

Report on Child Labour Due Diligence in our Supply Chain

Re: Art. 946j-k of the Swiss Code of Obligations and the Swiss Ordinance on Due Diligence
and Transparency in Relation to Child Labor

This report relates to the due diligence and reporting obligations about child labor in Art. 946j-k of the Swiss Code of Obligations and the Swiss "Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour". The report covers the period from 1 January 2023 to 31 December 2023. Due to the nature of the Triumph Group's business activities, which focus on the manufacture of underwear and do not require sourcing minerals and metals from conflict-affected and high-risk areas, this report only refers to the due diligence obligations pursuant to [Art. 964k para. 1 no. 2](#) of the Swiss Code of Obligations. The present report concerns itself with due diligence obligations in relation to child labor, as Triumph sources textiles from various countries where it is required to assess due diligence obligations in relation to child labor, and in accordance with Art. 964k, Triumph has carefully considered the requirements listed below and complied with them as described in the report:

- a) Triumph ensures that it complies with the due diligence obligations in its supply chains when offering products or services that it has reasonable grounds to suspect have been produced or provided using child labor.
- b) Triumph provides its suppliers and the public with up-to-date information on its supply chain policy ("Code of Conduct") and includes it in contracts and agreements with all suppliers.
- c) Triumph ensures that any concerns about child labor in its supply chain can be reported.
- d) Triumph follows up on specific indications of child labor, takes appropriate measures to avert or mitigate negative effects, evaluates the results of the measures, and communicates these results.

About Triumph International

Triumph Group, one of the world's leading intimate apparel companies, was founded in Germany in 1886. Today, it is headquartered in Bad Zurzach (Switzerland) and entirely privately owned. Triumph is distributed in over 80 countries across the world. For its brands, Triumph and Sloggi, the company develops, produces and sells underwear, lingerie, sleepwear and swimwear.

Our Commitment and Policies

Triumph Group acknowledges and respects internationally recognized human rights protocols across our global operations and supply chain articulated in our [Code of Conduct \(CoC\)](#) in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs). Our commitment covers all internationally recognized human rights, including those contained in the International Labour Organization (ILO) core labor conventions, including the Minimum Age Convention (n.138) and the Worst Forms of Child Labour Convention (no. 182).

Triumph's Code of Conduct is based on the "[General Declaration of Human Rights](#)", which regulate and promote positive working and economic relationships. Our Code of Conduct serves as a guiding framework that defines and implements our expectations of our suppliers and business partners based on those human rights standards.

Since 2012, our organization has been and currently is a participant of the [amfori Business Social Compliance Initiative](#), which supports companies to drive social compliance and improvements within the factories in their global supply chains. As an amfori BSCI participant, we endorse the [amfori BSCI Code of Conduct](#) and its terms of implementation and cascade them through our supply chain.

All business partners are required to sign and acknowledge the compliance on Triumph International Code of Conduct, [Triumph Business Ethics Guidelines](#) and amfori BSCI Code of Conduct.

Implementation

We are in the continuous process of implementing our commitment to human rights using approaches set out in the [OECD Due Diligence Guidance for Responsible Business Conduct](#). In this context, we have undertaken the following due diligence steps and developed our Risk Management System:

- (a) Adhere to Triumph & amfori BSCI responsible business conduct and policy standards.
- (b) Identify and assess significant risks to human rights through annual social audit.
- (c) Implement measures and supplier training to prevent, cease, and mitigate adverse impacts.
- (d) Monitor the implementation of policies and actions.
- (e) Maintain regular communication with internal and external stakeholders to ensure transparency and accountability.

Approach to Identifying, Mitigating or Preventing Adverse Impacts within Our Business and Stakeholder Relationships

Responsible Sourcing Practice

Onboarding

Triumph considers the issue of child labor when onboarding suppliers, incorporating a stringent evaluation process. This process includes a thorough examination of third-party audit reports and meticulous scrutiny of relevant documents. Our Code of Conduct (CoC) requires our suppliers to prohibit child labor within their operations and obligates Triumph to investigate any reasonable suspicions of child labor. In accordance with ILO Convention 138, "Children and juveniles must not be employed. If our business partners are affected by a relevant national law, the minimum age must be complied with by this law; otherwise, only persons who, when taking up employment, have reached the age of 15 or passed the compulsory school age are employed."

As the CoC is part of the contract with any potential supplier, new suppliers must provide a valid social audit proving that no child labor issues have been identified before commencing any business relationship. Following the documentation review and final visits, the supplier will be onboarded and introduced to our policies and procedures.

Regular Monitoring Practice

The CoC mandates Triumph to address any alleged violations, including specific cases of child labor, stating, "If a supplier violates one or more of the regulations within this CoC, the company concerned will be approached to instigate immediate corrective measures." The CoC grants Triumph the right to investigate suppliers, as it is incorporated into our standard contract terms. This provides us with the contractual right to conduct audits to monitor compliance with the CoC and to terminate agreements for non-compliance.

We maintain constant vigilance over the risk of child labor through ongoing assessments conducted by qualified third-party entities. Our own production facilities and business associates are required to furnish a valid third-party audit report, with most audits being semi-announced, providing a window of possible visits. Non-compliance with local law or our CoC, including the prohibition on child labor, may result in immediate termination or remediation measures agreed upon with the supplier, documented in a Corrective and Preventive Action

(CAPA) plan to ensure long-term improvement. Failure to adequately address non-compliance can lead to contract termination.

Per the guidelines of amfori BSCI, business partners are obligated to establish an employment policy that clearly articulates the minimum age for employment and provisions for the protection of young workers. An extensive age verification process, encompassing scrutiny of identification documents and conducting in-person interviews, should be an integral component of the recruitment protocol.

Assessment of Risk within the Supply Chain

There are certain instances under which the Social Compliance Department can demand additional verification measures if the perceived risk is high (amfori country risk classification updates on regular basis) where contrary extra caution is warranted (e.g. factory being located in a high risk area, regional compliance issues, etc).

In 2023, all 84 finished garment factories supporting Triumph business across 15 countries were monitored for social compliance. As such, 74 factories located in 'High Risk' countries were selected and audits were organized.

<i>Country Name</i>	<i>*Risk Label</i>	<i>*Overall Risk</i>	<i>UNICEF Children's Rights in the Workplace Index</i>
<i>Bangladesh</i>	Medium Risk	23.45	Enhanced
<i>Bosnia And Herzegovina</i>	Medium Risk	33.50	Enhanced
<i>Bulgaria</i>	Medium Risk	55.39	Enhanced
<i>Cambodia</i>	Medium Risk	24.87	Enhanced
<i>China</i>	Medium Risk	44.06	Enhanced
<i>Germany</i>	Low Risk	89.43	Basic
<i>India</i>	Medium Risk	47.80	Enhanced
<i>Indonesia</i>	Medium Risk	48.91	Enhanced
<i>Japan</i>	Low Risk	88.73	Basic
<i>Morocco</i>	Medium Risk	40.63	Enhanced
<i>Poland</i>	Low Risk	66.68	Basic
<i>Romania</i>	Medium Risk	59.07	Basic
<i>Sri Lanka</i>	Medium Risk	44.64	Enhanced
<i>Thailand</i>	Medium Risk	43.76	Enhanced
<i>Vietnam</i>	Medium Risk	42.25	Enhanced

**Based on amfori ESG Compass under Worldwide Governance Indicator*

The disclosure of Tier 1 and core and strategic Tier 2 suppliers on the [corporate website](#) demonstrates the transparency and delegation in monitoring and assessing human rights risk within the Triumph Group supply chain. This disclosure list updated annually.

Approach to Remediating and Reporting

Seek Remediation and Escalation

Suppliers must follow up and remediate issues raised by the third party in a timely manner. We collaborate with the suppliers to create an action plan to resolve the issues within a given timeframe. Besides, Triumph has also developed a process of escalation to track and push forward appropriate follow-up work in case a critical violation is identified. If relevant factories failed to follow the measures within certain timeframe, a warning letter will be issued. Other business consequences such as suspension or permanently prohibited from producing our merchandise could also take place.

Through amfori BSCI audits and other social compliance audit schemes, we have not identified any case of child labor. However, if an incident of child labor is identified (whether suspected or actual), immediate attention and remediation are required. We expect the third party and/or amfori secretariat (when applicable) to report within 24 hours and initiate a conference call within 72 hours to discuss necessary actions for remediate.

Grievance Mechanism and Industrial Collaboration

Triumph has established an effective grievance and whistleblowing mechanism in accordance with the amfori BSCI's Code of Conduct. This mechanism serves both internal and external stakeholders who may be negatively affected by Triumph's operations, including instances of potential or confirmed child labor.

An integrity hotline (integrity@triumph.com) has been instituted as an independent and confidential channel for reporting information pertaining to inappropriate business practices. This hotline is accessible to Triumph employees and third parties alike.

Moreover, as a participant in amfori BSCI, any third party has the opportunity to file a grievance regarding our BSCI implementation activities through the amfori BSCI Grievance Mechanism (system@amfori.org).

Approach on Continuous Improvement

Mitigation Strategy

Given Triumph's extensive global supply chain presence, the implementation of a dynamic mitigation plan becomes essential for identifying potential risks and formulating strategies. Establishing enduring partnerships with key suppliers and maintaining a diversified supply base are viable approaches. The critical task of monitoring and assessing supplier performance is pivotal in guaranteeing adherence to our quality, ethical, and environmental standards.

Awareness-raising and Capacity Building

At Triumph, we place a strong emphasis on the comprehensive onboarding process for new employees. They are not only introduced to our Codes of Conduct, but also undergo extensive training on our values and principles. This process ensures that they are well-equipped to acquaint themselves with our corporate policies, fostering a culture of ethical practices from the very beginning.

Our commitment to transparency is further reinforced through regular internal reporting of risk assessment findings, including those related to operations and supply chains. This practice

not only aids in understanding the underlying causes but also keeps all stakeholders well-informed and involved in our continuous improvement efforts.

Moreover, our Code of Conduct is extended to all finished goods suppliers. Factories subject to audits are additionally expected to disseminate amfori BSCIs Code of Conduct throughout their supply chain, promoting awareness beyond the initial tier. We also encourage our factories to participate in Triumph alignment workshops and amfori BSCI workshops.

Approval of Report

This report has been approved by the Global Management Board and signed on its behalf by the Managing Partner and Global Head of Sustainability on 2024.06 and constitutes Triumph Group's commitments to avoid child labor for the financial year ending 2023.



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