

Statement of Principles on Sustainability

New Frontier is a fashion company in which responsibility for people and the environment plays a central role. Sustainability is a strategic issue for us and part of our self-image. We live this responsibility not only at our company headquarters in Germany, but also along our supply chain. As an importer of apparel with a good economic value, we work with production companies in China and Bangladesh, the centers of the global clothing and textile production. Through this international network, our sustainability work also extends to our business partners in these countries.

As a company operating in a global context, we are aware of our special responsibility, as very different conditions prevail in many Asian countries. As such we are committed to ensure that our social and ecological criteria are observed.

New Frontier is explicitly committed to:

- The Universal Declaration of Human Rights
- The 2011 United Nations Guiding Principles on Business and Human Rights
- The International Covenant on Economic, Social and Cultural Rights (UN Covenant I)
- The International Covenant on Civil and Political Rights (UN Covenant II)
- The Convention on the Rights of the Child
- The Convention on the Elimination of All Forms of Discrimination against Women The conventions of the International Labour Organization (ILO), in particular the core labour standards
- The OECD Guidelines for Multinational Enterprises
- The OECD Due Diligence Guidance for Responsible Business Conduct
- The OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Industry
- The Minamata Convention on Mercury
- The Stockholm Convention on Persistent Organic Pollutants
- The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal
- The five freedoms of animal welfare according to the Farm Animal Welfare Council

These international agreements and guidelines form the framework for our understanding of sustainability. Together with applicable laws such as Regulation (EC) No 850/2004 of the European Parliament and of the Council on persistent

organic pollutants (POP Regulation) and other applicable national regulations, these set the relevant requirements that we apply for the protection of people and the environment. In addition, numerous requirements are specified through New Frontiers' membership in initiatives and through the different standards, which are implemented by New Frontier.

These criteria are material for our actions as New Frontier; however, we also expect our business partners in Germany and abroad to adhere to these principles and laws and to pass them on to their suppliers in the supply chain.

As a clothing company, we have a special responsibility, because the clothing industry also contributes to negative impacts on the environment and, as a labor-intensive industry, can generate difficult working conditions. We accept our responsibility in the knowledge that the state and social conditions in the countries in our supply chain do not guarantee the same level of protection for people and the environment as in Germany.

There are various risks that can arise in the textile supply chain. In particular, the sector risks identified in the OECD guidelines include child labor, forced labor, discrimination, occupational health and safety, sexual harassment in the workplace, non-compliance with minimum wage laws, working hours/overtime, responsible sourcing from homeworkers, freedom of association and collective bargaining, chemical management, excessive water consumption, water pollution, corruption and bribery, lack of living wages, and greenhouse gas emissions.

In addition, there are also risks of soil degradation, air pollution, harmful noise emissions, deforestation, animal welfare, land grabbing and the prohibition of mercury waste treatment contrary to the provisions of Article 11(3) of the Minamata Convention.

This is precisely why we believe it is important to help improve conditions and thus contribute to the implementation of the United Nations Sustainable Development Goals. Our particular focus here is on particularly vulnerable people in the supply chain, as highlighted in the OECD recommendations, especially women, ethnic minorities, religious and caste-based minorities, international and domestic migrant workers and homeworkers.

We fulfill our responsibility in terms of sustainability primarily by exercising our duty of care for people and the environment. In particular, this includes always analyzing risks to people and the environment. This approach is the result of our understanding as a modern and responsible company that must constantly identify risks and, if they materialize, mitigate them.

It is also New Frontier's policy to take corrective action if we become aware of any violations of the sustainability criteria for which New Frontier is directly or indirectly responsible.

Engaging with stakeholders is an important part of our responsibility. This includes our involvement in associations and initiatives as well as direct contact with workers and trade unions through our local employees.

New Frontier aims to live a sustainable way of working in all areas and at all levels. This includes our purchasing practices, through which we do not allow any conditions, that violate human rights or otherwise create working conditions that violate our guiding principles or laws. Our trusting cooperation with business partners on an equal footing is of particular importance. Our close cooperation and open dialog aim to ensure that our business relationship creates added value for all parties involved, is a further basis for our sustainability work. When processing inquiries, we check whether the prices quoted by our producers are realistic. If prices are too low, we point out potential errors. A very good price is of no use to us if our producer cannot cover their costs. Even after order placement, we follow the producer very closely during the implementation of our orders through to delivery to identify potential problems quickly and solve them together. Through this close supervision of our orders, we try to prevent delays in production to avoid air freight. Part of this transparent cooperation is also the fact that New Frontier does not allow any unauthorized subcontracting.

For the transportation of our products, we have been working for many years with established transport and logistics companies from Germany and the Netherlands, who support us with their expertise in textile logistics.

Furthermore, in accordance with the United Nations Guiding Principles on Business and Human Rights, New Frontier considers functioning grievance mechanisms to be an important element in identifying risks and, if necessary, taking remedial

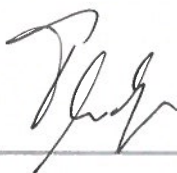
action. In addition to direct reporting to the supervisor or the company management, an external ombudsman's office is available to all employees of New Frontier GmbH in Germany and abroad. The ombudsman's office is operated by the law firm bleu&orange and guarantees anonymous processing of every complaint received.

We also expect our business partners to set up and maintain a functioning complaints mechanism. As a member of the amfori business association and a signatory to the International Accord for Health and Safety in the Textile and Garment Industry, we are also involved in two external grievance mechanisms. These are already available to all workers at our production facilities in Bangladesh. In the future, the Speak for Change mechanism set up by amfori will also be available to workers in China.

Complainants should not suffer any disadvantage from their employer because of a complaint. This OECD principle for the accessibility of a complaint mechanism applies to New Frontier GmbH and we demand the same from our suppliers.

Sustainability requirements are implemented on the basis of a specific process description and our contracts with our business partners.

This policy statement, the procedure description and related guidelines are adapted as required, e.g. in the event of a change in the risk situation. In addition, all documents are reviewed every two years and revised if necessary.



Peter Welp, Fürstenau, 30.08.2024

Managing Director, New Frontier GmbH