Turkey Earthquake Response: Questionnaire

This short questionnaire aims to understand in more detail the engagement apparel brands have had with their suppliers in the aftermath of the February 2023 earthquake. It aims to see how brands are meeting this challenging situation, in the context of reports that some buyers have adjusted their purchasing practices in the wake of the disaster.

Please answer all questions and provide YES, NO or numerical answers where requested. We also welcome additional information and context, and any supporting documentation you think it would be useful to provide.

In the period <u>since the February 6, 2023, earthquake that affected a major textile and garment producing region in Turkey,</u> with respect to your suppliers in that region:

- 1. Have you, as a matter of policy, directed your sourcing team to forgive delivery delays resulting from the earthquake and suspend the imposition of penalties until the region has recovered? \(\frac{1}{N} \)
- 2. Has your company imposed any penalty on a supplier in the region as a result of delayed delivery? Y/N
- 3. Have you as a matter of policy directed your sourcing team, in the case of delivery delays resulting from the earthquake, to pay the affected suppliers no later than the date on which they would have been paid had on-time delivery been feasible? \(\frac{V}{N} \).
- 4. Have you, as a matter of policy, directed your sourcing team <u>not</u> to seek price concessions from suppliers in the affected region on new orders negotiated subsequent to February 6, 2023? V/N
- 5. Has your sourcing team negotiated prices on any new order from the region that are lower than those paid to the same supplier for like product during the prior season? Y/N

The consequences of the earthquake were not used as a reference point in any price negotiations for any product with any supplier.

6. To the extent that textile producers in the affected region are among those that your brand directs apparel suppliers to utilise, have you taken steps to ensure that these producers will be paid in full and on schedule regardless of delivery delays? Y/N

Generally, PVH does not have visibility into the agreement on payment terms between direct apparel suppliers and fabric mills. In order to protect the economic position of our direct suppliers, PVH did agree with those direct suppliers that any fabric orders from suppliers in the impacted areas would not be reallocated to other producers. Moreover, PVH remained flexible on any delivery delays resulting from the earthquake.

- 7. Has your company provided any of the following forms of assistance to suppliers in the region in order to help them survive and fulfill their obligations to workers?
 - a. Accelerated payment on orders recently delivered, in transit, or in production? Y/N
 - b. Improved payment terms on new orders? Y/N

- c. Providing low-interest or no-interest financing to suppliers? Y/N
- d. Direct financial assistance to suppliers? Y/N

The PVH Foundation and PVH Corp. sent a monetary donation to the Red Cross and in-kind donations targeted toward the humanitarian need.

8. Are you taking concrete steps at supplier factories, aside from standard periodic auditing, to ensure that vulnerable workers (e.g. migrants, refugees, unregistered workers, pregnant workers) are not facing discrimination in terms of wage reduction or layoffs? Y/N

In the aftermath of the earthquake, PVH was in constant communication with the suppliers to understand what practices were implemented that may have impacted workers.

9. Have you taken steps to ensure that all Tier 1 and Tier 2 supplier factories in the in your supply chain, and within the earthquake affected regions, are structurally safe? Y/N

As part of our due diligence efforts, PVH requests that suppliers submit an earthquake resistance analysis, where applicable. Additionally, PVH, along with other brands is participating in efforts to develop guidelines for brands on structural safety. Once finalized, brands can independently determine how to leverage the guidelines within their supply chain. These efforts are in addition to indicators related to health and safety found in PVH's assessment (SLCP).

10. Have you provided the families of Tier 1 and Tier 2 workers in your supply chain who were killed during the earthquake with any form of financial assistance? Y/N If yes, what form has this assistance taken?

PVH is aware that the Turkish Government provided financial support to those impacted by the loss of family members. Also, the Government offered simplified loans with low rates for the impacted families.

Additionally, PVH is aware that our suppliers supported the impacted families. Some suppliers opened their undamaged factories to be used as temporary shelters until the workers and their families were able to find a place to stay. Many of our vendors contributed financially and with inkind donations to the relief efforts.

Feel free to provide any further comments.