HAVEP

PARTNERSHIP PRINCIPLES

Responsible Business Conduct

YOU'LL NEVER WORK ALONE

1. Purpose and scope

These HAVEP Partnership Principles form our Responsible Business Conduct (RBC) policy and set out how we apply human rights and environmental due diligence across our value chain. The policy is the foundation for selecting partners, working with existing partners, identifying and prioritising risks, preventing and mitigating adverse impacts, monitoring progress, communicating transparently, and providing or enabling remediation where appropriate.

The policy applies to HAVEP suppliers and business partners across the value chain, including garment factories, fabric and trim suppliers, raw-material partners, contractors, subcontractors and other production locations. Expectations are applied in proportion to the nature of the relationship, the risks involved and HAVEP's leverage. This document combines HAVEP's Responsible Business Conduct approach with the principles and expectations that guide our cooperation with suppliers and business partners.

Our approach is based on internationally recognised standards, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector, relevant ILO conventions and the Fair Wear Code of Labour Practices.

2. About HAVEP and our value chain

HAVEP is a family-owned workwear and protective-wear company founded in 1865 in Goirle, the Netherlands. We combine product safety, quality and durability with a long-term responsibility for people and planet throughout our value chain.

Our primary garment-production countries are North Macedonia and Tunisia, together accounting for around 90% of production in 2025. We operate our own garment factory in North Macedonia and work with partner facilities in North Macedonia and Tunisia. We also work with ready-made-garment partners in India, Portugal and Turkey. Our sourcing model is predominantly Cut-Make-Trim (CMT): HAVEP designs the garments and mainly purchases fabrics and trims itself, receives fabrics in Goirle and sends them to selected ateliers for assembly. For RMG partnerships, we work with nominated or preferred material suppliers and maintain oversight of the agreed production location.

Subcontracting is not permitted without HAVEP's prior approval. We verify that production takes place at agreed facilities and seek increasing transparency beyond tier 1, particularly for higher-risk upstream stages such as spinning, weaving or knitting, finishing and raw-material production.

3. Sustainability strategy and material topics

HAVEP's sustainability strategy is structured around three themes: Planet, People and Progress. Our 2025 Double Materiality Assessment assessed impacts, risks and opportunities across the value chain and incorporated input from internal and external stakeholders.

Material topics relevant to this policy

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

- Working conditions in garment factories
- Working conditions across the value chain
- Diversity, equity and inclusion
- Training and development
- Responsible purchasing
- Ethical business practices
- Consumer empowerment and transparency
- Innovation and collaboration

These themes guide our due diligence priorities and are reviewed as our business, value chain, evidence base and regulatory context evolve.

4. Governance and responsibilities

Responsible business conduct is integrated into day-to-day decision-making. The Sustainability function coordinates human rights and environmental due diligence and works closely with Sourcing, R&D, Innovation, Supply Chain/Operations, Quality and management. Local HAVEP teams support implementation and monitoring in production countries.

At VP Textile level, sustainability topics are also reviewed through cross-company governance, including the ESG Steering Committee. Material topics and strategic priorities are translated into objectives, actions and KPIs, with progress communicated through HAVEP's annual Impact Report and Fair Wear reporting.

5. Our due diligence process

HAVEP follows a continuous, risk-based due diligence process aligned with the OECD approach. It consists of six connected steps:

Step	Due diligence element	How HAVEP applies it
1	Embed responsible business conduct	Use this policy, contracts, supplier requirements and internal responsibilities to integrate RBC into decisions and partnerships.
2	Identify actual and potential risks	Combine independent assessments, regional and thematic research, supplier information, worker input and local expert knowledge.
3	Stop, prevent or mitigate harm	Use factory-specific action plans, root-cause analysis, responsible purchasing, training, social dialogue and targeted preventive measures.
4	Track implementation and results	Follow corrective action plans, assessment cycles, local visits,

		worker feedback, grievance cases and agreed KPIs.
5	Communicate	Report publicly on our approach, key risks, actions and progress, and maintain transparency about production locations and material challenges.
6	Provide or enable remediation	Where HAVEP has caused or contributed to an adverse impact, work with relevant partners and stakeholders to support effective remedy.

6. New business relationships and supplier selection

HAVEP's Sourcing Policy applies a staged, risk-based process for potential garment-production partners. We focus on a manageable number of sourcing regions where regular in-person visits, local knowledge, stakeholder relationships and meaningful human rights due diligence are feasible. Country and regional risks - including forced labour, freedom of association, discrimination, wages, working hours and occupational health and safety - are considered before factory-level screening begins.

Within those regions, HAVEP seeks partners where there is sufficient leverage, transparency and commitment to support responsible working conditions and continuous improvement. We ideally aim to represent between 15% and 85% of a production location's capacity. Full transparency is required regarding production locations, subcontractors, contractors and other actors involved in production. Piece-rate systems and contractor labour are not preferred; where used, the supplier must demonstrate that legal wage and social requirements are met.

Potential partners move through a defined sequence: a country/region-specific First Screening Questionnaire and first dialogue; an on-site factory visit including a Basic Health & Safety Check and tailor-made social inspection; completion of the applicable Fair Wear questionnaire; and an independent social compliance assessment. Sustainability evaluates the results and provides the social-compliance input for the final sourcing decision. Following a positive decision, findings are translated into a Corrective Action Plan, worker access to the Fair Wear complaints mechanism is established, Fair Wear onboarding training is planned, and the starting position and priorities on the Social Impact Ladders are documented.

New garment-production partners must meet five minimum social requirements before onboarding: payment of applicable minimum wages; no child labour; no forced labour; an effective response to harassment or abuse; and safe buildings. Beyond these minimum requirements, a new partner is not expected to meet every higher standard from day one, but must provide sufficient transparency and demonstrate management commitment and realistic opportunities for improvement.

7. Risk assessment and prioritisation

Our risk assessment combines independent Fair Wear assessments, country and regional research, thematic research, grievance information, supplier data, local HAVEP observations and input from local expert networks such as labour-rights organisations, social workers, trainers and other relevant stakeholders.

We assess both likelihood and severity and give priority to the most significant risks to people and the environment. Assessment findings and grievances are treated as evidence of actual or heightened risk and therefore influence prioritisation. Risk assessments are living tools and are updated when new evidence, sourcing changes or incidents arise.

For garment factories, Fair Wear assessments are normally conducted within a three-year cycle and more frequently where risk or a new relationship warrants this. Each assessment is followed by a targeted Corrective Action Plan (CAP).

8. Fair Wear Code of Labour Practices

All garment-production partners are expected to respect the Fair Wear Code of Labour Practices. HAVEP's due diligence covers the following eight labour standards:

- Employment is freely chosen
- Freedom of association and the right to collective bargaining
- No discrimination in employment
- No exploitation of child labour
- Payment of a living wage
- Reasonable hours of work
- Safe and healthy working conditions
- A legally binding employment relationship

Our objective is not only to verify compliance, but to strengthen prevention, worker awareness, representation and effective systems that address root causes.

8A. Social Impact Ladders

The Social Impact Ladders complement assessments and Corrective Action Plans by providing a practical framework for step-by-step development beyond minimum compliance. They are used for both new and existing partners to identify priorities, recognise progress and guide improvement. A partner can be at different levels across the three ladders; lower-level gaps are prioritised first rather than combining performance into a single score.

The ladders focus on three connected themes: Economic Opportunity; Every Worker is Equal and Has a Voice; and Safe and Healthy. The detailed ladder is shown below and forms part of HAVEP's approach to continuous improvement with production partners.



The ladders are a prioritisation and development tool, not a numerical score. Partners may be at different levels across individual topics. For Tier 1 garment factories, HAVEP applies minimum requirements for new sourcing and then uses the ladders to guide step-by-step improvement beyond minimum compliance.

9. Worker voice

Workers must be able to understand their rights, raise concerns safely and participate in decisions that affect their working conditions. HAVEP therefore supports worker representation, social dialogue and training for workers, supervisors and management.

The Fair Wear grievance mechanism provides an independent channel for workers to report concerns. HAVEP verifies that current Fair Wear posters and contact details are visibly displayed and also encourages effective factory-level grievance systems. We view grievances as an important source of information: the aim is not zero grievances, but accessible channels, timely follow-up, non-retaliation and effective remediation.

Where freedom of association is restricted in law or practice, suppliers are expected to enable lawful, independent forms of worker representation and dialogue. Worker representatives must not face discrimination or retaliation for carrying out their role.

10. Wages and responsible purchasing

HAVEP recognises that legal minimum wages often do not meet the cost of a decent standard of living. Our ambition is to contribute to closing living-wage gaps in a realistic, context-specific way. All tier 1 suppliers must at least pay the applicable legal minimum wage and provide transparency on wages and payroll information. We compare actual wages with relevant benchmarks and analyse wage structures, labour-minute pricing and productivity to understand gaps and possible pathways for improvement.

For internal analysis, HAVEP may use household assumptions and locally relevant benchmarks to better reflect real-life conditions. We recognise that living-wage progress cannot be separated from purchasing practices.

Responsible purchasing commitments

- Provide reliable forecasting and forward visibility; for core production, use rolling planning that supports realistic capacity management.
- Place orders with realistic production and transport lead times and minimise avoidable last-minute changes.
- Plan production collaboratively and take regular working hours, holidays and capacity into account.
- Agree fair and transparent prices and payment terms, and pay suppliers on time at the agreed price.
- Consider whether costing supports legal requirements, agreed standards and progress on wages.
- Maintain open dialogue on production pressure, overtime, quality and capacity, and share responsibility for solving problems.

11. Working hours

Working hours must comply with applicable law and the Fair Wear Code of Labour Practices. HAVEP's target is that workers producing HAVEP garments do not exceed legal overtime limits. We focus on prevention by addressing production pressure, planning and capacity rather than treating overtime only as a factory-level compliance issue.

Long-running collections, stable production flows, forward planning and long-term partnerships help reduce peaks. Where excessive overtime is identified, we work with the supplier on root causes, corrective actions and ongoing monitoring.

12. Safe and healthy working conditions

Every worker has the right to a safe and healthy workplace. Suppliers must comply with applicable occupational health and safety requirements and maintain effective systems for fire and building safety, machine safety, first aid, emergency preparedness, access to drinking water, sanitation and other relevant workplace hazards.

HAVEP combines independent assessments with regular on-site checks and focuses on implementation in daily practice. Protective equipment alone is not sufficient: workers must understand risks and how to work safely. We therefore encourage active health and safety committees, regular internal checks and ongoing worker training. Mental well-being and respectful treatment are part of a safe workplace.

Where worker accommodation or dormitories are arranged by a factory, contractor or another party connected to employment, HAVEP expects safe, clean and healthy conditions, adequate privacy and security, freedom of movement and compliance with applicable legal standards.

13. Equality, non-discrimination and respectful workplaces

HAVEP does not tolerate discrimination, harassment, intimidation, violence or degrading treatment. Employment decisions must be based on legitimate job requirements and workers must receive equal

opportunity and treatment regardless of personal characteristics protected by law or international labour standards.

We apply a gender lens to understand whether groups experience risks differently or face barriers to speaking up. Our approach combines policy expectations with worker feedback, training, awareness and targeted initiatives that strengthen respectful communication and inclusion.

14. Child labour, forced labour and employment relationships

Child labour

Child labour is prohibited. Suppliers must have reliable age-verification procedures and comply with legal protections for young workers. HAVEP also uses production-location control and supply-chain visibility to reduce exposure to informal production where risks can be higher. If child labour is identified, remediation must prioritise the best interests, safety and education of the child and involve appropriate expert stakeholders.

Forced labour

All employment must be freely chosen. Workers may not be subjected to forced, bonded, trafficked or prison labour, recruitment fees, retention of identity documents, deposits, threats, coercion or restrictions that prevent them from leaving employment in accordance with the law. HAVEP monitors this through assessments, worker interviews, local input and grievance channels.

Legally binding employment relationships

Workers must receive clear, lawful employment terms and access to wages, social protection and other statutory rights. HAVEP pays particular attention to contexts where contractors, trainees, temporary contracts or other intermediated arrangements may create ambiguity about responsibilities or worker status. We monitor whether workers receive contracts and copies of those contracts, understand key terms and are correctly registered where required.

15. Environmental responsibility and product stewardship

HAVEP's environmental approach follows our circular strategy: eliminate waste and pollution, keep products and materials in use for longer, choose fibres that reduce impact on nature, and tackle climate and energy across the value chain.

Chemicals and product safety

Suppliers must comply with applicable environmental and product-safety legislation, including REACH where relevant, and with VP Textile/HAVEP chemical requirements. Fabrics must meet the applicable OEKO-TEX STANDARD 100 or VP Textile RSL/MRSL requirements. We work with suppliers to phase out hazardous substances and develop safer alternatives while maintaining the protective performance required of workwear and PPE.

Materials, circularity and climate

We favour lower-impact fibres and materials where performance and safety allow, and integrate durability, repairability, disassembly and recyclability into product development. We support take-back and recycling through the Green Gear Alliance and invest in textile-to-textile recycling and other circular innovations. Our

climate targets across the value chain are validated by the Science Based Targets initiative, and our own operations in Goirle and North Macedonia use renewable energy and are carbon neutral for scope 1 and 2 under the reported certification framework.

Environmental expectations are increasingly extended beyond direct suppliers through requests for certificates, process information, upstream transparency and collaboration on energy, water, chemicals, waste and greenhouse-gas reduction where relevant.

16. Transparency, monitoring and communication

HAVEP publicly discloses its garment-production partners and reports annually on sustainability performance through its Impact Report and Fair Wear reporting. We communicate both progress and remaining challenges, including areas where targets have not yet been achieved.

Monitoring combines independent assessments, CAP follow-up, local and HQ visits, worker interviews, grievance cases, supplier information, certification evidence and relevant KPIs. We aim to increase visibility beyond tier 1 and request information on upstream stages such as spinning, weaving or knitting, dyeing and finishing where these are not performed in-house.

17. Remediation

Where adverse impacts are identified, HAVEP first seeks to stop ongoing harm and prevent recurrence. Corrective actions should address root causes, include clear responsibilities and timelines, and be developed with affected stakeholders where appropriate.

Where HAVEP has caused or contributed to an adverse impact, we will provide or contribute to effective remediation. Depending on the issue, this may include repayment or compensation, correction of employment or wage practices, reinstatement or other worker-centred remedies, training, changes to purchasing practices, strengthened grievance systems, or other measures appropriate to the harm. We seek to ensure that workers can participate without retaliation.

18. Responsible disengagement

HAVEP's first approach is to build and maintain long-term partnerships and to work with production partners on prevention, root causes and continuous improvement. Where challenges arise, we engage with the partner, agree improvement actions and allow reasonable time for progress. Disengagement is generally considered a last resort, particularly where human or labour rights concerns are involved. Where an exit or significant reduction in orders becomes necessary, HAVEP assesses potential worker impacts and manages the process in accordance with the HAVEP Responsible Disengagement Policy.

19. Business ethics

HAVEP expects all employees and business partners to act with integrity. Bribery, corruption, fraud, extortion and improper advantages are prohibited. Partners must comply with applicable anti-corruption laws, maintain accurate records and avoid conflicts of interest that could improperly influence business decisions. Concerns may be raised through available internal or external reporting channels without retaliation.

20. Collaboration and continuous improvement

No single company can solve the textile sector's social and environmental challenges alone. HAVEP therefore works with suppliers, workers, Fair Wear, knowledge partners, labour-rights organisations, universities, industry associations, certification bodies and other stakeholders to improve understanding, strengthen prevention and develop practical solutions.

This policy is reviewed periodically and updated when our materiality assessment, risk analysis, business model, stakeholder expectations or international standards materially change. Implementation is supported through supplier dialogue, contracts, assessments, training, action plans and annual reporting.

21. Related documents

- HAVEP Sourcing Policy
- VP Textile Social Impact Ladders
- VP Textile / HAVEP Restricted Substances List (RSL)
- VP Textile / HAVEP Manufacturing Restricted Substances List (MRSL)
- Fair Wear Brand Performance Check and related Fair Wear guidance
- HAVEP Impact Report
- HAVEP Responsible Disengagement Policy

Additional supporting documents can be shared with relevant stakeholders upon request, subject to confidentiality and applicable information-sharing arrangements.