

## Table of contents

<b>General introduction</b>	<b>88</b>
Introduction of the CEO	88
About the company	89
Defining our sustainability strategy	90
Sustainable governance	92
<b>1. First pillar: strive for carbon neutrality</b>	<b>93</b>
1.1. Why this priority	93
1.2. First step: carbon footprint calculation	94
1.3. Next step: CO <sub>2</sub> emissions reduction strategy	95
1.4. Facilities: gas & electricity	96
1.5. Fleet	98
1.6. Waste management	98
1.7. Transport	100
<b>2. Second pillar: explore the potential of circularity</b>	<b>101</b>
2.1. Responsible production: introduction and challenge	101
2.2. Key aspects: high quality and longevity	101
2.3. Purchased goods: transition to recycled or bio-based	102
2.4. Fabric leftovers	104
<b>3. Third pillar: People- and purpose-driven</b>	<b>105</b>
3.1. Our employees: our brand ambassadors	106
3.2. Our consumers: our brand lovers	111
3.3. Support women in society	112
<b>4. Fourth pillar: ensure due diligence in all our operations with all our partners</b>	<b>113</b>
4.1. Decent work for all Van de Velde employees	113
4.2. Due diligence: the value chain, all our partners	119
<b>5. Partnerships for the goals</b>	<b>120</b>
5.1. Fabric suppliers	120
5.2. Subcontractors	121
5.3. Retail Partners	122
5.4. Network	123
<b>6. EU Taxonomy</b>	<b>123</b>
<b>7. About this report</b>	<b>123</b>
<b>8. Index GRI standard</b>	<b>124</b>

# General Introduction

## Sustainability report – Introduction by the CEO

The Van de Velde strategy was updated in June 2021, with sustainability identified as a strategic outcome. This is not at all by chance, as sustainability has always been in our DNA.

To realize our ambition to become more sustainable we needed to set goals based on our impact. In October 2021 the position of dedicated sustainability manager was established. In 2022 a sustainability roadmap was developed with a focus on four pillars.

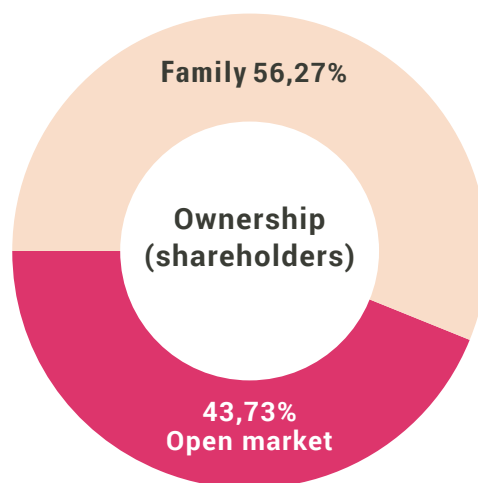
- We strive for carbon neutrality
- We explore the potential of circularity
- We ensure due diligence with all our partners
- We contribute as purpose driven company

We made a lot of progress in 2022. The organization gained insights into our impact and upcoming regulation. In the course of the year it became clear that sustainability is an opportunity for our company with very exciting win-win scenarios for all our stakeholders.<sup>[GRI 102-14]</sup>

## About the company

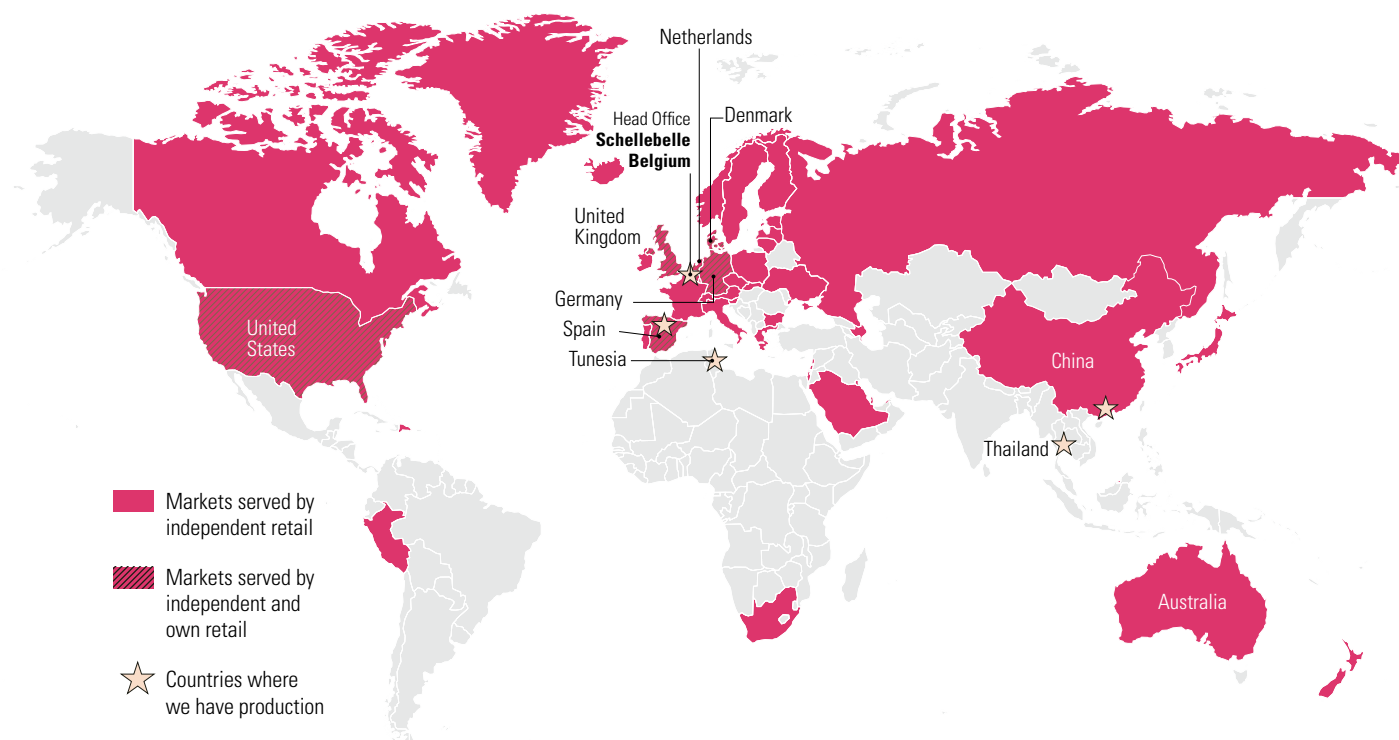
Van de Velde NV designs fashionable lingerie and swimwear of superior quality under the highly complementary brands PrimaDonna, Marie Jo and Andres Sarda. Our goal is to make a difference in the lives of women by improving their self-image and, in doing so, giving them even more confidence with beautiful lingerie that fits perfectly. Impeccable service in store is also key. It's an approach we have consolidated in our Lingerie Styling concept. Van de Velde works closely with about 4000 independent lingerie boutiques around the globe. We have our own retail network with retail brands Rigby & Peller and Lincherie. We primarily focus on the European and North American market.

Van de Velde NV was originally a family business and 56.27 percent of shares still remain in family hands.



A sustainable vision has always been important to the family; short-term financial profit will not be pursued at the expense of long-term goals. Business continuity and economic growth are the main motivators; positive social impact is the wider goal.

Operating activities are reported at the Schellebelle head office, the Wichelen distribution center and our Tunisia production company. Some production is also outsourced to subcontractors. This is covered in various sections of the report.



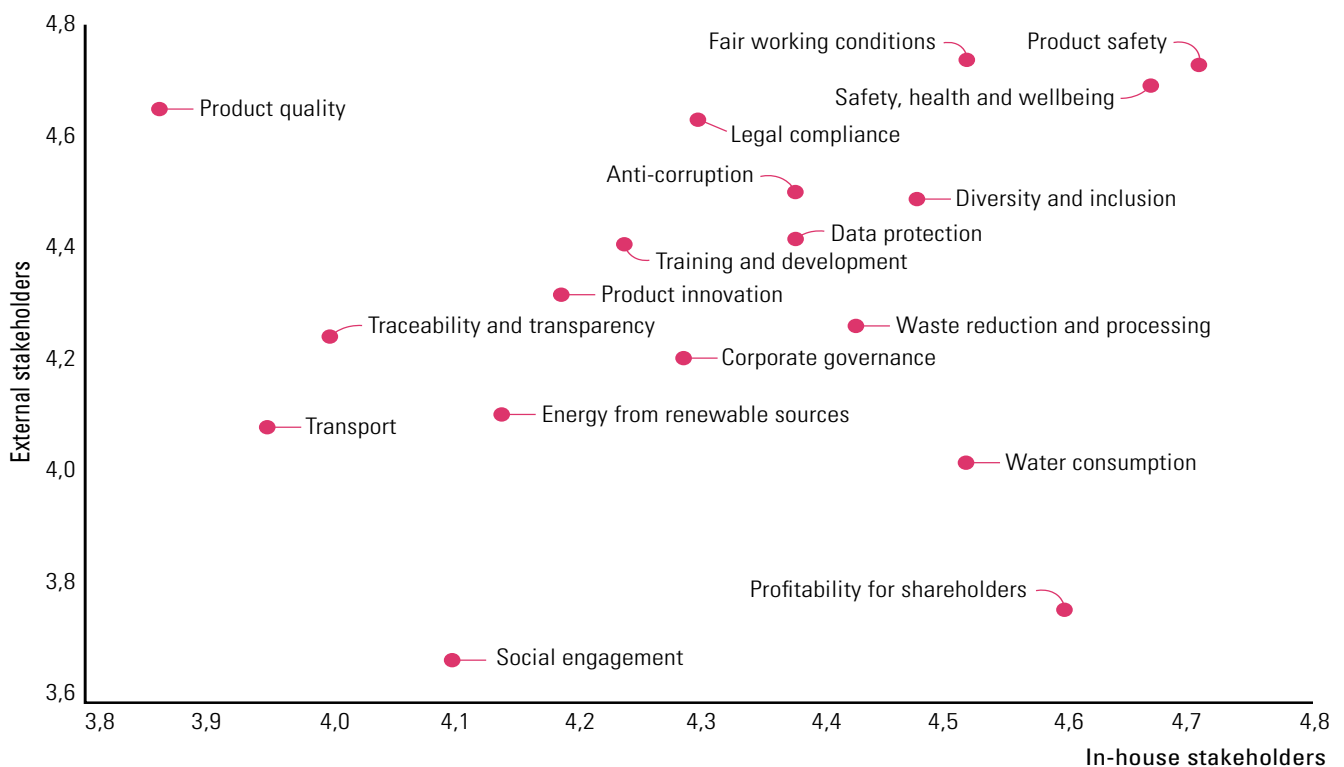
## Defining our sustainability strategy

To define the strategy and operating framework required for sustainability, we started with a round of thorough desk research. The Green Deal, the United Nations Sustainable Development Goals, GRI standards and the upcoming new CSRD were among the main sources for this exercise.

The Carbon Footprint Study of the Van de Velde group, which was conducted at the beginning of 2022, was also essential input for the new sustainability roadmap. Workshops with the management and leadership team were key to translating all new insights and learnings, always through the lens of our company.

In 2020-2021 a materiality survey was conducted with internal and external stakeholders. We asked them which material topics were important for them and what they thought our ambitions should be. We processed the input of 50 Belgian employees, 34 raw material suppliers, 148 retail partners and 14 shareholders [GRI 120-40]. A score between 1 (low) and 5 (high) was assigned. The results of this internal and external survey are shown in the materiality index below.

## Outcome of the materiality survey 2020-2021



At that time, social material topics were scored very high: fair working conditions, employee health and safety, anti-corruption, diversity and inclusion, alongside product quality and safety.

Environmental material topics were rated rather low. But we believe that the results of the survey might look different today, in the current context of climate change – and its negative effects that no one can ignore. A new materiality analysis will be conducted in 2023.

The main social topics, identified in this previous study as very material and important, are also adopted in the sustainability strategy. As such,

we continue the commitments we made in the past and we define new priorities in our updated strategy, taking into account the required sense of urgency.

The study of the United Nations Sustainable Development Goals was also an important starting point for defining the strategy: this framework constituted the basis for understanding and learning where and how we could have more impact as a company. [GRI 102-40/42/43/44/47]

We first focused on the SDGs where we could make a difference on a daily basis in our core activities. In various workshops with the management team, we aligned on following the SDGs:



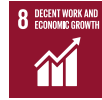
We pay special attention to good health and (mental) well-being for our more than 1500 employees. With our brands, we offer high quality and good fitting lingerie and swimwear that boosts women's self-confidence.



We believe in the power and potential of people. That's why we organize specific trainings and (self-) deployment tools for our employees. We share know-how with our partners and consumers on how to choose, wear and care for our products. We partner with organizations like Plan International that are specialized in training and education for (younger) women.



We believe in the power of people and in the power in women in particular. Our purpose – 'We ignite the power in women' – is the recurring theme throughout all our activities and in all our decisions.



We create good working conditions for all employees, regardless of position or location. We encourage the protection of human rights and promotion of health and safety at all partners throughout our value chain.



We develop high-quality products with longevity: our lingerie products last for years, they are not fast fashion. We build new knowledge on how to integrate more sustainable choices in the design and development process of new products. We strive to limit waste in all our operations and we study second-life applications for fabric and unsold finished goods.

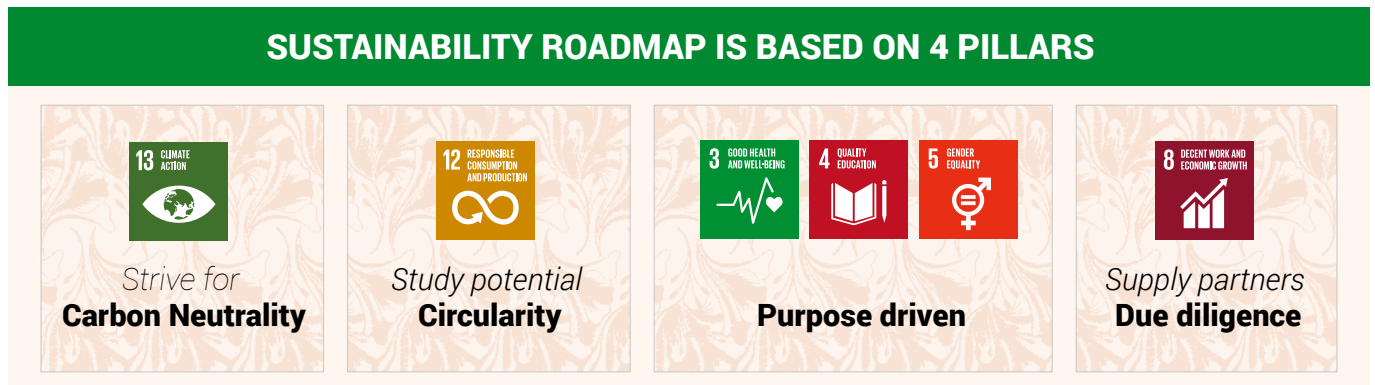


We study our carbon emissions to get a better understanding of how and where to act to reduce our ecological footprint. We integrate this information into our strategic decisions and we draw up action plans to reduce emissions in the coming decades.



We select partners willing and able to support our sustainable goals. We participate in (new) networks to find the specific expertise and knowhow needed to advance towards a more sustainable future.

Drawing on our research and consultation, our sustainability roadmap is based on four major pillars: striving for carbon neutrality; exploring the potential of circularity; ensuring due diligence at all our partners; contributing as a purpose-driven company.



In the **first pillar** we group all initiatives that support the reduction of our carbon emissions, related to facilities, fleet, waste and transport activities.

In the **second pillar** we cover product-related activities: purchased goods and end-of-life cycles are predominant in fashion industry, so we see this as an important domain to explore for future. The complexity of our product and the immaturity of circularity in our niche lingerie business, drive us to take a leadership position.

Our purpose – ‘We ignite the power in women’ – brings us to the next level of action: our employees and consumers, both of which are mainly females, have always been key. We believe we can strengthen our efforts in this **third pillar**, particularly with regard to reaching out to society.

In the **fourth pillar** we want to take a more pro-active role in supporting and managing due diligence at more than 1000 business partners. The aim is not only mitigating risk and gaining more transparency, but also encouraging initiatives to grow a positive social culture.

## Sustainable governance

The new role of sustainability manager was created in October 2021. The sustainability manager reports directly to the CEO and is responsible for setting and implementing the sustainability strategy.

Based on the new roadmap, the first projects and responsibilities were defined in 2022. The projects are led by key ambassadors in the various departments, with sponsorship by members of the management or leadership team. The sustainability manager regularly touches base with the project leads to keep track of the progress.

The sustainability manager is responsible for coordinating and reporting on the entire program and leading internal and external communication.

The sustainability manager reports to the management team four times a year and to the Board of Directors once a year. This schedule can be revised in response to specific deadlines.<sup>[GRI 102-18]</sup>

# 1 **First pillar: strive for carbon neutrality**



Strive for  
**Carbon Neutrality**

## 1.1. Why this priority?

In a context in which we are confronted with the negative effects of the climate change and the limitations of the planet on a daily basis, we feel that doing our bit and contributing where we can is non-negotiable, particularly as Textiles & Apparel is one of the most polluting sectors.

The many new European Union regulations and directives, based on the Green Deal, show us that there is a real sense of urgency to act.

The new insights and the upcoming new technologies and innovations give us a positive feeling and bolster our belief that this transition is an opportunity that generates benefits for all stakeholders.



## 1.2. First step: Carbon footprint calculation

At the beginning of 2022 we calculated the carbon footprint of the Van de Velde Group. The study covers Scope 1 & 2 and also includes Scope 3 carbon emissions, given the supply chain accounts for the largest part of the carbon footprint. The calculation methodology follows the GHG Protocol and is in line with ISO 14064. [GRI 305]

The following entities of the Van de Velde Group were in scope:

- Schellebelle headquarters
- Wichelen distribution center
- Tunisia atelier
- 28 own & operated retail stores
- Our global sales force

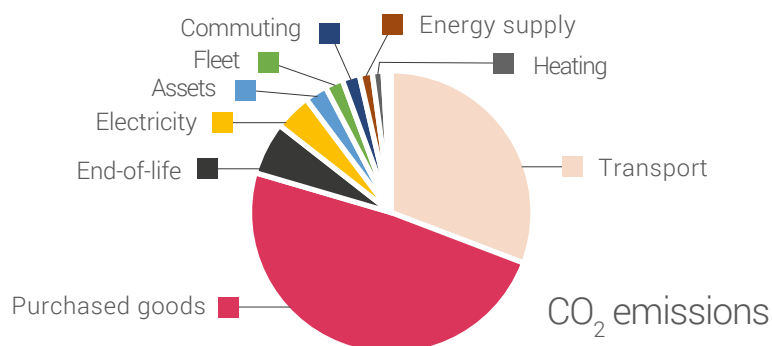
The activities relevant to Scope 1&2 carbon emissions were identified at all entities. The following selection was made for the Scope 3 calculation:

- **Upstream activities:** purchased goods & services – energy supply - transport
- **Downstream activities:** end-of-life products
- **Resources:** business travel – employee commuting – assets – waste in operations

The software was customized in line with process flows and data from 2020-2021.

Due to the pandemic, these years were not representative in terms of business activities, so we took 2022 as the base year for reporting.

We counted a total of 24.167 t CO<sub>2</sub> emissions for that year.



The 2022 results clearly showed our carbon emissions are concentrated in a few key areas:

- **Purchased goods and end-of-life:** the main fabrics used in our designs are a mix of synthetics (polyamide, polyester and elastane), which are not yet recyclable.
- **Freight:** on weekly base we transport (inbound and outbound) to and from our subcontractor in Asia and to and from our own production plant and partners in Tunisia.
- **Electricity:** we used a rather low volume of renewable energy sources in 2022.
- **Vehicles and fuel:** in our current business model our sales representatives visit customers around the world.

These findings reveal various opportunities for improvement. Some have been identified as quick wins, others will be part of our long-term strategy.



### 1.3. Next step: CO<sub>2</sub> emissions reduction strategy

In this chapter, we group the initiatives that support the reduction of our carbon emissions, related to facilities, fleet, waste and transport activities.



**Energy consumption:** how to reduce consumption and maximize use of renewable sources.



The transition of our **Fleet**, which comprises around 100 vehicles worldwide.



**Waste** management: with the greatest focus on non-recyclable operational waste

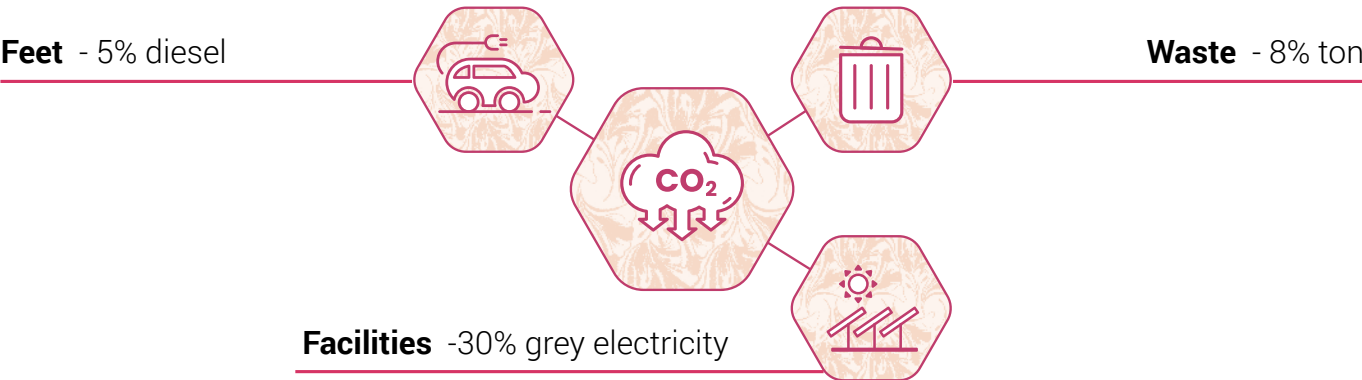


**Transport** activities: initiatives to lower the impact of our inbound and outbound activities.

Greenhouse gas emissions related to *purchased goods* and *end-of-life* are covered separately in the second pillar (circularity), with due consideration for how important these categories are (1 and 3 on the emissions chart) and the direct link with the USP of our products.

Specific initiatives to reduce the emissions, will be assessed, adopted and planned based on simulations and feasibility studies. Some short term targets have been set, more longer term kpi's will be defined.

The following targets have been set for the end of 2025



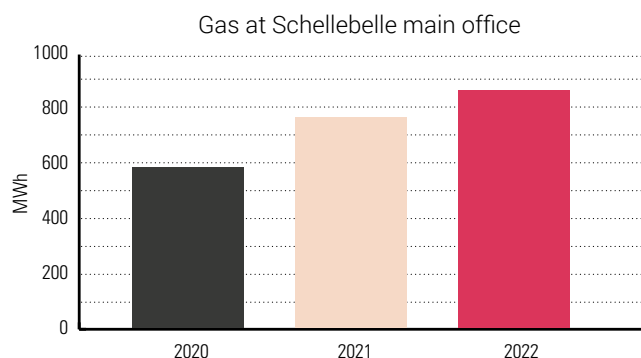
## 1.4. Facilities: gas & electricity [GRI 302]



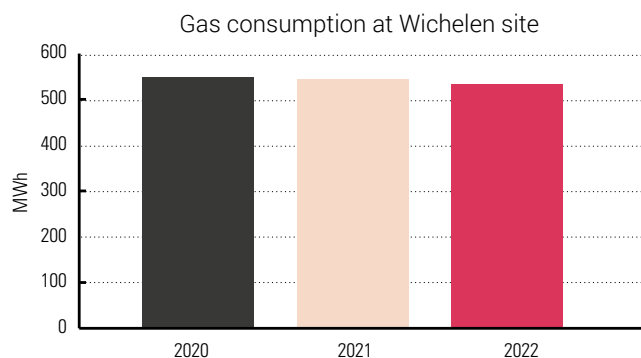
### Sites in Belgium

#### Analysis in 2022

**Gas consumption** increased slightly in **Schellebelle** compared with the previous year. Gas is primarily consumed to heat the offices. We continued to keep internal doors open wherever possible to maximize ventilation. We also had a major cold snap at the end of the year. Taken together, these had a negative impact on gas consumption.



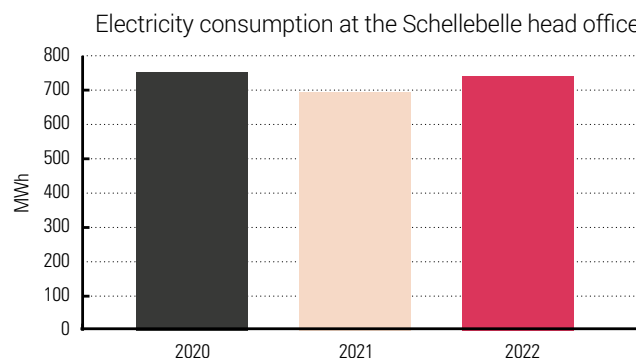
**Gas consumption** in **Wichelen**, which is also mainly connected with heating, was similar to what it was in 2021. We continue to see a gradual positive impact over the years, due to previous actions, such as the insulation of the roof at Meerbos 22 and the installation of a heat pump.



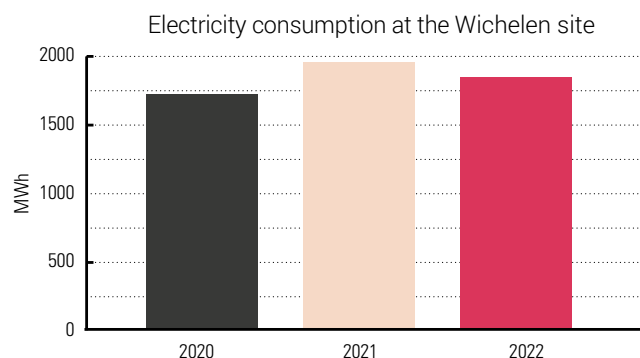
**Electricity** consumption in **Schellebelle** increased slightly compared to 2021. This is mainly due to:

- intensification of activities in general (post-COVID), including the return to the office of all employees and the resumption of sales activities;
- a long hot summer, which necessitated the cooling of the offices.

Since 2018 (where the consumption was more than 900 MWh) we have continued to see a general decline, thanks to the efforts made in the past years, such as the switch to LED lighting, the insulation of rooftops and the upgrade of the cooling systems.



The small decrease in electricity consumption in Wichelen compared to 2021 is mainly due to the switch to LED lighting in some departments.



### Outlook for 2023

The installation of additional solar panels in Schellebelle is planned in Q1 of 2023 to maximize the use of renewable energy sources in Belgium. This should result in an estimated 30% reduction in purchased grey electricity by the end of 2025. In the meantime, negotiations on new Green Energy contracts are also ongoing.

We are planning to enlarge our Wichelen site. Our goal is to build as energy efficient as possible. Optimizations of the older part of the facility will also be included in this project. The purchase of the land is conditional on the achievement of challenging sustainable targets, which will be met in full.



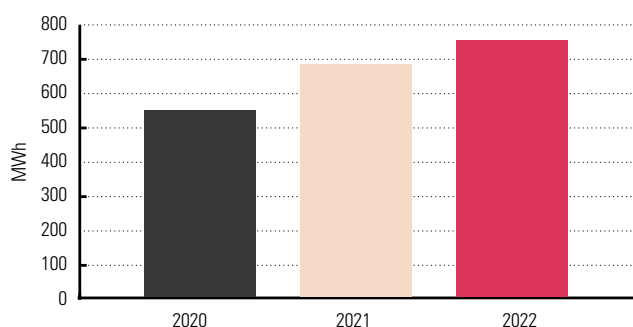
### Site in Tunisia [GRI 302]

#### Analysis of 2022

Electricity consumption in 2021 increased, mainly due to the installation of molding machines in Tunisia. Molding used to be outsourced, but was brought in-house to shorten supply and production chains (vertical integration). High temperatures are needed to preform synthetic fabrics, which impacts total electricity consumption.

- The remaining increase in 2022 was driven by two factors:
- Extreme high temperatures in the summer months. Extra air conditioning was necessary to continue working at a comfortable level.
- Extra energy was needed for the construction of the new building.

Electricity consumption at Tunisia production site



### Outlook 2023

A new building is under construction in Tunisia (the project launched in 2022): the operational floor space will be doubled and new activities will be integrated, such as sample making and cutting. Solar panels will

be installed on the new building to generate electricity for both the new and old wings. We estimate at least a 30% reduction in grey electricity generation in the first years.



## 1.5. Fleet


The Van de Velde fleet comprises more than 120 cars in total. Some company cars are used exclusively by associates working at the Belgian head office; others are used by sales representatives worldwide. The retail partners are the core of our business: our sales representatives frequently visit our local retail partners to present the collections, take pre-orders and general follow-up. The sales force is regionalized, so distances between reps and customers can be optimized.

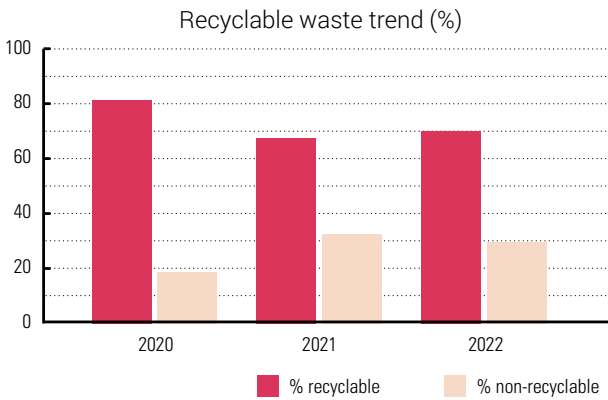
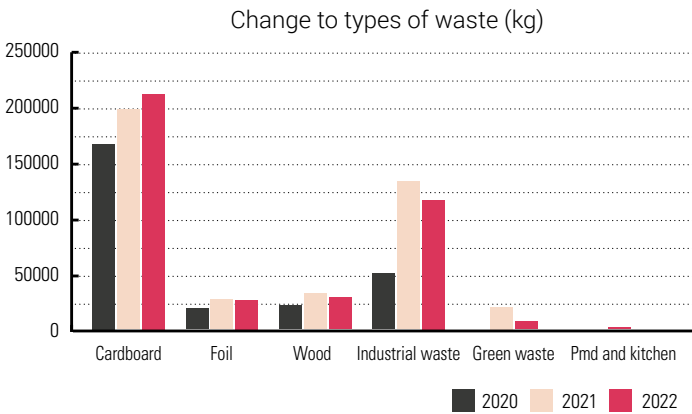
At the moment, only few vehicles are hybrid or electric. The transition to a more electric fleet has now been accelerated and our intention is for our whole fleet to be electric by 2030. More than 50 new company cars were ordered in 2022, 40 of which are hybrid or electric. Further preparations to support the transitions are scheduled for 2023. A new car policy will be drawn up and 30 charging stations will be installed at the Schellebelle head office.

The taking out of service of older company cars in 2022 should see diesel consumption decline by 5% in 2025.



## 1.6. Waste management [GRI 306]

 Sites in Belgium



### Analysis of 2022

The ratio of recyclable waste to non-recyclable waste increased compared with the previous year. The main reason for this is the improved sorting of waste streams. The use of mini-containers at the various sites and special sorting bins for employees precludes the mixing of recyclable and non-recyclable waste.

Cutting room fabric offcuts continue to account for most non-recyclable industrial waste (67% of the total). Special attention will be given to the treatment of this waste streams (see Outlook 2023).

Cardboard waste is the largest waste stream by volume. It is mainly made up of packaging used by subcontractors or fabric suppliers and protective cardboard layers from the cutting room. These cardboard waste volumes have progressed in line with the increase in production activities in 2022. Bearing in mind how important paper and cardboard waste is, these stream are separated into three sorting routes depending on value and type. [GRI 306-2]



### Outlook 2023

The raw materials for our products are a mix of polyamide, polyester and elastane. This means that cutting waste is non-recyclable. This waste stream made up more than 60% of all non-recyclable waste in 2022.

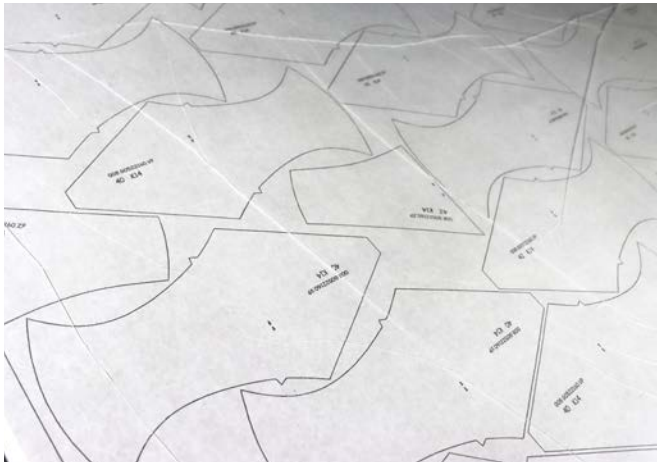
Given the scale of this waste, we launched a study in 2022 for the upgrade of our cutting machines to reduce the buffer between patterns. If the results are positive, we plan to replace all five cutting lines over the next few years.

The potential for upcycling our cutting waste will also be explored. We will test whether our cutting waste could be used for the development of other products in partnership with other industries.



Paper and cardboard is the largest recyclable waste stream at both sites. In 2023 we will run a project to identify the sources and determine scenarios for reducing volumes.

As well as the abovementioned initiatives, we run specific awareness campaigns for our associates, focusing on both sorting and prevention. Mini-containers and special garbage bins have been introduced in all departments to facilitate proper sorting.





### Site in Tunisia

Efforts have also been made to reduce waste at the production plant in Tunisia. Cardboard and plastic packaging used for transporting raw materials are reused wherever feasible. The containers used to transport cut parts for assembly from Belgium return to the distribution center in Belgium fully loaded with finished products. Used textile (such as haberdasheries and offcuts) is sorted and collected separately. In 2022 average daily waste was 100kg.



## 1.7. Transport

The weekly transport between Belgium and Far East is mainly done by air, the transport to and from Tunisia by truck and boat. The transport of raw materials to the cutting department in Belgium is mainly by road (not air) , as we purchase more than 80% of goods in Western Europe.

With goods deliveries and transport activities having been disrupted by external circumstances such as lockdowns and the war in Ukraine, we decided not to touch the existing flows and partners in the short term.

We will review the situation and the stability of all factors in 2023 before making a decision on whether to examine new transport scenarios.

## Study of potential Circularity

The engineering of the many (technical) fabric components is key to guaranteeing this level of quality and fit. The same functional **modular components** are essential to continuity season after season, so they are used for many years.

Our finished products cannot currently be recycled, as they comprise more than 40 components, each comprising different material compositions, mostly including elastane. The products are difficult to disassemble and only some parts can be repaired. Parts that are easy to replace, such as hooks and eyes or wires, are made available for retail partners.

For these reasons, rethinking the fabrics and the design of our products to meet the principles of circularity (repair, recycle) is a big challenge. We produce millions of pieces per year and we want to act responsibly. But we are only getting started.

Van de Velde products are known for their excellent fit and quality. Our products last for years, without loss of quality. That is something we can guarantee because of our strict and intensive development process that takes place at our headquarters in Belgium. During the design phase, our visual designers work closely with a specialized technical product development team. Our products consist of more than 40 parts and premium quality is expected for every single part: for every fabric and lace, as well as every single component, small ring or strap.





### STANDARD 100 by OEKO-TEX® is

a consistent, independent global test and certification system for textile raw materials, semifinished and finished textile products and accessories in all stages of production. Products covered by STANDARD 100 by OEKO-TEX® certification are unprocessed and painted/refined threads, woven and knitted fabrics, accessories (buttons, zippers, sewing threads and labels), and various kinds of ready-to-wear articles, including all sorts of clothing and lingerie, linen, bedding and towel-ling. OEKO-TEX complies with the EU's REACH regulation and gives due consideration to the requirements set out in Annexes XVII and XIV of the EU's REACH chemicals regulation and the ECHA SVHC candidate list when the expert group of the OEKO-TEX® Association deems them relevant to fabrics, textile, clothing and



REACH is a European Union regulation that protects people and the environment against harmful chemicals and strengthens the competitive position of the EU's chemicals industry.

REACH is focused on stimulating alternative methods for assessing the danger posed by substances to reduce the volume of animal testing. REACH stands for registration, evaluation, authorization and restriction of chemicals. It became effective on 1 June 2007. In principle, REACH applies not only to chemicals used in industrial processes but to all chemicals in everyday products, such as cleaning products, paint, clothing,

accessories. Standard 100 by OEKO-TEX® improves consumer safety. In many cases, test criteria and limit values go far beyond applicable national and international standards. Extensive products checks and regular company audits also help ensure the industry is aware of the need for the responsible sustainable use of chemicals.

Every Van de Velde supplier of raw materials and finished articles must be able to present their OEKO-TEX certification to Van de Velde at all times. Certification is not only checked during screening. Valid OEKO-TEX certification must also be presented to Van de Velde upon its annual renewal. These are registered in our system with their expiry date and frequent checks are conducted on the expiry date.

furniture and electrical appliances. That means that the regulation has consequences for most companies in the EU.

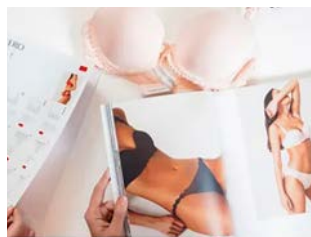
Every Van de Velde supplier of raw materials or finished products must sign its own REACH certificate during the screening procedure prior to any potential partnership. In doing so, the supplier provides us with assurance that it fulfils REACH requirements and will take action whenever needed to ensure its production process complies with REACH updates and amendments. The certificate with date is registered in our ERP system. Where necessary we will conduct additional spot checks in association with accredited laboratories, such as Centexbel in Belgium. [GRI 416-2]

## 2.3. Purchased goods [GRI – 301]

### Purchased goods: materials for our lingerie and swim products

For our lingerie and swimwear we mainly use synthetic fibers such as polyamide and polyester, mixed with elastane. This combination has the great advantage of resulting in a good fit and ultimate comfort. It also makes our products resistant to abrasion and easy to clean. This good shape and color fastness means our products can be worn for a very long time and do not quickly end up in the waste bin.

In calculating our carbon footprint we identified the impact of these types of raw material (scope 3). We learned that the fabrics we use have the biggest impact, as the production of virgin synthetic yarns is a high-energy process that requires fossil fuel consumption.



We have begun to study more eco-friendly alternatives, such as:

- Recycled (pre-consumer) yarns: made from residual streams from the production of polyamide or polyester;
- Bio-based yarns: for this production, a renewable biocomponent (such as starch) is used as an alternative to fossil fuel.







The materials made with the recycled polyamide are GRS-accredited. This Global Recycled Standard is accepted worldwide as a guarantee of an eco-friendly production process.



We have introduced these new yarns into some of the fabrics used in recent collections, which were developed in close collaboration with our regular raw materials partners.

We intend to continue this transition for future collections wherever possible. However, in these early stages we have already come up against quite a number of challenges, including availability, scaling, pricing and the need for new technologies.

Furthermore, no fully fledged alternatives currently exist for some essential functional components (such as foam cups and elastane). These are critical components in terms of comfort and fit, so more extensive research is needed before a switch can be made.

#### **Purchased goods: packaging and POS**

As a first step, we eliminated the single-use plastic packaging for finished products in 2021. Rather than the branded plastic bags previously used as packaging for the swimwear of our three brands, we now package them in a box made from recycled cardboard. This cut plastic use by more than 10,000kg over a twelve-month period. The plastic packaging of the Color Studio briefs was also withdrawn in 2021, replaced by a recycled cardboard box. This eliminated more than 100,000 plastic boxes on an annual basis.

The next step is to replace all branded cardboard boxes for lingerie with recycled versions by 2025.

Another project is the review of our POS policy in 2023. We have identified some opportunities here, given the fact that a lot of seasonal marketing material still is single used and ends up as waste after one season.



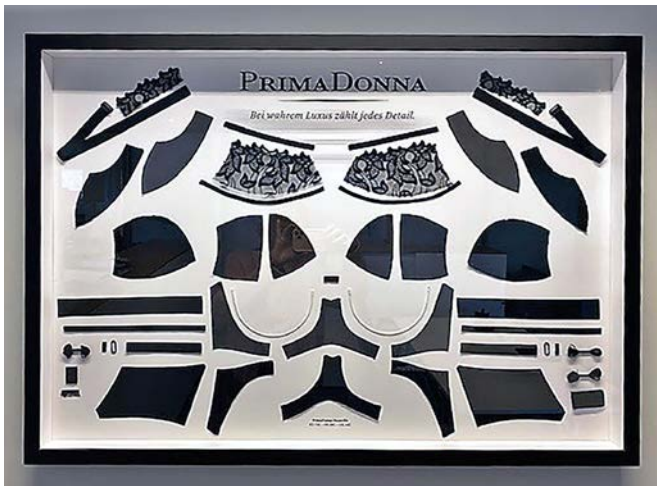
## 2.4. Fabric leftovers

Our aim is always to minimize fabric leftovers after seasonal production. This is also supported by a number of design principles.



### Modular components

For reasons of continuity in quality and fit, our products are designed with modular technical components (wires, foam cups, elastics). The same functional components are used in the products of every new season collection, resulting in consistent sizes and shaping effects. Another positive is these components are often interchangeable over seasons.



### Standard colors

A significant proportion of our turnover is also generated by standard colors such as Natural, Black, White and Nude. These timeless shades have the same positive advantage as some modular components: no specific season leftovers. These standard colors are the same for all our lingerie brands, which optimizes order quantities and drives flexibility in production.



### Resell or upcycle fabric leftovers

These design principles - amongst others - enable us to keep (seasonal) fabric leftovers to an acceptable minimum. Fabric leftovers are not handled as waste, but sold to third party buyers.

These are high-quality fabrics, often with strong technical performance characteristics, which means they can be a source of value for products made in other sectors. A project to identify pilot cases will be set up in 2023.

### 3 Third pillar: People- and purpose-driven



**Purpose driven**



Van de Velde is a company that has always put people first. We strongly believe in the power and potential of people and particularly in the **power in women**. This is reflected in various dimensions.

First and foremost in the working relationship with *our employees*. The health and wellbeing of all Van de Velde employees is key to sustainable growth. Because we believe that when employees are happy in their job this will have a positive impact on the quality of their work and on their environment. With this in mind, we promote a high level of wellbeing at work, pursue a healthy work-life balance and launch initiatives to help us be a fantastic place to work. We encourage personal and professional growth with a solid training and development policy.

*Consumers* are put at the heart of our company alongside our employees. As stated above, we believe in the power in people, particularly **the power in women**. We want to do everything we can to support women, literally and metaphorically. This ambition is clearly expressed in our purpose statement: **'We ignite the power in women'**. Through our three brands we aim to provide the ultimate fitting experience, with the underlying objective of empowering women. Each brand does this in its own way.

The third dimension in our focus on people is general attention to people and their position in society. We want to contribute and help create new opportunities for women.



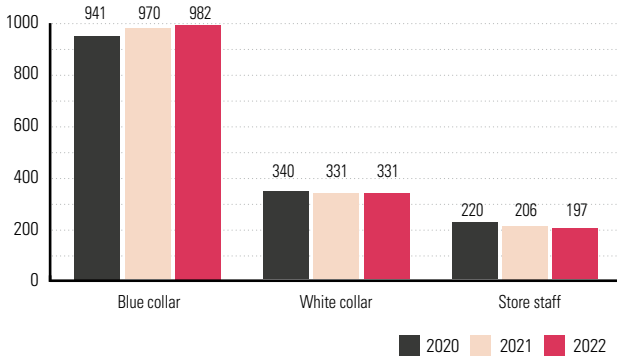
### 3.1. Our employees: our brand ambassadors

#### Who are our employees?

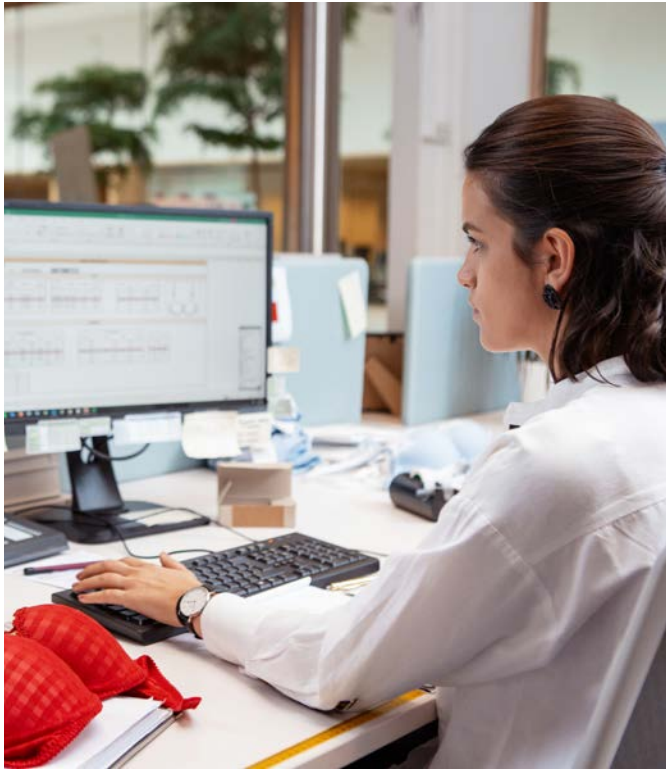
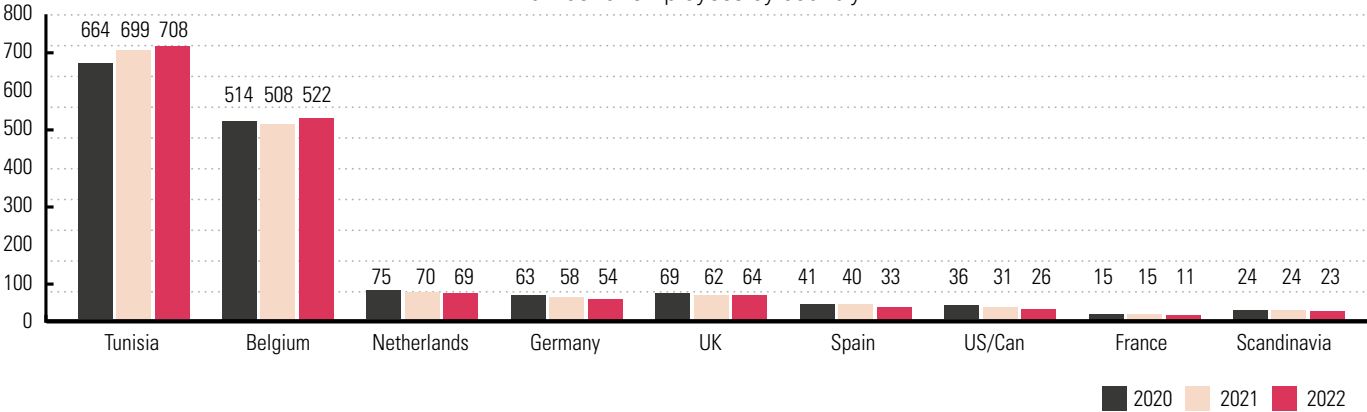
Van de Velde employs people around the globe. [GRI 102-8] We not only make products for women, these products are also largely made by women. Women are also well represented in senior management positions and on the Board of Directors (figures see below in pillar 4).

Van de Velde assumes its responsibilities for everyone it works with, regardless of their status or location. We primarily work with our own employees. There are a limited number of freelancers at the head office, primarily IT, HR and digital specialists working on ongoing projects.

Number of employees by status



Number of employees by country



## Values [GRI 102-16]

Since 2020, Van de Velde Values have been defined as: [GRI 102-16]

- We are driven by Passion
- We are Authentic
- We breathe Quality
- We act Entrepreneurial
- We focus on Consumers and Customers
- We connect to Cooperate

These values are the DNA of Van de Velde: they are shared by all employees and express what we stand for and how we act. They also provide a starting point for employee decisions and growth.



## Code of Conduct [GRI 102-16]

Van de Velde expects all employees to follow the rules of conduct in their everyday duties and in their relations with others, be they colleagues, customers, consumers, suppliers or any other individual.

These rules are written down in the *Code of Conduct*, the purpose of which is to ensure we do business with integrity. All associates of Van de Velde are giving training on these rules in a specific training module.

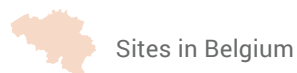
The Code of Conduct is available at [www.vandevelde.eu/en/code-of-conduct](http://www.vandevelde.eu/en/code-of-conduct).

The most important aspects of integrity are:

- How we handle information
- How we treat colleagues
- How we treat customers and suppliers
- How we handle the work-life balance
- How we use company resources

## Safety and (mental) health [GRI 403]

Safety and good working conditions at the sites are very important to safeguard wellbeing at work. Van de Velde actively pursues a policy oriented to both the physical (prevention and protection) and mental aspects (psychosocial context) of wellbeing.



### Safety and Prevention

An in-house department is responsible for safety and prevention at the Schellebelle and Wichelen sites. This is headed by a prevention level 1 advisor, assisted by two employees and a number of safety agents (who conduct these duties alongside their regular job duties). The department is supervised by the CEO and the prevention and protection at work committee. The safety and prevention policy is written down in an Annual Action Plan and a General Prevention Plan (valid for five years).

This department is responsible for the following domains:

- Legal compliance: following all inspections and servicing of security and technical systems
- Prevention-related projects: developing the methodology and tools, and implementation in the organization
- Adapting existing processes when circumstances change

#### Example: Ergonomics Study Project:

In recent years the in-house department has drawn up an action plan in response to ergonomics-related complaints, based on an employee survey and an analysis of the absence statistics (including recurring complaints in specific jobs). The following steps were taken:

- Specific workstations were adapted or made adjustable
- A course was set up to provide tips on adapting good posture and minimizing strain.
- Special medical exams were introduced for people who do a lot of lifting.

After implementation by this department, the methodology and tools are shared with the line managers, who are responsible for monitoring the day-to-day activities



#### Example: adjusting existing processes

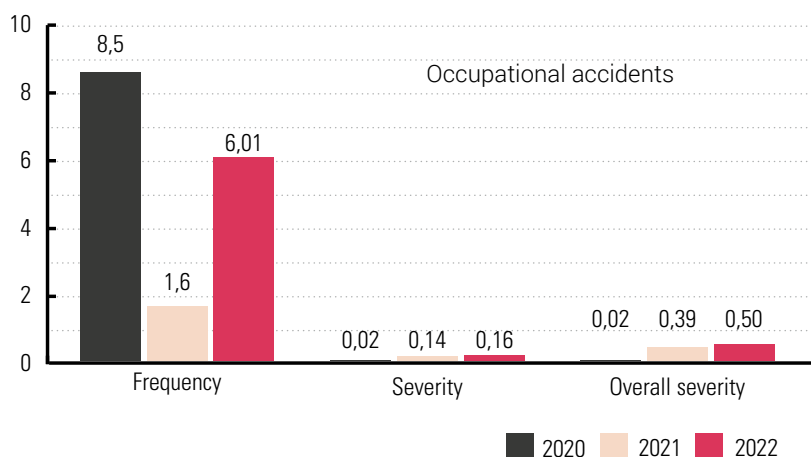
The pandemic and the mandatory work-from-home policy has disrupted the structural on-site presence of safety and prevention-related functions over the past two years. The following actions were taken in response to this new situation:

- First aid: training for additional employees to ensure that qualified first-aiders are always available.
- Response teams: a shift system was implemented to ensure constant monitoring.
- Evacuation: evacuation procedures and the register of attendance for the evacuation lists were adapted in line with the new system of hybrid working.

#### Example: monitoring existing processes for occupational accidents.

At the departments, the safety agents and wellbeing coaches are the first point of contact for reporting possible risks. The line managers are also responsible for day-to-day follow-up. An investigation is always conducted after an occupational accident to identify the causes. Whenever possible, an action plan will be drawn up to ensure it cannot happen again.

The goal in 2023 is to set up a uniform system for reporting potential risks. This will make it easier to identify and manage risks. [GRI 403-2]



**Frequency**  
number of accidents x 1,000,000 / hours of exposure

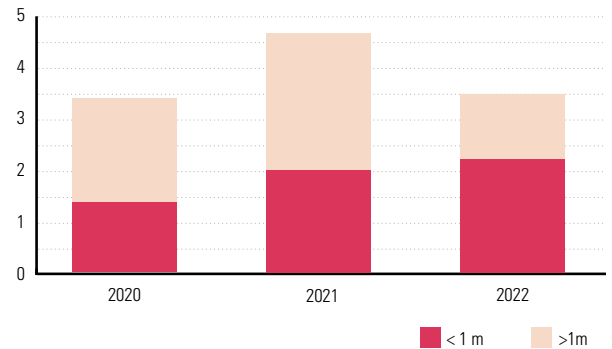
**Severity**  
number of calendar days lost time x 1,000 / hours of exposure

**Overall severity**  
number of calendar days lost time + disability x 1,000 / hours of exposure

### (Mental) health

Van de Velde takes a lot of initiatives to improve and protect (mental) wellbeing. In recent years the option of hybrid working has been introduced for most jobs. This policy offers our associates more flexibility. Alongside flexibility, special attention is also given to strengthening the connection between our employees. This is done through 'VdV Connect', a wellbeing project set up and supported by Van de Velde employees. Confidants and wellbeing coaches are available to listen to concerns on the work floor. An external occupational physician and a PAPSY (prevention advisor psychosocial aspects) are also available.

absenteeism



We monitor absenteeism as an indicator for wellbeing [GRI 403-2] and conduct a monthly engagement survey. Employee satisfaction is measured on a monthly basis in an anonymous survey on Intuo. Respondents are always able to add more detailed comments. The questions presented to employees on Intuo are linked to drivers that are very important to the company: the relationship with colleagues, the relationship with managers, ambassadorship, feedback and recognition, and empowerment and personal growth. The answers are shared within the management team and within the departments, allowing us to work in a targeted way on action plans to strengthen the aforementioned drivers.

Communicating with our employees in a transparent and meaningful way is key. That's why we endeavor to keep our employees informed about developments in the organization, among other things through

our 'Conversation Room' platform and our private working@vandevelde Facebook group. In 2022 a corporate communication manager was recruited, who will help reinforce internal communication, among other things.

We are also committed to encouraging employees to take up regular sport/exercise and adopt healthy eating habits. The following initiatives have been launched:

- Weekly fresh fruit baskets
- Company bicycles
- Walk & bike initiatives
- On-site showers
- Sport challenges (paddle, ping pong)



Van de Velde was one of the first companies in East Flanders to be awarded the 'Sportbedrijf 22-23' label by Sport Vlaanderen.

This award recognizes Van de Velde's commitment to its employees, with a focus on health, sport and exercise.

The label was awarded for two years, thanks to the work of our VdV Connect team, the efforts of the Internal Service and HR, and the active participation of our colleagues.





## Site in Tunisia

At the Tunisian site all safety aspects are monitored by one person under the direct supervision of management. Safety and health aspects are reported in structural meetings. An external advisory doctor regularly attends these meetings.

Occupational accidents are registered and investigated. Corrective action is taken where necessary. Two occupational accidents were recorded in 2022. [GRI 403-2]

Initiatives are taken to make the lives of employees more comfortable and to improve and protect their wellbeing. These include organizing state bus services for commutes, enlarging the sanitary facilities, and optimizing air conditioning and ventilation to combat the spread of covid-19.

## Training and development

Development is something we do together. We strongly believe that Van de Velde can only grow if our employees are able to grow.

We are committed to personal development. We love identifying the talents that every employee has and helping develop them. To do this we invest in courses, on-the-job training and experience-oriented learning (by working on a project, for example). Every year we draw up a training plan with a good mix of group trainings and individual initiatives, so that employees can acquire new (technical) knowhow or improve their communication and management skills.

To keep personal development at the front of people's minds Van de Velde organizes a performance cycle every year. Each first quarter of the year,

employees have a personal growth conversation with their line manager. Values and competences, required skills and personal ambitions are assessed during this conversation. A follow-up is scheduled in the third quarter.

We also encourage internal mobility and cross-department mobility. In 2022 internal candidates filled 28% of all vacancies.



## Sites in Belgium

### Onboarding

It is very important to us that new employees are integrated quickly. If they hit the ground running they will gain confidence and be able to work toward results quickly.

Onboarding starts with a word of welcome from the CEO. That is followed by a one-week training program presenting the various steps in

our production process in detail. This enables new hires to take an active part in the production process and also includes information sessions at the various departments. The values, Ethical and Social Charter, sustainability strategy and general corporate culture are also presented.

### Continual Development

We continue to invest in the permanent development of our employees. In 2022 the standard for each employee was 2.5 training days. [GRI 404-1] Each employee can follow individual training – sometimes in association with our industry partner IVOC – or sign up for a company-wide training. An annual training calendar is prepared, based on the needs of the organization.

Special attention is also given to effective leadership training programs. Performance management trainings were held in 2022.

Regular online courses and Lunch & Learn sessions are held to give every employee the opportunity to deepen or broaden their knowledge of topics connected with strategic projects. For example, Lunch & Learn sessions on data and digitization, sustainability, demand forecasting were held in 2022. These were given in both Dutch and English to ensure international colleagues could also benefit.





### Site in Tunisia

Permanent training and refresh courses are provided at our Tunisia site. This is first and foremost a production environment, so investments are primarily focused on promoting versatility.

Training for permanent employees is focused on learning new technical skills and models. Around 76,000 hours of this training were given in 2022.

We also provide training opportunities as part of a learning contract system in which employees complete their learning pathway in two years. In 2022 this represented almost 167,000 hours of training. [GRI 404-1]



## Anti-corruption

Van de Velde is committed to preventing any type of bribery and corruption. An internal anti-corruption policy and whistleblowing procedure was implemented in 2019. These apply to all Van de Velde group employees.

All employees and freelancers are invited to report possible cases of corruption and bribery in a confidential internal procedure. No reports were received in 2022. We have no knowledge of incidents of corruption either.

Our online anti-corruption training has been followed by most of the white-collar employees in Belgium in recent years. 22 new office-based employees followed the training in 2022. [GRI 205-1-2]

## GDPR

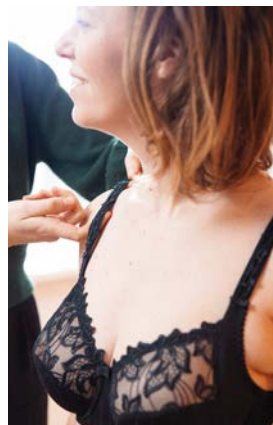
There were no breaches of customer privacy in 2022. Van de Velde has taken the necessary steps to comply with GDPR and ensure continuous

vigilance, with regular GDPR posts and mandatory digital training for all white-collar workers across the group. [GRI 418-1]

## 3.2. Our consumers: our brand lovers

Consumers are the focal point of our organization. Van de Velde cherishes its unique clientele, who are practically all women. We are proud of providing these women with high-quality lingerie in every phase of their life.

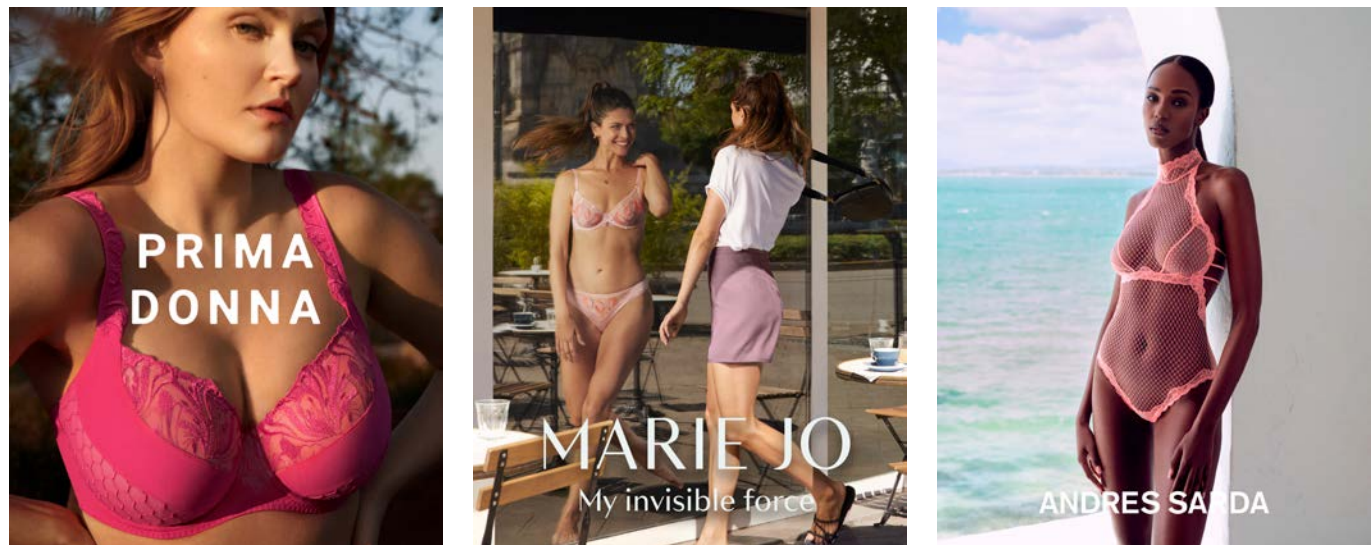
We value diversity and inclusion highly, which drives us to make lingerie that fits perfectly whatever the size and body shape. The range of sizes and styles continues to be enlarged. We continue to innovate in order to ensure an optimal fit and maximum comfort in the new additions to the range (such as K cup in PrimaDonna).



In order to help our retail partners inform our consumers in the best way, we have established the VdV Academy, which among other things helps them identify the perfect fit. Our goal is to pass our product knowhow to our retail partners in specific training modules, so they can advise consumers on how to wear and take care of their favorite lingerie.

We pursue the ultimate experience for every type of woman with our three complementary brands Marie Jo, PrimaDonna and Andres Sarda, each of which has its own specific focus.

**PrimaDonna** puts women who are proud of their body and large cup size in the spotlight  
**Marie Jo** promotes the incredible impact the right lingerie has on your self-image  
**Andres Sarda** emphasizes that life is like a catwalk and women can have everything they need to make their dreams come true



### 3.3. Support women in society: driven by our purpose

Van de Velde is a listed company with strong family roots and an intense awareness of its social responsibilities. The company has always supported local projects and charities that create added value for people and communities.

As a purpose-driven company, we believe we can do more to contribute to women's empowerment worldwide: we are able to create new oppor-

tunities for women by supporting initiatives that encourage female entrepreneurship.

Because we believe that **'igniting the power in women'** is the **fast track to positive change**.

## Plan International:

Plan International is an organization dedicated to **empowering the position of young women in society**. This mission is aligned with the purpose of Van de Velde.

We support specific projects, such as **'Unlock the power of Girls'**, which provides training for young girls in Benin. The Walk & Bike challenge organized by Van de Velde employees raised 10,000 euros in 2021. In September 2022 Van de Velde organized another sporting challenge that raised a similar amount for a new multi-year program in Rwanda.



## Donations

Van de Velde donates its stock leftovers to organizations that **help women in need**, such as shelters and hospitals where abused women find shelter.

In doing so, we aim to give these women some comfort at a very vulnerable moment in their life.



## 4 Fourth pillar: ensure due diligence with all our partners



### Supply partners Due diligence

Apparel remains a very labor-intensive industry, making working conditions a very important aspect of social responsibility at Van de Velde. We are committed to ensuring that all activities are conducted in accordance with legal standards and with due respect for human rights in all circumstances. Van de Velde also expects all of its suppliers and subcontractors

to follow these human rights principles in everything they do. Only then we can be certain that our products are manufactured and distributed in a responsible way. You can download our Ethical and Social Charter from our website at [www.vandavelde.eu/en/sustainability/people](http://www.vandavelde.eu/en/sustainability/people).

### 4.1. Decent work for all Van de Velde associates [GRI 102 – 8]

There is a wide variety of jobs at Van de Velde.

30% of associates work in Belgium: Design, Marketing, HR, Finance, Purchase, IT are centralized at the Schellebelle head office. Such operational activities as quality control, raw material cutting, picking and shipping are centralized at the Wichelen distribution center.

55% of Van de Velde colleagues work at our production atelier in Tunisia, where a proportion of products are assembled.

15% of associates work worldwide in a sales position and have direct contacts with local retail partners.

Personal development and good working conditions are extremely important for all employees, regardless of job or location.



Belgium 30%



Tunesia 55%



Worldwide 15%

Specific management systems and certifications have been implemented at the more labor-intensive sites to ensure the Van de Velde Social and Ethical Charter activates a caring system with broad-based support rather than simply being a document.

## Sites in Belgium: Schellebelle head office and Wichelen distribution center



Van de Velde in Belgium has been SA8000 certified since 2003 at its sites in Wichelen and Schellebelle. This certification is based on the ILO standards, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child

The SA8000 standard was established in consultation with NGOs, collective industrial organizations, the industry associations and certifying bodies.

This certification proves that we safeguard the rights and wellbeing of our employees.

## Principle 1: No discrimination [GRI 405/406]

### Gender diversity

Due to the business activity, there is a high proportion of female employees: almost nine in ten Van de Velde employees are women. These women make our products for other women in countries where employee rights are not always self-evident. Our sales channels are also mainly staffed by women. Van de Velde ensures that people are not discriminated against on the basis of their gender. All vacancies are open to people of any gender. However, we see more interest in our vacancies among women, due to the nature of the business and the industry.

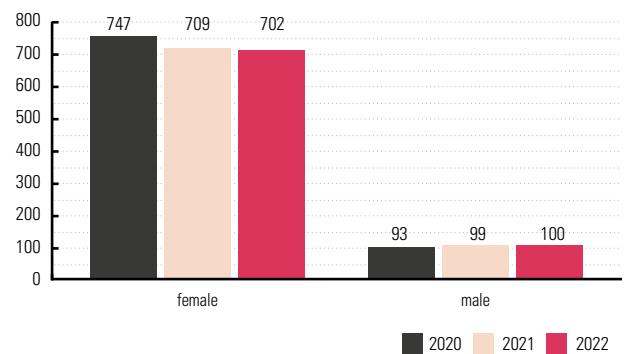
We are also heedful of the need to avoid any discrimination with regard to age, religion or any other characteristic that could be the basis of discrimination.

There were no formal reports of discrimination in 2022.

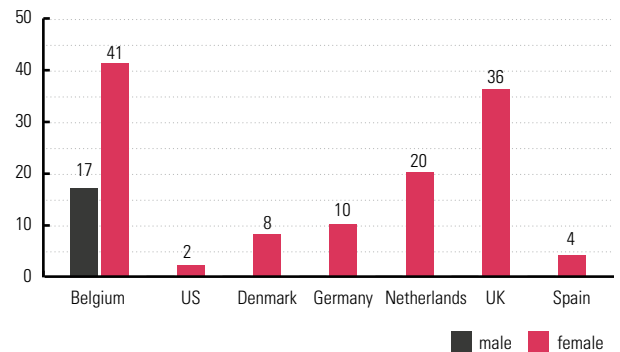
We have a strong female representation on the Board of Directors and in the Management Committee.

In line with the Law of 28 July 2011 we ensure that at least one-third of the Board has another gender. We adapt the same rule for the composition of the management team. If new members are appointed to the Board or the management team we give due consideration to finding the right balance and diversity of competences, experience, gender and age.

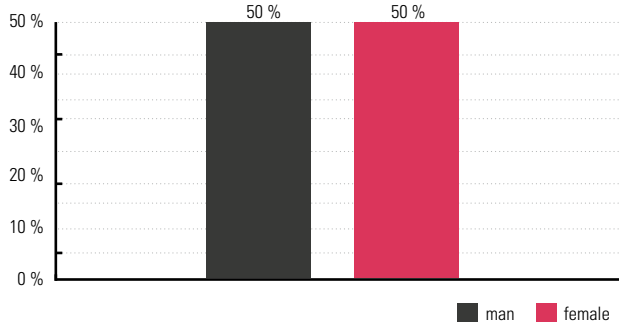
Number of employees: male/female split



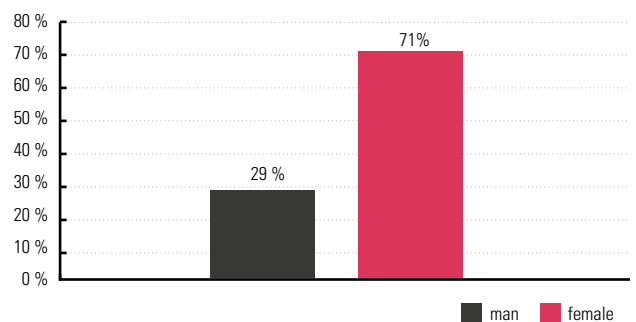
New hires in 2022 – male/female split



Board of directors (10 members)

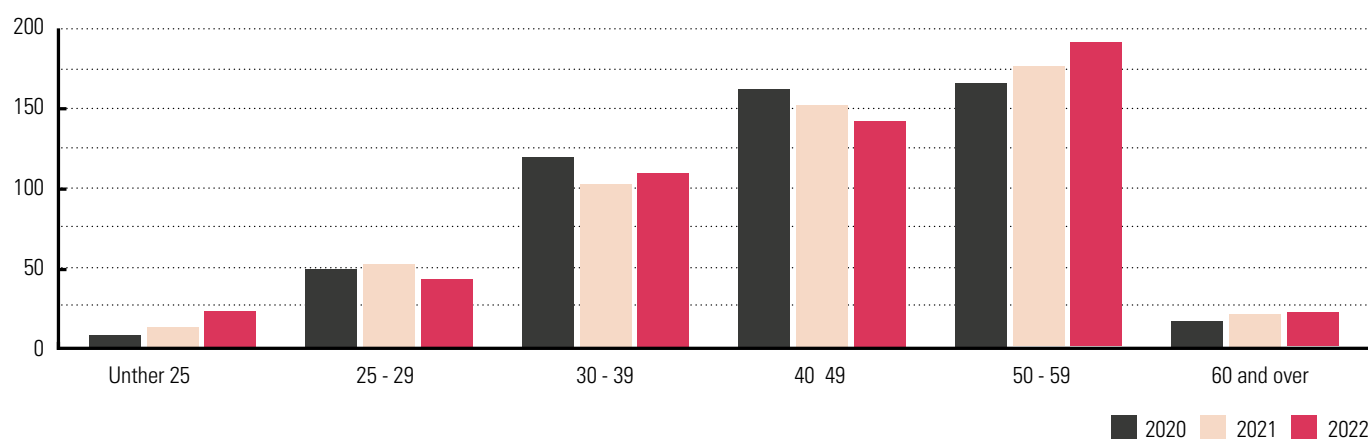


Management Board

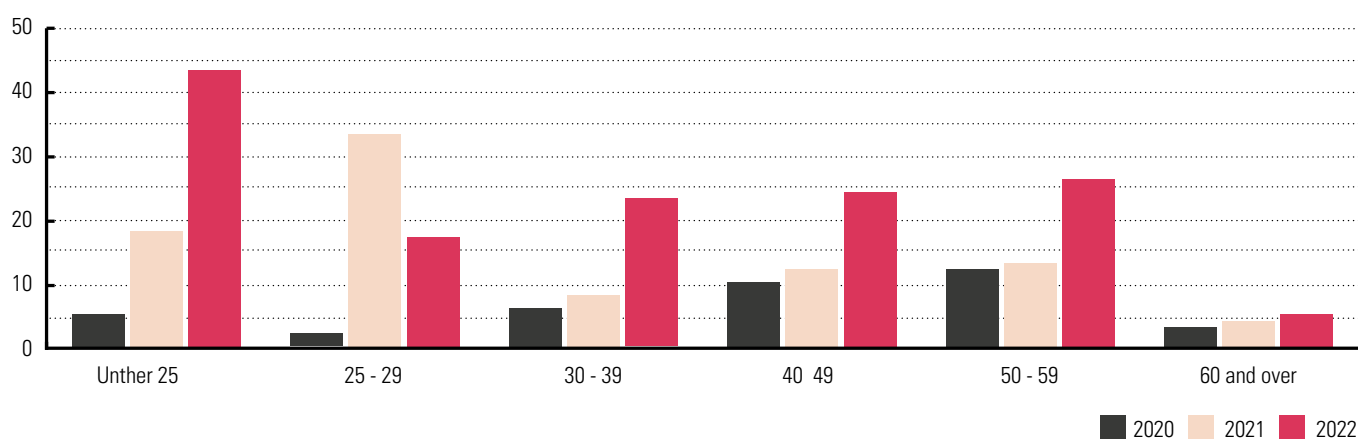


## Age diversity

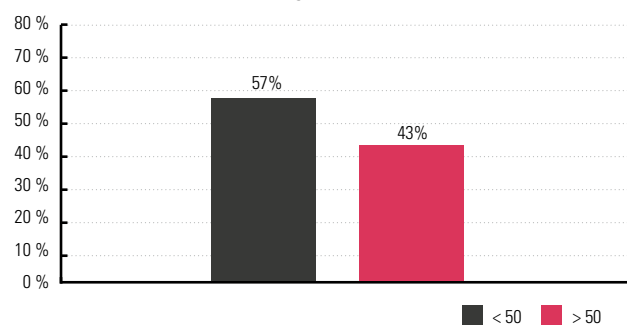
Age pyramid Belgian employees



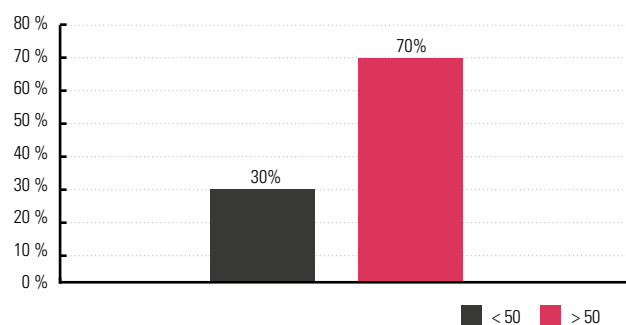
New hires Belgium and international (excl Tunisia)



Management Board



Directors Board





## Principle 2: No child labor

In general terms, Van de Velde does not expose children to unsafe situations in or around the workplace. The following basic principles apply at our own sites [GRI 408]:

- Van de Velde does not employ children aged under 15 or the minimum legal age.
- Van de Velde does not employ children of school age. This does not include summer jobs that comply with local laws and customs.

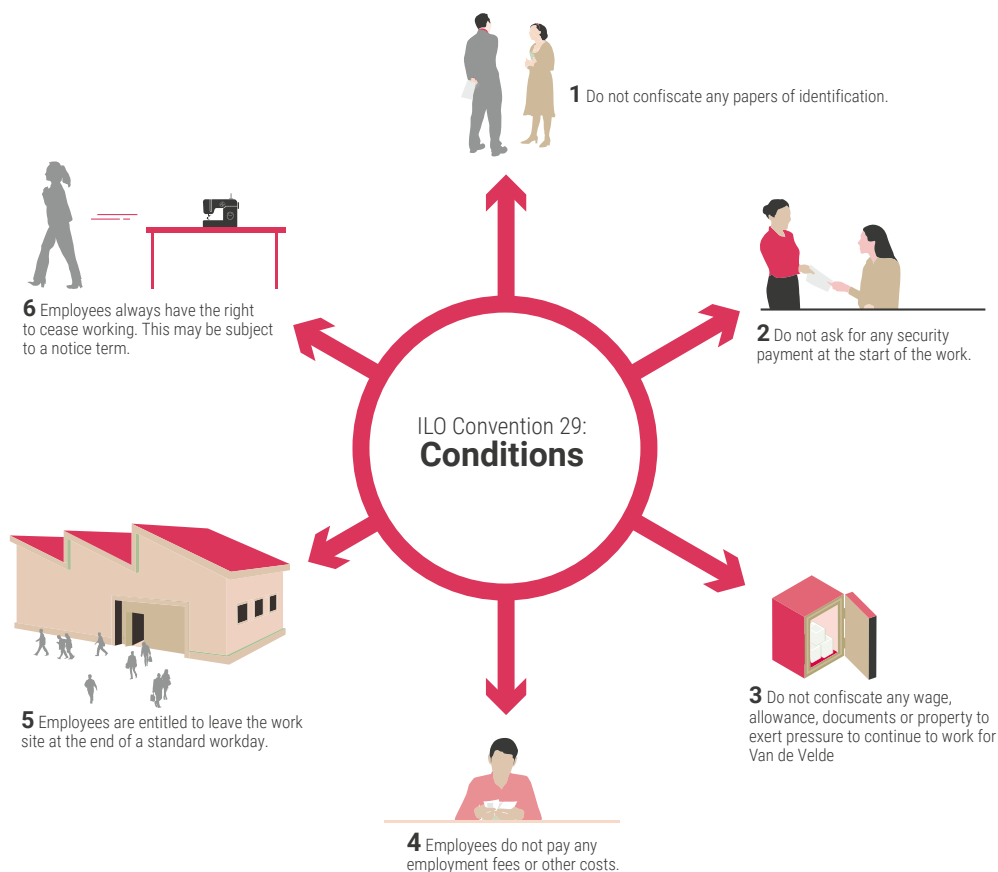
- Young adults (aged under 18) can work at Van de Velde but they are protected by additional regulations:

- Children of school age are only permitted to work outside school hours (so students aged 16 and over may work in Wichelen)
- Van de Velde sees to it that young adults on the payroll go to school and encourages them to complete their education.
- They do not work during the night.
- They do not work more than eight hours.

## Principle 3: No forced labor

It is our conviction that the wellbeing of our employees has a positive impact on the quality of our products. Forced labor is contrary to the philosophy of Van de Velde. We follow ILO Convention 29 to ensure that

there is no forced labor anywhere in our production chain. All our suppliers and subcontractors mark their agreement with this by signing our terms and conditions. [GRI 409]



## Principle 4: Health and safety

We ensure the work environment is safe and healthy, and invest efforts to ensure the general wellbeing of each and every employee. The internal prevention and protection at work service gives advice on the organiza-

tion of the workplace, the workstation, environmental factors, the use of tools and equipment, and hygiene. This topic is discussed in more detail elsewhere in this report.

## Principle 5: No disciplinary measures

We condemn all forms of violence, be they physical, mental or verbal.

Internal prevention advisors establish Van de Velde's prevention policy with regard to safety, health, ergonomics, hygiene, making workplaces more attractive, stress and psychosocial strain. Safety agents and wellbeing coaches at the various departments act as an early-warning system

for the internal service. Confidants are also available at Van de Velde in the event of interpersonal grievances at work. They inform, listen, advise and help employees to find a solution to problematical situations. They can call upon the internal service and HR in the quest for reconciliation. An external service can also be called in as needed.

## Principle 6: Respect for maximum working hours

We respect the maximum working hours limits and pursue a good work-life balance. The maximum working hours are laid down by relevant local laws. Overtime is limited. It must be voluntary and infrequent.

## Principle 7: A guaranteed livable wage

We guarantee each and every employee a livable wage. We ensure wages comply with the applicable pay scales and that employees can do more than simply meeting their most basic needs.

## Principle 8: Open dialogue with social partners

All our employees have a right to join or form a union and the right to organize in such a way that effective collective negotiations are possible. They can do so without fear of repercussions in any form.

The representatives of our employees deserve special attention. Van de Velde is fully committed to enabling them to carry out their representative

tasks well. They have access to employees at the workplace and are able to work without fear of negative consequences.[GRI 407]

Discrimination, intimidation and retaliation are prohibited. Where the freedom of trade unions is limited by law, the employees of Van de Velde are free to organize and choose their own representatives.

## Principle 9: Monitoring

We ensure the constant monitoring of the aforementioned principles by management to be certain they are complied with by internal and external stakeholders.

The Social Performance Team monitors compliance with the SA8000 standard at our sites in Belgium. As well as revealing any violations of the charter, the purpose of this management system of structured internal audits is to lay the foundations for continual improvement.

Van de Velde is audited every six months by an independent SGS auditor. The audits also include a check of whether the basic principles of SA8000 are followed at the various departments. This is done on the basis of inspections, work floor visits and interviews with employees and management.

A re-certification audit was conducted in November 2021. The findings were positive, resulting in a recommendation that SA8000 certification can be extended for three years.



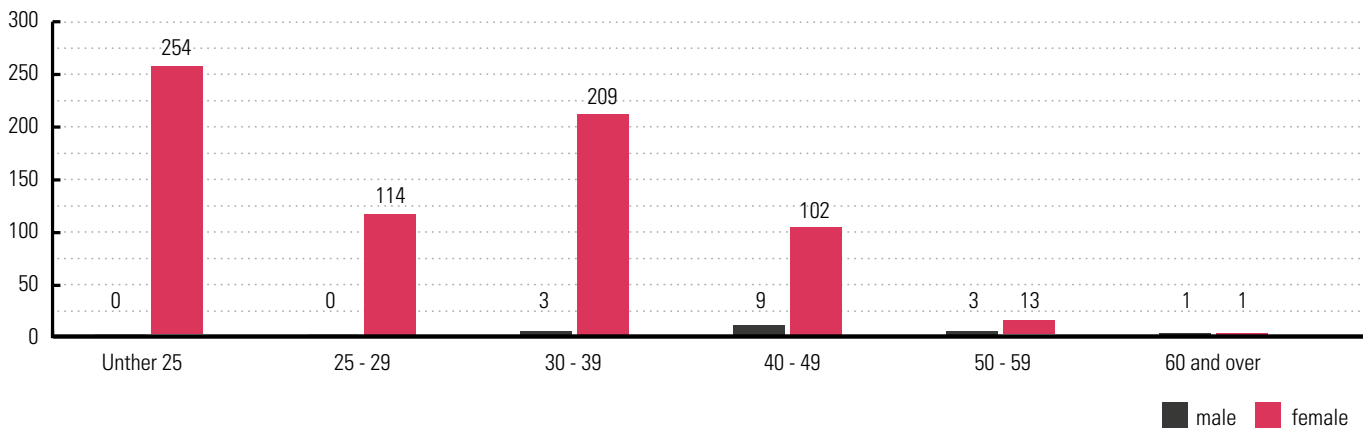
### Site in Tunisia

By analogy with Belgium, the production company in Tunisia is managed and monitored in terms of corporate social responsibility. Our compliance with human rights principles when doing business is confirmed by SMETA certification.

In 2016 Van de Velde Tunisia received SMETA accreditation. SMETA (Sedex Members Ethical Trade Audit) is based on four pillars. The first two, labor and health & safety, are taken from the Ethical Trade Initiative (ETI) basic code and are similar to the SA8000-standard.



1. Labor is a free choice
2. The freedom to organize and the right to collective labor agreements are respected
3. Working conditions are safe and hygienic
4. Child labor is prohibited
5. Legal minimum wages are respected
6. Legally set working hours are respected
7. No form of discrimination whatsoever is tolerated



We do not discriminate in terms of gender or age in our hiring process. However, the nature of our activities and of Tunisian culture create large imbalances. The primary activity in Tunisia is assembly and most stitchers are female. The large proportion of young people is primarily a cultural phenomenon, as many women do not work outside the home after marriage.

Companies that wish to obtain SMETA accreditation must also meet additional requirements with regard to the environment and business ethics.

Our production plant in Tunisia is also audited regularly by an independent body such as SGS to ensure it complies with the SMETA principles. Another audit is scheduled for 2023 once the new building is operational. [GRI 102-11/56]

8. Employment is on a regular basis
9. People we work with are not treated harshly or inhumanely.



## 4.2. Due diligence: the value chain, all our partners

Textiles and apparel is a labor-intensive sector with a clear risk of bad practices (such as child labor and low wages). As an international group with a global network of partners and activities, our aim is to take more of a proactive role in supporting and managing due diligence with our business partners. Not only to mitigate risk and improve transparency, but also to encourage initiatives to grow a positive social culture. We have more than 1000 suppliers, who are active in different sectors, mostly textile production and apparel assembly, but also transport, HR services, and business and IT consultancy. [GRI 414]



In 2022 a project was launched to measure social and ethical performance at all our business partners. A multidisciplinary team developed a methodology and dashboard to identify social risks at all our suppliers. The methodology was checked and approved by the external auditor SGS during the most recent SA8000 follow-up audit. The project was also set up in consultation with the Van de Velde social performance team.

The total supplier portfolio of Van de Velde was mapped by activity, with each pillar having its own risk score depending the activities, and existing regulations and systems. The next step was setting the criteria and weightings to determine the social risk. The following criteria are deemed important:

- Turnover
- Presence of Code of Conduct, social and ethical charter, anti-bribery policy
- Availability of social label or management system (SA8000, STEP by Oeko-Tex, Ecovadis)
- Country of origin

In 2023 the team will focus on gathering all necessary information from the suppliers and setting up a system to facilitate the monitoring of all data. The first group of suppliers was approached in December 2022 (top 20 in terms of turnover) and the questionnaires processed. Performance dialogues are the next step.

# 5 Partnerships for the goals



## 5.1. Fabric suppliers [GRI 102 – 9/10/15] [GRI 204]

At Van de Velde we are committed to bringing collections to market on time and ensuring the constant superior quality of our products. We can only do this because of our longstanding partnerships with suppliers and subcontractors.

Van de Velde primarily purchases raw materials from **European suppliers** in Belgium, France, Italy, Switzerland and Spain. We have been working with many of these partners for more than **30 years**. Our biggest raw material supplier is located in Deinze, Belgium, which is just 35km away.

We have worked together for so long that these suppliers have a good understanding of what we need in terms of creativity, innovation and technology. This allows us to keep innovating every season, while maintaining the high quality and longevity of our lingerie and swim products. The proximity of these European suppliers is a huge advantage with regard to flexibility and delivery. Most deliveries of raw materials to the **central cutting rooms in Belgium** are short-haul routes that do not require air transport.



### **Purchasing material**

*80% material sourcing in Europe | 20% material sourcing in Far East*



### **Cooperation with suppliers**

*30% for more than 20 years*

Van de Velde believes strongly in these long-term relationships and the benefits of partnerships. With this in mind, we have given a great deal of attention in the past to the supplier manual and supplier contract, with due consideration for the various aspects of the relations with our suppliers.

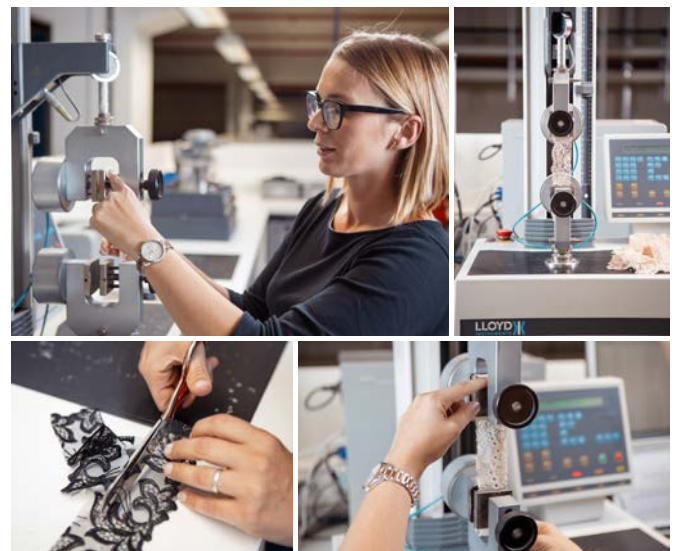
### **Supplier handbook**

The quality guidelines are described in detail in our supplier manual. To safeguard quality, Van de Velde conducts specific quality checks on all inbound goods at the control department in Wichelen.

Alongside quality control, one of the goals is to work on quality assurance in a more proactive way, with efficient, targeted spot checks based on process agreements, in close partnership with our suppliers. Unnecessary tests and checks are avoided as much as possible. Improvement initiatives are launched.

We have worked relentlessly in recent years to refine these agreements, strengthen partnerships and ensure the supplier manual is adopted at all raw materials suppliers, with the aim of safeguarding business continuity based on the principle of 'full on-time delivery in accordance with quality demands and agreements'.

A new supplier reporting system was set up in 2022, under which each supplier is given a quality rating. The supplier receives a report after any non-compliant delivery, with a request to take action. Five suppliers were identified as requiring structural improvement. Van de Velde initiated a transparent dialogue with these five suppliers on their general quality performance. The performance dialogues lead to action plans aimed at improving the supplier's quality rating. Suppliers are contacted every three months to check their progress and reinforce the long-term relationship.



Van de Velde is committed to adopting the LEAN methodology in all its processes. We endeavor to transmit this methodology to our suppliers while working on a partnership, based on mutual trust and knowledge of each other's processes.

### **Risk analysis**

The recent global events brought the importance of value chain reliability into sharp focus. Van de Velde has invested heavily in upgrading its relationships with suppliers into valuable long-term partnerships.

Business continuity was given a great deal of attention again in 2022, as did the path to full post-pandemic economic recovery. No fundamental changes were made to the structure or location of suppliers.

In recent years we have faced disruptions in the supply chain due to raw materials shortages, and production and transport capacity limitations. We again focused heavily on open communication and the establishment of a long-term vision, which enabled us to secure the complete trust of our suppliers and partners. As a result, we were able to minimize delays and safeguard our operations. In our analyses we identified raw materials that come from a single source. In the months to come we will continue to work on double sourcing.

Van de Velde is committed to preventing any type of bribery and corruption. As well as the anti-corruption policy that applies to group employees, Van de Velde has also drawn up an anti-corruption policy that must be signed by all business partners. This is incorporated into the supplier manual and the supplier contract. Van de Velde has published the related whistle-blowing regulation on its corporate website at [www.vandavelde.eu](http://www.vandavelde.eu), enabling suppliers, and their employees, to report suspected corruption to Van de Velde directly. Van de Velde has not received any such reports to date.

The management of the social and ethical performance of the suppliers, is included in the dialogue with our partners, as described in previous chapter.

## **5.2. Subcontractors**

Stitching high-quality lingerie is a complex process that requires special expertise. That is why we are very critical when selecting stitching workshops. We have limited the number of production houses. We choose to centralize knowhow to guarantee continuity.

This also explains why Van de Velde runs its own atelier in Tunisia and works with only one (permanent) partner in the Far East. 75% of all production is consolidated at these two locations.

A small volume (the swim series and accessories in particular) is produced by two other subcontractors in Tunisia with whom Van de Velde has worked for more than 15 years.

The dedicated partner for assembly in the Far East was originally selected because of its knowledge, commitment to quality and continuous pursuit of innovation. This company is not simply a producer, but a business partner that actively works with us to find ways to improve our products.

Van de Velde is a member of the full board of this company, which sets long-term vision and strategy. There is an open dialogue and new initiatives or challenges are discussed extensively.





## Risk analysis

Some of our subcontractors are located in regions where child labor and a livable wage remain risk factors. The management of social and ethical performance of our existing subcontractors is included in the total approach project set out in the previous chapter. This monitoring will also be part of the procedure when selecting new regions or subcontractors.

Our partner in the Far East is a publicly listed company that holds a WRAP label. at Marie Jo and PrimaDonna lingerie and swimwear is assembled in their sites in China (Long Nan and Nan Hai) and Thailand.

## 5.3. Retail Partners

Van de Velde considers its customer base of independent retail partners to be its preferred channel.

The relationship with our retail partners is crucial to ensure product knowhow is shared with consumers properly. Our retail partners play an essential role in giving the right advice on size and fit and on how to take care of our lingerie products. They also support our design teams with constructive feedback on the fit, style and performance of our collections. We hold regular trainings (Van de Velde Academy) to help them give the very best advice to consumers.

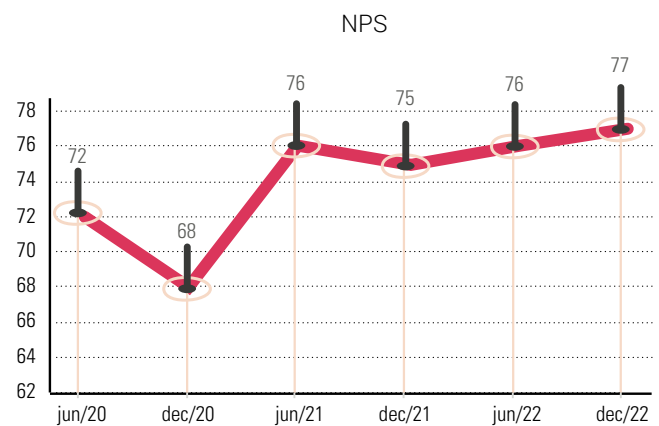
Based on this mutual cooperation, the current NPS is 76.

The **net promoter score** (NPS) is a measure of customer loyalty and satisfaction, based on the likelihood that our retail partners will recommend a product, brand or organization to acquaintances, friends and family.

This channel has been under heavy pressure over the past five years due to successive lockdowns. Various initiatives have been launched to help the retail partners, including marketing campaigns and support for

The subcontractors in Tunisia hold a SMETA label, as does our own plant. The managing director of Van de Velde Tunisia is in close contact with the subcontractors and monitors activities during visits.

In normal circumstances Van de Velde visits its subcontractors in Tunisia and China several times a year to conduct regular checks of compliance with our Charter. However, it was often impossible to travel to these facilities during the years of the pandemic. As a fallback, managers held regular virtual meetings – at least once a week – to stay up to date on the local situation. No breaches were identified in 2022.



the digital transition. Collection schedules were also adjusted to ensure the delivery of reasonable volumes at the most appropriate times.



## 5.4. Network

As well as taking responsibility in the communities where our employees and customers live, Van de Velde is also highly active in industry circles. We are a member of numerous organizations, which are a source of

information but also an opportunity to share our own knowhow and experience. Van de Velde is a member of the following organizations: [GRI 102-13]



## 6 EU Taxonomy

In 2022 we studied the environmental objectives and technical screening criteria of the EU Taxonomy. We identified those activities and investments that make a substantial contribution to climate-change mitigation and adaptation, and checked DNSH performance for the other goals. Activities that were taxonomy-eligible and aligned were taken into account for calculation. These are only activities that contribute to climate-change mitigation, as no activities were qualified for climate-change adaptation. Activities were mainly related to: construction of buildings, electricity,

gas and steam supply, and transportation and storage. We can report following percentages for 2022:

Capex 3%  
Opex 0%  
Turnover 0%

## 7 About this report

This 2022 annual sustainability report is based on the GRI standard (core version). We have endeavored to honor all reporting principles (completeness, stakeholder inclusiveness, materiality and ESG topics). Report compliance was checked by the ESG teams of E&Y. [GRI 102-50/52/53/54]

Any queries you may have about this report can be sent directly to our sustainability manager [Lieve.vermeire@vandevelde.eu](mailto:Lieve.vermeire@vandevelde.eu)

# 8 Index GRI standard

GRI standard	Disclosure	Page Number
<b>General Disclosures</b>		
GRI 102: General disclosures	102-1: Name of the organization	Page 89
	102-2: Activities, brands, products and services	Page 89
	102-3: Location of Headquarters	Page 89
	102-4: Location of operations	Page 89
	102-5: Ownership and legal form	Page 89
	102-6: Markets served	Page 89
	102-7: Scale of the organization	Page 89
	102-8: Information on employees and other works	Page 106, 113
	102-9: Main elements of the supply chain	Page 120 - 121
	102-10: Significant changes to the organization and its supply chain	Page 120 - 121
	102-11: Application of the Precautionary Principle approach	Throughout the entire report
	102-12: List of externally-developed economic, environmental and social initiatives	Throughout the entire report
	102-13: list of main memberships and associations	Page 123
	102-14: Statement from CEO about sustainability and strategy	Page 88
	102-15: Key impacts, risks and opportunities	Throughout the entire report
	102-16: Description of the organization's values, principles, standards and norms of behavior	Page 107
	102-18: Governance structure	Page 92
	102-40: List of identified stakeholders	Page 90
	102-42: Basic for identifying and selecting stakeholders	Page 90
	102-43: Approach of stakeholder engagement	Page 90
	102-44: Key topics and concerns raised through stakeholder engagement	Page 90
	102-47: List of material topics identified	Page 90
	102-50: Reporting period for the information provided	Page 123
	102-52: Reporting cycle	Page 123
	102-53: Contact point for questions regarding the report	Page 123
	102-54: Claim of reporting in accordance with the GRI standards	Page 123
	102-55: GRI content index	Page 124
	102-56: External Assurance	Page 114, 118

<b>Material topics: Economic impacts</b>		
GRI 204: Procurement Practices	204: Procurement practices	Page 120
GRI 205: Anti-corruption	205-2: Communication and training about anti-corruption, policies and procedures	Page 111
GRI 206: Anti-competitive behavior	206-1: Legal actions for anti-competitive behavior, anti-trust, monopoly practices	Page 111
<b>Material topics: Social impacts</b>		
GRI 401: Employment	401-1: Total number and rate of new employee hire and turnover	Page 114
GRI 403: Occupational Health and Safety	403-2: Types of injury and rates of injury, occupational diseases, lost days, absenteeism	Page 107 - 110
GRI 404: Training and education	404-1: Average hours of training per year per employee	Page 110 - 111
GRI 405: Diversity	405-1: Diversity of governance bodies and employees	Page 114 - 115
GRI 406: Non-discrimination	406-1: Incidents of discrimination and corrective actions taken	Page 114 - 115
GRI 407: Freedom of association	407-1: Operations and suppliers in which the right to freedom of associations and collective bargaining may be at risk	Page 117
GRI 408: Child Labor	408-1: Operations and suppliers at significant risk for incidents of child labor	Page 116
GRI 409: Forced or compulsory labor	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	Page 116
GRI 414: Supplier social assessment	414-1: New suppliers that were screened using social criteria	Page 119
GRI 416: Customer health assessment	416-1: Assessment of the customer health and safety impacts of product and service categories	Page 101 - 102
	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	Page 102
GRI 418: Customer Privacy	418-1: Complaints concerning breaches of customer privacy and losses of customer data	Page 111
<b>Material Topics: Environmental impacts</b>		
GRI 301: Materials		Page 102 - 103
GRI 302: Energy	302-1: Energy consumption within the organization	Page 96 - 97
GRI 305: Emissions		Page 94 - 95
GRI 306: Waste	306-2: Waste by type and disposal method	Page 98 - 100