

HAVEP

IMPACT REPORT

2024 ↗



YOU'LL NEVER WORK ALONE

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A MESSAGE FROM OUR CEO

2024 was a year of sharp contrasts. Nearly half the world’s population voted in national elections, showing both the strength and the strains in our societies. At the same time, ongoing conflicts from Ukraine to Gaza continued to cause deep human suffering, while climate-driven disasters - from Hurricane Helene to severe flooding in Spain - reminded us of the planet’s growing fragility. Even as trust between nations and communities was tested, there were hopeful breakthroughs, such as the UN’s *Pact for the Future*, proving that progress is still possible when we work together.

In the midst of this turbulence, HAVEP chose connection over division. Throughout 2024, we focused on bridging gaps - across our value chain, across disciplines, and across continents. For example:

- **Customers** - Close collaboration inspired several new collections that resonate more deeply than ever with end-users.
- **Production partners** - Joint efforts delivered significant progress in social compliance auditing and remediation.
- **Circular-textile pioneers** - Together we launched our first textile-to-textile recycling pilot, laying the groundwork for fully closed-loop workwear.
- **Cotton farmers** - By partnering at the very first step of the chain, we began piloting regenerative practices and fabric innovations.

These achievements were the result of a true team effort - all 250 colleagues at HAVEP contributed ideas, energy and perseverance to make them happen.

Performance and resilience

Commercially, 2024 marked a welcome return to stability after several years of internal transformation. We introduced collections that “hit home” with professional users, improved on-time deliveries, and earned our highest customer-satisfaction scores to date. Yet we remain clear-eyed about the challenges ahead: volatile raw-material prices, shifting regulations and a competitive landscape that never stands still.

Doubling down on sustainable impact

Last year we refreshed the VP Textile sustainability strategy through a **double materiality analysis** - looking **inside-out** (our impacts on the world) and **outside-in** (how societal shifts affect our business). This broader perspective has already sharpened our priorities and strengthened our ambition to be a sustainable, digital knowledge partner for our industry.

- Concrete 2024 milestones include:
- Maintaining Fair Wear “Leader” status for the third consecutive year;
 - Rolling out social-impact ladders that give every supplier a clear improvement path - and recognise what already goes well;
 - Handling the difficult decision to end production at one Macedonian atelier with care and respect for everyone involved;
 - Rolling out True Price on all HAVEP collection items, creating insights and priorities on environmental and social costing;
 - Winning our shareholders’ annual Sustainability Award for “most progress across the portfolio.”
 - The launch of our most sustainable collection yet: HAVEP Revolve

Looking ahead to 2025

Our compass remains steady: innovate, pilot, learn and scale - together. Cross-divisional collaboration has already sparked unexpected breakthroughs, and we will keep nurturing that spirit. From circular-design pilots to digital service models, every initiative will be measured not just by its financial return, but by its impact on people and planet.

A word of thanks

To our customers, suppliers, shareholders, stakeholders and, above all, to every HAVEP colleague: thank you for proving that business can be both ambitious and caring. In a world that often feels fragmented, you show daily that partnership is the most powerful form of progress.

You’ll never work alone.

Carl

Carl Schulze
CEO of HAVEP



WE ARE HAVEP

For 160 years, the royal family-owned company HAVEP has combined deep knowledge of workwear with down-to-earth craftsmanship. Our drive to improve never stops - because the world keeps changing, and HAVEP changes with it. We create products that go beyond safety and comfort to leave a positive mark on people and the planet. We listen, think alongside you, and look for solutions that work - today and tomorrow.

We dream of a world that is safe not only for those who wear our garments, but also for those who make them. A world where fair wages, safe working conditions, and care for the planet are simply normal.

We build that future on three levels:

- **Planet:** we take responsibility in design, production and reuse, with circular solutions as the key to less waste and more value.
- **People:** we invest in direct, respectful partnerships and work for safe conditions and real prospects for everyone in the chain.
- **Progress:** we back our words with measurable transparency, innovation, and collaboration to make the clothing industry fairer and more sustainable.

We offer appearance, comfort, and safety - fully matched to your work situation - and we don't stop there. Our proactive teams and flexible service are always ready for you and your colleagues. Because whether it is about protection on the job or fair chances in the supply chain: you'll never work alone.

This report covers the impact performance of HAVEP in 2024.

Our history: 160 years of looking ahead

HAVEP began in 1865 in Goirle, Brabant, as a family-run textile mill. What started with a few looms has grown into a leading producer of work and protective clothing. Each generation built on the last while making room for fresh ideas. In 2022, we moved into a new, sustainable headquarters in Goirle - a building that reflects our ambition and creates space for cooperation, inspiration, and growth.

In the early years, we wove linen and sturdy fabrics for farmers and labourers. As the need for practical workwear grew in the 20th century, HAVEP evolved from fabric maker to specialist garment producer for many sectors. Through





all these changes, we have stayed true to our roots: a family company with a social heart, unafraid to look forward.

From a local weaving mill to a circular frontrunner, our story is one of hard work, innovation, and building a better future together. That mix of tradition and renewal makes HAVEP what it is today - and with 160 years of experience, we face the future with confidence, knowing it can only be shaped together.

Our business model

For more than a century, HAVEP was a fully integrated garment manufacturer - combining spinning, weaving, finishing and assembly under one roof. Over the years, fabric production and garment assembly were gradually relocated abroad. However, the expertise we developed in integrated production still exists and has enabled us to build strong partnerships with our suppliers and manufacturers, based on knowledge, support and mutual understanding.

Garment factories

Our primary production countries are North Macedonia and Tunisia, which together account for 95.6% of our total production. We have been active in both countries for several decades. In 2013, we established our own factory in North Macedonia - HAVEP Macedonia – which produces around 22% of our products. Our regional platform, VP Impex, manages relationships with suppliers in the area.

In Tunisia, HAVEP Tunisia oversees quality and production processes at our partner facilities. The team there also creates digital drafts, cutting patterns, and prototypes. In both countries, dedicated Quality Control (QC) officers work closely with suppliers every day - providing

production support, training, quality checks, and progress updates.

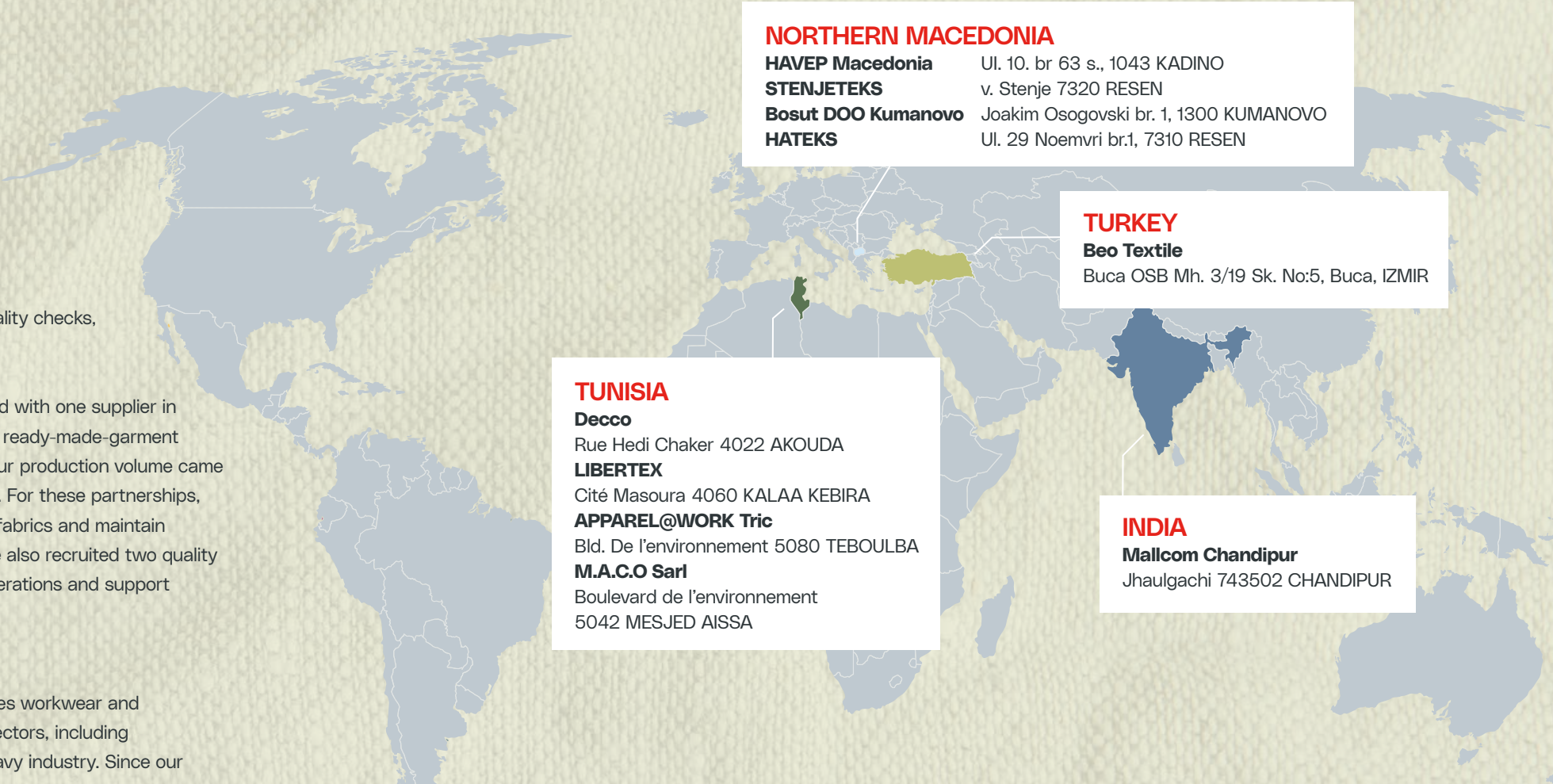
Since 2022, we have also worked with one supplier in Turkey and another in India on a ready-made-garment (RMG) basis. In 2024, 3.7 % of our production volume came from India and 0.7% from Turkey. For these partnerships, we use nominated suppliers for fabrics and maintain regular communication. We have also recruited two quality managers in India to oversee operations and support sustainability initiatives.

Fabric and trim suppliers

HAVEP designs and manufactures workwear and protective clothing for various sectors, including construction, chemicals, and heavy industry. Since our garments must meet high standards to guarantee safety and durability, we place great importance on long-term relationships with our suppliers and manufacturers.

We mainly operate according to the CMT (Cut, Make, and Trim) model. Our tailoring department in Goirle designs each garment, while our fabric specialists - in close collaboration with purchasing - handle sourcing. Once fabrics arrive in our Goirle warehouse, they are shipped together with patterns and required trimmings to our production sites for assembly. In India and Turkey, we have also built partnerships where fabrics are sourced and garments produced locally in the same region. Even here, we maintain close oversight to ensure that quality and working conditions meet our standards.

Although we operate internationally, most of our supplier costs remain in Europe. All major fabric and trim suppliers are located within the European Union. In fact, among the suppliers that together represent at least 80% of our total



Country	# of factories	Share of production
North Macedonia	4	55%
Tunisia	4	40,6%
Turkey	1	0,7%
India	1	3,7%

purchasing costs, the vast majority are based in Europe. Our key garment manufacturing partners are shown on the map in this report.

Products, markets, and customer segments

HAVEP designs and supplies high-quality workwear and protective clothing (PPE) that meets the strictest safety standards. Every collection balances comfort, functionality and durability. We serve a wide range of sectors - including manufacturing, construction, logistics, chemicals,

food processing, and the public sector. Our customers are companies and organisations that value safety, sustainability, and a professional image for their employees. We operate in several European markets, with a focus on the Benelux, Germany, and France.

Member of the VP Textile Group

HAVEP is part of the family-owned VP Textile Group, alongside Van Heurck NV and Hydrowear NV. Being part of this wider organisation gives us access to shared



purchasing power, research and development resources, and textile expertise spanning the entire value chain - from fibre sourcing to end-of-life solutions.

Each brand retains its own identity and market focus. For HAVEP, that means zero compromise on workwear and protective-wear performance, and a continuous drive towards circular design. The group structure also allows us to scale innovations - such as dissolvable yarns or PFAS-free finishes - more quickly, while applying common standards for quality, ethics, and environmental stewardship across all sister companies.

Our value chain

Understanding and improving our value chain depends on close collaboration with partners at every stage. We know that working together - from raw material producers to recyclers - is essential to building transparency, sharing knowledge, and addressing challenges throughout the chain.

Upstream

The upstream part of our value chain covers all activities related to sourcing and processing raw materials. While we don't yet have full visibility of every partner down to the fibre level, we are committed to mapping our supply chain as thoroughly as possible. For cotton products, this includes cotton seed breeding, farming, ginning, spinning, weaving, and finishing. For synthetic fibres, it involves polyester and filament production.

Building transparency here is a gradual journey, and we acknowledge that there is still progress to be made. We continue to engage with suppliers and partners to improve traceability, foster long-term relationships, and raise social and environmental standards throughout the supply chain.

Own activities

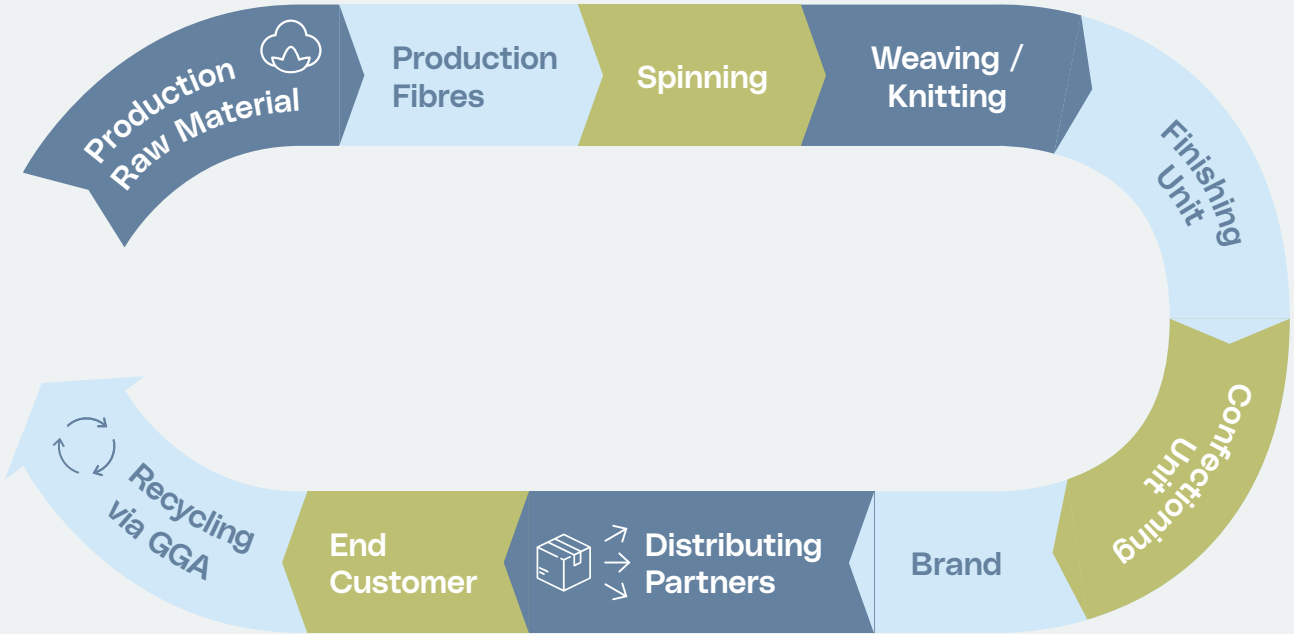
Our own activities form the core of our value chain and cover a wide range of processes, from product development to sales and after-sales support. We operate our own production atelier in North Macedonia and have a coordinating office in Tunisia. Within HAVEP, departments such as R&D, pattern design, sales, marketing, sustainability, innovation, and back office (including finance, planning, and warehouse) all contribute to shaping our products and services.

Research and Development (R&D) is central to our approach. Here, we decide which products to develop, which fabrics to purchase, and where production will take place. Product design and technical decisions are closely linked to our sustainability ambitions and customer needs.

HAVEP sources its fabrics and accessories, which are then sent to selected ateliers for assembly into finished garments. This gives us greater control over fabric selection, quality, and compliance with our social and environmental standards. By keeping design, sourcing, and key coordination activities in-house, we ensure that responsible and innovative choices are embedded throughout our operations.

Downstream

The downstream phase covers the distribution, use, and end-of-life of our products. Finished garments are distributed via our network of partners to the professionals who wear HAVEP clothing daily. After use, we actively promote the return and recycling of worn workwear through our Collect & Recycle platform. This circular approach helps us close the loop by maximising reuse and recycling, reducing waste, and supporting our broader sustainability goals.





Our stakeholders

Engaging with a broad network of stakeholders is essential to fully understand the impact of our activities and make responsible decisions. We recognise that no single organisation has all the answers, so we actively seek input and collaboration throughout the value chain.

Our commitment to responsible business conduct, as outlined in the Code of Labour Practices (CoLP),

is embedded across the company and all our activities. Sustainability is a core part of onboarding and ongoing training for every team member, ensuring Fair Wear principles guide our decisions every day. Our local teams and managers in North Macedonia, Tunisia, and India, together with our procurement specialists in Goirle, work closely with partners in each region to ensure local context is understood and respected.

To further strengthen our social and environmental impact, we build networks with NGOs, local organisations, and knowledge partners in every country where we operate. These collaborations provide valuable insights, help us understand specific challenges better, and enable us to find innovative solutions together. On the environmental side, we partner with universities and research institutes to drive progress and pioneer new approaches in circularity and impact measurement.

	Description	Involvement	Purpose of the collaboration
Employees	Employees form the foundation of HAVEP and are central to the company’s culture and growth.	They are continuously engaged through onboarding, training (including on sustainability), feedback sessions, and wellbeing initiatives.	The purpose is to cultivate talent development, increase engagement, and ensure a culture of transparency, collaboration, and sustainable growth.
Customers: distributors and laundry	Distributors and laundry partner with HAVEP to bring our products to customers and provide optimal logistics support.	They are regularly engaged via account management, joint campaigns, product and sustainability trainings, as well as customer satisfaction surveys.	The aim is to enhance service, reliability, and market reach for HAVEP’s products.
Customers: wearers	End users are the professionals who wear HAVEP garments daily, prioritizing safety and comfort.	They are involved directly through wearer trials, customer satisfaction surveys, and continuous feedback loops.	the goal is to protect our wearers, to improve products, ensure safety and satisfaction, and strengthen customer loyalty.
Garment Manufacturers	Garment manufacturers are HAVEP’s production partners, primarily in North Macedonia, Tunisia and India, responsible for producing HAVEP clothing.	They are closely engaged through local quality control teams, regular visits, social dialogue, and Fair Wear audits.	The purpose is to ensure good working conditions, high quality, and to build a fair, safe, and sustainable supply chain together.
Fabric Producers	Fabric producers supply the materials that are the basis for HAVEP products.	There is long-term collaboration, joint innovation, and periodic audits on quality and sustainability.	The aim is to secure high-quality, certified, and more sustainable materials and to accelerate innovation within the value chain.
NGO’s: UN Women Tunisia	NGOs are partners who offer expertise on human rights, local labor issues, and social impact.	They are engaged through ongoing cooperation, knowledge exchange, and joint projects focused on social challenges.	The goal is to deepen local insights, identify risks and opportunities, and achieve positive and lasting change together.

	Description	Involvement	Purpose of the collaboration
Shareholders VP Capital	Shareholders are the family owners who drive HAVEP’s strategy, sustainability, and long-term growth.	They are structurally involved via the Board of Directors, strategic sessions, and annual evaluations.	The purpose is to ensure strategic direction, continuity, and the financial health of HAVEP.
Universities and Research Institutes Saxion HoGent Avans Hogeschool	Universities and research institutes support HAVEP with expertise and research on circularity, materials, and sustainability.	They are involved through collaborative research projects and innovation pilots.	The aim is to drive innovation and develop new technologies.
Industry Association Modint Febelsafe	Industry associations represent the interests of the textile sector and support sector-wide topics such as working conditions and sustainability.	HAVEP is actively involved through sector consultations, joint initiatives, and knowledge sharing.	The purpose is to share knowledge, stimulate industry-wide improvements, and help shape regulations and standards.
Knowledge partners Inosculation Hub bAwear Impact Institute MVO Nederland Raddis Cotton	Knowledge partners offer expertise and support on human rights, impact measurement, due diligence, and innovation.	They are engaged through ongoing cooperation, knowledge exchange, joint projects, reporting, and impact assessments	The goal is to achieve measurable and transparent impact, integrate best practices, and accelerate sustainability within the organization
Membership and certification partners Fair Wear Foundation ISO14001 (through DNV) CO2 Logic Southpole Holtara	Membership and certification partners are independent organizations that assess HAVEP’s social and environmental performance.	They are involved through regular audits, certification processes, and expert evaluations of our practices.	The purpose of their involvement is to ensure transparency, credibility, and continuous improvement in line with international standards.



SHAPING CHANGE IN PLANET AND PEOPLE

As a family-owned business, HAVEP has always looked beyond short-term results. We want to leave the world a better place for the next generation - and that shapes every decision we make. The textile industry faces big challenges, and at HAVEP, we know we're part of both the problem and the solution. That's why our impact strategy is built on facts, transparency, and taking responsibility for what we can truly influence.

Our **double materiality assessment** helped us sharpen our focus: we not only look at the impact we have on the world, but also at the impact societal changes have on our business.

Acting ethically is not just something we write down in policies, but a practical approach woven into our daily business - whether it's responsible sourcing, building

strong and equal partnerships with our suppliers, or working with the Fair Wear Foundation to support continuous improvement throughout our value chain.

We **measure our impact at both product and company level**, to know where we stand and to set priorities. We know we don't have all the answers. Our approach is about making honest progress, learning from data, and focussing on real improvement. We share both successes and shortcomings, and we are working towards full CSRD compliance for transparent, actionable reporting.

Because making a real difference means taking action on several fronts, our strategy brings together two key themes: Planet and People. Here's how we put this into practice:

PLANET

A circular future

We're done with "take-make-waste." Our ambition is to build a circular chain, inspired by the Ellen MacArthur Foundation, and based on four core principles:

- **Eliminate waste and pollution.** We cut down on waste and keep harmful chemicals out of our products wherever possible. We are phasing out forever chemicals, switching to safer alternatives, and researching smarter solutions for microplastics.
- **Circulate products and materials.** Every design starts with the end in mind. Durability, repair, and recycling are

built in from the beginning. High-quality products also mean our garments last longer. We are scaling up our recycling efforts, aiming to collect and recycle 10% of our volume by 2028, and pioneering in textile-to-textile recycling.

- **Regenerate nature.** We work to reduce our impact on biodiversity, choosing the most sustainable fibers possible without compromising on protection and quality.
- **Tackle climate and energy.** We track our emissions across the value chain and have targets validated by the Science Based Targets initiative. Our own operations run on renewables and are carbon neutral (scopes 1 and 2), and we are committed to reducing emissions further.

PEOPLE

A future with perspective

Protecting people goes beyond caring for our end users. In the textile industry, too many lack a future with real perspective. We want to take responsibility by focusing on building a future that is inclusive, safe, and offers genuine economic opportunities. These elements are fundamentally linked and essential to everything we do. We translate this into different steps in the value chain:

- **Garment factories: beyond compliance.** In our garment factories, we maintain 100% oversight of working conditions through regular Fair Wear assessments. Every assessment is followed by a targeted corrective action plan. We also invest in prevention, supporting social dialogue, training workers about their rights, and tackling root causes. Our approach is step-by-step and opportunity-focused, not just problem-driven. Responsible purchasing and ongoing partnerships anchor our commitment to Fair Wear leadership and lasting improvement.
- **From fibre to fabric: opportunities at every step.** Across our supply chain - from fibre to finished fabric - we look for both risks and opportunities to drive

meaningful change. By collaborating with our fabric suppliers, conducting joint research, and sharing insights, we create solutions for a safer, more inclusive, and economically resilient sector. We partner only with those who share our values and uphold our Responsible Business Conduct Policy.

- **Working conditions within HAVEP and in the community** Positive change starts in our own organisation. Employee well-being is central at HAVEP, whether our teams are in the office, on the road, or at our production sites. We also stay connected to the communities we are part of and take responsibility for contributing, especially to those who need extra support.
- **Customer empowerment.** Beyond offering products, we also aim to guide customers in making sustainable choices that align with their own strategies. We provide transparency and solutions to help them achieve their sustainability goals.

You'll never work alone.



OUR DOUBLE MATERIALITY ASSESSMENT

The process

As an important first step towards aligning with the Corporate Sustainability Reporting Directive (CSRD), we validated our sustainability strategy, Shaping change in people and planet, through a double materiality assessment (DMA). This method considers both impact materiality – the positive or negative effects of VP Textile’s activities and value chain on people and the planet – and financial materiality, which focuses on the Environmental Social Governance (ESG)-related risks and opportunities that could affect our business.

The DMA followed a four-step process:

- Mapping our core activities, stakeholders, and value chain.
- Identifying potential material impacts, risks, and opportunities (IROs).
- Determining the material topics.
- Validating the final list of material topics.

01

MAPPING OUR ACTIVITIES

We began by mapping the full production process, from the locations of our ateliers to the upstream and downstream segments of our value chain. We also identified our key stakeholder groups: customers, employees, partners, suppliers, investors, NGOs, and industry federations.

02

IDENTIFYING POTENTIAL IROS

This analysis produced a longlist of potential IROs. To refine this list, we benchmarked against industry peers, reviewed relevant regulations, and gathered insights through internal expert interviews. We then invited 40 stakeholders to complete an online survey, asking them to select the topics most relevant to VP Textile and suggest any others they felt were important. To deepen our understanding, we conducted eight in-depth interviews with external stakeholders.

03

DETERMINING THE MATERIAL TOPICS

Our ESG Steering Committee – with representatives from all three companies – evaluated each IRO.

For impact materiality, topics were scored on a 1-15 scale using CSRD-defined criteria:

- Scale: how significant are the consequences of the impact?
- Scope: what is the extent of the impact?
- Remediability: can the consequences be reversed or reduced?

We also assessed the likelihood of each potential impact.

For financial materiality, topics were scored from 1-5, based on:

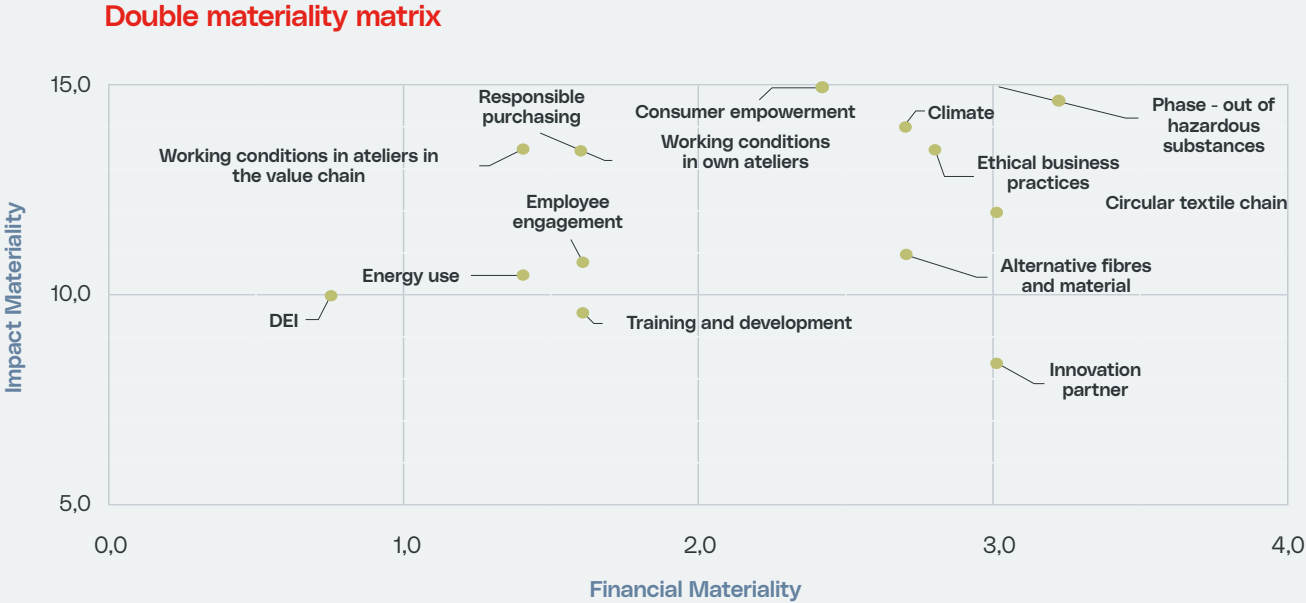
- Size of financial effects: what would be the financial consequences if the risk or opportunity occurs?
- Probability: how likely is it to occur?

A topic’s final score was determined by the highest score among the underlying impacts, risks, and opportunities. We applied a materiality threshold of 9/15 for impact materiality and 2.5/5 for financial materiality.

04

VALIDATING THE MATERIAL TOPICS

The ESG Steering Committee formally validated and approved the final list of material topics.



Planet

- Climate
- Energy use
- Phase-out of hazardous substances
- Alternative fibres and material efficiency
- Circular textile chain

People

- Working conditions in own ateliers
- Employee engagement
- Diversity, equity, and inclusion (DEI)
- Training and development
- Working conditions in ateliers across the value chain

Progress

- Consumer empowerment
- Ethical business practices
- Responsible purchasing
- Innovation partner

These material themes form the backbone of HAVEP’s sustainability strategy and contribute to a future-proof textile sector. Our focus will be on Planet (a circular future), People (a future with perspective) and Progress (delivering transparent, measurable impact).





ETHICAL BUSINESS PRACTICES AND RESPONSIBLE PURCHASING

You'll never work alone is more than our motto - it's how we do business. Ethical business and responsible sourcing are about what we build together. We believe in strong, equal partnerships based on trust, mutual commitment, and support.

Ethical business practices go beyond choosing suppliers or ending relationships when needed. Most importantly, they are about supporting continuous improvement. It's not just a matter of auditing or ticking boxes. That's why we focus on building genuine partnerships throughout our value chain -with people who can help bridge the gap between recommendations and real-world change.

To create real impact, we must understand the local context and culture of each production site. We explore the specific risks and opportunities in every region and invest in strong local networks. Insights from labour rights organisations, community-focused NGOs, or local recycling initiatives are often key to success.

We choose Fair Wear Foundation because it challenges us to go beyond policies alone. As an active member, we commit to measurable progress and meaningful collaboration. Ethical business practices aren't just written in our policies - they are embedded in our mindset and daily actions.

Building strong partnerships

Strong partnerships with suppliers are at the heart of responsible sourcing. Our Responsible Business Conduct (RBC) policy - based on international standards such as those of the UN and the ILO - sets clear expectations on human rights, working conditions, environmental responsibility, and ethical business practices. These expectations are built into contracts, monitored through evaluation cycles, and supported by transparent communication and collaboration.

When a new supplier is needed, they go through a thorough selection process, and subcontracting is not permitted. If additional production capacity is required, we first explore what is possible within our own or our partners' garment factories before considering onboarding a new supplier. If a partnership comes to an end, we follow a Responsible Exit Strategy that carefully considers social impact.

Policy outreach

Target:

- **Share our RBC partnership principles with all suppliers.**



While many suppliers have received the policy, we see the need for a more practical and engaging version, tailored to our supplier base. This updated version will clarify expectations and inspire stronger alignment with our shared values.

The Fair Wear principles are already annexed to our contracts and signed by garment manufacturing suppliers. Our aim now is to integrate the broader RBC principles into formal agreements, ensuring that all key values are clearly understood and acknowledged.

Supplier relations

Targets:

- **Publicly list our garment factory partners in our sustainability report or the Open Supply Hub.**
- 
- **Evaluate 100% of garment factory suppliers through scorecards.**
- 

In 2024, no new garment factory partnerships were established. Instead, we focused on strengthening existing relationships and aligning them with our evolving quality and sustainability standards.

However, we did phase out production at Hateks. While long-term partnerships are central to HAVEP, quality and efficiency must meet our requirements. Despite years of support, including guidance from our Quality Controllers and an outsourced efficiency manager, the necessary improvements were not achieved.

As HAVEP has evolved towards more technical textiles requiring specialised skills, we concluded that further progress with Hateks was no longer possible. This was not an easy decision. With a responsible exit strategy and a fair settlement, we honoured the many years of good collaboration.



Responsible Business Conduct (RBC) policy - our partnership principles

At HAVEP, our Responsible Business Conduct (RBC) policy reflects our long-term vision for sustainability and responsible entrepreneurship. Central to this policy are our partnership principles, which set out what we expect from all partners in our supply chain in relation to human rights, labour rights, environmental responsibility, and ethical business conduct.

These expectations are grounded in internationally recognised frameworks from organisations such as the United Nations and the International Labour Organisation. We have translated these global standards into practical guidance tailored to the specific context of our work and supply chain. Further details on these principles and the standards they are based on can be found in Annex 1.

Agreements

Partnerships are formalised through contracts that include our RBC policy and partnership principles. Clause 17 outlines our CSR requirements, aligned with the Fair Wear Foundation (FWF) Code of Labour Practices. Suppliers must:

- * Comply with both FWF standards and national laws;
- * Confirm compliance through a signed questionnaire;
- * Allow assessments and information sharing with FWF and relevant stakeholders;
- * Provide transparency on wages, working hours, and labour conditions.

Sourcing and planning

We work with long-running collections, placing weekly Cut-Make-Trim (CMT) orders and supplying materials accordingly. To enable fair and efficient planning, we provide suppliers with a rolling six-month forecast, updated quarterly. The first two months are binding (max 10% deviation), and the next four months are indicative. This approach avoids last-minute pressure, supports supplier cash flow, and fosters collaborative problem-solving when issues arise.

Evaluation cycle

Suppliers are regularly assessed using a balanced scorecard covering quality, product development, supply chain efficiency, and sustainability. Results are used to guide improvements. High-performing suppliers are rewarded with long-term contracts, while those with lower scores receive targeted support and closer monitoring.

Social dialogue

We believe challenges are best addressed together. HAVEP fosters an open, solution-focused dialogue with suppliers, emphasising collaboration over blame. This builds trust and helps us solve production, quality, or labour issues while continuously improving.

New suppliers

When new opportunities arise, we always look first to our existing partners. However, to meet evolving market needs and raise our sustainability standards, we sometimes onboard new suppliers.

Our process includes pre-screening social and environmental indicators through digital meetings, documentation reviews, and on-site visits. We verify fibre certifications, check compliance with our chemical requirements, and conduct a social impact assessment across three key areas: economic opportunity, health & safety, and inclusivity.

For garment factories, a Fair Wear assessment is requested following a positive initial review, providing an in-depth check of labour conditions. If all requirements are met, we begin building a partnership focused on continuous improvement. A detailed step-by-step process is available in Annex 2.

Subcontracting

Subcontracting is not allowed without prior approval from HAVEP, as stated in all agreements and reinforced through on-the-ground verification. If production cannot be managed internally, we first explore options within the current partner or partner network. If needed, we consider suggested external parties or conduct our own search.

We always apply the same social and environmental screening process as for new suppliers. Once approved, subcontractors become direct HAVEP partners, subject to both announced and unannounced visits to ensure transparency and prevent unauthorised outsourcing. For more detailed information on our subcontracting policy, see Annex 3.

Responsible exit strategy

Our goal is always to build long-term, meaningful partnerships with suppliers. If difficulties arise – whether in quality, sustainability, or other areas – we start by exploring solutions together. Ending a relationship is only considered when no viable path forward remains.

In such cases, we follow our Responsible Exit Strategy, which sets out how supplier relationships can be phased out in a responsible way. This strategy includes clear steps to assess the situation, minimise social impact, and engage relevant stakeholders throughout the process. The full procedure is described in Annex 4.

Fair Wear membership

Labour rights violations remain a systemic risk in the global textile industry. Addressing them requires deep expertise, continuous monitoring, and long-term commitment. That’s why HAVEP has been a proud member of the Fair Wear Foundation (FWF) since 2004 - and is now recognised as a Fair Wear Leader. This status is reserved for companies that operate at an advanced level and lead the way in embedding human rights into their daily business practices.

As a Leader, HAVEP consistently scores high on risk assessments, remediation strategies, and responsible purchasing practices. We follow the FWF Code of Labour Practices, which is based on eight internationally recognised labour standards, rooted in ILO conventions and the Universal Declaration of Human Rights. These standards form the backbone of our approach and reflect our commitment to living wages, freedom of association, and fair working conditions throughout our supply chain.

To ensure these principles are upheld, we apply a wide range of measures across our supply chain. Independent assessments, including confidential worker interviews, are carried out regularly and lead to targeted Corrective Action Plans. Workers have access to a safe, independent complaints mechanism, and suppliers receive hands-on support to improve labour conditions. HAVEP also undergoes an annual Brand Performance Check, with results made public to ensure transparency and accountability. In addition, all our production locations are published via the Open Supply Hub, enabling open dialogue, reinforcing due diligence, and helping to detect risks early.

Fair Wear leadership

Target:

- Maintain our classification as a Fair Wear Leader.



HAVEP is proud to continue its role as a Fair Wear Leader, a status we have held since 2021. This recognition reflects our deep commitment to improving labour conditions throughout our supply chain. In 2024, we successfully passed the Fair Wear Brand Performance Check with a strong score of 77%, even as the assessment criteria became more rigorous.

A concrete example of our leadership in action is the improvement of our supplier contracts. Guided by Fair Wear’s recommendations, we reviewed and revised our contracts to clarify expectations around quality and delivery performance. While our contracts were already recognised for their strength, the latest assessment highlighted areas where clearer language was needed. We took this feedback seriously and updated all contracts accordingly, ensuring they were signed by our partners in 2024. This reinforces a shared understanding and strengthens accountability.

In the chapter People: A future with perspective, we describe how HAVEP addresses each of the eight labour standards through thorough risk assessments, preventive measures, and practical improvements across our supply chain.



FAIR WEAR

the 8 elements of Fair Wear’s code of labour practices

1 Employment is freely chosen

2 Freedom of association and the right to collective bargaining

3 No discrimination in employment

4 No exploitation of child labour

5 Payment of a living wage

6 Reasonable hours of work

7 Safe and healthy working conditions

8 A legally binding employment relationship



Ethical business practices embedded in our team

While our policies are grounded in international standards and scientific research, it's our people who bring them to life every day. We invest in building a culture of integrity, starting with sustainability training during onboarding and continuing with role-specific guidance, especially for teams in procurement, sales, and country management.

Ethical conduct is reinforced through regular site visits, where staff are encouraged to “wear their Fair Wear hat,” a reminder that fairness is at the heart of who we are. Our teams in Macedonia, Tunisia, and India, bring vital local knowledge that helps uphold fair practices on the ground. We also provide multiple accessible reporting channels, from direct managers to an independent complaints committee. These are supported by a whistleblower policy that guarantees confidentiality and protection against retaliation.

Oversight from our Board of Directors, which reviews sustainability progress monthly, keeps ethical business conduct high on the agenda and aligned with our long-term impact goals. The table below shows the gender diversity ratio of our governance body, which sits on VP Textile level.

Diversity ratio in the governance body		
	Total HAVEP 2024	Total VP Textile 2024
Gender diversity ratio of governance bodies	N/A	6 men, 2 women

Convictions of corruption and bribery	
	Total 2024
Number of convictions for violations of anti-corruption and anti-bribery laws	0
Total amount of fines incurred for violations of anti-corruption and anti-bribery laws	0

Shared responsibility

The strong dedication to ethical business practices within our teams is showing real results. In 2024, no incidents related to corruption, bribery, child labour, forced labour, human trafficking or discrimination were reported or sanctioned.

To further foster shared learning, we organise a “Sustainability Get Together” with colleagues from our production countries. Five team members who play key roles in supporting social compliance and sustainability on the ground will travel to the Netherlands and Belgium. During this visit, they take part in sessions on labour rights, sustainability practices, stakeholder engagement, knowledge exchange, and so on. The goal is to deepen collaboration, share best practices across borders, and reinforce the strong ethical foundation that drives our partnerships, wherever we operate.



IMPACT MEASUREMENT

Measuring impact enables us to understand where we stand, identify where improvement is needed, and make informed decisions about our sustainability strategy. To understand the real footprint of our products, we work with bAwear for detailed life cycle assessments (LCAs).

bAwear environmental impact measuring

Targets:

- Fully implement the bAwear tool for all relevant product categories.



- Assess 100% of collection fabrics for environmental impact by the end of 2024 using SimaPro and ReCiPe 2016.



Before selecting any fabric, we run a life cycle assessment (LCA) to determine its real environmental footprint. This allows our designers, buyers, and sales teams to share verifiable data with customers, demonstrating measurable progress, particularly in reducing the footprint of the fibres we use.

For all Havep Collection we have calculated the Cradle-to-gate impact for our garments.

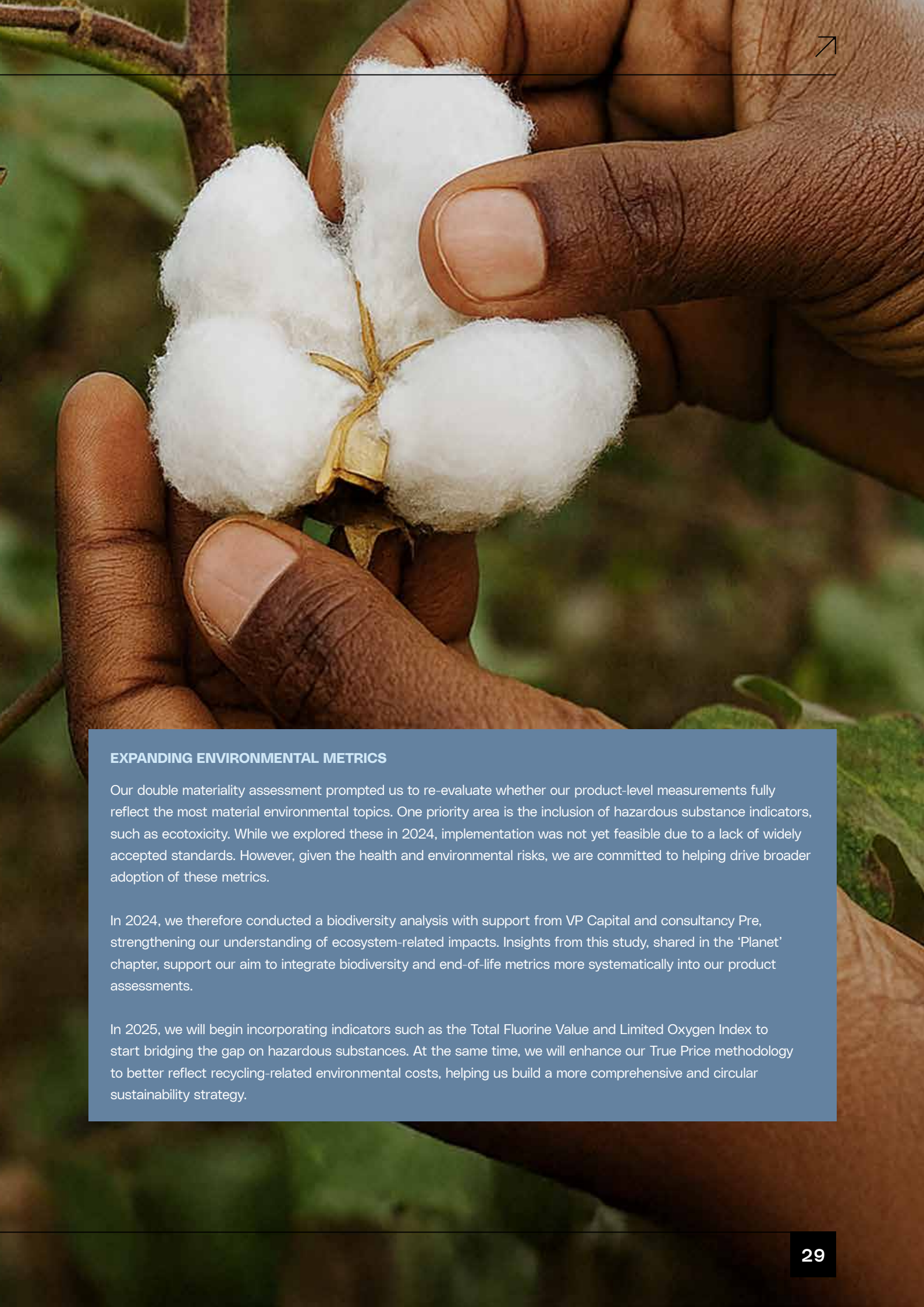
Each LCA covers key environmental indicators, including climate change, soil contamination, energy use, scarce materials, land use, air and water pollution, and water consumption. We use SimaPro data, verified by bAwear, and calculate impacts using the ReCiPe 2016 midpoint method.

Next to that we want to assess also the use phase and the recycling phase. The use phase is based on washing behaviour, and the end-of-life data are provided through the Green Gear Alliance.

An overview:

- **Production** (cradle-to-gate): here we calculate the LCA, from raw material extraction to finished fabric. This is our most robust model thanks to access to primary supplier data.
- **Use phase:** estimates impacts from washing, drying, and repairs based on typical consumer behaviour. This will be refined as we gather more real-world data.
- **End-of-life:** the products that are collected and recycled through Green Gear Alliance receive an overview of the amount of collected materials, the recycle destination and the generated environmental impact

As better data and new recycling options become available, we will continue to refine our calculations to ensure they remain accurate, relevant, and actionable.



EXPANDING ENVIRONMENTAL METRICS

Our double materiality assessment prompted us to re-evaluate whether our product-level measurements fully reflect the most material environmental topics. One priority area is the inclusion of hazardous substance indicators, such as ecotoxicity. While we explored these in 2024, implementation was not yet feasible due to a lack of widely accepted standards. However, given the health and environmental risks, we are committed to helping drive broader adoption of these metrics.

In 2024, we therefore conducted a biodiversity analysis with support from VP Capital and consultancy Pre, strengthening our understanding of ecosystem-related impacts. Insights from this study, shared in the 'Planet' chapter, support our aim to integrate biodiversity and end-of-life metrics more systematically into our product assessments.

In 2025, we will begin incorporating indicators such as the Total Fluorine Value and Limited Oxygen Index to start bridging the gap on hazardous substances. At the same time, we will enhance our True Price methodology to better reflect recycling-related environmental costs, helping us build a more comprehensive and circular sustainability strategy.



True Price method

Environmental data alone cannot guide real change. That’s why we translate our impacts into monetary values using the True Price method. This approach shows the full cost of each product, including the social and environmental effects that usually stay hidden in market prices. Monetising our impacts makes it clear where urgent action is needed - whether on water use, emissions, or social conditions in our supply chain.

HAVEP uses true pricing as a tool for transformation. By integrating impact data into our Product Information Management (PIM) system, we make sustainability an everyday consideration in product decisions.

Figure ‘True Price Calculation’ illustrates the indicators used to assess both environmental and social costs per product.

True Price builds on traditional cost calculations - which include materials, labour, logistics, and overhead - by adding the cost of restoring the damage caused during

production. It reveals the hidden impacts and pinpoints where reductions matter most. For HAVEP, the most effective levers have proven to be prolonging product use, fibre choice and making social impact also beyond Tier 1.

The process also highlighted areas where our knowledge is still developing. Some impact categories remain complex or lack sufficient data, underlining the need for further research to gain a complete picture of our products’ true environmental and social costs.

- Target:
- Refine social cost calculation for our top 3 product value chains



EXPANDING PRIMARY DATA ON SOCIAL COSTS

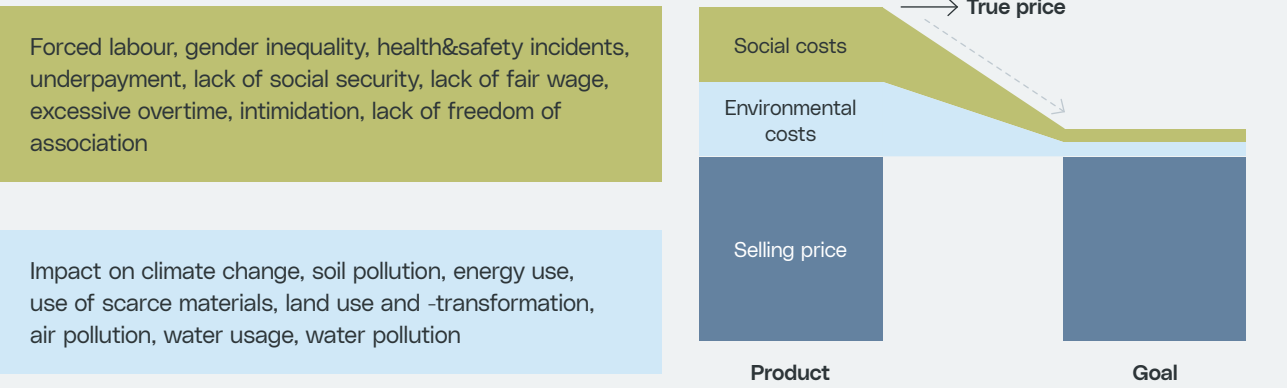
Our experience with the True Price methodology shows that social costs can be even higher than environmental ones. To make assessments more accurate and relevant, we are committed to expanding our use of primary data in this area.

While we already have deep insights into many of the fabrics we use, there are still cases where information is limited - gaps that can affect the reliability of social cost calculations. In 2024, our progress here was limited, partly because there was no clearly defined objective. This has shown us the need for a more structured and proactive approach, supported by clear targets.

An important step forward is our participation in a project in India with Raddis Cotton, calculating the social impact of conventional as well as regenerative cotton. The study focuses on key indicators such as income, child labour, and working conditions, and will help us build a stronger evidence base for assessing social costs at the raw material level. More on this project can be found in ‘People: A Future with Perspective’.

True Price Calculation

True Price is an economic concept that reflects the real cost of a product or service by incorporating all hidden costs such as environmental impact and social inequality. The goal is not to charge these costs to our customers, we use it as a guidance to set priorities in order to reduces these external costs ad much as possible.





PLANET: A CIRCULAR FUTURE

At HAVEP, we transform the way workwear is made, used, and reused. Guided by the Ellen MacArthur Foundation's principles of circularity, we aim for a textile value chain that eliminates waste, regenerates natural resources, and drives down emissions. This chapter shows how we turn ambition into action - through smarter design, longer-lasting products, responsible sourcing, and climate-conscious operations.

We start with eliminating **waste** and **toxics**. By smart design and looking into detox options, we create workwear that is ready from day one for reuse or high-quality recycling. Next, **we keep products and materials in use** for as long as possible through long-life construction, high quality fabrics, and take-back schemes such as the Green Gear Alliance. At the same time, we **regenerate natural resources** by prioritising lower-impact fibres, ensuring transparent supply chains, and running pilots in regenerative cotton. Finally, we accelerate our **climate ambitions** - validated by the Science Based Targets initiative - so we can reduce CO₂ emissions across the entire value chain. These four pillars guide us from linear production to a circular future, placing "Planet" firmly at the heart of HAVEP's sustainable journey.

Our materiality assessment identifies "Innovation Partner" as a material topic in its own right. We see this as particularly urgent in tackling environmental challenges. In this chapter, we highlight our Innovation Frameworks  to show how key partnerships and projects drive tangible progress on these issues.

Eliminate waste and toxics

HAVEP makes protective workwear that has to perform under tough, high-risk conditions. People rely on our garments for visibility, heat and flame protection, chemical resistance, and durability. These performance demands often require complex materials - multi-layer fabrics, blends, coatings, and reflective trims - as well as functional chemistries. Complexity keeps people safe, but it can also lock in waste and make end-of-life recycling difficult. Some finishes raise concerns about toxicity and downstream environmental effects if not carefully controlled.

Eliminating waste and pollution is about disciplined design and supply-chain choices aimed at reducing material loss, enabling circular flows, and keeping harmful substances out of people and the environment. Where safety requirements force trade-offs, we address them transparently and work towards better solutions over time. We focus on two main areas:

- 1. Design: start with the end in mind.** Integrate circularity criteria into product development so garments are easier to reuse, repair, disassemble, and recycle.
- 2. Detox: no more toxics.** Drive safer chemistry throughout the supply chain through standards, certification, and data transparency (including REACH alignment and our Restricted Substances List for non EU suppliers).

Design: start with the end in mind

We design with the future in mind. That is why we actively embrace design for recycling and design for circularity. During the concept phase we make deliberate choices about materials, construction, and finishing, so that our workwear is easier to reuse or recycle at the end of its life. This means avoiding material combinations that are hard to separate, choosing mono-materials whenever possible, and applying fastenings, labels, and coatings in smarter ways.

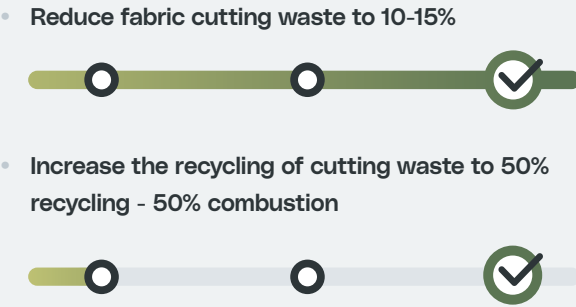
Despite our design aims, the safety and protection of our customers must always come first. In the world of protective workwear, this sometimes requires materials or techniques that complicate recycling. We continue to invest in innovation, run pilot projects, and participate in several industry working groups.



We are also taking steps to embed circularity more deeply in our design process and to eliminate waste where possible. At our own ateliers, we have reduced fabric waste from 20-30% to 10-15% by switching from manual cutting to digital, machine-operated cutting. We work to minimise these losses by designing efficient inlays, although it is not possible to reduce them to zero.

At the same time, we are looking to process cutting waste into more sustainable alternatives. The most effective solution is often to process the cutting waste in the country where it is produced. This proves challenging, for now, the waste is mostly used in high-calorific combustion to generate energy or in recycling towards non-wovens. In 2024, 2 out of 19 tonnes of waste were diverted to recycling or reuse. This is not yet optimal and we continue to search for better solutions.

Target:



Waste	
Total 2024	Tons
Annual generation of waste - Total	19
Hazardous	0
Non-hazardous	19
Total annual waste diverted to recycling or reuse	2

Detox: no more toxics

We strictly comply with the European REACH regulation (Registration, Evaluation, Authorisation and Restriction of Chemicals) and, in addition, implement our own Restricted Substances List (RSL) and Manufacturing Restricted Substances List (MRSL).

All the fabrics we use are OEKO-TEX® STANDARD 100 certified, which guarantees that the clothing contains no harmful residues for the end user.

By actively collaborating with suppliers and investing in alternative finishes – such as PFAS-free treatments – we are gradually reducing the impact of harmful chemicals.

An innovation combining longevity and detox, is the use of a Mint finish on our garments. Developed for hard workers, HeiQ Mint is the natural alternative to synthetic antimicrobial substances. Extracted from the mint plant,

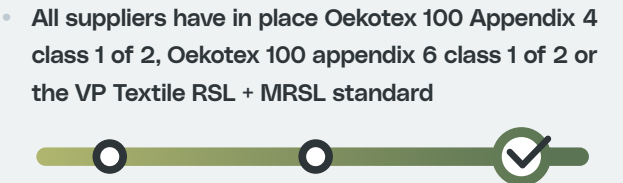
HeiQ Mint has a lower ecological impact. It inhibits odor-causing bacteria, keeping your workwear fresher for longer, reducing the need for washing, and prolonging its life. That's why we've added this technology to our HAVEP® Revolve collection. Benefits include:

- Natural and renewable source
- Reduced use of chemicals
- Long-lasting freshness and clothing life

And there is more sustainable technology used in the HAVEP Revolve collection.

The coffee grounds left over after brewing a cup of coffee give polyester fibers special properties. Integrating these with nanotechnology creates odor-absorbing properties and gives the fabric moisture-regulating capabilities. This keeps garments, such as our polos and T-shirts from the Revolve collection, fresher for longer and means they need to be washed less often. Another nice bonus is that the Coffee Yarn makes the fabric supple and soft to the touch, making it very comfortable to wear.

Target:



PFAS (poly- and perfluoroalkyl substances) have long been valued for their exceptional water-, oil-, and soil-repellent properties - qualities that are essential in high-risk environments. At the same time, we acknowledge their environmental and human health impact, and we are actively pursuing innovative alternatives.

While PFAS-free water-repellent finishes already exist, they currently fall short when it comes to protecting against oil-based and chemical liquids. Closing that gap is a challenge our Research & Development teams and partners are working on with urgency, so we can deliver both safer and more sustainable solutions. European legislation allows a transition period until 2037 for critical applications, and we are using that time to accelerate innovation.

Our objective is clear: to develop technologies and materials that combine safety with environmental responsibility. Tests have shown that we can claim only the limited chemical protection for the waterbased chemicals, and not yet oil-based chemicals. Until new solutions are fully market-ready, wearer protection will remain our top priority.



Circulate products and materials

We start from a simple truth: the most sustainable garment is the one that stays in use for as long as possible and ultimately becomes the raw material for a new one. That is why we examine every HAVEP piece from “Who will wear it?” all the way to “What happens after the final wash?” This end-to-end view drives us to design not only for toughness and repairability, but also for easy disassembly and material reuse.

We focus on two pillars:

1. **Long lifespan** is about durable fabrics, robust construction, and strong industrial washing performance.
2. **Innovative recycling** addresses the textile-to-textile recycling barrier through dissolvable yarns, mono-material designs, and close collaboration with recyclers that can (chemically) recover fibres. Alongside this innovation journey, we offer our customers a take-back system.

Together, these pillars form the backbone of our effort to keep resources in the loop and reduce our environmental footprint step by step.

Long lifespan of our garments

Extending the working life of a garment is one of the simplest and most reliable ways to cut its environmental footprint. Most of an item’s climate, water and resource

impacts occur during raw material production, dyeing, and manufacturing. When a jacket or pair of trousers lasts twice as long, the “production footprint” is effectively spread over twice as many wear-hours, reducing the impact per use – even before any recycling takes place. Longer life also means fewer replacements are ordered, which lowers transport emissions and keeps textiles out of waste streams for longer. In short, durability directly supports the Ellen MacArthur principle of “circulating products and materials” by slowing the flow of resources through the economy and providing more time – and higher-quality feedstock – for eventual recycling.

Our garments are built with durability in mind. Firstly, we source all core fabrics and trims from reputable, mostly European partners whose quality systems are proven and audited. Consistency in yarn quality, dyeing, and finishing is essential for a long service life.

Secondly, garments are tested for durability. Stress points are reinforced with double- or triple-needle stitching, bar-tacks, and high-strength threads, while pattern guidelines ensure sufficient seam allowances and stitch densities to withstand repeated wear and industrial laundering. We test for colour-fastness, dimensional stability, and mechanical strength using the ISO 15797 protocol to simulate real-world industrial wash conditions. The test results feed directly back into our design and sourcing decisions. In addition, our Quality department works closely with all suppliers to uphold consistently high standards across our supply chain. These long-term relationships ensure mutual understanding and alignment on quality expectations, further reinforcing the longevity and reliability of our garments.

Extended Producer Responsibility (EPR)

Responsibility (EPR) means that producers remain responsible for the collection, reuse, and recycling of the textiles they put on the market. It helps reduce textile waste and supports a more circular economy. The regulation was introduced under the European Green Deal through the revised EU Waste Framework Directive and became mandatory in the Netherlands in July 2023. HAVEP complies with these requirements through our membership of Stichting UPV Textiel, contributing to a collective system for responsible textile processing. In the

coming years, EPR for textiles will be further harmonised across the European Union, setting common standards for circular textile practices.

Innovative recycling

Recycling is only circular when the recovered material feeds back into new, useful cycles that keep fibres circulating longer and reduce dependence on virgin raw materials.

We approach this challenge from two complementary angles. First, we focus on **collection and recycling today**, giving every end-of-life garment the best possible second life through our Green Gear Alliance. Second, we look ahead to **breakthrough recycling tomorrow**, investing in innovation to make true textile-to-textile recycling the norm rather than the exception. Both efforts are guided by the R-ladder, prioritising the highest forms of reuse and recycling, and pushing materials as far up the hierarchy as regulations and technology allow.

R-Ladder



In 2024, HAVEP took important steps to collect and recycle end-of-life workwear across our group as part of the Collect and Recycle programme. We collected

a total of 21,809 kilograms of used garments within VPTextile – just below our target of 25,000 kilograms for the year. Although we did not quite reach our goal, this experience taught us a great deal about the challenges and opportunities in closing the textile loop. To increase volumes and make the process easier for our customers, we began working closely with competitors. At the start of 2025, we launched the Green Gear Alliance.

Target:

- **collect and recycle 25.000kgs - 21,809kgs achieved**



Soluble yarn for easier recycling

To make our garments easier to disassemble at the end of their life, we are piloting the use of dissolvable yarn. This innovative design choice allows clothing to be taken apart more efficiently, paving the way for high-quality recycling.

Today, recycling clothing back into new garments remains limited. Barriers include garment types, material compositions, collection and sorting methods, and the scale of available volumes. At HAVEP, we continue to invest in innovation and expand what is possible through pilot projects and industry collaborations.

One example is the use of a soluble yarn in selected garments, which makes it easier to dismantle clothes at the end of their life. After testing several techniques, we chose a yarn that dissolves in water at 120°C – similar to the conditions inside a pressure cooker or in practice, similar to the conditions in a HT- dyeing equipment in the textile industry. We apply this yarn to components that must be removed before recycling, such as zippers and buttons. At this stage, the yarn is only suitable for workwear but not yet for protective wear.

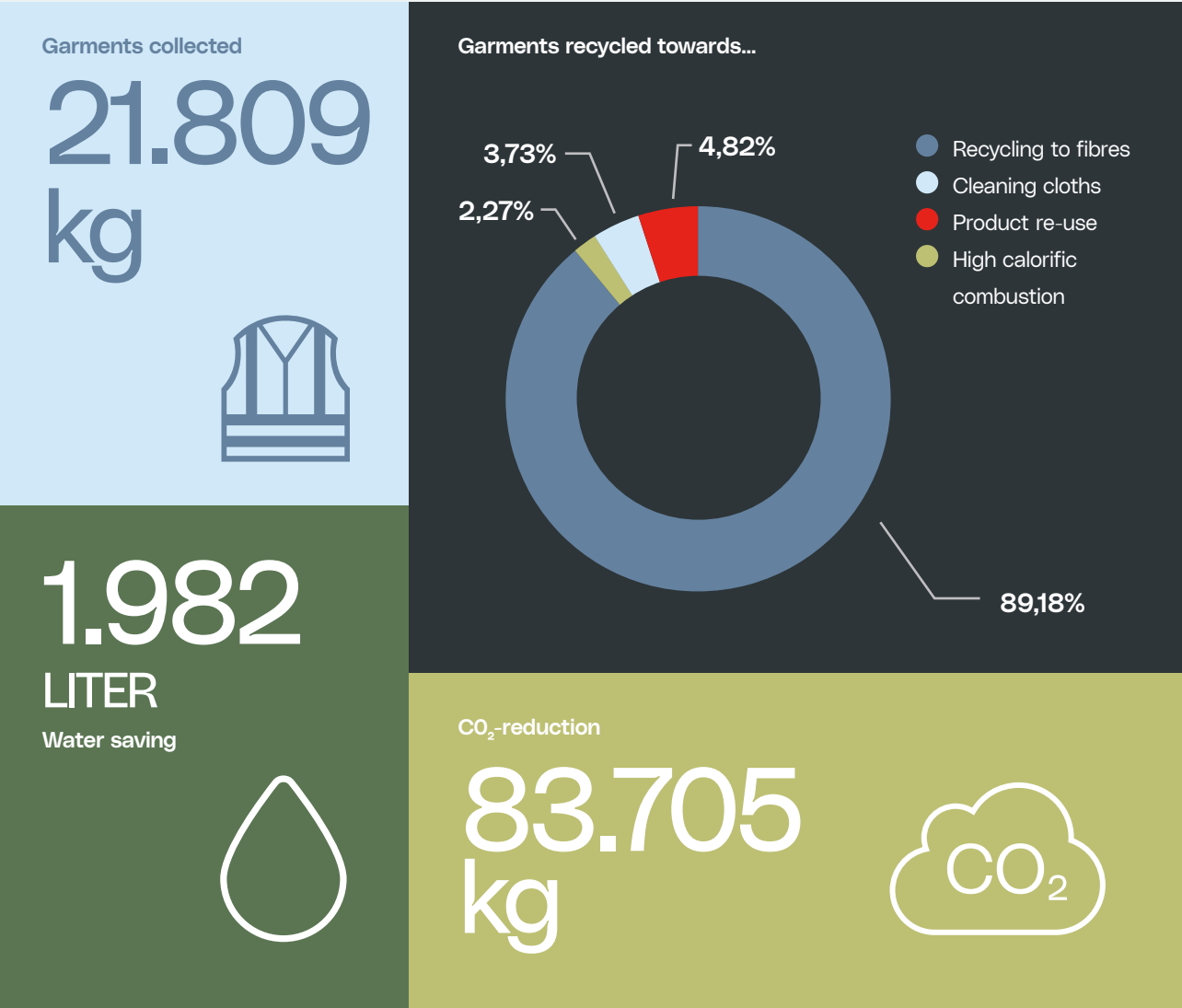


Green Gear Alliance

Clothing that has reached the end of its life cycle is processed according to the principles of the R-ladder, a strategy for recycling at the highest possible value. We have been following this approach for some time through our Collect and Recycle programme. Since 2025, we have joined forces with several competitors in our market to pool our strengths under the name Green Gear Alliance (greengearalliance.eu).

This is a non-profit collaboration within the sector. Our goal: circular solutions for workwear and PPE, with a focus on conserving raw materials. We offer customers a clear and convenient collection system in which workwear, shoes, and PPE are gathered and recycled at the highest possible value.

This collaboration brings several advantages, including greater volume, which allows us to move towards higher-value applications. Processing is carried out with our partner CVB Ecologistics in Tilburg. Customers using the service receive a report showing the impact achieved by collecting and processing their clothing.



Regenerate nature

Choosing the right fibres is one of the most important ways we can reduce the impact of our products. We aim to move away from conventional, resource-intensive fibres and actively explore alternatives that are better for people and planet - without compromising on quality, comfort or protection for the wearer.

This shift offers real opportunities: it strengthens our position as a sustainability leader, helps us access markets with higher standards, and makes us less dependent on conventional, often volatile raw materials. At the same time, there are challenges. Sourcing sufficient certified fibres can be difficult, especially as global demand rises, and integrating new materials often requires rethinking design or supply chains.

Our goal is to significantly reduce the environmental footprint of each garment while meeting growing customer demand for more responsible materials. For each application, we seek the optimal balance between performance, sustainability, and price. The protection of the people who wear our garments always comes first, but we also choose the most achievable sustainable option. We measure the impact of our fabrics in terms of water use, CO₂ emissions, energy consumption, and land use, and we also calculate social impact. To enable comparison, we translate results into True Price - see the chapter *Impact Measurement* on page 28 for methodology.

More than 70% of our HAVEP collection is made with more sustainable fibres such as organic cotton from the Better Cotton Initiative (BCI), or regenerative cotton, recycled cotton, lyocell, and recycled polyester. Across our total product portfolio, the share of these materials is 46%.

In 2024, we used a total of 697 tonnes of textile materials, with cotton and polyester making up the majority. Smaller volumes of fibres such as modacryl, nylon, and lyocell were also used in specific product lines. Of the cotton used, 58% was certified (organic, BCI, or regenerative), and 1% was recycled. For polyester, 22% was recycled, mainly recycled PET bottles produced by REPREVE. In total, 7% of all materials used in 2024 were either recycled or reused, marking a step forward in circular material use.

Target:
• 70% of our collection is made with more sustainable fibres



Biodiversity footprint measurement

In 2024, we carried out our first biodiversity footprint assessment using the Biodiversity Footprinting for Financial Institutions (BFFI) life-cycle methodology. While the results reaffirmed known hotspots - such as cotton cultivation, wet-processing, and garment use - they also highlight where targeted action can drive meaningful change.

Moving forward, our focus will be threefold:

- Scaling lower-impact materials: We will increase the share of organically or regeneratively sourced cotton and pilot recycled synthetics.
- Improving processing methods: We will engage with mills on gathering knowledge on low-impact or dry-dyeing technologies and renewable-energy sourcing for heat-intensive stages.
- Closing data gaps: We will focus particularly on better understanding microplastics losses.



Overview of more sustainable fibres

BCI and organic cotton

Where possible, we choose BCI (Better Cotton Initiative) and organic cotton. Organic cotton is grown without harmful pesticides and uses less water, while BCI supports better farming standards, improved working conditions, and reduced environmental impact. By increasing the use of BCI and organic cotton, we aim to lower our footprint and support fairer practices for farmers and local communities.

Recycled polyester

We are increasing the use of recycled polyester in our collections, helping to keep valuable materials in use and reduce reliance on virgin resources. Recycled polyester is made from post-consumer plastic bottles and textile waste, which lowers the carbon footprint compared to conventional polyester. Recycled polyester from textiles is still in the pilot phase.

Lyocell

Lyocell is a fibre made from wood pulp, produced in a closed-loop process that reuses water and solvents, making it one of the more environmentally friendly alternatives available. The material is soft, strong, and breathable—well suited for workwear that needs to be

both comfortable and durable. By choosing lyocell, we reduce reliance on resource-intensive fibres and support more responsible forestry and production practices. However, for performance reasons we cannot always use lyocell in our collections, as it can lose strength in industrial laundries if not properly treated (for example, when overdried).

Biobased polyester (Sorona®)

In our latest RWS+ line, we introduced Sorona®, a partially biobased polyester made from renewable plant materials such as corn starch. Sorona® combines the durability of traditional polyester with improved softness, comfort, and stretch, while requiring less fossil resource input. Choosing Sorona® helps us lower the environmental footprint of our collection without compromising performance for demanding workplaces.

Recycled nylon

Recycled nylon is produced from pre- and post-consumer waste, such as discarded fishing nets or textile scraps, giving these materials a second life. Using recycled nylon reduces waste, conserves resources, and typically requires less energy than producing new nylon from raw materials. While technical and quality challenges remain, we are gradually increasing the use of recycled nylon in our products where possible.

Resource use	
Total 2024	Tons
Total weight of materials used - cotton	455
Cotton - recycled or reused	3
Cotton - certified	266
Cotton - other	186
Total weight of materials used - polyester	198
Polyester - recycled or reused	45
Polyester - certified	2
Polyester - other	151
Total weight of materials used - other fibres	44
Total weight of materials used - Viscose	1
Total weight of materials used - PU	2
Total weight of materials used - Modacryl	17
Total weight of materials used - Acryl	0
Total weight of materials used - Polyamide	0
Total weight of materials used - Nylon	11
Total weight of materials used - Aramide	3
Total weight of materials used - Elastane	1
Total weight of materials used - Lyocell/Tencel	3
Total weight of materials used - PLA	2
Total weight of materials used - PE	0
Total weight of materials used - Cardboard	0
Total weight of materials used - Carbon black	3
Total weight of materials used - all materials	697
Total - recycled or reused	48
Total - other	376
Total percentage of reused/recycled materials	7%
Total percentage of sustainable fibres	39%
Total reused/recycled/sustainable fibres	46%



Tackling climate change

The production of workwear and protective clothing requires significant inputs, including materials, energy for production processes, and distribution. At HAVEP, we recognise that addressing climate change means taking responsibility for emissions across our entire value chain. Over recent years, we have invested heavily in reducing our footprint, starting with our own operations (scope 1 & 2), where we have achieved carbon neutrality, as confirmed by the CO₂logic Silver certificate.

This has been supported by sustainable infrastructure. Our headquarters in Goirle was built with reused and recyclable materials, minimising CO₂ emissions while generating its own energy. In addition, solar panels at our production atelier in North Macedonia contribute to clean energy generation.

Our climate targets are validated by the Science Based Targets initiative (SBTi), aligning our full value chain with a 1.5°C reduction pathway. While our own operations already run net-zero, most remaining emissions come from upstream materials, downstream logistics, and business travel. This chapter outlines how we track our footprint, where we are making progress, and the steps needed to tackle the more challenging scope 3 emissions.

Carbon reduction

Target:

- carbon reduction per annum in line with the Paris Agreement



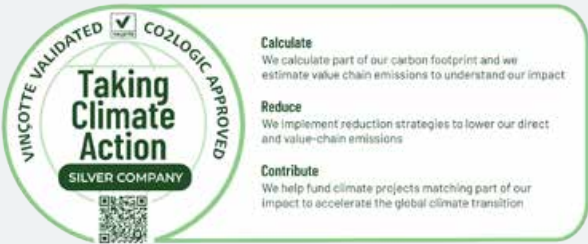
HAVEP’s carbon footprint was calculated by Holtara and covers scope 1 (direct), scope 2 (indirect from purchased energy), and scope 3 (all other indirect value chain) emissions for 2022, 2023, and 2024.

Over the past three years, HAVEP’s total CO₂ emissions have steadily decreased - towards 8554 tonnes in 2024 - continuing a long-term downward trend.

This reduction results primarily from ongoing efforts to improve energy efficiency and reduce climate impact across the value chain. Scope 1 and 2 emissions have decreased from 167 tonnes in 2022 to 119 tonnes in 2024, reflecting progress at our own locations and in purchased electricity. Both our Goirle and North-Macedonia facilities use solar energy, with Goirle additionally benefiting from rooftop wind turbines. CO₂ neutrality in scope 1 and 2 is

obtained by offsetting remaining emissions via Southpole. The largest share of our footprint remains Scope 3 emissions, linked to our supply chain, logistics, and product use.

Scope 3 remains the area with the most room for improvement. Fibre choice is a key lever in reducing our footprint, but performance requirements and economic considerations sometimes limit the options available. Business travel is another ongoing challenge, since we operate across multiple countries and value face-to-face dialogue, especially for discussions on quality and sustainability. While video calls are useful, in-person contact fosters mutual understanding, respect, and efficiency. At the same time, travelling contributes to our CO₂ footprint, highlighting the need to balance operational priorities with emissions reductions.





Scope 1, 2 & 3 GHG emissions	
Total 2024	tCO2eq
Scope 1 GHG emissions	43
Scope 2 GHG emissions	76
Scope 3 GHG emissions	8435
Total	8554

Scope 3 GHG emissions	
Total 2024	tCO2eq
Scope 3 GHG emissions	8435
Purchased goods and services	6357
Capital goods	0
Fuel and energy-related activities (not included in scope 1 or scope 2)	39
Upstream transportation and distribution	962
Waste generated in operations	7
Business travel	50
Employee commuting	106
Upstream leased assets	0
Downstream transportation	0
Processing of sold products	0
Use of sold products	586
End-of-life treatment of sold products	328
Downstream leased assets	0
Franchises	0
Investments	0

GHG intensity	
Total 2024	tCO2eq / revenue
GHG intensity	0,000240

Total energy consumption	
Total 2024	MWh
Purchased electricity	997
Renewable	301
Non-renewable	696
Fuels	174
Total	1171

VINCIOTE VALIDATED

CO2LOGIC APPROVED

Calculate

We calculate part of our carbon footprint and we estimate value chain emissions to understand our impact

Reduce

We implement reduction strategies to lower our direct and value-chain emissions

Contribute

We help fund climate projects matching part of our impact to accelerate the global climate transition

PEOPLE: A FUTURE WITH PERSPECTIVE

A future with perspective, for workers throughout our value chain, for our own employees, and by exploring how we can make an additional positive contribution to the communities around us.





WORKING CONDITIONS IN GARMENT FACTORIES

We protect you with safe and durable workwear. But our responsibility goes further: everyone in our supply chain deserves fair and safe working conditions. Human rights violations are still far too common. That’s why we actively work to improve workplace safety and build long-term partnerships. Our goal is clear: to create real opportunities and perspectives for everyone involved in making our products.

In 2024, 22% of our production took place in our own workshops. But fair work doesn’t stop at our own doors – it’s just as important to safeguard it throughout our entire supply chain. That’s why we follow a continuous due diligence process, based on the OECD Guidelines and the UN Guiding Principles on Business and Human Rights. This process consists of six steps:

In this chapter, we focus on human rights due diligence.



For more information about Step 1 – the Responsible Business Conduct policy – please refer to the chapter Ethical Business and Responsible Sourcing. Here, we elaborate on the other steps of the due diligence process.

Identifying actual and potential risk

To assess potential human rights risks in the factories where our products are made, we use both primary and secondary data. Combining these sources gives us a more accurate and complete picture, enabling us to take effective action.

Our goal is to identify and prioritise risks under our Code of Labour Practices, focusing on areas where we can have the greatest positive impact for workers.

- **Primary data:** gathered directly at the factory through site visits, assessments, and worker engagement.
- **Secondary data:** regional and industry studies, such as country analyses and benchmarks from comparable factories.

We start by reviewing secondary data and then compare it with our own factory findings. If the two don’t match, our primary data takes priority. Risks are assessed for each factory and each principle of the Code, with secondary data updated annually and primary data collected continuously. By giving the greatest weight to direct evidence and independent external sources, we keep our approach systematic, balanced, and credible. Please see Annex 5 for a complete overview of the different sources used in the risk analysis.

Based on this risk analysis, we identify the most significant risks and prioritise actions to cease, prevent or mitigate harm. Each risk is rated by likelihood and severity, using the defined risk matrix shown below.

		Likelihood				
Severity		Rare	Unlikely	Possible	Likely	Almost certain
	Catastrophic	Moderate	Moderate	High	Critical	Critical
	Major	Low	Moderate	Moderate	High	Critical
	Moderate	Low	Moderate	Moderate	Moderate	High
	Minor	Very low	Low	Moderate	Moderate	Moderate
	Insignificant	Very low	Very low	Low	Low	Moderate



Monitoring the working conditions in garment factories

At HAVEP, we recognise that risks to workers' rights differ from country to country. By understanding these country-level risks, we can take proactive steps to prevent problems and strengthen protections across our supply chain.

Our assessments, combined with other data sources, give us a clear overview of factory-specific risks. This enables us to set priorities and develop tailor-made improvement plans for each factory, starting with those facing the highest risks.

Below we outline the risk analysis for each country where we produce, linked to our sourcing and business model. **These are country-level risks, reflecting the wider national context. They do not represent findings in our own factory or in those of our partners.** Actual risks at factory level may differ depending on the region and on measures taken locally by our partners, supported by us. A high-risk rating therefore does not mean violations have been found, but signals the need for closer attention and preventive measures such as training. In the following sections, we describe the risks, performance, and actions taken for each principle of our Code of Labour Practices.

	Forced Labour	Freedom of Association	Discrimination	Child Labour	Living Wage	Excessive Working Hours	Health & Safety	Legally binding employment relationship
North Macedonia								
Tunisia								
Turkey								
India								

Targets:

- 100% of garment factories partners assessed on working conditions by Fair Wear at least once every three years.
- Local representatives present at all production sites to support monitoring.
- Sustainability team visits all manufacturing sites at least once every two years.



All garment factory partners are currently under monitoring. We collect information from various sources, as outlined in Annex 5. The most comprehensive insights come from Fair Wear assessments.

In 2024, we assessed three factories: HAVEP Macedonia, Bosut DOO Kumanovo, and M.A.C.O Sarl. Assessments

at Decco and Stenjeteks were postponed to early 2025 due to production planning. A planned 2024 assessment at Apparel@Work Tric was also rescheduled to 2025 because of a potential relocation. This way, findings and follow-up actions remain meaningful and deliver real impact for workers. In 2025, we will also assess Beo Textile and Mallcom Chandipur.

Mallcom Chandipur is assessed every two years instead of every three. This higher frequency reflects its status as a new production region for HAVEP, where risks are greater compared to our long-established locations.

In Tunisia and North Macedonia, where 96% of our production takes place, local representatives visit all sites weekly. Since June 2024, a quality and compliance officer in India has also been visiting production locations weekly, further strengthening our presence on the ground. In Turkey, however, we do not yet have a local team, making monitoring and engagement more challenging. In 2024, the sustainability team visited production sites in India and North Macedonia; visits to Tunisia are planned for 2025.

Factory Name	Country	Previous Fair Wear assessment	New proposed Fair Wear assessment
BEOTEKS TEKSTIL LTD.	Turkey	2022	2025
Decco	Tunisia	2021	2025
Bosut DOO Kumanovo	North Macedonia	2024	2027
HAVEP Macedonia	North Macedonia	2024	2027
Libertex	Tunisia	2023	2026
M.A.C.O Sarl	Tunisia	2024	2027
Apparel@Work Tric	Tunisia	2021	2025
Mallcom Chandipur	India	2023	2025
Stenjeteks	North Macedonia	2021	2025



Ceasing, preventing, or mitigating harm & tracking progress

To prioritise improvements and determine next steps, we use the Social Impact Ladder. This tool helps us go beyond simply identifying shortcomings in working conditions.

It also supports us in exploring how companies can create a positive impact in the communities where they operate.

All HAVEP colleagues visiting partners abroad apply the Social Impact Ladder during factory visits. It enables constructive and meaningful dialogue: identifying risks, prioritising actions, and acknowledging efforts that go beyond compliance. In this way, progress becomes tangible and improvement a shared responsibility.

We believe that a future with perspective is not only about compliance, but about using business as a force for good, by inspiring partners and recognising those already leading the way.

		 The Economic Opportunity	 Every Worker is Equal and Has a Voice	 Safe and Healthy
STEP 06		• Livable Income excl. Bonuses • Career Guidance • Good Work-Life Balance • Comprehensive Secondary Benefits • Pension Plans • Economic Community Initiatives		
STEP 05		• Livable Income incl. Bonuses • Trained for Further Development • Opportunities for Vulnerable Groups	• Inclusive Culture • Proactive Inclusion Initiatives • Engagement in Sector DEIB Initiatives • DEIB Community Initiatives	• Stress and Mental Health Programs • Workplace Innovation • Community Health Initiatives • Sector-wide Health Initiatives
STEP 04		• Worker Training for Skill Expansion • Regular Wage and Price Reviews • Secondary Benefits Beyond • Legal Requirements • Opportunity to Negotiate Wages	• Workers Involved in Policy Making • Equal Opportunities for Development • Equal Pay for Equal Work	• Healthcare Services and Insurance • Healthy Work Culture
STEP 03		• Above Minimum Wage • Legally Binding Employment Contracts • Clear and Transparent Compensation • Legal Secondary Benefits • Healthy Work Schedule	• Workers Informed About Labor Rights • Employee Representatives Are Trained • Interaction with Management • Well-Functioning Complaints Mechanism	• Compliance with Legislation • Preventive Measures • Health Checks and Screenings • Training and Information
HAVEP minimum level	STEP 02	• No Forced Overtime • Labor Agreements • Payment Details Shared • On-the-Job Training	• Freedom of Association • Employee Representatives • Workers Can File a Complaint	• First Aid • Information and Training on Basics • Safe and Hygienic Workplace
	STEP 01	• No Forced Labor • Legal Minimum Wage • No Child Labor	• Access to the (Line) Manager • Awareness of Non-Discrimination	• Basic Safety Measures • Clean Drinking Water and Sanitary Facilities • Compliance with Safety Regulations



To truly move forward and comply with the Fair Wear Code of Labour Practices, as well as to take the next step on the Social Impact Ladder, several elements are essential. Experience shows that lasting change requires:

- **Local presence** – being on the ground provides a clear view of daily realities, shows whether improvements have been implemented, and helps address issues at the source.
- **The voice of the worker** – ethical business is not achieved through top-down policies alone. Workers must be able to share their needs and insights, supported by open dialogue and regular consultation.
- **Workers’ representatives** – committees act as a bridge between workforce and management, addressing concerns and negotiating on wages, hours, and safety.
- **Rights and training** – workers need to know their rights before they can claim them. Training on the Code of Labour Practices and social dialogue empowers them to raise concerns and seek solutions.
- **Accessible grievance mechanisms** – Fair Wear Foundation posters in every factory include contact details for submitting complaints. The grievance system provides workers and other stakeholders with a safe channel to report issues.

Target:

- **100% of factories provide worker rights training.**
Status 2024: 78% achieved – 7 out of 9 factories have completed such training.



Trainings conducted:

- **North Macedonia:** HAVEP Macedonia (2017, planned 2025), Bosut DOO Kumanovo (2023), Stenjeteks (planned 2025)
- **Tunisia:** Libertex (2022), Decco (2022), M.A.C.O Sarl (2024), Apparel@Work Tric (2022 & 2024)
- **Turkey:** Beo Textile (BSCI training; Fair Wear training planned 2025)
- **India:** Mallcom Chandipur (2024)

The following sections outline our performance for each principle of the Code of Labour Practices

Freedom of association and the right to collective bargaining

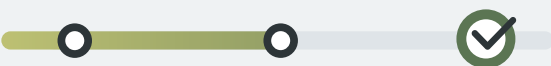
Accessible and trusted channels for raising concerns and sharing ideas are crucial for protecting workers’ rights. They form the foundation of freedom of association. At HAVEP, we focus on functional worker representation, ensuring workers’ voices are heard and translated into concrete improvements in working conditions.

Targets

- **All factories should have democratically elected worker representatives → 89% achieved – 8 out of 9 factories comply.**



- **Active dialogue between worker representatives, the workforce, and management → partly achieved (see explanation below).**



In 2024, we assessed how worker representation, freedom of association, and freedom of speech function across all partner factories. While committees often exist on paper, they are not always fully effective in practice. By analysing their structure and challenges, we can provide targeted support and strengthen their impact.

Below we outline the situation per production region, followed by a table summarising worker representation and union presence in each factory.

Regional overview

- **North Macedonia** – Worker committees function well, with regular meetings, minutes, and follow-up actions. Stenjeteks also has an active union. At HAVEP Macedonia, workers were directly involved in designing the employee satisfaction survey and will help develop the 2025 action plan.
- **Tunisia** – All factories have functional, democratically elected committees. We are supporting them to address more complex workplace issues and to improve communication between representatives and the wider workforce. All partners adhere to the legally binding Collective Bargaining Agreement (CBA), which guarantees wages above the national minimum, protects rights, and provides a framework for dispute resolution.

- **India** – Law requires multiple committees (Works-, Grievance Redressal-, Internal-, Safety-, Canteen Committee), which were set up in 2024. However, representatives were appointed rather than democratically elected. In this higher-risk context, they can still help improve conditions. To strengthen them, we will work with Inosculation Hub in 2025 on re-elections, grievance mechanisms, and stronger social dialogue.
- **Turkey** – The factory has an elected worker committee that holds regular meetings among representatives and with management.

Factory	Country	Worker representation	Union presence
HAVEP Macedonia	North Macedonia	Democratically elected committee	No
Bosut DOO Kumanovo	North Macedonia	Democratically elected committee	No
Stenjeteks	North Macedonia	Democratically elected committee	Yes
Libertex	Tunisia	Democratically elected committee	No
Decco	Tunisia	Democratically elected committee	No
M.A.C.O Sarl	Tunisia	Democratically elected committee	No
Apparel@Work Tric	Tunisia	Democratically elected committee	No
Beo Textile	Turkey	Democratically elected committee	No
Mallcom Chandipur	India	Committees present (appointed, not elected)	No

Employment is freely chosen

The textile sector is one of the industries at highest risk for forced labour. That is why HAVEP carefully selects production regions and ensures that no state-imposed or other forms of forced labour take place. Workers must always be free to leave the factory, and overtime must never be forced.

Targets:

- **No cases of forced labour in any factory where HAVEP produces.**
- **All overtime strictly voluntary.**

Fair Wear assessments of our partner factories have found no evidence of forced labour.

In India there is a risk that workers feel pressured to accept overtime to meet tight deadlines. HAVEP represents only a small share of production at the one Indian factory we produce, which limits our influence on a good work-life balance. Nevertheless, we take active steps to reduce this risk. Together with our partner factory, we developed and implemented a clear overtime policy. Workers are informed of their rights, and all overtime must be confirmed in writing to ensure it is voluntary. The policy is displayed on notice boards, emphasising that overtime is never mandatory, and payslips now clearly distinguish between regular and overtime hours to provide full transparency.

Safe and healthy working conditions

Every assessment identifies findings related to health and safety, though the number and urgency differ per factory. Whenever possible, we also conduct one to four basic health and safety checks per year ourselves, to remind factories of the required standards.

More importantly, we encourage factories to embed these standards into their own systems and to conduct regular internal audits. For example, raising awareness and clearly explain why protective workwear must be worn. Simply providing equipment is not sufficient if it is not actually used. Also, we actively encourage factories to organise training sessions and information meetings for workers to ensure health and safety standards are understood and applied in practice.

Targets:

- **Factories should have a system in place to monitor health and safety.**
- **Factories should actively raise awareness about health and safety policies.**

In North Macedonia, risks at our own factory and partner factories are very limited. In Tunisia, we observe a higher risk, making it necessary to strengthen the capacity of the health and safety committee. The factory in India is newly built and therefore has lower construction-related risks. However, challenges remain in embedding procedures into daily practice, resulting in an overall risk level similar to Tunisia.

While most health and safety efforts focus on physical safety, as reflected in our Social Impact Ladder, we also encourage factories to consider workers' mental well-being. Closely related to this is the topic of non-discrimination in employment, which we will discuss further in the next section.





Reasonable working hours

At HAVEP, we are committed to ensuring reasonable working hours across our supply chain. Each country has its own regulations regarding working hours and overtime, and we fully respect and adhere to these standards.

Target:

- Workers in factories producing for HAVEP should not exceed regional legal overtime limits.

As a producer of workwear and protective clothing, we avoid seasonal peaks by working with long-running collections. This reduces production pressure, but risks of excessive overtime remain, particularly in India, and require active management. In Tunisia and Turkey, these risks are more limited, while in North Macedonia it is considered very low. Nevertheless, we continue to look for ways to further minimise overtime risks.

We address this through several measures:

- Forecasting and planning: we provide suppliers with a six-month rolling forecast (updated quarterly), with the first two months confirmed and the following four as flexible estimates.
- Collaborative scheduling: together with suppliers, we plan production around regular working hours, holidays, and potential delays.
- Targeted monitoring: we monitor departments with higher overtime risk, such as Finishing, and intervene when needed.
- Promoting awareness: we engage management in conversations on work-life balance and the risks of non-compliance.
- Policy support: in India, we helped develop a Working Hours and Leave Policy to ensure legal compliance and protect rest time.
- Flexibility: we stay in close contact with production sites and offer flexibility where needed, discussing planning around holidays in advance.

We recognize that some countries maintain a 40-hour work week while others apply a 48-hour standard. This makes it valuable to engage in dialogue on what constitutes a good work-life balance locally, and to learn from practices in other sectors within each country.

Living wage

Workers must receive wages that are sufficient to meet their basic needs and provide a decent standard of living for themselves and their families. Any finding related to non-compliance with the legal minimum wage receives immediate attention, as ensuring at least this baseline is non-negotiable. Beyond this, we actively explore what constitutes a fair living wage, aiming to support wages that cover essential needs while also enabling workers to build a better future.

Target:

- Workers in factories producing for HAVEP should earn a living wage.

As a standard, we assume 1.8 income earners per household. This means that in a typical four-person household (two adults, two children), an average of 1.8 adults contribute to household income. This reflects real-life conditions, as not all adults are able to work full-time due to caregiving responsibilities, illness, or limited employment opportunities.

We actively monitor wages, track data, and compare outcomes with external benchmarks and studies on living wages. In addition to base wages, we consider bonuses and additional benefits that help close the living wage gap, provided these are sustainable and realistically implemented.

We follow minimum wage and inflation developments in the countries where we operate to assess how we can contribute effectively. We also calculate whether the labour-minute price paid allows a factory to provide a living wage. While the price paid by the brand is a key factor, productivity improvements and efficiency measures, such as automation, also play an important role. When companies generate more income, more resources become available to support fair wages.

Moreover, living wage considerations go beyond salary levels. We also assess whether workers are placed in the correct wage categories and whether they have opportunities for growth and advancement.

NORTH MACEDONIA

While we previously met the living wage standard in North Macedonia, rising inflation and increasing living costs have made it more challenging to maintain this level. Currently, 55% of our production takes place in North Macedonia, but there remains a gap of 10 to 20% between the target living wage and the lowest wage paid in the factory.

To address this, we have developed a living wage strategy focused on two pathways: supporting wage growth through adjustments in income structure and performance development; and increasing efficiency through automation, with a particular focus on our own factory.

In 2024, a concern was raised via the Fair Wear grievance mechanism about a partner factory planning a short closure that required workers to take mandatory leave (which is permitted under North Macedonian law). Employees worried about receiving full pay during this period, but all workers were ultimately paid in full.

TUNISIA

Workers should be able to negotiate their wages. In Tunisia, we adhere to the sector-wide Collective Bargaining Agreement (CBA), which all our partners respect. The CBA wage is approximately 34% higher than the national minimum. While the target living wage benchmark is higher than the current CBA wages, bonus systems introduced by our partners help close the gap for average earners. However, for lower-income groups, there is still progress to be made.

Inflation remains a challenge in Tunisia, and there are complaints that the current living wage calculation - set only by the union - is no longer realistic. Most workers are women living in dual-income households, which helps offset financial pressures, though some partners are unemployed or engaged in seasonal work. Therefore, there is a need to develop better figures in 2025.

INDIA

In the community where our supplier operates, employment opportunities are limited - especially for women - as the region is largely agricultural. To address this, our supplier partners with the Calcutta Rescue Foundation to provide tailoring training for women, who may then apply for jobs at the factory. We are working closely with our supplier to develop a clear and equitable trainee policy.

Challenges remain due to the piece-rate system, which complicates wage calculations. Currently, the gap between the lowest wage and the target living wage is around 30 to 40%. In 2025, we will further analyze the data to compare average wages with the living wage, and take a closer look at the matrix used to determine worker roles and pay categories.

TURKEY

Our partner in Turkey previously paid wages well above the national minimum. However, extreme inflation over the past two years has increased the cost of living three- to fourfold, resulting in a remaining gap of 10–20% between average wages and the target living wage. Despite these economic challenges, the factory continues to monitor wage developments and support workers wherever possible. Management has conducted a living wage survey among part of the workforce to better understand their needs. To support their workers in other ways, the factory provides free meals and transportation, and offers bonuses during Ramadan and Eid.



No exploitation of child labour

Preventing child labour is an absolute priority within our supply chain.

Target:

- No cases of child labour should be present in the workshops where HAVEP produces.

To date, no cases of child labour have been found in any of the assessments or data collections we have carried out, either internally or by external parties.

Overview of child labour performance by production region

- North Macedonia: The risk of child labour in textile factories is considered very low. Factories are encouraged to maintain clear written policies regarding juvenile workers and apprentices.
- Tunisia: In the formal garment sector, the risk of child labour is low. However, the risk is higher in informal micro- and small enterprises that may not comply with regulations. To address this, HAVEP enforces strict policies on subcontracting. In addition, workers aged 16–18 may be legally employed under specific regulations on permitted tasks and working hours, which we closely monitor and verify.
- Turkey: In the national textile sector, there is a known risk of employing Syrian refugees as informal workers, including minors. Our supplier is located in Izmir, far from the Syrian border, which reduces this risk. Fair Wear assessments and other audits have found no workers under 18 at our supplier. The overall risk is therefore considered very low, though we remain vigilant.
- India: Child labour is a wider concern in the region’s garment industry, but it is less relevant for our production due to the higher skill level required. Our partner factories have a strict policy of not employing anyone under 18, consistently confirmed by audits and documented compliance records.

No discrimination in employment

Under Fair Wear, no discrimination in employment means that all workers must be treated equally and fairly, without regard to gender, age, race, religion, political opinion, union membership, or other personal characteristics. All employment decisions – including hiring, pay, promotion, and dismissal – must be based on ability and qualifications, not personal attributes. It is therefore important that all factories we work with have clear anti-discrimination policies and systems for fair and unbiased performance evaluation.

We also apply a gender lens to examine whether labour rights violations vary or are more prevalent based on gender or other workplace factors. Certain groups may not feel confident or free to speak up, so it is crucial to be aware of these dynamics to take appropriate action and prevent harm. To support this, we have begun collecting gender data to better understand gender dynamics, with the goal of promoting equality and inclusion. Based on these insights, we recognise that discrimination-related challenges are often complex, sensitive, and deeply interconnected, and cannot be fully understood through data alone. That is why we focus on example projects that create lasting, meaningful change, rather than only collecting statistics.

Target:

- Implement a pilot project to raise awareness of gender and discrimination issues. The project should foster mutual understanding between different groups, create opportunities for workers to discuss sensitive topics, and serve as a model for other factories.



EMPOWERING WOMEN THROUGH RESILIENCE AT GARMENT FACTORY APPAREL@WORK

In Tunisia, violence against women and girls remains a significant risk. Incidents often occur in private settings, but also in workplaces, where harassment is widespread. Although our inspections, worker dialogues, and assessments have not identified such cases at Apparel@Work, we recognise that addressing societal challenges requires proactive measures.

Together with our partner Van Heurck, we launched a resilience programme at Apparel@Work in 2024, led by feminist psychologist Sheriffa Tlili. Since no suitable training existed, we co-developed a new model designed to serve as best practice for other factories in the region. The programme consisted of four sessions for 15 women workers, running from February to August:

- Session 1: Building a safe space to share experiences.
- Session 2: Role-playing real-life risk scenarios and practising responses.
- Session 3: Leadership skills to strengthen individual and collective resilience.
- Session 4: Reflection and goal-setting for long-term impact.

Following the programme, participants were interviewed and featured in a video to share their stories. On the International Day Against Violence, they presented their learnings to colleagues, raising awareness across the organization. Building on this success, we are now exploring further initiatives to train management and foster positive communication. Together, we aim to create not only safer workplaces, but also stronger opportunities for women in our supply chain.



WORKING CONDITIONS FROM FIBRE TO FABRIC

Much of our focus is on our garment-making partners, our first-line suppliers. But transparency deeper in the chain is just as important.

When we analyse the social-cost component of the True Price (see page 30) of our products, we see that a large share sits at the start of the chain. Research by the ILO shows that “the worst working conditions are often found at hard-to-reach SME suppliers in tier 2 and beyond,” while more than 65 percent of buying departments have little or no visibility past their first-tier suppliers. The 2013 Rana Plaza disaster, in which an eight-story garment factory in Bangladesh collapsed, killing more than 1,100 people, was a painful reminder. Because brands had no view of their subcontractors, rescuers had to search the rubble for clothing labels to find out which brands were involved.

OECD guidelines for the garment and footwear sector are clear: **full-chain due diligence is a core duty**, not something limited to direct suppliers. At HAVEP, we maintain open dialogue with our fabric suppliers to gain transparency in each step of the production process. We require certificates and audits as proof. However, we still need to advance in tracing suppliers of raw materials, such as cotton or polyester fibre. Greater transparency will give us clearer insight into working conditions and allow us to base the social-cost element of True Price on primary data. Where primary data is not available, we must rely on regional averages.

Tracking down the cotton chain

Our social-compliance work focuses on three themes: economic opportunity, inclusion, and safe & healthy workplaces (see page 52.) We aim to improve human rights and labour conditions across the entire supply chain - not only in garment factories but also with raw-material suppliers. We even go back to the very origin of fibres, supporting a group of cotton farmers. It is only a small step, but one that matters.

Because real change requires collaboration, we work with other actors in the chain. Our ambition is a textile industry free from exploitation and with a positive impact on people's lives. We cannot change the industry overnight, but we can lead by example.

Cotton carries a heavy footprint, both environmental (pesticides, fertilisers, water, land) and social (low wages, unsafe work, exploitation). Together with Raddis Cotton, GVK Society, and with support from the Dutch Social Sustainability Fund (SSF), Cotton in Common (KIA-CE) and Avans University of Applied Sciences, we have launched a research project mapping the entire cotton chain. From seed to fibre, we assess risks and opportunities for living incomes, safe work, and the elimination of child labour. True Pricing will measure the difference between a conventional chain and a transparent, fair one.

Legally binding employment relationships

Stable, legally binding employment is essential for providing perspective and security for workers.

We have set the following target:

- **All workers in workshops producing for HAVEP should have a clear, written employment agreement in the local language, voluntarily signed by both parties.**

Our approach is risk-based, prioritising countries and situations where workers' rights are most at risk. Key areas of focus include India, specifically the West Bengal region, and - to a lesser extent - Tunisia. We also address a specific case in North Macedonia.

- **India** - In West Bengal, factories often operate through intermediaries who recruit and manage workers. While factory management oversees daily operations, employment contracts are often arranged between intermediaries and workers, creating potential

ambiguities and compliance risks. To address this, we plan a training in 2025 with our partner Inosculation Hub for intermediaries. This training will focus on social compliance and improving relationships between intermediaries, workers, and factory management.

- **Tunisia** - Many garment workers are employed on short-term contracts, which can affect job security and access to social protection. We track contract types and regularly discuss with suppliers the importance of stable, legally binding employment. By offering predictability - as outlined on page 22 - we aim to help suppliers provide greater employment security.
- **North Macedonia** - Labour rights risks are generally low. In 2024, we phased out production at one of our partner factories due to insufficient quality and efficiency improvements despite years of support. This closure ended legally binding employment relationships for some workers. We ensured a responsible exit by involving all relevant stakeholders and supporting a fair transition, including proper compensation and guidance toward new employment.



During the extensive research and our visit to India, in the region where Raddis Cotton supports small-scale (mostly female) regenerative farmers, we met farmers, truck drivers, ginners, day labourers, teachers, health workers, and others.

Our impact assessment reveals persistent structural issues such as low wages, health hazards, child labour, and gender inequality across different tiers of production. Farmers and workers earn far below the living wage, while heavy pesticide use and unsafe working conditions expose them to serious health risks. Although regenerative farming practices reduce chemical exposure, lower costs, and provide some additional income, they still do not fully bridge the income gap. Hamali workers (porters) stand out as one of the most vulnerable groups, facing occupational injuries, lack of insurance, and unstable wages. The study concludes that collective, participatory solutions—such as knowledge centres, insurance coverage, and pilot sustainable ginning initiatives—are essential to achieve systemic change for both livelihoods and sustainability.

5 Key Learnings

Persistent income gap and financial insecurity

Across the cotton supply chain, farmers and workers earn significantly below both minimum wages and the living income benchmark of ₹3,38,112 per year. Seasonal work, lack of contracts, and reliance on middlemen create ongoing financial instability for households.

Health and safety under severe pressure

High pesticide use (20–30 sprays per acre in cotton seed farming) without protective gear, combined with dusty and physically demanding work in ginning and logistics, leads to serious health risks. Workers suffer from skin irritation, respiratory diseases, musculoskeletal injuries, and mental stress.

Child labour remains entrenched in farming

Children are still engaged in hybridization tasks (flower opening and crossing) during school holidays and weekends. While less visible in logistics and ginning, child labour in cotton seed farming exposes children to chemical residues, long hours, and hazardous conditions.

Regenerative farming: economic relief and climate resilience but income gap persists

By eliminating chemical inputs and adopting practices like intercropping, regenerative farmers face lower cultivation costs, fewer health risks, and greater resilience to drought and heavy rain. However, despite these benefits, their net income remains below living income thresholds, meaning regenerative practices strengthen livelihoods but cannot solve the income gap alone.

Structural inequality: gender and vulnerable groups

Gender pay gaps are evident in ginning units (e.g., men ₹350/day vs. women ₹250/day), and women often lack formal contracts or social protection. At the same time, hamali workers (porters) face severe vulnerability: heavy lifting, frequent injuries, respiratory issues, and no insurance coverage. Both groups require targeted protection and empowerment.

Change requires collective and participatory action

Our next step is to ensure that, from 2025, part of the cotton we buy in India is regenerative and fair - lowering the true cost for both people and planet.

Within the project a next phase is defined where we focus on remediation through:

- Participatory Farmers' Knowledge Centres for training and capacity building,
- insurance schemes for hamali workers,
- and a Lighthouse Ginning Centre as a model for socially just and sustainable processing.





WORKING CONDITIONS WITHIN HAVEP AND IN THE COMMUNITY

Working at HAVEP means being part of a family-owned business where personal growth and job satisfaction come first. Our slogan, “You’ll never work alone,” is more than words. Just as our customers rely on our clothing for a

safe and productive workday, our team members can count on 261 (FTE) passionate colleagues who ensure everyone heads to work with a smile. It’s our people who make HAVEP unique.



Employee well-being

Our employees are the foundation of our company. We promote well-being through various initiatives, including hybrid working options, a pleasant and sustainable workplace in our new circular headquarters, a sports scheme, a bicycle plan, and an active employee association that organizes events throughout the year.

We also offer a healthy and varied canteen in collaboration with Ruud’s Rugzak, and we are proud of this partnership that combines nutritious meals with meaningful community impact. Together, we create workplaces for people with a distance to the labor market, offering them a supportive and inclusive environment.

Our HR department, working closely with colleagues and external partners, ensures a positive working environment. We believe that employee well-being is shaped by several key themes, which they monitor closely. These include daily work experience, working conditions, personal development, employment terms and benefits, management and leadership, workplace atmosphere, and communication and feedback.

Target:

- Conduct employee satisfaction surveys in the Netherlands, Belgium, and Germany by 2024, as well as in our factory in North Macedonia.



While we did conduct a survey in our North Macedonian factory in December 2024 - with participation exceeding 95% and satisfaction scores ranging from 65% to 80%

- we did not complete the surveys in the Netherlands, Belgium, and Germany within the planned timeframe. Additional time was needed to conduct these surveys properly, so the date was moved to the first quarter of 2025. Following the surveys, we will analyse the results and develop action plans.

The results from North Macedonia showed strong performance in areas such as respectful and understanding management, pride in being part of the organisation, and opportunities for training and development. Identified areas for improvement will be addressed in dialogue with management and worker representatives, with actions starting in 2025. Progress will be monitored through key performance indicators and employee feedback, with follow-up meetings planned to assess effectiveness and adjust strategies as needed. This focus on employee experience is supported by a clear overview of our workforce and employment conditions.

In 2024, our total workforce consisted of 261 FTE employees, of whom 77% were women (202 FTE female vs. 59 FTE male employees). The majority of staff are based in North Macedonia (171 FTE employees), followed by the Netherlands (74 FTE), Tunisia (10 FTE), Germany (2 FTE) and Belgium (4 FTE). We also engaged six self-employed individuals exclusively contracted by HAVEP.

We recorded an employee turnover rate of 18%. All employees in the Netherlands, Tunisia, and North Macedonia were covered by collective bargaining agreements (100% coverage), ensuring that workers’ rights and representation are structurally safeguarded. We also maintained a strong safety record, with 4 small work-related accidents in North Macedonia and 0 fatalities.



Information on employees	
Total 2024	Number
FTE employees - total	261
FTE employees by gender - male	59
FTE employees by gender - female	202
FTE employees by gender - other	N/A
FTE employees by gender - not disclosed	N/A

Information on employees	
Total 2024	HAVEP FTE
FTE by country - NL	74
FTE by country - TN	10
FTE by country - MK	171
FTE by country - DE	2
FTE by country - BE	4

Information on non-employees	
Total 2024	Number
Number of non-employees - total	6
Self-employed without personnel that are working exclusively for the undertaking	6
Temporary workers provided by undertakings primarily engaged in employment activities	0

Employee turnover	
Total 2024	%
Employee turnover	18%

Health & Safety	
Total 2024	Number
Number of recordable work-related accidents	4
Number of fatalities as a result of work-related injuries and work-related ill health	0

Collective bargaining agreement coverage	
Total 2024	%
Percentage of employees covered by collective bargaining agreements - NL	100%
Percentage of employees covered by collective bargaining agreements -TN	100%
Percentage of employees covered by collective bargaining agreements - MK	100%

Diversity, Equity and Inclusion (DEI)

We are committed to maintaining a workplace where everyone is treated with respect, feels safe, and has equal opportunities - regardless of background, gender, sexual orientation, age, or other characteristics. Our Diversity, Equity, and Inclusion (DEI) efforts include active measures to prevent discrimination, bullying, aggression, sexual harassment, and other forms of unwanted behaviour. These measures are outlined in our Code of Conduct on Unacceptable Behaviour, which applies to everyone working for or on behalf of HAVEP, regardless of contract type or location. The code sets out what constitutes unacceptable behaviour, how employees can respond, and who they can turn to for support. To ensure accessibility and confidentiality, we have appointed a trained confidential advisor. Where necessary, appropriate disciplinary action is taken. By setting clear behavioural standards, offering support, and actively addressing misconduct, this policy contributes to a socially safe and inclusive workplace.

Target:

- Expand our DEI policy and implement site-specific action plans at all operational locations by 2024



Several measures have already been introduced to promote DEI, such as facilities for individuals with physical disabilities, monitoring of workforce diversity and management representation, and gender pay equity analyses. Clear procedures are in place for reporting and addressing discrimination and harassment, supported by our confidential advisor. Still, we recognise the need for a more structured and integrated DEI policy. While the objective was to develop and implement this in 2024, it has not yet been fully achieved. Further analysis and development will be prioritised in the coming reporting period.

At the CSRD level, gender plays a significant role. As shown in the KPI table on page 72, 75% of HAVEP's

workforce is female. The table below also presents the gender pay gap and the management gender ratio, although no specific targets have yet been set for these indicators.

In 2024, the average gender ratio in management was 0.9, indicating an almost equal balance between women and men in leadership roles. Our overall gender pay gap was 0.72. In Tunisia, our team of 10 FTE is led by a male manager, and because managerial salaries are higher, this structure results in a gender pay gap. In North Macedonia, our largest site, women hold 80% of management positions, while in the Netherlands, Belgium, and Germany combined, women account for roughly one third of management roles.

The gender pay gap is most pronounced in Tunisia and particularly in North Macedonia, where most employees are women. For CSRD reporting, all wages must be expressed in euros rather than in local currencies. Once converted, these wages appear much lower than those in the Netherlands, Belgium, and Germany, where men and women are more equally represented. This conversion effect is a major driver of the reported gender pay gap and raises questions about how accurately the figure reflects local realities.

Pay gap	
Total 2024	Ratio
Total gender pay gap	0.72

Gender ratio of management			
Total 2024	Ratio	#female	#male
Total gender ratio of management (women:men)	0.9	9	10
The Netherlands	0.6	5	8
Tunisia	0	0	1
North Macedonia	4	4	1

Learning and development

We believe employee development is key to both individual growth and organisational success. To support this, we follow a structured performance and development cycle that combines clear goal-setting with continuous learning. Each employee defines annual objectives in January, discusses progress in June–July, and has a final evaluation in December. These conversations focus equally on performance and personal growth, ensuring development remains a year-round priority.

We offer a wide range of learning opportunities, from on-the-job training to formal courses and customised development programmes. Employees are encouraged to discuss their ambitions with their managers, who help identify relevant opportunities. We distinguish between mandatory training (e.g. safety- or compliance-related, fully funded by HAVEP) and optional training (e.g. career development or self-initiated learning), which may be partially or fully funded depending on its relevance and value.

New colleagues follow an onboarding programme with sessions on sustainability, textiles, innovation, and introductions to each department. Knowledge-sharing continues throughout the year, with interdepartmental sessions, quarterly update lunches, and external exchanges through the VP textile brands network.

Target:

- 100% participation in the performance and development cycle



In 2024, 100% of employees participated in the performance and development cycle. Training needs identified in these dialogues led to courses ranging from language classes (French, German, Dutch) and ChatGPT, to forklift operation, situational leadership, prevention officer training, and physical workload management. While we

do not yet track training hours systematically, we plan to introduce this for more accurate reporting.

Looking ahead, we aim to launch a VP Textile Academy to expand our training offer. We are also working on a knowledge dashboard, to make progress measurable, and on a long-term platform for consolidating and sharing expertise across the organisation.

From Vanhulley to Atelier H

At HAVEP, we believe that good working conditions extend beyond our own employees. That is why we also invest in initiatives that strengthen the communities around us.

Vanhulley is a Dutch social enterprise that upcycles discarded textiles into new products. It has long created meaningful social impact by supporting people who face barriers to employment. Through education, coaching, mentoring, and networking, participants gain skills, confidence, and practical experience that help them progress towards sustainable jobs or further studies.

HAVEP has proudly supported Vanhulley in recent years by offering workspace in our building, donating materials, and introducing the initiative to customers interested in upcycling and social impact. While the day-to-day activities and coaching were led by the Van Hulley team, we were glad to help amplify their important mission.

In 2023–2024, the programme welcomed a diverse group of women aged 18–54 from Syria, Eritrea, Congo, Sierra Leone, Macedonia, Thailand, and the Caribbean. In 2024 alone, four women started, six completed the programme, and three continued from the previous year.

From July 2025, Vanhulley Goirle will become fully embedded within HAVEP under the new name Atelier H. Building on the strong foundation laid by Vanhulley, we are committed to continuing and expanding this initiative – offering not only new products but also services and workshops that combine social progress with circular innovation.

Atelier h
The story of Nishmin



I am from Syria and have been living in the Netherlands for four years now. At Atelier h., I sat behind a sewing machine for the first time. Everything was new to me: the language, life here, how to combine work with caring for your children. Fortunately, I received a lot of help from colleagues and guidance in the studio.

In my first year, I did an internship at Atelier h. and then I was also allowed to do a fashion course. That not only gave me experience with sewing, but also confidence in myself. My network has grown and I know where to go with questions.

I have learned how to interact with Dutch people. And most importantly, to be respectful. When I respect someone, I get respect in return. Atelier h. is the best place for people who are new to the Netherlands and want to learn the language!

What the customers of Atelier h. do for us is huge. They ensure that we can learn, take language courses, and move forward. That means so much to me. If more people and companies would open their hearts, the world would truly be a better place.



CUSTOMER EMPOWERMENT

Our protective workwear is designed for demanding environments, where workers and their clothing face high expectations. Reliable protection is critical - not only at work, but also as part of a broader vision of a safer, fairer, and more sustainable world. That is why, beyond producing certified protective clothing, we also provide services that strengthen the social and environmental impact of our clients' organizations.

Protecting workers from health and safety risks is at the heart of HAVEP's mission. Every collection is certified according to the latest ISO and EN standards by recognised inspection bodies. Our in-house textile specialists advise on safety requirements and innovations, helping customers make informed choices. Through continuous product development, we ensure that our solutions meet evolving needs.

Our customer service team combines fast response with in-depth technical expertise. Among them are PPE (Personal Protective Equipment) specialists who hold the same certifications as professionals in the field. Internal experts on textiles, innovation, and sustainability regularly deliver workshops and publish position papers to keep colleagues and clients up to date. Topics include PFAS regulations, EN-ISO risk assessment methods, relevant legislation, and social standards such as Fair Wear. Collaboration with our customers is central to our approach: wearer trials, satisfaction surveys, and direct dialogue with both clients and end users help us align our products and services with real-world needs. Sustainability is embedded in our offering from the design stage onwards, as outlined in the chapter Planet: A Circular Future. In addition, we support clients in their own sustainability strategies by engaging in transparent discussions, sharing knowledge, and providing practical tools. These include our annual sustainability report, product footprint calculations that can be translated into a True Price, and end-of-life solutions available through Green Gear Alliance.

Customer satisfaction

Target:

- Increase customer satisfaction score compared to 2023, measured through the annual customer satisfaction survey in 2024.



The 2024 Customer Satisfaction Survey shows a clear upward trend. The average satisfaction score rose to 4.28 out of 5, an increase of 0.52 points compared to 2022 and 0.29 points compared to the 2020 baseline measurement. The share of 'top-box' responses (scores 4 or 5) also increased significantly, from 69% in 2022 to 82% in 2024 - an improvement of more than 13 percentage points. Most significant improvements:

- [+1.08] Staff training
- [+1.08] In-store and showroom presentation
- [+1.02] Delivery performance
- [+0.98] Additional support on projects and tenders

All measured aspects improved, with no score below 3.97. While the appearance of our clothing continues to receive the lowest rating, even this area has shown clear progress.

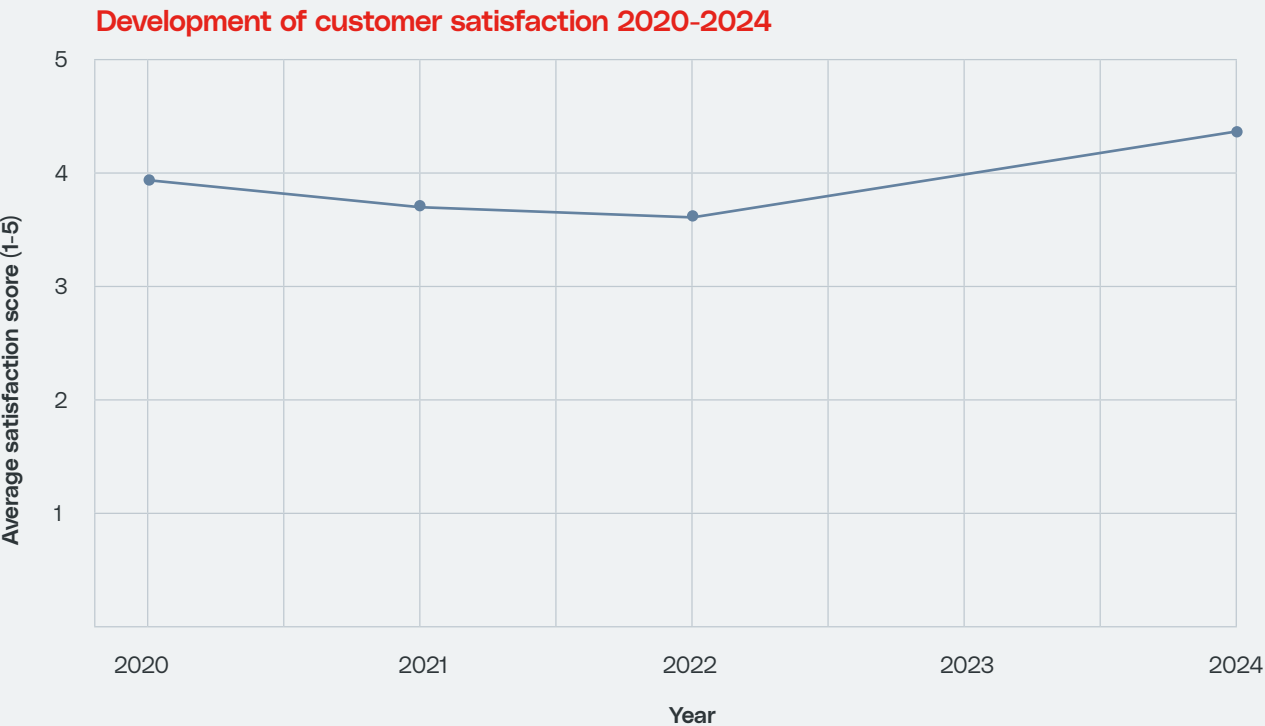
Net Promoter Score (NPS)

In 2024, our Net Promoter Score (NPS) reached +10, with promoters (18%) clearly outnumbering detractors (8%). This provides a solid foundation for building further customer loyalty.

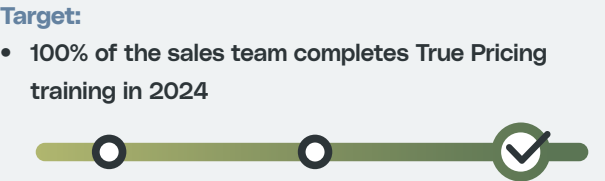
The upward trend reflects recent improvements in delivery performance, knowledge sharing, and service:

- The higher delivery performance scores reflect customer satisfaction with timely and complete deliveries.
- Knowledge sharing: increases in training and project support highlight the value of our investments in human capital and partnerships (CSRD theme S).
- Satisfaction with service reflects the quality of our customer support teams.

Meanwhile, the lower - though improving - score for clothing appearance suggests that both the appearance and the breadth of the product range remain important areas for further enhancement.



Sales training on True Pricing



In 2024, all members of our sales team completed True Pricing training (see page 30) and are now equipped to discuss the real environmental and social impact of our products with customers. This ensures that sustainability considerations are integrated into everyday customer interactions, supporting informed decisions and responsible consumption.

Collect & Recycle platform

Collect & Recycle is HAVEP's platform, developed in collaboration with CVB Ecologistics and other VP Textile companies, to reuse or recycle used corporate workwear. We prioritise the highest-quality recycling solutions for textiles and protective gear currently available.

Customers receive reports detailing how their items were processed and the resulting savings in CO₂, water, and the Environmental Cost Indicator (MKI+). Further details on this initiative are available in the chapter Planet: a circular future.



KEY PERFORMANCE INDICATORS (KPIs)

Financial figures		
VSME B3	Total HAVEP 2024	Total VP Textile 2024
Size of the balance sheet	€ 24.900.000	€ 67.100.000
Turnover	€ 35.700.000	€ 79.200.000
Total FTE	261	977

Total energy consumption (MWh)		
VSME B3	Total HAVEP 2024	Total VP Textile 2024
Electricity	997	1569
Renewable	301	318
Non-renewable	696	1251
Fuels	174	829
Renewable	0	0
Non-renewable	174	829
Total	1171	2398

Scope 1 & 2 GHG emissions (tCO2eq)		
VSME B3	Total HAVEP 2024	Total VP Textile 2024
Scope 1 GHG emissions	43	130
Scope 2 GHG emissions (location-based)	76	304
Gross scope 1, 2 en 3 GHG emissions	8554	19821

GHG intensity (tCO2eq / €)		
VSME B3	Total HAVEP 2024	Total VP Textile 2024
Scope 1, 2 & 3 GHG intensity	0,000240	0,000250

Scope 3 GHG emissions (tCO2eq)		
VSME B3	Total HAVEP 2024	Total VP Textile 2024
Scope 3 GHG emissions	8435	19385
Purchased goods and services	6357	14145
Capital goods	0	0
Fuel and energy-related activities (not included in scope 1 or scope 2)	39	178
Upstream transportation and distribution	962	2456
Waste generated in operations	7	38
Business travel	50	93
Employee commuting	106	151
Upstream leased assets	0	0
Downstream transportation	0	0
Processing of sold products	0	0
Use of sold products	586	1638
End-of-life treatment of sold products	328	686
Downstream leased assets	0	0
Franchises	0	0
Investments	0	0



Waste and resource use (ton)		
VSME B7	Total HAVEP 2024	Total VP Textile 2024
Annual waste generation - Total	19	99
Hazardous	0	0
Non-hazardous	19	99
Total annual waste diverted to recycling or reuse	2	26
Total weight of materials used - cotton	455	636
Cotton - recycled or reused	3	3
Cotton - certified	266	273
Cotton - other	186	360
Total weight of materials used - polyester	198	522
Polyester - recycled or reused	45	79
Polyester - certified	2	2
Polyester - other	151	441
Total weight of materials used - other fibres	44	231
Total weight of materials used - Viscose	1	7
Total weight of materials used - PU	2	68
Total weight of materials used - Modacryl	17	64
Total weight of materials used - Acryl	0	0
Total weight of materials used - Polyamide	0	1
Total weight of materials used - Nylon	11	11
Total weight of materials used - Aramide	3	7
Total weight of materials used - Elastane	1	1
Total weight of materials used - Lyocell/Tencel	3	14
Total weight of materials used - PLA	2	2
Total weight of materials used - PE	0	9
Total weight of materials used - Carbon black	3	3
Total weight of materials used - all materials	697	1389
Total - recycled or reused	48	82
Total - sustainable fibres	273	291
Total - Other	376	1015
Total percentage of reused/recycled materials	7%	6%
Total percentage of sustainable fibers	39%	21%
Total reused / recycled / sustainable fibres	46%	27%

Employee turnover (%)		
VSME B8	Total HAVEP 2024	Total VP Textile 2024
Employee turnover	18%	14%

Health & Safety		
VSME B9	Total HAVEP 2024	Total VP Textile 2024
Number of recordable work-related accidents	4	27
Number of fatalities as a result of work-related injuries and work-related ill health	0	0

Pay gap (ratio)		
VSME B10	Total HAVEP 2024	Total VP Textile 2024
Gender pay gap	0,72	0,65

Collective bargaining agreement coverage (%)		
VSME B10	Total HAVEP 2024	Total VP Textile 2024
Percentage of employees covered by collective bargaining agreements - NL	100%	100%
Percentage of employees covered by collective bargaining agreements -TN	100%	100%
Percentage of employees covered by collective bargaining agreements - MK	100%	100%

Information on employees by gender		
VSME B10	Total HAVEP 2024	Total VP Textile 2024
FTE employees - total	261	977
FTE employees by gender - male	59	142
FTE employees by gender - female	202	835
FTE employees by gender - other	N/A	N/A
FTE employees by gender - not disclosed	N/A	N/A
FTE by country - NL	74	96
FTE by country - TN	10	684
FTE by country - MK	171	171
FTE by country - BE	4	22
FTE by country - DE	2	4

Gender ratio of management		
VSME C5	Total HAVEP 2024	Total VP Textile 2024
Gender ratio of management	0,9	0,9

Non-employees		
VSME C5	Total HAVEP 2024	Total VP Textile 2024
Number of non-employees - total	6	7
Self-employed without personnel that are working exclusively for the undertaking	6	7
Temporary workers provided by undertakings primarily engaged in employment activities	0	0



Annex 1 Responsible Business Conduct (RBC) policy Partnership principles

HAVEP’s Responsible Business Conduct (RBC) policy reflects our vision and ambitions in the field of sustainability and responsible entrepreneurship. It clearly outlines our expectations towards partners on key themes throughout the supply chain, including human rights, labour rights, environmental responsibility, and ethical business conduct. By publishing the RBC, HAVEP also meets the expectations of external stakeholders such as the Fair Wear Foundation (FWF).

As production steps shift from in-house to external partners, choosing the right collaborators becomes crucial. Our RBC policy guides this process by helping us select partners who share our values and by providing a framework for ethical, socially responsible, and environmentally sustainable practices. The policy is designed to prevent and mitigate adverse impacts while fostering positive contributions to people and the planet. The RBC applies to all actors in our supply chain, suppliers, factories, production sites, contractors, subcontractors, and workshops, and is anchored in international standards, including:

- The UN Guiding Principles on Business and Human Rights (UNGPs);
- The OECD Guidelines for Multinational Enterprises and sector-specific due diligence guidance for the garment and footwear industry;
- ILO core conventions on forced labour, child labour, non-discrimination, freedom of association, and collective bargaining;
- The Universal Declaration of Human Rights and other relevant international treaties;
- ILO standards on working time and occupational safety and health;
- The concept of a living wage, applicable to both employees and self-employed individuals.

All suppliers receive our RBC policy as a baseline for responsible and mutually beneficial collaboration. At HAVEP, we believe that true partnership is built on mutual respect, local engagement, and the co-creation of solutions that address shared challenges and ambitions.



Annex 2 Process of selecting new suppliers garment factories

At HAVEP, we always start by exploring opportunities with our current suppliers. However, to keep up with market developments and continuously improve our sustainability and ethical standards, we may need to onboard new suppliers. Our onboarding process is carefully structured to ensure that all new partners comply with our Responsible Business Conduct policy, including fair labor practices and environmental requirements. Below is an overview of the steps we follow when bringing new suppliers on board.

Step Action Description

- 1 First dialogue: share Responsible Business Conduct and partnership principles, explain our view on sustainability, introduce Fair Wear membership and questionnaire, and share VPTEXTILE’s Manufacturing Restricted Substances List (MRSL) and Textile Restricted Substances List (TRSL). Ask suppliers for their perspective and certifications. Use this initial information to assess their position on the social impact ladder and check if they meet environmental requirements. If approved, proceed to step 2.
- 2 For new regions: conduct regional risk analysis including secondary data, local labor laws, network and partnership possibilities, political/governmental context. Determine which Country Manager or Quality Control representative will be responsible for this factory or plan for the region. Also include True Price calculations. If approved, proceed to step 3.

- 3 Based on information from steps 1 and 2, develop a risk-based questionnaire tailored to the supplier and region. If approved, proceed to step 4.
- 4 Factory inspection: health & safety check, tailored questionnaire, review HR policies, social dialogue channels, and internal grievance mechanisms. If approved, proceed to step 5.
- 5 Supplier fills in and submits Fair Wear questionnaire confirming compliance with the Code of Labour Practices. The supplier must also accept being publicly disclosed as a Fair Wear assessed partner in our sustainability report, on the Open Supply Hub, and that Fair Wear receives assessment information. If approved, proceed to step 6.
- 6 Request and review Fair Wear assessment. If approved, proceed to step 7.
- 7 Supplier partnership evaluation including leverage expectations. If approved, proceed to step 8.
- 8 Place test order and ensure worker information and complaint mechanisms are in place. If successful, proceed to step 9.
- 9 Conduct Human Rights and Environmental Due Diligence (HREDD) cycle, follow-up on corrective actions, and maintain ongoing partnership with preventive actions and continuous improvement.
- 10 Place regular orders

Annex 3 Subcontracting garment factories

In our agreements, subcontracting is not allowed without prior approval from HAVEP. We have dedicated teams on the ground who verify that production takes place at our partners’ own facilities. However, there are situations where partnering with another organization becomes necessary—for example, when the requested production exceeds the partner’s capacity or when production is otherwise not feasible within their facilities.

- We always discuss with our workshops whether the requested production is feasible and what the appropriate timeline is. This helps to avoid the need for subcontracting.
- At HAVEP, innovation is key, and we actively involve our workshops in this process so we can grow and develop together.
- If subcontracting is still necessary, workshops must request permission beforehand, clearly specifying which external party they intend to involve. We will first explore possibilities within our other partners before approving subcontracting.
- Permission is granted only if the subcontractor has been assessed and visited by us, and if it is confirmed that no significant human rights or environmental risks are present. Additionally, the subcontractor must demonstrate motivation to continuously improve and provide fair working conditions. (For more details, see the process for new suppliers in annex 2).
- Once approved, the subcontractor is considered a direct partner of HAVEP. We visit them regularly, sometimes unannounced, to immediately identify any unauthorized outsourcing. This allows us to maintain full control over where our clothing is produced

Annex 4 Responsible exit strategy garment factories

Our goal is always to build long-term, meaningful partnerships with suppliers. If difficulties arise - whether in quality, sustainability, or other areas - we start by exploring solutions together. Ending a relationship is only considered when no viable path forward remains.

When that happens, we follow our Responsible Exit Strategy:

- 1. Partnership evaluation: we consult the supplier to identify improvement opportunities together.
- 2. Transparent communication: if an exit decision is made, we notify the supplier at least one season in advance and clearly explain the reasons.
- 3. Social impact assessment: together with the supplier and key stakeholders, including worker representatives, we assess the potential social impact.
- 4. Check consequences: in case of (potential) layoffs, we ensure compliance with labour laws and severance obligations.
- 5. Phase-out plan: we gradually reduce orders, giving the supplier time to adjust.
- 6. Engage stakeholders: throughout the process, we actively involve stakeholders to help minimise negative impacts.

This approach ensures that any transition is handled with care, fairness, and respect for all those affected.



Annex 5 Identifying actual and potential risk: primary and secondaryd data

To assess potential human rights risks in the factories where our products are made, we use both primary and secondary data. Combining these sources gives us a more accurate and complete picture, enabling us to take effective action.

Our goal is to identify and prioritise risks under our Code of Labour Practices, focusing on areas where we can have the greatest positive impact for workers.

- **Primary data:** gathered directly at the factory through site visits, assessments, and worker engagement.
- **Secondary data:** regional and industry studies, such as country analyses and benchmarks from comparable factories.

Primary data
FWF assessments – conducted every two years in high-risk factories and every three years in lower-risk settings. Findings are translated into potential risks.
FWF Complaint System – complaints are resolved and documented to prevent recurrence.
Regular meetings with local teams – ongoing dialogue to identify and address potential risks.
FWF Health & Safety questionnaires – completed during visits by our quality department.
Training sessions – provide input to identify potential risks.
In-depth research – root cause analyses of high risks through interviews with management, unions, workers, and local stakeholders.
Gender-related risks – analysis of risks specific to gender.

We start by reviewing secondary data and then compare it with our own factory findings. If the two don’t match, our primary data takes priority. Risks are assessed for each factory and each principle of the Code, with secondary data updated annually and primary data collected continuously. By giving the greatest weight to direct evidence and independent external sources, we keep our approach systematic, balanced, and credible.

Secondary data
Literature – includes FWF country studies, CSR Risk Check, Transparency International, Global Slavery Index, Freedom House, OECD Due Diligence Checker, UN and ILO sources. We aim to add more local sources for greater relevance.
Webinars – organised by Fair Wear or other labour rights organisations.
NGO consultations – with NGOs specialising in textile sector working conditions.
Brand collaborations – sharing insights with Fair Wear or other fair trade certified brands active in the same regions.
Training sessions – provide input to identify potential risks.
In-depth research – root cause analyses of high risks through interviews with management, unions, workers, and local stakeholders.
Gender-related risks – analysis of risks specific to gender.



Annex 6 The Fair Wear complaint procedure

The Fair Wear complaint procedure is as follows:

1. Workers are informed about the FWF grievance mechanism and the “Worker Information Sheet” is posted in the factory.
2. The complaint is submitted by the complainant.
3. The complaint is received and reviewed by the responsible FWF complaint handler.
4. The complaint is reported to the FWF member brand (e.g., HAVEP).
5. The member brand requests a response from the relevant supplier regarding the complaint.

If the complaint is found valid, the following steps take place:

1. Further investigation of the complaint.
2. Development of a remediation action plan with a timeline.
3. Verification of remediation implementation by HAVEP.
4. Verification by the Fair Wear Foundation.
5. Publication and confirmation of complaint resolution.

HAVEP

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