

External Grievance Mechanism Policy

HVEG Fashion Group's External Grievance Mechanism is a non-judicial accountability mechanism that responds to grievances and demands for redress by individuals, communities and organisations negatively affected or potentially negatively affected by HVEG Fashion Group activities (hereafter called HVEG). It encourages them to raise their complaint without fear of victimisation or disadvantage and draws upon the UN Guiding Principles on Business and Human Rights "Protect, Respect and Remedy" Framework for non-judicial grievance mechanisms.

1. Purpose

The purpose of this Policy is to provide a mechanism for individuals, communities or organisations to raise a grievance about perceived or real instances of wrong or unfair treatment. All grievances will be reviewed by HVEG Management, who will ensure that such grievances are dealt with promptly, fairly and in accordance with other related policies of the group. This policy should be read in conjunction with the HVEG Code of Conduct and the HVEG Forced Labour Policy.

2. Scope

HVEG will accept grievances that fall within the defined HVEG Grievance Mechanism scope, which outlines who can lodge a grievance and what the content and form of said grievance should be. A 'grievance' is defined as any type of problem, concern, or complaint related to work or the work environment. A grievance may be about an act, omission, situation, or decision that an individual or organisation thinks to be unfair, discriminatory, or unjustified.

Content: A grievance¹ should be:

- a. A statement about a perceived or real wrong or unfair treatment,
- b. Related to HVEG behaviour and
- c. Factual and evidence-based.

Form: The grievance should be lodged through the HVEG website's Grievance Form. The submission should be as complete as possible and in English, unless otherwise agreed by HVEG, and should include any supporting documentation. The grievant should:

- a. Provide sufficient information to demonstrate the relevance to HVEG of the stated grievance;
- b. Suggest a remedy, which is agreeable to the grievant or the affected parties;
- c. Add supporting evidence when possible.

Grievances can be lodged by:

- a. HVEG suppliers and their business partners;
- b. Workers/employees that belong to HVEG's supply chains;
- c. Stakeholders², including third parties with explicit authority³ to represent a grievant.

¹ This is different than a complaint which is generally an expression of dissatisfaction;

² Individuals, communities or organisations that are affected and/or may affect HVEG's operations, activities, markets, industries and outcomes;

³ HVEG reserves the right to determine the concerned third parties as legitimate to represent those individuals.

HVEG reserves the right not to accept or to close a grievance investigation if:

- a. The grievance is out of scope (in content, in form or in type of grievant);
- b. Insufficient information is given to pursue an investigation (e.g. general, unspecified, and therefore un-actionable);
- c. Information requested by HVEG is not submitted in due time;
- d. Legitimacy to represent affected individuals or communities is not explicit and proven.

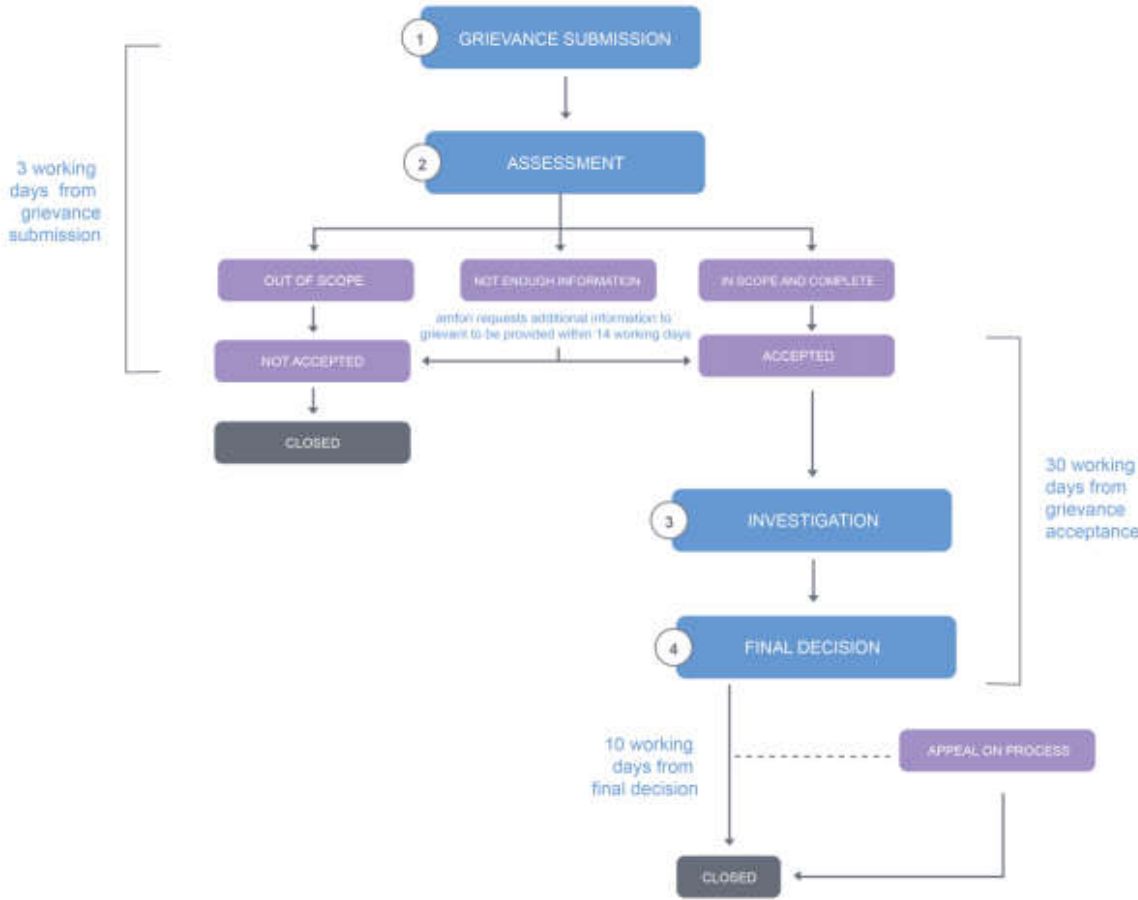
Confidentiality and data protection:

HVEG owes a duty of confidentiality to the grievant. No communication and procedural steps towards remediation will disclose any sensitive or personal information. A grievant’s personal details will only be made available to HVEG employees or agents involved in the grievance process. HVEG complies with all obligations applicable under the EU General Data Protection Regulation.

3. Procedure

The key steps of HVEG External Grievance Mechanism procedure are summarised in and described in the below flowchart:

HVEG Grievance Mechanism Process



Step 1: Grievance submission: The grievant shall submit the grievance to HVEG through the Grievance Form on the HVEG website. This form includes two blocks of information⁴:

1. Grievant's details: including first name, last name, email address, organisation/ company name, type of grievant and country.
2. Grievance details: including who the grievance is being submitted against, country of issue, reason of the grievance, previous attempts to solve the grievance and preferred remedy.

Step 2: Assessment: Within 3 working days, HVEG will assess if the grievance falls under the predefined scope and decide whether the grievance is acceptable. We may contact the grievant for more details to be able to assess the acceptability of the grievance. If the grievant does not provide the requested information within 14 working days, the grievance will not be accepted, and the case will be closed.

- a. If the grievance is accepted, the grievant will receive a formal acknowledgement and details of the next steps in the procedure.
- b. If the grievance is not accepted, HVEG will inform the grievant of the reasons why the submitted grievance does not fall within the Grievance Mechanism's scope. No appeal of the non-acknowledgement is possible.

Step 3: Investigation: Within 20 working days of the date the grievance is accepted, HVEG will proceed to look into the circumstances of the case, speak with the parties involved, and confer with relevant stakeholders. The grievant may be contacted to contribute additional information.

Step 4: Final Decision: Within 10 working days of the date the investigation has been concluded, HVEG will outline investigation findings, define remedial actions and communicate them to the grievant. The final decision should be reasonable, proportional to the grievance and consider cultural norms. It will become final by the 10th working day after its communication to the grievant, unless the deadline is interrupted by an appeal.

No appeal on the final decision is possible.

4. Monitoring and evaluation

Three months after the closure of the case, HVEG may contact relevant parties (if relevant), to verify that they have acted according to the agreed remedial actions.

HVEG will review the External Grievance Mechanism process where necessary to continuously improve the grievance handling procedure.

Consolidated statistical data on grievance cases will be posted on a yearly basis in the HVEG Sustainability Report, which can be found on our website.

⁴ If a grievance was previously filed with another relevant body/agency and an investigation has already begun for the same or a related issue, no further action shall be taken with the grievance procedure until the first case has been dealt with and a final verdict has been made available.

Grievance form

We will handle your grievance as soon as possible. Within 3 working days after submission, we will decide whether the grievance falls within the outlined scope. Within 30 days after admissibility, we will come to a final decision. If an appeal is lodged against our decision, we will decide on this within 10 working days.

Your name (first and last name) *:

- I wish to raise my grievance anonymously
- I request not to disclose my identity without my consent

Contact information*:

- By post: please provide your full address

- By telephone:
- By email:

Company / Organisation (name, address & country)*:

Your position within the company / organisation*:

Description of grievance or incident*:

Date of grievance / incident:

- One time incident / grievance date:
- Happened more than once (how many times):
- On-going (currently experiencing problem):

What would you like to see happen to resolve the problem?

Please attach file(s) / photographs that provides evidence for the grievance.

Please send the filled-in form to sustainability@hvegfashiongroup.com

* These field need to be filled in.