



**DIBELLA**

Textiles. Trust. Together.

# Dibella guideline for the promotion of living wages in the supply chain

## **1. Principle**

Dibella strives to promote living wages in its supply chain and to ensure that workers in the supply chain receive decent wages that meet their basic needs.

## **2. Definition of living wages**

Living wages are defined as wages that enable workers to achieve a decent standard of living for themselves and their families. These wages take into account the costs of food, housing, education, health care and other basic needs in the respective region.

## **3. Collaboration and engagement**

We use our wage gap analysis to determine living wages in the regions where our suppliers operate. We will actively work to promote dialog and collaboration with all relevant stakeholders to advance the payment of living wages.

## **4. Guidelines for suppliers**

Dibella informs its suppliers that living wages must be paid. This means that wages must exceed the legal minimum wage and take appropriate account of the local cost of living and social needs. Our suppliers are obliged to take appropriate measures to improve wage practices in their factories.

## **5. Long-term supplier relationships**

Dibella strives for long-term relationships with its suppliers to foster trust and cooperation. We enter into close partnerships to ensure that suppliers can make the necessary improvements to pay living wages without jeopardizing the profitability of their business. Price negotiations are conducted openly and on an equal footing, and forward-looking production planning forms the basis of our cooperation.

## **6. Monitoring and audits**

Dibella implements a system for regular monitoring of wage practices in its supply chains. This can be done through independent audit reports (STeP), supplier assessments and on-site visits.

## **7. Training and capacity building**

Dibella plans to implement a project and capacity building activities for its suppliers to raise awareness of living wages and to pay these wages.

## **8. Progress reporting and transparency**

Dibella will regularly report on progress regarding the payment of living wages. This will be done through communication on our website and engagement with stakeholders. We will communicate transparently about our goals, actions and results.

## **9. Cooperation with other companies in the industry**

Dibella will actively collaborate with other companies to share best practices and develop common standards for living wages. We will participate in industry initiatives, associations and multi-stakeholder platforms to increase pressure on the industry as a whole.

## 10. Continuous improvement

Dibella will continuously work to improve our living wage policy and practices to achieve long-term positive change.

It is important to note that implementing a living wage policy requires a long-term commitment for Dibella and that Dibella is continuously working to achieve its goals and drive positive change in the international textile industry.

Dibella faces several challenges in determining and paying living wages:

### 1. Complexity of calculation

Calculating a living wage requires a comprehensive analysis of the cost of living in different regions. This can be a complex task as the costs of food, housing, healthcare and education vary greatly from country to country and region to region. It requires accurate data and an in-depth knowledge of local conditions.

### 2. Data availability and quality

Accurate and reliable data is needed to determine living wages. However, it can be difficult to obtain reliable information on the cost of living, social security systems and other relevant factors in producing countries. Data availability and quality can therefore be a challenge.

### 3. Price pressure and competition

The textile industry is often characterized by high price pressure and intense competition. This can make it difficult for companies to pay a living wage without jeopardizing the competitiveness or profitability of their business. We want to raise awareness of the need to pay a living wage in order to strike a balance between social responsibility and economic sustainability for us and our customers. Legal regulations are needed to ensure that products that do not pay a living wage do not have a price advantage.

### 4. Capacity building for suppliers

Dibella's suppliers play an important role in the payment of living wages. It takes time, resources and training to build the necessary capacity and implement improvements in wage practices.

### 5. External influences and political conditions

External factors such as political instability, changing legal frameworks or exchange rate fluctuations can have an impact on the determination and payment of living wages. Dibella must be flexible and adapt to changes in external circumstances.

Dibella is aware of these challenges and will develop appropriate strategies to successfully establish and implement living wages in the international textile industry. This requires close collaboration with stakeholders, investment in capacity building and a long-term commitment to social responsibility.

**Aalten, May 20th, 2025**



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