

# Van de Velde

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## **Policy** against price fixing



*This policy was approved by the Board of Directors of Van de Velde NV on 27 August 2024.*

# To our employees

Price-fixing harms healthy competition between dealers and retailers and can damage the interests of consumers.



Competition laws in Europe and North America state that fixing the price of a product or service in agreement with another person or business is illegal.

The express purpose of this policy is to make all sales staff, sales representatives and agents (“**Persons Concerned**”) aware of the rules and regulations regarding price-fixing.

The policy also serves to prevent illegal price-fixing or the impression of illegal price-fixing by the Persons Concerned or Van de Velde.

In this policy (hereinafter referred to as the “**Policy**”), “**we**”, “**our**” and “**Van de Velde**” means Van de Velde NV with address Lageweg 4, 9260 Schellebelle, Belgium and all direct and indirect subsidiaries.

The Management Team is responsible for applying the Policy. The Policy is discussed and assessed by the Management Team on an annual basis. Adaptations and improvements are made where necessary, after approval by the Board of Directors.

**We ask you to carefully read this Policy, ensuring you understand it, and to comply with it at all times.**

This Policy forms the basis for our attitude and provides guidelines for specific scenarios but does not cover all situations you could find yourself in. If you have any questions or you are unsure whether your acts are compatible with the Policy you should contact the head of the Legal Department by emailing [legal@vandevelde.eu](mailto:legal@vandevelde.eu) or calling +32 9 365 25 10.

We wish you all the best,

Karel Verlinde, CEO, and Herman Van de Velde, Chairman of the Board of Directors



# What do we expect from you?

This Policy provides the information and guidelines you need to prevent illegal price fixing or other illegal practices.



The Policy applies to **all employees of Van de Velde**, regardless of status. This includes but is not limited to directors, members of the Management Team, employees (on a fixed-term, open-ended or temporary contract), consultants, trainees, job students, seconded staff, part-time and temporary agency staff, volunteers and agents.

Some of these people (such as consultants and agents) are not controlled by Van de Velde. It is set down in a contract that they provide services to Van de Velde within the legal framework. Where appropriate, references to “manager” in this Policy are replaced by “client” or “contact person”.

We also refer you to the **price-fixing Q&A**, in which day-to-day scenarios are discussed. You can ask for this Q&A at People or find it in Conversation Room (Files – All – Legal Policies).

## 1. Comply with the Policy

Do not act in any way that could lead to a breach or a suspicion of a breach of the Policy.

The consequences of such acts can be drastic:

- Disciplinary measures could be imposed on any employee who breaches the Policy. This can lead to dismissal due to gross misconduct.
- A fine and/or a custodial sentence could also be imposed if the law is broken. Injured parties may also demand compensation.

## 2. Complete the training

If you receive an invitation, complete our price-fixing training on the Van de Velde Academy platform or in an in-person class environment.

## 3. Report suspicious situations

Preventing, identifying and reporting price-fixing and other illegal practices is the responsibility of all employees that have a relationship with Van de Velde.

We ask you to always report anything you feel is not quite right. Don't allow yourself to be forced into a situation of having to do things you know or suspect to be wrong.

If you are unsure, you can read the Policy or approach your manager or a member of the Management Team for advice in complete confidence.

# Horizontal agreements

Agreements that restrict competition are illegal. These include agreements between competitors regarding the prices they charge their customers or pay to their suppliers.



## 1. Price-fixing

Competitors are not permitted to reach agreements with each other on:

- Prices, discounts, profit margins etc.
- Terms and conditions of sale (such as delivery costs and credit conditions).

## 2. Other agreements

Other activities can restrict competition in the same way as price-fixing.

Competitors are not permitted to:

- Share or discuss current or future prices or pricing information. This can give an impression of price-fixing. If competitors then “happen to” raise prices, it can be seen as the consequence of pricing-fixing;
- Make agreements about whether they will sell in specific regions;
- Make agreements about whether they sell to specific customers or customer categories. They must also not agree who will make a specific sale;
- Make agreements that one party will sell a specific type of product or service to a customer, while the other party will sell another type of product or service to the same customer;
- Make agreements that they will not sell to a specific buyer or they will not buy a specific product at a certain manufacturer, seller or supplier.

An agreement between competitors can be inferred from a way of acting, communications or meetings between competitors followed by uniform change or non-change in pricing.

# Vertical agreements

Agreements between Van de Velde and retail partners or suppliers can also restrict competition and may be illegal. Examples include retail pricing agreements with retail partners and suppliers.



## 1. Price-fixing with retail partners

We are not permitted to impose consumer prices, such as minimum, maximum or recommended retail prices, on our customers and we are not even permitted to ask them to set certain prices.

We are permitted to explain to customers how profit is generated and what impact prices, margins, stock rotation, unsold articles and customer loyalty have on the contribution of our brand to profit, but the customer must always be free to decide its profit margin on our products.

That means that we are not permitted to pressurise or even ask our customers to set specific prices.

## 2. Price-fixing with suppliers

We must not agree specific prices with our suppliers, such as minimum or recommended retail prices.

# What to do

Some practical guidelines that will help you prevent illegal price-fixing or other illegal practices.

## 1. Get Legal to check contracts



Always contact the legal department ([legal@vandevelde.eu](mailto:legal@vandevelde.eu)) when you wish to sign a contract with a retail partner or a supplier.

## 3. Protest and end the phone call



The safest approach is to distance yourself from anything that could be seen as a breach of the rules. If you're on a phone call, protest and end the phone call. Notify the legal department ([legal@vandevelde.eu](mailto:legal@vandevelde.eu)).

## 2. Protest and leave a meeting



Are matters discussed during a meeting that could be seen as a breach of the rules? Leave the meeting in protest and demand that this is stated in the minutes. Notify the legal department ([legal@vandevelde.eu](mailto:legal@vandevelde.eu)).

## 4. Forward your email to Legal



What if you receive an email suggesting a breach of the abovementioned rules?

Forward the email to the legal department ([legal@vandevelde.eu](mailto:legal@vandevelde.eu)) of Van de Velde so we can send you a set reply.

# Report a suspicious situation

Report your concerns about any issues or your suspicions of bribery and other forms of corruption at the earliest opportunity.



## 1. Report to your manager or a member of the Management Team

It is important for you to notify your manager or a member of the Management Team at the earliest opportunity if you find yourself in a situation in which illegal activities (such as illegal price-fixing and sharing price information) are discussed.

If you report a possible breach of the Policy to your manager or a member of the Management Team, your manager or a member of the Management Team has an obligation to report this to the CEO of the company. The CEO will then conduct a thorough examination to determine whether an investigation is required. All investigations are conducted in an objective and confidential way within a short timeframe. If no investigation is initiated, the person who has suspicions of a breach will be notified, providing additional information where possible.

## 2. Questions?

If you are unsure whether a given act constitutes illegal price-fixing or another illegal practice or you have any other question, you can contact the head of the Legal Department by emailing [legal@vandavelde.eu](mailto:legal@vandavelde.eu) or calling +32 9 365 25 10.

## 3. File a report in the Whistleblower channel



You can also file a report using the procedure set out in the “Internal report” chart in the Van de Velde **Whistleblowing Policy** if you believe or suspect the Policy has been breached or could be breached in the future.

The report will be handled in confidence and the reporter will be protected from any reprisals in accordance with the Van de Velde Whistleblowing Policy. Reports can also be filed anonymously. Any questions can be emailed to [whistleblowing@vandavelde.eu](mailto:whistleblowing@vandavelde.eu).

The Whistleblowing Policy can be accessed through People, in Conversation Room (Files – All – Legal Policies) and at [www.vandavelde.eu](http://www.vandavelde.eu) (Van de Velde – Whistleblowing).

# Protection from reprisals

Van de Velde wants to encourage openness and will support anyone who reports an issue in good faith, even if this ultimately proves to be unfounded.



Persons who are pressurised by others to take part in illegal practices or who report an issue or abuse by others may be concerned about possible negative consequences for themselves. These could take the form of dismissal, disciplinary measures, threats or detrimental treatment.

Van de Velde imposes a total **ban on reprisals** under the Policy.

Van de Velde does its utmost to ensure that you need not fear negative consequences if you:

- Refuse to take part in illegal practices;
- File a report in good faith that you suspect illegal price-fixing or other illegal practices have occurred or could occur in the future.

You can also file a report using the procedure set out in the “Internal report” chart in the Van de Velde **Whistleblowing Policy** if you believe or suspect the Policy has been breached or could be breached in the future. In doing so, you can rely on the protective measures set out in the Whistleblowing Policy.



# Scenarios

The following situations may occur during your work for Van de Velde.



- A retail partner complains about Van de Velde supplying another retail partner in the same region;

⇒ *Van de Velde decides for itself whether retail partners are accepted, based on Van de Velde's territory management.*

- You learn that two retail partners in the same place have come to an arrangement about who sells which Van de Velde brands;

⇒ *Van de Velde is not bound by these arrangements, which are illegal.*

- You see that a website of a retail partner is lacking certain functionality and information;

⇒ *Van de Velde can impose quality criteria on websites on which a retail partner sells our products. These criteria must not be used to restrict online sales.*

- You learn that a retail partner has closed a brick-and-mortar store and now only sells online;

⇒ *Van de Velde can require a retail partner to run at least one brick-and-mortar store and can end the partnership if this is not the case.*

- A franchisee asks for Van de Velde recommended retail prices to be uploaded to its cash register;

⇒ *Van de Velde is permitted to do this if the franchisee requests it. However, franchisees must always be able to set their own prices as they wish.*

- A retail partner asks what promotional campaigns Van de Velde intends to run on its own websites;

⇒ *Van de Velde is permitted to give its retail partners advice on sales promotions. However, Van de Velde is not permitted to share any information about campaigns it intends to run on its own websites.*

- Staff at a Van de Velde operated store are complaining that a retail partner in the vicinity is selling our products at lower prices;

⇒ *Van de Velde cannot get involved in how retail partners set their prices. Van de Velde can only ask why certain prices have been set.*

- A retail partner asks us to label our products with the recommended retail price;

⇒ *This is permitted, as long as the customer can remove or cover up the label.*

- A retail partner suddenly changes its pricing policy and starts selling our products at knockdown prices compared with the recommended retail price;

⇒ *Van de Velde is not permitted to end its relationship with a retail partner because of its pricing policy.*

- A colleague who is a buyer for our own stores sends pricelists of competitor lingerie brands to a colleague at the sales department;

⇒ *Our retail and sales departments are permitted to share price information, but it cannot be shared with franchisees or other parties.*