# otto group

#### Policy for the use of wool within the Otto Group

## 1. Background and goals

Wool is often used in the fashion industry for clothing, but also for home textiles due to its qualitative characteristics (including heat-regulating, long-lasting). Within the supply chain of sheep's wool, the shearing may cause harm to the welfare of animals. In particular, the surgical procedure of "mulesing" can be a problem. Mulesing is a practice that is performed primarily in Australia and refers to removing the skin folds in the rump area of a merino sheep. This procedure is done without anesthesia in order to prevent infections with fly maggots.

The Otto Group is aware of these critical conditions. For this reason, the Group is clearly positioning itself against the mulesing practices to produce wool and for the use of sustainable wool. The long-term aim is to prevent the mulesing process in general.

The Otto Group has long been committed to maintaining a respectful treatment of animals within the supply chain. To ensure this, various bans have been introduced since the 1990s - including the use of real fur, angora wool and mohair is prohibited as well as the use of wool from Australia since mulesing practices are the most widespread there.

#### 2. Scope

The policy for the use of virgin wool within the Otto Group relates to the entire supply chain.

## 3. Content requirements

The Otto Group advocates the protection and respectful treatment of animals and is committed to respecting the internationally recognized "Five Freedoms of Animal Welfare", which is a concept for assessing the well-being of animals in human care.

- 1. Freedom from hunger and thirst
- 2. Freedom from discomfort
- 3. Freedom from pain, injury and disease
- 4. Freedom from fear and distress
- 5. Freedom to express normal behavior

In addition, the Otto Group explicitly prohibits the use of wool from Australia, since mulesing practices are widespread there. This prohibition will remain in place as long as mulesing is still practiced in Australia and other countries, and until appropriate controls have been introduced on the housing conditions on the sheep farms. Excluded from the ban are certified organic sheep's wool or certified wool according to the Responsible Wool Standard, as mulesing is not accepted under these certifications.