DRYKORN POLICY: ANIMAL MATERIALS

FOREWORD

At DRYKORN we utilize materials of animal origin in our products (referred to as "animal materials" in this policy). We firmly believe, that if sourced ethically and carefully, animal materials can be crafted into clothing of the highest quality that can stand the test of time. To ensure this, and to do justice to the animals indirectly affected by our decisions, this policy on animal materials is instated. It serves as the guideline for responsible sourcing practices at our brand. Moreover, it informs key stakeholders such as suppliers about our standing and our ambitions regarding animal welfare.

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1 DRYKORN ANIMAL WELFARE PRINCIPLES

- 1. Animal materials shall be used **reasonably** rather than excessively.
- 2. We are always open for non-animal **alternatives** to animal materials.
- 3. We only use animal materials originating from **domesticated**¹ species.
- 4. Materials, for which an animal must be slaughtered (e.g. leather) are only sourced if they are **by-products** of the food industry.²
- 5. We strive to only source animal materials from productions where the Five Provisions (see Chapter 2) are respected.
- 6. Animal materials must be sourced from partners who **comply with or exceed local legislation** regarding animal welfare.
- 7. Animal materials must be **certified** to one of the type-specific standards as listed under chapter 8.
- 8. There are **no exceptions** to the banned materials listed in chapter 3.
- 9. We never use **live animals in photo shoots** or other marketing campaigns.

_2 FIVE PROVISIONS FOR ANIMAL WELFARE

All animals deserve to be treated with respect. DRYKORN therefore aims to source animal products from suppliers who work to assert the "Five Provsions" for animal welfare in their supply chain. The five provisions are a more holistic, developed approach to animal welfare than the widely known "Five Freedoms". The Five Provisions describe the following measures animal-rearing businesses should employ for their animals:

- 1. **Good nutrition:** Provide ready access to fresh water and a diet to maintain full health and vigor.
- 2. **Good environment:** Provide shade/shelter or suitable housing, good air quality and comfortable resting areas.
- 3. **Good health:** Prevent or rapidly diagnose and treat disease and injury, and foster good muscle tone, posture, and cardiorespiratory function.
- 4. **Appropriate behavior:** Provide sufficient space, proper facilities, congenial company, and appropriately varied conditions.
- 5. **Positive mental experiences:** Provide safe, congenial, and species-appropriate opportunities to have pleasurable experiences.

¹In this policy, a domesticated species is understood as any animal species from which wild individuals were originally and continuously are selected, kept and bred by humans on the basis of desired characteristics. Through this selective breeding, individuals of a species are genetically isolated from the wild strain and in some cases bred into subspecies. One example of this is the domesticated Cashmere goat, which genetically corresponds to a domestic goat but is visually distinguishable by special coat characteristics.

²While still adhering to this claim, DRYKORN admits to the two exceptions that are being practiced: Although mother of pearl is preferably sourced from the food industry, unique variants of this material are purchased from mussel farmers who keep and breed mussels for the purpose of producing pearls. Therefore, these animals are by definition kept and killed for the sole purpose of producing materials for fashion. The mother of pearl remains a by-product in this case, but not from the food industry. Rarely, silk is used, which is produced for the sole purpose of textile production. Silk stems from the pupated larva of the Silk Moth (Bombyx mori). To obtain the precious fiber, the animals are killed.

³ Mellor, D. J. (2016). Moving beyond the "Five Freedoms" by Updating the "Five Provisions" and Introducing Aligned "Animal Welfare Aims". Animals, 6(10), 59. https://doi.org/10.3390/ani6100059

_3 STRICTLY BANNED MATERIALS AND PRACTICES

Under no circumstances will DRYKORN accept materials or practices that fall in one of the following categories:

- 1. Materials originating from animals listed on the **CITES** or **IUCN** lists.
- 2. Materials originating from **threatened**, **endangered**, **or exotic** species.
- 3. Materials originating from wild animals (including wild animals kept in farms⁴).
- 4. **Fur**⁵
- 5. **Mohair** (Hair of the Angora goat)
- 6. **Angora** (Hair of the Angora rabbit)
- 7. Corals
- 8. Karakul or Alpaca cria skins
- 9. Animal materials produced in the **Amazon biome** or in the **Cerrado ecosystem** of South America.

_4 MULESING & TARGETS

Sheep's wool is the most-used animal material at DRYKORN. In the 2023/24 financial year, 20% of sales were generated with products made from sheep's wool.

Some of the wool used is sourced from Australia, where mulesing is still common practice. Mulesing describes the process of removing flaps of skin from the hindquarters of young lambs to prevent infestation with parasites – usually done without the use of an anesthetic. The procedure causes severe pain and is a traumatic experience for the animals. DRYKORN decidedly rejects mulesing without pain relief. For this reason, an internal target has been set to source 100% of the wool used in our products from wool suppliers that do not practice mulesing. However, as suppliers change regularly, this target cannot be guaranteed on a permanent basis. In the 2023/24 financial year, 97% of the wool used was mulesing-free. DRYKORN is committed to supporting and sourcing from initiatives working to ensure that mulesing is only carried out with mandatory anesthesia and appropriate aftercare in the near future. If such standards cannot be established industry-wide, DRYKORN holds the position that mulesing shall be abolished completely.

As of August 2025, no other internal, cross-sectional targets relating to animal welfare have been developed. Should further target setting be deemed potentially effective, further initiatives will be started by the CSR-Team.

⁴Only exception: mother of Pearl from mussels kept in farms.

⁵ Transparency note: As there are different definitions of the term fur, we hereby disclose that DRYKORN does use lambskin in select styles. As lambskin consists of the lamb's hair attached to its leather, it could be defined as fur depending on the underlying understanding. To us, lambskin does not qualify as fur, since the sheep, unlike animals used for fur production, are bred for the primary purpose of being used in the food industry.

_5 THE DRYKORN SUPPLY CHAIN & RESPONSIBILITIES

DRYKORN operates in two main modes of business, Ready Made Garment Production (RMG) and Cut-Make (CM) business. The direct depth of DRYKORNs supply chain therefore reaches Tier-2, suppliers of fabrics and trims. DRYKORN does not directly work with herders, breeders or farmers of animals. The closest link to a breeder is at Tier-3 level. In select cases, an indirect contact has been established to e.g. breeders of mollusks for mother of pearl production.

Animal welfare topics are primarily handled by DRYKORN's CSR-Team and CSR deputies in other departments, primarily in purchasing, where certificates and self-declarations from suppliers are collected. Product managers play a vital role in material choices, they influence animal welfare as well. External animal welfare related requests usually stem from B2B customers and are brought in via the sales department, which then involves the CSR department. The CSR-Team responds adequately to any request. Depending on the situation, top-level management, such as the department heads, CPO, CFO or CEO are involved in animal welfare related decisions as well.

_6 DUE DILIGENCE

Besides during the product design process, DRYKORNs influence regarding animal welfare is highest towards Tier-1 suppliers who purchase animal products from Tier-2+ suppliers. To identify animal welfare risks and to ensure that Tier-1 suppliers uphold animal welfare and transparency standards, the following Due Diligence Mechanisms are instated and constantly improved:

- 6.1 <u>Country Risk Analysis:</u> For all Tier-1 countries, a systematic ESG risk analysis was conducted, which also regarded animal rights in each country. Particularly delicate countries regarding animal rights are not preferred when suppliers are chosen.
- 6.2 <u>Supplier Code of Conduct:</u> All Tier-1-suppliers must commit to upholding DRYKORNs animal welfare requirements by signing the Supplier Code of Conduct.
- 6.3 <u>Traceability:</u> DRYKORN staff requests and documents the country of origin and species for each animal material in DRYKORN products. For select materials, the farms the respective animals were grown on, are known. (Transaction) certificates, provided through or by a third party as well as self-declarations are currently the most effective tool to pursue traceability.
- 6.4 <u>Product Certificates:</u> For every animal material used, DRYKORN prefers the more responsible, certified option if available. In the purchasing departments for RMG and CM-business, CSR deputies are tasked with pushing this agenda and collecting certificates for materials and trims. Certificates are collected in DRYKORNs central PLM systems.
- 6.5 <u>Direct Dialog:</u> In the case of vertically integrated Tier-1 suppliers or suppliers who practice remarkable transparency, the CSR department seeks the direct dialog, also about animal welfare. This helps both parties to adapt to each other's challenges and requirements.

DRYKORN acknowledges the robustness of the existing Due Diligence data as potentially weak, which is why there is an ongoing process of research for better data to generate the supply chain transparency necessary for a more rigorous control of animal welfare. Future legal developments such as the Ecodesign for Sustainable Products Regulation (ESPR) or the EU Deforestation Regulation (EUDR) are expected to be of great help in this matter, especially in combination with the appropriate technological developments.

7 VIOLATION OF THIS POLICY

In case DRYKORNs animal welfare principles are reportedly violated in the supply chain, DRYKORN will directly get in touch with the supplier in question and seek remediation of the situation. Depending on the case, initial measures include requesting alternative Tier2+ suppliers or materials.

In severe cases of violations of this policy (e.g. willful and intentional animal cruelty; unauthorized utilization of banned materials, breach of local laws or material restrictions), DRYKORN reserves the right to cancel any cooperation immediately and request full reimbursement, should there be proven accusations. Further actions will be tailored to the specific case. Information leading to such measures could reach DRYOKRN through third parties or via the whistleblowing channel.

As of August 2025, no cases categorizable as "severe" from this policy's point of view were reported in DRYKORN's supply chain since the company was founded in 1996.

8 ANIMAL MATERIALS AT DRYKORN

Material	Admission criteria (mandatory)	Banned materials
Wool / Hair	Only allowed from the following species:	Wool / Hair originating from the following species:
	- Domestic Sheep (Ovis aries)	
	- Doemstic Goat (Capra aegagrus hircus)	- Vicuña (Vicugna vicugna)
	- Alpaca (Vicugna pacos)	- Guanaco (Lama guanicoe)
	Traceable to the country of origin	- Angora Rabbit (oryctolagus cuniculus domesticus)
	Sheepswool mulesing-free	- Angora goat (Capra aegagrus hircus)
	Certified by one of the following organizations - Sheepswool: Responsible Wool Standard (RWS), Global Organic Textile Standard (GOTS), Organic Content Standard (OCS), AWEX SustainaWOOL, Südwolle Deloitte, AWEX/National Wool Declaration	
	- Alpaca: Responsible Alpaca Standard (RAS)	
	- Recycled wool of any kind: Global Recycled Standard (GRS)	
Lambskin and leather- products	By product of food industry Only allowed from the following species:	Lambskin and leather produced in the Amazon biome or in the Cerrado ecosystem of South America.
	- Domestic Cattle (Bos taurus)	Lambskin and Leather of which the
	- Water Buffalo (Bubalus arnee f. bubalis)	production was made possible using
	- Domestic Sheep (Ovis aries)	deforestation practices.
	- Domestic Goat (Capra aegagrus hircus)	
	- Domestic Pig (Sus scrofa domesticus)	Live skinning
	Tanned/processed in factories certified by the Leather Working Group (LWG) to the quality levels Silver or Gold.	Leather and Lambskin from newborn or aborted animals.

Material	Admission criteria (mandatory)	Banned materials
Pearls and mother-of- pearl	Only originating from farmed mussels Preferred origin: byproduct of food industry	Pearls and mother-of-pearl from wild caught animals
Horn	Only allowed from the follwing species: - Water Buffalo (Bubalus arnee f. bubalis)	Horn from wild animals
Down and Feathers	Only allowed from the following species: - Domestic Duck (Anas platyrhynchos domesticus) - Domestic Goose (Anser anser domesticus) Certified by Responsible Down Standard (RDS) or Traceable Down Standard (TDS)	Production using: - Forced molting - Live-plucking - Force feeding (including but not limited to the production of foie gras)
Silk	Only allowed from these genus/species: - Mulberry silk (Bombyx mori L.) - Tassar silk ("tussah silk", genus Antheraea) - Eri silk (Samia ricini / Philosamia ricini) - Muga silk (Antheraea assamensis)	All other silk-producing animal species

Policy review and updates

This policy is formally reviewed at least once per year to ensure its continued relevance and effectiveness. The review process considers experiences from the past year, evolving legal requirements, and feedback from both internal and external stakeholders. DRYKORN remains committed to continuous improvement and to uphold high animal welfare standards throughout its supply chain.