender-Responsive Health Protection project run by FEMNET, SÜDWIND and Cividep, Marc O'Polo has worked with an Indian supplier to implement practical measures for implementing gender-responsive occupational health and safety guidelines. The aim was to identify both physical risks, such as ergonomic strain, and psychosocial stressors, such as discrimination and stress, through discussions with workers, in order to address these issues in the best possible way. Particular focus was placed on the needs and rights of women in production. By implementing the recommended actions on site, we were able to directly contribute to better working conditions, greater safety and the empowerment of the female workforce. The project will continue in the coming year in order to further consolidate the progress made and ensure sustainable improvements.

4.3 CONSUMERS & END USERS

The trust of our customers is a key benchmark for our actions. We provide transparent and comprehensible information to enable informed decisions and strengthen long-term trust. We see sustainability communication as a contribution to informed purchasing decisions and as a continuous learning and development process.

In order to give everyone as equal access as possible to our services, we base the design of our digital platforms on recognised principles of accessibility and continuously develop them further.

In addition, we place great importance on product safety and quality. Internal guidelines for material and chemical testing help to minimise potential health risks. Complete and legally compliant labelling ensures that our customers receive reliable information about our products.



4.3.1 MORE RESPONSIBLE COMMUNICATION & DIGITAL ACCESSIBILITY

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

Sustainability communication serves to promote informed purchasing decisions and raise awareness of responsible behaviour – and it is a continuous learning process.

Twice a year, we conduct market research on our customers' international brand perception. In the latest survey, 72 per cent of our international customers perceived Marc O'Polo as a sustainable brand, while 75 per cent described Marc O'Polo products as sustainable.* Our goal is to provide information about our sustainability approaches and progress through transparent and understandable communication.

The upcoming changes brought about by the EmpCo Directive provide an opportunity for reflection and improvement. Marc O'Polo is committed to the objectives of the directive: consumer protection, transparency and fair competition. The focus is on clearly formulated environmental and sustainability information based on currently available scientific standards and methods, which, as far as possible, are certified by independent third parties and regularly checked for traceability.

Environmental terms such as 'environmentally friendly' or 'climate neutral' are being scrutinised and clarified, always with the aim of presenting the ecological properties and effects of products in a transparent manner. The commitment to transparency is the foundation of all communication, knowing that improvements are always possible.

DIGITAL ACCESSIBILITY

Our online shop offers customers the opportunity to easily discover, order and pay for high-quality fashion and accessories online. It is important to us that our digital offerings are accessible and intuitive to use for everyone, regardless of physical, sensory or cognitive abilities.

The design of our website is based on the requirements of the Barrier-Free Accessibility Act (BFSG) and the underlying European directives. We implement the Web Content Accessibility Guidelines (WCAG) 2.2 at Level AA to ensure an inclusive shopping experience.

Our websites are designed so that content remains understandable without colour recognition, control elements are provided with text alternatives, and no precise hand movements or special effort are required. We deliberately avoid visual effects that could affect sensitive individuals. In addition, our digital applications are regularly reviewed and further developed to ensure reliable and barrier-free use.

Customers who encounter barriers or would like to provide feedback can contact us at accessibility@marc-o-polo.com. Your feedback helps us to continuously improve our online offering and create an inclusive shopping experience.

*Part of Marc O'Polo brand tracking October 2025 in collaboration with the Skopos research institute, conducted to evaluate the perception and brand image of MO'P and relevant competitors nationally (Germany) and internationally (Poland, Netherlands, Belgium, Italy, Spain). The sample for Germany consisted of 1,800 (=N) fashion-conscious respondents, while the sample for all other countries consisted of 1,000 (=N) fashion-conscious respondents per country. All respondents were aged between 20 and 59.

4.3.2 SAFETY OF OUR PRODUCTS

GRI 3-3 (416, 417), 416-1, 416-2, 417-1 / ESRS S4-1, S4-4, S4-5

As a company, it is our responsibility to minimise potential product defects that could affect the health and safety of our customers. A significant risk exists in connection with the use of chemicals of concern and chemicals of very high concern, which are used in raw material cultivation and textile finishing processes. Residues of such substances in the end product can have health effects, for example if they are carcinogenic or have hormonal effects. Responsible handling of chemicals is therefore a high priority for us.

We have implemented comprehensive guidelines and processes to minimise risks. We already require our suppliers to use ZDHC-compliant chemicals in finishing processes such as dyeing, printing or washing in accordance with the Manufacturing Restricted Substances List (MRSL) and verify their use. Our goal is to systematically reduce and, where possible, substitute substances of concern and substances of very high concern in our supply chain (see chapter 3.2.2 'Chemical management in the supply chain' [\[7\]](#)).

In addition, our Product Restricted Substances List (PRSL) applies, which takes into account relevant national and international regulations on the use of such substances in the end product. We have defined internal limits for numerous chemical parameters that exceed legal requirements. Compliance with the PRSL is mandatory for all suppliers, applies to all products, materials and packaging, and is updated regularly.

Compliance with the PRSL is monitored through risk-based testing of the end product, which is carried out by independent, accredited laboratories. During the reporting period, 732 individual products were tested out of a total of 4,431 product styles manufactured (PY: 714), which corresponds to a share of around 17 per cent. The aim of these tests is to further reduce the risk of non-compliant products.

Through a defined escalation process involving all relevant departments, we ensure that only compliant and marketable products are delivered. During the reporting period, we are not aware of any violations relating to the impact of our products on the health and safety of customers.

4.3.3 LABELLING OBLIGATIONS & PRODUCT CARE

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

Marc O'Polo has established processes and mechanisms to comply with legal labelling requirements. To this end, all products are labelled with information on material composition, country of origin, care symbols and additional information, as well as the product number and manufacturer's address. 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 publishes a Care & Repair Guide on its website. It contains material and product-specific care instructions and repair instructions. The aim is to extend the service life of products and reduce negative environmental impacts during the use phase, particularly through the use of water, energy and chemicals.

5 GOVERNANCE

We need to succeed financially in order to hold our own against our competitors over the long term. In doing so, we pursue the goal of reconciling economically responsible action with ecological and social responsibility.

Our governance structure supports us in integrating sustainability aspects into management, decision-making and control processes in a systematic and transparent manner. It defines clear responsibilities and strengthens transparency and integrity in business activities.

In this way, we promote trust among our employees, business partners and other stakeholders, and contribute to responsible and sustainable corporate governance.

5.1 CORPORATE CULTURE

ESRS G1-1

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



EMBODYING VALUES

Our five key values form the foundation of Marc O'Polo's success. These values are not just words; they are like the roots of a plant—symbolised by the strawberry, the iconic theme of our first campaign in 1967. These values are woven into every decision, every product and every interaction. They define us and guide us on our journey to become the leading sustainable and modern casual lifestyle brand in the premium segment:

We have been holding 'Value Days' on a regular basis since the last financial year. With community and connect opportunities, training courses and prominent guests in interview and keynote formats, we promote the experience and enjoyment of our five key values.

QUALITY

We want to achieve the best results for our customers. We measure and reward our successes and continue to develop.

PERSONALITY

We put our passion and personality into everything we do, and we win and lose together as a team.

SIMPLICITY

We concentrate on the essentials. No nice-to-haves or complicated solutions. Clear communication and direct feedback.

NATURALNESS

We always act naturally and are committed to sustainability.

INNOVATION

We develop creative ideas, take responsibility and always keep our customers in mind.

AMBITION AND GOALS

As passionate trendsetters, we actively shape the future of Marc O'Polo and create jobs that inspire, connect and make an impact. Our goal is to be a 'WOW' employer that inspires people worldwide through our corporate values of Quality, Naturalness, Innovation, Personality and Simplicity.

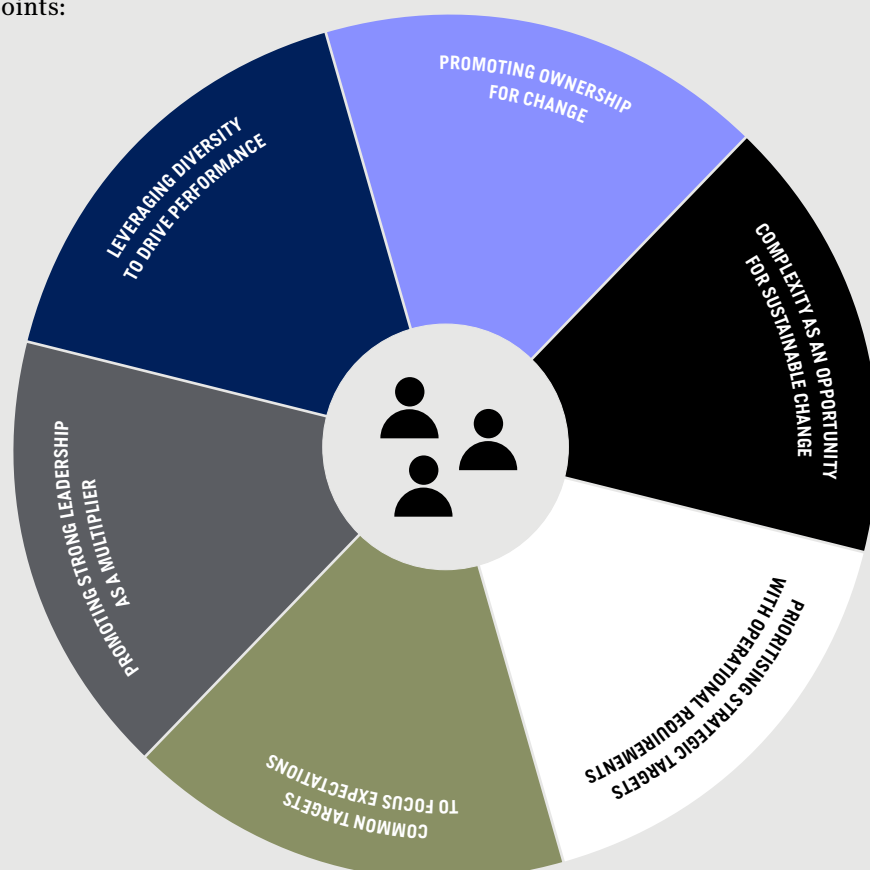
CULTURE AND LEADERSHIP PHILOSOPHY:

ESRS G1-1

At Marc O'Polo, we strive for an inclusive culture that anchors our values throughout the entire employee lifecycle. Our employees should find a reliable basis on which they can take on responsibility, drive change and explore new avenues.

- We want to offer a modern, digital working environment in a lean organisation that can easily adapt to the rapidly changing environment.
- We want to be pioneers in terms of internationalisation and sustainability.
- We want to pave the way for our company to become a global premium brand while also living up to high sustainability standards.

Strong, well-trained managers are important promoters and multipliers of our values within the organisation. They form the framework through which our culture becomes tangible for every employee, based on the following key points:



5.2 B CORP™

ESRS G1-1

For Marc O’Polo, responsible corporate management means embedding social and environmental responsibility in our structures and decision-making processes. During the reporting period, we therefore worked intensively to systematically review our sustainability performance in line with the B Impact Assessment and to further develop the necessary processes, data bases and governance mechanisms.

The B Impact Assessment is a comprehensive evaluation process conducted by the independent non-profit organisation B Lab. It assesses companies holistically in the areas of corporate governance, employees, environment, customers and social engagement, and checks compliance with defined standards for social and environmental performance, transparency and accountability. B Corps are companies that have been verified by B Lab and meet these standards. The ‘B’ stands for ‘Benefit for all’ and expresses that, in addition to economic goals, the impact on relevant stakeholders is taken into account.

In January 2026 (financial year 2025/2026), Marc O’Polo was recognised as a Certified B Corporation™. The verification was based on the B Corp™ standard (version 1.6) valid at the time of the audit. This gives an outlook on the further development of our sustainability approach beyond the reporting period described. We see membership of the B Corp™ community as a binding framework for transparency and for the continuous improvement of our social and environmental performance.



5.3 RESPONSIBLE BUSINESS PRACTICES

GRI 2-23, 3-3 (205, 418), 205-2, 418-1 / ESRS S1-3, S2-3, S4-3, G1-1

CODE OF CONDUCT

Essential obligations, guidelines and values for the legally compliant conduct of our company are derived, among other things, from our Code of Conduct (Business Partner Code of Conduct for Non-Retail Products). We expect both our employees and our partner companies to comply with the code. The principles listed are essentially based on the core conventions of the International Labour Organisation (ILO) and the United Nations Universal Declaration of Human Rights. Among other things, they include the prohibition of child labour and forced labour, compliance with anti-corruption laws and the implementation of ecological responsibility and environmental protection. The content of the Business Partner Code of Conduct for Non-Retail Products was prepared as part of an e-learning course and made available to employees. Further information on our supplementary guidelines in the supply chain can be found in chapter 5.5.1 'Our policies' [\[7\]](#).

WHISTLEBLOWER & COMPLAINTS SYSTEM

With our whistleblower system, we are implementing the German Whistleblower Protection Act, which came into force on 2 July 2023. Since 2024, we have also been complying with the requirements of the Supply Chain Due Diligence Act (LkSG) regarding a complaints procedure. The whistleblower and complaints system gives all Marc O'Polo employees, 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 investigate them systematically. The whistleblower system is currently the responsibility of our data protection officers and the 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 monitors the confidential handling of data relating to suppliers, employees and customers. In the reporting year, there were no justified complaints regarding the violation of protection or loss of customer data. Further information on data protection can be found here: [Privacy policy \[7\]](#).

SUSTAINABLE PROJECT & 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 aim is to create a project landscape in which there is a certain basic standard on the one hand, and on the other hand, employees have the opportunity to optimise their projects in terms of sustainability. The assessment framework is based on ESG criteria.

To obtain a comprehensive picture of our maturity as a company in terms of environmental, social and governance (ESG) performance along the entire value chain, we also use the Higg Brand and Retail Module (BRM). Data is collected annually and refers to the previous calendar year. By using BRM, we can identify potential for improvement, track prog-



ress and compare our performance year after year with other companies in the industry.

**“OUR APPROACH BECOMES EFFECTIVE
WHEN IT IS TRANSLATED INTO RESPONSIBLE
ACTION AND MEASURABLE IMPACT.”**



MARIA HÖHN
SENIOR MANAGER CORPORATE SUSTAINABILITY

5.4 ANIMAL WELFARE

ESRS G1-1

At Marc O’Polo, animal welfare is a fundamental part of our material strategy. Materials of animal origin require special attention, as they pose specific risks in terms of animal welfare and the more sustainable management of raw material sources. To effectively meet these challenges, we rely on certified supply chains and strict international standards.

As described in chapter 3.5.1 [\[↗\]](#) and 3.5.2 [\[↗\]](#), we strive to increasingly source animal materials from certified supply chains. These recognised certifications include the Responsible Wool Standard (RWS), the Responsible Mohair Standard (RMS), the Recycled Claim Standard (RCS), The Good Cashmere Standard® and the Responsible Down Standard (RDS).



OUR ANIMAL WELFARE POLICY

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

Based on the Five Domains Model for animal welfare, Marc O’Polo has formulated clear requirements for the humane husbandry and treatment of animals in the extraction of raw materials. Our Policy for Animal-Derived Materials imposes specific requirements, including a ban on live plucking and force-feeding in the production of down. The policy can be viewed in detail here: [Our animal welfare policy](#) [7].

Through continuous development, we are creating an extended catalogue of requirements that goes beyond the Code of Conduct and is binding for all our suppliers and their subcontractors.

WE DO NOT USE...

GRI 3-3 (304), 304-2

Marc O’Polo has achieved a significant milestone in its Autumn/Winter 2025 collection: we now exclusively use certified mulesing-free or recycled sheep’s wool in our products.

Mulesing is a common practice in Australian wool production that causes significant animal suffering in lambs. Our commitment to mulesing-free wool was awarded gold in the ‘Four Paws’ brand ranking—recognition of our dedication to animal welfare.

At Marc O’Polo, we also deliberately avoid using conventional down and feathers. Instead, we only use materials from ducks that are either certified according to the Responsible Down Standard (RDS) or come from certified recycled sources (Recycled Claim Standard)—an alternative to newly harvested down and feathers. For more details, see chapter 3.5.2 ‘Preferred materials & verifications’ [7].



5.5 MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

ESRS G1-2

At Marc O'Polo, we are aware of the challenges in the value chain and assert our values and requirements in our cooperation with our suppliers. We have high standards for the quality of our products, especially with regard to the materials used and their processing. At the same time, we attach great importance to ensuring that our products are manufactured under humane and ecologically responsible conditions and that binding environmental and social standards are defined. Our suppliers are mainly based in India, Turkey and Vietnam (see chapter 2.6.3 'Our value chain' [↗]). This is accompanied by structural and geographical risks, for example due to political changes or the relocation of production to other countries. In addition, the standards for protecting workers and the environment in the producing countries are generally lower than in Germany. We therefore take various steps to align local conditions with our requirements and values, as well as with the expectations of our customers (see also chapter 4.2 'Workers in the value chain' [↗] and chapter 3 'Environment' [↗])



5.5.1 OUR POLICIES

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

SUPPLIER CODE OF CONDUCT

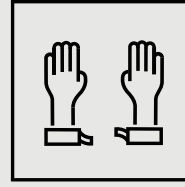
The basis for cooperation with our suppliers is our Marc O'Polo Supplier Code of Conduct for Trading Goods, which incorporates the Fair Wear Foundation's Code of Labour Practices and includes the most important international policies and agreements on human rights, occupational health and safety and fairness in the supply chain. We are committed to working continuously with our suppliers to implement these standards in our supply chain. Our membership in the Fair Wear Foundation is crucial in this regard. The Code of Conduct is binding for all suppliers. Among other things, it regulates the prohibition of child labour, safe workplaces, the right to freedom of association and living wages. These are based on international standards such as the ILO core labour standards and the United Nations Declaration of Human Rights. Our Business Partner Code of Conduct for Non-Trading Goods applies to our employees and suppliers of non-trading goods. This Code of Conduct defines further essential obligations, guidelines and values for doing business in compliance with the law (see chapter 5.3 'Sustainable business practices' [↗]).

ETHICAL SOURCING STANDARD

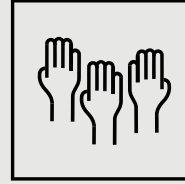
GRI 3-3 (205), 205-2 / ESRS E5-1, G1-2

In our Ethical Sourcing Standard, we also define our requirements regarding the use of materials, environmental protection, the fight against corruption and humane working conditions. We implement the Ethical Sourcing Standard with binding policies that we continuously update. The standard applies not only to our procurement of raw materials, but also goes beyond the Code of Conduct to form an additional catalogue of requirements for all our suppliers and their sub-contractors. Our requirements for animal welfare are also summarised in our Policy for Animal-Derived Materials (see chapter 5.4 [↗]).

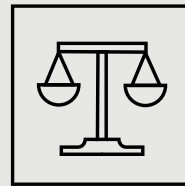
FAIR WEAR FOUNDATION WORKING GUIDELINES



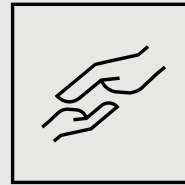
EMPLOYMENT IS FREELY CHOSEN



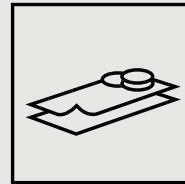
FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING



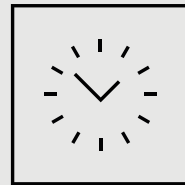
THERE IS NO DISCRIMINATION IN EMPLOYMENT



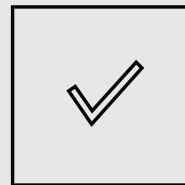
NO EXPLOITATION OF CHILD LABOUR



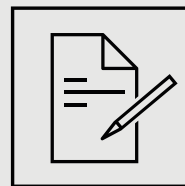
PAYMENT OF LIVING WAGE



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 partners within the supply chain. Our purchasing strategy is based on trust and continuity. This increases transparency and certainty regarding where and under what conditions our products are manufactured.

Of our total production volume, 75 per cent (PY: 70 per cent) comes from production sites (tier 1) with which we have had a business relationship for at least five years. The average duration of the collaboration is 6.8 years.

It is important to us to work with partners who share and implement our requirements in terms of working conditions, environmental sustainability, transparency and product responsibility. Appropriate and humane working conditions are not a given in many manufacturing countries. Withdrawing from these regions would not help the workers there, the majority of whom are women. For them, working in the textile industry is often the only way to generate their own income. Instead of avoiding certain countries of production, we believe it is important to use our sphere of influence to ensure that our suppliers meet our standards and, where necessary, implement measures to improve working conditions and environmental sustainability. We therefore require our suppliers to strictly implement our requirements.

SELECTING NEW PARTNERS

The employees in our Sustainability & Corporate Responsibility and Procurement departments pursue a joint strategy when selecting new production sites. While the Procurement department is responsible for proposing new suppliers, the CSR department has a decisive say in the selection process. New collaborations and contract awards can only begin after approval by the CSR department. In existing partnerships, this department has the right and responsibility to halt production if risks reach a critical level. An analysis of social and environmental risks is part of the decision-making process when selecting new suppliers. In principle, our partners may nominate subcontractors, but these must first be reviewed and approved by us. The unauthorised use of subcontractors is not permitted. Home workers may only be hired after prior review and approval by Marc O'Polo. In the reporting year, all newly added suppliers of trading goods were evaluated based on social and environmental criteria.

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. sewing workshops and suppliers. Our suppliers undertake to disclose their cut-make-trim subcontractors. Before a subcontractor is involved in production, we carefully check whether it meets the required standards. Once approved, it is subject to the same monitoring requirements as the main suppliers, including risk assessment, audit and corrective action plan. This is how our duty of care is implemented from end to end.



REQUIREMENTS FOR OUR SUPPLY CHAIN PARTNERS IN CONNECTION WITH OUR ENVIRONMENTAL AND CHEMICAL MANAGEMENT PROGRAMME (EMP)

GRI 3-3 (308) / ESRS E2-1, G1-2

As part of our Environmental and Chemical Management Programme, we have also defined clear requirements that apply to new supply chain partners.

TIER 1 SUPPLIERS (SEWING COMPANIES) ARE REQUIRED TO:

- comply with the Marc O'Polo Product Restricted Substances List (PRSL) and ZDHC Manufacturer's Restricted Substances List (MRSL), cascade both throughout their supply chains and require their upstream suppliers to comply with them
- conduct an annual self-assessment of the Higg FEM— we require strategic partners to verify their Higg FEM.

IN ADDITION TO OUR EXPECTATIONS OF TIER 1 SUPPLIERS, TIER 2 SUPPLIERS (WET PROCESSES) ARE OBLIGED TO:

- register in the ZDHC Gateway
- maintain a digital chemical inventory and generate a ZDHC Performance InCheck Report on a monthly basis, sharing it with us to demonstrate ZDHC MRSL compliance
- implement more responsible chemical management and conduct the Supplier to Zero Assessment or a comparable assessment annually
- implement the ZDHC wastewater guidelines, conduct an annual wastewater test and generate a ClearStream Report as proof of effective wastewater management, in which at least the wastewater limit values (Foundational Level) for all heavy metals, conventional parameters and anions must be complied with.

TERMINATION OF COLLABORATION

Since we are committed to long-term partnerships, terminating the collaboration is a last resort. In the event that we terminate a partnership with suppliers, we have defined a process for responsible withdrawal, in which we commit to informing our partners in a timely manner and planning the withdrawal jointly and carefully.

Once a year, we conduct a comprehensive assessment of our suppliers, evaluating not only price and quality but also their sustainability performance. We assess the extent to which our partner companies are committed to good working conditions, have implemented more sustainable environmental measures or are certified according to a textile standard (such as GOTS).

5.6 MARC O'POLO FOUNDATION

GRI 201-1, 413-1

Marc O'Polo's commitment to assume social responsibility and help shape the future continues to shape the brand's actions and involvement. In financial year 2024/2025, we continued our social commitment through donations and support measures in various areas, focusing on social and ecological development.

For example, we are supporting Sachsen-Leinen e.V. with €20,000 for research projects on flax cultivation. Flax is one of the oldest natural fibres and offers potential for more resource-efficient production processes, contributing to the further development of ecological alternative materials. We are also supporting educational initiatives with a donation of €15,000 to the Promised Land Foundation, which is supporting the construction and operation of a school project in Ghana. The aim is to improve educational opportunities for children in disadvantaged regions and promote long-term development opportunities locally.

Our commitment also extends to social and sporting activities in the region. With donations to TSV 1860 Rosenheim e.V. (€4,500) and SV Schlossberg e.V. (€2,000), we support regional sports and the promotion of community and exercise. The Rosenheim district branch of BUND-Naturschutz in Bayern e.V. (Friends of the Earth Germany) received €580 in funding to promote regional environmental and nature conservation measures. The children's home 'Schöne Aussicht' run by the St. Zeno Kirchseeon Foundation and the Caritas Association of the Archdiocese of Munich and Freising each received €2,000 to promote social projects and support services.

Our total donations this year amounted to €46,080. In doing so, we are continuing to pursue our goal of embracing our social responsibility in a long-term and structured manner. Together with our employees, we remain committed to initiatives that promote social and environmental development. Marc O'Polo remains true to its principle of acting responsibly and combining innovation with social and environmental responsibility.

PROJECT FUNDING

DONATIONS 2023 / 2024

Promised Land Foundation—school construction project in Ghana	€30.000
Support for employees facing hardship	€5.500
Pro Arbeit Rosenheim e.V.	€5.000
SV Schlossberg Stephanskirchen e.V.	€4.000
Caritas Association of the Archdiocese of Munich and Freising	€4.000
St. Zeno Foundation for the 'Schöne Aussicht' children's home	€1.000
District branch of BUND-Naturschutz	€1.000
Süddeutsche Kinderhospiz-Stiftung children's hospice	€500
TOTAL	€51.000

DONATIONS 2024 / 2025

TSV 1860 Rosenheim e.V.	€4.500
Sachsen-Leinen e.V.—research into flax cultivation	€20.000
Rosenheim district branch, BUND-Naturschutz in Bayern e.V.	€580
Promised Land Foundation—school construction project in Ghana	€15.000
Caritas Association of the Archdiocese of Munich and Freising	€2.000
St. Zeno Kirchseeon Foundation, 'Schöne Aussicht' children's home, Rosenheim	€2.000
SV Schlossberg e.V.	€2.000
TOTAL	€46.080

APPENDIX

CONVENTIONAL AND PREFERRED MATERIALS USED*

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

		2022		2023		2024	
		WEIGHT T	SHARE ¹	WEIGHT T	SHARE ¹	WEIGHT T	SHARE ¹
NATURAL FIBERS & MATERIALS	COTTON	4,215	100%	3,765	100%	5,726	100%
	Conventional	195	5%	109	3%	97	2%
	Organic	396	9%	251	6,7%	140	2%
	OCS	1,701	40%	1,735	46%	2,740	48%
	GOTS	1,809	43%	1,617	43%	2,729	48%
	Recycled	51	1%	32	0.8%	2	<1%
	RCS Cotton	62	2%	21	0.5%	18	<1%
	WOOL	276	100%	199	100%	273	100%
	Conventional	14	5%	14	7%	7	2%
	RWS	217	78%	127	64%	184	68%
	Responsible Wool	2	0.7%	30	15%	15	5%
	Recycled	43	16%	19	9.5%	40	15%
	RCS Wool	0	0%	9	4.5%	28	10%
	CASHMERE	3	0%	1,2	100%	3	100%
	Conventional	0	0%	0	0%	0	0%
	The Good Cashmere Standard®	3	100%	1,2	100%	3	100%
	ALPACA	35	100%	11.5	100%	14	100%
	Conventional	35	100%	11.5	100%	7.5	53%
	RAS	0	0%	0	0%	6.5	47%
	MOHAIR	0,5	100%	0.8	100%	1.5	100%
	Conventional	0	0%	0	0%	0	0%
	RMS	0,5	100%	0.8	100%	1.5	100%
	LINEN	223	100%	211	100%	266	100%
Conventional	143	64%	161	76%	220	83%	
Organic Linen	0	0%	15	7%	30	11%	
Masters of Linen	80	36%	35	17%	16	6%	
HEMP	10	100%	0.4	100%	2	100%	
Conventional	10	100%	0.4	100%	2	100%	
Down & Feather	47	100%	33	100%	10	100%	

CONVENTIONAL AND PREFERRED MATERIALS USED*

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

		2022		2023		2024	
		WEIGHT T	SHARE ¹	WEIGHT T	SHARE ¹	WEIGHT T	SHARE ¹
NATURAL FIBERS & MATERIALS	CONVENTIONAL	0	0%	0	0%	0	0%
	RDS	47	100%	33	100%	6	60%
	RCS/Recycled	0	0%	0	0%	4	40%
	LEATHER	11	100%	10	100%	38	100%
	Conventional	11	100%	9.7	100%	38	100%
CHEMICAL FIBERS	POLYESTER	713	100%	565	100%	679	100%
	Conventional	37	5%	44	8%	3.5	<1%
	Recycled	576	81%	314	55%	130	19%
	RCS	100	14%	207	37%	545.5	81%
	POLYAMIDE	281	100%	242	100%	263	100%
	Conventional	115	41%	88	36%	191	73%
	Recycled	136	49%	77	32%	13	5%
	RCS	0	10%	77	32%	59	22%
	OTHER²	97	100%	50	100%	116	100%
	Conventional	97	100%	50	100%	116	100%
MMF	VISCOSE	131	100%	194	100%	339	100%
	Conventional	23	17%	44	23%	70	21%
	LENZING™ ECOVERO™	99	76%	120,5	62%	224	66%
	Responsible Viscose	9	7%	29	15%	45	13%
	LYOCELL	72	100%	80	100%	157	100%
	Conventional	15	21%	27	34%	40	25%
	TENCEL™	57	79%	53	66%	117	75%
	MODAL	25	100%	31	100%	38	100%
	Conventional	5	20%	3	10%	9	23%
	TENCEL™	20	80%	28	90%	29	77%
	CUPRO	0	0%	4.5	100%	0	0%
RCS	0	0%	4.5	100%	0	0%	

¹ Percentage of the total quantity of each fibre type used by Marc O'Polo International GmbH

² Other synthetic fibres include polyurethane, polyacrylic, elastane and elastomultiester.

* Data basis: Quantities of Marc O'Polo International GmbH in the calendar year, excluding shoes, accessories and licensed products. Due to the inclusion of additional product areas this year, direct comparability with previous years is only possible to a limited extent.

PREFERRED MATERIALS STATUS*

	2022		2023		2024	
	WEIGHT (IN T)	SHARE ¹	WEIGHT (IN T)	SHARE ¹	WEIGHT (IN T)	SHARE ¹
MATERIALS USED	6,397	100%	5,394	100%	7,925	100%
CONVENTIONAL MATERIALS	1,385	22%	839	16%	953	12%
PREFERRED MATERIALS	5,013	78%	4,555	84%	6,971	88%
Brand fibres¹	265	4%	265.5	5%	431	5%
Certified materials	4,748	74%	4,290	80%	6,540	83%
OCS & GOTS	3,510	55%	3,367	62%	5,499	69%
RCS	968	15%	760.5	14%	839.5	11%
RWS	219	3%	127	2%	184	2%
Others²	50.5	1%	35.03	1%	17	<1%

¹ Preferred brand fibres are LENZING™ ECOVERO™, TENCEL™ and Masters of Linen®.

² Other certified materials include RDS, RMS, RAS and The Good Cashmere Standard® by AbTF.

* Data basis: Quantities of Marc O'Polo International GmbH in the calendar year, excluding shoes, accessories and licensed products. Due to the inclusion of additional product areas this year, direct comparability with previous years is only possible to a limited extent.

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. The page numbers indicate where to find the relevant information in this report.

GRI	GRI STANDARD INFORMATION	PAGE	COMMENT
2-1	Organisational details	5	
2-2	Entities included in the organisation's sustainability reporting	5	
2-3	Reporting period, frequency and contact point	3 & 128	
2-4	Restatements of information	3	
2-5	External assurance	3	
2-6	Activities, value chain and other business relationships	10 & 29 ff.	
2-7	Employees	82 ff. & 88 ff.	
2-8	Workers who are not employees	–	As at 31 May 2025, the following workers who are not employees were engaged by us: Trainees and integrated – degree students: 59; interns: 18; working students: 20; contract workers in logistics: 3; cleaning staff: 2. Due to a lack of data, it is currently not possible to provide information on the number of freelancers employed.
2-9	Governance structure and composition	5 f.	Under the German Stock Corporation Act (Aktiengesetz), 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 2024/2025 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.
2-11	Chair of the highest governance body	6	
2-12	Role of the highest governance body in overseeing the management of impacts	6 & 9	The Supervisory Board continued to monitor the Executive Board's management during the 2024/2025 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	GRI STANDARD INFORMATION	PAGE	COMMENT
2-13	Delegation of responsibility for managing impacts	9	
2-14	Role of the highest governance body in sustainability reporting	6, 9 & 35 f.	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.
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 listed in the report on relationships with affiliated companies and was not disadvantaged by actions taken. No actions were omitted.
2-16	Communication of critical concerns	–	Critical concerns can be communicated to the Supervisory Board at Supervisory Board meetings. There were no critical concerns to report during the reporting period.
2-17	Collective knowledge of the highest governance body	6	
2-18	Evaluation of the performance of the highest governance body	6	
2-19	Remuneration policies	6	
2-20	Process to determine remuneration	–	For confidentiality reasons, we do not report on the process to determine remuneration.
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.
2-22	Statement on sustainable development strategy	6	
2-23	Policy commitments	34, 114 & 119	
2-24	Embedding policy commitments	9, 100 ff., 119 & 120 f.	
2-25	Processes to remediate negative impacts	100 ff., 104 & 105	
2-26	Mechanisms for seeking advice and raising concerns	26	
2-28	Membership associations	27	
2-29	Approach to stakeholder engagement	19 ff., 26 & 97	
3-1	Process to determine material topics	35	
3-2	List of material topics	36	
201-1	Direct economic value generated and distributed	10 & 122	
3-3 FOR 205	Anti-corruption	104, 114 & 119	
205-1	Operations assessed for risks related to corruption	–	Corruption risks are taken into account in our internal risk management and risk analyses.

GRI	GRI STANDARD INFORMATION	PAGE	COMMENT
205 – 2	Communication and training about anti-corruption policies and procedures	114 & 119	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 online training on the Code of Conduct. Our employees are required to report any violations of the Code of Conduct immediately via a separate email address.
205 – 3	Confirmed incidents of corruption and actions taken	–	We were not aware of any incidents of corruption during the reporting period.
3 – 3 FOR 301	Materials	64 ff.	
301 – 1	Materials used by weight or volume	65 f. & 76 f.	
301 – 2	Recycled input materials used	65 ff., 70 & 76 f.	
3 – 3 FOR 302	Energy	46 ff.	
302 – 1	Energy consumption within the organisation	46 ff.	
302 – 3	Energy intensity	46 ff.	
302 – 4	Reduction of energy consumption	48	
3 – 3 FOR 303	Water and Effluents	50, 52, 55 f. & 59ff.	
303 – 1	Interactions with water as a shared resource	59 ff.	
303 – 2	Management of water discharge-related impacts	55 & 56	
303 – 4	Water discharge	61f.	
303 – 5	Water consumption	55	
3 – 3 FOR 304	Biodiversity	60	
304 – 2	Significant impacts of activities, products and services on biodiversity	63 & 117	
3 – 3 FOR 305	Emissions	63 & 117	
305 – 1	Direct (Scope 1) GHG emissions	39 ff. & 58	
305 – 2	Energy indirect (Scope 2) GHG emissions	39 ff.	
305 – 3	Other indirect (Scope 3) GHG emissions	39 ff.	
305 – 4	GHG emissions intensity	39 ff.	
305 – 5	Reduction of GHG emissions	39 ff.	
3 – 3 FOR 306	Waste	39 ff.	
306 – 1	Waste generation and significant waste-related impacts	76 f. & 78	

GRI	GRI STANDARD INFORMATION	PAGE	COMMENT
306 – 2	Management of significant waste-related impacts	78	
306 – 3	Waste generated	78	
3 – 3 FOR 308	Supplier Environmental Assessment	51	
308 – 1	New suppliers that were screened using environmental criteria	51	
308 – 2	Negative environmental impacts in the supply chain and actions taken	51 & 55 ff.	
3 – 3 FOR 401	Employment	91	
401 – 1	New employee hires and employee turnover	84 f.	
403 – 1	Parental leave	91	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 FOR 403	Occupational Health and Safety	92 f. & 99	
403 – 1	Occupational health and safety management system	93	
403 – 5	Worker training on occupational health and safety	101	
403 – 6	Promotion of worker health	92	
403 – 8	Workers covered by an occupational health and safety management system	93 & 99	
403 – 9	Work – related injuries	93	
403 – 10	Work – related ill health	92	
3 – 3 FOR 404	Training and Education	94 ff.	
404 – 1	Average hours of training per year per employee	94	
404 – 2	Programs for upgrading employee skills and transition assistance programs	94 ff.	
404 – 3	Percentage of employees receiving regular performance and career development reviews	95	
3 – 3 FOR 405	Diversity and Equal Opportunity	88 & 105	
405 – 1	Diversity of governance bodies and employees	6 & 88	
3 – 3 FOR 406	Non-discrimination	101 & 105	
3 – 3 FOR 408	Child Labour	100	
408 – 1	Operations and suppliers at significant risk for incidents of child labour	100	
3 – 3 FOR 409	Forced or Compulsory Labour	100	

GRI	GRI STANDARD INFORMATION	PAGE	COMMENT
409 – 1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	100	
3 – 3 FOR 413	Local Communities	34	
413 – 1	Operations with local community engagement, impact assessments, and development programs	122	
3 – 3 FOR 414	Supplier Social Assessment	29 f., 34, 100 ff., 105 & 119	
414 – 1	New suppliers that were screened using social criteria	29 f. & 100 ff	
414 – 2	Negative social impacts in the supply chain and actions taken	108	
3 – 3 FOR 416	Customer Health and Safety	108	
416 – 1	Assessment of the health and safety impacts of product and service categories	51	
416 – 2	Incidents of non-compliance concerning the health and safety impacts of products and services	108	
3 – 3 FOR 417	Marketing and Labelling	68 & 107 f.	
417 – 1	Requirements for product and service information and labelling	68 & 108	
417 – 2	Incidents of non-compliance concerning product and service information and labelling	108	
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.
3 – 3 FOR 418	Customer Privacy	114	
418 – 1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	114	

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