

The background of the entire page is a detailed embroidery on a light blue fabric. It features a repeating pattern of large pink flowers with dark centers, smaller blue and black flowers, and various green leaves and stems. The embroidery is done in a traditional cross-stitch style.

# Van de Velde

---

**Annual report 2024**







**Van de Velde**



**'we ignite the power in women'**

Van de Velde thanks all employees for their involvement in achieving the company's objectives. The dynamism of the employees enabled us to achieve the reported results and gives us confidence in the future.

### **Photography**

Liselore Chevalier (Marie Jo)  
Martina Bjorn and Marie Wynants (Primadonna)  
Marie Wynants (Sarda)

### **Printing and finishing**

Graphius  
www.graphius.com  
Dit jaarverslag is ook beschikbaar in het Nederlands in het hoofdkantoor.

### **Contact**

For clarification on the information contained in this annual report please contact:  
Wim Schelfhout  
Financial director  
Tel.: +32 (0)9 365 21 00  
info@vandevelde.eu

### **Editor**

Van de Velde NV  
Lageweg 4  
9260 Wichelen  
Tel.: +32 (0)9 365 21 00  
info@vandevelde.eu  
VAT number: BE0448 746 744  
Company number: RPR 0448 746 744  
Chambre of Commerce Dendermonde  
website: www.vandevelde.eu

# Table of contents

1. The year 2024*	5
Message from the Chairman	5
Activity report and prospects	7
2. Description of the company and its activities*	19
3. Corporate Governance	20
Remuneration report*	20
Information to shareholders	30
4. Consolidated key figures 2024	34
5. Consolidated financial statements and related notes	39
6. Auditor's report on the consolidated financial statement	90
7. Concise version of the statutory financial statements and the statutory annual report of Van de Velde NV	99
8. Statement of responsible persons	106
9. Sustainability report*	108

\* These chapters of the Board of Director's report are consistent with the Consolidated Financial Statements and have been prepared in accordance with article 3:32 of Belgium's Companies Code (WVV).



# 1. The year 2024

## | Message from the Chairman



In memoriam  
William Van de Velde,  
honorary chairman  
07/08/1924 - 14/01/2025

While preparing this annual report, we were sadly confronted with the passing away at the age of 100 of our dear father and honorary chairman, William Van de Velde. His achievements for the company are improbable. As a representative of the second generation, he gave his best for more than 50 years and thanks to him the next generation was given a company with great potential. He remained our mentor for a long time, not only encouraging us but also giving us the necessary freedom to create a new dynamic in the company, which led to the initial public offering (IPO) and very nice growth figures. His obsession with quality and fit were legendary and are still among the foundations of our company. Our dad was a dutiful, disciplined but above all affable man who divided his successful life between family and business. We remain eternally grateful to him.

2024 was another challenging year. Market conditions were tough and there was a slight reduction in turnover in the first half of the year. But despite the pessimism and the tough economic environment we saw a bit of an upturn in the second half of the year and we posted modest growth. We hope and trust that this trend will continue in 2025.

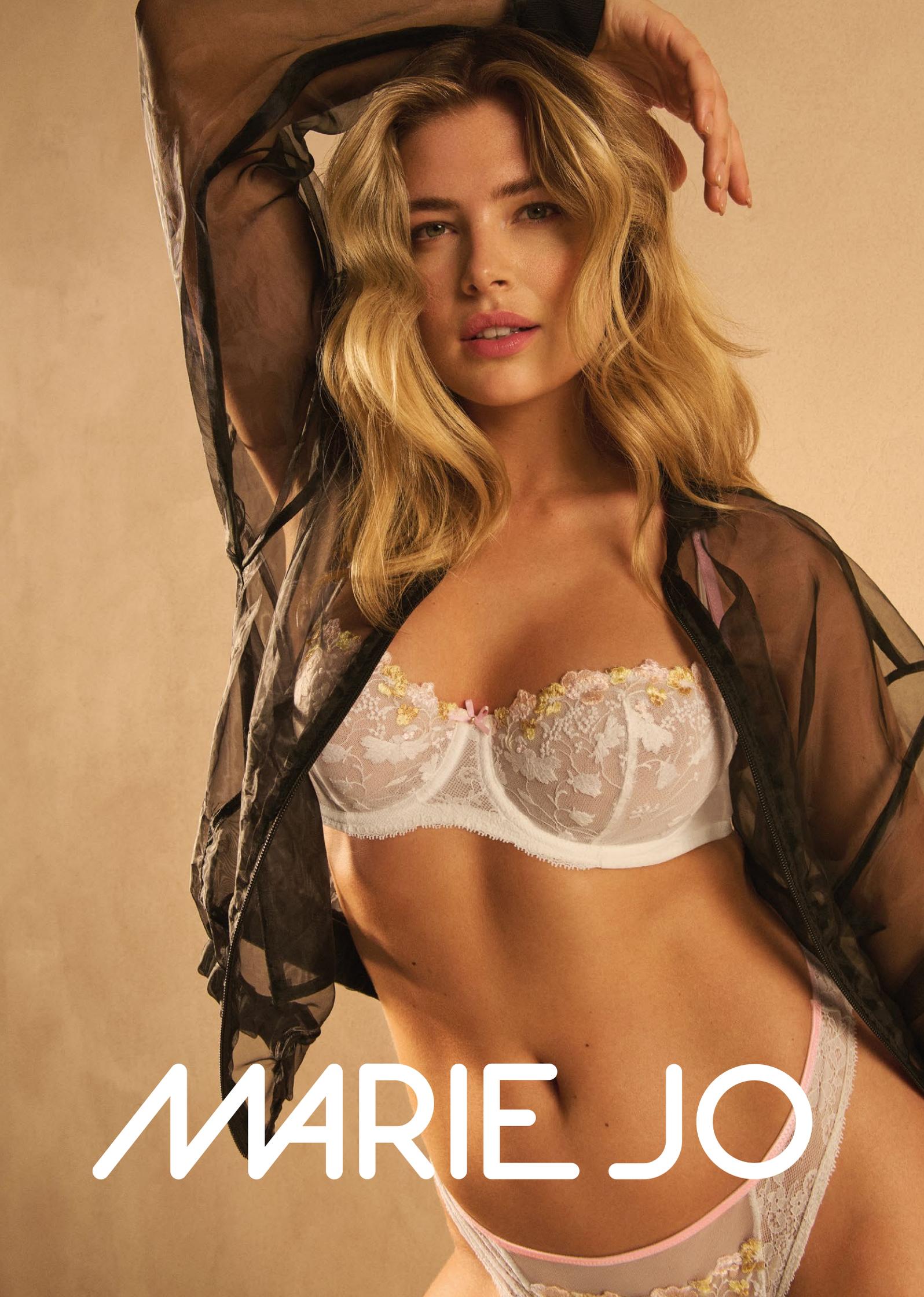
The conditions don't make it easy for us. Changing consumption behaviour, geopolitical instability, regional conflicts, the threat of protectionism... But there are also positive signs. Brick-and-mortar stores are getting more attention and even the big digital players want to be on the high street and are investing in stores. This is an opportunity for independent lingerie boutiques. With their personal service they are able to inspire consumers and offer a unique shopping experience. We are very well placed to help them do so. We don't just have strong brands; for many years we've run highly appreciated product knowledge and shop management trainings as part of our Lingerie Styling programme for our clients and we support their sales with various marketing tools.

While we are focused on independent retailers, we also continue to invest in the digital channel. Consumers have access to a huge shop window online and our challenge is to grab their attention with the attractiveness and quality of our brand collections. The use of AI is becoming important in this area. At the moment, consumers waste a lot of time searching for the right products online. In the future AI will increasingly guide them to optimise this search process. AI will become a personal assistant for consumers, giving them the information and advice they want. We will follow this developing situation closely and invest in these tools.

2025 will be an even more challenging year but we are looking to the future with confidence, thanks to the persistence and creativity of our people, for which we expressly want to thank them.

Lastly, we also want to assume our social responsibility. For many years we have supported various social projects, including De Katrol, a local project in Wetteren. De Katrol recruits student teachers to give children from socially disadvantaged families extra academic support after school. Improving the development opportunities of these children in society in this way is something that's important to us.

Herman Van de Velde  
Chairman of the Board of Directors



MARIE JO

# Activity report 2024

## I. Marie Jo, Primadonna and Sarda

---

Strong brands on a changing market

Our Marie Jo, Primadonna and Sarda brands strengthened their position on a dynamic market in 2024. Each brand has its own unique style and a collection that meets the needs of different types of consumer. Together, they constitute a complementary range spanning a wide spectrum of preferences and lifestyle choices.

### Marie Jo Looks great with a premium fit

Marie Jo was once again named most attractive and seductive lingerie brand by German specialist publication TextilWirtschaft <sup>(1)</sup> in 2024. Its unique blend of comfort and playful look and feel make it a safe bet for consumers. Lingerie – and swimwear – that’s comfortable, safe and, precisely because of that, gives them the space to experiment with colours, styles and designs that are normally outside their comfort zone. The perfect look every time – from everyday to playful, sexy or frankly racy – with a premium fit and premium quality. Marie Jo is women’s Invisible Force in every role they play throughout their lives: manager or mum, dreamer or doer, calm-seeker or adventurer.

In 2024 we focused on delivering high-end lingerie for every day at an accessible price, across a wide range of styles and with an international reach. With their on-trend look and mix-and-matchable styles, series like Cathia and Jadei make our lingerie even more accessible to consumers.

We also stressed the lifestyle aspect of our lingerie by presenting it as a full-fledged part of the outfit. To bring this to life, in 2024 we harnessed the power of influencer marketing and social media, where we have an increasing presence, not least TikTok. Marie Jo has a high engagement rate of 0.56%, which is twice as high as the benchmark for fashion labels. Raising the frequency of posts increased organic reach to 297,882 accounts in 2024 (a 392.6% hike compared with 2023).

We racked up a total of 1.57 million views off the back of our participation in Copenhagen Fashion Week, where we presented streetwear looks with Marie Jo in the leading role. One of our influencer partnerships delivered a mention in Vogue Scandinavia.

The visual modularity of the collection strengthens brand recognisability and ensures women can easily find their favourite style in a different colour or with a different look. Popular styles like the heart-shaped, spacer and balcony bra were included in virtually every series in 2024, from our iconic Avero T-shirt bra range to Jhana’s sexy lingerie.

We extend that modularity to our swimwear, so that consumers can easily find the style that fits their needs. Like our lingerie collection, our swimwear provides a safe, dependable foundation on which to build more challenging new looks. Among our series in 2024 Tinjis and Dahu included sexy styles without underwires.

---

(1) Source: TextilWirtschaft No 45 2024 and No 44 2021



**PRIMADONNA**

## Primadonna

### Never choose between fashion or fit again

This year for the first time, leading trade magazine TextilWirtschaft <sup>(1)</sup> named Primadonna Germany's strongest lingerie brand as well as the one that created most value for its retail partners. That is the reward for our focus on quality, comfort and solutions for consumers. Primadonna has what every woman needs and always provides the best support, fit, quality and comfort – whatever the cup size.

Primadonna's superstrength is its wide range in terms of look, size and style. Women are no longer forced to choose between fashion and fit. From traditional to daring, from basic and functional to full-on sexy – Primadonna offers the best support and fit all the way up to M cup.

The brand keeps loyal fans happy with lingerie icons like Deauville and Madison, while also offering makeovers in hip colours or a cool print every year to entice new consumers to try the superior Primadonna fit.

Throughout the year, in our communications we focused on Primadonna's USPs as a jump-off point to explore the collection. In doing so, we gave as much attention to function as we did to appearance. In our end-of-year campaign, as well as focusing on our luxury lingerie we also turned the spotlight on shapewear and seamless lingerie. That helps us strengthen our position as the leading specialist when it comes to support, with a solution for every woman.

We added new sizes to our swimwear collection in 2024. Series such as Barrani and Latakia mirrored the Primadonna lingerie sizes, with even deeper cups. We will gradually extend this to the whole swimwear collection in 2025 and 2026. As a result even more women will be able to use their Primadonna lingerie size and fit data when choosing swimwear, also in large cup sizes. So they can rely on the same support and self-confidence boost they get when wearing a Primadonna bra when they hit the beach.

Both swimwear and lingerie collections are modular, making it easier for consumers to find the right size and style in stores as the range continues to grow. Alongside regulars like bras with full cups, preformed cups and light spacer cups – which have been successful in a series like Figuras – the half-padded plunge bra was the rising star in 2024. We launched this seductive, lightweight style in fashion series like San Angel, Glass Beach, Devdaha and Verao. The wireless bralette – launched in Montara and an immediate bestseller – was also a success in the fashion series San Angel in 2024.

We also enticed more consumers to try our brand by adopting a wider price range in 2024. That allows them to experience the superior fit of a Primadonna bra at an attractive price before going on to explore the rest of our collection.

Our uncomplicated designs for everyday wear and more daring looks appeal to a younger audience. Millennials are looking for comfortable styles that fit snugly and look gorgeous, and they are increasingly finding them through our social media channels and revamped user-friendly brand website.

The organic reach of Primadonna's social media channels increased sharply this year. A selection of strong viral posts rocketed us to the dizzy heights of almost two million accounts, up 2000% since 2023.

(1) Source: TextilWirtschaft No 45 2024 and No 44 2021



**SARDA**

## Sarda

### Sexy, young, daring – with the trusted Van de Velde quality

We set a new course for Andres Sarda in the second half of 2024 with the release of its first-ever Sarda collection. The core Sarda DNA remains, albeit with a more rebellious image. The designs remain sexy and innovative, but are now more daring and available at a wider range of prices.

Consumers have clearly been won over by the new approach. The most eye-catching designs – daring, sexy lingerie with a rebellious edge – were especially successful. Confirmation that this new course is the right one for us.

The collection appealed to a new, younger audience. These consumers choose lingerie that has nothing to do with tradition and everything to do with wearability and versatility. They know exactly how to incorporate the Tau bodysuit and the Avit top into their outfits. Sarda positions itself in a way that is complementary to our other brands. At the same time, we offer consumers the trusted Van de Velde fit and comfort quality. Sarda is all about premium lingerie with a sexy, rebellious look at an accessible price.

We worked hard in the design team in 2024 on creating an esprit de corps between our people in Schellebelle and Barcelona in terms of both design and technical development. Our fit standards were set in stone, the material strategy aligned and the Sarda production process integrated into the production processes of our other brands to make it easier to scale up production.

## II. Van de Velde: the standard for premium service – in every sales channel

---

Van de Velde offers customers products that meet the highest quality standards and raise the bar in terms of customer experience. By retaining control over our presence on strategic sales platforms and in department stores we are able to guarantee a premium service and brand image whatever the sales channel. At the same time, speciality lingerie boutiques continue to be our biggest sales channel and have the greatest potential for potent loyalty marketing.

### Department stores Shop-in-shops

In 2024 we took full control over our products and service in various department stores. That strategic approach enables us to keep a tight grip on how our brand is presented and ensure customers can expect the same high level of service wherever they find us. It underscores our dedication to quality in terms of both products and shopping experience.

We have acquired the knowhow and experience we need to make a big success of this shop-in-shop formula over many years in our role as a retail organisation that also owns and operates a network of lingerie boutiques in various countries. By managing the product range and presentation inhouse we ensure that every retail environment and shopping experience is in line with our brand identity. We have also taken control of store staff recruitment and training, which will ensure they radiate the core values of Van de Velde in every customer interaction.

Whether customers are shopping in a boutique or a large department store, they can always count on that tried-and-trusted Van de Velde service: a unique combination of professionalism, customer focus and the premium shopping experience that presents our lingerie in the very best way.

### Digital channels More control, greater reach

In 2024 we expanded our digital presence into even more countries. Switzerland was the latest addition. That approach increases our geographic reach and our control of the digital offer and the representation of our brands, which benefits all sales channels.

At the same time, we continued to invest in the consumer experience on our brand websites, which are often the first source of inspiration and information for consumers ahead of an online or high street purchase. We made these platforms even more user-friendly, with clear, well-organised information about our various styles and what they can do for the wearer's body, extensive fitting advice and details about the availability of our products in lingerie boutiques.

They also host practical tools and concrete tips to allow consumers to identify the right size and fit for them, giving them more confidence on their shopping journey. As well as boosting the brand experience, this personalised content is also a source of much added value for customers. User convenience, customer experience and professional advice remain key at Van de Velde.

### Lingerie boutiques The power of customer loyalty

Speciality lingerie boutiques continue to be our main sales channel and the place where we offer consumers personal one-on-one service. That's why, in 2024, we continued to invest in tools and training to take customer service to the next level.

We offer a wide array of marketing tools in the Van de Velde Media App, including ready-made content and photos that boutiques can use in their own channels. We notify our retail partners of the seasonal campaigns, providing information about the most important lingerie series, including visuals, and the communication channels we're using. This allows them to tailor their own communication and instore displays to complement our marketing push. We also offer specific training, about social media and lots more, to help our partners make a success of their own accounts and reach their customers better.

In our own retail environment, this year we launched the innovative BraSizeScan tool, which quickly takes a user's measurements and provides instant product recommendations. Some previously hesitant consumers will be more likely to have themselves measured by this tech, which adds a playful aspect to the shopping experience. The tool also raises productivity and improves efficiency at our boutiques, as lingerie stylists are able to offer better service to more customers.

In 2024 we also introduced dummies with lifelike proportions

in window displays at our Lincherie boutiques in the Netherlands, Rigby Peller in the UK and the independent boutiques. Consumers are better able to identify with the new dummies, which give them a more realistic idea of how our lingerie will look on their bodies. That creates a warmer, more personal shopping experience, strengthens ties with customers and helps us set ourselves apart in a competitive market – beginning even before they walk through the door.

### III. Solid value chain with quality as basic criterion

---

Quality is the highest priority at Van de Velde. It is the basic criterion informing all of our decision-making, from infrastructure and material purchasing to production processes and service levels. Quality remained at a high level in 2024. Our pre-order delivery performance hit a record high and we continue to refine our forecast accuracy. The permit for the expansion of our distribution centre in Wichelen means we have space to grow and continue to offer the highest levels of service.

#### Continuity assured

We optimised our production in 2024 with strategic choices and targeted actions, assuring the continuity of our business going forward. For our most important materials, we limited the number of suppliers to a select number of strategic partners, which boosts delivery efficiency and reliability. We completed the modernisation of the infrastructure at our production department, which means we can already take advantage of newer technologies to further optimise our production process.

We continue to maintain a number of strategic product assembly partnerships in Asia and Tunisia, where we have our own site. In 2024 we set up an additional prototype workshop there to ensure we always have adequate capacity.

#### Record high pre-order delivery performance

Production volumes were steady in 2024. Our focus was on protecting – and where possible improving – the stability of the value chain, without compromising on quality. We achieved that within an acceptable price structure, with a pre-order delivery performance at its highest point ever and an NPS that remains high.

We see a clear trend towards sharper seasonal peaks twice a year. In response, we are making targeted investments in training and pursue maximum flexibility in our production and distribution teams. Employees have opportunities to upskill and improve their versatility, so they can take on many more duties, allowing us to deal with peaks largely with our own people.

## Increased forecast accuracy

Van de Velde's presence in various sales channels generates new challenges for our supply chain, for which we have identified the best response. Our forecast accuracy, judging how well our demand team estimates the stock needs in each distribution channel, is the cornerstone of efficiency. In 2024 we introduced inhouse machine learning models to predict sales in our various sales channels – from e-commerce platforms to department stores and lingerie boutiques.

This key innovation allows us to optimise our service to consumers by ensuring the right products are available in their preferred channel while keeping a tight hand on our stock levels.

The enlargement of our sales channels also had an impact on our customer service department. We expanded our existing

e-commerce customer service in 2024 with the addition of a dedicated team for our concession and consignment customers.

We also took a big step in the digitisation of our distribution and warehouse management processes in 2024 with the designation of a partner for a quality management system we are set to implement in 2025.

## Space to grow

Last year, we completed the expansion plans for our Wichelen distribution centre and the environmental permit was approved in November 2024. That gives us the space we need to continue to offer the highest levels of service, keep our technology up to date on a dynamic market, and grow.

## IV. Technological innovation strengthens strategic position

---

The IT, Digital and Data departments joined forces in 2024 to strengthen Van de Velde at the strategic level with technological innovations and advanced data analysis. Those innovations improve our operational efficiency and enable us to offer all our customers – consumers and boutiques – a seamless premium experience. For Van de Velde, digital transformation and data-driven decision-making are the keys to progress. And by investing in innovation we also remain flexible and ready to capitalise on new opportunities on an ever-changing market.

### BraSizeScan: personalised service with a scalable measuring tool

We introduced BraSizeScan in our retail environment for the first time in 2024. This innovative app determines the user's bra size based on an upper-body scan that does not require the user to remove their lingerie. The system analyses thousands of anonymous fitting data points collected by us to identify the bra size based on the measurements. The app was developed in association with an external partner.

It will be rolled out to strategic retail partners in Belgium, the Netherlands and Germany, enabling them to offer their own customers the same high-quality service.

### Scan@Home: premium online and offline service

The technology that powers the BraSizeScan has also been used to develop Scan@Home, a service that was launched on the new Sarda website in 2024. This allows consumers to scan their upper body with their smartphone camera, again without removing their lingerie. They will then receive personalised lingerie suggestions. All they need to do is select their preferred product and order.

This innovation offers customers an intuitive experience and strengthens the connections between our online and offline channels. The next step in our mission is using technology to create an optimal customer experience.

## Colect IO streamlines the sales process

The implementation of Colect IO is an important milestone in the digitisation of our order entry process and strengthening of our brand story. This innovative tool enables our sales teams to create a visually attractive presentation of our collections on their tablet, ensuring the brand story is conveyed in a consistent and inspiring way.

Orders can also be entered digitally, driving conversion and speeding up order processing and fulfilment significantly. Colect IO combines efficiency with attractive design, ensuring our sales processes run more smoothly while also meeting our customers' expectations to an even greater degree.

## Optimising processes and digitalisation

The optimisation of our data infrastructure in 2024 provided relevant insights across the departments. These insights are key when making strategic decisions and directing processes.

We also harnessed data analysis and machine learning to improve our internal processes, such as stock management. That drove up forecast accuracy, which enables us to respond to the stock needs of each individual distribution channel with greater precision.

Additionally, we implemented a new product information management (PIM) system, which centralises and streamlines our product information. That has improved the consistency and accessibility of our data considerably.

Lastly, we integrated our systems with those of our department store partners. That integration makes stock replenishment and other logistics processes more efficient, resulting in faster deliveries, improved stock management and better relations with our concession and consignment customers.

## V. People driving growth

---

Our people make a difference every single day with their creativity, professionalism and adaptability. Together we make lingerie that meets the highest quality standards and we build a work culture in which people are happy to give the best of themselves.

In 2024 we focused on the preparations for the Corporate Sustainable Reporting Directive (CSRD), which becomes effective for Belgian companies in 2025. We strengthened our team with the addition of enthusiastic profiles to offer customers the full Van de Velde service experience in selected Belgian department stores.

### Friendly work environment with room for personal development

At Van de Velde we believe that sustainable growth is only really possible when everyone feels at home, be that at the sewing machine, working on new lingerie designs or rolling out the data strategy. So, as well as a physically pleasant work environment – including renovated bathrooms and a new staff restaurant in Wichelen – we are also investing in the things that make our people strong: training, collaboration and personal development.

In 2024 our inhouse connections team, Van de Velde Connect, played a key role in strengthening connections among our people with successful initiatives that encourage them to get together and work together, such as the new year's reception, the staff party and the Van de Velde Challenge. We encouraged growth and development through training but also by regularly

talking with our people about their skills and ambitions. We also invested more efforts in people management in 2024. We launched a training process to help our managers improve how they guide and inspire their teams. Internal mobility was boosted: several people took the next step in their career at Van de Velde by taking up a new position at the company.

## Attracting strong profiles on a competitive market

Attracting strong profiles is a daily concern. On a challenging job market we mainly focus on digital channels to find the right talent. The extension to new sales channels, such as the consignment and concession concept at selected department stores, had a direct impact on recruitment and selection in 2024.

At Van de Velde we work hard to ensure that every new hire, whatever their position, feels welcome from day one. They get an intensive introduction to our company, learning about our passion for lingerie and our devotion to premium customer service in our extensive onboarding process. We believe that retention is a process that starts on the first day of employment. That's why we refined our onboarding process in 2024, and extended it to blue-collar workers.

Employees who have been with us for a while can also brush up on their knowledge in our Refresh & Learn programme. Under this initiative, these employees can reconnect with the onboarding process to update their knowledge and learn about the latest developments at Van de Velde.

## CSRD: sustainability and work culture in motion

The EU's Corporate Sustainability Reporting Directive (CSRD) imposes obligations on companies like Van de Velde to publish more detailed standardised sustainability and societal impact reports from 2025. The aim is to provide more transparency on how we address environmental, social and governance (ESG) factors and firmly embed sustainability in our strategy and daily business activities.

While we already met many obligations set down in the directive, in 2024 we made further improvements to our reporting in every country where we do business. These efforts helped ensure we were fully prepared for the implementation of the directive.

We made major strides in terms of sustainability and work culture in 2024. With the introduction of the mobility budget employees can now trade in their company car for sustainable alternatives like a rail season ticket, an e-bike or even a contribution towards their rent or mortgage. We also began our transition to a full electric fleet in Belgium. We will extend the process to other countries in 2025, targeting an all-electric fleet by 2028. To support that transition, we have invested in infrastructure, including solar panels and charging stations in the staff car park and we have contracted with a green energy supplier.

Inclusivity and internal mobility were given special attention this year. Initiatives were introduced for employees aged 45 and over to ensure they can continue to do their work without any problems. Those aged 55 and over are offered a flexible weekly schedule, with full-time and 9/10 variants. We introduced a probationary period to facilitate internal mobility. Under the scheme, employees can try out a new job before fully committing, which means they can return to their own job if things don't work out.

## VI. Review of the key audited consolidated figures

### Turnover

On a comparable basis (including comparable seasonal deliveries), the consolidated turnover decreases by -3.0% in 2024 to m€ 205.8. The reported turnover decreases (-2.3%) from m€ 211.3 to m€ 206.4.

Comparable turnover (in m€)	2024	2023
<b>Turnover</b>	<b>206.4</b>	<b>211.3</b>
Deliveries summer collection in the second half of 2024 and 2023	-5.2	-4.6
Deliveries summer collection in the second half of 2023 and 2022	4.6	5.4
<b>Comparable turnover</b>	<b>205.8</b>	<b>212.1</b>

In 2024, we continued to develop our D2C segment, resulting in an 11.3% increase in sales compared to last year, totaling 53.1m€. This growth was mainly driven by our digital channels. Through targeted marketing activation, our brands continue to win consumers. In addition, we continued to roll out our digital strategy to new markets and platforms. In doing so, we are offsetting the transition of physical retail stores. We continue to support the independent retail partner to maintain our strong market position.

B2B sales were €152.6m€, down -7.1% from last year. In the first half of the year, sales were negatively impacted by a significant decline in swim sales, while the second half of the year saw a gradual improvement. This stabilization was partly driven by a targeted strategy to strengthen the availability of our brands in a controlled way in larger city centers, through collaborations with premium department stores.

### EBITDA

On a comparable basis (including comparable seasonal deliveries), the consolidated EBITDA in 2024 amounts to m€ 50.2 versus m€ 56.6 in 2023. The reported EBITDA decreases by 9.8% in 2024, from m€ 56.1 in 2023 to m€ 50.6. The EBITDA on a comparable basis remains strong at 24.4% of the turnover (26.7% in 2023).

Comparable EBITDA (in m€)	2024	2023
<b>EBITDA (Operating profit + depreciation and amortization)</b>	<b>50.6</b>	<b>56.1</b>
EBITDA on comparable deliveries	-0.4	0.5
<b>Comparable EBITDA</b>	<b>50.2</b>	<b>56.6</b>

This EBITDA evolution is the result of a turnover decrease, combined with targeted additional marketing investments and rising wage costs due to inflation. These profit-reducing factors were offset by specific cost savings and productivity initiatives.

### Working capital

Working capital (current assets excluding cash and cash equivalents less current liabilities excluding financial debts) amounts to m€ 38.8 in 2024 and has significantly improved compared to m€ 41.0 in 2023.

## Prospects

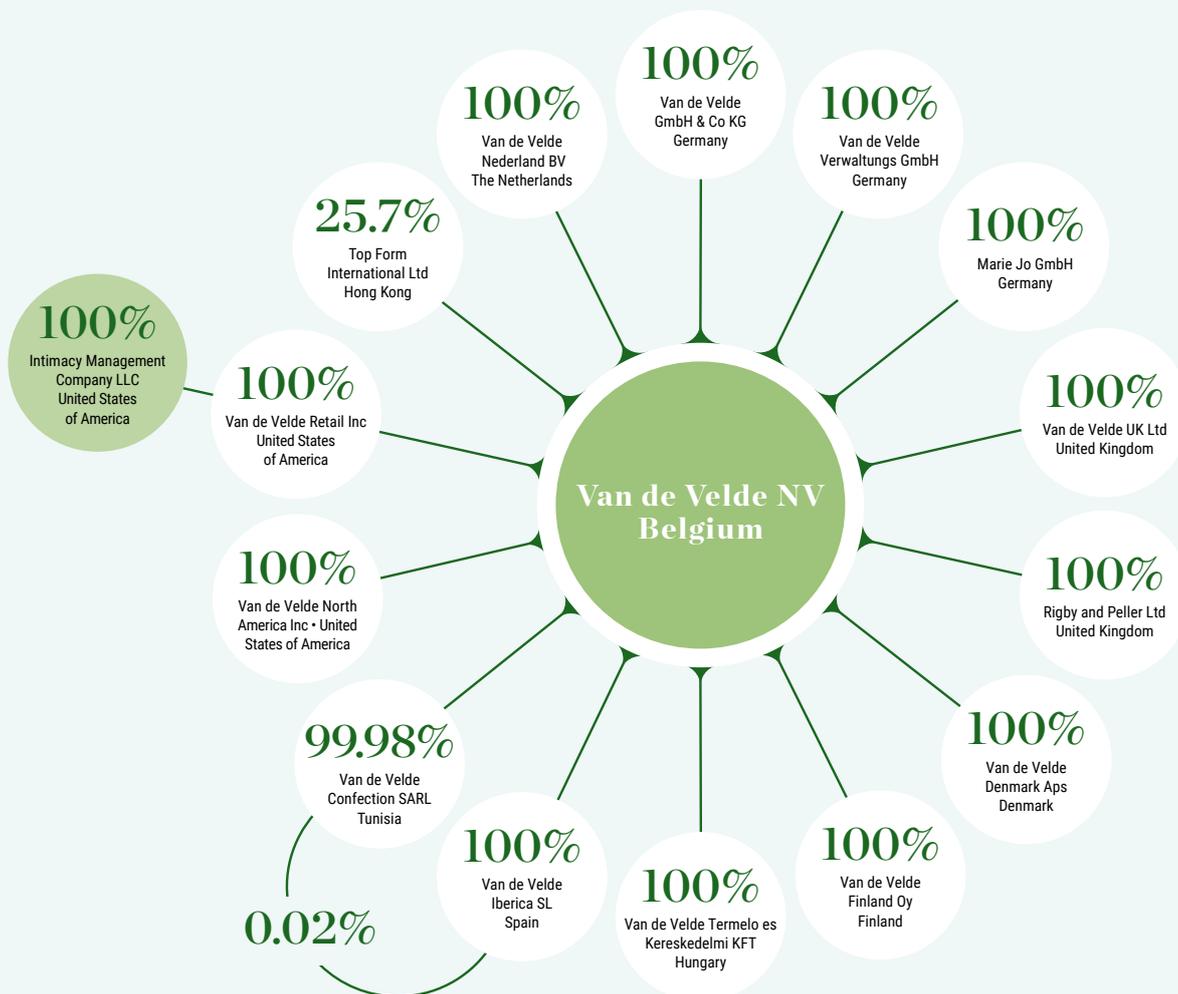
Despite current market conditions, we look forward to 2025 with confidence. The strong market position of our Primadonna and Marie Jo brands in the Benelux and Germany, combined with a growing physical and digital presence, form a solid foundation for the future. The launch of Sarda in September 2024 is gaining momentum: we now reach more consumers than with Andres Sarda.



## 2. Description of the company and its activities

For a detailed description of our mission, core business and history, please visit our website at [www.vandevelde.eu](http://www.vandevelde.eu).

The Group structure as at 31 December 2024 is as follows:



In this annual report, all above entities together are referred to as the Group.

# 3. Corporate Governance

For the composition, role and operation of the Board of Directors, its committees and the Management Team, we refer to the chapter 'Governance' under ESRS 2 in the sustainability report.

Corporate governance and transparency are also discussed in other chapters of this annual report.

## Remuneration report

### 1. Introduction

The remuneration policy of the company is applicable from 1 May 2024 and was approved by the General Meeting of 24 April 2024. This policy is published on [www.vandavelde.eu](http://www.vandavelde.eu). Until 1 May 2024 the remuneration policy approved by the General Meeting of 26 April 2023 was applicable.

### 2. Total remuneration of non-executive directors

In accordance with the applicable policy, in 2024 the non-executive directors received only fixed basic remuneration for their membership or chairmanship of the Board of Directors, plus fixed remuneration for their membership or chairmanship of any advisory committees. The remuneration policy enabled the company to safeguard the necessary competence and experience on the Board of Directors.

Name, Position	Basic remuneration	Remuneration as a member of the Audit and Risk Committee	Remuneration as a member of the Nomination and Remuneration Committee	Total remuneration
Herman Van de Velde NV, always represented by Herman Van de Velde (Chairman)	40,000 €	0 €	7,500 €	47,500 €
YJC BV, always represented by Yvan Jansen (Independent director)	20,000 €	5,000 €	5,000 €	30,000 €
Valseba BV, always represented by Isabelle Maes (Independent director)	20,000 €	7,500 €	5,000 €	32,500 €
Executive NV <sup>(1)</sup> , always represented by Dirk Goeminne (Independent director)	20,000 €	5,000 €	0 €	8,333 €
Benedicte Laureys	20,000 €	0 €	0 €	20,000 €
Veronique Laureys	20,000 €	5,000 €	0 €	25,000 €
Greet Van de Velde	20,000 €	0 €	0 €	20,000 €
Liesbeth Van de Velde <sup>(2)</sup>	20,000 €	0 €	0 €	6,666 €
Viancaba BV, always represented by Liesbeth Van de Velde <sup>(3)</sup>	20,000 €	0 €	0 €	6,666 €
Mavac BV, always represented by Marleen Vaesen <sup>(4)</sup>	20,000 €	0 €	0 €	6,666 €
BVHX BV, always represented by Bruno Vanhoorickx (Independent director)	20,000 €	0 €	0 €	20,000 €
PARCinvest BV, always represented by Christian Salez	20,000 €	0 €	0 €	20,000 €

(1) Pro rata from 01.01.2024 up to and including 25.04.2024.

(2) Pro rata from 24.04.2024 up to and including 26.08.2024.

(3) Pro rata from 27.08.2024 up to and including 31.12.2024.

(4) Pro rata from 01.01.2024 up to and including 25.04.2024.

### 3. Total remuneration of the members of executive management (including the CEO)

In 2024 the executive management was entrusted to the Management Team, which is chaired by the CEO. Until 1 May 2024, the Management Team had a mixed composition of employees and members with a management agreement. From 1 May 2024, the Management Team is exclusively composed of members with a management agreement. In accordance with the applicable remuneration policy, the following remuneration was awarded to the members of the Management Team:

Name, Position	1. Fixed remuneration		2. Variable remuneration		3. Exceptional items	4. Pension Cost <sup>(2)</sup>	5. Total remuneration	6. Fixed/variable remuneration ratio
	Basic remuneration	Additional benefits <sup>(1)</sup>	One year variable	Multi-year variable				
Karel Verlinde CommV (CEO), always represented by Karel Verlinde (management company)	396,000 €	0 €	61,934 €	0 €	0 €	0 €	457,934 €	86% fixed remuneration 14% variable remuneration
Other members of the Management Team together (excluding CEO) <sup>(3)</sup>	1,299,146 €	28,571 €	109,459 €	0 €	84,159 €	11,443 €	1,532,779 €	Between 89% and 100% fixed remuneration Between 11% and 0% variable remuneration

(1) For Management Team members who were employed as employees (before 1 May). Fixed reimbursement of expenses also includes meal vouchers, hospitalization insurance and company car.

(2) For Management Team members who were employed as employees (before 1 May).

(3) If remunerated through an employment contract, the social security charges paid by the employer are not included. If remunerated through a management agreement, the total cost for the company is included.

## 4. Note to the various components of the remuneration of the members of the Management Committee (including the CEO)

### 4.1. Variable remuneration

#### A) Short-term variable remuneration

As stated in the remuneration policy, the targets for short-term variable remuneration are based partly on objective parameters closely linked to the results of the Group (collective targets) and partly on individual targets closely linked to the responsibility of the member in question. The collective targets represent 80% of the total targets, the individual targets 20%. Three collective targets were set for 2024: turnover, EBITDA and one quality-related target. The Board of Directors, on the proposal of the Nomination and Remuneration Committee, established the turnover and EBITDA for 2024 and the extent to which the targets were achieved. On this basis, the corresponding payment level was established. The corresponding payment level of the collective targets combined is equal to 22.40 % of the collective target bonus.

Performance criteria (PC)	Relative weight	a)	Measured performance
		b)	Corresp. Payment level
Turnover	40%	a)	Below target
		b)	0.00%
EBITDA	40%	a)	Below target
		b)	0.00%
NPS (Retail partners)	20%	a)	Above target
		b)	22.4%

The individual targets were set and evaluated for each individual Management Team member.

#### B) Long-term variable remuneration

No long-term variable remuneration was granted in 2024.

### 4.2. Pension

From 1 May 2024 the Management Team is exclusively composed of members with a management agreement. Members of the executive management who had an employment contract up to 1 May 2024 participated in the company pension plan. This is a defined contribution pension plan to which the employer contributes 4% of the employee's fixed remuneration limited to the amount of the pension ceiling<sup>(1)</sup> and 5% of the annual salary exceeding the pension ceiling.



(1) For 2024, € 77,924.46

## 5. Share-related remuneration

The non-executive directors do not receive any remuneration in the form of shares. This means the company departs from Recommendation 7.6 of the Corporate Governance Code 2020. This departure is explained by the fact that the family directors are, directly or indirectly, long-term shareholders of the company and, in general, the non-executive directors are currently deemed to be sufficiently focused on long-term value creation for the company. The award of the shares to the non-executive directors is deemed unnecessary for that reason. However, the company will evaluate this recommendation on a regular basis in regard to any (mandatory) compliance in the future.

No minimum threshold has been set for shares that must be held by the members of the executive management. This means the company departs from Recommendation 7.9 of the Corporate Governance Code 2020. This departure is explained by the fact that the interests of the executive management are currently deemed to be sufficiently oriented to long-term value creation in the company by means of an existing long-term incentive programme in the form of an option plan (see table on the right). Setting a minimum threshold for shares that must be held by the members of the executive management is deemed unnecessary for that reason. However, the company will evaluate this recommendation on a regular basis in regard to any (mandatory) compliance in the future.

The Board of Directors of 29 April 2020 approved the 2020 option plan. As a result, the Nomination and Remuneration Committee can award options on shares of the company to the executive management for five years. These options are awarded free of charge. The exercise price of the options is, per share, equal to the lowest amount of (i) the average of the closing prices of the share on the market over the thirty calendar days prior to the date of the offer or (ii) the closing price of the final trading day prior to the date of the offer. The options are valid for a term of ten years. The company and the option holder may decide by mutual agreement to reduce the term of validity of the options below ten years, but it can never be reduced below five years. The options are not exercisable before the end of the third calendar year following the year in which the options are offered.



Remuneration in share options						
Name, Position	Most important provisions of the share option plan					
	1	2	3	4	5	6
	Identification of the Plan	Offer date	Acquisition date	End of the retention period	Exercise period	Exercise price
Mavac BV	2015	15/10/2019	14/12/2019	31/12/2022	01/01/2023 - 15/10/2029	23.36 €
	2020	09/10/2020	08/12/2020	31/12/2023	01/01/2024 - 09/10/2030	22.60 €
	2020	01/10/2021	30/11/2021	31/12/2024	01/01/2025 - 01/10/2031	28.75 €
Vucastar BV	2020	08/03/2022	07/05/2022	31/12/2026 <sup>(1)</sup>	01/01/2027 - 08/03/2032	32.40 €
Karel Verlinde CommV	2015	15/10/2019	14/12/2019	31/12/2022	01/01/2023 - 15/10/2029	23.36 €
	2020	09/10/2020	08/12/2020	31/12/2023	01/01/2024 - 09/10/2030	22.60 €
	2020	01/10/2021	30/11/2021	31/12/2024	01/01/2025 - 01/10/2031	28.75 €
	2020	04/10/2022	03/12/2022	31/12/2025	01/01/2026 - 04/10/2032	32.40 €
	2020	04/10/2023	04/12/2023	31/12/2026	01/01/2027 - 04/10/2033	32.25 €
	2020	08/10/2024	08/12/2024	31/12/2027	01/01/2028 - 08/10/2034	29.90 €
Liesbeth Van de Velde	2015	15/10/2019	14/12/2019	31/12/2022	01/01/2023 - 15/10/2026	23.36 €
	2020	09/10/2020	08/12/2020	31/12/2023	01/01/2024 - 09/10/2025	22.60 €
	2020	01/10/2021	30/11/2021	31/12/2024	01/01/2025 - 01/10/2026	28.75 €
	2020	04/10/2022	03/12/2022	31/12/2025	01/01/2026 - 04/10/2029	32.40 €
MMW BV	2020	04/10/2022	03/12/2022	31/12/2025	01/01/2026 - 04/10/2032	32.40 €
	2020	04/10/2023	04/12/2023	31/12/2026	01/01/2027 - 04/10/2033	32.25 €
Céline Soto Perez	2020	04/10/2022	03/12/2022	31/12/2025	01/01/2026 - 04/10/2027	32.40 €
Moremi BV	2020	08/10/2024	08/12/2024	31/12/2027	01/01/2028 - 08/10/2034	29.90 €
Skrapa BV	2020	04/10/2023	04/12/2023	31/12/2026	01/01/2027-04/10/2033	32.25 €
	2020	08/10/2024	08/12/2024	31/12/2027	01/01/2028 - 08/10/2034	29.90 €
Marijke Goossens	2020	04/10/2023	04/12/2023	31/12/2026	01/01/2027-04/10/2028	32.25 €
Kanren BV	2020	08/10/2024	08/12/2024	31/12/2027	01/01/2028 - 08/10/2029	29.90 €
Olama BV	2020	08/10/2024	08/12/2024	31/12/2027	01/01/2028 - 08/10/2029	29.90 €

(1) Contrary to the 2020 option plan, the options are not exercisable before the end of the fourth calendar year following the year in which the options are offered.

Remuneration in share options

Information with regard to the financial year under review

Opening balance	In the course of the year			Closing balance
7	8	9	10	
Options held at the beginning of 2024	a) Number of options offered in 2024 b) Value of underlying shares on offer date	A) Number of acquired options B) Value of underlying shares on acquisition date C) Value at exercise price D) Gain on acquisition date	Options held at the end of 2024	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
10,000 <sup>(2)</sup>	a) n/a b) n/a	n/a	10,000	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
0	a) 5,000 b) 149,500 €	a) 5,000 b) 149,500 € c) 149,500 € d) 0	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
0	a) 5,000 b) 149,500 €	a) 5,000 b) 149,500 € c) 149,500 € d) 0	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
0	a) 5,000 b) 149,500 €	a) 5,000 b) 149,500 € c) 149,500 € d) 0	5,000	
5,000	a) n/a b) n/a	n/a	5,000	
0	a) 5,000 b) 149,500 €	a) 5,000 b) 149,500 € c) 149,500 € d) 0	5,000	
0	a) 5,000 b) 149,500 €	a) 5,000 b) 149,500 € c) 149,500 € d) 0	5,000	

(2) Contrary to the 2020 option plan, it was agreed that 10,000 of the options granted in 2022 remain exercisable in accordance with the normal exercise periods. The remaining 30,000 options granted in 2022 have expired.

## 6. Severance pay

During 2024, severance pay of 84,159 euro excl. VAT was awarded to MMW BV (Willem Wijnen). This severance pay was calculated on the basis of the (three months) notice provided for in his management agreement, with the entire notice period being converted into severance pay. No severance pay was awarded to any other director or member of the executive management.

## 7. Use of the right of claw-back

During 2024, no variable remuneration was clawed back.

## 8. Departures from the remuneration policy

During 2024, there was one departure from the remuneration policy.

It is stipulated in the remuneration policy that, in as far as a member of executive management is a management company, the total remuneration of members of executive management comprises fixed compensation, variable compensation and share-based compensation (options). Contrary to this, because of the ad interim character of the position of Head of HR and Facilities, the management agreement with Karen Van Bockstaele BV determines that no annual variable compensation is due. Furthermore, no options were granted to Karen Van Bockstaele BV during 2024.

During 2024, there were no other departures from the remuneration policy.

## 9. Ratio of highest to lower remuneration

The highest remuneration is 5.94 times that of the lowest remuneration of a Belgian employee of the Group.

## 10. Annual change

The company interprets article 3:6 §3, fifth paragraph BCC in such a way that the requirement to provide information on the changes in the remuneration, the performance of the company and the average remuneration of the employees over the past five years only applies as from 2020 and so figures from prior to 2020 are not required in the comparison. That is why the company will show that trend in the remuneration report as from 2020, but not from the years prior to 2020.

The remuneration of the members of the Board of Directors, the CEO and the members of the Management Committee and the main performance criteria evolved as follows in the period 2023-2024:

euro	2024	2023
Chairman of the Board of Directors	40,000	40,000
Member of the Board of Directors	20,000	20,000
Chairman of the Audit and Risk Committee	7,500	7,500
Member of the Audit and Risk Committee	5,000	5,000
Chairman of the Nomination and Remuneration Committee	7,500	7,500
Member of the Nomination and Remuneration Committee	5,000	5,000
CEO (fixed remuneration + short-term variable remuneration)	457,934	415,008
Other members of the Management Committee together (fixed remuneration + short-term variable remuneration + benefits) <sup>(1)</sup>	1,532,779	1,448,574
Comparable turnover (in millions of euro)	205.8	212.1
Comparable EBITDA (in millions of euro)	50.2	56.6

(1) *Insofar as the member in question was an employee.*

The average remuneration of the employees in Belgium changed as follows:

euro	2024	2023
Average gross salary of a full-time equivalent in Belgium	3,689	3,633

## Major characteristics of internal control and risk management systems

---

The Management Team leads the company within the framework of careful and effective control, which makes it possible to evaluate and manage risks. The Management Team develops and maintains appropriate internal controls that offer reasonable assurance on the attainment of the goals, the reliability of the financial information, compliance with applicable laws and regulations, and the execution of internal control processes.

The Board of Directors oversees the proper functioning of the control systems through the Audit and Risk Committee. The Audit and Risk Committee evaluates the effectiveness of the internal control and risk management systems at least once a year. It must ensure that significant risks are properly identified, managed and brought to its attention.

In monitoring the financial reporting, the Audit and Risk Committee especially evaluates the relevance and coherence of the financial statement standards applied by the company and its Group. This entails an assessment of the accuracy, completeness and consistency of the financial information. The Audit and Risk Committee discusses significant financial reporting issues with executive management and the external auditor.

The Board of Directors bears responsibility for analysis, proactive measures and plans with regard to strategic risks. The Board of Directors approves the strategy and goals every year. An annual growth plan for the following two years is presented to the Board of Directors for approval. The growth plan is monitored systematically during the meetings of the Board of Directors and may be adapted on the basis of changed prospects.

Operational risks are regularly identified, updated and evaluated. The financial department is responsible for monitoring and reporting these. The Management Team bears the responsibility for analysis, proactive measures and plans with regard to operational risks.

For each process, internal controls should be in place guaranteeing, where possible, the proper functioning of this process. The effectiveness of the internal controls that are important for the completeness and correctness of the reported figures is regularly verified by the financial department through random sampling and a control report.

Additional information is provided in the company's Corporate Governance Charter as published on the website.

With respect to risk management, we also refer to note 30 on 'Business risks with respect to IFRS 7'.

### Shareholding structure on the balance sheet date

The subscribed capital is 1,936,173.73 euro. It is represented by 13,016,417 shares (denominator).

Within the framework of Belgium's Transparency Act of 2 May 2007 stakes must be made public in accordance with the thresholds provided for by the Articles of Association. The thresholds in Van de Velde's Articles of Association are:

- 3%;
- 5%;
- multiples of 5%.

Van de Velde Holding NV holds 7,496,250 (57.39%) shares. It does so through the Vesta foundation as well as Hestia Holding NV and Ambo Holding NV. Vesta foundation and Hestia Holding NV together represent the interests of the Van de Velde family. Ambo Holding NV represents the interests of the Laureys family.

On 11 March 2021 Lazard Frères Gestion SAS crossed the statutory threshold of 3%. Following the acquisition of its own shares Van de Velde NV crossed the statutory 3% threshold on 17 September 2024.

## Information about specific safeguards

A majority of Van de Velde NV's directors are appointed from the candidates nominated by Van de Velde Holding NV, as long as they directly or indirectly hold no less than 35% of the company's shares.

## Miscellanea

---

### Insider trading

The members of the Board of Directors and some employees that may possess important information ('insiders') have signed the protocol preventing abuse of privileged information. This means that anyone wishing to trade in Van de Velde shares must first request the permission of the Compliance Officer.

Insiders are not permitted to trade in securities in the following periods:

- (i) The period as from 1 January and the moment the annual results are announced;
- (ii) The period of two months immediately prior to the announcement of the company's half-year results or the period commencing at the time of closure of the half year in question and ending at the time of publication of the half-year results, whichever is shorter.

The Board of Directors can impose a general transaction ban on all insiders in other periods that may be considered to be sensitive.

All other staff at Van de Velde have been notified in writing of the statutory stipulations concerning abuse of insider knowledge.

### Transactions between the company and its directors and members of the Management Committee

The company's Corporate Governance Charter, which is published on the company's website, explains the rules applicable to transactions and other contractual links between the company, including its affiliated companies, and its directors and members of the Management Committee that are not covered by the conflict of interests scheme.

There were no such transactions or other contractual links during 2024.

### Statutory auditor

The General Meeting of 24 April 2024 of Van de Velde NV appointed PwC Bedrijfsrevisoren BV, Culliganlaan 5, 1831 Diegem, represented by Lien Winne BV, duly represented by Lien Winne, as the statutory auditor. This appointment runs until the Ordinary General Meeting of 2027.

Regular consultations are held with the statutory auditor, who is also invited to the Audit and Risk Committee for the half-year and annual reporting. The statutory auditor has no relationship with Van de Velde that could impact its opinion.

The annual remuneration in 2024 for auditing of the statutory financial statements of Van de Velde NV was 165,000 (excl. VAT). The total costs for 2024 for the auditing of the annual accounts of all companies of the Van de Velde Group and the consolidated annual accounts of Van de Velde NV was 177,000 euro (excluding VAT and including the aforementioned 165,000 euro).

In accordance with Article 3:65 of Belgium's Companies Code, Van de Velde announces that the remuneration to persons with whom the statutory auditor has a professional relationship is 34,000 euro for assignments carried out in 2024 (tax services). The fee for other assurance assignments to the statutory auditor amounts to 47,000 euro.

## Belgian Code on Corporate Governance

Van de Velde NV complies with the majority of the principles laid down in the Belgian Code on Corporate Governance. During 2024 the Code on Corporate Governance was departed from as follows:

- Non-executive directors do not receive any part of their remuneration in the form of shares. As such, the company departs from Recommendation 7.6 of the Code on Corporate Governance. This departure is explained by the fact that the family directors are, directly or indirectly, stable shareholders of the company and, more generally, the views of the non-executive directors are currently considered to be sufficiently focused on long-term value creation for the company. The granting of shares to the non-executive directors is therefore not considered necessary. However, the company will evaluate this Recommendation on a regular basis for the purpose of any possible (need for) future compliance.
- No minimum threshold of shares to be held by the members of executive management is determined. As such, the company departs from Recommendation 7.9 of the Code on Corporate Governance. This departure is explained by the fact that the interests of executive management are currently considered to be sufficiently focused on long-term value creation for the company in view of the existing long-term incentive programme in the form of an option plan. For these reasons, the determining of a minimum threshold of shares to be held by the members of executive management is not considered necessary. However, the company will evaluate this Recommendation on a regular basis for the purpose of any (need for) future compliance.
- The company departs from the recommendation in Article 3.5.2 of the Code on Corporate Governance<sup>(1)</sup> with regard to one independent director. The company concludes that this director during its reappointment period can still be considered as independent, since the director acts in the spirit of an independent director.
- There are no specific agreements or systems that give the company the right to recover variable paid allowances if they are wrongly awarded on the basis of data that subsequently proves to be incorrect. As such, the company departs from Recommendation 7.12 of the Code on Corporate Governance. This departure is explained by the fact that the company will, if appropriate, rely on the possibilities of common law.

## Conflict of Interests Scheme

In 2024, there was one conflict of interest under article 7:96 of the CCA within the Board of Directors or the Management Team. This concerned the granting of higher fixed remuneration to Karel Verlinde CommV as managing director and chair of the Management Team by the Board of Directors on 28 February 2024.

The excerpt from the minutes relating to this decision is presented below, stating the reason for the conflict of interest, and the nature, justification and financial impact of the decision.

<sup>(1)</sup> To qualify as an independent director, you must not have been a non-executive director for more than 12 years.

"Karel Verlinde CommV, duly represented by Karel Verlinde, reported in advance a conflict of interest with regard to the abovementioned agenda item under article 7:96 §1 of the Code of Companies and Associations and will therefore not participate in these deliberations. He pointed out that this decision related to a matter of a financial nature, namely the granting of higher fixed remuneration to Karel Verlinde CommV as CEO and chair of the Management Team.

In compliance with the relevant legal stipulations, the following is included in the current minutes of the Board of Directors:

- The nature of the decision;
- The financial impact of the decision;
- The grounds justifying the decision.

#### **a) Nature of the decision**

The decision concerns the arrangements for the remuneration of Karel Verlinde CommV as CEO and chair of the Management Team, specifically the granting of higher fixed remuneration.

#### **b) Financial impact of the decision**

The fixed yearly remuneration that is granted to Karel Verlinde CommV as CEO and chairman of the Management Team as from 1 January 2024 is 396,000 euro excl. VAT.

#### **c) Grounds justifying the decision**

The Board of Directors is of the opinion that this fixed yearly remuneration is in line with market rates and justified."

## Information to shareholders

---

### Share listing

The shares of Van de Velde have been quoted on the Brussels stock exchange, currently Euronext Brussels, since 1 October 1997, under the abbreviation 'VAN' (MNENO).

Van de Velde's shares can be traded using the ISIN code BE 0003839561.

Euronext Brussels lists Van de Velde on the spot market (continuous market) of Euronext Brussels in compartment B (market capitalization between 150 million and 1 billion euro).

In line with its series of local indexes, Euronext Brussels maintains a BEL20, BEL Mid and BEL Small index, the components of which are selected on the basis of liquidity and free float market capitalization.

Van de Velde is listed in the BEL Small index. The weight in this index was 5.82% at the end of 2024.

### Liquidity provider

Van de Velde concluded a liquidity agreement with Bank Degroof in July 2002, which was renewed in 2024.

A liquidity provider guarantees the constant presence of bid and offer prices at which investors can conduct transactions and sets a permanent maximum spread between purchase and selling price of 5%. This allows the increase in share velocity and the reduction of the spreads between bid and offer prices. Major price fluctuations can be avoided on small traded volumes and the listing on the continuous segment of Euronext Brussels can be guaranteed.

## General Meeting

The General Meeting of Shareholders is held at the seat of the company (unless another place is mentioned in the convocation) at 5 pm on the last Wednesday of April. If this day is an official holiday the meeting is held on the next working day.

An Extraordinary General Meeting can be convened whenever the interests of the company so demand it and must be convened whenever the shareholders representing one fifth of the capital so demand it.

## Authorized capital

The Board of Directors is authorized for a period of five years from the announcement in the annexes to Belgisch Staatsblad/ Moniteur belge (10 May 2022) to raise the subscribed capital one or more times by a total amount of 1,936,173.73 euro, under the conditions stated in the Articles of Association.

## Acquisition of own shares

On 27 April 2022, the Extraordinary General Meeting of Shareholders authorized the Board of Directors to buy or sell its own shares. This authorization is valid for a period of (i) three years as from 10 May 2022 if the acquisition is necessary to avoid a serious threatened disadvantage and (ii) five years as from 10 May 2022 if the Board of Directors, in accordance with Article 7:215 of the CCA, acquires the legally permitted number of its own shares at a price equal to the price at which they are listed on Euronext Brussels.

The Board of Directors approved a share buy-back programme of up to 15 million euro on 28 February 2024. The buy-back programme started on 4 March 2024 and has an anticipated duration of one year.

In 2024, 207,985 of its own shares were acquired by Van de Velde NV and at the end of 2024, Van de Velde NV had 449,386 of its own shares in its possession.

The treasury shares held by Van de Velde NV show the company's confidence in its strategy. See note 13 to the consolidated financial statements for more information.

## Destruction of own shares

On 13 November 2024, the Board of Directors approved a destruction of 230,995 of the company's own shares. These own shares were destroyed on 7 January 2025, resulting in a change of nominator from 13,062,417 shares (before 7 January 2025) to 12,831,422 shares (from 7 January 2025).

## Dividend Policy

Van de Velde's objective is to pay out a yearly dividend. In doing so, it takes the following factors into consideration:

- Appropriate payment to shareholders in comparison with other companies listed on Euronext Brussels;
- Retention of sufficient self-financing capacity to respond to attractive investment opportunities;
- Remuneration proportionate to cash flow expectations.

The dividend policy of Van de Velde consists in paying out at least 40% of the consolidated profit, Group share, excluding the result based on the equity method. Furthermore, Van de Velde does not retain excess cash in the organization.

## Financial Services

The financial services are provided by Belfius as main payment agent.

## Notifications under article 74 § 7 of the Act of 1 April 2007 on public takeover offers.

Van de Velde did not receive any new notifications during 2024.

## Proposed profit distribution

The dividend on distributable profit will be allocated to the shares with rights that are not suspended. In other words, the treasury shares held for which no profit share is retained are not taken into account to reduce distributable profit. As per 31 December 2024, this concerns 449,386 treasury shares purchased within the framework of the option programme (see above). Reference is made to Article 7:217 of the CCA.

The number of shares with dividend rights is accordingly reduced by 13,062,417 to 12,613,031<sup>(1)</sup> shares.

The application of the pay-out percentage (40% of consolidated profit, Group share, excluding result based on the equity method) produces a dividend per share of 0.975 euro.

Van de Velde has the policy of not retaining excess cash in the organization but distributing it in one way or another to the shareholders. Cash required for operating and investing activities is evaluated on an annual basis. For 2024 this implies that the Board of Directors will propose to the General Meeting the payment of a gross dividend for the fiscal year 2024 of 2.40 euro per dividend entitled share. After the payment of withholding tax, this represents a net dividend of 1.68 euro per dividend entitled share.

After approval by the General Meeting of Shareholders, the final dividend will be paid out as from 12 May 2025.

### Financial Calendar

Closing of fiscal year 2024	31 December 2024
Announcement of annual results 2024	27 February 2025
Publication of annual financial report 2024	28 March 2025
General Meeting of Shareholders	30 April 2025
Ex-coupon date	8 May 2025
Record date	9 May 2025
Dividend payment date	12 May 2025
Publication of 2025 half-year results	27 August 2025
Closing of fiscal year 2025	31 December 2025

(1) Provided that the number of own shares remains unchanged, namely 449,386.



**PRIMADONNA**

# 4. Consolidated key figures 2024

Profit and loss account (in millions of euro)	2024	2023	2022	2021	2020
Operating income	211.3	217.3	217.2	200.3	156.7
Turnover	206.4	211.3	211.7	195.3	152.3
Turnover on a comparable basis <sup>(1)</sup>	205.8	212.1	211.4	191.2	160.5
EBITDA <sup>(2)</sup>	50.6	56.1	58.2	55.0	34.7
EBITDA on a comparable basis <sup>(3)</sup>	50.2	56.6	58.0	52.3	40.1
EBIT <sup>(4)</sup>	40.2	45.3	48.1	41.8	19.6
Consolidated results without result of equity method and before taxes <sup>(5)</sup>	40.6	45.1	46.7	40.8	19.3
Consolidated results without result of equity method and after taxes <sup>(5)</sup>	31.8	36.0	37.5	32.5	16.1
Profit for the period <sup>(6)</sup>	32.0	33.6	36.8	32.0	14.7
Operating cash flow <sup>(7)</sup>	45.9	54.3	30.0	50.6	30.3

(1) Turnover on a comparable basis is turnover excluding early deliveries to enable seasons to be compared. For the reconciliation of the amount we refer to the Activity Report.

(2) EBITDA is earnings before interest, taxes, depreciation and amortization on tangible and intangible assets.

(3) EBITDA on a comparable basis is EBITDA excluding the impact of early deliveries, to enable seasons to be compared. For the reconciliation of the amount we refer to the Activity Report.

(4) EBIT is earnings before interest and taxes.

(5) Result of the Group (Group share) before share in the profit / (loss) of associates (equity method).

(6) Result of the Group (Group share) after share in the profit / (loss) of associates (equity method).

(7) Operating cash flow is net cash from operating activities.

Balance sheet (in millions of euro)	2024	2023	2022	2021	2020
Fixed assets	79.0	76.4	72.1	73.3	80.2
Current assets	123.4	126.5	136.4	133.9	105.1
Shareholders' equity	162.4	165.9	168.1	163.1	144.7
Balance sheet total	202.4	203.0	208.4	207.2	185.3
Net debt position <sup>(1)</sup>	-48.2	-51.0	-50.6	-61.3	-33.2
Working capital <sup>(2)</sup>	38.8	41.0	48.1	31.7	35.4
Capital employed <sup>(3)</sup>	117.8	117.4	120.1	105.0	115.6

(1) Financial debts less cash and cash equivalents (a negative position refers to a cash position; a positive position refers to a debt position).

(2) Current assets (excluding cash and cash equivalents) less current liabilities (excluding financial debts).

(3) Fixed assets plus working capital.

Financial ratios (in %, except liquidity)	2024	2023	2022	2021	2020
Return on equity <sup>(1)</sup>	19.4	21.5	22.7	21.1	11.1
Return on capital employed <sup>(2)</sup>	27.1	30.3	33.3	29.5	14.3
Solvency <sup>(3)</sup>	80.3	81.7	80.7	78.7	78.1
Liquidity <sup>(4)</sup>	4.3	4.5	4.2	4.1	4.3

(1) Consolidated result after taxes (excluding equity method) / Average of equity at end of fiscal year and previous fiscal year.

(2) Consolidated result after taxes (excluding equity method) / Average of capital employed at end of fiscal year and previous fiscal year.

(3) Equity / Balance sheet total.

(4) Current assets / Current liabilities.

Margin analysis and tax rate (in %)	2024	2023	2022	2021	2020
EBITDA <sup>(1)</sup>	24.5	26.5	27.5	28.2	22.8
EBITDA on a comparable basis <sup>(2)</sup>	24.4	26.7	27.4	27.4	25.0
EBIT <sup>(3)</sup>	19.5	21.5	22.7	21.4	12.8
Tax rate <sup>(4)</sup>	21.5	20.2	19.7	20.3	16.6

(1) EBITDA on turnover.

(2) EBITDA on a comparable basis on turnover on a comparable basis.

(3) EBIT on turnover.

(4) Income taxes and Consolidated result before taxes (excluding equity method).

Stock market data	2024	2023	2022	2021	2020
Average daily volume in pieces	5,734	4,028	3,825	5,537	5,044
Number of shares at year end	13,062,417	13,062,417	13,322,480	13,322,480	13,322,480
Number of traded shares	1,467,781	1,027,043	982,922	1,428,603	1,296,210
Velocity	11.2%	7.9%	7.4%	10.7%	9.7%
Turnover (in thousands of euro)	46,583	34,073	34,208	38,862	29,599

(in euro per share)

Highest price	35.35	37.15	39.80	35.80	30.85
Lowest price	28.55	30.70	29.70	21.65	18.38
Closing price	29.35	33.75	30.20	34.30	22.90
Average price	31.72	33.32	34.61	26.52	22.54

Key figures per share (in euro)	2024	2023	2022	2021	2020
Book value <sup>(1)</sup>	12.9	12.9	12.9	12.4	10.8
EBITDA <sup>(2)</sup>	3.9	4.3	4.4	4.1	2.6
EBITDA on a comparable basis <sup>(3)</sup>	3.8	4.3	4.4	3.9	3.0
Profit for the period <sup>(4)</sup>	2.5	2.6	2.8	2.4	1.1
Gross interim dividend <sup>(5)</sup>	0.00	0.00	0.00	0.00	1.00
Net interim dividend <sup>(5)</sup>	0.00	0.00	0.00	0.00	0.70
Gross dividend <sup>(6)</sup>	2.40	2.40	2.20	2.00	1.00
Net dividend <sup>(6)</sup>	1.68	1.68	1.54	1.40	0.70
Dividend yield <sup>(7)</sup>	8.18%	7.11%	7.28%	5.83%	4.37%
Pay-out percentage <sup>(8)</sup>	95%	86%	78%	82%	83%

(1) Shareholders' equity / Number of shares at year end (excluding own treasury shares).

(2) EBITDA / Number of shares at year end.

(3) EBITDA on a comparable basis / Number of shares at year end.

(4) Profit for the period / Number of shares at year end.

(5) Interim dividend, paid in 2020, of 1.00 euro per dividend entitled share is to replace the 2019 dividend that was not paid out. After payment of the withholding tax, a net dividend of 0.70 euro per share remains.

(6) Gross dividend, as will be proposed by the Board of Directors to the General Meeting of Shareholders, is 2.40 euro per dividend entitled share. Net dividend is 1.68 euro per dividend entitled share.

(7) Gross dividend / Closing price.

(8) Pay-out percentage of the consolidated profit, Group share, excluding result based on the equity method and excluding impairment on financial fixed assets.

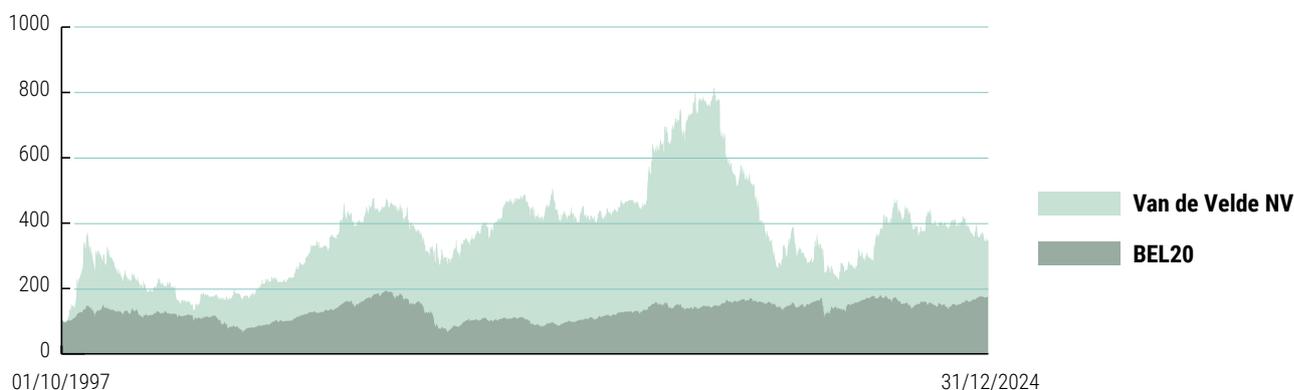
Value determination (in millions of euro)	2024	2023	2022	2021	2020
Book value <sup>(1)</sup>	162.4	165.9	168.1	163.1	144.7
Market capitalization <sup>(2)</sup>	383.4	440.9	402.3	457.0	305.1
Enterprise value (EV) <sup>(3)</sup>	323.5	379.2	338.2	381.9	259.4

(1) Shareholders' equity.  
 (2) Number of shares on 31 December multiplied by the closing price.  
 (3) Market capitalization plus net debt position less participations (equity method).

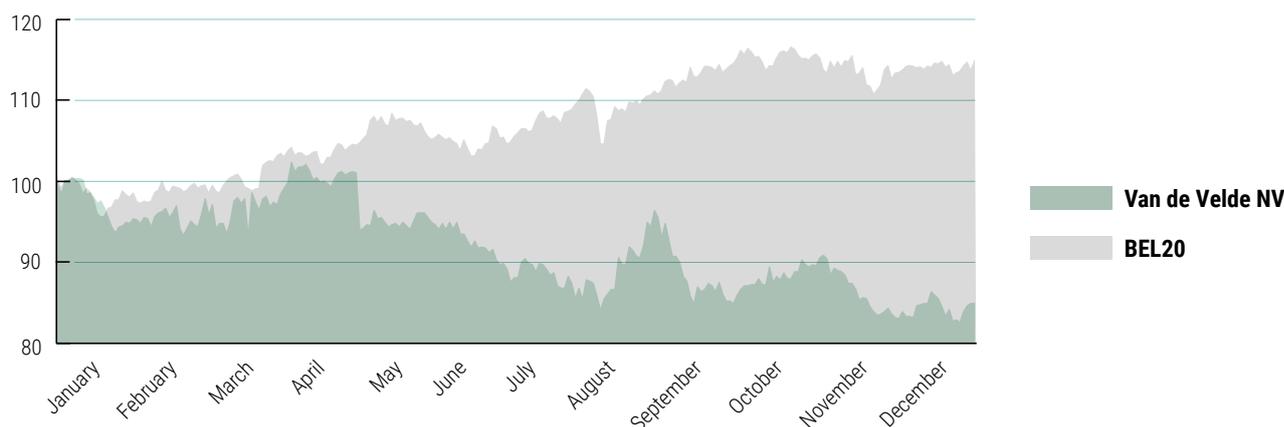
Multiples	2024	2023	2022	2021	2020
EV/EBITDA <sup>(1)</sup>	6.4	6.8	5.8	6.9	7.5
EV/EBITDA on comparable basis <sup>(2)</sup>	6.4	6.7	5.8	7.3	6.5
Price/Profit <sup>(3)</sup>	12.0	13.1	10.9	14.3	20.7
Price/Book value <sup>(4)</sup>	2.4	2.7	2.4	2.8	2.1

(1) Enterprise value / EBITDA.  
 (2) Enterprise value / EBITDA on a comparable basis.  
 (3) Market capitalization / Profit for the period.  
 (4) Market capitalization / Book value.

### Van de Velde and BEL20 stock market price



### Stock market price in 2024





SARDA



MARIE JO

# 5. Consolidated financial statements and related notes

Consolidated balance sheet

---

Consolidated income statement and Other comprehensive income

---

Consolidated statement of changes in equity

---

Consolidated cash flow statement

---

Notes to the financial statements

---

1. General information
2. Summary of significant accounting policies
3. Goodwill and intangible assets with indefinite useful life
4. Intangible assets
5. Tangible fixed assets
6. Investments in associates
7. Other fixed assets
8. Grants
9. Inventories
10. Trade receivables
11. Other current assets
12. Cash and cash equivalents
13. Share capital
14. Provisions
15. Pensions
16. Other operating income and other expenses
17. Deferred tax assets and liabilities
18. Trade and other payables
19. Other current liabilities and taxes payable
20. Financial instruments
21. Financial result
22. Personnel expenses
23. Income taxes
24. Earnings per share
25. Dividends paid and proposed
26. Leases
27. Related party disclosures
28. Segment information
29. Events after balance sheet date
30. Business risks with respect to IFRS and other risks

## Consolidated balance sheet

000 euro	2024	2023	(Note)
<b>Assets</b>			
<b>Total fixed assets</b>	<b>78,960</b>	<b>76,424</b>	
Goodwill	4,640	4,558	3
Intangible assets	20,832	20,415	4
Tangible fixed assets	29,699	29,902	5
Right-of-use assets	10,392	9,519	26
Investments accounted for using the equity method	11,663	10,646	6
Deferred tax asset	0	199	17
Other fixed assets	1,735	1,185	7
<b>Total current assets</b>	<b>123,433</b>	<b>126,548</b>	
Inventories	42,302	45,950	9
Trade receivables	15,159	13,973	10
Other current assets	7,062	6,029	11
Cash and cash equivalents	58,910	60,595	12
<b>Total assets</b>	<b>202,393</b>	<b>202,971</b>	
<b>Equity and liabilities</b>			
<b>Shareholder's equity</b>	<b>162,431</b>	<b>165,920</b>	
Share capital	1,936	1,936	13
Treasury shares	-12,989	-6,596	13
Share premium	743	743	13
Other comprehensive income	-3,222	-4,515	
Retained earnings	175,962	174,352	
<b>Non-controlling interests</b>	<b>0</b>	<b>0</b>	
<b>Grants</b>	<b>41</b>	<b>122</b>	<b>8</b>
<b>Total non-current liabilities</b>	<b>10,950</b>	<b>9,044</b>	
Provisions	155	204	14
Provisions lease liability	614	734	26
Pensions	1,552	1,431	15
Lease liability	7,497	6,675	26
Deferred tax liability	1,132	0	17
<b>Total current liabilities</b>	<b>28,971</b>	<b>27,885</b>	
Trade and other payables	23,575	21,911	18
Lease liabilities	3,240	2,952	26
Other current liabilities	1,860	1,682	19
Income tax payable	297	1,340	19
<b>Total equity and liabilities</b>	<b>202,393</b>	<b>202,971</b>	

## Consolidated income statement and Other comprehensive income

000 euro	2024	2023	(Note)
<b>Turnover</b>	<b>206,435</b>	<b>211,293</b>	<b>28</b>
Other operating income	4,863	6,053	16
Cost of materials	-35,583	-40,522	9
Other expenses	-75,924	-73,115	16
Personnel expenses	-49,176	-47,625	22
Depreciation and amortization <sup>(1)</sup>	-10,393	-10,757	4, 5, 26
<b>Operating profit</b>	<b>40,221</b>	<b>45,327</b>	
Finance income	2,699	3,013	21, 26
Finance costs	-2,359	-3,282	21, 26
Share in result of associates	226	-2,328	6
<b>Profit before taxes</b>	<b>40,786</b>	<b>42,730</b>	
Income taxes	-8,738	-9,102	23
<b>Profit for the year</b>	<b>32,048</b>	<b>33,628</b>	
<b>Other comprehensive income</b>			
Exchange differences on translation of foreign operations related to Group entities:	1,605	-654	
- Gain and losses related to Group entities <sup>(2)</sup>	884	-135	
- Gain and losses related to associated companies	721	-519	6
Share of other comprehensive income of investments accounted for using the equity method	70	-86	6
<b>Items that may be reclassified to profit or loss</b>	<b>1,675</b>	<b>-740</b>	
Remeasurement gains/(losses) on defined benefit plans	-508	-292	15
Deferred taxes on defined benefit plans	127	73	23
<b>Items that will not be reclassified to profit or loss</b>	<b>-381</b>	<b>-219</b>	
<b>Total of profit for the period and other comprehensive income</b>	<b>33,343</b>	<b>32,669</b>	
<b>Profit for the year</b>	<b>32,048</b>	<b>33,628</b>	
Attributable to the owners of the company	32,048	33,628	
Attributable to non-controlling interests	0	0	
<b>Total of profit for the period and other comprehensive income</b>	<b>33,343</b>	<b>32,669</b>	
Attributable to the owners of the company	33,343	32,669	
Attributable to non-controlling interests	0	0	
Basic earnings per share (in euro)	2.52	2.61	24
Diluted earnings per share (in euro)	2.52	2.61	24
Weighted average number of shares	12,717,937	12,873,338	24
Weighted average number of shares for diluted profit per share	12,733,310	12,900,362	24
Proposed dividend per dividend entitled share (in euro)	2.40	2.40	25
<b>Total proposed dividend (in 000 euro)</b>	<b>30,271</b>	<b>30,751</b>	<b>25</b>

(1) This includes depreciation and write-downs on fixed assets. Write-downs on current assets, however, are included in other expenses and cost of materials.

(2) The result from currency translation differences relates mainly to GBP and TND.

## Consolidated statement of changes in equity

000 euro Change in equity	Shareholder's equity of the company							Participations (equity method)		Total equity
	Capital	Treasury shares <sup>(2)</sup>	Share premium	Pension reserve	Cumulated comprehensive income	Retained earnings	Revaluation reserve of shares <sup>(1)</sup>	Share in revaluation reserve Top Form	Cumulated comprehensive income	
<b>Equity at 31/12/2022</b>	<b>1,936</b>	<b>-9,668</b>	<b>743</b>	<b>-163</b>	<b>2,377</b>	<b>178,681</b>	<b>-6,406</b>	<b>1,369</b>	<b>-757</b>	<b>168,112</b>
Profit for the period						33,628				33,628
Other comprehensive income				-219	-654	8		24	-86	-927
Transactions on treasury shares (note 13)		3,072				-8,927				-5,855
Granted and accepted stock options						272				272
Dividends (note 25)						-29,309				-29,309
<b>Equity at 31/12/2023</b>	<b>1,936</b>	<b>-6,596</b>	<b>743</b>	<b>-382</b>	<b>1,722</b>	<b>174,352</b>	<b>-6,406</b>	<b>1,394</b>	<b>-843</b>	<b>165,920</b>
Profit for the period						32,048				32,048
Other comprehensive income				-381	1,605	23			70	1,317
Transactions on treasury shares (note 13)		-6,394								-6,394
Granted and accepted stock options						290				290
Dividends (note 25)						-30,751				-30,751
<b>Equity at 31/12/2024</b>	<b>1,936</b>	<b>-12,989</b>	<b>743</b>	<b>-763</b>	<b>3,326</b>	<b>175,962</b>	<b>-6,406</b>	<b>1,394</b>	<b>-772</b>	<b>162,431</b>

(1) The revaluation reserve of shares relates to an unrealized revaluation reserve of Top Form International Ltd shares, at a time when the interest in Top Form International Ltd. was not yet included in accordance with the equity method, but as available-for-sale financial assets. This unrealized reserve remains unchanged until the sale of the interest in Top Form International Ltd.

(2) In 2024, the transaction on treasury shares involves both the purchase and exercise of treasury shares. In 2023, the transaction on treasury shares involves both purchase and cancellation of treasury shares.

## Consolidated cash flow

000 euro	2024	2023	(Note)
<b>Operating activities</b>			
Profit before tax	40,786	42,730	
Depreciation and amortization of (in)tangible and right-of-use assets	10,393	10,757	4, 5, 26
Capital gains and losses on realizations of fixed assets	-64	-390	
Mutation of net valuation allowance current assets	-2,166	1,679	9, 10
Provisions	0	-12	14, 18, 26
Result based on the 'equity method'	-226	2,328	6
Loss / (gain) on sale of subsidiaries, associates and assets held for sale	0	0	
Financial profit and loss	-442	91	21
Other non cash-items	736	-20	
<b>Gross cash flow provided by operating activities</b>	<b>49,018</b>	<b>57,164</b>	
Decrease / (Increase) in inventories	6,394	6,813	9
Decrease / (Increase) in trade accounts receivable	-1,765	89	10
Decrease / (Increase) in other assets	-16	-52	11
(Decrease) / Increase in trade accounts payable	-248	-977	18
(Decrease) / Increase in other liabilities	2,041	-1,633	16, 18
<b>Change in operating working capital</b>	<b>6,406</b>	<b>4,239</b>	
Income tax paid	-9,939	-7,052	
Interests	442	-91	21, 26
<b>Net cash flow provided by operating activities</b>	<b>45,926</b>	<b>54,260</b>	
<b>Investment activities</b>			
(In)tangible assets - acquisitions	-6,439	-13,126	4, 5
Realization of fixed assets	52	44	
Investment in associated companies	38	0	
<b>Net cash flow used in investing activities</b>	<b>-6,349</b>	<b>-13,082</b>	
<b>Net cash flow before financing activities</b>	<b>39,578</b>	<b>41,178</b>	
<b>Financing activities</b>			
Dividends paid	-30,751	-29,309	25
Dividends received	0	0	
Sale of treasury shares for stock options	183	0	13
Purchase of treasury shares	-6,605	-5,855	13
Reimbursement of lease liabilities	-4,091	-4,996	26
Proceeds / (Reimbursement) of short-term borrowings	0	0	
<b>Net cash flow used in financing activities</b>	<b>-41,264</b>	<b>-40,161</b>	
<b>Net change in cash and cash equivalents</b>	<b>-1,686</b>	<b>1,017</b>	
Cash and cash equivalents on 1 January	60,595	59,524	12
Effect of exchange rate fluctuations	1	54	
Cash and cash equivalents on 31 December	58,910	60,595	12
<b>Net change in cash and cash equivalents</b>	<b>-1,686</b>	<b>1,017</b>	

# Notes to the financial statement

## 1. General information

---

The Van de Velde Group designs, develops, manufactures and markets fashionable luxury lingerie together with its subsidiaries. The company is a limited liability company, with its shares listed on Euronext Brussels.

The company's main office is located in Wichelen, Belgium.

The consolidated financial statements were authorized for issue by the Board of Directors on 26 February 2025, subject to approval of the statutory non-consolidated accounts by the shareholders at the Ordinary General Meeting to be held on 30 April 2025. In compliance with Belgian law, the consolidated

accounts will be presented for informational purposes to the shareholders of Van de Velde NV at the same meeting. The consolidated financial statements are not subject to amendment, except confirming changes to reflect decisions, if any, of the shareholders with respect to the statutory non-consolidated financial statements affecting the consolidated financial statements.

This annual report is in accordance with article 3:32 of Belgium's Companies Code. The various components as prescribed by article 3:32 are split across the various chapters in this annual report.

## 2. Summary of material accounting policies

---

The accompanying consolidated financial statements have been prepared in compliance with IFRS Accounting Standards, as adopted for use in the European Union as of the balance sheet date.

The amounts in the financial statements are presented in thousands of euro unless stated otherwise. The financial statements were prepared in accordance with the historical cost principle, except for valuation at fair value of derivative financial instruments and defined benefit pension plans - plan assets measured at fair value.

### Use of estimates

The preparation of financial statements in conformity with IFRS requires that the management makes certain estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes.

Estimates made on each reporting date reflect the conditions that existed on those dates (e.g. market prices, interest rates and foreign exchange rates). Although these estimates are based on management's best knowledge of current events and actions that the Group may undertake, actual results may differ from those estimates.

The most important application of estimates relates to:

#### **Impairment of intangible fixed assets with indefinite useful life (including goodwill)**

Intangible fixed assets with indefinite useful life including goodwill are subject to an annual impairment test. This test requires an estimation of the value-in-use of these assets. The estimate of the value-in-use requires an estimate of the expected future cash flows related to these assets and the choice of an appropriate discount rate to determine the present value of these cash flows. For the estimate of the future cash flows, the management must make a number of assumptions and estimates, such as expectations with regard to growth in revenues, development of profit margin and operating costs, period and amount of investments, development of working capital, growth percentages for the long term and the choice of a discount rate that takes into account the specific risks. More details are given in note 3.

#### **Inventory write-down**

Inventory held by the Group is composed of raw materials, work in progress, finished goods and merchandise. The provision for economic obsolescence is calculated based on the age of the stock, identification of the collection (seasonal collection or long-term collection) and an estimate of future sales of the related stock items.

#### **Employee benefits – share-based payments**

The Group values the costs of the share option programmes on the basis of the fair value of the instruments on the grant date. The estimate of the fair value of the share-based payments requires a valuation depending on the terms and conditions of the grant. The valuation model also requires input data, such as the expected life of the option, the volatility and the dividend yield. The assumptions and the model used to estimate the fair value for share-based payments are explained in note 22.

#### **Employee benefits – pensions**

The costs of the defined pension plans as well as the cash value of the pension liability are determined by actuarial calculations. To this end, various assumptions are used that could differ from the actual developments in the future. As a consequence of the complexity of the actuarial calculations and the long-term character of the liabilities, the employee liabilities are highly sensitive to changes in the assumptions. The main actuarial assumptions and the sensitivity analysis are included in note 15.

#### **Determination of the lease term of contracts with extension and termination options**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain that it will be exercised, or periods covered by an option to terminate the lease if it is reasonably certain that it will not be exercised. The Group has several leases with extension and termination options. The Group assesses whether or not it is reasonably certain to exercise the option to extend or terminate the lease. That is, it takes into account all relevant factors that create an economic incentive to exercise either the extension or the termination. Every six months, management, together with the Executive Board, evaluates the options for granting and terminating leases based on the strategic plan.

## New and amended applied standards

The following new standard and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2024 and have been endorsed by the European Union:

- Amendments to IAS 1 'Presentation of Financial Statements: Classification of Liabilities as current or non-current' (effective 1 January 2024),
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures': Supplier Finance Arrangements.
- Amendments to IFRS 16 'Leases': Lease Liability in a Sale and Leaseback (effective 1 January 2024).

The following standard is mandatory since the financial year beginning 1 January 2016 (however not yet subjected to EU endorsement). The European Commission has decided not to launch the endorsement process of this interim standard but to wait for the final standard:

- IFRS 14, 'Regulatory deferral accounts' (effective 1 January 2016).

The above changes did not have any impact on the annual consolidated accounts of the Group.

## Consolidation principles

### Subsidiaries

Van de Velde NV has direct or indirect control over an entity if and only if it has all the following:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect the amount of the investor's returns.

The financial statements of subsidiaries are included in the consolidated financial statements of the Group from the date that control commences until the date that control ceases. They are prepared as of the same reporting date and using the Group accounting policies. Intragroup balances, transactions, income and expenses are eliminated in full.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

### Associated companies

Associated companies are companies in which Van de Velde NV directly or indirectly has a significant influence. This is assumed to be the case when the Group holds at least 20% of the voting rights attached to the shares. The financial statements of these companies are prepared in accordance with the same accounting policies used for the Group. The consolidated financial statements contain the share of the Group in the result of associated companies in accordance with the equity method from the day that the significant influence is acquired until the day it ends. If the share of the Group in the losses of the associated companies is greater than the carrying amount of the participation, the carrying amount is set at zero and additional losses are recognized only insofar as the Group has assumed additional obligations.

Participations in associated companies are revalued if there are indications of possible impairment or of the disappearance of the reasons for earlier impairments.

The participations valued in the balance sheet in accordance with the equity method also include the carrying amount of related goodwill.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated, unless the transaction provides evidence of an impairment of the asset transferred.

## Foreign currencies

### Foreign currency transactions

The reporting currency of the Group is the euro. Foreign currency transactions are recorded at the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate on the balance sheet date. Gains and losses resulting from the settlement of foreign currency transactions and from the conversion of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Non-monetary assets and liabilities denominated in foreign currencies are converted at the foreign exchange rate on the date of the transaction.

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

### Financial statements of foreign activities

Van de Velde's foreign operations outside the euro zone are considered to be foreign activities. Accordingly, assets and liabilities are converted to euro at foreign exchange rates on the balance sheet date. Income statements of foreign entities are converted to euro at the average exchange rates of that currency over the past 12 months. The components of shareholders' equity are converted at historical rates. Exchange differences arising from the conversion of shareholders' equity to euro at year-end exchange rates are recorded in 'Other comprehensive income'. On sale or disposal of a foreign operation, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the income statement.

## Intangible assets

### (1) Research and development

The nature of the development costs within the Van de Velde Group, primarily product and process innovation, is such that they do not meet the criteria set out in IAS 38 for recognition as intangible assets. They are therefore expensed when incurred. Development costs within the Group in relation to research and development of software are capitalized under software. The depreciation begins when the intangible assets are available for use, and this by a straight-line depreciation over a period of five years. When the activation starts, the conditions of IAS38 are fulfilled.

### (2) Acquired brands

Brands acquired as part of business combinations are deemed to be intangible assets with an indefinite useful life. These are measured at the value established as part of the allocation of fair value of the identifiable assets, obligations and contingent obligations on the acquisition date, less accumulated impairment losses. These brands are not amortized but are tested annually for impairment (for more details, see note 3). The correctness of classification as intangible assets with indefinite useful life is also evaluated.

### (3) Other intangible assets

Other intangible assets (software and online platform) acquired by Van de Velde are recognized at cost (purchase price plus all directly attributable costs) less accumulated amortization and accumulated impairment losses. Expenses for the registration of trade names and designs are recorded as brands with finite useful life to the extent that this relates to new registrations in the country of registration. Other expenditures on internally generated goodwill and brands are recognized in the income statement when incurred. Amortization begins when the intangible asset is available using the straight-line method. The useful life of intangible assets with a finite life is generally estimated at three to five years. Other intangible assets include acquired distribution rights and similar rights, which are amortized over a period of five years. The rules of IAS 38 are met at the moment of activation of other intangible assets.

## Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that the asset might be impaired. Goodwill is treated by the Group as an asset of the parent and is considered as a monetary item. As a result, these assets are converted based on the rate in force at the balance sheet date. Goodwill is recorded at cost less accumulated impairment losses.

## Tangible fixed assets

### (1) Initial expenditure

Tangible fixed assets are recognized at cost less accumulated depreciation and accumulated impairment losses. Cost is determined as being the purchase price plus other directly attributable acquisition costs, such as non-refundable tax and transport.

### (2) Subsequent expenditure

Subsequent expenditures are capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. Otherwise, it is recognized in profit or loss when incurred.

### (3) Depreciation

The depreciable amount equals the cost of the asset less its residual value. Depreciation starts from the date the asset is ready for use, using the straight-line method over the estimated useful life of the asset. Residual value and useful life are reviewed at least at each fiscal year end.

The depreciation rates used are as follows:

- Buildings	15-25 years
- Production machinery and equipment	2-10 years
- Electronic office equipment	3-5 years
- Furniture	5-10 years
- Vehicles <sup>(1)</sup>	3-5 years

Land is not depreciated as it is deemed to have an indefinite life.

## Impairment of assets

The carrying amount of Van de Velde's fixed assets, other than deferred tax assets, financial assets and other non-current assets are reviewed on each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment test is conducted annually on intangible assets that are not yet available for use, intangible assets with an indefinite useful life and goodwill, regardless of whether there is any indication of impairment. An impairment loss is recognized in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

### (1) Calculation of recoverable amount

The realizable value of an asset is the greater of its fair value less cost to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

### (2) Reversal of impairment

Impairment losses on goodwill are not reversed.

For any other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(1) In note 5, this is included in plant, machinery and equipment.

## Inventories

Raw materials, work in progress, merchandise and finished goods are valued at the lower of cost or net realizable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost of inventories comprises all purchase costs, conversion costs and other costs incurred in bringing the inventories to their present location and present condition. The valuation method for the stocks is the first in first out (FIFO) method.

Purchasing costs include:

- Purchase price, plus
- Import duties and other taxes (if not recoverable), plus
- Transport, handling and other costs directly attributable to the acquisition of the goods, less
- Trade discounts, rebates and other similar items.

Conversion costs include:

- Costs directly related to the units of production, plus
- A systematic allocation of fixed and variable indirect production costs.

The provision for obsolescence is calculated consistently throughout the Group based on the age and expected future sales of the items at hand.

## Trade and other receivables

Trade receivables are recognized at cost less impairment losses. If there is objective evidence that an impairment loss has been incurred on trade receivables, the impairment loss recognized is the difference between the carrying amount and the present value of estimated future cash flows. All trade receivables are individually assessed for excess impairment according to the ECL model. The excess impairment is incorporated in the 'general administration' section under other expenses.

### (a) Classification and valuation

Under IFRS 9, debt instruments are subsequently valued at fair value through profit or loss (FVTPL), amortized cost or fair value with recognition of value adjustments to unrealized results (FVTOCI). The classification is based on two criteria: the business model of the Group for the management of the assets; and whether the contractual cash flows of the instruments represent 'principal and interest payments only' on the outstanding principal. Trade receivables and other financial assets are held to collect contractual cash flows and lead to cash flows that represent only payments of principal and interest. These are classified and valued as debt instruments at amortized cost as explained in the 'Revenue from contracts with customers' section.

The Group has not designated financial obligations as FVTPL. There are no changes in the classification and valuation of the Group's financial liabilities.



To determine the current value of the lease payments, the group will discount future lease payments at the incremental borrowing rate on the start date (i.e. the interest that the lessee would pay if he took out a loan with the bank for a similar asset over a similar duration). After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### **iii) Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group also applies the exemption for leases for which the underlying assets have a low value (value below € 5,000).

## **Derivative financial instruments**

### **Hedges**

Van de Velde applies derivative financial instruments only in order to reduce the exposure to foreign currency risk. These financial instruments are entered into in accordance with the aims and principles laid down by general management, which prohibits the use of such financial instruments for speculation purposes.

Derivative financial instruments are initially measured at fair value. As a result, at reporting date all derivatives are measured at fair value with changes in fair value recognized immediately in the income statement. The fair value of derivatives is calculated by discounting the expected future cash flows at the prevailing interest rates. All spot purchases and sales of financial assets are recognized on the settlement date.

## Cash and cash equivalents

Cash and cash equivalents include bank balances, available cash and short-term deposits. Interest income is recognized based on the effective interest rate of the asset.

Short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## Share capital

Where any group company purchases the company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the owners of Group as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Group.

### (1) Change in capital

When there is an increase or decrease in Van de Velde's share capital, all directly attributable costs relating to that event are deducted from equity and not recognized in profit or loss when incurred.

### (2) Dividends

Dividends are recognized as a liability in the period in which they are approved by the General Meeting.

## Provisions

Provisions are recognized when Van de Velde has a present legal or constructive obligation as a result of past events, and it is probable that an outflow will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

## Employee benefits

### (1) Pension plan

Van de Velde has group insurance plans for its Belgian employees and group insurance plans for its employees elsewhere. Under IAS 19 all pension plans are recognized as defined contribution plans or defined pension plans. A defined contribution plan is a pension plan in which a company pays fixed contributions to a separate company and has no legal or actual obligation to pay further contributions if the pension fund has inadequate assets to pay the benefits related to the years of service in the current or previous periods to all employees. A defined pension plan is a pension plan that is not a defined contribution plan.

The pension plans in foreign countries are defined contribution plans. The costs connected with these are recognized through profit and loss when incurred. Pension plans in Belgium are defined pension plans.

A liability was recognized in the balance sheet with regard to the Belgian pension schemes equal to the sum of the cash value of the gross liabilities on account of defined pension entitlements (including the tax due on contributions relating to pension costs) as at the balance sheet date, less the market value of the fund investments. An independent actuary makes on an annual basis an actuarial calculation of this gross liability using the projected unit credit method.

The interest expense is calculated by applying a discount rate to the asset or the liability of the defined pension entitlements. This interest expense is recognized through profit and loss. In establishing an appropriate discount rate, the company bases itself on the interest rates applicable to high-grade corporate bonds in cash, which correspond to the currency in which the

liability is expected to be paid in accordance with the expected duration of the defined pension liability.

Revaluations, including actuarial gains and losses and the return on fund investments (excluding net interest expense), are recognized in other comprehensive income when they occur. Revaluations must not be reclassified to profit and loss in later periods.

Past service pension cost is recognized through profit and loss when the plan is changed or when the related restructuring or termination benefits become payable by the company, whichever occurs first.

## **(2) Share-based payments**

The fair value of the share options awarded under the Group's share option plan is established on the grant date, with due consideration for the terms and conditions under which the options are granted and using a valuation technique corresponding to generally accepted valuation methods for establishing the price of financial instruments and with due consideration for all relevant factors and assumptions. The fair value of the share options is recognized as personnel expenses for the period until the beneficiary acquires the option unconditionally (i.e. vesting date). This concerns equity settled option plans being incorporated into equity.

## **Income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and it considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances based on either the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the income statement except insofar as it relates to items included in shareholders' equity. In that case, income tax is included in shareholders' equity.

Current tax is the expected tax payable on the taxable income for the year, using applicable tax rates on the balance sheet date, and any adjustments to tax payables with respect to previous years.

For financial reporting purposes, deferred income tax is calculated using the liability method based on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts.

Deferred income tax assets are recognized only insofar as it is probable that taxable profit will be available against which the deductible temporary differences, the carry-forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been implemented or substantively implemented at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset when a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## Trade and other payables

Trade and other payables are stated at cost, trade payables are non-interest bearing and are normally settled on 30-day terms. Other payables are non-interest bearing and have an average term of six months.

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## Revenue from contracts with customers

IFRS 15 provides a five-step model for the administrative processing of revenue from contracts with customers. Under IFRS 15, revenue is recognized in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

### (1) Goods sold

The two biggest revenue streams of the Group are revenue from B2B and revenue from D2C. Within these revenue streams, it is usually expected that the sale of the goods represents the only performance obligation. Furthermore, the revenue is recognized when the control over the article is transferred to the customer, usually upon delivery of the goods.

Allowed discounts for cash payments are charged to the profit and loss account at the moment of the collection of the claim. This discount is included as a reduction in turnover. Van de Velde has applied the practical expedient for allowed discounts for cash payments. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

Sales of products in the physical and digital stores are recorded when the sale is settled. The sale is recorded in revenue excluding taxes on sales and value added taxes and includes discounts and commercial promotions.

The necessary provisions for returns are recognized and revised every six months based on historical data.

### (2) Gift cards and store credits

The Group's retail network sells gift cards and issues credits to its customers when merchandise is returned. The cards and credits either do not expire or have an expiry date of up to 24 months. In line with IFRS 15, the Group recognizes sales from gift cards when they are redeemed by the customer. The unused gift cards and credits are included in the profit and loss account in accordance with internally determined percentages. This recognition represents the estimate of the management of which the probability of use by the customer is estimated to be minimal. This profit is included in turnover.

## Financial income

Financial income comprises dividend income and interest income. Royalties arising from the use by others of the company's resources are recognized when it is probable that the economic benefits associated with the transaction will flow to the company and the revenue can be measured reliably. Dividend income is recognized in the income statement on the date that the dividend is approved by the General Meeting. Interest income is recognized based on the effective interest rate of the asset.

## Government grants

A government grant is recognized when there is reasonable assurance that it will be received and that the company will comply with the attached conditions. Grants that compensate the company for expenses incurred are recognized as revenue in the income statement on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the company for the cost of an asset are included in the income statement under other operating income, spread out over the depreciation period of the asset in question.

## Expenses

### (1) Interest expenses

All interest and other costs incurred in connection with borrowings and finance lease liabilities are recognized in the income statement using the effective interest rate method.

### (2) Research and development, advertising and promotional costs, and system development costs

Research, advertising and promotional costs are expensed in the year in which these costs are incurred. Development costs and system development costs are expensed in the year in which these costs are incurred if they do not meet the criteria for capitalization. If the development expenditure meets the criteria, it will be capitalized.

## New and amended applied standards as of 2024

The Group has not early-adopted any standards or interpretations issued but not yet effective as at 31 December 2024. Standards and interpretations issued but not yet effective up to the date of issuance of the Group's financial statements are listed below. Van de Velde expects no material impact on the Group consolidated financial statements:

- The following amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2024 and have been endorsed by the European Union:
  - Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability' (effective 1 January 2025).
  
- The following Standards and amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2024 and have not been endorsed by the European Union:
  - Amendments to IFRS 9 and to IFRS 7: the Classification and Measurement of Financial Instruments (effective on 1 January 2026).
  - Amendments to IFRS 9 and to IFRS 7: Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (effective on 1 January 2026).
  - IFRS 18 Presentation and Disclosure in Financial Statements (effective on 1 January 2027).
  - IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective on 1 January 2027).
  - Annual improvements Volume 11 (effective 1 January 2026).

### 3. Goodwill and intangible assets with indefinite useful life

#### (a) Goodwill

Goodwill is allocated and tested for impairment at the cash-generating unit level that is expected to benefit from synergies of the combination the goodwill resulted from. Cash-generating units are determined based on revenue generated (digital and owned retail and franchise) in the markets in which they operate.

The carrying value of goodwill (after impairment and other adjustments) was allocated to each of the cash-generating units (in thousand euro) as follows:

000 euro	Andres Sarda	Intimacy	Rigby & Peller	Re-tail <sup>(1)</sup>	Total
<b>Carrying value, gross</b>					
At 01/01/2024	6,357	26,189	1,761	2,797	37,104
Acquisition through business combinations	0	0	0	0	0
Exchange differences	0	0	82	0	82
<b>At 31/12/2024</b>	<b>6,357</b>	<b>26,189</b>	<b>1,843</b>	<b>2,797</b>	<b>37,186</b>
<b>Impairment and other adjustments (revaluation)</b>					
At 01/01/2024	6,357	26,189	0	0	32,546
Adjustments	0	0	0	0	0
<b>At 31/12/2024</b>	<b>6,357</b>	<b>26,189</b>	<b>0</b>	<b>0</b>	<b>32,546</b>
<b>At 31/12/2024</b>					
Accumulated acquisitions	6,357	26,189	1,843	2,797	37,186
Accumulated adjustments	6,357	26,189	0	0	32,546
<b>Goodwill, net 31/12/2024</b>	<b>0</b>	<b>0</b>	<b>1,843</b>	<b>2,797</b>	<b>4,640</b>

(1) Re-tail refers to the former Donker stores and online store in the Netherlands, which subsequently became Lincherie stores under our own management.

## (b) Brand names with indefinite useful life

The carrying value of brands with indefinite useful life (after impairment and other adjustments) was allocated to each of the cash-generating units (in thousand euro) as follows:

000 euro	Andres Sarda	Intimacy	Rigby & Peller	Re-tail <sup>(1)</sup>	Total
<b>Carrying value, gross</b>					
At 01/01/2024	11,000	7,784	6,783	0	25,567
Acquisition through business combinations	0	0	0	0	0
Exchange differences	0	0	330	0	330
<b>At 31/12/2024</b>	<b>11,000</b>	<b>7,784</b>	<b>7,113</b>	<b>0</b>	<b>25,897</b>
<b>Impairment and other adjustments (revaluation)</b>					
At 01/01/2024	5,531	7,784	0	0	13,315
Adjustments	0	0	0	0	0
<b>At 31/12/2024</b>	<b>5,531</b>	<b>7,784</b>	<b>0</b>	<b>0</b>	<b>13,315</b>
<b>At 31/12/2024</b>					
Accumulated acquisitions	11,000	7,784	7,113	0	25,897
Accumulated adjustments	5,531	7,784	0	0	13,315
<b>Brand names with indefinite useful life, net 31/12/2024</b>	<b>5,469</b>	<b>0</b>	<b>7,113</b>	<b>0</b>	<b>12,582</b>

(1) Re-tail refers to the former Donker stores and online store in the Netherlands, which subsequently became Lincherie stores under our own management.

Brands with indefinite useful life are:

- The Andres Sarda brand acquired in 2008. In 2012 an impairment charge of 5,531 thousand euro was recognized on this brand.
- The Intimacy brand and concept acquired in 2010. This brand and concept is fully impaired in 2014 (7,784 thousand euro).
- The Rigby & Peller brand and concept acquired in 2011, the fair value of which was determined as part of a business combination.

These brands are considered to have an indefinite useful life because the Group sees them as a fully fledged extension of its existing brand portfolio.



## Impairment test

In the fourth quarter of every year, the Group conducts its annual impairment test for each cash-generating unit. The following intangible assets allocated to each of the cash-generating units were subject to an impairment test in 2024:

000 euro	Andres Sarda	Intimacy	Rigby & Peller	Re-tail <sup>(1)</sup>	Total
Goodwill	0	0	1,843	2,797	4,640
Brands with indefinite useful life	5,469	0	7,113	0	12,582
<b>Total intangible assets</b>	<b>5,469</b>	<b>0</b>	<b>8,956</b>	<b>2,797</b>	<b>17,222</b>

## Result of the impairment test

In 2024 the impairment test showed that the realizable value for all cash-generating units (Andres Sarda, Rigby & Peller and Re-tail) exceeded the carrying value and hence no impairment was required.

## Methodology applied to the impairment test

This test aims to compare the realizable value and the carrying value of each cash-generating unit:

- A model-based approach determines the realizable value based on the calculated value-in-use, being the present value of the future expected cash flows from these cash-generating units:
  - For the first year in the forecast period (2025), the growth plan presented to the Board of Directors is used as the basis.
  - For the subsequent years (2026-2029), a cash flow projection is drawn up based on realistic assumptions.
- For Andres Sarda, this was based on the 2025-2029 strategic plan, which was approved by the Board of Directors on 12 June 2023.
- The discount rate used to calculate the present value of the future expected cash flows is based on the market assessments and is explained below.

The calculation of the value-in-use for all cash-generating units is most sensitive to the following assumptions:

- Turnover assumptions for the forecast period;
- EBITDA <sup>(1)</sup> development and EBITDA margins applied to the turnover forecast;
- Growth rate used to extrapolate cash flows beyond the forecast period;
- Discount rate.

The assumptions related to turnover and EBITDA developments are based on available internal data as well as historical percentages on the basis of experience, which are determined for each of the cash-generating units separately. The growth rate and discount rates are checked against external sources insofar as possible and relevant.

(1) Operating profit before depreciation and amortization.

### Turnover assumptions for the forecast period

For the three cash-generating units, the growth plan as presented to the Board of Directors is the starting point in the forecast period (2025).

For Andres Sarda we expect turnover growth during the period 2027-2029.

For the planning period (2025-2028) moderate turnover growth on a like-for-like basis has been applied to the cash-generating units Rigby & Peller and Re-tail.

Fully aligned with the segment reporting, the turnover estimates for the cash-generating units Rigby & Peller and Re-tail include the D2C turnover realized by the stores as well as the B2B turnover for the Van de Velde products sold by these retail channels. Furthermore, the estimate for Rigby & Peller also takes into account the digital sales generated in Germany and the United States of America under the Rigby & Peller brand name. B2B sales to franchise shops are included in Re-tail.

### EBITDA development and EBITDA margins applied to the turnover forecast

In 2024 we repositioned the Andres Sarda brand after a detailed and intensive preparation period that began in 2022. Since its launch in 1962, the Andres Sarda brand has been seen as visionary and lauded for its groundbreaking designs. The new, stronger strategy allows us to express the brand's DNA even more. The target group is looking for easy-to-wear lingerie that makes a fashion statement. To reinforce the repositioning, we will change the name Andres Sarda to Sarda. Pre-sales started in January, with the official launch in the second half of 2024.

A gradual increase in the EBITDA percentage towards the target EBITDA percentage for a (partially) integrated retail chain is assumed for the cash-generating units Rigby & Peller and Re-tail. This is achieved by means of a high gross margin, limited cost increases and the target market share of Van de Velde products. The contributions to EBITDA of digital sales under the Rigby & Peller brand in Germany and the United States of America were also included in the valuation. B2B sales to franchise shops are included in Re-tail.

### Growth rate used to extrapolate cash flows beyond the forecast period

The long-term percentage applied to extrapolate cash flows beyond the forecast period is assessed in line with the expected long-term inflation for all cash-generating units (2%).

### Discount rate

The discount rates represent the current market assessment of the risks specific to the Van de Velde Group on the one hand and the cash-generating units on the other. The discount rates are estimated on the basis of the weighted average cost of capital after tax and are for the three cash-generating units in a range between 9% and 9.5%. This corresponds to a cost of capital before tax of between 11.25% and 11.9%.

### Sensitivity to changes in assumptions

With regard to the assessment of the value of the cash-generating unit Andres Sarda, Rigby & Peller and Re-tail, management is of the opinion, based on the sensitivity analysis, that a change to the basic assumptions would not currently lead to the book value of the unit exceeding the realizable value. The tested sensitivities related to the following aspects:

- A decrease in planned turnover growth (of -4% or -5%) during the planning period (2026-2028);
- A reduction in the long-term percentage (from 2% to 1%) used to extrapolate the expected turnover;
- An increase in the weighted average cost of capital of 9% to 12% on average.





## 4. Intangible assets

000 euro	Total	Brands with finite useful life	Brands with indefinite useful life	Distribution rights and similar rights	Software	Key money
<b>Intangible assets, gross</b>						
<b>At 01/01/2023</b>	<b>65,244</b>	<b>4,801</b>	<b>25,454</b>	<b>3,734</b>	<b>30,938</b>	<b>317</b>
Investments	3,568	35	0	0	3,533	0
Disposals	0	0	0	0	0	0
Other adjustments	0	0	0	0	0	0
Exchange adjustments	113	0	113	0	0	0
<b>At 31/12/2023</b>	<b>68,925</b>	<b>4,836</b>	<b>25,567</b>	<b>3,734</b>	<b>34,471</b>	<b>317</b>
<b>Amortization and impairment</b>						
<b>At 01/01/2023</b>	<b>44,669</b>	<b>4,560</b>	<b>13,315</b>	<b>3,734</b>	<b>22,755</b>	<b>305</b>
Amortization	3,841	157	0	0	3,676	8
Impairment	0	0	0	0	0	0
Disposals	0	0	0	0	0	0
Exchange adjustments	0	0	0	0	0	0
<b>At 31/12/2023</b>	<b>48,510</b>	<b>4,717</b>	<b>13,315</b>	<b>3,734</b>	<b>26,431</b>	<b>313</b>
<b>Intangible assets, net 31/12/2023</b>	<b>20,415</b>	<b>119</b>	<b>12,252</b>	<b>0</b>	<b>8,040</b>	<b>4</b>
<b>Intangible assets, gross</b>						
<b>At 01/01/2024</b>	<b>68,925</b>	<b>4,836</b>	<b>25,567</b>	<b>3,734</b>	<b>34,471</b>	<b>317</b>
Investments	3,047	31	0	0	3,016	0
Disposals	-47	0	0	0	0	-47
Other adjustments	0	0	0	0	0	0
Exchange adjustments	326	0	330	0	-4	0
<b>At 31/12/2024</b>	<b>72,251</b>	<b>4,867</b>	<b>25,897</b>	<b>3,734</b>	<b>37,483</b>	<b>270</b>
<b>Amortization and impairment</b>						
<b>At 01/01/2024</b>	<b>48,510</b>	<b>4,717</b>	<b>13,315</b>	<b>3,734</b>	<b>26,431</b>	<b>313</b>
Amortization	2,956	103	0	0	2,849	4
Impairment	-47	0	0	0	0	-47
Disposals	0	0	0	0	0	0
Exchange adjustments	0	0	0	0	0	0
<b>At 31/12/2024</b>	<b>51,419</b>	<b>4,820</b>	<b>13,315</b>	<b>3,734</b>	<b>29,280</b>	<b>270</b>
<b>Intangible assets, net 31/12/2024</b>	<b>20,832</b>	<b>47</b>	<b>12,582</b>	<b>0</b>	<b>8,203</b>	<b>0</b>

The expenses of brands with a finite useful life relate among other things to registration costs of developed in-house brands.

The investment in software in 2024 concerns the further development of the digital platforms as well as the further implementation of our new warehouse management system. There were also additional investments in the various software supporting applications.

Key money relates to stores in Germany and the Netherlands. Key money refers to the 'droit au bail' or the right to rent a shop and is recognized at cost.

Expenditure on research activities (512 thousand euro in 2024) undertaken to acquire new scientific or technical knowledge and understanding, is recognized as expense when incurred.

## 5. Tangible fixed assets

000 euro	Total	Land and buildings	Installations, machinery and equipment	Assets under construction
<b>Tangible fixed assets, gross</b>				
<b>At 01/01/2023</b>	<b>96,253</b>	<b>43,681</b>	<b>49,817</b>	<b>2,755</b>
Investments	9,558	3,457	4,940	1,161
Transfer	0	2,564	107	-2,671
Disposals	-257	0	-257	0
Exchange adjustments	14	0	14	0
<b>At 31/12/2023</b>	<b>105,568</b>	<b>49,702</b>	<b>54,621</b>	<b>1,245</b>
<b>Depreciation and impairment</b>				
<b>At 01/01/2023</b>	<b>72,622</b>	<b>28,085</b>	<b>44,537</b>	<b>0</b>
Depreciation	3,287	1,456	1,831	0
Disposals	-243	0	-243	0
Exchange adjustments	0	0	0	0
<b>At 31/12/2023</b>	<b>75,666</b>	<b>29,541</b>	<b>46,125</b>	<b>0</b>
<b>Tangible fixed assets, net 31/12/2023</b>	<b>29,902</b>	<b>20,161</b>	<b>8,496</b>	<b>1,245</b>
<b>Tangible fixed assets, gross</b>				
<b>At 01/01/2024</b>	<b>105,568</b>	<b>49,702</b>	<b>54,621</b>	<b>1,245</b>
Investments	3,427	1,149	2,185	93
Transfer	-84	510	264	-858
Disposals	-2,009	0	-2,009	0
Exchange adjustments	185	0	185	0
<b>At 31/12/2024</b>	<b>107,087</b>	<b>51,361</b>	<b>55,246</b>	<b>480</b>
<b>Depreciation and impairment</b>				
<b>At 01/01/2024</b>	<b>75,666</b>	<b>29,541</b>	<b>46,125</b>	<b>0</b>
Depreciation	3,620	1,387	2,233	0
Disposals	-1,898	0	-1,898	0
Exchange adjustments	0	0	0	0
<b>At 31/12/2024</b>	<b>77,388</b>	<b>30,928</b>	<b>46,460</b>	<b>0</b>
<b>Tangible fixed assets, net 31/12/2024</b>	<b>29,699</b>	<b>20,433</b>	<b>8,786</b>	<b>480</b>

The investments in tangible fixed assets include, in addition to the various improvement and maintenance investments in buildings, the final investments related to the expansion of the company site in Tunisia. The investments in machines mainly include investments in our distribution and production centre in Wichelen in 2024.

## 6. Investments in associates

Investments in associates consist of the following Group interests:

- 25.7% in Top Form International Ltd. Top Form is a company based in Hong Kong with operations in several Asian countries. The main activity is the production of lingerie, predominantly for major European and American fashion brands. The company is listed on the Hong Kong Stock Exchange. Van de Velde invested in Top Form in 2007 and has held 25.66% of shares since 2011. The Top Form International Group always closes its financial year on 30/06 of the calendar year, which is a different closing date than for the Group.

The participation in the associated company Top Form International Ltd. is 1.0 million euro higher than at the end of 2023

Net carrying amount 000 euro	Top Form Ltd.
<b>At 01/01/2023</b>	<b>13,556</b>
Results of the fiscal year	-2,328
Capital increase	0
Dividend received	0
Share in the revaluation reserve	24
Share in other comprehensive income (conversion impact)	-86
Conversion profit and losses	-519
<b>At 31/12/2023</b>	<b>10,646</b>
<b>At 01/01/2024</b>	<b>10,646</b>
Results of the fiscal year <sup>(1)</sup>	226
Capital increase	0
Dividend received	0
Share in the revaluation reserve	0
Share in other comprehensive income (conversion impact)	70
Conversion profit and losses	721
<b>At 31/12/2024</b>	<b>11,663</b>

(1) Result for the financial year combined with impact on equity as a result of change in minority interest in Top Form in line with IAS28 and the group valuation rules.

Key figures per participation are as follows:

Key figures 000 euro	Top Form Ltd. (31/12/2024)	Top Form Ltd. (31/12/2023)
Tangible fixed assets	17,082	17,963
Other fixed assets	23,344	22,560
Right of use asset	2,774	3,306
Current assets	57,187	53,987
Non current liabilities	6,281	4,778
Current liabilities	42,796	41,927
Lease liabilities	2,971	3,382
Total net assets	48,340	47,723
Unrealized result in equity	10,825	9,883
Turnover	149,341	123,902
Profit/(Loss) attributable to owners of the company	-562	-8,586

The figures for Top Form International Ltd. refer to the closing situation on 31 December 2024 (first half of fiscal year 2024-2025). Turnover and net result refer to the result over a period of 12 months.

Reconciliation with the net book value:

Reconciliation net book value	Top Form Ltd. (31/12/2024)
Participation percentage	25.66%
Total equity (in 000 HKD)	367,408
Participation in equity (in 000 HKD)	94,277
Cumulative exchange differences (in 000 euro)	4,014
Investments accounted for using the equity method (book value) (in 000 euro)	11,663

The book value of the 25.66% participation in Top Form was 11,663 thousand euro at 31 December 2024 and the value of this participation based on the share price on that date was 2,771 thousand euro. Van de Velde maintains the book value of the participation in Top Form based on the share in the underlying equity of Top Form rather than on the share price.

In the first half of Top Form's 2024-2025 financial year, which ends on 31 December 2024, there was a loss of 1.9 m€. The loss is the result of a temporary suspension of the operation of a production division in Indonesia. Production in Indonesia resumed in November, so that the planned delivery volumes for the second half of the 2024-2025 financial year can be met.

Based on all available data at the year-end closing, Van de Velde is still of the opinion that the share in the underlying equity continues to provide the most correct picture of the valuation of Top Form's participation. Neither was there any indication that any impairment would have to be recognized on 31 December 2024 based on the other impairment indicators in paragraph 41 of IAS 28. This was also confirmed by an additional test for impairment.

#### **Impairment test**

A test was also performed on the value of the participation in Top Form at the same time as the impairment test on goodwill and brand names with indefinite useful life.

#### **Methodology for impairment tests**

This test compares the value according to the equity method as included on the balance sheet with the Van de Velde share (25.66%) in the underlying recoverable amount of Top Form, with the recoverable amount determined on the basis of the present value of the future expected cash flows from the activities of Top Form.

Budget and business plans prepared by Top Forms management for the years 2025-2029, as also approved by Top Forms board of directors and audit committee, were used for this test. These budgets include planned investments and changes in working capital.

In accordance with the requirements of IFRS, confirmation was also received that these budgets were prepared in accordance with the current financial and operational structure of the group, without taking into account any future reorganization or improvements or adjustments of the asset.

The main assumptions used in the calculation, which are also the most sensitive for determining the recoverable amount are:

- A discounting rate of 10.5% was used;
- Turnover estimates based on growth of between 2.5% and 7%;
- The growth percentage used to extrapolate cash flows beyond the planning period of 2.5%.

The headroom in the base case scenario is 4,658 thousand euro. The abovementioned sensitivities were subjected to various sensitivity tests. The following changes were made to the calculation models:

- The turnover estimates used during the period to which the expectations relate were reduced by 5%. The headroom in this test is positive at 389 thousand euro.
- The growth percentage used to extrapolate cash flows beyond the planning period was reduced to 1%. The headroom in this case is 3,165 thousand euro.
- The discounting rate was increased to 12%. The headroom is 2,593 thousand euro in this case.

The sensitivity tests described above show there is sufficient headroom. As a result, the recoverable amount of Van de Velde's participation in Top Form, based on the calculations and tests, is higher than the carrying amount included in the balance sheet as per 31 December 2024.

Based on the various valuation models used, there is currently no need to recognize an impairment on the financial assets as included on the balance sheet of Van de Velde NV.

The abovementioned test is conducted annually to check for indications of an impairment on the asset, or more frequently if additional indicators of impairment should emerge.

## 7. Other fixed assets

Other fixed assets consist of the following:

000 euro	2024	2023
Security deposits for VAT	218	218
Other security deposits	734	814
Other participating interests	0	38
Borrowings	783	115
<b>Other fixed assets, net</b>	<b>1,735</b>	<b>1,185</b>

## 8. Grants

A grant of 407 thousand euro was received in 2020, 2019, 2018 and 2017 in tranches from VLAIO (the Flemish Agency for Innovation and Entrepreneurship) in relation to an ongoing research and development project. The grant is recognized in

the income statement pro rata the depreciation of the underlying asset for which the grant was received. In both 2023 and 2024, 81 thousand euro of the grant was recognized in the income statement.

## 9. Inventories

Inventories by major components are as follows:

000 euro	2024	2023
Finished and merchandise goods	30,257	34,495
Work in progress	9,120	9,041
Raw materials	10,164	12,451
<b>Inventories, gross</b>	<b>49,541</b>	<b>55,987</b>
Less: Allowance for obsolescence	-7,240	-10,037
<b>Inventories, net</b>	<b>42,302</b>	<b>45,950</b>

The allowance for obsolescence at 31 December 2024 concerns finished products (4,564 thousand euro) and raw materials (2,675 thousand euro). The allowance for obsolescence at 31 December 2023 concerns finished products (5,447 thousand euro) and raw materials (4,591 thousand euro). The change in depreciation is due to the higher depreciation in 2023 related to raw materials, which were used in 2024.

The allowance for obsolescence and the additional write-downs is recorded in the income statement under 'Cost of materials'.

The cost of materials is as follows:

000 euro	2024	2023
Purchase of raw materials	31,935	32,314
Change in inventories	6,446	6,823
Change in allowance for obsolescence	-2,798	1,385
<b>Cost of materials</b>	<b>35,583</b>	<b>40,522</b>

The evolution in the components of the working capital is explained in the activity report.

## 10. Trade and other receivables

Accounts receivable are as follows:

000 euro	2024	2023
Trade receivables, gross	16,409	14,642
Less: allowance for impairment losses on trade receivables	-1,250	-669
<b>Trade receivables, net</b>	<b>15,159</b>	<b>13,973</b>

Trade and other receivables are non-interest bearing. Standard payment terms are country-defined. In addition to payment terms, Van de Velde also applies customer-defined credit limits in order to assure proper follow-up. In the event of overdue invoices, a reminder procedure is initiated.

In 2024 there was a loss of 199 thousand euro with respect to trade receivables (250 thousand euro in 2023). This loss is recognized in the income statement under 'Turnover'.

Concerning the trade receivables, there are no indications that the debtors will not fulfil their payment obligations. Neither are there any customers that account for more than 10% of the consolidated turnover. Under IFRS 9 Van de Velde has an obligation to recognize expected losses on trade receivables. The additional impairment concerns, on the one hand, a write-off of doubtful debtors of 467 thousand euro (130 thousand euro in 2023) and, on the other hand, the application of IFRS 9 standard at an amount equal to 313 thousand euro (405 thousand euro in 2023). The total increase of impairment losses on trade receivables, 581 thousand euro, is recognized in the income statement under 'Other expenses'.

The table below summarizes a global view of the allowances for impairment losses on trade receivables:

000 euro	2024	2023
At 1 January	-669	-385
Applied losses	199	250
Additions	-780	-535
<b>At 31 December</b>	<b>-1,250</b>	<b>-669</b>

The aging analysis of the trade receivables at year end is as follows:

000 euro	Total	Not past due	Past due 1 - 60 days	Past due 60-90 days	Past due > 90 days
2024	16,409	11,924	2,285	882	1,318
2023	14,642	10,875	2,213	780	774

The evolution in the components of the working capital is explained in the activity report.

## 11. Other current assets

Other current assets consist of the following:

000 euro	2024	2023
Prepaid expenses <sup>(1)</sup>	1,955	2,253
Tax receivables (VAT and corporate income tax)	5,093	3,755
FX forward contracts (note 20)	14	21
<b>Other current assets, net</b>	<b>7,062</b>	<b>6,029</b>

(1) Pre-paid expenses mainly concern pre-paid maintenance costs.

The increase in tax receivables relates to the corporate income tax for the year 2024 to be recovered, because our executed prepayment.

## 12. Cash and cash equivalents

Cash and cash equivalents consist of the following:

000 euro	2024	2023
Cash at banks and in hand	19,879	19,836
Marketable securities	39,031	40,759
<b>Cash and cash equivalents</b>	<b>58,910</b>	<b>60,595</b>

Marketable securities predominantly consist of saving accounts at financial institutions. A small part refers to a financial investment.

Cash and cash equivalents recognized in the cash flow statement comprise the same elements as presented above.

## 13. Share capital

000 euro	2024	2023
Nominative shares	7,573,991	7,563,892
Dematerialized shares	5,488,426	5,498,525
<b>Total number of shares</b>	<b>13,062,417</b>	<b>13,062,417</b>

On 31 December 2024 Van de Velde NV's share capital was 1,936 thousand euro (fully paid), represented by 13,062,417 shares with no nominal value and all with the same rights insofar as they are not treasury shares, whose rights have been

suspended or cancelled. The Board of Directors of Van de Velde NV is authorized to raise the subscribed capital one or more times by a total amount of 1,936 thousand euro under the conditions stated in the Articles of Association. This authorization is valid for five years after publication in the annexes to Belgisch Staatsblad/ Moniteur belge (10 May 2022).

The distributions from retained earnings of Van de Velde NV, the parent company, is limited to a legal reserve, which was built up in previous years, in accordance with Belgium's Companies Code, to 10% of the subscribed capital.

### Treasury shares

On 27 April 2022, the Extraordinary General Meeting of Shareholders authorized the Board of Directors to buy or sell its own shares. This authorization is valid for a period of (i) three years as from 10 May 2022 if the acquisition is necessary to avoid a serious threatened disadvantage and (ii) five years as from 10 May 2022 if the Board of Directors, in accordance with Article 7:215 of the CCA, acquires the legally permitted number of its own shares at a price equal to the price at which they are listed on Euronext Brussels.

The Board of Directors approved a share buy-back programme of up to 15 million euro on 28 February 2024. The buy-back programme started on 4 March 2024 and has an anticipated duration of one year.

At the end of 2023 Van de Velde NV held 249,401 treasury shares.

In 2024, 207,985 of its own shares were acquired (worth 6,605 thousand euro). During 2024, 8,000 options were exercised under the option plan (worth 183 thousand euro).

At the end of 2024 Van de Velde NV held 449,386 treasury shares with a total value of 12,989 thousand euro. The treasury shares held by Van de Velde NV will, on the one hand, be offered to management under an option programme that has been running since 2010 and, on the other hand, be used to reduce accumulated cash no longer needed for business operations.

000 euro	2024	2023
Share capital	1,936	1,936
Treasury shares	-12,989	-6,596
Share premium	743	743

## 14. Provisions

000 euro	Provisions
<b>At 01/01/2023</b>	<b>239</b>
Arising during the year	0
Utilized	0
Reversal	-35
<b>Provisions 31/12/2023</b>	<b>204</b>
<b>At 01/01/2024</b>	<b>204</b>
Arising during the year	0
Utilized	0
Reversal	-49
<b>Provisions 31/12/2024</b>	<b>155</b>

In 2024, there was an decrease of 49 thousand euro on the existing provision for sales agents.

## 15. Pensions

Van de Velde has seven defined pension plans in Belgium. These plans are clarified on a cumulative basis, as they are situated in the same geographical location and have the same attributes and risk characteristics, i.e. defined pension plans.

As well as the Belgian pension plans, the company also has pension plans for its staff in foreign countries. These pension plans are defined contribution plans. In 2024, the pension provision on the balance sheet was 24 thousand euro (24 thousand euro in 2023).

The pension plan in Belgium is subject to Belgian legislation and is a group insurance plan with guaranteed return (Tak 21). Since 2016, an annual actuarial valuation has been made on 31 December by an independent actuary.

The pension plan in Belgium is financed. If the fund investments are lower than the minimum guarantee set by law, the insurer will notify the employer. The latter can then pay an additional contribution into the plan.

The adjusted actuarial calculation on 31 December 2023 and 31 December 2024 shows the following results:

	At 01/01/2023	Pension cost allocated to realized income	Return <sup>(1)</sup>	Gain/(loss) as a consequence of changes to calculation method allocated to other comprehensive income <sup>(2)</sup>	Employer contribution	Benefits paid	At 31/12/2023
Defined pension entitlement liability	-7,356	-618	-291	-1,124	0	116	-9,274
Market value of the fund investments	6,100	0	258	832	793	-116	7,867
<b>Net liability in the balance sheet</b>	<b>-1,256</b>	<b>-618</b>	<b>-33</b>	<b>-292</b>	<b>793</b>	<b>0</b>	<b>-1,407</b>

	At 01/01/2024	Pension cost allocated to realized income	Return <sup>(1)</sup>	Gain/(loss) as a consequence of changes to calculation method allocated to other comprehensive income <sup>(2)</sup>	Employer contribution	Benefits paid	At 31/12/2024
Defined pension entitlement liability	-9,274	-678	-294	524	0	283	-9,439
Market value of the fund investments	7,867	0	263	-1,032	1,096	-283	7,911
<b>Net liability in the balance sheet</b>	<b>-1,407</b>	<b>-678</b>	<b>-31</b>	<b>-508</b>	<b>1,096</b>	<b>0</b>	<b>-1,528</b>

(1) The 'Return' column includes the interest cost to the defined pension rights and the expected return on the asset.

(2) For the 2024 financial year, the change in calculation method allocated to other comprehensive income consists of -13 thousand euro in experience adjustments and 537 thousand euro in financial adjustments and there are no changes in demographic adjustments. For the 2023 financial year, the change in calculation method allocated to other comprehensive income consists of 257 thousand euro in experience adjustments, -1,381 thousand euro in financial adjustments and there are no changes in demographic adjustments.

The investments primarily relate to qualifying insurance policies (99.9% of all investments). The expected contribution by the employer for the year ending 31 December 2024 is 1,096 thousand euro.

The main actuarial assumptions used in the valuation of the pension plans are shown in the table below:

	2024	2023
Annual pay rises (excluding inflation)		
age 20-24:	6.60%	6.00%
age 25-29:	5.10%	5.10%
age 30-34:	2.60%	2.60%
age 35-39:	2.10%	2.10%
age 40-44:	3.10%	3.10%
from age 45:	1.60%	1.60%
Annual inflation	2.30%	2.30%
Annual discount rate	3.70%	3.20%
Pension age in years	65	65
Total number of members	1,001	1,025
Average age in years	45.5	44.9
Estimated duration in years	16.35	16.00

The expected duration of the non-discounted pension payments is broken down in the table below:

	Expected benefits
Within 12 months (fiscal year ending 31 December 2025)	652
Between 2 and 5 years	729
Between 5 and 10 years	4,042
<b>Total expected benefits</b>	<b>5,424</b>

The cash value of pension liabilities depends on a number of factors that are determined actuarially on the basis of a number of assumptions. The assumptions used when calculating the net pension costs (income) include the discount rate. Changes in the assumptions impact the carrying value of the pension liabilities.

Van de Velde determines the appropriate discount rate at the end of each year. This is the interest rate that must be applied to determine the cash value of the estimated future cash flows required to meet the pension liabilities. When determining the appropriate discount rate, Van de Velde uses the interest rate of high-value corporate bonds expressed in the currency in which the pensions will be paid out and with a duration comparable to the duration of the corresponding pension liabilities.

Other important assumptions for pension liabilities, such as the expected annual growth rate of salaries and expected withdrawals, are based partly on current market conditions and partly on proprietary parameters.

The table below shows the effect of the discount rate on the defined pension entitlement liability:

	Valuation trend -0.5%	Original	Valuation trend +0.5%
Discount rate	3.20%	3.70%	4.20%
Defined pension entitlement liability	9,882	9,439	8,694
Market value of the investment funds	8,441	7,911	7,427

The table below shows the effect of the withdrawals from the plan on the defined pension entitlement liability:

	Original	Sensitivity
Withdrawals from the plan	Employer table	0.00%
Defined pension entitlement	9,439	10,674

The sensitivity analysis in the above tables is determined on the basis of a method that shows the impact on the liability due to the defined pension entitlements as a consequence of reasonable changes to significant assumptions occurring at the end of the period. This analysis is based on a change to a significant assumption that keeps all other assumptions constant. The sensitivity analysis may not be representative of actual changes in the defined pension entitlement liability because it is unlikely that changes to the assumptions could occur in isolation.

## 16. Other operating income and other expenses

Other operating income and other expenses consist of the following:

000 euro	2024	2023
Income from passed on costs	3,362	3,500
Income from recovered costs	760	1,735
Other income	742	818
<b>Total other operating income</b>	<b>4,863</b>	<b>6,053</b>
Subcontracting costs	19,097	19,195
Distribution costs	11,670	11,242
Sales and marketing costs	25,142	23,717
General administration costs	20,015	18,961
<b>Total other expenses</b>	<b>75,924</b>	<b>73,115</b>

Other operating income consists mainly of charged costs (import duties and transport costs) and recovered costs (personnel costs and insurance). The decline in revenue from recharged costs is a result of lower volumes. The decline in revenues from recovered costs is due to the exceptional Covid premium received in Germany in 2023.

The increase in expenses, consisting primarily of subcontracting, distribution, sales and marketing expenses, is mainly due to the higher marketing expenses and advisory fees.

## 17. Deferred taxes assets and liabilities

The deferred taxes, valued at the theoretical tax rate of 25%, consist of the following:

000 euro	Deferred tax liabilities on fixed assets	Deferred tax assets on assets/liabilities	Deferred tax assets on transferrable losses	Total
At 01/01/2023	3,907	-3,540	-227	140
Changes	283	-772	150	-339
<b>At 31/12/2023</b>	<b>4,190</b>	<b>-4,312</b>	<b>-77</b>	<b>-199</b>
At 01/01/2024	4,190	-4,312	-77	-199
Changes	130	1,202	0	1,332
<b>At 31/12/2024</b>	<b>4,319</b>	<b>-3,110</b>	<b>-77</b>	<b>1,132</b>

The net deferred tax liability of 1,132 thousand euro mainly concerns the following:

- With regard to the deferred tax liability on fixed assets, the depreciation amount of a tangible fixed asset must be spread over its life in a systematic way. In the statutory financial statements we use the double declining depreciation method on assets purchased until 31 December 2019, which is restated

in the consolidation. The deferred tax on this at the end of 2024 was 1,719 thousand euro. Finally, a deferred tax liability was determined on user fees in the amount of 2,600 thousand euro.

- The deferred taxes of 128 thousand euro were recorded on a revaluation of stock. Deferred taxes of 325 thousand euro are also recognized under IFRS 9 with regard to the pension liability at Van de Velde.

In addition, deferred taxes related to write-downs on trade receivables for 57 thousand euro were recognized under IFRS 9. Lastly, a deferred tax asset was determined on lease obligations in the amount of 2,600 thousand euro.

- The deferred tax assets of 77 thousand euro on transferrable losses concern our German retail division. For our division in the United States, Intimacy Management Company LLC, it was decided not to

provide for a deferred tax asset as there is no certainty that we will be able to use this in the future against future profits. The current estimated unrecognized latency is 1,770 thousand euro.

- The increase of 1,332 thousand euro was recognized in the profit and loss account at 1,459 thousand euro, while -127 thousand euro was recognized in equity (see note 23).

## 18. Trade and other payables

Trade and other payables consist of the following:

000 euro	2024	2023
Trade payables	14,279	13,455
Payroll, social charges	7,677	6,554
Gift cards and credits issued	225	204
Accrued charges	1,301	1,516
Deferred income	0	94
FX forward contracts (note 20)	93	88
<b>Trade and other payables</b>	<b>23,575</b>	<b>21,911</b>

The evolution in the components of the working capital is explained in the activity report.

## 19. Other current liabilities and taxes payable

000 euro	2024	2023
Other current liabilities: taxes (VAT payable, local taxes, withholding taxes)	1,860	1,682
Taxes payable: corporate income taxes	297	1,340

Current liabilities and tax liabilities are in line with 2023. In 2024 there was a limited increase in outstanding VAT debt.

The sharp decrease in tax liabilities is due to a tax installment overpayment by a subsidiary resulting in a tax receivable in 2024 compared to a tax liability in 2023. The effective tax rate in 2024 is similar to the effective tax rate in 2023 (note 23).

## 20. Financial instruments

The fair value of the financial assets and liabilities (including cash, trade receivables and trade liabilities) is essentially equal to the book value, with the exception of the derivatives, which are valued at fair value.

The Group applies derivative financial instruments to limit the risks of unfavourable exchange rate fluctuations originating from operations and investments.

### Derivatives that do not qualify for hedge accounting

The company concluded FX forward contracts to manage transaction risks with a maturity date between 02/01/2025 and 02/06/2025 (maturity for 2023: between 03/01/2024 and 03/06/2024).

On 31 December 2024, the fair value of these FX forward contracts was -79 thousand euro, comprising an unrealized income of 14 thousand euro and an unrealized loss of 93 thousand euro.

In summary, the various fair values are set out in the following table:

000 euro	2024	2023
Derivatives that do not qualify for hedge accounting:		
Other current assets	14	21
Other current liabilities	-93	-88
<b>Real value</b>	<b>-79</b>	<b>-68</b>

The valuation technique used to determine the fair value is level 2-compliant, with the various levels and related valuation techniques defined as follows:

- Level 1: quoted (and not adjusted) prices on active markets for identical assets and liabilities;
- Level 2: other techniques, in which all inputs that have a major impact on the recognized fair value are observable (directly or indirectly);
- Level 3: techniques, using inputs with a major impact on the fair value and for which no observable market data is available.

## 21. Financial result

The financial result breaks down as follows:

000 euro	2024	2023
Interest income	1,397	843
Interest costs	-4	-24
<b>Interest result, net</b>	<b>1,393</b>	<b>819</b>
Exchange gains <sup>(1)</sup>	1,033	2,082
Exchange losses <sup>(1)</sup>	-1,376	-2,311
<b>Exchange result, net</b>	<b>-342</b>	<b>-229</b>
Other financial income	268	88
Other financial costs	-490	-524
Other financial costs due to IFRS 16	-490	-423
<b>Financial result</b>	<b>339</b>	<b>-269</b>

(1) Exchange rate differences (gains and losses) mainly relate to USD, CHF and GBP.

## 22. Personnel expenses

The personnel expenses for our on average 1,500 employees are as follows:

000 euro	2024	2023
Wages	9,296	8,755
Salaries	30,333	29,233
Social security contributions	8,719	8,645
Other personnel expenses	829	992
<b>Personnel expenses</b>	<b>49,176</b>	<b>47,625</b>

### Share-based payments

The fair value of the options on the grant date is recognized for the period until the beneficiary acquires the option unconditionally in accordance with the gradual acquisition method.

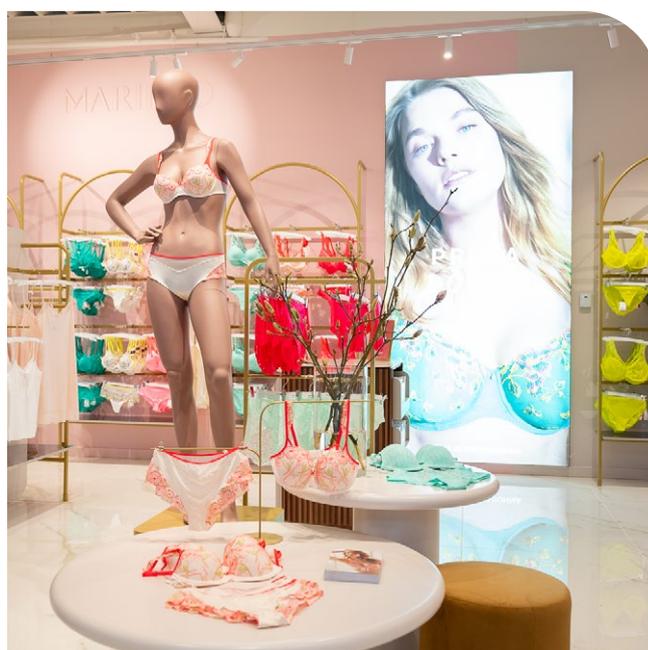
The impact of IFRS 2 on the result of the year 2024 was 290 thousand euro versus 272 thousand euro in 2023. The option plans were valued using the Black-Scholes-Merton model for call options. The following assumptions were used to determine the weighted average fair value at grant date:

	PLAN 2015	PLAN 2015	PLAN 2020	PLAN 2020	PLAN 2020	PLAN 2020	PLAN 2020	PLAN 2020
Award date <sup>(1)</sup>	03.10.17	15.10.19	09.10.20	01.10.21	08.03.22	04.10.22	04.10.23	08.10.24
Dividend right as of the grant date	no							
Contractual term of the options	5-10	7-10	5-10	5-10	10	5-10	5-10	5-10
Exercise price	45.13	23.36	22.60	28.75	32.40	32.40	32.25	29.90
Expected volatility	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
Risk-free interest rate	-0.143%	-0.234%	-0.580%	-0.322%	1.141%	1.917%	2.389%	2.185%
	-0.398%	-0.415%	-0.785%	-0.580%		1.888%	2.245%	1.933%
Fair value of the share in options (in euro)	11.23	7.67	5.32	8.25	10.03	9.09	9.83	8.03

(1) The exchange of property will take place on the 60th day after the award date, known as the grant date.

The share option plan has changed as follows:

Number of shares and options Option plan 2010 - 2020	
<b>Outstanding at 01/01/2023</b>	<b>157,000</b>
<b>Exercisable at 01/01/2023</b>	<b>35,000</b>
<b>Movements during the year</b>	
Accepted	25,000
Forfeited	0
Exercised	0
Expired	5,000
<b>Outstanding at 31/12/2023</b>	<b>177,000</b>
<b>Exercisable at 31/12/2023</b>	<b>50,000</b>
<b>Movements during the year</b>	
Accepted	30,000
Forfeited	0
Exercised	8,000
Expired	15,000
<b>Outstanding at 31/12/2024</b>	<b>184,000</b>
<b>Exercisable at 31/12/2024</b>	<b>92,000</b>



## 23. Income taxes

The major components of income tax expense for the years ending 31 December 2024 and 2023 are:

000 euro	2024	2023
<b>Current income tax</b>	<b>7,279</b>	<b>9,439</b>
Current income tax charge	7,085	9,366
Adjustments in respect of current income tax of previous years	194	73
<b>Deferred income tax</b>	<b>1,459</b>	<b>-337</b>
Relating to the origination and reversal of temporary differences	1,459	-337
<b>Income tax expense reported in the consolidated income statement</b>	<b>8,738</b>	<b>9,102</b>
Taxes reported in the other comprehensive income	-127	-2

The reconciliation of income tax expense applicable to income before taxes at the statutory income tax rate and income tax expense at the Group's effective income tax rate for each of the past two years ending 31 December 2024 and 2023 is as follows:

000 euro	2024	2023
<b>Profit before taxes <sup>(1)</sup></b>	<b>40,561</b>	<b>45,058</b>
Parent's statutory tax rate of 25%	10,140	11,265
Taks rates previous years	194	0
Higher income tax rates in other countries	-128	-546
Lower income tax rates in other countries	20	0
Utilization tax losses and unrecognized losses	-33	-128
Disallowed expenses	278	261
Tax credits	-1,733	-1,750
<b>Total income taxes</b>	<b>8,738</b>	<b>9,102</b>
Effective income tax rate	21.54%	20.20%

(1) Profit before taxes excluding the share in the result of associates and impairment charges on financial fixed assets.

## 24. Earnings per share

Basic earnings per share are calculated by dividing the net income for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, excluding the shares purchased by the Group and held as treasury shares (note 13).

Diluted earnings per share are calculated by dividing the net income for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, both adjusted for the effects of dilutive potential ordinary shares (stock options).

	2024	2023
Profit attributable to shareholders (in 000 euro)	32,048	33,628
Weighted average number of ordinary shares	12,717,937	12,873,338
Dilutive effect of stock options	15,373	27,024
Weighted average number of shares after impact of dilution	12,733,310	12,900,362
<b>Basic earnings per share (euro)</b>	<b>2.52</b>	<b>2.61</b>
<b>Diluted earnings per share (euro)</b>	<b>2.52</b>	<b>2.61</b>

In 2024, the options awarded over the period 2019 - 2021 had a dilutive effect. In 2023, the options awarded over the period 2019 - 2023 had a dilutive effect.

## 25. Dividends paid and proposed

000 euro	2024	2023
<b>Dividend paid</b>	<b>30,751</b>	<b>29,309</b>
- in 2024:		
-2.40 euro per dividend entitled share for fiscal year 2023.		
- in 2023:		
-2.20 euro per share for fiscal year 2022.		
<b>Dividend proposed</b>	<b>30,271</b>	<b>30,751</b>
- 2.40 euro per dividend entitled share for fiscal year 2024.		
- No dividend rights are attached to treasury shares.		

## 26. Leases

The Group has lease contracts for various assets such as vehicles and buildings used in its activities. The Group depreciates these assets on a straight-line basis over the shorter of the following periods: lease term in the contract or estimated useful life of the assets, with a maximum of 5 years for cars and machinery and a maximum of 10 years for buildings.

There are several lease contracts that include extension and termination options and variable lease payments. The contracts with variable lease payments are revenue-based. One variable lease payment of 15 thousand euro was applicable in 2024 compared to 26 thousand euro in 2023. We estimate the future outflow for this contract at 123 thousand euro, spread over a period of five years. The other contracts with variable lease payments are currently expected to generate no additional outflow. There are currently no known future obligations under the extension and termination options that are not included in the current liabilities on the balance sheet.

The Group also has certain leases of assets with short lease terms and leases of assets with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Contracts that do not relate to an identifiable asset also fall outside the scope as well as the variable rental obligations according to turnover.

A number of renewal options exist on the current leases for which it is uncertain at present whether they will be exercised. If these renewal options were to be exercised, this would lead to an increase in the lease liability of 2,909 thousand euro. We do not expect to exercise options to terminate leases early.

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

000 euro	Total	Right-of-use on rental agreements for buildings	Right-of-use on rental agreements for passenger vehicles and machinery
<b>Right-of-use assets, gross</b>			
<b>At 01/01/2023</b>	<b>21,619</b>	<b>17,418</b>	<b>4,201</b>
Additions	4,576	2,732	1,845
Remeasurement	-985	-1,030	45
Other adjustments	0	0	0
Disposal	-1,518	-674	-844
Exchange rate effects	-98	-99	1
<b>At 31/12/2023</b>	<b>23,594</b>	<b>18,347</b>	<b>5,247</b>
<b>Depreciation and impairment</b>			
<b>At 01/01/2023</b>	<b>13,467</b>	<b>10,953</b>	<b>2,514</b>
Depreciations recorded	3,629	2,335	1,294
Impairment	0	0	0
Remeasurement	-1,454	-1,356	-98
Disposal	-1,500	-674	-826
Exchange rate effects	-65	-66	1
<b>At 31/12/2023</b>	<b>14,077</b>	<b>11,191</b>	<b>2,885</b>
<b>Right-of-use assets, net at 31/12/2023</b>	<b>9,518</b>	<b>7,156</b>	<b>2,362</b>
<b>Right-of-use assets, gross</b>			
<b>At 01/01/2024</b>	<b>23,594</b>	<b>18,347</b>	<b>5,247</b>
Additions	1,980	0	1,980
Remeasurement	517	1,712	-1,195
Other adjustments	0	0	0
Disposal	-1,485	-948	-536
Exchange rate effects	544	308	236
<b>At 31/12/2024</b>	<b>25,151</b>	<b>19,419</b>	<b>5,733</b>
<b>Depreciation and impairment</b>			
<b>At 01/01/2024</b>	<b>14,077</b>	<b>11,191</b>	<b>2,885</b>
Depreciations recorded	3,817	2,334	1,483
Impairment	0	0	0
Remeasurement	-1,651	-353	-1,298
Disposal	-1,485	-948	-536
Exchange rate effects	1	-5	6
<b>At 31/12/2024</b>	<b>14,760</b>	<b>12,219</b>	<b>2,541</b>
<b>Right-of-use assets, net at 31/12/2024</b>	<b>10,392</b>	<b>7,200</b>	<b>3,192</b>

The remeasurements reflect the impact of changes in the estimated end date of leases. An addendum was drawn up for several leases in 2024 setting the new end date and rent for our stores in the United States and the United Kingdom, as well as for our office in Spain.

The provision for lease liabilities relates to a provision for costs necessary to restore the leased assets to their original condition upon termination of the contract.

The table below summarizes the maturity profile of the Group's financial liabilities:

000 euro	3 tot 12 months	1 tot 5 years	Meer dan 5 years	Total
2024	3,703	7,716	724	12,143
2023	3,374	6,453	1,028	10,855

Set out below are the carrying amounts of long- and short-term lease liabilities and the movements during the period:

000 euro	2024	2023
<b>At 01/01</b>	<b>9,628</b>	<b>8,900</b>
Additions	1,982	4,415
Other changes (revaluations and exchange rate effect)	2,755	68
Payments	-3,628	-3,755
<b>At 31/12</b>	<b>10,736</b>	<b>9,628</b>
Current	3,240	2,952
Non-current	7,497	6,675

The following are the amounts of IFRS16 in profit and loss:

000 euro	2024	2023
Depreciation expense of right-of-use assets	3,817	3,629
Interest expense on lease liabilities	-490	-423
Expense relating to short-term leases (included in 'other expenses')	18	9
Expense relating to leases of low-value assets (included in 'other expenses')	99	54
Rent costs related to reassessments (included in 'other operating income')	9	-346
Variable rent costs based on turnover	15	26

## 27. Related party disclosures

### Full consolidation

The consolidated financial statements include the financial statements of Van de Velde NV and the subsidiaries listed in the following table.

Name	Address	(%) Equity interest 2024	Change on previous year
VAN DE VELDE NV	Lageweg 4 9260 SCHELLEBELLE, Belgium Btw-nr. BE 0448.746.744	Parent company	
VAN DE VELDE GMBH & Co KG	Grabenstraße 3 40213 DUSSELDORF, Germany	100	0
VAN DE VELDE VERWALTUNGS GMBH	Grabenstraße 3 40213 DUSSELDORF, Germany	100	0
VAN DE VELDE TERMELO ES KERESKEDELMI KFT	Selyem U.4 7100 SZEKSZARD, Hungary	100	0
VAN DE VELDE UK LTD <sup>(1)</sup>	Ground Floor 22/22a Conduit Street W1S 2XT, LONDON, United Kingdom	100	0
MARIE JO GMBH	Grabenstraße 3 40213 DUSSELDORF, Germany	100	0
VAN DE VELDE IBERICA SL	Calle Santa Eulalia, 5 08012 BARCELONA, Spain	100	0
VAN DE VELDE CONFECTION SARL	Route De Sousse BP 25 4020 KONDAR, Tunisia	100	0
VAN DE VELDE FINLAND OY	1C7-8, Fashion Center, Härkähaankuja 14 01730 Vantaa, Finland	100	0
VAN DE VELDE NORTH AMERICA INC	1252 Madison Avenue NY 10128, NEW YORK, United States of America	100	0
VAN DE VELDE DENMARK APS	C/O Revisionscentret Møllegade 2B, st. 6330 PADBORG, Denmark	100	0
VAN DE VELDE RETAIL INC	1252 Madison Avenue NY 10128, NEW YORK, United States of America	100	0
INTIMACY MANAGEMENT COMPANY LLC	1252 Madison Avenue NY 10128, NEW YORK, United States of America	100	0
RIGBY AND PELLER LTD	Ground Floor 22/22a Conduit Street W1S 2XT, LONDEN, United Kingdom	100	0
VAN DE VELDE NEDERLAND BV	Beethovenstraat 28H 1077 JH AMSTERDAM, the Netherlands	100	0

(1) Under liquidation

Sales of goods and services are at arm's length between Group companies.

## Companies to which the equity method is applied

The equity method is applied to the following companies:

Name	Address	(%) Equity interest 2024	Change on previous year
TOP FORM INTERNATIONAL LTD	7/F, Port 33, 33 Tseuk Luk Street, San Po Kong, Kowloon, Hongkong	25.7	0

### Top Form International Ltd ("TFI")

In 2024 transactions between the Group and TFI totalled 11,788 thousand US dollar. On 31 December 2024 the Group had trade payables to TFI in the amount of 665 thousand US dollar. In 2023 transactions between the Group and TFI totalled 12,481 thousand US dollar. On 31 December 2023 the Group had trade payables to TFI in the amount of 572 thousand US dollar.

## Relationships with shareholders

42.61% of the shares of Van de Velde NV are held by the general public. These shares are traded on Euronext Brussels. Van de Velde Holding NV, which groups the interests of the Laureys and Van de Velde families, holds the remainder of the shares.

## Relationship with key management personnel

See the remuneration report in chapter 3.

### Director Remuneration

Herman Van de Velde NV received annual gross remuneration of 47,500 euro for his chairmanship of the Board of Directors and the Nomination and Remuneration Committee, and for his membership of the Strategic Committee. The other non-executive members (excluding the managing director) received an annual remuneration of 20,000 euro for their membership of the Board of Directors. All members of the Board of Directors (excluding the managing director) received 5,000 euro for their membership of the Nomination and Remuneration Committee and the Audit and Risk Committee respectively, while the

chairman received a remuneration of 7,500 euro. The total remuneration for the directors (excluding the managing director) was 243.0 thousand euro in 2024 and 255.0 thousand euro in 2023. The directors have not received any loan or advance from the Group.

### Management Team Remuneration

For the year ended 31 December 2024, a total amount of 1,991 thousand euro (1,864 thousand euro in 2023) was awarded to the members of the Management Team, including the managing director. See the remuneration report in chapter 3 for more details.

These total amounts include the following components:

- Basic remuneration: base salary earned in their position during the year under review;
- Variable remuneration: bonus acquired in the year under review. There are various pay-out forms, including cash, a warrant plan and a share option plan;
- Group insurance premiums: insurance premium (invalidity, death, pension plan) paid by the Group;
- Other benefits are the private use of a company car and hospitalization insurance;
- Exceptional remuneration concerns a retention bonus or a severance payment.

000 euro	2024	2023
Basic remuneration	1,695	1,590
Variable remuneration	171	151
Group insurance premiums	11	37
Other benefits	29	85
Exceptional remuneration	84	0
<b>Total</b>	<b>1,991</b>	<b>1,864</b>

In addition to these cash benefits, share-based benefits were granted to the members of the Management Team through the share option plan. In 2024 the members of the Management Team had the opportunity to participate in a share option plan by which they were granted 5,000 options (same in 2023). No calculated costs are linked to the options accepted by the members of the Management Team in 2024.

## 28. Segment information

Van de Velde distinguishes two operational segments based on the "management approach": the B2B (business to business) and the D2C (direct to consumer) distribution channel. This "management approach" stipulates that external segment reporting is based, among other things, on internal organization, management structure and internal financial reporting. The management evaluates, based on the management reporting, the performance of both segments at EBITDA level to make decisions on the allocation of resources and the evaluation of the achievements.

The result of a segment includes the costs and revenues directly generated by the segment. Non direct costs or revenues are reasonably attributed to a segment, based on activities or volumes.

Assets and liabilities that can be reasonably attributed to segments (goodwill and other fixed assets as well as stock and trade receivables) are attributed. An important part of the as-

sets and liabilities cannot be attributed to segments and is managed at Group level. The valuation principles of the operational segments are the same as the most important policies of the Group.

Van de Velde does not have any transactions with a single customer worth more than 10% of total turnover.

The selling price determines whether sales are attributed to the B2B or D2C segment.

The B2B segment refers to sales realized at wholesale price. Today this concerns the business with independent retail partners, e-tail partners, franchisees, marketplaces and department stores.

The D2C segment refers to sales realized at retail price. Today this concerns the business from our own store network, our own websites and the concession sales in department stores.

Segment Income Statement	2024				2023			
	B2B	D2C	Unallocated	Total	B2B	D2C	Unallocated	Total
Segment revenues	153,313	53,122	0	<b>206,435</b>	163,244	48,049	0	<b>211,293</b>
Segment costs	-111,142	-44,679	0	<b>-155,821</b>	-115,672	-39,537	0	<b>-155,209</b>
Depreciation	0	0	-10,393	<b>-10,393</b>	0	0	-10,757	<b>-10,757</b>
<b>Segment results</b>	<b>42,171</b>	<b>8,443</b>	<b>-10,393</b>	<b>40,221</b>	<b>47,572</b>	<b>8,512</b>	<b>-10,757</b>	<b>45,327</b>
Net finance profit				<b>339</b>				<b>-269</b>
Result from associates				<b>226</b>				<b>-2,328</b>
Income taxes				<b>-8,738</b>				<b>-9,102</b>
<b>Net income</b>				<b>32,048</b>				<b>33,628</b>

Segment Balance Sheet	2024			2023		
000 euro	B2B	D2C	Total	B2B	D2C	Total
Segment assets	50,836	21,561	<b>72,397</b>	52,702	21,403	<b>74,105</b>
Unallocated assets			<b>129,996</b>			<b>128,866</b>
<b>Consolidated total assets</b>	<b>50,836</b>	<b>21,561</b>	<b>202,393</b>	<b>52,702</b>	<b>21,403</b>	<b>202,971</b>
Segment liabilities	24,065	15,242	<b>39,307</b>	20,815	14,201	<b>35,016</b>
Unallocated liabilities			<b>163,086</b>			<b>167,955</b>
<b>Consolidated total liabilities</b>	<b>24,065</b>	<b>15,242</b>	<b>202,393</b>	<b>20,815</b>	<b>14,201</b>	<b>202,971</b>

Breakdown by region - turnover	2024			2023		
000 euro	Eurozone	Elsewhere	Total	Eurozone	Elsewhere	Total
Turnover	152,435	54,000	<b>206,435</b>	153,456	57,837	<b>211,293</b>

The most important markets accounting for more than 10% of turnover are stated below in descending order of turnover:

- Germany, Belgium and the Netherlands for the Eurozone;
- United States, United Kingdom and Switzerland for Elsewhere.

Further information about the assets of the company - location (000 euro)	Belgium	Elsewhere	Total
Tangible fixed assets	22,721	6,978	<b>29,699</b>
Intangible assets	14,095	6,737	<b>20,832</b>
Right-of-use assets	2,567	7,825	<b>10,392</b>
Inventories	39,532	2,770	<b>42,302</b>

## 29. Events after balance sheet

No events after the balance sheet date had a major impact on the situation of the company.

## 30. Business risks with respect to IFRS7 and other risks

Besides the general strategic risks, Van de Velde has identified the following risks with respect to IFRS 7:

### Currency risk

Due to its international character, the Group is confronted with various exchange rate risks on sale and purchase transactions.

In terms of currency risk, between 25% and 30% of Group turnover is generated in currencies other than the euro. In addition, a significant proportion of purchases and expenses are traded in foreign currency (e.g. purchases of raw materials and subcontractors, as well as local expenses within the retail network).

Where possible, currency risks are managed by offsetting transactions in the same currency or by fixing exchange rates through forward contracts. These risks are managed at the level of the parent company. The Group is aware that exchange risks cannot always be fully hedged.

Foreign operations increase the currency risk of the Group. Financial instruments are not used to hedge this risk.

	Closing rate	Average rate
CAD	1.4990	1.4821
CHF	0.9398	0.9519
NOK	0.8280	0.8437
GBP	1.0420	1.0804
USD	3.3188	3.3610

The Group performed a sensitivity analysis in 2024 on the outstanding trade receivables and trade payables of the Group, at the balance sheet date converted with a sensitivity of 10%.

000 euro	10%	-10%
CAD	56	-56
CHF	116	-116
AUD	59	-59
GBP	35	-35
	<b>267</b>	<b>-267</b>

The Group performed a sensitivity analysis in 2024 on the equity components in the foreign currency of the Group, at the balance sheet date converted with a sensitivity of 10%.

000 euro	10%	-10%
GBP	340	-340
USD	1,464	-1,464
TND	284	-284
	<b>2,088</b>	<b>-2,088</b>

### Credit risk

As a consequence of the large diversified customer portfolio, the Group does not have a significant concentration of credit risks. The Group has developed strategies and additional procedures to monitor and limit credit risk at its customers. B2B sales are generated through around 3,600 independent retailers and a small number of luxury department stores. No single customer accounts for more than 3.8% of the annual turnover of the Group.

Furthermore, the insolvency risk is covered by credit insurance. In accordance with IFRS 9, the Group applies the ECL model to its trade receivables. For further explanation in this regard, we refer to note 10.

With respect to eCommerce activities, the credit risk is limited by using country-specific payment methods, and there is collaboration with an external partner who monitors the creditworthiness of potential eCommerce customers.

## Macro-economic risk

The impact of the macro-economic environment is monitored by Management and action is taken as needed.

The macro-economic factors impact the impairment tests on goodwill, brand names with indefinite useful lives and participations in associated companies, as well as on the calculation of the pension provision. In particular:

- Higher interest rates and uncertainties on the market impact the discount rates to be applied;
- Current market conditions are reflected in the WACC & discount rates applied in the impairment analyses and in the assumptions applied to the actuarial calculation of the pension provision;
- The impact of inflation & increased interest costs was included in the budgets used for the impairment tests and the sensitivity analyses.

## Liquidity and cash flow risk

The liquidity and cash flow risk is rather limited thanks to the large operational cash flow and the net cash position (58.9 million euro). Credit lines worth more than 10 million euro are also available. The Group has no borrowings with fixed repayments.

## Risk of interruptions in the supply chain

Adequate measures have been taken in several areas to minimize interruptions in the supply chain and deal with any such interruptions that do occur. Examples of such measures are:

- The IT department has designed a disaster recovery plan to minimize the risk of damage from the failure of the computer infrastructure. Additionally, investments are made to limit the risk of failure of the computer infrastructure itself.
- The risks of interruption in deliveries by a supplier and the possible alternatives (if available) have been identified and are regularly monitored. The credit-worthiness of suppliers is also monitored.
- As far as possible, the concentration risk at suppliers is managed by sufficient diversification. The ten leading material suppliers account for approximately 55% of purchase costs of material. The largest supplier accounts for approximately 25% of purchase costs, the second and third for approximately 10%, whereas all other suppliers account for no more than 4%.
- Assembly capacity is mainly spread over Tunisia, China and Thailand.
- The raw materials warehouse and the distribution centre are located at the same site. These warehouses are in separate buildings and both comply with high safety standards.
- Transparent chain management has been set up in which provisions and/or any interruptions are proactively identified so that action can be taken.

Moreover, business risks as a consequence of a potential interruption are covered by insurance. Adequate measures have been taken in consultation with insurers who also regularly inspect the various locations.

## Risk of overvalued stock

Van de Velde's business model entails risks with regard to raw materials and finished products. Raw materials are ordered and production is launched before we have full insight into the orders. As far as possible, Van de Velde attempts to concentrate this risk at the level of raw materials rather than finished products.

Van de Velde also applies a strict policy regarding write-downs on inventories:

- The value of finished products for which sales are declining is written down at the end of the season or during the following season. These finished products are fully written off in the subsequent year.
- If there is no further need for additional production, the related raw materials are written off completely.

## Product risk

Sales are spread over about 44,000 stock references, more than 12,000 of which are changed every season. Therefore, sales do not depend on the success of any one model.

## Compliance and regulatory risks

Van de Velde Group is subject to federal, regional and local laws and regulations in each country in which it operates. Such laws and regulations relate to a wide variety of matters, such as data security, privacy, product liability, health and safety, import and export, occupational accidents, employment practices and the relationship with associates (regarding overtime and workplace safety among other things), tax matters, unfair competitive practices and similar regulations.

Compliance with, or changes in, these laws could reduce the revenues and profitability of the Group and could affect its business, financial conditions or the results of operations.

Van de Velde Group has been subject to and may in the future be subject to allegations of violating certain laws and/or regulations. Such allegations or investigations or proceedings may require the Group to devote significant management resources to defending itself. In the event that such allegations are proven, Van de Velde may be subject to significant fines, damages awards and other expenses, and its reputation may be harmed.

Van de Velde Group actively strives to ensure compliance with all laws and regulations to which it is subject. A degree of insurance has been taken out to cover some of the above-mentioned risks.

## Risk management and internal controls over sustainability reporting

To cover risk management and internal control processes in relation to our sustainability reporting, a CSRD work group was set up during 2024. The work group holds weekly meetings since June 2024 and is led by the Sustainability Manager. Other participants are the CFO, Head of HR, Finance Manager and Head of Legal, Risk & Compliance.

The scope of the work group includes:

- Van de Velde NV and all its direct and indirect subsidiaries;
- all disclosure requirements under the CSRD.

The main risks that were identified in relation to the sustainability report, were:

- a lack of clear definitions and/or processes for data collection;
- a lack of clear responsibilities;
- timely finalization of the sustainability report.

The work group implemented several initiatives to allow internal control on all data and information required under CSRD and to mitigate the above mentioned risks:

- one person within Van de Velde was designated as the final responsible for each specific ESRS standard;
- a process document was created for all quantitative datapoints, wherein the responsible for the data, data collection, data storage, data validation and internal control and timing of reporting were described;
- a software (Greenomy) was used to provide an accurate overview of all disclosure requirements;
- a consultant was enlisted to perform an internal check on the process documents as well as to support the reporting process.

Members of the Management Team were asked to read through the initial draft texts to validate the absence of incorrect statements.

The completeness and correctness of the sustainability report is verified by our external auditor. The members of the Audit and Risk Committee perform oversight on the auditor's work in relation to the the sustainability report.

Van de Velde does not see any risks in climate change with direct impact in 2024. During the year 2024, expenditures related to climate change were not material. Considerations in the context of climate change do not have a material impact on the financial assessment and estimates in this annual report.

## Other operational risks

The Group is also faced with other operational risks that are monitored (where possible) and for which corrective action is taken (where available).



# Van de Velde

MARIE JO

PRIMADONNA

SARDA

RIGBY & PELLER  
LINGERIE STYLISTS LONDON

Lincherie  
LINGERIE STYLISTS

# 6. Statutory auditor's report to the general meeting of shareholders

## Statutory auditor's report to the general shareholders' meeting of Van de Velde NV on the consolidated accounts for the year ended 31 december 2024

We present to you our statutory auditor's report in the context of our statutory audit of the consolidated accounts of Van de Velde NV (the "Company") and its subsidiaries (jointly "the Group"). This report includes our report on the consolidated accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d. 24 April 2024, following the proposal formulated by the board of directors and following the recommendation by the audit committee and the proposal formulated by the works' council. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2026. We have performed the statutory audit of the Group's consolidated accounts for one year.

## Report on the consolidated accounts

---

### Unqualified opinion

We have performed the statutory audit of the Group's consolidated accounts, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information, and which is characterised by a consolidated balance sheet total of EUR'000 202,393 and a profit for the year of EUR'000 32,048.

In our opinion, the consolidated accounts give a true and fair view of the Group's net equity and consolidated financial position as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows statement for the year then ended, in accordance with IFRS Accounting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

### Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "*Statutory auditor's responsibilities for the audit of the consolidated accounts*" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the consolidated accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key audit matters

---

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated accounts of the current period. These matters were addressed in the context of our audit of the consolidated accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Impairment testing of goodwill and brand names with indefinite useful life (Note 3)

#### Description of the Key Audit Matter

The carrying value of the Group's goodwill and brand names with an indefinite useful life amounts to 4.6 million EUR and 12.6 million EUR respectively at 31 December 2024.

These assets are subject to impairment testing on an annual basis or more frequently if there are indicators of impairment.

We consider this as most significant to our audit because the determination of whether or not an impairment charge is necessary involves significant judgement in estimating the future results of the Cash Generating Units.

#### How our Audit addressed the Key Audit Matter

We evaluated the appropriateness of the Group's accounting policies and assessed compliance with the policies in accordance with IFRS Accounting Standards as adopted by the European Union.

We evaluated management's annual impairment testing and assessment of the indicators of impairment and challenged impairment calculations by assessing the future cash flow forecasts used in the models, and the process by which they were drawn up, including comparing them to the latest budgets presented to the board of directors and internal forecasts.

We understood and challenged:

- the assumptions used in the Group's budget and internal forecasts and the long-term growth rates applied by comparing them to economic forecasts;
- the discount rate by assessing the cost of capital and other inputs including benchmarking with comparable organisations;
- the historical accuracy of budgets to actual results to determine whether cash flow forecasts are reliable based on past experience;
- the mechanics of the underlying calculations.

In performing the above work, we involved our internal valuation experts to provide challenge and external market data to assess the reasonableness of the assumptions used by management.

We evaluated the sensitivity analysis around the key drivers within the cash flow forecasts to ascertain the extent of change in those assumptions and also considered the likelihood of such a movement in those key assumptions arising.

Whilst recognizing that cash flow forecasting, impairment modelling and valuations are all inherently judgmental, we concluded that the assumptions used by management were within an acceptable range of reasonable estimates.

## Allowance for obsolete inventory (Note 9)

### Description of the key audit matter

The total inventory value of the Group amounts to 42.3 million euro and represents 21% of the consolidated balance sheet total at 31 December 2024. This inventory value already takes into account an allowance of 7.2 million euro for inventory items that are considered obsolete per 31 December 2024. Inventory consists of raw materials, work in progress, finished goods and merchandise goods.

The Group values inventory at the lower of cost or net realizable value. The allowance for obsolete inventory is calculated based on the ageing and the expected turnover of the inventory items.

The calculation of allowance for obsolete inventory is important to our audit, and therefore considered a key audit matter, because of the size of the amount involved to the consolidated accounts, as well as because of the uncertainties linked to the judgement in the allowance by management in estimating the expected turnover as well as the applied allowance percentages.

### How our Audit addressed the Key Audit Matter

We evaluated the appropriateness of the Group's accounting policies and assessed compliance with the policies in accordance with IFRS Accounting Standards as adopted by the European Union. Furthermore our audit procedures contain, among others, the following procedures:

- We have analyzed the calculation for the allowance for obsolete inventory of the Group and verified that the calculation was applied consistently;
- We have evaluated management's estimates in view of expected consumption of raw materials;
- We have tested the accuracy of the applied ageing data of finished goods by means of a sample test of inventory items;

- We have compared the evolution of the allowance of the inventory year over year relative to, on the one hand, the types of inventory items (raw materials versus finished product) and on the other hand relative to the fashion sensitivity of the items (stayers versus specific summer – winter collections per brand);
- We have discussed the historically applied allowance percentages with management and assessed the calculation based on the actual sales of impaired inventory in the past year;
- We have checked the completeness and accuracy of note 9 of the consolidated accounts

Our procedures confirmed that management's assumptions and estimates in respect of accounting for allowance of obsolete inventory are appropriate in all material aspects.

## Responsibilities of the board of directors for the preparation of the consolidated accounts

The board of directors is responsible for the preparation of consolidated accounts that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## Statutory auditor's responsibilities for the audit of the consolidated accounts

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the consolidated accounts in Belgium. A statutory audit does not provide any assurance as to the Group's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management at Group level. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## Other legal and regulatory requirements

---

### Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated accounts including the sustainability information and the other information included in the annual report on the consolidated accounts.

### Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts and to report on these matters.

### Aspects related to the directors' report on the consolidated accounts and to the other information included in the annual report on the consolidated accounts

The director's report on the consolidated accounts includes the consolidated sustainability information that is the subject of our separate report, which contains an 'Unqualified conclusion' on the limited assurance with respect to this sustainability information. This section does not concern the assurance on the consolidated sustainability information included in the directors' report on the consolidated accounts.

In our opinion, after having performed specific procedures in relation to the directors' report on the consolidated accounts, this directors' report is consistent with the consolidated accounts for the year under audit and is prepared in accordance with article 3:32 of the Companies' and Associations' Code.

In the context of our audit of the consolidated accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report on the consolidated accounts and the other information included in the annual report on the consolidated accounts, containing:

- Information to shareholders
- Consolidated key figures 2024
- Concise version of the statutory financial statements and the statutory annual report of Van de Velde NV

is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

### Statement related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the consolidated accounts, and our registered audit firm remained independent of the Group in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the consolidated accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the consolidated accounts.

## European Uniform Electronic Format (ESEF)

We have also verified, in accordance with the draft standard on the verification of the compliance of the annual report with the European Uniform Electronic Format (hereinafter "ESEF"), the compliance of the ESEF format with the regulatory technical standards established by the European Delegate Regulation No. 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation") and with the Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments admitted to trading on a regulated market.

The board of directors are responsible for the preparation of an annual report, in accordance with ESEF requirements, including the consolidated accounts in the form of an electronic file in ESEF format (hereinafter "digital consolidated accounts").

Our responsibility is to obtain sufficient appropriate evidence to conclude that the format and marking language of the digital consolidated financial accounts complies in all material respects with the ESEF requirements under the Delegated Regulation.

Based on our procedures performed, we believe that the format of the annual report and marking of information in the digital consolidated accounts included in the annual report of Van de Velde per 31 december 2024 complies, and which will be available in the Belgian official mechanism for the storage of regulated information (STORI) of the FSMA, are, in all material respects, in compliance with the ESEF requirements under the Delegated Regulation and the Royal Decree of 14 November 2007.

## Other statements

- This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Ghent , 27 March 2025

The statutory auditor  
PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL  
Represented by

Lien Winne\*  
Bedrijfsrevisor/Réviseur d'entreprises

*\*Acting on behalf of Lien Winne BV*



A photograph showing the right side of a woman's body. Her right arm is extended downwards, with her hand resting flat on a light-colored, textured carpet. The background is a plain, off-white wall. The lighting is soft and even. The word "PRIMADONNA" is overlaid in large, white, bold, sans-serif capital letters across the middle of the image.

**PRIMADONNA**



SARDA

# 7. Concise version of the statutory financial statements and the statutory annual report of Van de Velde NV

## Statutory financial statements

In accordance with Article 3:17 of Belgium's Companies Act, the statutory financial statements are hereinafter presented in abbreviated form. The annual report and financial statements of Van de Velde NV and the auditor's report will be filed at the National Bank of Belgium within the month following approval by the General Assembly. A copy is available free of charge at the registered office.

The valuation rules applied for the statutory financial statements differ from accounting principles used for the consolidated financial statements: the statutory annual accounts are prepared in accordance with Belgian legal requirements, while the consolidated financial statements are prepared in accordance with International Financial Reporting Standards. There are no material changes to the accounting principles used for the statutory accounts.

The statutory auditor has issued an unqualified opinion in regard to the statutory financial statements of Van de Velde NV.

## Concise balance sheet

000 euro	2024	2023
<b>Fixed assets</b>	<b>64,339</b>	<b>96,942</b>
Intangible fixed assets	8,358	8,344
Tangible fixed assets	17,940	18,090
Financial fixed assets	38,041	70,508
<b>Current assets</b>	<b>130,624</b>	<b>129,711</b>
Amounts receivable after one year	5,660	1,721
Stocks and orders in production	40,301	49,308
Amounts receivable within one year	20,130	19,372
Financial investments	51,014	47,355
Cash and banks and in hand	12,168	10,314
Accrued income and deferred charges	1,350	1,641
<b>Total assets</b>	<b>194,963</b>	<b>226,653</b>
<b>Shareholders' equity</b>	<b>128,438</b>	<b>150,639</b>
Issued capital	1,936	1,936
Share premium	743	743
Reserves	112,455	134,575
Retained earnings	13,263	13,263
Grants	41	122
<b>Provisions, deferred taxes and tax liabilities</b>	<b>0</b>	<b>0</b>
Provisions for risks and costs	0	0
<b>Liabilities</b>	<b>66,525</b>	<b>76,014</b>
Amounts payable after one year	0	0
Amounts payable within one year	66,249	75,783
Accrued charges and deferred income	276	231
<b>Total liabilities</b>	<b>194,963</b>	<b>226,653</b>

## Concise income statement

000 euro	2024	2023
<b>Operating income</b>	<b>194,550</b>	<b>203,796</b>
Turnover	198,069	202,236
Changes in stocks unfinished goods and finished goods	-8,512	-3,911
Other operating income	4,993	5,472
Non recurring operating income	0	0
<b>Operating costs</b>	<b>163,932</b>	<b>175,081</b>
Goods for resale, raw materials and consumables	28,780	31,776
Services and other goods	92,912	102,251
Salaries, social charges and pension costs	34,246	32,924
Depreciations	5,516	6,681
Write-downs and provisions	2,223	1,188
Other operating costs	255	261
Non recurring operating costs	0	0
<b>Operating profit</b>	<b>30,618</b>	<b>28,715</b>
<b>Financial result</b>	<b>-17,657</b>	<b>13,147</b>
Finance income	20,317	20,280
Finance costs	-37,974	-7,133
<b>Pre-tax profit for the fiscal year</b>	<b>12,961</b>	<b>41,862</b>
Tax on the profit	-4,938	-4,576
<b>Profit for the year</b>	<b>8,023</b>	<b>37,286</b>

## Appropriation account

000 euro	2024	2023
<b>Distributable profit</b>	<b>8,023</b>	<b>37,286</b>
Distributable profit for the year	8,023	37,286
Addition to reserves	0	6,535
Transfer from reserves	-22,119	0
Profit (loss) to be carried forward	0	0
<b>Profit to be distributed</b>	<b>30,143</b>	<b>30,751</b>

# Statutory annual report Van de Velde NV

## Fiscal year 1/1/2024 - 31/12/2024

The statutory report is in accordance with article 3:6 of Belgium's Companies Code.

### 1. Comments on the financial statements

The financial statements show a balance sheet total of 194,963 thousand euro and a profit after tax for the fiscal year of 8,023 thousand euro.

### 2. Important events after balance sheet date

No events after the balance sheet date had a major impact on the financial position of the company.

### 3. Expected developments

We refer readers to 'Prospects' in chapter 1, 'The year 2024'.

### 4. Research and development

The design department of Van de Velde also comprises a research and development unit. The design department is responsible for the launch of new collections, whereas the research and development unit and the design department investigate new materials, new production technologies, new products, new sales-supporting techniques and so on.

### 5. Additional tasks of the statutory auditor

On 24 April 2024, the General Meeting of Van de Velde NV appointed PwC Bedrijfsrevisoren BV, Culliganlaan 5, 1831 Diegem, represented by Lien Winne BV, duly represented by Lien Winne, as the statutory auditor. This appointment runs until the Ordinary General Meeting of 2027.

The annual remuneration in 2024 for auditing the statutory annual accounts of Van de Velde NV was 165,000 euro (excl. VAT). The total costs for 2024 for the auditing of the annual accounts of all companies of the Van de Velde Group and the consolidated annual accounts of Van de Velde NV was 177,000 euro (excluding VAT and including the aforementioned 165,000 euro).

In accordance with Article 3:65 of Belgium's Companies Code, Van de Velde announces that the remuneration to persons with whom the statutory auditor has a professional relationship is 34,000 euro for assignments carried out in 2024 (tax services). The fee for other assurance assignments to the statutory auditor amounts to 47,000 euro.

### 6. Description of risks and uncertainties

The following risks at Group level were examined and, where necessary, possible coverage or preventive measures were taken (for further details see note 30):

- Currency risk;
- Credit risk;
- Macro-economic risk;
- Liquidity and cash flow risk;
- Risk of interruptions in the supply chain;
- Risk of overvalued stock;
- Product risk;
- Compliance and regulatory risks;
- Risk management and internal controls over sustainability reporting;
- Other operational risks.

## 7. Acquisition of own shares

On 27 April 2022, the Extraordinary General Meeting of Shareholders authorized the Board of Directors to buy or sell its own shares. This authorization is valid for a period of (i) three years as from 10 May 2022 if the acquisition is necessary to avoid a serious threatened disadvantage and (ii) five years as from 10 May 2022 if the Board of Directors, in accordance with Article 7:215 of the CCA, acquires the legally permitted number of its own shares at a price equal to the price at which they are listed on Euronext Brussels.

The Board of Directors approved a share buy-back programme of up to 15 million euro on 28 February 2024. The buy-back programme started on 4 March 2024 and has an anticipated duration of one year.

At the end of 2023 Van de Velde NV held 249,401 treasury shares.

In 2024, 207,985 of its own shares were acquired (worth 6,605 thousand euro) by Van de Velde NV. During 2024 8,000 options were exercised under the option plan (worth 183 thousand euro).

At the end of 2024 Van de Velde NV held 449,386 treasury shares with a total value of 12,989 thousand euro.

000 euro	2024	2023
Share capital	1,936	1,936
Treasury shares	12,989	6,596
Share premium	743	743

## 8. Conflict of interests

In 2024, there was one conflict of interest under article 7:96 of the CCA within the Board of Directors or the Management Team. This concerned the granting of a higher fixed remuneration to Karel Verlinde CommV as managing director and chair of the Management Team by the Board of Directors on 28 February 2024.

The excerpt from the minutes relating to this decision is presented below, stating the reason for the conflict of interest, and the nature, justification and financial impact of the decision.

"Karel Verlinde CommV, duly represented by Karel Verlinde, reported in advance a conflict of interest with regard to the abovementioned agenda item under article 7:96 §1 of the Code of Companies and Associations and will therefore not participate in these deliberations. He pointed out that this decision related to a matter of a financial nature, namely the granting of increased fixed remuneration to Karel Verlinde CommV as CEO and chair of the Management Team.

In compliance with the relevant legal stipulations, the following is included in the current minutes of the Board of Directors:

- The nature of the decision;
- The financial impact of the decision;
- The grounds justifying the decision.

### a) Nature of the decision

The decision concerns the arrangements for the remuneration of Karel Verlinde CommV as CEO and chair of the Management Team, specifically the granting of increased fixed remuneration.

### b) Financial impact of the decision

The fixed yearly remuneration that is granted to Karel Verlinde CommV as CEO and chairman of the Management Team as from 1 January 2024 is 396,000 euro excl. VAT.

### c) Grounds justifying the decision

The Board of Directors is of the opinion that this fixed yearly remuneration is in line with market rates and justified."

## 9. Branches

On 19 July 2011 Van de Velde formed a branch in Sweden (organization number 516407-5078), named "Van de Velde NV Belgium Filial Sweden". On 1 July 2017 Van de Velde formed a branch in France (organization number 831 118 146), named "Van de Velde NV Succursale France".

## 10. Enumeration within the framework of Article 34 of Belgium's Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments that may be traded on a regulated market.

- 42.61% of the shares of Van de Velde NV are held by the general public. The remainder of the shares are held by Van de Velde Holding NV, which groups the interests of the Laureys and Van de Velde families. Different types of shares do not exist.
- There are no restrictions on the transfer of securities laid down by law or the Articles of Association.
- Holders of securities linked to special control: A majority of Van de Velde NV's directors are appointed from the candidates nominated by Van de Velde Holding NV, as long as it directly or indirectly holds no less than 35% of the company's shares.
- There are no employee share plans in which the controlling rights are not directly exercised by the employees.
- There are no restrictions on the exercise of voting rights laid down by law or the Articles of Association.
- Van de Velde NV is not aware of any shareholder agreements.
- Notwithstanding the abovementioned fact that a majority of Van de Velde NV's directors are appointed from the candidates nominated by Van de Velde Holding NV, as long as it directly or indirectly holds no less than 35% of the company's shares, there are no rules for the appointment or replacement of the members of the administrative bodies or restrictions on the exercise of voting rights laid down by the Articles of Association.
- With regard to the power of the administrative body to issuing shares: the Board of Directors is authorized, for a period of five years from announcement in the annexes to Belgisch Staatsblad/Moniteur belge (10 May 2022), to raise the subscribed capital one or more times by a total amount of 1,936,173.73 euro, under the conditions stated in the Articles of Association.
- The power of the administrative body with respect to the possibility of purchasing shares: see point 7 above.
- There are no major agreements to which Van de Velde NV is party that come into effect, are amended or expire in the event of a change in control of the issuer after a public offer.
- No agreements have been concluded between the issuer and its directors and/or employees that provide for a payment if the relationship is ended as a consequence of a public offer.

## 11. Corporate Governance

Please refer to sustainability report for the Corporate Governance statement.

## 12. Remuneration Report

The remuneration report provides transparent information on Van de Velde's reward policy for its directors and members of the Management Team, in accordance with the Belgian Corporate Governance Act of 17 February 2017 and the Belgian Corporate Governance Code. Please see chapter 3 of the annual report.

## 13. Proposed profit distribution

The Board of Directors proposes to the General Meeting of Shareholders payment of a gross dividend of 2.40 euro per dividend entitled share. After payment of withholding tax, this represents a net dividend of 1.68 euro per dividend entitled share. After approval by the General Meeting of Shareholders the final dividend will be paid out as from 12 May 2025.

Proposed profit distribution in thousands of euro:

Distributable profit	8,023
Addition to reserves	-22,119
Profit to be distributed <sup>(1)</sup>	30,143
- Of this amount, proposed gross dividend of 2.40 euro per dividend entitled share on 12,613,031 <sup>(2)</sup> shares	30,143

(1) The profit to be distributed was adjusted by the residual dividend of 2023, namely 128 thousand euro.

(2) Provided the number of treasury shares held remains unchanged at 449,386.

## 14. Non-financial information

Please refer to sustainability report.

Karel Verlinde CommV.  
always represented by  
Karel Verlinde  
Managing Director





**PRIMADONNA**

# 8. Statement of responsible persons

The undersigned declare that, to the best of their knowledge:

- A) the financial statements, which have been prepared in compliance with the applicable standards, faithfully reflect the equity, the financial situation and the results of Van de Velde and the companies included in the consolidation.
- B) the annual report faithfully reflects the developments and the results of Van de Velde and the companies included in the consolidation, as well as providing a description of the main risks and uncertainties it faces.

Karel Verlinde CommV,  
always represented by  
Karel Verlinde  
Managing director



Herman Van de Velde NV,  
always represented by  
Herman Van de Velde  
Chairman





MARIE JO

## 9. Sustainability report

# Table of contents

1. General disclosures   ESRS 2	110
2. Climate change   E1	141
3. Pollution   E2	158
4. Water & marine resources   E3	163
5. Resource use and circular economy   E5	167
6. Own workforce   S1	175
7. Workers in the value chain   S2	193
8. Consumers and end-users   S4	202
9. Business Conduct   G1	221
10. Overview of disclosure requirements	236
11. Report of the statutory auditor on the consolidated sustainability statements	240

# General disclosures | ESRS 2

## Introduction

As of 2024, we welcome the new European Corporate Sustainability Reporting Directive (CSRD) and the underlying European Sustainability Reporting Standards (ESRS).

Reporting on the CSRD in 2024 was a huge task. But we believe that this new way of reporting will ensure a more transparent and consistent way of informing about sustainability efforts. We are convinced that the CSRD will strengthen our strategy and will improve our sustainability governance and management. Also, when it comes to processes, documentation and data control, this new way of working will certainly be a lever for our organization.

We hope you enjoy the read and that you will find the information you are looking for.

## Our company | BP-1/SBM-1

Van de Velde NV designs and produces high-quality, on-trend intimate apparel under the complementary and distinctive brands Primadonna, Marie Jo and Sarda. We are a purpose-driven company, with one common mission: 'to ignite the power in women.' We strive to make a difference for our consumers by boosting their confidence with undergarments that always fit as good as they look. It makes us a trusted partner and an authority in the intimate apparel market.

We offer consumers a relevant product assortment all-year round and an impeccable service in all of our sales channels, both on- and offline. We invest both in training store stylists via our Van de Velde Academy as in data-driven digital fitting tools to ensure a smooth shopping experience at all times.

We collaborate closely with over 3,500 independent retail partners worldwide. Additionally, we have our own retail network, including the Rigby & Peller and Lincherie brands, with a primary focus on the European and North American market.



Lore Werbrouck  
Head of Legal,  
Compliance & Risk



Lieve Vermeire  
Sustainability Manager

The entities considered include all sites owned and operated by Van de Velde, i.e.,

- **Headquarters - Schellebelle:** on this site we centralize core activities as design & development of the products, marketing & communication, central sales support, E-commerce, purchase and central buying, finance & legal, IT, HR, customer service, production & transport planning, Own & Operated retail services.
- **Distribution center - Wichelen:** on this site we centralize quality control and storage of purchased goods, cutting of the raw materials, quality control of finished goods, packaging and distribution towards retail partners or end-users.
- **Production site - Tunisia:** on this site, we assemble about 33% of our products, quality control included. We recently started developing support services for the design & development department in Schellebelle.
- **Office - Barcelona:** in this office, we centralize design & development, marketing & communication, and support services for the brand Sarda.
- **Own & Operated retail shops:** in the Netherlands, UK, US and Germany
- **Other legal entities** mainly regional and sales related

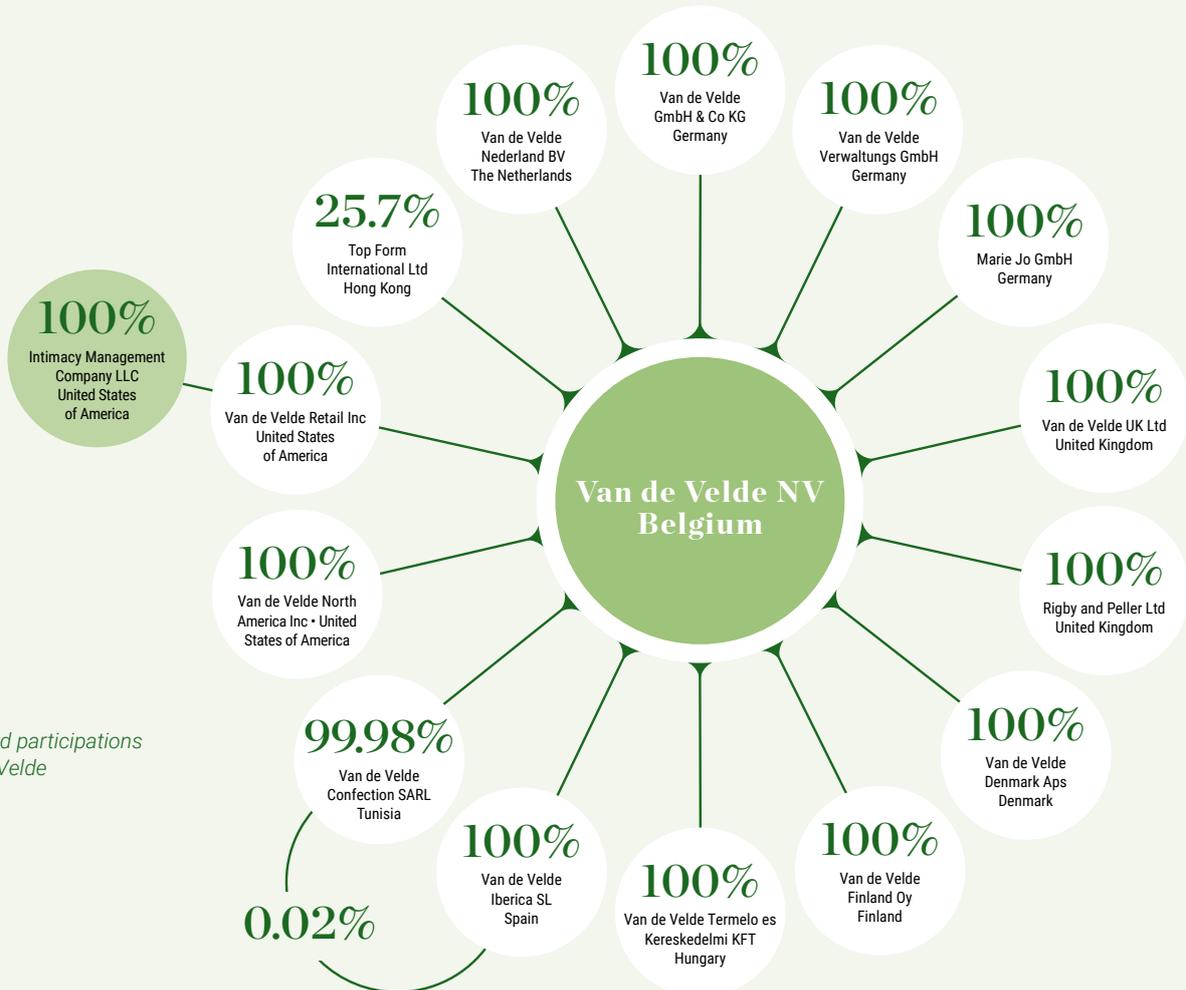


Figure 1:  
Entities and participations  
of Van de Velde

Furthermore, our subcontractor in the Far East, Top Form International, receives special attention in the Impact, Risk & Opportunities (IRO) assessment due to our financial participation in the company.

In general, the significant sectors for Van de Velde include Textiles and Clothing, which represents the core of the company's activities focused on the production and sale of fashion items. Just as relevant, is the Retail sector as it pertains to the sale of products to consumers through both online and physical stores. The Logistics and Transport sector is also important, as it relates to the distribution of products and the management of the supply chain. These sectors are crucial for understanding Van de Velde's sustainability impacts and risks within the fashion industry.



# Our sustainability strategy

The **current sustainability strategy is originally developed in 2022**. The United Nations Sustainable Development Goals (SDG), the Green Deal, the Global Reporting initiative (GRI) standards and the new Corporate Sustainability Reporting Directive (CSRD) were among the main sources for this exercise.

When assessing the SDGs at that time, we **focused on the goals to which we can make a meaningful contribution through our daily business activities**.



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



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 believe in the power and potential of people. That's why we organize specific training and (self-) deployment tools for our associates. 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 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 believe in the power of people and celebrate the power in women. Our purpose – 'We ignite the power in women' – is the recurring theme throughout all our activities and in all our decisions.



We select partners willing and able to support our sustainability goals. We look for (new) networks to develop the specific expertise and knowhow needed to advance towards a more sustainable future.



We create good working conditions for all associates, 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.

These various insights and perspectives were summarized in a strategy with four pillars:

# 1



## Striving for carbon neutrality

In the **first pillar** we group all initiatives that support the reduction of the carbon emissions of Van de Velde group. More specifically, we initiate projects related to waste reduction, smart energy management, reducing the impact of our fleet and transport optimization.

---

# 2



## Exploring the potential of circularity

The **second pillar** covers all product-related aspects. First and foremost is the importance of product quality and longevity. Given indirect emissions connected with purchased raw materials and end-of-life product processing is a key concern in the fashion industry. The complexity of our product and the immaturity of circularity in our niche lingerie business drive us to take a more active role concerning circularity.

---

# 3





## Driven by people and purpose

Our employees and consumers, whom are mainly females, have always been at the very heart of everything we do at Van de Velde. Self-confidence, (mental) health, product safety, (breast) health and gender equality topics are given the requisite attention here. The aim of this **third pillar** is to strengthen our efforts, not at least with even more concrete initiatives in the communities. In that we are guided by our mission statement – *“We want to ignite the power in women”*.

---

# 4



## The value chain due diligence

In the **fourth pillar** we want to take a more pro-active role in encouraging and monitoring our 1000-plus business partners. First and foremost, we are focusing on social and ethical entrepreneurship. The aim is not only mitigating risk but also being more transparent and encouraging initiatives that help nurture a positive social culture.

| 114 |

# General basis for CSRD preparation

## Framework

---

For the reporting year ended 31 December 2024, Van de Velde reports its sustainability information for the first time in accordance with article 3:32/2 of the Companies' and Associations' Code, including compliance with the applicable European Sustainability Reporting Standards (ESRS). This includes:

- compliance of the process carried out by the Company to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in Double Materiality Assessment – Introduction on the methodology (further in this chapter)
- compliance of the disclosures in E1- Climate Change – EU Taxonomy of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Van de Velde has made use of the option to omit information required by ESRS E1, ESRS E2 and ESRS S1 in accordance with Appendix C of ESRS 1 (phase-in provisions). Furthermore, we have made use of the incorporation by reference concept throughout the annual report, meaning that cross references have been inserted where relevant. Any forward-looking information has been based on disclosed assumptions about events that may occur in the future and possible future actions.

As a key step in preparing for CSRD reporting, we conducted a Double Materiality Assessment (DMA) based on the limited guidance, available from the European Financial Reporting Advisory Group (EFRAG). This was our first time performing a DMA, so the process was new to us. Throughout this process, we captured learnings to refine our methodology for future assessments.

We built on insights from previous impact assessments, incorporated the latest European Sustainability Reporting Standards (ESRS), and developed new insights and knowledge step-by-step. We worked with scoring matrices and an aggregation model from an external partner, who also facilitated workshops on impact and financial materiality. More details on the methodology will be outlined later in the report.

Given the relatively new and complex nature of the principles and methodology, we decided to limit the number and types of stakeholders involved in the DMA. We primarily focused on internal subject-matter experts and consulted external sustainability experts to validate the new assessment process.

To identify the perspectives of our key stakeholders—our employees—we launched a survey in 2023. In this survey, we questioned the environmental and societal impacts of our operations and value chain. Additionally, key retail partners in Belgium and The Netherlands provided input through the same questionnaire. Finally, we compared the outcome of the new DMA with the results of this survey in 2023 and previous impact assessments, conducted in 2020 and 2021. This comparison allowed us to identify trends and shifts in stakeholder priorities, ensuring a reflection of the most current and relevant issues in our assessment. The insights gained will reinforce our strategy and help us in refining our sustainability and reporting approach, in alignment with evolving regulations and stakeholder expectations.

## Consolidation | BP-1

---

Our sustainability statement is prepared on a consolidated basis including all subsidiaries as explained in the financial statements. Associated companies are not included in the consolidated Environmental, Social & Governance (ESG) data points. Our entire value chain, both upstream and downstream, is included in the relevant qualitative disclosures throughout the sustainability statements.

For key actors in the value chain considered in the DMA and the extent to which our impacts, risks and opportunities ex-

tend to our value chain, we refer to the chapter 'Double Materiality Assessment' below. The extent to which our policies, actions and targets extend to our value chain, is referenced in each relevant ESRS.

The company has not omitted any know-how information related to intellectual property, or innovation results, and has not utilized any exemptions from disclosing impending developments or ongoing negotiations allowed by EU member states.

## Key estimates and judgements | BP-2

---

In previous years, our sustainability reporting approach was based on the Global Reporting Initiative (GRI) standard requirements. Starting in 2024, the presented metrics and data are prepared in accordance with the European Sustainability Reporting Standards (ESRS) issued by the EFRAG. All metrics are newly introduced and no comparative information is given in relation to previous years. This change aims to enhance the relevance and use of our sustainability information as well as compliance with the CSRD.

Next to the use of available data, some of our upstream and downstream value chain data, are based on estimations, using indirect sources. To quantify Greenhouse Gas (GHG) emissions, we performed various calculations using global industrial emission coefficients. This was necessary due to uncertainties in the factors' methodology and the external

information we relied on. We also did estimations regarding commuting of employees abroad and regarding categories like end of life of products and upstream transport. More details on these estimations are provided in [ESRS EI-6](#).

While it can be challenging to pinpoint the exact level of accuracy, we assure our stakeholders that we have carefully compiled our emission inventory to ensure its completeness and correctness.

If we find that improving the accuracy of these measurements is essential, we will conduct a thorough review of our methods. Possible enhancements may involve refining our data collection processes, improving access to reliable emission factors, and adjusting our calculation methods.

## External review

---

The contents of the sustainability statement were subject to a limited assurance report in accordance with ISAE 3000 (Revised). The Independent Auditor's Report on a Limited Assurance Engagement can be found on page X.

# Governance

## The role of the Board of Directors and Management Team | [GOV-1]

### Composition and diversity

The majority of the Van de Velde NV's shares (58,42%) are held by Van de Velde Holding NV, representing the interests of the Van de Velde and Laureys families. Shareholders exercise their right to vote at the general assembly meeting through a one-share-one-vote principle. The general assembly adopts decisions in accordance with the Belgian Code of Companies and Associations (**CCA**).

#### Board of Directors

The general assembly appoints and re-appoints all of the directors in the Board of Directors of Van de Velde NV. The Board of Directors appoints an executive director from within their midst. Together, the non-executive and executive directors are responsible for the management of Van de Velde NV.

On 31 December 2024, the Board of Directors is composed as follows:



### Board of Directors

#### Composition

##### Karel Verlinde

As representative of Karel Verlinde CommV  
1982, Belgium

##### Managing director

2019: joined Van de Velde as CFO  
2022: appointed as interim CEO and as director by co-optation  
2023: appointed as director  
2026: tenure expires at the Ordinary General Meeting

##### Education

Master's degree in economics (UGent) and an MA in economics & finance (national university of Ireland Maynooth)

##### Former roles

Junior Marketing at Fourbases, Business Analysis Manager at M2S Group, Finance Manager at Brady Corporation, CFO at IVC Group, CFO at Van de Velde NV

##### Current role and/or mandates as director

CEO at Van de Velde NV

##### Herman Van de Velde

As representative of Herman Van de Velde NV  
1954, Belgium

##### Chairman and non-executive director

1981: joined the family business  
1992: first appointed as director  
2024: re-appointed as director  
2027: tenure expires at the Ordinary General Meeting

##### Education

Master's degree in economics (KULeuven) and a post-graduate degree in development economics (UCL)

##### Former roles

Unido (United Nations Industrial Development Organization), CEO at Van de Velde NV

##### Current role and/or mandates as director

Board member at The Fashion Company, Brands-On, Alsico and Volksvermogen and Chairman of IVOC (the institute for training and development in the clothing industry)

### Benedicte Laureys

1969, Belgium

#### Non-executive director

2006: first appointed as director  
 2024: re-appointed as director  
 2027: tenure expires at the Ordinary General Meeting

#### Education

Bachelor's degree in secondary education economics (University College Leuven) and course at Guberna, the institute for administrators.

#### Former roles

Owner lingerie business

#### Current role and/or mandates as director

Director and managing director of Ambo Holding NV, director at Rigby & Peller UK and US, director at Augmented Anatomy

### Greet Van de Velde

1956, Belgium

#### Non-executive director

1981: joined the family business  
 2020: first appointed as director  
 2023: re-appointed as director  
 2026: tenure expires at the Ordinary General Meeting

#### Education

Master's degree in economic science (KULeuven)

#### Former roles

Operationally active at Van de Velde NV for more than 28 years (production and demand planning manager, sales and project account etc.)

### Christian Salez

As representative of PARCInvest BV  
 1966, Belgium

#### Non-executive director

2023: appointed as director  
 2026: tenure expires at the Ordinary General Meeting

#### Education

Economics and marketing studies (UCL, Vlerick),

#### Former roles

Management positions at TBWA, De Post, Delvaux and Apple

#### Current role and/or mandates as director

Director at various Belgian and international fashion, retail and luxury brands and general director of Europalia

### Liesbeth Van de Velde

As representative of Viancaba BV  
 1962, Belgium

#### Non-executive director

1990: joined the family business  
 2024: appointed as director by co-optation (replacing Liesbeth Van de Velde from her resignation on 27 August 2024)  
 2025: tenure expires at the Ordinary General Meeting

#### Education

Master's degree in law and degree Brussels Tax College

#### Former roles

Active at the international arbitration division, corporate relations, at KBC Brussels, Head of Brands and Design at Van de Velde NV

### Veronique Laureys

1979, Belgium

#### Non-executive director

2017: first appointed as director

2023: re-appointed as director

2026: tenure expires at the Ordinary General Meeting

#### Education

Economics

#### Former roles

Owner lingerie business

#### Current role and/or mandates as director

Director and managing director of Ambo Holding NV

### Bruno Vanhoorickx

As representative of BVHX BV

1981, Belgium

#### Independent director

2023: appointed as independent director

2026: tenure expires at the Ordinary General Meeting

#### Education

Master's degree in applied economics (KULeuven), International Business Economics (Sorbonne) and Technology & Innovation (Sussex)

#### Former roles

Consultant at BCG in Brussels and New York, Member of the leadership team of investment fund Bain Capital Europe in London, Member of the management team at Zalando SE in Berlin, responsible for the commercial activities and strategy in all 25 European markets

#### Current role and/or mandates as director

Co-founder & General Partner at Relativity Collective, an investment fund supporting Europe's most promising Tech Scale-Ups

### Isabelle Maes

As representative of Valseba BV

1974, Belgium

#### Independent director

2019: first appointed as independent director

2022: re-appointed as independent director

2025: tenure expires at the Ordinary General Meeting

#### Education

Master's degree in commercial engineering (KULeuven)

#### Former roles

Senior Auditor at PwC, Finance Officer at Barry Callebaut and CFO at Lotus Bakeries

#### Current role and/or mandates as director

Chief Marketing Officer Lotus Bakeries and CEO Lotus Natural Foods

### Yvan Jansen

As representative of YJC BV

1963, Belgium

#### Independent director

2012: first appointed as independent director

2024: re-appointed as independent director

2025: tenure expires at the Ordinary General Meeting

#### Education

Master's degree in law (KULeuven) and economics (UCL) and an MBA (Chicago Booth)

#### Former roles

Senior Partner at Kearney, active in private equity and Senior Partner and Managing Director at BCG

#### Current role and/or mandates as director

Board member and Advisor to multiple businesses

During 2024, the following directors left the Board of Directors:



## Board of Directors

### Leaving

#### Dirk Goeminne

As representative of Executive NV  
1955, Belgium

#### Independent director

2008: first appointed as independent director  
2023: re-appointed as independent director  
2024: tenure expired at the Ordinary General Meeting

#### Education

Master's degree in applied economics and commercial engineering

#### Former roles

Chairman of the Board of Directors of What's Cooking and Wereldhave Belgium NV

#### Current role and/or mandates as director

Chairman of the Board of Directors of CRG NV (JBC, Mayerline, CKS) and a seat on various supervisory boards in the Netherlands

#### Marleen Vaesen

As representative of Mavac BV  
1959, Belgium

#### Non-executive director

2012: first appointed as director  
2022: re-appointed as director  
2024: resigned on 25 April 2024

#### Education

Master's degree in economics (KUL) and management courses at prestigious universities, including Harvard

#### Former roles

Active at Proctor & Gamble and Sara Lee. CEO at Greenyard and CEO at Van de Velde NV

#### Current role and/or mandates as director

A seat on various boards of directors as an independent director

Honorary director: Henri-William Van de Velde (†), son of the founder, Doctor of Laws.

The company secretary is Lore Werbrouck, Head of Legal, Risk & Compliance.

#### Number of (non-) executive members

Number of executive members	1
Number of non-executive members	9

Table 1 Number of (non-)executive members of the Board of Directors

Valseba BV, YJC BV and BVHX BV are independent directors. Up until the expiration of its tenure, Executive NV was considered an independent director.

Benedicte Laureys, Veronique Laureys, Greet Van de Velde, Viancaba BV, PARCinvest BV and Herman Van de Velde NV represent Van de Velde Holding NV, the majority shareholder of Van de Velde NV, and are non-executive directors. Up until their resignation, Mavac BV and Liesbeth Van de Velde also represented Van de Velde Holding NV as non-executive directors.

In accordance with the Belgian Act of 28 July 2011<sup>(1)</sup>, at least one third of the members of the Board of Directors are the opposite sex to the other members.

#### Board of Directors

Gender diversity ratio:	50%
Age group (below 50)	30%
Percentage of independent members	30%

Table 2 Diversity of the members of the Board of Directors

(1) This act aims to ensure that there is gender balance in Board of Directors.

The Board of Directors has established two advisory committees, consisting of members appointed by and among the members of the Board of Directors: the Audit & Risk Committee and the Nomination & Remuneration Committee. The Board of Directors evaluates the performance of the committees at least every three years.

### **Audit and Risk Committee**

On 31 December 2024, the Audit and Risk Committee is composed as follows:

- Veronique Laureys
- YJC BV, always represented by Yvan Jansen (independent director);
- Valseba BV, always represented by Isabelle Maes (independent director);

Up until the expiration of its tenure, Executive NV, always represented by Dirk Goeminne was a member of the Audit and Risk Committee.

The members of the committee possess sound knowledge of financial management. The chairman of the Audit and Risk Committee is Valseba BV, always represented by Isabelle Maes. She is Chief Marketing Officer Lotus Bakeries and CEO Lotus Natural Foods. Previously, she was active as CFO of Lotus Bakeries and Barry Callebaut Belgium and as senior auditor at PwC, giving her the necessary knowledge of accounting and auditing.

### **Nomination and Remuneration Committee**

On 31 December 2024, the Nomination and Remuneration Committee is composed as follows:

- Herman Van de Velde NV, always represented by Herman Van de Velde;
- YJC BV, always represented by Yvan Jansen (independent director);
- Valseba BV, always represented by Isabelle Maes (independent director).

The chairman of the Nomination and Remuneration Committee is Herman Van de Velde NV, always represented by Herman Van de Velde. All members of the committee possess sound knowledge of remuneration policy.

### **Management Team**

At the Extraordinary General Meeting on April 27, 2022, amendments to the Articles of Association were approved to implement the CCA, adopting a monistic governance model. This model includes a Board of Directors, along with an executive committee, which does not qualify as a Management Committee under Articles 7:104 and 7:107 of the CCA.

In accordance with Article 23, paragraph 2 of the coordinated Articles of Association of April 27, 2022, the Board of Directors established an executive committee known as the Management Team. On April 17, 2024, the Board of Directors established a collegial executive committee, referred to as the Management Team, effective from May 1, 2024.

The non-executive directors evaluate their interaction with the Management Team annually. The CEO together with the Nomination and Remuneration Committee evaluates the functioning and performance of the Management Team annually.

The Management Team is responsible for the daily leadership of Van de Velde and consists of the following members.



## Management Team

### Karel Verlinde

As representative of Karel Verlinde CommV  
1982, Belgium

#### CEO

since 2022

#### Education

Master's degree in economics at UGent and an MA in economics & finance (national university of Ireland Maynooth)

#### Former roles

Junior Marketing at Fourbases, Business Analysis Manager at M2S Group, Finance Manager at Brady Corporation, CFO at IVC Group, CFO at Van de Velde

### Céline Soto Perez

As representative of Moremi BV  
1984, Belgium

#### Head of Marketing

since 2020

#### Education

Master's degree in economic sciences

#### Former roles

Product Manager at C&A and Marketing Director at L'Oréal

### Marijke Goossens

As representative of Kanren BV  
1970, Belgium

#### Head of Operations and Supply Chain

since 2019

#### Education

Master's degree in Japanology and a second master's degree International Relations at KULeuven

#### Former roles

Supply Chain management roles at various fashion companies, including Sara Lee Knit Products, Champion Europe and VF Corporation

### Wim Schelfhout

As representative of SKRAPA BV  
1980, Belgium

#### CFO

since 2023

#### Education

Master's degree in Commercial Engineering at KULeuven and a post-graduate in Finance and Accounting

#### Former roles

Active in Finance & Controlling at Honeywell, regional finance director at Etex, CFO at Lamifil

### Stefanie Baesens

As representative of Olama BV  
1983, Belgium

#### Head of Strategy, IT and Digital

since 2019

#### Education

Master's degree in business engineering at KULeuven

#### Former roles

Consultant at Accenture

### Stéphane De Schryver

As representative of Tuur BV  
1970, Belgium

#### Head of HR

since 2025

#### Education

Master's degree in commercial sciences (Vlekho, Brussels)

#### Former roles

Different roles in Procurement, Internal audit, Corporate Communication at Henkel, in both local and international roles, and various HR Director roles at Henkel and FrieslandCampina, with responsibilities in different countries (Belgium, Netherlands, Luxembourg, UK and Ireland, France)

The chairman of the Management Team (CEO) is Karel Verlinde CommV, always represented by Karel Verlinde.

MMW BV, always represented by Willem Wijnen, Head of Commercial, left the Management Team on 23 February 2024, Carole Lambert, Head of Brands and Design left the Management Team on 1 May 2024 and Karen Van Bockstaele BV, always represented by Karen Van Bockstaele, Head of HR and Facilities ad interim left the Management Team on 13 January 2025.

Depending on the agenda points, key persons within Van de Velde are invited to Management Team meetings.

As we already have a high female representation with our Management Team, we have not set a target to increase gender diversity. In line with the Law of 28 July 2011 we ensure that at least one-third of the Board of Directors has another gender. We apply the same target for the composition of our Management Team.

Management Team	
Gender diversity ratio (female)	50%
Age group (below 50)	67%

*Table 3 Diversity of the members of the Management Team*

### Relevant experience

Before each appointment to the Board of Directors, its committees or the Management Team, an evaluation of existing or required competencies, knowledge and experience is performed by the Nomination and Remuneration Committee. The Board of Directors shall ensure that each (re)appointment allows it to maintain an appropriate balance of competencies, knowledge and experience, allowing them to effectively oversee sustainability matters.

Members shall be individually responsible for the preservation and development of the knowledge and competencies they must have to fulfil their function in the Board of Directors, its committees or the Management Team. Van de Velde makes the necessary (financial) resources available to the members to this end, which can come in the form of independent professional advice or a training on sustainability matters.

At least every three years, the Board of Directors, headed by its chairman, conducts an evaluation of the size, composition and performance of the Board and its committees, as well as the interaction with the Management Team. Based on the findings of the evaluation, the Nomination and Remuneration Committee will, where applicable and in consultation with any external experts, submit a report of the strengths and weaknesses and any proposal to appoint new directors or refrain from renewing a directorship.

Below schedule indicates experience of members of the Board of Directors and Management Team towards sectors, products, geographic locations and competencies relevant to Van de Velde. Experience gained at Van de Velde is taken into account when a member of the Management Team or Board of Directors is active within Van de Velde for over one year.



## Experience matrix

	Karel	Wim	Stéphane	Stefanie	Céline	Marijke	Herman	Benedicte	Liesbeth	Veronique	Greet	Christian	Isabelle	Yvan	Bruno
<b>Relevant sectors</b>															
Textile and clothing	X	X		X	X	X	X	X	X	X	X	X	X	X	X
Industry (general)	X	X	X	X			X					X	X	X	X
Trade (wholesale and retail) and leasing		X			X	X		X	X	X				X	X
IT services and companies			X	X								X			X
Transport and logistics				X		X								X	X
Real estate and facility services			X												
<b>Relevant products</b>															
Textile and clothing	X	X		X	X	X	X	X	X	X	X	X	X	X	X
Leather goods, handbags and belts					X	X					X				
Shoes and headgear						X									X
Cosmetics, skin and hair care			X		X										X
Juwelry, pearls and gems												X			
<b>Relevant geographic locations</b>															
EU	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
UK		X	X		X	X	X	X	X			X	X	X	X
US	X	X		X		X	X	X	X	X		X	X	X	X
Tunesia			X			X	X								
Far East		X			X	X	X			X	X	X	X	X	X
<b>Relevant competencies</b>															
General Management	X		X	X			X					X	X	X	X
Risk, Audit and Finance	X	X	X						X	X		X	X	X	X
Supply Chain				X		X	X			X		X	X	X	X
HR			X				X					X			X
Marketing					X				X			X	X	X	X
IT and Digitalisatie		X		X		X						X			X
Sales (B2B/B2C) and Retail	X			X		X		X	X	X	X	X	X	X	X
Capital markets		X						X		X	X	X	X	X	X

### Representation of employees and other workers

At Van de Velde NV, there are no employee-elected representatives within the Board of Directors or the Management Team. This means employees do not have direct representation at the highest levels of decision-making. However, Van de Velde recognizes the significance of fostering dialogue and ensures that employee representatives engage with Management Team representatives on an ongoing basis. This allows for a

continuous exchange of ideas and concerns between the employees and the Management Team. This day-to-day dialogue and communication lines ensure that workforce insights are actively considered in Van de Velde's decision-making processes. The primary platform for this dialogue are the monthly meetings with the Works Council and the Committee for Prevention and Protection at work, as chaired by the CEO.

## Roles and responsibilities of the Board of Directors and Management Team

### Board of Directors

The Board of Directors is responsible for guiding Van de Velde with a focus on sustainable value creation by setting the strategy, ensuring effective, responsible, and ethical leadership, and overseeing overall performance. As the highest decision-making body, the Board shapes Van de Velde's general policy and strategic direction.

In line with the principles of the CCA, Van de Velde's Board of Directors evaluates and approves strategic plans and budgets, supervises reporting and internal controls and addresses other legally mandated responsibilities.

In 2024, there were two meetings of the Board of Directors attended only by the non-executive directors:

1. for the purpose of discussing the remuneration of the CEO;
2. for the purpose of evaluating the interaction between the Board of Directors and the Management Team.

Number of meetings		Attendance
Regular BoD meetings	5	Fully attended, except for one meeting (Valseba BV was excused)
BoD meetings attended only by non-executive directors	2	Fully attended
Audit and Risk Committee meetings	5	Fully attended
Nomination and Remuneration Committee meetings	3	Fully attended

Table 4 Meetings of the Board of Directors and its Committees during 2024

### Audit and Risk Committee

The Audit and Risk Committee supports the Board of Directors in overseeing critical areas that require dedicated monitoring and provides strategic recommendations. Its role is to assist the Board in fulfilling its oversight responsibilities related to audit and risk management in the broadest sense. This includes the development of a comprehensive, long-term audit program that encompasses all aspects of Van de Velde's operations.

The committee's objective is to support the Board of Directors in its oversight of Van de Velde's financial and sustainability reporting processes. This includes ensuring the accuracy of financial statements, the integrity of the sustainability report, and the qualifications, independence, and effectiveness of the statutory auditor.

Key advisory responsibilities of the Audit and Risk Committee include:

- Appointment, (dismissal) and remuneration of the statutory auditor;
- Preparation of semi-annual and annual financial results;
- Preparation of the annual sustainability statement;
- Internal control and risk management.

The Audit and Risk Committee meets no fewer than four times a year and as often as considered necessary for its proper operation.

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee provides recommendations on Van de Velde's remuneration policy, including the compensation of directors and Management Team members. In alignment with Van de Velde's strategic objectives, the committee makes proposals to the Board based on agreed-upon performance measures and sustainable goals. The committee also advises the Board on the selection and (re)appointment of directors and Management Team members.

The Nomination and Remuneration Committee meets as often as is needed for its proper operation, but never fewer than twice every year.

Directors do not attend meetings of the Nomination and Remuneration Committee in which their own remuneration is discussed or may be involved in any decision concerning their remuneration.

### The Management Team

This committee is entrusted with the daily leadership of Van de Velde. The Board has delegated its managerial powers to the managing director and the Management Team, excluding decisions related to general policy and any actions reserved for the Board of Directors by statutory provisions. The Management Team meets at least every 14 days.

Van de Velde's day-to-day management, as set out in Article 23, §1 of the coordinated Articles of Association of 31 August 2023, is entrusted to Karel Verlinde CommV, always represented by Karel Verlinde, managing director.

### Reflection of responsibilities in the Corporate Governance Charter

Van de Velde NV is a publicly listed family company that places special emphasis on aligning its operations and organization with the provisions of the Belgian Corporate Governance Code (third edition). Any deviations from this Code are documented in Van de Velde's Corporate Governance Charter, which is available on [www.vandavelde.eu](http://www.vandavelde.eu). Aside from these deviations, we adhere to all recommendations outlined in the Code.

Van de Velde's family nature is also an important ingredient in good corporate governance. The family has an interest in Van de Velde being managed in a professional and transparent way, which is expressed among other things by the presence of experienced family members in the Board of Directors.

On April 17, 2024, the Board of Directors of Van de Velde NV approved an updated Corporate Governance Charter. For a comprehensive description of the roles and responsibilities of the Board of Directors, its committees, and the Management Team, we refer to the Corporate Governance Charter available on our website, [www.vandavelde.eu](http://www.vandavelde.eu).

In relation to the identified impacts, risks and opportunities for Van de Velde, we can highlight the following responsibilities:

- The Board of Directors monitors and oversees Van de Velde's sustainability strategy, including progress on ESG objectives. An annual update on sustainability targets and achievements is provided to the Board of Directors.
- The Audit and Risk Committee helps ensure that Van de Velde maintains high standards of financial integrity, risk management, and sustainable practices.
- The Nomination and Remuneration Committee is responsible for ensuring the presence of suitable talent development programs and promoting diversity within leadership.
- The Management Team's role includes initiating, leading, and fostering Van de Velde's growth to ensure it is sustainable in quality across various dimensions, such as customers, brands, innovation, efficiency and people, as well as over time.

### Management Team's role in overseeing impacts, risks and opportunities

The Management Team established a Sustainability Committee during 2023. The Sustainability Committee is chaired by the Sustainability Manager, and consists of the CEO, CFO, Head of HR, Head of Operations and Supply Chain and certain members of the leadership team at Van de Velde (Head of Innovation, Facility Manager, Digital Development Manager and Head of Legal, Risk & Compliance).

The Sustainability Committee is responsible for setting and implementing Van de Velde's sustainability strategy, including corresponding targets and projects. The relevant projects are led by key ambassadors in the various departments, with sponsorship by members of the Management Team or leadership team. The Sustainability Manager regularly checks in with project leads to monitor progress and is responsible for strategy, implementation and monitoring coordination, reporting, and leading internal and external communications for the program.

There are no employee-elected representatives within the Sustainability Committee.

The Sustainability Committee presents the sustainability strategy, along with corresponding targets and projects, to the Board of Directors for approval at least once a year. The following structure has been established for sustainability oversight.

- Several Management Team members, including the CEO and CFO, are members of the Sustainability Committee, ensuring active representation and oversight.
- The Sustainability Manager, chair of the Sustainability Committee, reports to the Head of Legal, Risk & Compliance. The Head of Legal, Risk & Compliance serves as Secretary to the Board of Directors and occasionally participates in Audit and Risk Committee meetings, providing a direct link to the Board.

Furthermore, the sustainability roadmap is reviewed annually with each department to maintain alignment of targets and projects.

Dedicated controls and procedures are in place to manage sustainability impacts, risks, and opportunities. These are integrated across internal functions through collaboration between the Sustainability Committee and the Legal, Risk & Compliance Department, ensuring alignment with Van de Velde's risk management framework. Regular coordination with the various departments allows for a unified approach to mitigating risks and leveraging opportunities.



## Information provided to and sustainability matters addressed by the Board of Directors and Management Team | [GOV-2]

---

Van de Velde's Corporate Governance Charter determines that it is the Board of Directors' task to approve the framework of risk management for Van de Velde and to assess its implementation by the Management Team. The Audit and Risk Committee must ensure that the primary risks are properly identified, managed and brought to its attention.

It is within this framework that the Audit and Risk Committee validates an annual risk matrix, as prepared by the Management Team, advising the Board of Directors on certain risks when overseeing strategy, major transactions and risk management process. By conducting our first DMA, we learned that ESG (environmental, social and governance) risks were under considered in the annual risk matrix.

During 2025, the risk matrix will therefore be revised by the Management Team based on the results of the DMA, to allow inclusion of the identified ESG IRO's for Van de Velde. In addition, the timeline and process of conducting the DMA will also be aligned with the general framework for risk management. The Sustainability Committee is responsible for properly executing the DMA and thus identifying, assessing and managing the material impacts, risks and opportunities.

This will allow the Audit and Risk Committee, and the Board of Directors, to take into account the entirety of material risks within their oversight duties. If needed, a separate Audit and Risk Committee can be planned to focus on the DMA outcome. Furthermore, once the outcome of the DMA is presented to and validated by the Audit Committee, the Sustainability Committee will perform a check to align actions and targets as well as the implementation of due diligence processes with the sustainability strategy. The Sustainability Committee aims to meet quarterly to ensure consistent oversight and alignment with the sustainability strategy. In 2024, the Sustainability Committee gathered four times to review progress on Van de Velde's sustainability strategy, including associated targets and projects.

The Board of Directors will be updated at least annually by the Sustainability Manager in relation to progress of the sustainability strategy. They will receive an update on the effectiveness of policies, actions, metrics, and targets adopted.

No trade-offs associated with impacts, risks and opportunities have been considered by the Board of Directors and Management Team.

## Integration of sustainability-related performance in incentive schemes | [GOV-3]

---

There are no incentive schemes or remuneration policies linked to sustainability matters for members of the Board of Directors or the Management Team.

## Statement on due diligence | [GOV-4]

The below table provides a mapping of information we provide on our due diligence process as mentioned throughout our sustainability statements. We intend to further develop our due diligence process during 2025.

Core elements of due diligence	Location in the sustainability statement and brief description
a) Embedding due diligence in governance, strategy and business model	<ul style="list-style-type: none"> <li>• General disclosures, GOV-1: Ensuring frameworks, competencies and experience are present to effectively oversee sustainability matters</li> <li>• G1-1: Ensuring relevant business conduct policies are implemented, trained and monitored, including reporting mechanisms in case of violations.</li> <li>• S2 + G1-2: Ensuring suppliers are screened and monitored in terms of human rights, business integrity and environmental stewardship.</li> </ul>
b) Engaging with affected stakeholders in all key steps of the due diligence	<ul style="list-style-type: none"> <li>• General disclosures, SBM-2 : Engagement with stakeholders for the purpose of conducting the DMA</li> <li>• S1-2: Engagement with own workforce for the purpose of including their perspectives into the decision-making process</li> <li>• S4-2: Engagement with consumers for the purpose of including their perspectives into the decision-making process</li> </ul>
c) Identifying and assessing adverse impacts	General disclosures, SBM-3
d) Taking actions to address those adverse impacts	<ul style="list-style-type: none"> <li>• E1-2</li> <li>• E2-2</li> <li>• E3-2</li> <li>• E5-2</li> </ul>
e) Tracking the effectiveness of these efforts and communicating	<ul style="list-style-type: none"> <li>• E1-3</li> <li>• E2-3</li> <li>• E3-3</li> <li>• E5-3</li> </ul>

Tabel 5 Mapping of information provided in sustainability statement about due diligence process (finaal na opmaak invullen)

## Risk management and internal controls over sustainability reporting | [GOV-5]

To cover risk management and internal control processes in relation to our sustainability reporting, a CSRD work group was set up during 2024. The work group holds weekly meetings since June 2024 and is led by the Sustainability Manager. Other participants are the CFO, Head of HR, Finance Manager and Head of Legal, Risk & Compliance.

The scope of the work group includes:

- Van de Velde NV and all its direct and indirect subsidiaries
- All disclosure requirements under the CSRD

The main risks that were identified in relation to the sustainability report, were:

- a lack of clear definitions and/or processes for data collection
- a lack of clear responsibilities
- timely finalization of the sustainability report

The work group implemented several initiatives to allow internal control on all data and information required under CSRD and to mitigate the above mentioned risks:

- One person within Van de Velde was designated as the final responsible for each specific ESRs standard;
- A process document was created for all quantitative datapoints, wherein the responsible for the data, data collection, data storage, data validation and internal control and the timing of reporting were described;
- A software (Greenomy) was used to provide an accurate overview of all disclosure requirements;
- A consultant was enlisted to perform an internal check on the process documents as well as to support the reporting process.

Members of the Management Team were asked to read through the initial draft texts to validate the absence of incorrect statements.

The completeness and correctness of the sustainability report is verified by our external auditor. The members of the Audit and Risk Committee perform oversight on the auditor's work in relation to the sustainability report.

# Double Materiality Assessment

## Introduction on the methodology | IRO-1

---

To conduct the double materiality assessment and identify material topics for Van de Velde, a step-by-step approach was followed. Below, a summary of this approach and methodology is presented. The following assumptions were made:

- With regard to step 2, our assumption is that sustainability experts possess more knowledge on sustainability matters than our own workforce.
- With regard to step 3, only local management at our production site in Tunisia was invited to participate in the Google survey. Our assumption is that the answers of local management also represent the answers of other employees in Tunisia.

An extensive climate resilience analysis was not yet performed, but is scheduled for 2025.

Further details on each step are described later in this document. The steps taken by Van de Velde are as follows:

The assessment process began with **Step 1**, which focused on information gathering and knowledge building. This involved reviewing previous assessments, analyzing impact reports from sources such as McKinsey and BOF, and examining risk analyses included in strategic plans and past audit reports. Additionally, interviews with subject matter experts and participation in webinars and desktop research contributed to a comprehensive understanding of the relevant issues.

In **Step 2**, the scope of the assessment was defined. This included identifying ESRS topics and sector-specific material topics. Sustainability experts critically evaluated the longlist of topics, leading to potential adjustments—either downsizing or adding topics within the scope of the broader value chain.

**Step 3** involved setting up a Google survey for employees and clients, which incorporated the topics identified in the revised longlist from the previous step.

Next, **Step 4** focused on conducting a workshop dedicated to Impact Materiality. This interactive session, moderated by an external partner began with training on the context of the CSRD and the ESRS. Participants engaged in a round table discussion to elaborate on the predefined impacts and provide new insights. This workshop also prepared attendees for a "scoring at home" exercise. We refer to chapter 'Scoring methodology (IRO-1)' below for more information.

In **Step 5**, a quality check was conducted, consolidating the individual scores collected during the workshop. Following this, **Step 6** determined the impact-related topics relevant for the financial assessment.

**Step 7** encompassed another workshop, this time focusing on Financial Materiality. During this session, participants defined time horizons and thresholds, quantified financial risks and their likelihood, and evaluated and documented the various risk scenarios. If needed, there was a double-check with the responsible business units to ensure accuracy.

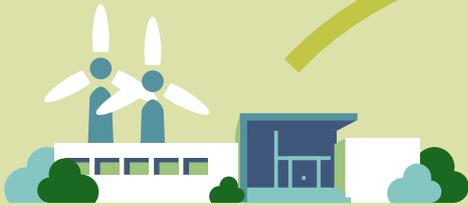
In **Step 8**, the results of the Google survey underwent a sanity check to ensure consistency and validity. Finally, in **Step 9**, the final outcomes were reviewed with the Sustainability Committee to ensure alignment with the corporate strategy.

At least once a year, the final outcomes of the DMA shall be reviewed by the Sustainability Committee to verify if certain events or evolutions impact these outcomes. This may justify a change in some of the impacts, risks or opportunities.

A new DMA will be conducted taking into account the time-frame foreseen in the applicable regulatory framework.



Company  
Van de Velde



Impact on  
planet and society

Double  
materiality  
approach

Financial risks  
and opportunities



Planet  
and society

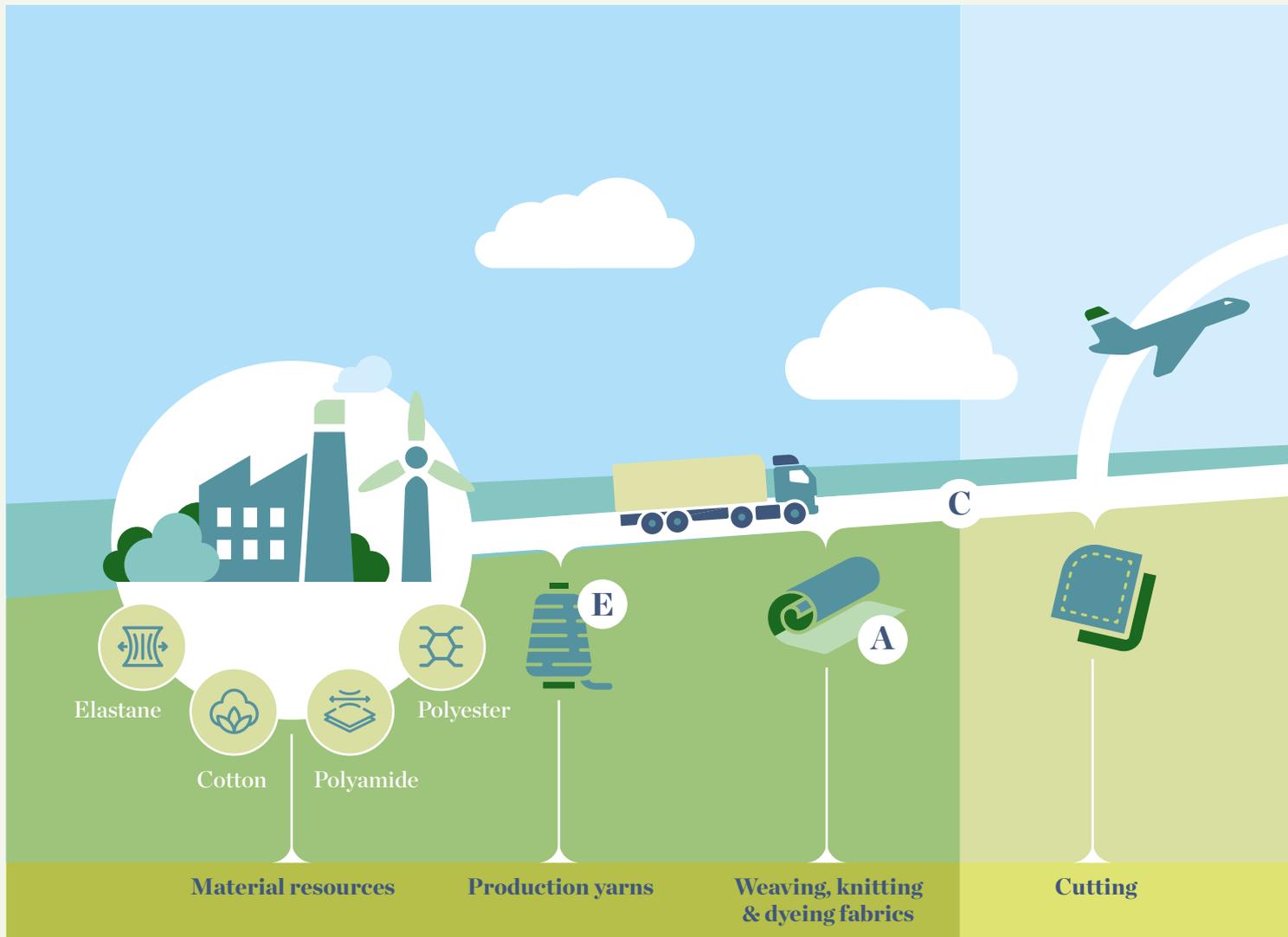


## Van de Velde value chain | SBM-1

For a thorough understanding of Van de Velde’s value chain, we first refer to the description of Van de Velde’s business model in BP-1/SBM-1 and the number of employees per country in ESRS S1-6. During 2024, there was no significant change in groups of products and services offered, markets and customers served. As a lingerie producer, Van de Velde is classified under the ESRS sector Fashion Industry, manufacturing wearing apparel (NACE code C14.14). The total revenue - being 206.4M€ in 2024 (see financial statement) – comes entirely from these activities.

Van de Velde is not active in the following sectors: fossil fuel, chemicals production, controversial weapons and the cultivation and production of tobacco.

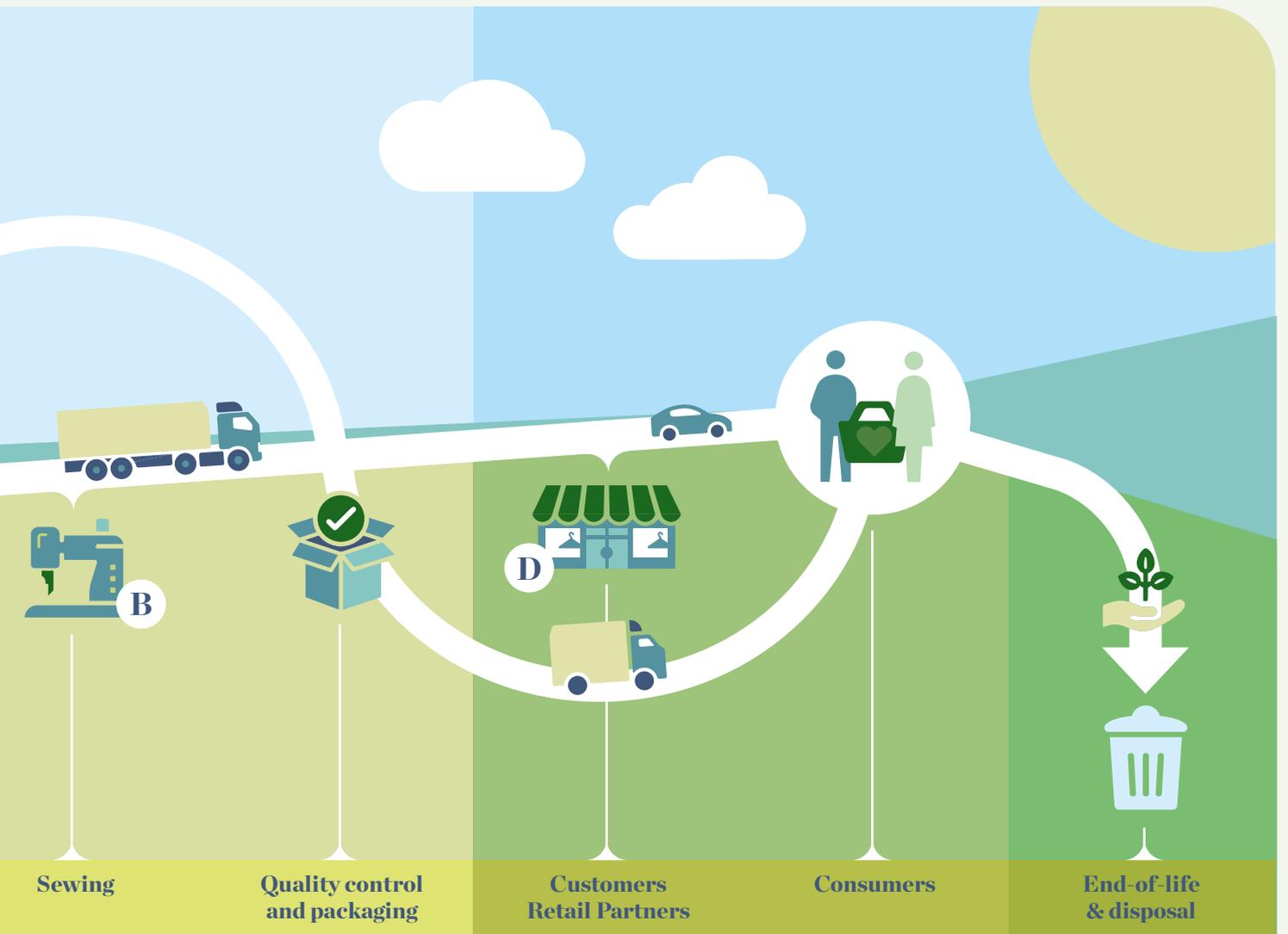
For a general overview and assessment of sustainability-related goals in terms of customer groups, significant groups of products and services and geographical areas, we refer to our sustainability strategy in the introduction of this chapter and to the more detailed descriptions in each ESRS standard.



**In the DMA, we considered the following steps across our entire value chain as illustrated in the infographic below:**

The impacts, risks and opportunities primarily associated with upstream activities. In the textile and fashion sector, significant challenges are associated with both purchased goods and workers within the value chain.

Purchased goods, such as textile fabrics, often present issues related to environmental impact and ethical production practices. Additionally, the conditions of workers throughout the value chain, from raw material production to garment manufacturing, pose critical risks, including labor rights violations and poor working conditions. Addressing these risks is crucial for improving sustainability and ethical standards in the industry.



## As stakeholders in the value chain, we consider the following as most important:

**A Fabric suppliers (upstream):** These suppliers specialize in weaving, knitting and dyeing synthetic and elastic textile fabrics. These resources are crucial for Van de Velde, as these fabrics form the foundation of our lingerie and swimwear products. Over 75% of our fabric suppliers are produced in Europe, predominantly consisting of smaller, often local family-owned businesses. The fibers in these fabrics are synthetic fibers, meaning they have no naturally grown nor cultivated origin.

**B Subcontractors (upstream):** Our subcontracting operations are in Tunisia and in the Far East (China and Thailand, managed by Top Form International). The independent Tunisian suppliers work closely with our own Van de Velde production plant in Kondar, Tunisia.

These independent subcontractors handle over 55% of the assembly for parts that are cut at our central cutting department in Belgium. While Van de Velde manages the design, development, fabric procurement, and cutting at the Belgian site, the subcontractors are solely responsible for assembling the pieces.

Top Form International is a publicly listed company with a governance model similar to ours. The company is committed to sustainability, as reflected in its comprehensive strategy detailed in its annual sustainability report. As part of this report, Top Form International conducts an annual risk analysis, which is reviewed and approved by the Board of Directors, where Van de Velde holds seats. This process ensures that both companies maintain high standards of sustainability management.

**C Transport (upstream):** weekly transport of cut parts and finished goods to and from the production sites in Tunisia and the Far East, is crucial for maintaining the continuity of our production planning related to the, mostly seasonal, deliveries of our finished goods to our customers and consumers.

Also, a reliable and continuous income of resources is essential for flawless supply chain and production planning. Transport companies are important to follow up in terms of environmental, but also human and social aspects. We prefer to work with global key players.

The transport activities significantly impact our corporate carbon footprint, accounting for approximately 30% of our total CO<sub>2</sub> emissions, primarily due to air transport to and from the Far East. It is also crucial to address social and ethical issues in the transport sector, as many carriers work with subcontractors across various regions. To address this, we have updated our Business Partner Code of Conduct and screening procedures to cover not only fabric suppliers but also transport companies and other partners.

**D Retail partners (downstream):** We deliver over 75% of our products in a B2B context. Our retail partners are primarily small independent multi-brand shops or larger key accounts such as some well-known department stores. The top five markets are Belgium, Germany, the Netherlands, France, and Switzerland. The likelihood of risks related to working conditions is assessed to be relatively low due to the nature of our B2B clientele. However, we are considering the development of a *Retail Partner Code of Conduct* to further mitigate potential risks.

**E Yarn suppliers (upstream):** These specialized firms spin the specific yarns used in the woven and knitted fabrics provided by our Tier 1 suppliers. At Van de Velde, 99% of yarns used are synthetic. The fibers used to create these yarns are synthetically produced rather than naturally or cultivated, which helps to reduce the risk of poor working conditions in this tier. Our yarn suppliers are selected based on their quality performance and other specific requirements for lingerie. We work with premium, globally represented brands and companies.

**F End-consumers (downstream):** Thanks to our omnichannel approach, end-consumers can purchase our products through various channels. These include local physical stores, large department stores in the city (see D.), our brand websites [mariejo.com](http://mariejo.com), [primadonna.com](http://primadonna.com) or [sardaworld.com](http://sardaworld.com), and our owned and operated retail shops (both physical and digital).

In the first phase of the assessment, we examine both the actual and potential impacts of our activities, considering their positive and negative effects. This involves a comprehensive analysis of how these impacts could influence various aspects of our operations and stakeholder relationships.

In the second phase, we focus on evaluating sustainability-related risks and opportunities that could affect our financial performance. This includes assessing potential risks and opportunities that might have short-term consequences as well as those that could impact our financial stability in the long term. Our evaluation aims to identify, quantify, and mitigate these risks and opportunities to ensure robust financial health and resilience. Whenever material opportunities arise, we estimate that the necessary resources are available to define the specific projects and transform these opportunities into a reality.

## Interests and views of stakeholders | SBM-2



### Stakeholder

#### Engagement plan

	Why?	How?	Outcome?
<b>Stakeholders</b>			
<b>Employees</b>	Understand expectations of own workforce on ESG related topics	Engagement surveys and assessments	Action plans and organizational improvements
	Enrich the ESG strategy with internal business and operational insights	Personal development reviews	Internal policy updates
	Create awareness around sustainability and ESG targets	Townhall meetings	Internal communication plans
	Create commitment to ESG targets	Internal Conversation Room	
	Contributing to a sustainable workplace and working life	Formal reporting channels	
<b>Shareholders</b>	Give the opportunity to flag unethical behaviour	Formal reporting channels	
	Understand shareholders expectations on ESG strategy	Shareholder meetings	Responses to shareholders queries
	Informing on ESG strategy and increasing attractiveness	Formal reporting channels	Targeted communications
<b>Suppliers</b>	Ensuring transparency	Questionnaires and emails	Improvements on public corporate communication
	Enhance trust and partnership	Surveys and assessments	Policy updates for business partners
	Commitment to support in CO <sub>2</sub> emission reduction plans	On-site visits	Supplier manual updates
<b>(Value chain workers)</b>	Engage to protect ethical behaviour in the total value chain	Workshops and collaborations	Targeted action plans with selected suppliers
	Understand concerns and building trust	On-site visits	Action plans for engagement improvements
<b>Customers (RP)</b>	Give the opportunity to flag unethical behaviour	Formal reporting channels	
	Enhance loyalty and trust	Surveys	Action plans for product & services
	Understand expectations on ESG strategy	On-site visits	Improvement of communication and/or marketing strategies
	Ensure transparency	Workshops and collaborations	Business partner policies update
<b>Consumers</b>	Include their experience on consumer behaviour	Formal and commercial reporting channels	
	Support in their ESG strategy	Questionnaires and emails	
	Understand their expectations of ESG related topics	Surveys and newsletters	Action plans for product & services
<b>Industry associates &amp; public authorities</b>	Monitor buying trends related to sustainability	Formal and commercial reporting channels	Action plans for go to market
	Create awareness around sustainability topics like longevity	Surveys and newsletters	
	Ensure regulatory compliance	Network events	Alignment on industry approach
	Enable the sector to engage policy makers	Trainings and knowledge sharing	Joined forces for engagement with policy makers
<b>NGO's</b>	Stimulate a cross-sectoral collaboration	White papers and studies	Actions for cross-sector collaboration
	Development of industry benchmarks and standards	Trainings and knowledge sharing	
	Understand expectations on ESG related topics	Supporting community projects	Action plans with more positive impact
<b>NGO's</b>	Create potential partnerships	Collaboration on specific local projects	
	Contributing to local initiatives	Collaboration on specific local projects	

We chose to adopt a tailored approach for each type of stakeholder group. Given that the double materiality assessment was new in both content and methodology, we decided to conduct the DMA with a select group of internal stakeholders. For assessing **impact materiality**, we included:

- members of the Management Team;
- key stakeholders from finance and legal;
- some subject-matter experts (e.g., energy, purchase, innovation, ...);
- the sustainability manager.

This selection was based on alignment with our business strategy, internal expertise, and specific value chain expertise. Some internal stakeholders also provided broader insights relevant to other stakeholder groups, such as shareholders, suppliers, customers and end-consumers.

We gathered input from this group through roundtable discussions, followed by individual scoring. The individual impact scores were recorded in a pre-prepared questionnaire, which covered all relevant, actual and potential Impacts, risks and opportunities discussed during the workshops. Participants scored impact on several parameters such as likelihood, scale, scope and irremediable character. These results were consolidated into one file, serving as the basis for the financial assessment of risks and opportunities.

For the **financial materiality assessment**, we held a separate roundtable with the CEO, CFO, COO, Head of Strategy, Head of Legal, Risk & Compliance and Sustainability Manager. This group reviewed the outcome of the impact analysis and assessed risks and opportunities from a financial point of view, taking into account the likelihood and time horizon.

In addition to the DMA, we consulted the **two most important affected stakeholder groups** through a Google survey. We invited employees from our Belgian sites, including blue-collar and white-collar workers, middle management, and worker representatives, to share their expectations and views

on environmental and social matters related to Van de Velde's business. To ensure involvement from our Tunisian plant, we invited the local management team in Tunisia to participate in the same survey. In the future, we plan to conduct a survey, directly with the employees in Tunis.

Additionally, we selected **customers**, including retail partners from Belgium and the Netherlands, to provide their perspectives on these issues. A few years ago, our key suppliers were questioned on ESG topics via a survey. The insights of that survey were also reviewed during the assessment.

The questioned topics were aligned with the topics of the DMA. Each topic was clearly defined and explained to avoid misinterpretation of the questions. This approach led to nearly 200 completed responses. The results of this survey were then compared with the findings of the DMA.

Furthermore, we interviewed a group of **seven sustainability experts** to identify both actual and potential impacts related to sustainability matters. Some experts were representing the industry association or a national NGO and had valuable knowledge of legislation. With six out of seven experts being women, we also gathered their perspectives as end-users. Their feedback was instrumental in refining the long list of topics and enriching the DMA process.

To gain a broader understanding of impacts on end-users, we consulted various sources, including, amongst others; *"The State of Fashion 2024"* report by Business of Fashion and McKinsey & Company (2024), in which consumer expectations and trends are stated.

## Scoring methodology | IRO-1

---

As previously described, the impacts, risks, and opportunities were identified by consulting multiple stakeholders and sources. The scoring methodology employed to assess these impacts, risks, and opportunities was conducted as follows:

For **impact materiality**, the following parameters were scored:

- Scale: the magnitude of negative impact on the environment or people, as well as the size of the positive impact.
- Scope: how widespread the negative impact is, or how extensive the positive impact may be.
- Irremediable Character: the likelihood that a negative impact can be reversed.
- Likelihood: scores for actual and potential scenarios.

For **financial materiality**, following parameters were scored:

- Monetary thresholds were defined and magnitude of the financial effect was estimated.
- The time horizons were defined as short-term; up to 2025, mid-term; up to 2030 and long-term; up to 2050.

### Thresholds for materiality

Finally, management agreed on thresholds to define which topics were material and which risks and opportunities had to be included in the financial assessment.

As soon as the total impact score exceeded 2.5, the sub-sub-topic was included in the financial assessment. Additionally, even if the financial score was below 2.5, any topic with an impact score greater than 2.5 was considered material.

## Outcome Double Materiality Assessment | SBM-3

---

### Overview material topics

Through this double materiality assessment, we aimed to identify the most significant impacts of our activities on both the planet and people. We examined sustainability-related (financial) risks and outlined potential opportunities.

We consolidated the results of the DMA by ESRS topic, identifying E1, E5, S1, S2, S4 and G1 are our most material sustainability matters.

The fashion industry is known for its significant ecological footprint. In this context, Climate change (E1) and Circularity (E5) are particularly important for Van de Velde. These topics are directly related to our products, the materials we use and the environmental impact of our global operations, including the end-of-life of our products. Additionally, Pollution (E2) and Water (E3) are relevant topics, due to their potential (indirect) negative impacts and risks associated with our textile suppliers.

Moreover, the fashion industry's labor-intensive nature makes the impacts and risks covered in S1 (Own workforce) and S2 (Workers in the value chain) particularly pertinent and mate-

rial to our business. Consumer-related issues, such as product safety and inclusion, are emphasized in S4 (Customers and consumers).

We considered the topic of Biodiversity (E4) as non-material for Van de Velde. During our assessment of the impacts, risks and opportunities related to biodiversity, the following key points were discussed:

- **Van de Velde:** building new facilities has the potential to negatively affect local biodiversity. To minimize or even avoid these negative impacts, we are committed to following all necessary rules and regulations set by the local government.
- **Upstream:** Producing the synthetic textile components required for our yarns and fabrics involves the use of fossil fuels. Extracting these fuels can negatively impact biodiversity and lead to resource depletion. After careful consideration, we determined that the environmental impacts associated with fossil fuel extraction could be more appropriately addressed within our Circularity (E5) disclosures, where resource use and sustainability are key focus areas.

Also, the ESRS topic of Affected Communities (S3) was scored as non-material. Some opportunities, related to societal engagement (underprivileged women, breast health, ...) were considered to be more related to the category S4 (Customers and consumers).

This year, we introduced the new DMA approach, replacing the prior methodology used in previous years. We will integrate the new DMA approach and procedure into our governance process to ensure a timely review and assessment of future IRO's.

## Overview Impact, risk and opportunities

Further in the report, tables outline the material sustainability-related impacts and risks for each ESRS. Each table clearly identifies if these impacts, risks and opportunities are related to our own operations or occur upstream (e.g. suppliers) and or downstream (e.g., customers).

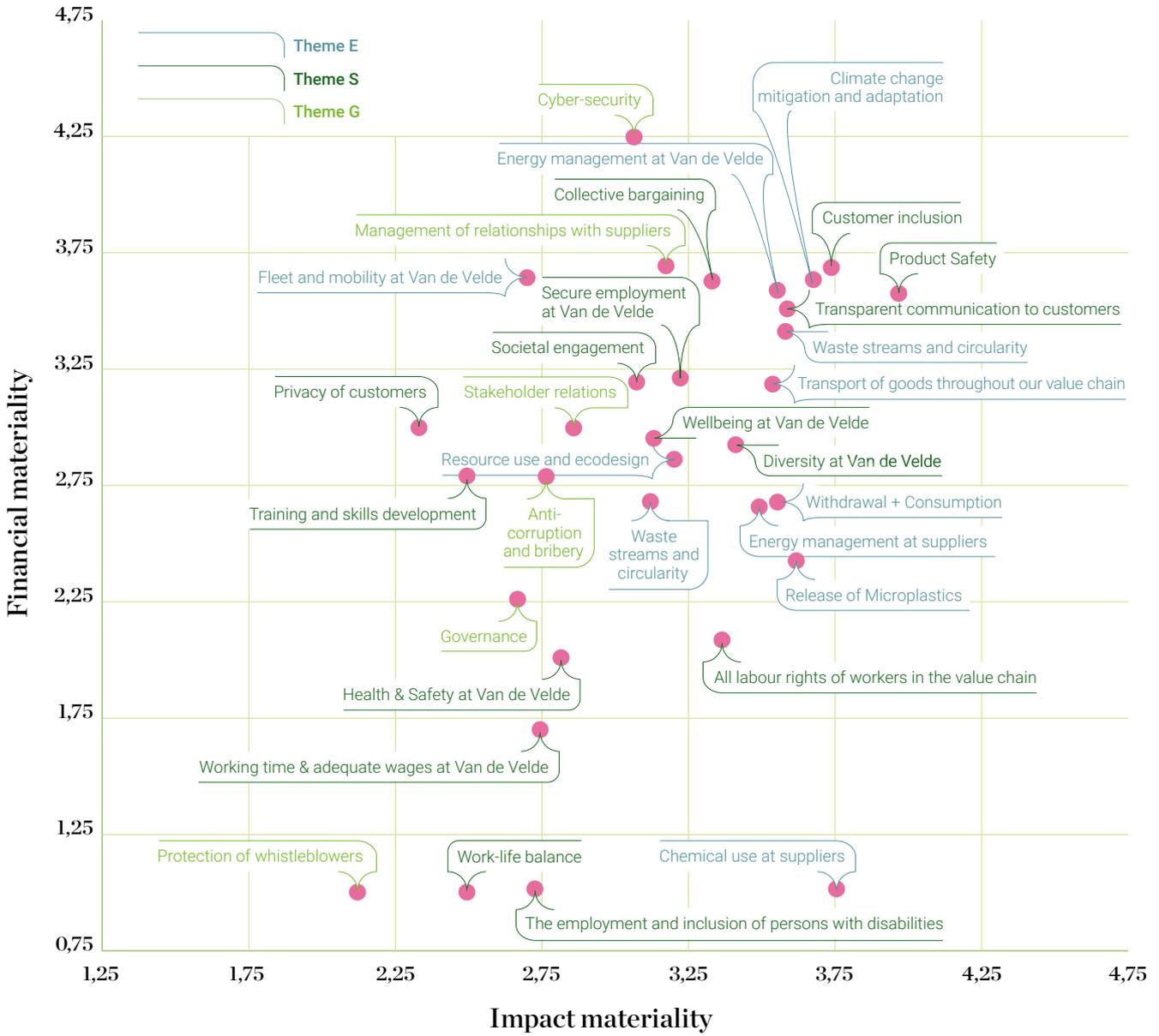
Additionally, each IRO includes a brief description to provide context and understanding. This format is designed to offer a clear and comprehensive overview of how these sustainability factors affect our business and value chain.

Each IRO can be linked to one or more of the four pillars of our sustainability strategy set out above. Policies, actions, targets and metrics included in the ESRS all contribute to the sustainability strategy.

In the graphic on the next page, total overview of the impact and financial materiality.

Although we do not foresee any significant effects of impacts, risks and opportunities on our business model, value chain, strategy and decision-making in the near future, we have defined actions to address particular material impacts or risks, or to pursue particular material opportunities. These actions are mentioned under the relevant ESRS below. At this moment, we are not able to define specific time horizons in relation to material impacts.

Additionally, we do not foresee any significant financial effects of risks and opportunities on our financial position, financial performance and cash flows over short, medium or long term. This includes significant financial effects as a result of increase in raw material prices and transportation, as well as incidents concerning working conditions and other social matters in our own operations and value chain. We estimate that there is no significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.





# Climate change



# Climate change



## ESRS E1

### Climate change

	Material impact or risk/ opportunities	Description
<b>Climate change mitigation and adaptation</b>		
<b>Risk (upstream)</b>	The use of virgin fossil fuel-based materials (such as Polyamide, Polyester, Elastane...) in our products.	There is an increasing pressure to reduce the use of virgin fossil fuel-based materials as they have a higher carbon footprint. This may lead to reputational damage for brands. One could also expect price increases for fossil fuel-based materials. Even the availability of fossil fuel-based materials might be at risk due to scarcity in the long term.
<b>Risk (upstream)</b>	Climate change leads to more extreme temperatures and weather conditions which can affect production sites in terms of energy management, infrastructure, ...	Production sites (products and fabrics) might need to adapt taking in account different kind of scenarios: higher energy costs for air conditioning, potential damage to buildings caused by floods, fire, ... Also, water scarcity in specific regions might cause problems in the dyehouses of textile suppliers.
<b>Energy</b>		
<b>Risk (upstream)</b>	The production and treatment of synthetic fabrics is an energy intensive activity, and not all textile suppliers use climate-neutral energy sources (yet).	If these producers and/or suppliers must switch to climate-neutral energy sources, this will involve high costs. As a result, the price of the purchased raw materials will increase, as these costs will be passed on to their clients.
<b>Negative impact (Van de Velde)</b>	Continued use of grey electricity at Van de Velde (for the Belgian sites, the production site in Tunisia and the retail shops).	For electricity continuity in our offices, warehouses, shops and production sites, there is still a need for purchases (grid) energy. Grey electricity (partly coming from fossil base) leads to higher GHG emissions.
<b>Negative impact (Van de Velde)</b>	Heating of the Belgian sites with gas.	The consumption of gas leads to indirect CO <sub>2</sub> emissions.
<b>Opportunity (Van de Velde)</b>	Deployment of renewable energy and optimized ways of heating (heat recovery, renewed air conditioning systems, etc.)	The introduction of new state of the art energy systems involves high investment costs but will pay back in the longer term due to lowered energy consumption and lower GHG emissions.



## ESRS EI

### Climate change

	Material impact or risk/ opportunities	Description
<b>Transport</b>		
<b>Risk (upstream)</b>	The transport of raw materials (worldwide) by our fabric suppliers.	As the textile industry in Europe is downsizing and materials must be sourced more in the Far East (amongst others), transport can lead to higher costs and an increase in CO <sub>2</sub> emissions. This can also create reputational damage.
<b>Risk (upstream)</b>	The operational model, linked to the seasonal short term time schedules	Air freight is the best option for guaranteed in time deliveries. Air freight might become more expensive in the longer term. Transition plan in air business is going rather slowly and agile transport alternatives are limited.
<b>Negative impact (Van de Velde)</b>	The total impact of traveling of the sales force, employee commuting and business travel of staff.	Commuting (e.g. by personal car) and business travel (e.g. by air) lead to higher costs and a higher carbon footprint.
<b>Positive impact (Van de Velde)</b>	Attention for more sustainable mobility and introduction of a fleet plan.	Employees are encouraged to choose a more sustainable alternative for their daily commute. In addition, employees have the option of working from home. A gradual switch to an e-car fleet has started.
<b>Opportunity (Van de Velde)</b>	Increased focus on efficiency and loops of our transportation and distribution operations	Looking for optimization of operational flows will lead to lower transport costs (amongst others) and a lower carbon footprint.
<b>Negative impact (Van de Velde)</b>	Own transport of goods (flights, boat, trucks, etc.), both inbound and outbound are a major source of CO <sub>2</sub> emissions.	This can lead to higher transportation costs, high carbon footprint (and taxes), as well as negative consumer perception.

## Introduction

---

We are confronted with the negative effects of climate change and the capacity limitations of our planet on a daily basis. Unfortunately, textile and apparel are one of the most polluting industries. We acknowledge this reality and are building up science based know-how to make strategic decisions with a positive impact. That is why addressing climate change is one of the primary focusses in our sustainability strategy.

Upcoming new technologies and innovations motivate us and bolster our belief that this transition is an opportunity that will generate benefits for all stakeholders in our value chain.

Currently, climate-related considerations are not factored into the remuneration of members of the administrative, management, and supervisory bodies, nor is their performance assessed against GHG emission reduction targets.

**(ESRS-EL.GOV-3)**

## Climate related risks | (ESRS-EL.SBM-3)

---

We have not performed a climate scenario analysis during this assessment but have instead engaged in a qualitative analysis process. We understand that scenario analysis is a pivotal tool to assess our impacts, risks and opportunities in relation to climate change, and is necessary as the threats of climate change grow. Next year we intend to engage in a more comprehensive risk and resilience analysis, as we strengthen our disclosure on climate change. However, we did analyse the (Task Force on Climate related Financial Disclosures) TCFD list of climate-related risks to be taken into account, and selected those topics that could be of relevance from an impact, risk or opportunity perspective and evaluated these.

During this year's qualitative analysis process, we concluded that all evaluated climate-related risks in own operations and along the value chain are **transition risks**. This conclusion was based on internal desk research, alignment with external experts and using definitions described below.

**Physical risks** involve potential damage and disruption to people, property, and productivity as a consequence of increased exposure to climate hazards caused by climate change. Examples include:

- Damage to property and infrastructure: Extreme weather events such as floods, droughts, and wildfires can lead to direct financial costs (e.g., repairs, new infrastructure) and indirect costs (e.g., supply chain disruptions, business interruptions). While often short-lived, these events can have severe impacts.

- Long-term climate stresses: Changes such as rising sea levels or increasing temperatures can devalue physical assets and potentially make them uninsurable over time.

**Transition risks** arise from the shift away from fossil fuels and other greenhouse gas (GHG)-emitting activities. Decarbonization is essential for businesses but comes with costs. Companies that fail or refuse to decarbonize can be impacted by other types of transition risks such as loss of market share, reputational risks or regulatory repercussions. Other risks:

- Policy and Legal Risks: Negative perceptions related to climate change can affect a company's value and make it harder to access capital through bank lending or capital markets.
- Technological Risks: Disruptions caused by new technologies supporting a low-carbon economy.
- Market Risks: Economic and social factors affecting the supply and demand for goods and services.

In short, Van de Velde's climate-related risks are primarily transition risks, driven by both physical and non-physical factors associated with the shift towards a low-carbon economy.

## Policies related to climate change mitigation and adaptation | (ESRS-EI.2)

At Van de Velde, we actively address key environmental priorities through our comprehensive policies:

- Climate change mitigation: Van de Velde commits to monitoring CO<sub>2</sub> emissions through the GHG protocol and implementing projects that support emission reduction.
- Energy efficiency: Van de Velde strives to optimize the energy use across its facilities and monitors their performance.
- Renewable Energy Deployment: The company invests in renewable energy sources and green energy contracts, indicating its commitment to using cleaner energy sources.
- Other: Van de Velde's policies also address waste reduction:
  - in striving to avoid or reduce waste streams in the different levels of the organization
  - in studying the potential to reduce waste in all our operations
  - while promoting awareness training and providing information to all employees on a regular basis.

- in striving for a rational use of raw materials while investing in forecast systems and good purchase management.

Broader environmental sustainability efforts:

- We stimulate the adoption of more environmentally responsible materials in the design phase of our products.
- We never compromise on the high quality and longevity of our products.
- We develop and install new packaging and POS material with a lower environmental impact.
- Compliance with local, national, European and international legislation is our license to operate.

Where needed, Van de Velde makes the policy available to stakeholders, such as suppliers, employees,.. who need to help implement it.

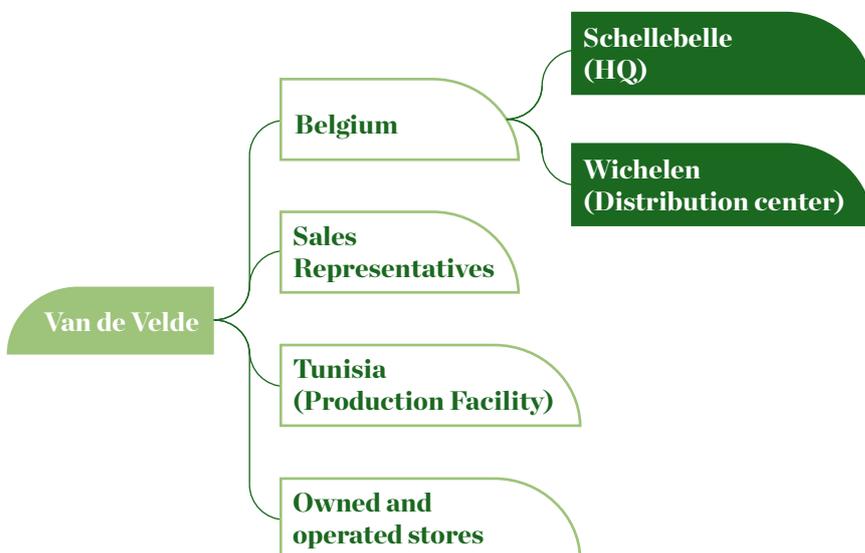
At this moment, policies related to climate change adaptation are considered as non-applicable for Van de Velde.

## Transition plan for climate change mitigation | (ESRS-EI.1)

### Introduction on the approach

The organizational boundaries for the carbon accounting and the transition plan were set using the operational control approach for consolidation. Under this approach, the organization accounts for 100% of the GHG emissions from operations and the value chain which it has operational control. Operational control applies when the organization or one of its subunits has the full authority to introduce and implement its policies at the operation.

The organizational structure for which the transition plan is set up, is listed below. This report contains the footprint of the entire organization Van de Velde.



To effectively address climate change, the Sustainability Committee of Van de Velde elaborated a framework and approach for target setting and calculation of our climate impact. Our primary ambition is to align with the Paris Agreement and the Science Based Targets Initiative, ensuring that our targets are scientifically sound, credible and reliable.

We developed a dashboard to provide an overarching view of actions, priorities and targets. Each stream within this plan has dedicated project leads and sponsors from various business departments. The steering committee is accountable for monitoring progress and allocating resources as needed.

GHG emissions are calculated annually using specialized software, allowing us to categorize and allocate emissions across different scopes, categories, and entities. This enables us to estimate and track the impact of various initiatives, facilitating ongoing monitoring and recording.

Textile and garment production is a carbon-intensive operation, driven by constant consumption of virgin resources. This existing way of operating cannot continue, but the challenge and change towards a lower GHG-intensive fashion industry is complex, as this requires availability of innovative - more sustainable - materials, higher re-use and recycling of resources, other types of energy used in textile production, and a shift towards more sustainable consumption. In case the transition towards a lower GHG intense sector slows down, Carbon lock-in is not excluded and might have impact on our progress and results.

Van de Velde is committed to review its actions and goals on a yearly basis, adjusting them as needed, based on technological advancements, progress in innovation and other factors. Van de Velde also supports the implementation of the climate change mitigation actions with necessary investments and funding. The details of CapEx spend in 2024 for the transition plan, can be found further in this chapter (See EU Taxonomy). The CapEx plans for the coming years are still partly under discussion and have yet to be approved. For this reason, we did not disclose the allocation of resources and significant monetary amounts of CapEx and OpEx to support the transition plan. The undertaking ensures that beyond the omission of this information the overall relevance of the disclosure in question is not impaired.

The transition plan with key actions and reduction targets is described below. We are confident that achieving these goals will positively impact our business. This includes benefits such as cost savings through enhanced energy efficiency, smart decision making during product development and operations and building a stronger reputation with our customers and consumers.

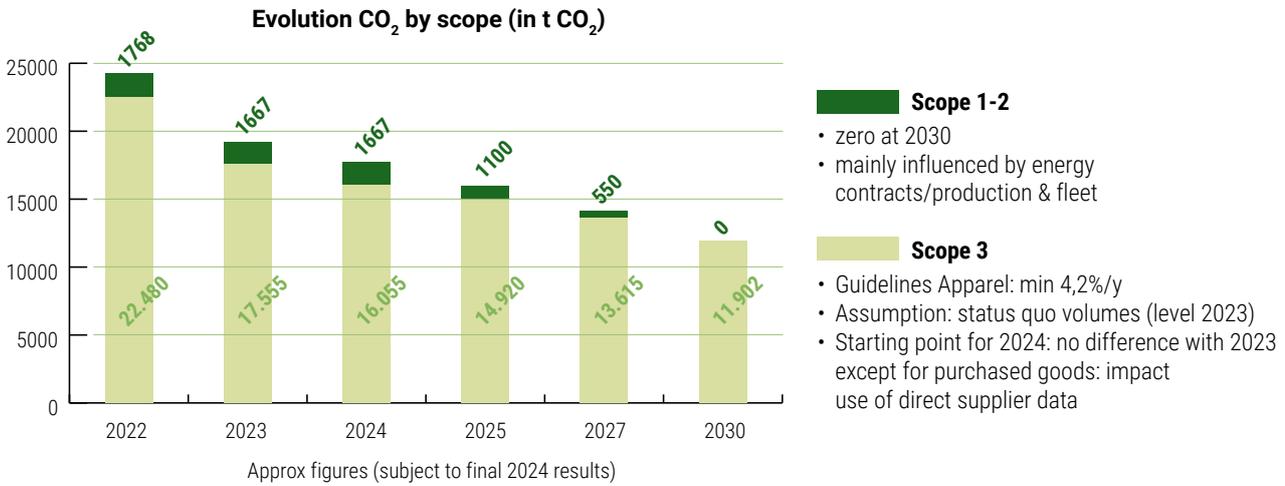
## Reduction targets | (ESRS-E1.4)

The carbon footprint of the Van de Velde group was calculated for the first time in 2022 as part of the process of defining the sustainability strategy. The calculation covers scope 1, 2 and 3. Given that Scope 3 emissions account for over 40% of our total emissions, we are also prioritizing specific measures for this category. The calculation methodology follows the GHG Protocol and is in line with ISO 14064.

In 2024, we established specific actions and reduction targets for the three scopes, using the Science Based Targets (SBT) criteria and specific recommendations for the Footwear & Apparel sector as guidelines.

Experts of our various business departments were involved and were in charge of setting up specific projects and objectives, based on the outcome of the GHG emissions calculation. The different proposals were evaluated by the sustainability committee. The summary of key actions and targets is as follows:

- For Scope 1 and 2, we have set a target to achieve net-zero emissions by 2030. The key projects contributing to this goal include the electrification of our fleet and a transition to renewable energy sources.
- For Scope 3, we aim to achieve an average annual (absolute) reduction of 4,2% in emissions. Our focus will primarily be on purchased goods, where we will collaborate with direct suppliers to introduce materials with a lower carbon footprint. Additionally, we will focus on optimizing transport management and improving our waste management.



## Key decarbonization levers: actions and contribution to the targets | (ESRS-EI-3)

Various target-setting methods are available. We have chosen only to reduce absolute emissions based on a 1.5°C scenario, with a linear reduction of 4.2% on annual base. Scope 3 emissions will be far more difficult to realize than Scope 1 & 2 as Scope 3 emissions are more outside our direct control.

As most important decarbonization levers for **Scope 1 and 2**, we identified following:

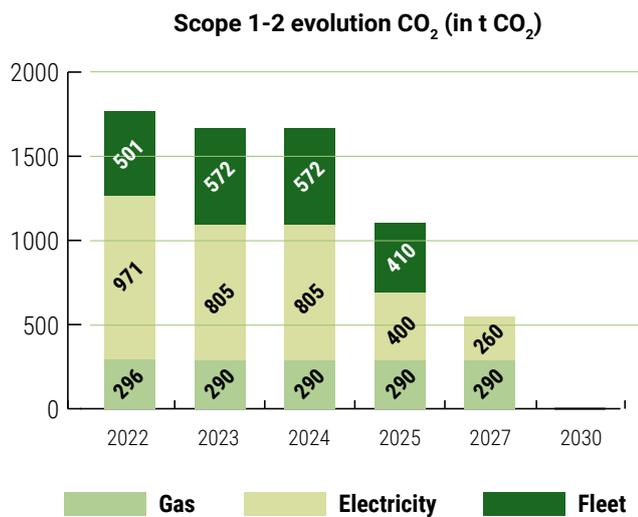
### Energy consumption:

Energy consumption, specifically electricity and gas, accounts for nearly 6% of total GHG emissions. This includes emissions from energy use for heating, cooling, and powering appliances. To decarbonize this part, transitioning to renewable energy sources, such as solar and wind power, is crucial. Achieving this involves implementing policies that encourage renewable energy generation and contracting, adopting energy-efficient technologies and encouraging energy conservation practices.

We aim to *optimize the electricity consumption* at our sites through several initiatives. These include transitioning to LED lighting, installing motion sensors for lighting, and using timers for the startup of high-consuming machines.

In the past two years, we installed solar panels in the Belgian and Tunisian sites. In the coming year, we plan to install extra solar capacity in Belgium to increase our own *production of electricity*. In 2025, we will also switch to green energy contracts for our Belgian facilities, reducing our reliance on fossil fuels and nuclear energy.

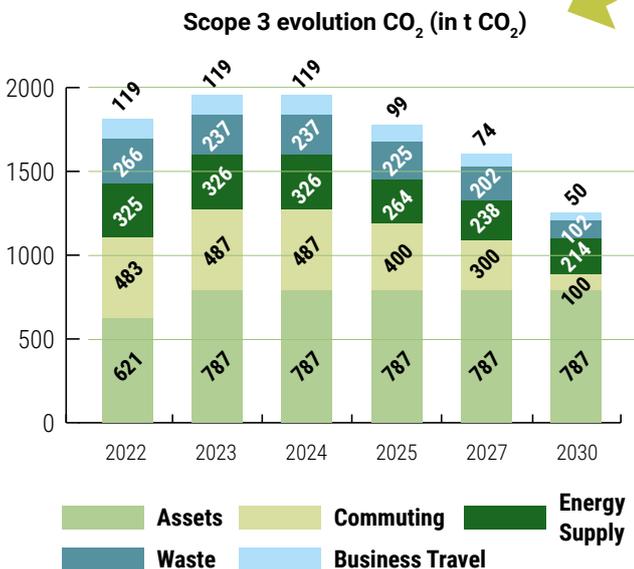
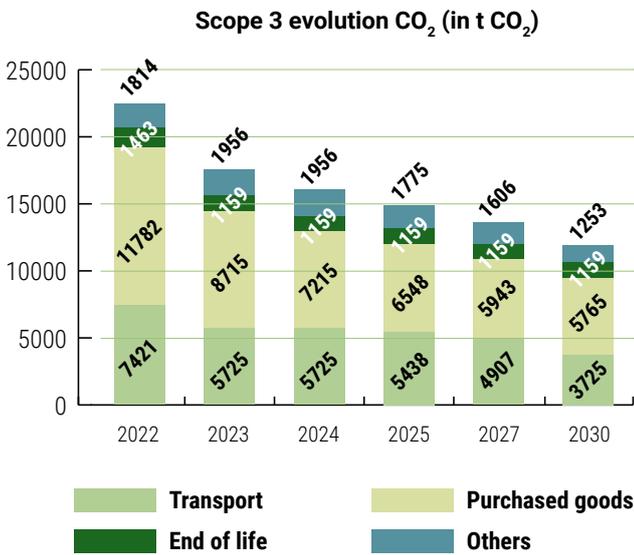
To reduce *gas usage* for heating in our Belgian offices and distribution hall, we will investigate the potential of geothermal and heat pump systems. In the meantime, we are optimizing gas consumption by implementing guidelines such as keeping interior doors closed to minimize heat loss during the winter.



**Company cars:**

We are in the process of electrifying our *fleet*, which currently includes over 130 vehicles, consisting of 40 hybrids and one fully electric car. In 2024, we revised at first our fleet budget to facilitate the transition to a full electric fleet by 2028. The company has also introduced a mobility budget to encourage staff to use a carbon neutral alternative for the company car. In 2023 we invested in 26 EV charging stations at our Belgian sites, enabling both employees and clients to charge their vehicles. In 2025 we will further expand this loading capacity.

As most important decarbonization levers for **Scope 3**, we identified following:



**Purchased goods:**

Purchased goods account for approximately 42% of our total GHG emissions. This category encompasses the emissions associated with the production and transportation of the textile fabrics that we use. To reduce emissions in this area, sustainable sourcing and production methods, as well as promoting circular economy practices, can play a vital role.

We are focusing on *eco-design* by increasing the use of lower-carbon materials, such as recycled and bio-based options, and investing in research and development to explore innovative materials with minimal environmental impact.

Additionally, we are refining our carbon accounting by using more *better benchmarks* or *precise data* from our top 10 suppliers. We will implement new criteria for selecting suppliers and materials, prioritizing ecological impact, measured against defined benchmarks. By selecting materials with lower carbon footprints and collaborating with suppliers who prioritize sustainability, we can significantly reduce our overall emissions.

Furthermore, we aim to improve our *inventory management* by enhancing our forecasting to avoid overstocking materials.

**Transport upstream:**

Transportation contributes to nearly 30% of our total GHG emissions, encompassing emissions from trucks, trains, ships and airplanes. Decarbonizing this sector requires transitioning to cleaner and more efficient transportation methods.

To minimize CO<sub>2</sub> emissions, we will *optimize the actual air logistics* by choosing direct flights to the Far East. We are also studying options for *new transportation modes* for the Far East, such as air/boat, air/train, or sustainable aviation fuel contracts.

**End-of-life:**

End-of-life emissions, accounting for around 6% of total GHG emissions, arise from the disposal of our products after consumer use. This includes the emissions released during waste management processes, such as landfilling or incineration. We produce over 5.5 million pieces annually, with none of these products being recyclable, which results in all products ending up in landfills or being incinerated.

To address this, we focus on *ensuring the longevity and quality* of our products through research and control systems for our material components, helping consumers avoid discarding items prematurely. Additionally, we will explore innovative product designs and systems to enhance both repairability and recyclability. On top of that, we are investing in *improved forecasting systems* to avoid overstock of non-sold finished goods.

#### **Waste:**

We are committed to *decreasing non-recyclable waste* by minimizing overall waste through new cutting technologies and exploring opportunities for reuse or upcycling of textile waste streams.

For paper and cardboard – which happens to be the biggest waste stream – we plan specific reduction projects.

#### **Commuting:**

To promote sustainable commuting, we have invested in 2023 in company bikes and installed bike racks for employees who travel by train and/or bike. In 2024, we revised our financial incentives to make cycling more appealing.

Furthermore, we will introduce a new mobility policy to encourage the use of bikes and public transport in 2025.

Last year, we also updated our hybrid working policy to provide more flexible remote work options, which has also helped reduce the need for commuting.

#### **Business Travel:**

We plan to define new guidelines for business travel to minimize air travel as much as possible and promote more sustainable travel alternatives.

## **Approval process and tracking effectiveness**

The annual transition plan is a key component of Van de Velde's overall business strategy and financial planning. As a first step, the plan, which outlines potential projects and targets, is presented to the Sustainability Steering Committee (SteerCo) for evaluation and discussion.

The transition plan details the targets, actions, and resources necessary for transitioning to a lower-carbon economy and is aligned with the company's financial planning. This alignment ensures that the financial resources required for implementing the actions are considered and integrated into the company's financial planning process.

Once reviewed, the transition plan is approved by the administrative, management, and supervisory bodies, ensuring its alignment with Van de Velde's overall governance and decision-making processes. This holistic approval process involves a comprehensive review and endorsement of the plan, guaranteeing that all aspects are thoroughly considered before final approval.

The sustainability projects are closely monitored by the Sustainability Manager, who conducts regular evaluations to track progress. Adjustments are made as needed to ensure alignment with our sustainability goals. Overall, we are on track to meet our objectives and contribute to a lower-carbon economy.

## EU Taxonomy

As a lingerie producer (NACE Code C14.14), **none of the core activities** of the Van de Velde company **are Taxonomy eligible**.

Nevertheless, the company does make sustainable investments. While analysing the CapEx list of 2024, some activities were flagged as potential Taxonomy eligible, as these economic activities contribute substantially to climate change mitigation, following the definitions of Delegated Regulation (EU) 2021/2139. The definition of KPI CapEx is available in Annex I 1.1.2 of DA C(2021) 4987.

An economic activity is defined as an activity that contributes to climate change mitigation if it substantially helps in stabilizing greenhouse gas (GHG) concentrations in line with the long-term temperature goal in the Paris Agreement. This contribution can be achieved by avoiding or reducing GHG emissions, while adopting new technologies.

The CapEx-KPI reporting model in annex shows the eligible investments at Van de Velde. It concerns activities such as:

- installation of solar panels in the production plant in Tunisia
- installation of new heat pumps in Belgium
- installation of new energy measuring systems to study and optimize energy mix.
- installation to improve water distribution and storage

There is no significant difference in approach - compared to last year - for the calculation of the CapEx in the denominator. The method for determining the activities eligible for Taxonomy is the same as last year. For the CapEx, we refer to the financial report p 63. To avoid double counting, we have assigned all activities to climate change mitigation. Climate change adaptation does not apply.

Also for OpEx and TO, the process for determination was the same as last year. No significant changes in approach for calculation. We refer to the financial report p. 41 for OpEx and TO. OpEx and TO of Taxonomy eligible activities is 0%.

Financial year N	Year	Substantial contribution criteria							DNSH criteria ("Do no significant harm")											
		Economic activities (1)	Code (2)	CapEx (3)	Share CapEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Share of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) CapEx, year N-1 (18)	Enabling activity category (19)
		Currency	%	-/N/NEL	-/N/NEL	-/N/NEL	-/N/NEL	-/N/NEL	-/N/NEL	-/N	-/N	-/N	-/N	-/N	-/N	-/N	-/N	%	E	T

**A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY**

**A.1. Ecologically sustainable activities (taxonomy-aligned)**

Activity 1			%							-	-	-	-	-	-	-	-	%		
Activity 2			%							-	-	-	-	-	-	-	-	%		
Activity 3			%							-	-	-	-	-	-	-	-	%		
<b>CapEx ecologically sustainable activities (taxonomy-aligned) (A.1.)</b>			%	%	%	%	%	%	%	-	-	-	-	-	-	-	-	%		
<b>Of which enabling</b>			%	%	%	%	%	%	%	-	-	-	-	-	-	-	-	%		
<b>Of which transitional</b>			%	%						-	-	-	-	-	-	-	-	%		

**A.2. For taxonomy-eligible but non-ecologically sustainable activities (taxonomy-non-aligned activities)**

				EL/NEL	EL/NEL	EL/NEL	EL/NEL	EL/NEL	EL/NEL											
Electricity generation using solar photovoltaic technology	CCM 4.1	487736	7,62															%		
Installation of electric heat pumps	CCM 4.16	16919,55	0,26																	
Renewal of water harvesting systems	CCM 5.2	36317,4	0,57																	
Installation of energy efficient equipment	CCM 7.3	7980	0,12																	
<b>CapEx taxonomy-eligible but environmentally unsustainable activities (non taxonomy-aligned activities) (A.2.)</b>		548953	8,57	%	%	%	%	%	%									%		
<b>A. Activities eligible for the Taxonomy (A.1 + A.2)</b>			%	%	%	%	%	%	%											

**B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY**

CapEx of activities not eligible for taxonomy	5851047	91,43
<b>TOTAL</b>	6400000	100%

Template: Share of CapEX from products and services connected with taxonomy-aligned economic activities – year N report

Financial year N		Year		Substantial contribution criteria						DNSH criteria ("Do no significant harm")									
Economic activities (1)	Code (2)	OpEx (3)	Share OpEx, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Share of taxo- nomy-aligned (A.1.) or taxo- nomy-eligible (A.2.) OpEx, year N-1 (18)	Enabling activity category (19)	Transitional activities category (20)
<b>A. TAXONOMY-ELIGIBLE ACTIVITY</b>																			
<b>A.1. Ecologically sustainable activities (taxonomy-aligned)</b>																			
Activity 1		0	0							-	-	-	-	-	-	-	%		
Activity 2		0	0							-	-	-	-	-	-	-	%		
Activity 3		0	0							-	-	-	-	-	-	-	%		
OpEx of ecologically sustainable activities (taxonomy-aligned) (A.1.)		0	0	%	%	%	%	%	%	-	-	-	-	-	-	-	%		
Of which enabling		0	0	%	%	%	%	%	%	-	-	-	-	-	-	-	%		
Of which transitional		0	0	%						-	-	-	-	-	-	-	%		
<b>A.2. For taxonomy-eligible but non-ecologically sustainable activities (taxonomy-non-aligned activities)</b>																			
Activity 1 (d)		0	0	EL/NEL	EL/NEL	EL/NEL	EL/NEL	EL/NEL	EL/NEL								%		
OpEx of taxonomy-eligible but non-ecologically sustainable activities (taxonomy-non-aligned activities) (A.2.)		0	0	%	%	%	%	%	%								%		
A. OpEx of taxonomy-eligible activities (A.1 + A.2)		0	0	%	%	%	%	%	%								%		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITY</b>																			
OpEx of taxonomy-non-eligible activities		75,9	100%																
TOTAL		75,9	100%																

Template: Share of OpEx from products and services connected with taxonomy-aligned economic activities – year N report

Financial year N		Year		Substantial contribution criteria						DNSH criteria ("Do no significant harm")									
Economic activities (1)	Code (2)	Turnover (3)	Share turnover, year N (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Share of taxo- nomy-aligned (A.1.) or taxo- nomy-eligible (A.2.) turnover, year N-1 (18)	Enabling activity category (19)	Transitional activities category (20)
<b>A. TAXONOMY-ELIGIBLE ACTIVITY</b>																			
<b>A.1. Ecologically sustainable activities (taxonomy-aligned)</b>																			
Activity 1		0	0							-	-	-	-	-	-	-	%		
Activity 2		0	0							-	-	-	-	-	-	-	%		
Activity 3		0	0							-	-	-	-	-	-	-	%		
Turnover of ecologically sustainable activities (taxonomy-aligned) (A.1.)		0	0	%	%	%	%	%	%	-	-	-	-	-	-	-	%		
Of which enabling		0	0	%	%	%	%	%	%	-	-	-	-	-	-	-	%		
Of which transitional		0	0	%						-	-	-	-	-	-	-	%		
<b>A.2. For taxonomy-eligible but non-ecologically sustainable activities (taxonomy-non-aligned activities)</b>																			
Activity 1 (e)		0	0	EL	EL			EL	EL								%		
Turnover of taxonomy-eligible but non-ecologically sustainable activities (taxonomy-non-aligned activities) (A.2.)		0	0	%	%	%	%	%	%								%		
A. Turnover of taxonomy-eligible activities (A.1 + A.2)		0	0	%	%	%	%	%	%								%		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITY</b>																			
Turnover of taxonomy-non-eligible activities		206,43	100%																
TOTAL		206,43	100%																

Template: Share of turnover from products and services connected with taxonomy-aligned economic activities – year N report

When we purchase installations, certificates and declarations of origin are included in the selection. See elsewhere in this sustainability report for a more extensive account of how we monitor social and ethical policies of (new) suppliers (S2).

As set out in more detail in the report, alongside climate change mitigation, the transition to a circular economy is also an important goal. These two environmental targets have the highest priority in our company.

Preventing and combatting pollution and promoting the sustainable use of water are goals that are included in the second line, in direct partnership with raw material suppliers (upstream).

Lastly, the company confirms that it does not conduct any nuclear energy or fossil gas-related activities.

Row	Nuclear energy-related activities	
1.	"The enterprise conducts, finances or is exposed to research, development, demonstration and rollout of innovative electricity generation installations that produce energy from nuclear processes with a minimum of waste from the nuclear fuel cycle."	<b>NO</b>
2.	"The enterprise conducts, finances or is exposed to the construction and safe operation of new nuclear installations for the production of electricity or process heat, among other things, for urban heating or industrial processes such as hydrogen production, as well as the improvement of their safety, using the best available technologies."	<b>NO</b>
3.	"The enterprise conducts, finances or is exposed to the safe operation of existing nuclear installations that produce electricity or process heat, among other things, for urban heating or industrial processes such as hydrogen production from nuclear energy, as well as the improvement of their safety."	<b>NO</b>

Row	Fossil gaseous activities	
4.	"The enterprise conducts, finances or is exposed to the construction or operation of installations that produce electricity from fossil gaseous activities."	<b>NO</b>
5.	"The enterprise conducts, finances or is exposed to the construction, renovation and operation of heat/cool and power installations that produce electricity using fossil gaseous fuels."	<b>NO</b>
6.	"The enterprise conducts, finances or is exposed to the construction, renovation and operation of heat generation installations that produce heart/cold using fossil gaseous fuels."	<b>NO</b>

Template 1: Nuclear energy or fossil gaseous activities

## Targets and critical assumptions

Our current base year is 2022 and our goal is to achieve carbon neutrality for Scope 1 and 2 emissions by 2030, in alignment with the Paris Agreement's objective of limiting global warming to 1.5°C. For Scope 3 emissions, we are following the sectoral decarbonization pathway, using guidelines tailored to the Footwear and Apparel sector to set our reduction targets. These targets are continuously in development, building on new learnings and outcomes of feasibility studies and research. Our emission reduction targets have not undergone external verification yet.



In setting these targets, we assume several key factors for future developments:

- The growing availability and affordability of new energy systems and technologies will support the transition.
- The expansion of electric vehicle (EV) fleets and charging infrastructure will accelerate progress.
- While economic growth is currently driven by increasing production and sales volumes, future shifts in demand may affect sales trends.
- A lack of innovation in certain sectors is slowing down the transition from fossil fuel-based materials to bio-based or recycled alternatives.
- The fashion industry's business model, with seasonal deliveries, limits flexibility in transport and logistics.
- Many finished products are difficult to dismantle and not easily recyclable.
- Regulatory changes may influence future decisions and developments.
- Shifting customer preferences and demand may impact the transition strategy.



## Metrics

### Energy consumption and mix | (ESRS-EI.5)

The data presented below, are a summary of all entities and energy consumption related activities:

- The Belgian sites in Schellebelle & Wichelen
- The production plant in Tunisia
- The own & operated retail shops
- The international sales team

Energy consumption and mix	MWh
Fuel consumption from coal and coal products	0
Fuel consumption from crude oil and petroleum products	2,053.20
Fuel consumption from natural gas	1,533.35
Fuel consumption from other fossil sources	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	1,879.59
<b>Total fossil energy consumption from fossil sources</b>	<b>5,466.14</b>
<b>Share of fossil sources in total energy consumption (%)</b>	<b>71,72%</b>
Consumption from nuclear sources	1,530.63
Share of consumption from nuclear sources in total energy consumption (%)	20,08%
Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	270.55
Consumption of self-generated non-fuel renewable energy	354.26
Total renewable and low carbon energy consumption	624.53
<b>Share of renewable and low carbon sources in total energy consumption (%)</b>	<b>8,20%</b>
<b>Total energy consumption</b>	<b>7,621.58</b>

Table 1 Energy consumption and mix (high climate impact sector)

Energy production and mix	MWh
Renewable energy	354.26
Non-renewable energy	0
<b>Total energy production</b>	<b>354.26</b>

Table 2 Energy production and mix

Energy intensity ratio	MWh/million EUR
Total energy consumption per net revenue	36.92

Table 3 Energy intensity ratio

### Gross Scopes 1, 2, 3 and Total GHG emissions | (ESRS-EI.6)

#### Information on GHG emissions and significant changes

For the calculation of Van de Velde’s 2024 GHG emissions, there have been no significant changes in the definition of what the company and its upstream and downstream value chain include.

#### Approach to calculate GHG emissions

To disclose the methodologies, key assumptions, and emission factors used in calculating or measuring GHG emissions, we have implemented the following approach:

- **Methodology:** We used ‘Carbon+Alt+Delete’ software, which fully aligns with the Greenhouse Gas Protocol and adheres to ISO 14064 standards for GHG accounting and reporting. This ensures our methodology is consistent with internationally recognized standards for measuring and managing emissions.
- **Significant assumptions:** One of the assumptions in our GHG calculations is that the end-of-life impact of products is larger than the emissions generated during their use and processing.
- **Purchased Goods:** Initially, we calculated GHG emissions from purchased goods using industrial benchmarks. These estimates will be refined with more precise, science-based data as it becomes available. This interim approach allows for accurate reporting while we work towards integrating primary data from suppliers.
- **Emissions Factors:** The software applies emissions factors from reliable, up-to-date sources (e.g. Eco-invent), which are regularly updated as new scientific data emerges. These factors follow GHG Protocol guidelines to measure emissions from areas such as purchased goods and end-of-life impacts.

\* This column contains all entries for which a further split in greenhouse gasses is not known  
This table was constructed following the Greenhouse Gas Protocol reporting standards  
The total emissions in this report include electricity emissions using the market-based method.  
Travel emissions in this report include the effects of radiative forcing for aviation.

## Greenhouse gas emissions data

According to the GHG Protocol

Emission category	Scope	Certainty (95% confidence)	All GHG (tCO <sub>2</sub> e)	CO <sub>2</sub> (tCO <sub>2</sub> e)	CH <sub>4</sub> (tCO <sub>2</sub> e)	N <sub>2</sub> O (tCO <sub>2</sub> e)	SF <sub>6</sub> (tCO <sub>2</sub> e)	NF <sub>3</sub> (tCO <sub>2</sub> e)	HFCs (tCO <sub>2</sub> e)	PFCs (tCO <sub>2</sub> e)	CO <sub>2</sub> e*
<b>1 Scope 1 - Direct Emissions from operations</b>	<b>Scope 1</b>	<b>-2% to +2%</b>	<b>771.43</b>	<b>765.72</b>	<b>1.29</b>	<b>4.42</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
1.1 Stationary combustion	Scope 1	-4% to +4%	272.96	272.41	0.42	0.13					
1.2 Mobile combustion	Scope 1	-2% to +2%	498.48	493.31	0.87	4.29					
1.3 Process emissions	Scope 1										
1.4 Fugitive emissions	Scope 1	0% to +0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>2 Scope 2 - Indirect emissions from the use of purchased electricity, steam, heating, and cooling</b>	<b>Scope 2</b>	<b>-17% to +20%</b>	<b>731.78</b>	<b>337.68</b>							<b>394.10</b>
2.1 Purchased electricity market based	Scope 2	-17% to +20%	731.78	337.68							394.10
location based	Scope 2	-17% to +20%	754.51	360.41							394.10
2.2 Purchased steam, heating, cooling	Scope 2										
<b>3 "Scope 3 - Indirect emission in the value chain - Upstream"</b>	<b>Scope 3</b>	<b>-13% to +15%</b>	<b>13,423.99</b>	<b>5,466.39</b>	<b>0.64</b>	<b>28.52</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7,928.45</b>
3.1 Purchased goods and services	Scope 3	-13% to +14%	6,692.76								6,692.76
3.2 Capital goods	Scope 3	-48% to +91%	784.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	784.50
3.3 Fuel- and energy-related activities	Scope 3	-6% to +7%	372.23	135.07							237.16
3.4 Upstream transportation and distribution	Scope 3	-28% to +39%	4,886.01	4,859.83	0.30	25.89					
3.5 Waste generated in operations	Scope 3	-30% to +42%	214.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	214.03
3.6 Business travel	Scope 3	-11% to +12%	207.26	206.23	0.01	1.02					
3.7 Employee commuting	Scope 3	-21% to +26%	267.20	265.26	0.33	1.61					0.00
3.8 Upstream leased assets (as lessee)	Scope 3										
<b>Downstream</b>		<b>-52% to +110%</b>	<b>1,128.79</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,128.79</b>
3.9 Downstream transportation and distribution	Scope 3										
3.10 Processing of sold products	Scope 3										
3.11 Use of sold products	Scope 3										
3.12 End-of-life treatment of sold products	Scope 3	-52% to +110%	1,128.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,128.79
3.13 Downstream leased assets (as lessor)	Scope 3										
3.14 Franchises	Scope 3										
3.15 Investments	Scope 3										
<b>Total GHG emissions</b>		<b>-12% to +14%</b>	<b>16,056.00</b>	<b>6,569.79</b>	<b>1.93</b>	<b>32.95</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>9,451.34</b>

Green Gass emissions per scope	tCO2eq
Gross Scope 1 Greenhouse Gass emissions	771.44
Percentage of Scope 1 Greenhouse Gas emissions from regulated emission trading schemes	0%
Gross location-based Scope 2 GHG emissions	754.51
Gross market-based Scope 2 GHG emissions	731.78

GHG emissions by Consolidated group/investees	tCO2eq
Scope 1 GHG emissions disaggregated by consolidated accounting group (parent and subsidiaries)	771.43
Scope 2 GHG location-based emissions disaggregated by consolidated accounting group (parent and subsidiaries)	754.51
Scope 2 GHG market-based emissions disaggregated by consolidated accounting group (parent and subsidiaries)	731.78
Scope 1 GHG emissions disaggregated by investees	0
Scope 2 GHG location-based emissions disaggregated by investees	0
Scope 2 GHG market-based emissions disaggregated by investees	0

AR 45d	%
Percentage of contractual instruments, Scope 2 GHG emissions	4%
Percentage of market-based Scope 2 GHG emissions linked to purchased electricity bundled with instruments	0%
Percentage of contractual instruments used for sale and purchase of energy bundled with attributes about energy generation in relation to Scope 2 GHG emissions	100%
Percentage of contractual instruments used for sale and purchase of unbundled energy attribute claims in relation to Scope 2 GHG emissions (%)	0%

	tCO2eq
Biogenic emissions of CO <sub>2</sub> from combustion or biodegradation of biomass not included in Scope 1 GHG emissions	31.05
Biogenic emissions of CO <sub>2</sub> from combustion or biodegradation of biomass not included in Scope 2 GHG emissions	0
Biogenic emissions of CO <sub>2</sub> from combustion or biodegradation of biomass that occur in value chain not included in Scope 3 GHG emissions	0
Total Gross indirect (Scope 3) GHG emissions	14,552.78
GHG Intensity market based	77.88
GHG Intensity location based	77.77

### GHG emission categories in scope

The carbon footprint of Van de Velde group was calculated for the first time in 2022 as part of the process of defining the strategy. The calculation covers scope 1, 2 and 3, given that the supply chain (indirect emissions) accounts for the largest part of the carbon footprint.

The carbon footprint is calculated annually at the beginning of each financial year. Van de Velde performs these calculations internally using the web-based platform of Carbon+Alt+Delete that supports the full carbon accounting process. The methodology adheres to the **GHG Protocol** and aligns with **ISO 14064** standards. For the different categories, the emission factors are drawn from applicable data sets such as ADEME base carbone, UK.gov GHG Reporting Factors, IEA Electricity factors amongst other.

The following entities of the Van de Velde group are in scope:

- Schellebelle head office
- Wichelen distribution center
- Tunisia atelier
- Owned & operated retail stores
- Our global sales force

For Scope 1 and 2 all relevant carbon emissions were identified at all entities.

For Scope 3 following categories are **included** in the inventory:

- Upstream activities: purchased goods – energy surcharge – transport
- Downstream activities: end-of-life products
- Resources: business travel – associate commuting – assets – waste in operations

Most of the data for these activities comes from Van de Velde's internal data management systems, as these operations are under direct company control.

Historically, indirect emissions related to purchased goods were calculated using global industry benchmarks drawn from standard databases. In 2024, new and more accurate benchmarks were established and introduced. These new emission factors were the result of more in depth desk research related to textile raw materials, relevant for our business. This shift marks a critical step forward, as dyeing, finishing, and fiber production are the most carbon-intensive stages of apparel manufacturing. Going forward, Van de Velde aims to rely increasingly on direct supplier data, reducing the use of industrial benchmarks and improving the precision of its carbon footprint assessments. The measurement of the metric is validated by no other external body than the assurance provider.

AR 46g	
Percentage of emissions calculated using primary data obtained from suppliers or other value chain partners	0%

Table 6 AR 46g

Certain Scope 3 GHG emission categories have been **excluded** from our reporting due to various limitations:

- **Processing and use of sold products:** Following the guidance of the SBTi, reporting on this category is recommended but not required. As a company, we recognize limited control over the emissions from product use and processing. However, we acknowledge that in categories such as lingerie and swimwear, these products are typically washed less frequently. To help reduce emissions, we encourage consumers to wash at lower temperatures, hand-wash when possible, avoid machine drying and using mild and ecological laundry detergents.
- **Downstream transport:** Based on the assumption that upstream transport has a larger impact, downstream transport, which mainly involves road transport to nearby countries, has been deprioritized. We plan to refine the data by collaborating with key transport suppliers soon.
- **Upstream and downstream leased assets:** These have been considered not relevant to our Scope 3 GHG emissions reporting.



# Pollution



# Pollution

## Our approach and policies | [ESRS E2 – IRO-1]



### ESRS E2 Pollution

	Material impact or risk/ opportunities	Description
<b>Chemicals</b>		
<b>Negative impact (actual – upstream)</b>	Use of hazardous chemicals (pollution of water) and risk of releasing harmful fumes (pollution of air) when spinning yarns, or dyeing/bleaching textiles.	Pollution of land/water/air can have negative impact on local biodiversity in the production region or can create health risks for workers on the site. Next to that, using hazardous chemicals can have negative impact on the health of end-consumers. Damage or established violation of REACH legislation, will entails fines.
<b>Microplastics</b>		
<b>Negative impact (potential – downstream)</b>	Water pollution linked to release of microplastics.	As our products are made from synthetics (such as Polyamide and Polyester), microplastics may be released during the washing of our products and end up in sewage and waterways. In addition, water pollution also has an impact on compliance, reputation and consumer awareness.

Pollution is a critical factor to consider in textile and clothing activities, in both upstream and downstream activities. Given the actual and potential risks associated with the production of textile fabrics and the treatment and use of fashion products, we have assessed the pollution-related impacts, risks, and opportunities across our own operations and in each step of the value chain. For the methodology of the screening, we refer to the General disclosures and the DMA description. The assessment involved consultations with our own material experts and with external textile experts to ensure thoroughness. Affected communities were not directly consulted.

## Site-specific pollution impacts

Due to the nature of the activities conducted at the own Van de Velde sites, there were no significant pollution-related IROs identified



- In **Schellebelle**, activities are limited to design, procurement, marketing, IT, HR and sales, all of which are administrative in nature and do not involve processes that generate significant pollution.
- In **Wichelen**, activities are limited to quality control, cutting of fabrics, packaging, storage and distribution. While these operational activities can generate waste streams, they do not involve processes that cause pollution of air, soil or water.



- In **Tunisia**, activities are limited to stitching (assembling), cutting, quality control and packaging. Like the Belgian sites, these processes do not result in significant pollution.

## Upstream pollution impacts

In our upstream activities, we identified the following impact and risks. Affected communities were not directly consulted, insights below are based on own expertise and external expert consultations:

- **Chemical Use:** The finishing processes, such as dyeing and printing, may involve hazardous chemicals that can end up in wastewater. This can potentially have a negative impact on local communities and/or local biodiversity.
- **Hazardous Fumes:** Yarn spinning, dyeing, and printing can release hazardous fumes, which may affect worker health and safety and, indirectly, local communities via air pollution.

To mitigate these risks, all suppliers of textile fabrics or finished garments must be OEKO-TEX® certified and REACH compliant.



- **OEKO-TEX® certification:** The STANDARD 100 by OEKO-TEX® is a globally recognized, independent testing and certification system for textile raw materials, semi-finished and finished textile products, and accessories across all stages of production. This certification applies to a wide range of products, including unprocessed and painted/refined threads, woven and knitted fabrics, accessories (such as buttons, zippers, sewing threads and stitching), as well as various ready-to-wear items including all sorts of clothing and lingerie, linen, bedding. OEKO-TEX® complies with the EU's REACH regulation and carefully considers the requirements outlined in Annexes XVII and XIV of the REACH chemicals regulation. Additionally, it considers the ECHA SVHC candidate list when deemed relevant by the OEKO-TEX® Association's expert group for textiles, fabrics, clothing, and accessories.
- **Consumer safety:** The STANDARD 100 by OEKO-TEX® certification enhances consumer safety by applying stringent test criteria and limit values that often exceed national and international standards. Extensive product checks and regular company audits further ensure that the industry maintains a commitment to the responsible and sustainable use of chemicals.



- **REACH compliance:** REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) is a European Union regulation designed to protect people and the environment from the risks posed by hazardous chemicals while enhancing the competitiveness of the EU's chemical industry. REACH focuses on stimulating alternative methods for assessing the danger posed by substances to reduce the volume of animal testing. Effective since June 1, 2007, REACH applies not only to chemicals used in industrial processes but also to those found in everyday products such as cleaning agents, paints, clothing, furniture, and electrical appliances.

When completing these certifications, suppliers provide us with assurance that they meet OEKO-TEX® and REACH requirements and will take necessary actions to ensure their production processes remain compliant with any updates and amendments.

Every Van de Velde supplier of raw materials and finished products must be able to present their OEKO-TEX® and REACH certifications to Van de Velde at all times. These certifications are verified not only during initial screening but also at annual renewals. Valid certifications and their expiration dates are registered in our ERP system. If needed, we conduct additional spot checks in collaboration with accredited laboratories, such as Centexbel in Belgium.

## Downstream pollution impacts

In our downstream activities, we have identified following key potential risk:

- Since we use mainly synthetic yarns, such as polyester and polyamide, there is a risk of microplastic release during the washing and cleaning of our products. This can lead to water pollution.

To mitigate this risk, we initially make very conscious choices during the design process - and when selecting materials. Only high-quality, wear-resistant materials from renowned industrial players are used in our products. In addition, it is also important to make end users aware of the potential release of microplastics. The specific information provided on hangtags and educational campaigns via our websites, can stimulate end-users to a proper use and maintenance.

## Policies | [ESRS E2 – 1]

In our materiality assessment regarding pollution, we identified that our own operational activities do not involve processes generating significant pollution. However, despite the minimal direct pollution impact, pollution remains a material concern due to potential risks both upstream and downstream.

- **Upstream Risks:** These risks primarily stem from our textile suppliers during the production and dyeing of fabrics, which may involve the use of hazardous chemicals that can lead to environmental contamination.
- **Downstream Risks:** The washing of our finished products by end-users poses a risk of microplastic release into water systems.

Given these factors, we are considering the adoption of specific pollution-related policies in the future, with a particular focus on upstream pollution control.

## Actions and targets | [ESRS E2 -2] [ESRS E2 -3]

As described above, all our suppliers of textile fabrics are required to take the necessary actions to ensure compliance with OEKO-TEX® and REACH standards. All suppliers are informed that we will not engage in a partnership unless they are fully compliant with these standards. This approach has been established since 2019.

To address our pollution-related objectives, we have established a target for 100% compliance with OEKO-TEX® and REACH standards across our entire fabric supplier portfolio. Our Purchasing Department actively monitors compliance through annual reviews, with the status and relevant certifications documented in our ERP system.

For new fabric suppliers, compliance is verified during the screening process, which mandates the submission of the necessary certificates.

The effectiveness of our actions and efforts is checked through annual (internal) audits, supplier performance reviews, and by measuring progress against key indicators such as the percentage of compliant suppliers. Stakeholders have not been involved in target setting for this material matter.

## Measurements | [ESRS E2 -4]

Over the past decades, no pollution concerning air, water, and soil has been identified at Van de Velde sites. As there were no relevant changes in operations or facility management during the past year, we can confirm the status quo. At this moment, Van de Velde does not conduct additional measurements related to air, water, and soil pollution, as these factors are considered insignificant to our direct operational activities.

Our primary pollution-related concern involves indirect Scope 3 emissions, particularly within our upstream and downstream activities. These emissions are monitored as part of our broader sustainability strategy, which is disclosed in section E1-6.

At Van de Velde, we mainly use synthetic fabrics in our products. We made the assumption that these material volumes represent the amount of microplastics that potentially can be released during washing. As Van de Velde is not the producer of these synthetic fabrics, we do not generate microplastics. The measurement of this metric is not validated by another external body than the assurance body.

Microplastic	Kg
Microplastics generated	0.00
Microplastics used	428,278



# Water & marine resources

# Water and marine resources

## Our approach and policies | [ESRS E3 – IRO-1]



### ESRS E3

#### Water and Marine Resources

	Material impact or risk/ opportunities	Description
<b>Water - withdrawal, consumption and discharge</b>		
<b>Opportunity (Van de Velde)</b>	Attention to sustainable water use and reuse in own facilities	Optimization and decrease of water use will lead to lower cost and lower dependencies.
<b>Negative impact (upstream)</b>	Producing raw textile materials, is water-intensive and potentially polluting (fiber production, dyeing & finishing).	The production process of purchased textile raw materials has high water consumption, brings possible pollution of soil and watercourses. We expect a higher cost of production of raw materials if we want to make the process more environmentally friendly.
<b>Risk (Van de Velde)</b>	Climate change may lead to water scarcity.	Water consumption (drinking water for own workforce) will come with a higher cost. Can be at risk in regions like Tunisia where we have our own production plant.

Van de Velde aims to transparently disclose its screening process for water impact. During our materiality workshops (part of the DMA), we looked at our assets and activities to define both actual and potential water impacts, risks and opportunities. Using the value chain as a framework, we defined the specific link towards water management (usage, withdrawal) in each step. The detailed methodology of this screening, is described in the General disclosures. Affected communities were not directly consulted, insights are based on own experience and external expert consultations. We concluded water usage to be material as well for our own operations as for upstream activities.

## Site-specific impact

Site-specific impact refers to the impacts of our headquarters in Schellebelle, our distribution center in Wichelen and our own production plant in Tunisia.

These sites mainly involve administrative and operational activities such as product design, quality control of incoming goods, cutting of fabrics, stitching and quality control of finished goods. The water usage is rather small and limited to the use of toilets and bathrooms by our 1500 employees and cleaning activities.

Nevertheless, we consider the effective management of water usage, including rainwater use and the potential for water reuse, important. Especially as our own and operated atelier in Tunisia, is in a region at risk, concerning water scarcity. We closely monitor the usage and invest in more efficient practices wherever possible. Following actions have been taken:



### Headquarters in Schellebelle and the distribution center in Wichelen:

We have upgraded our sanitary facilities in both sites to use collected rainwater for daily needs, significantly reducing reliance on purchased city water. Additionally, water dispensers were installed in every department, ensuring all employees have access to fresh drinking water.



### Production site in Tunisia:

Although climate change may increase the risk of water scarcity in this region, our Tunisian facility is not expected to be significantly impacted due to the following reasons:

- The Van de Velde Tunisia site is in a region where water supply disruptions are rare;
- When it comes to a scarcity of drinking water, Van de Velde is ready to invest in extra capacity for water storage.

We have initiated the following actions:

- Van de Velde has installed reservoirs to collect rainwater, which is used for sanitary facilities;
- For drinking water, Van de Velde Tunisia relies on the **Water Company**, and to safeguard employee health, all water pipes were replaced last year.

Van de Velde remains committed to continuous improvement and future investments in water management practices.

## Upstream impact

Looking upstream, the impact on water-related issues becomes significantly more relevant and important. In the subsequent stages of the value chain, water usage and withdrawal can have substantial effects in the following processes;

- During the production of synthetic fibers like Polyamide, Polyester, and Elastane, as well as cotton cultivation (a minor part of our business, accounting for only 1% of purchased goods).
- In the dyeing and printing of woven and knitted materials, which require large volumes of water. Additionally, there is a significant risk of water pollution, depending on the types of dyes and additives used in the finishing processes.

Meaning, water scarcity may pose a challenge to operational continuity in dye houses located in higher-risk regions. However, since the majority of our fabric suppliers are based in Europe, we assess the likelihood of water scarcity as relatively low. For critical suppliers in other regions, we will monitor risks and engage with them on an individual basis.

Additionally, as water withdrawal and pollution regulations become more stringent, we expect that some key suppliers, particularly smaller ones, may need to invest in advanced water management systems for reuse and recycling in the near future. These investments could increase material costs, potentially impacting on our pricing or margins.

## Policies | [ESRS E3-1]

At Van de Velde, our core activities at the sites in Belgium and Tunisia do not require significant water usage, as water consumption is primarily limited to facility cleaning and the use of toilets and sanitary facilities by our employees. Consequently, we have assessed the need for separate policies and targets specifically addressing IRO's related to water, as less relevant at this time.

For our suppliers, we have not included water management performance in our business partner policies yet. We plan to do so in the future based on our upstream risk assessment. We want to better understand their commitment to water management and how they address water concerns on their value chain.

However, we recognize the importance of water awareness and responsible consumption. Despite the limited direct usage, we want to prioritize good water management practices. Van de Velde is dedicated to ongoing evaluation and monitoring of our water usage practices. If our future operations require more substantial water use, we are prepared to develop policies accordingly.

### Actions and targets | [ESRS E3-2] [ESRS E3-3]

Van de Velde does not have specific measurable outcome-oriented targets related to water and marine resources at this moment, due to the limited use of water. However, we are committed to monitoring the effectiveness of our actions concerning water management at our Belgian and Tunisian sites. Especially as Tunisia is in an area of high water stress. All facility managers are responsible for tracking water usage on a monthly basis, ensuring oversight of our consumption patterns. By collecting rainwater through our own reservoirs,

we can maximize rainwater use for our toilets and sanitary facilities.

At this moment, we do not monitor upstream impacts on water resulting in a lack of insights into the policies and actions taken by our suppliers regarding their water consumption and withdrawal practices. To address this gap, we plan a survey aimed at better understanding our suppliers' initiatives, including any actions and targets they have set to reduce actual or potential negative impacts on water usage. This will enhance our visibility into their practices and allow us to align our efforts more closely.

While we are taking steps to improve our water management practices, we recognize that further information regarding measurable targets and performance indicators might be needed. As we develop and implement these initiatives, we will define specific levels of ambition and identify both qualitative and quantitative indicators to evaluate our progress.

## Water consumption | [ESRS E3-4]

Water consumption at Van de Velde sites is limited to water used for toilets, drinking water for employees and water required for the cleaning and maintenance of the buildings. All data on consumption of purchased water comes from direct measurement, except for the own & operated stores, where extrapolation was used for the calculation. All data on water storage, is based on estimations made using the size and capacity

of the rainwater tanks. End of 2024 new meters were installed for the Belgian sites to get more accurate data in the future. Same consideration will be made for our site in Tunisia.

The measurements of the metrics related to water are not validated by an external body other than the assurance provider.

	M <sup>3</sup>
Total water consumption	10,815.00
Total water consumption in areas at water risk	4,358.00
Total water consumption in areas of high-water stress	4,358.00
Total water recycled and reused	0
Total water stored	1,345.00
Changes in water storage	/

Table 1 Waterconsumption

	M <sup>3</sup> / million euro
Waterintensity ratio	52.39

Table 2 Waterintensity ratio

Data sourced from direct measurement	73%
Data from sampling and extrapolation	16%
Percentage of data from best estimates	11%

Table 3 Measurement data



# Resource use and circular economy



# Resource use and circular economy

## Our approach and policies | [ESRS E5 – IRO-1]



### ESRS E5

### Resource Use and Circular Economy

	Material impact or risk/ opportunities	Description
<b>Resource inflows</b>		
<b>Risk (Van de Velde)</b>	Materials used are mainly (98%) blends of synthetic yarns like Polyamide/ Polyester and Elastane.	<p>These material blends have a higher carbon footprint, as they are all fossil fuel-based. The risk is that – in the longer term – these type of components might become more expensive and even less available. Also the reputation of the fossil fuel-based materials, can get a negative perception among end-users (increasing awareness), which could have negative impact on sales on a longer term.</p> <p>The material blends (with elastane) that are used in our products are not recyclable yet. This complicates the treatment of the products in the end-of-life phase. When dismantling (post-consumer) the different material components, these cannot be treated for recycling. The feasibility will depend on the outcome of specific research on (chemical) recycling processes. First results and scalability are not expected for the first years. This might get in conflict with new EU regulations on sustainable fashion products and EPR (extended producer responsibility) compliance.</p>
<b>Opportunity (Van de Velde)</b>	Use of more circular and biobased materials instead of fossil fuel based	Innovations can lead to new customer groups and reputation boost for our brands as sustainable efforts will be highly valued in the fashion industry. Efforts will involve an investment cost (R&D time and money) but will get their ROI on a longer term.
<b>Risk (Van de Velde)</b>	Limited options related to eco-design of the products	<p>Today the eco-design options for Van de Velde products are limited because of the many components, complex material blends, etc. This particular design of our products, as well as hygiene standards hinder the life cycle extension of our products in the use phase such as reuse.</p> <p>Same as for the fabrics, this might also get in conflict with the new EU regulations for sustainable fashion product and EPR compliance.</p>
<b>Opportunity (Van de Velde)</b>	Data innovation and knowledge building	LCA tools for calculations of environmental parameters can support the transition towards designing with more environmental friendly materials. Also, for the future digital product passport, design will be more data driven and will bring transparency and awareness to a next level.



## ESRS E5

### Resource Use and Circular Economy

	Material impact or risk/ opportunities	Description
<b>Resource inflows</b>		
<b>Negative impact (Van de Velde)</b>	High volume of packaging, labeling & POS materials, e-com packaging, printing for internal use (e.g. sales books), non-durable business gifts...	These elements lead to a higher carbon footprint, as well as higher costs of non-recycled materials. Also the reporting cost to packaging registration organizations increases, namely national legislation of countries where we deliver.
<b>Positive impact (Van de Velde)</b>	Attention for circularity in construction/ renovation of O&O shops and facilities	Initiatives can lead to cost savings with materials, lower carbon footprint, positive reputation and generate awareness amongst employees, clients, customers,....
<b>Resource outflows</b>		
<b>Negative impact (Van de Velde)</b>	Operational waste streams are often non-recyclable	Leftovers coming from the purchase and cutting processes, are (waste) streams that are not recyclable yet. This leads to extra CO <sub>2</sub> emissions and might also lead to higher treatment costs on longer term.
<b>Opportunity (Van de Velde)</b>	Solution for non-recyclable waste streams.	Continued innovation in the production process can avoid or reduce specific waste streams (e.g. zero buffer cutting), also reuse or valorization of our residual and waste streams (e.g. fabrics) can lead to new product development. Such (circular) innovations could bring us a reputation boost, lower carbon footprint but come with a high investment cost.
<b>Risk (downstream)</b>	The design of our products (by construction and by type of materials) hinder the recyclability of our products.	High proportion of end-of-life product incineration (high carbon footprint) and low proportion of take-back options, reuse and recycling. This creates a barrier to entry for new business model, which might be crucial to lower our CO <sub>2</sub> emissions and to keep our brand reputation (at potential consumer shift).

## Our approach

Van de Velde designs and develops its products in Belgium. Visual designers, material engineers and procurement teams at our headquarters in Schellebelle work directly with Tier 1 suppliers to select, develop and purchase material components. These suppliers, for which over 70% are operational in Europe, manage textile production processes, including weaving, knitting, dyeing, and printing. Since we buy directly from these suppliers, without intervention of agents, no assumptions were needed; we have complete, direct data for the IRO assessment, including country of origin, composition and production plant details.

Our close, long-term partnerships with these suppliers also facilitate access to valuable information on their suppliers, who are our Tier 2 suppliers. These are mainly yarn providers. At Van de Velde, 99% of the yarns used, are synthetic, specifically polyamide, polyester, and elastane. For the IRO assessment of this part of our value chain, we primarily rely on data provided by our Tier 1 suppliers and additional desk research. Affected communities were not consulted directly.

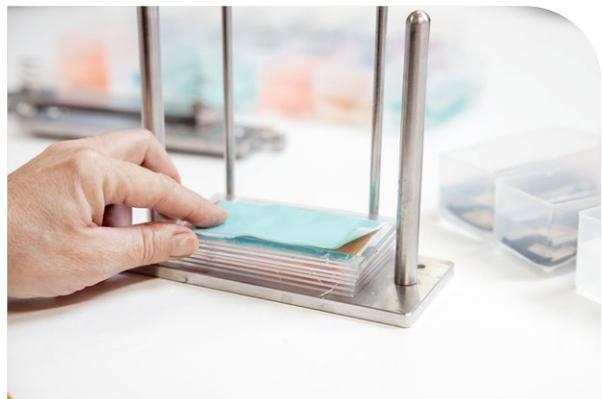


## Policies | [ESRS E5-1]

Our commitment to managing the impact, risks and opportunities related to the resource flows is outlined in our own corporate Environmental Policy (updated 2024), which includes the following;

- We monitor waste streams and implement tools for better sorting and handling;
- We strive to avoid or reduce waste streams in the various levels of the organization:
  - We study the potential to reduce waste in all our operations.
  - We provide regular awareness training and information to all employees.
- We strive for a rational use of raw materials while investing in forecasting systems and effective purchasing management;
- We encourage the adoption of more environmentally responsible materials in product design;
- We never compromise on the high quality and longevity of our products;
- We develop and install new packaging and POS material with a lower environmental impact.

The same principles are explicitly included in the Business Partner Code of Conduct.





## Actions | [ESRS E5-2]

Van de Velde takes actions to reduce environmental impact, as stated below. By implementing innovative and sustainable practices, Van de Velde ensures the responsible sourcing of materials and minimizes waste streams. This commitment not only aligns with regulatory requirements but also supports the needed transition towards a circular economy.

## Responsible sourcing of materials (resource inflows) | [ESRS E5-4]

### Purchased goods: textiles

For our lingerie and swimwear, we mainly use synthetic fibers such as polyamide and polyester, blended with elastomers. This combination offers excellent fit and ultimate comfort, while also ensuring longevity, resistance to abrasion, and easiness to washing and cleaning. The superior shape retention and color fastness are highly valued by our customers as they can enjoy their lingerie and swimwear for an extended period, contributing to a longer product lifespan.

In addition to synthetic fibers, a small proportion (1%) of our products include natural fibers, specifically cotton yarns, sometimes blended with elastane.

The lingerie materials mentioned above contribute significantly to our indirect emissions: synthetic fibers are oil-derived materials, they require fossil fuel and the production is energy intensive. The coloring of the fabrics requires specific chemicals, an important amount of water and special finishing processes to result in good color solidities.

For this reason, we initiated a study to explore potential alternatives with a lower ecological footprint, such as:

- Recycled (pre-consumer) yarns: produced from residual streams generated during polyamide or polyester manufacturing.
- Bio-based yarns: made using renewable bio-components, such as starch, as an alternative to fossil fuels.

We are gradually integrating these innovative yarns into our collections, working closely with our trusted raw material suppliers to meet stringent quality standards. We expect these materials to be 100% GRS-certified (Global Recycled Standard), which guarantees eco-friendly production practices.

In recent years, the share of these recycled yarns has increased as follows as a percentage of our total raw material weight: 2021: 2.5% – 2023: 6% - 2024: 7.2%.

Additionally, our Innovation Department continues to explore the sourcing and use of biological materials. This approach allows us to adopt the cascading principle and to maximize the value of these resources by analyzing their use in durable, high-quality products.

We recognize the importance of setting measurable, result-driven targets to guide our sustainability efforts. Our Innovation Department started at first on building knowledge and setting up calculating and rating systems to guide us in making responsible choices when it concerns:

- development of new product categories
- increased usage of recycled or bio-based content
- use of direct supplier data instead of global industrial benchmarks

Building the necessary knowledge and guiding criteria for our design & development department will allow us to set future targets in a more substantiated way.

**Purchased goods: packaging**

In the past years, all plastic was eliminated in the commercial and branded packaging. Since November 2023, all brochures and sales books feature the FSC logo, signifying responsible forestry practices. We are committed to purchase paper from a Cradle2Cradle supplier.

**Materials used during 2024**

Total weight of technical materials used in the products	481,555 kg
Weight of biological materials used in the products	831 kg
Percentage of biological content used in the products	0.17%
Weight of recycled content used in the products	34,836 kg
Percentage of recycled content	7.20%

**Packaging used in 2024**

Total weight of paper & cardboard for commercial packaging	144,751 kg
Weight of recycled for commercial packaging	25,332 kg
Total weight of paper & cardboard for operational packaging <sup>(1)</sup>	268,198 kg
Weight of biological materials used in packaging	0 kg
Total weight of paper & cardboard in POS	213,000 kg
Weight of Cradle to Cradle in POS	165,500 kg
Percentage of biological materials in packaging	0%
Weight in percentage of secondary reused or recycled components used in packaging	6.13%

Table 2 Resource inflows

**Calculation method**

Data collection happened with primary data. We built a master data file of incoming goods to track the volumes of each specific material. By integrating this information with the material composition data of each fabric from our ERP system, we determine the total volumes for each resource type (e.g., Polyamide, Polyester). This methodology ensures precise calculation of material volumes, avoids double counting, and offers clear insights into our resource usage. However, since some data inputs are still done manually, human error cannot be ruled out. The measurement of the metric is not validated by an external body other than the assurance provider.

**Waste streams | [ESRS E5-5]**

**Upcycling textile leftovers**

In the fashion industry, several significant waste streams contribute to environmental challenges. One of the primary sources of waste includes leftover rolls of unused fabrics, along with all kind of small accessories that are not utilized in production.

Thanks to a performing forecast system, we have a high accuracy in calculation of material needs for our seasonal and NOS productions. This results in limited material leftovers at season’s end. These fabrics, known for their strong technical performance, retain significant value and can be repurposed in many ways.

In 2023, Van de Velde launched some small pilot projects to explore this potential, primarily through partnerships with start-ups that specialize in circular product design in the fashion and interior design sectors. Additionally, our design and marketing teams have initiated upcycling projects, creating limited-edition items from leftover fabrics, such as tote bags and makeup bags for promotional gifts. We will continue to look for new ways to increase the upcycling of materials.

**Non-recyclable cutting waste**

In the fashion industry, cutting waste generated during the manufacturing process accounts for a considerable portion of the industry’s overall waste.

The raw materials that are used for our products consist of a blend of polyamide, polyester, and elastomers, which results in non-recyclable offcuts.

Given the significant volume of offcuts, we initiated a study in 2022 in collaboration with our cutting robot manufacturer to explore ways to reduce the buffer space between pattern pieces. The study confirmed that this was feasible, leading to the investment into and installation of the first zero-buffer cutter in 2023. This innovative machine reduces the space between pattern pieces from 3mm to 0.8mm, significantly minimizing fabric consumption and offcuts. Building on these promising results, investment has been made for the installation of four additional cutters in 2024.

In parallel, we explore the potential for upcycling offcuts. Ongoing tests will help to evaluate whether these offcuts can be repurposed as raw material for further product development, including applications in other industries.

### Paper and cardboard waste

The largest volume of waste at the Van de Velde sites, consist of cardboard and paper, primarily originating from packaging used by subcontractors and fabric suppliers, as well as protective cardboard layers from the cutting room. Furthermore, paper and cardboard waste results from individual packaging purposes, heavily impacting the industry’s environmental impact. Lastly, marketing and point-of-sale (POS) materials, which are often seasonal, contribute to the overall waste generated within the sector.

In response to this, we have initiated several immediate actions to reduce this waste stream:

- Packaging from raw material suppliers: Employees are encouraged to reuse cardboard boxes for on-site storage of small materials and transportation between sites wherever possible.
- Paper/cardboard from marketing materials (POS, posters, brochures): In 2023, we launched a project to reduce seasonal POS materials and to minimize surplus production:
  - Standard packages are eliminated; customers now receive only the materials they specifically request.
  - We only send window packages to B2B customers who place specific orders for these materials.
  - Reduction of the number of brochures, with the introduction of a clear rule on maximum quantities.
  - For the assembling of the POS packages, we work together with Weerwerk, a workplace in Ghent supporting individuals re-entering the workforce.
- Paper Sourcing Project: We are committed to purchase paper from a Cradle2Cradle supplier. Since November 2023, all brochures and sales books feature the FSC logo, signifying responsible forestry practices.

We will continue to enhance the sustainability of our trade marketing activities in 2024. As an example of these efforts, circular and sustainable materials have been consciously selected for our new shop-in-shop concept, which is currently under development and will be introduced to the market in 2025

Composition of waste	Hazardous waste	Non-hazardous waste
Total amount of waste generated	0 kg	306,868.35 kg
Waste diverted by preparation for reuse	0 kg	0 kg
Waste diverted by recycling	0 kg	0 kg
Waste diverted by other recovery operations	0 kg	270,268.35 kg
Waste directed to disposal by incineration	0 kg	0 kg
Waste directed to disposal by landfill	0 kg	36,600.00 kg
Waste directed to disposal by other disposal operations	0 kg	0 kg
Total amount of non-recycled waste	0 kg	36,600.00 kg
Percentage of non-recycled waste	/	11.93%
Total amount of radioactive waste	0 kg	0 kg

Table 3 Composition of waste

## Finished products (resource outflows) | [ESRS E5-5)

First, responsible production in the fashion industry means making long lasting products. Key is designing products of very high quality that do not lose their shape or color after being worn or regular washing. All too often, consumers quickly discard (cheaper) low-quality products and buy new ones, contributing to the fast fashion trend.

Recent studies show that the average European Union citizen yearly throws away more than 14kg of textiles. Of this, 99% end up at the dump or is incinerated; just 1% of textile waste is recycled. Breaking this trend of overconsumption and disposability, encouraging consumers to use apparel for as long as possible, is a challenge for the industry. As making products have a long life is one of the primary R-strategies, Van de Velde will never compromise on longevity when making choices in the design phase. R-Strategies cover the entire life of a material or product - starting with the extraction of resources, through the life of the product to the end of life. All R-strategies aim to reduce the consumption of primary resources and promote the use of secondary raw materials.

Consumers are able to keep wearing our products for such a long time because of the **high quality** and exceptional fit of our products. This is the result of knowledge and expertise built up over the years. Initially, the development process was one of trial and error, with fitting followed by adjustment until the product was exactly right. We are now increasingly switching to an objective data-based design methodology, which we develop at the Schellebelle head office where our product development teams and innovation experts work closely together.

We also market a broad range of **timeless** products. These lingerie products are classically attractive. They can be worn regardless of the trend at any given time. Some of our iconic designs, such as Avero (Marie Jo) and Deauville (Primadonna), have existed for more than 25 years and cover a significant part of our turnover.

Our end products are **non-recyclable yet**. For example, one bra can contain more than 40 components, each with a potential of being a blend of textile materials. Most of them have blends that also contain elastomers. The different components are small, complicating the disassembly potential at the end-of-life phase of a product. When looking at the repair potential of our products, one can understand that only a limited range of parts of our products can be repaired. Easy to replace parts, such as hooks and eyes or wires, are available for retail partners for repairs.

- End-products recyclable 0%
- Packaging 100%

On a yearly basis, we produce an average of 5.5 million pieces. Unsold finished products also add to the waste burden, as these items remain as leftovers. These quantities are limited (<2% of the produced quantities) and get a new destination via controlled donation systems with local organizations.

The products expected durability in relation to the industry average cannot be expressed as industry benchmarks for do not exist yet.

## Summary

---

All data related to fabric inflow, finished product outflow, and generated waste streams are recorded in our ERP system. As we control purchasing of materials, cutting of fabrics, assembling and packaging of finished goods centralized at Van de Velde, we have comprehensive access to the necessary information within our ERP master files to analyze operational flows. This enables us to use primary, accurate and reliable data for monitoring, evaluation, actions and reporting.

Through these comprehensive efforts in resource efficiency, sustainable materials, circular design and waste optimization, Van de Velde is committed to not only reducing its environmental footprint but also fostering a culture of sustainability that drives innovation and responsible production in the fashion industry.



1.

Neem deze positie in

2.

Begin met draaien als je het geluid hoort

3.

Stop met draaien als je het geluid voor de tweede keer hoort

De meting is beëindigd, je kan je BH weer aandoen

# Own workforce



# S1 – Own workforce



## ESRS S1

### Own Workforce

	Material impact or risk/ opportunities	Description
<b>Equal treatment and opportunities for all</b>		
<b>Risk (actual – Van de Velde)</b>	Lack of a formal diversity and inclusiveness policy	The lack of a formal diversity and inclusiveness policy may have an impact on staff shortages, workload, staff turnover, escalating HR costs and reputational damage.
<b>Opportunity (potential – Van de Velde)</b>	Commit to a strong internal diversity policy (incl. language policy, unconscious bias, etc.)	A strong diversity and inclusiveness policy may result in lower turnover, reduced HR cost, stable and continuous workforce and workload and positive employer branding.
<b>Risk (actual – Van de Velde)</b>	Lack of a formal internal mobility policy to encourage employee growth opportunities	This may lead to the loss of experienced and skilled staff, a higher turnover and rising HR costs.
<b>Working conditions</b>		
<b>Risk (actual – Van de Velde)</b>	Inadequate understanding of the risk of (mental) health and safety conditions in non-Belgian entities (sales force, O&O stores, ...)	There can be an increased risk for health and safety issues or regulatory violations. This can cause increased employee turnover, or claims can arise and this can lead to reputational damage.
<b>Risk (potential – Van de Velde)</b>	Physical and intense work for some employees, especially in case of aging workforce.	Physical and intense work can lead to absenteeism, staff turnover and increasing costs for HR.
<b>Risk (potential – Van de Velde)</b>	Risk of accidents	Risk of accidents can arise from inadequate application of safety regulations on the one hand and inadequate use of personal protective equipment (PPE) on the other. This applies to employees as well as temporary staff and students. This can lead to absenteeism, staff turnover and increasing costs for HR.



## ESRS S1

### Own Workforce

	Material impact or risk/ opportunities	Description
<b>Working conditions</b>		
<b>Risk (potential – Van de Velde)</b>	Staff shortages due to the 'war for talent' and specific jobs within Van de Velde	This can cause staff shortages, high workloads, high staff turnover and escalating HR costs.
<b>Impact (actual – Van de Velde)</b>	Van de Velde has reputation as a reliable and consistent employer in Belgium and Tunisia.	This has a positive impact on the company's reputation and leads to lower investment costs for HR.
<b>Impact (actual – Van de Velde)</b>	Commitment to constructive social dialogue in Belgium and Tunisia. Van de Velde wants to take an exemplary role in this.	This has a positive impact on the company's reputation and leads to lower investment costs for HR.
<b>Impact (actual – Van de Velde)</b>	People-oriented and understanding policies and commitment to health and psychosocial well-being.	This has a positive impact on the company's reputation and leads to lower investment costs for HR.
<b>Risk (actual – Van de Velde)</b>	Insufficient understanding of correct working conditions of employees in own production plant in Tunisia (diversity, living wage, hours, etc.).	This can impact health and safety risks, regulatory violations, staff turnover, claims and reputational damage.
<b>Risk (actual – Van de Velde)</b>	High stress levels and disrupted work-life balance.	This can lead to absenteeism, staff turnover and mounting costs for HR.
<b>Risk (potential – Van de Velde)</b>	General risk of forced labor and child labor in apparel and textile sector	Apparel and textile is still a labor intensive sector, which may lead to bad practices in labor conditions

## Introduction | (ESRS 2 SBM-3)

---

Van de Velde's workforce comprises both employees and non-employees, each playing a vital role in the company's operations and success. We distinguish between "employees," who hold an employment contract with the company (including temporary contracts, replacement contracts, or traineeships), and "non-employees," which refers to individuals not directly employed by Van de Velde, such as agency staff (interims), contractors (either self-employed or employed by a contractor company), and members of the Management Team providing services through management agreements.

Van de Velde is committed to fostering a positive and stable work environment for all workers, regardless of their employment type and job location. The company's operations have a material impact on its workforce, including employees and non-employees in various roles. These individuals may be impacted by both the company's internal operations and its value chain activities, such as product manufacturing, distribution, and business relationships with third-party suppliers.

### Generating positive impact

Van de Velde commits to fostering a positive and stable work environment for its entire workforce in all its entities, including Tunisia, own & operated retailers and international salesforce (for more details on the entities, see chapter *General disclosures*). This is reflected in its approach to **stability**, **social dialogue** and **employee well-being**. These practices generate significant benefits for both the organization and its stakeholders, contributing to a thriving workforce and a positive company reputation:

#### Stability

Van de Velde demonstrates **reliability and consistency**, which can enhance its image in the eyes of its stakeholders, including customers, investors, and business partners. This positive reputation can lead to increased trust and credibility, benefiting the company in terms of attracting new customers and maintaining existing ones.

Furthermore, being a stable employer **also contributes to high-er engagement** among its staff. When employees feel secure in their positions and have confidence in the stability of their employment, they are more likely to be **engaged and committed** to their work. This can result in **increased productivity and**

**higher job satisfaction**. Employees who are confident in their job security are more likely to invest their time and energy into their work, knowing that their efforts will be rewarded and recognized by the company.

Moreover, a stable work environment with less fall-out and lower employee turnover can foster a sense of loyalty and continuity within the organization, leading to a stronger and more cohesive workforce.

#### Social dialogue

The second point emphasizes Van de Velde's commitment to **constructive social dialogue**. This commitment can have a positive impact on the **engagement** of its staff. Constructive social dialogue refers to open and meaningful communication between management and employees, as well as among employees themselves. When there is a culture of dialogue and collaboration within an organization, it creates an environment where employees feel heard, valued, and involved in decision-making processes. This sense of inclusion and empowerment can significantly enhance employee engagement, as individuals are more likely to be motivated and invested in their work when they feel that their opinions and contributions are respected and considered.

In addition to fostering engagement, constructive social dialogue can also lead to **innovation and creativity** within the organization. When employees are encouraged to share their ideas and perspectives, it creates a space for diverse viewpoints and fresh insights. This can result in the development of new and innovative solutions to challenges and the ability to adapt to changing market conditions. By promoting open and meaningful communication, Van de Velde can tap into the collective intelligence of its workforce, driving continuous improvement and growth.

#### Employee well-being

Lastly, the mention of **attention to employee well-being** suggests that Van de Velde prioritizes the **physical and mental health** of its employees. This can **encompass various initiatives and practices** aimed at creating a **supportive and healthy work** environment. For instance, Van de Velde may provide employee assistance programs, wellness programs, flexible work arrangements, or opportunities for professional

development and growth. By focusing on employee well-being, Van de Velde demonstrates **a commitment to the holistic welfare of its workforce**. This can result in improved employee satisfaction, reduced stress levels, increased productivity, and a positive work-life balance. When employees feel supported and valued by their employer, they are more likely to experience higher levels of job satisfaction and overall well-being. This, in turn, can lead to increased motivation, creativity, and loyalty, as employees are more likely to go above and beyond in their roles when they feel that their employer genuinely cares about their well-being.

In summary, Van de Velde's **approach as a reliable employer**, its commitment to constructive social dialogue, and its focus on employee well-being create a virtuous cycle. These initiatives not only enhance the company's reputation but also contribute to greater employee engagement, satisfaction, and productivity. Van de Velde's focus on stability, communication, and well-being ultimately benefits both the organization and its employees, fostering a thriving, cohesive workforce.

## Risks and opportunities

Van de Velde addresses following risks and opportunities to foster a more resilient and responsible organization.

1. **The lack of a formal diversity and inclusiveness policy.** Without a clear policy in place, the company may struggle to attract and retain a diverse workforce. This could lead to a lack of different perspectives and ideas, hindering innovation and creativity within the organization. Additionally, a lack of inclusiveness can create an environment where certain employees feel excluded, leading to low morale and decreased productivity.
2. **The absence of a formal internal mobility policy** could present challenges for staff by potentially limiting opportunities for career development and skill enhancement within the organization. This may lead to reduced employee engagement and retention as individuals could seek growth opportunities externally.
3. **Inadequate understanding of mental and physical health and safety conditions in all its entities, as described above.** A good understanding is essential for organizational well-being. Addressing potential gaps in these areas helps mitigate risks such as employee dissatisfaction, turnover or reputational challenges.
4. **The physical and intense work** for certain employees, particularly in the case of an aging workforce, can have detrimental effects. This type of work can lead to absenteeism, staff turnover, and increased costs.
5. The **risk of accidents** is a concern that can arise from inadequate application of safety regulations and inadequate use of personal protective equipment (PPE). Failure to comply with safety measures can result in injuries or even fatalities, incurring legal and financial consequences for the organization. It is crucial for the company to continue to enforce strict safety protocols and to continuously improve the safety framework.
6. **Staff shortages** due to the war for talent present a challenge for the organization. In a competitive job market, attracting and retaining top talent remains crucial.
7. **Insufficient understanding of the correct working conditions of employees in our own production plant in Tunisia** could present a risk. The operations and working conditions at the production plant in Tunisia require greater transparency to ensure alignment with the organization's standards and values. By fostering clearer insights into the plant's functioning, the organization can proactively address potential risks and reinforce its commitment to a responsible and supportive working environment.
8. **High stress levels and disrupted work-life balance** can have negative impacts on employee well-being and productivity. This may lead to burnout, decreased morale, and increased turnover. The organization should foster creating a supportive work environment that promotes work-life balance and provides resources for managing stress.
9. **Forced labor and child labor risks:** Van de Velde operates in Belgium and Tunisia, both of which are generally regarded as low-risk countries for forced labor and child labor. Belgium has strong labor laws, robust labor inspections, and well-enforced regulations against forced labor, while Tunisia has made significant strides in improving labor rights and conditions.

### Risks and opportunities relating to specific groups in the workforce

Van de Velde recognizes that certain groups within its workforce may face heightened risks due to the nature of their roles or the contexts in which they work. Identifying these risks is critical to ensuring their well-being and fostering a supportive work environment.

#### 1. Staff in Non-Belgian Entities

At head office, there is a growing awareness of health and safety conditions in the non-Belgian locations. However there is a need for closer oversight to ensure alignment with the company's standards for employee well-being and workplace safety. Addressing these concerns proactively can mitigate risks such as dissatisfaction, turnover, or reputational challenges.

#### 2. Staff in Production Sites

Employees in production facilities often encounter physically demanding and intense working conditions. Tasks may involve heavy lifting, repetitive motions, prolonged standing, or working in ergonomically challenging positions. These physical demands can pose particular challenges for an aging workforce, increasing the likelihood of health issues.

By identifying these specific groups and the risks they face, Van de Velde is committed to implementing targeted strategies to protect its workforce and sustain a healthy, productive working environment.



## Policies related to own workforce | (SI-1)

---

Van de Velde has implemented a range of policies to manage the material impacts, risks, and opportunities related to our own workforce. Such as correct working conditions, respect for human rights, (mental) health and wellbeing and monitoring of work-life balance amongst other. Through the Ethical and Social Charter, the Code of Conduct for Own Workforce, and the Privacy Policy for Own Workforce, we aim to proactively mitigate and reduce these risks. We also have a system in place to manage workplace accident prevention.

### Ethical and Social Charter

The **Ethical and Social Charter** outlines Van de Velde's commitment to a sustainable, open, social, and ethical business policy grounded in responsibility, dialogue, and mutual respect. The Charter establishes nine key human rights principles relevant to all the employees of Van de Velde NV and its direct and

indirect subsidiaries. It excludes non-employees such as consultants and temporary workers, as their working conditions are externally determined and controlled.

Although the Charter does not explicitly address human trafficking, it reinforces Van de Velde's dedication to ethical prac-

tices and respect for its workforce.

The following commitments are included:

1. **No forced labor:** We support employment based on motivation and free will.
2. **Freedom of association and right to collective bargaining:** We are committed to open and honest dialogue with social partners and all parties involved in our activities.
3. **Health and safety:** We ensure a safe and healthy work environment and strive for general well-being for every employee.
4. **No child labor:** We do not employ employees who are under 16 years of age or who do not meet the minimum employment age required by law.
5. **A guaranteed livable wage:** We ensure that the wage paid for a normal working week at least meets the legally defined minimum wage. We also ensure that the employee can provide for more than the basic needs (such as food, water, housing, education, health care, transportation, clothing, etc.) for the employee and the employee's family.
6. **Respect for maximum working hours:** We respect the legal limits on working hours and strive for a good balance between private and professional life. The maximum number of working hours per week is determined by local legislation and can never exceed 48 hours. Overtime is limited to 12 hours per week, is entirely voluntary and is not regularly requested.
7. **No discrimination:** We condemn any form of discrimination based on race, nationality or social origin, caste, birth, religion, disability, gender, sexual orientation, family responsibilities, marital status, union membership, political opinions, age or any other criterion that may lead to discrimination. Van de Velde is committed to eliminating discrimination and fostering diversity and inclusion. In 2025, we plan to establish a clear inclusion policy with specific guidelines to address these goals. In the meantime, we actively promote equal opportunities, starting from the recruitment process. To mitigate discrimination, we conduct awareness training and sensitization programs. We have established channels for reporting discrimination, and once detected, the company takes prompt and appropriate action. These measures demonstrate our dedication to creating an inclusive and equitable workplace.
8. **Regular employment:** Work is performed under a cooperation agreement based on national laws and customs.
9. **No disciplinary practices:** We respect the individual and condemn any form of violence, be it physical, mental or verbal.

Recently, additional guidelines were adapted to supplement the Ethical and Social Charter.

- **Guidelines concerning flexibility, overtime and working abroad.** These guidelines set out the limitations on overtime and the framework of flexible working time and weekend work.
- **Guidelines concerning training and development.** These guidelines set out the framework for corporate training as well as individual (technical) training. Each year, a corporate training plan is drawn up based on the needs of the organization as well as the needs of individual employees. This training plan is discussed with the Works Council. A training budget for individual training is foreseen.
- **Policy on thematic leave.** This policy sets out the framework for parental leave, leave for medical assistance and palliative leave.
- **Policy on hybrid working.** This policy sets out the framework for working from home.

The Charter further explains how any concern about (suspected) violations of the Charter can be reported and how these concerns are investigated objectively and confidentially. Additionally, the Charter emphasizes Van de Velde's **absolute ban on retaliation** towards anyone who raises genuine concerns in good faith.

The Ethical and Social Charter is approved by the Board of Directors. The Management Team is responsible for its implementation. The Social Performance team is responsible to monitor compliance.

The social performance team (SPT) is a multi-disciplinary team, set up by Van de Velde to implement and monitor all aspects of its Ethical and Social Charter. The team comprises a balance of employee representatives and management and meets frequently to assess the advancement and identify any actions to strengthen implementation of the standard. The SPT has the following tasks:

- Identifying and analyzing social risks
- Constantly monitoring compliance with the principles of the Charter.
- Developing system and internal controls in accordance with the PDCA principle
- Preparing audits, providing the documentation, reports and conducting self-assessments.

- Preparing the management review and interim monitoring
- Dealing with the audit report findings and updating the Charter where necessary
- Communicating the requirements of the Ethical and Social Charter through the channels set up

The Charter and its supplementary guidelines are reviewed annually by the Management Team, incorporating:

- Reports of any violations over the past year.
- Internal audit results from the Social Performance Team.
- Discussions from the Works Council and the Committee for Prevention and Protection at Work.

Adjustments or improvements are made as necessary, subject to Board approval.

Van de Velde respects the principles of the following international instruments:

- ILO Conventions 1, 29, 87, 98, 100, 102, 131, 135, 138, 155, 159, 169, 177, 181, 182, 183, and the ILO Code of Practice on HIV/AIDS and the World of Work, Universal Declaration of Human Rights
- the International Covenant on Economic, Social and Cultural Rights
- the International Covenant on Civil and Political Rights
- the United Nations Convention on the Rights of the Child
- the United Nations Convention on the Elimination of All Forms of Discrimination Against Women
- the United Nations Convention on the Elimination of All Forms of Racial Discrimination
- the UN Guiding Principles on Business and Human Rights

The Ethical and Social Charter can be obtained by any employee from the HR department and is available on Van de Velde's intranet (Conversation Room) and on <https://www.vandavelde.eu/en/whistleblowing>.

## Code of Conduct for Own Workforce

Van de Velde considers respect, honesty, solidarity and trust as its foundation. Within this framework, Van de Velde has implemented a Code of Conduct as a guideline for its own workforce. All members of the own workforce in all its entities are expected to follow the rules of conduct in their everyday duties and in relation to colleagues, suppliers, customers and others. The Code of conduct deals with various topics;

1. **Dealing with information:** Guidelines for managing confidential information, obligations of secrecy, and rules against insider trading.
2. **Dealing with colleagues:** Zero tolerance for inappropriate behavior such as bullying, harassment, or violence. Includes guidance on workplace relationships.
3. **External Parties:** Emphasizes respectful interactions with customers and suppliers and prohibits illegal agreements, corruption, and bribery.
4. **Work-Life Balance:** Highlights conflicts of interest, bans on alcohol and drug use at work, and conditions for combining business trips with private vacations.
5. **Use of Company Resources:** Provides rules for using company assets like computers and smartphones, including limits on personal use and expense management.

The Code details procedures for reporting and investigating suspected violations confidentially and bans retaliation against good-faith whistleblowers.

The Board of Directors approves the Code, while the Management Team oversees its implementation. The Code is reviewed annually, considering any violations, with updates made as necessary.

The Code is available to all workforce members via HR, the intranet (Conversation Room), and [www.vandavelde.eu/nl/code-of-conduct](http://www.vandavelde.eu/nl/code-of-conduct). For non-employees without a direct authority relationship, the Code serves as guidance, with enforceable obligations outlined in contractual agreements.

While no third-party standards are explicitly referenced, the Code reflects Van de Velde's commitment to ethical integrity and stakeholder inclusion.

## Privacy Policy for Own Workforce

In the context of reliability and consistency, Van de Velde processes personal data of current and former employees, self-employed representatives, contractors and consultants. The Privacy Policy for Own Workforce explains which categories of personal data are processed by Van de Velde, why and on what legal basis, which parties we share the personal data with and how long the personal data are retained by Van de Velde.

Additionally, the policy explains how individuals in the workforce can exercise their privacy rights and report any suspected violations. It also reinforces Van de Velde's commitment to a strict no-retaliation policy for anyone reporting potential breaches of the policy.

The GDPR and Belgian privacy legislation are respected through implementation of the policy. The Privacy policy applies to all current and former employees, self-employed representatives, contractors and consultants of Van de Velde NV and any direct or indirect daughter entities within the EU. For US and Tunisia, local legislations are respected.

The Board of Directors approves the Privacy Policy, while the Management Team is responsible for its implementation. Van de Velde ensures compliance with GDPR and Belgian privacy legislation through the policy's framework.

The Privacy Policy is accessible to all relevant stakeholders through Van de Velde's intranet (The Conversation Room). Additionally, all employees within the EU entities receive digital training on the policy to ensure proper understanding and compliance.

## Processes for engaging with own workforce | (S1-2)

---

Van de Velde recognizes the critical role that workforce perspectives play in shaping responsible decision-making. Engagement with employees takes place at various levels through both direct and indirect channels, including social partners. We place great importance on maintaining an open dialogue and ensuring that employee voices are heard and considered. At Van de Velde, we believe in continuous feedback, supplemented by formal feedback moments. While the frequencies listed below represent the minimum, additional feedback can be organized as needed:

- Meetings with social partners (e.g., Works Council): monthly
- Engagement Survey: quarterly
- Townhalls: every 6 months
- Performance review process: every 6 months

### Direct Engagement with Employees

Van de Velde fosters open communication and feedback through various engagement mechanisms designed to ensure employee perspectives are heard and addressed. Employees are encouraged to share concerns and ideas through **regular one-on-one meetings, performance reviews, and open communication channels**. Anonymous monthly **engagement surveys** conducted via the Intuo platform provide an additional avenue for employees to share candid feedback on critical workplace drivers, such as relationships with colleagues and managers, recognition, personal growth, and ambassadorship. Detailed comments from these surveys are analyzed and shared with the management team and departments, enabling the creation of targeted action plans to address identified areas for improvement.

In addition to these channels, **regular townhalls** serve as forums for open dialogue between leadership and employees, offering opportunities for employees to voice their opinions, ask questions, and discuss issues directly with decision-makers. To support personal development, biannual **performance reviews** are held, where employees engage in growth conversations with their line managers to reflect on values, competencies, skills, and ambitions. These discussions are complemented by mid-year follow-ups to ensure sustained progress and alignment with individual and organizational goals.

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.

### Engagement Through Social Partners

Van de Velde acknowledges the vital role of dialogue with social partners and upholds employees' rights to unionize and organize without fear of retaliation. The Works Council and the Committee for Prevention and Protection at Work serve as key platforms for workforce representation, holding monthly meetings to address workforce-related topics, including matters outlined in the Ethical and Social Charter. Workers' representatives actively voice employee perspectives during these discussions, ensuring that management decisions align with the interests and concerns of the workforce.

Chaired by the CEO, these meetings follow a structured format to promote meaningful and productive dialogue. Minutes are meticulously documented, and reports are made accessible to all employees through the "Conversation Room" intranet, fostering transparency and reinforcing accountability. Necessary actions are taken by different departments, follow up and report out is done in the next meeting.

The company has no specific program to gain insight into people of our own workforce who may be particularly vulnerable to impact. The general ways of addressing these issues apply e.g. the Works Council, the Committee for Prevention and Protection at Work, the anonymous engagement survey or via the confidants.

## Channels for own workforce to raise concerns | (S1-3)

---

During the reporting period, Van de Velde did not identify any material negative impacts on its workforce. However, the company remains fully committed to addressing any such impacts should they arise in the future. Van de Velde continues to monitor its operations closely and is dedicated to fostering a positive, supportive working environment for all employees.

### Channels

Van de Velde provides multiple channels for its workforce to raise concerns or express needs ensuring that employees have easy access and multiple resources for addressing issues at any time.

The primary channel is our **open-door policy**, which encourages employees to reach out to their immediate supervisors or, for non-employees, their internal contacts. These interactions can occur in various informal ways, such as through scheduled meetings, Teams messages, emails, or even casual conversations. This flexibility allows many concerns to be addressed quickly and efficiently.

For more specific concerns, such as those related to safety or privacy, Van de Velde has established **formal reporting systems**. Employees can report safety risks or incidents by logging a ticket through the company's intranet, which is then managed by the facility department. Similarly, privacy-related concerns can be raised via email to [privacy@vandevelde.eu](mailto:privacy@vandevelde.eu), with investigations handled by the Head of Legal, Risk & Compliance.

Additionally, employees who feel their concerns involve potential violations of **Van de Velde's policies** have access to a range of dedicated contacts, depending on the nature of the issue. Each policy outlines specific parties to whom reports of inappropriate or illegal behavior can be directed, including line managers, confidants, employee representatives, members of the Management Team, or even the President of the Board of Directors.

In cases where employees prefer to remain anonymous or are uncomfortable approaching internal parties, an **internal whistleblowing channel** is available. This allows staff to report concerns about illegal or unethical behavior confidentially and without fear of retaliation. The whistleblowing channel is established by Van de Velde.

Finally, Van de Velde has a clear grievance and complaint handling mechanism for employee-related matters. This process ensures that any concerns raised by employees are taken seriously and addressed in a fair and transparent manner. The company is committed to resolving grievances in a way that supports both the individual and the organization, ensuring that all issues are managed in line with Van de Velde's ethical standards and values.

### Tracking and monitoring

Van de Velde ensures that issues raised through any channel are handled with the utmost confidentiality and seriousness. Reports submitted through its whistleblowing channel are accessible solely to the report manager, who is the Head of the Legal, Risk & Compliance Department based at Van de Velde's headquarters in Belgium. Upon receiving a report, the report manager investigates the matter thoroughly to determine if there has been, or may be, any immoral, illegal, or dangerous practices.

Since the launch of the whistleblowing policy and reporting channel in March 2023, no reports have been submitted by December 31, 2024. As a result, the effectiveness of the reporting channel has yet to be evaluated through user feedback or performance metrics. During the reporting period, significant efforts have been focused on raising awareness about the whistleblowing channel. This includes highlighting the confidentiality and protection measures in place to ensure that employees feel comfortable using the channel to report any concerns.

To continuously improve the process, an annual review of the whistleblowing policy is scheduled by the Management Team. The first review has taken place in 2024. This review helps to assess the channel's effectiveness and to ensure that it remains a trusted and efficient tool for addressing issues within the organization.

## Assessment of awareness of processes to raise concerns

Van de Velde closely monitors the awareness and trust in its processes for raising concerns or needs. Several mechanisms are in place to assess how well these channels are functioning.

### 1. Reports made with confidants

During 2024, 8 reports were made with confidants.

### 2. Reports made through the internal whistleblowing channel

Since the introduction of the whistleblowing policy and reporting channel in March 2023, no reports have been submitted by December 31, 2024. As a result, the effectiveness of the whistleblowing channel cannot be evaluated yet through user feedback or

performance metrics. The challenge remains in raising awareness about the policy and creating a sense of safety and confidence for employees when using this reporting channel. Van de Velde recognizes that building trust in the system is key to ensuring its success and encourages open communication about the policy across the organization.

In summary, while there has been some activity through the safety coaches and confidants, the absence of reports through the whistleblowing channel highlights the need for further awareness efforts. The company remains committed to fostering an environment where employees feel comfortable raising concerns and trusting that their issues will be addressed with care and confidentiality.

## Actions on material impacts on own workforce | (S1-4)

### Employee well-being

Van de Velde implements various initiatives to promote the (mental) wellbeing of its associates and raise awareness. These actions were introduced in past years to address material negative and positive impacts and are customized for the different sites. These actions were all fully ongoing in 2024 and we plan to continue these efforts in the coming years. Van de Velde allocates financial resources to manage its material impacts, ensuring the continuation of wellbeing initiatives. Additionally, we invest time, expertise, and partnerships to tailor efforts to each site's specific needs.

#### Initiatives in Belgian sites:

At its Belgian sites, efforts focus on fostering flexibility, strengthening employee connections, encouraging healthy habits, and promoting a commitment to health and fitness. Key initiatives include:

- **Hybrid working:** In 2024, the hybrid working policy was extended. For roles where feasible, associates can work up to 50% of their time remotely. This policy provides greater flexibility and supports a **healthy work-life balance**.
- **VDV Connect:** Alongside flexibility, Van de Velde emphasizes strengthening connections among employees through VdV Connect, a wellbeing initiative developed and supported by a team of Van de Velde associates. In 2024, a variety of activities were

launched under this program, including flower arranging workshops, sport-challenges and a large-scale blood donation campaign.

- **Encouraging healthy habits:** Van de Velde actively promotes regular physical activity and healthy eating through initiatives such as; weekly fresh fruit baskets, company bikes for commuting, walk & bike challenges, onsite showers, recreational facilities such as table tennis.
- **Recognition as a 'Sport-Friendly Company':** Van de Velde was one of the first companies in East Flanders to receive the '*Sportbedrijf*'-label by Sport Vlaanderen. This recognition highlights the company's dedication to health, sport and exercise. This certification was obtained in 2023 and valid for 2 years.

### Initiatives in Tunisia

To improve the comfort and wellbeing of associates in Tunisia, Van de Velde has introduced several measures, such as improved ergonomic practices, bus services for commuting, upgraded sanitary facilities, and optimized air conditioning and ventilation systems. In the new building, which opened in 2024, special attention was given to incorporating features that prioritize associate comfort, hygiene and overall wellbeing.

### Employee engagement

At Van de Velde, we prioritize a strong start for new associates to ensure they quickly feel integrated into our organization. A comprehensive **onboarding program** helps them gain confidence and feel motivated as they begin or further their career within Van de Velde. The program starts with a warm welcome from the CEO, followed by a one-week training that offers an in-depth overview of our production processes. This hands-on approach allows new hires to actively engage with the production process, feel connected from day one and builds an internal network. In addition, we introduce our core values, Ethical and Social Charter, sustainability strategy, and overall corporate culture to provide a well-rounded introduction.

After onboarding, we are committed to the continuous growth of our associates. Every year, a tailored **training plan** is developed, offering a mix of individual and group training opportunities. Associates can participate in company-wide training sessions or pursue personalized learning paths. Special attention is given to effective leadership training programs in order to reinforce engagement and responsibility at top level. To further support learning, we organize regular online courses and **Lunch & Learn** sessions, enabling associates to expand their expertise on topics related to strategic projects.

To keep **personal development and engagement** front and center, Van de Velde conducts an annual performance cycle. In the first quarter, each associate has a personal growth conversation with their line manager to evaluate values, competencies, skills, and ambitions. A follow-up discussion is scheduled in the third quarter.

Van de Velde measures **employee well-being and engagement** on a quarterly basis using Intuo, an anonymous feedback tool. This provides management with valuable insights, allowing them to take proactive steps to improve employee well-being.

In 2024, efforts were focused on further developing and evaluating existing systems. Moving forward in 2025, the focus will shift to formulating more specific targets to address the material impacts effectively (S1-5)



# Metrics

## Characteristics of the undertaking's employees | (S1-6)

Our own workforce comprises a total of 1.107 employees, distributed across various countries. The figures are presented in FTE or headcount, as detailed in the tables below. This report does not include historical data. We do plan to do this from the following report onwards and then also include figures from 2024.

Gender	Headcount
Male	112
Belgium	85
Tunisia	12
Countries with >50 employees	15
Female	995
Belgium	432
Tunisia	284
Countries with >50 employees	279
<b>Total headcount</b>	<b>1,107</b>

Table 1 Number of employees by gender

Country	Headcount
Belgium	517
Tunisia	296
The Netherlands	75
Canada	4
France	11
Sweden	1
Norway	1
Finland	2
Denmark	22
Germany	63
Spain	32
United states	23
United Kingdom	60
<b>Total headcount</b>	<b>1,107</b>

Table 2 Number of employees by country

Contract type	Male	Female	Total FTE
Permanent employees (FTE)	104.56	683.91	788.47
Temporary employees (FTE)	4.60	203.84	208.44
Non-guaranteed hours (FTE)	0	2.23	2.23
<b>Total FTE</b>	<b>109.16</b>	<b>889.98</b>	<b>999.14</b>

Table 3 Number of employees by contract type, broken down by gender

Turnover	Headcount
Total number of employees who left the company	260
Rate of employee turnover in 2024	22.44%

Table 4 Employee turnover

### Description of methodologies and assumptions used to compile data on employees

At Van de Velde, the data collection process focuses specifically on gathering information from the payroll function across the various countries where the company operates. To ensure a smooth data collection process, Van de Velde employed change management initiatives. This involved presenting the overall objective of the CSRD to all parties involved in the data collection process.

By clearly communicating the definitions of the data to be collected and goals of the data collection, Van de Velde ensures that everyone is on the same page and understands the importance of their contribution. The data collection process takes place on a monthly basis, starting from July 2024. Once the

data is collected from each country, it is combined and consolidated into a single comprehensive report. To ensure the accuracy and completeness of the collected data, Van de Velde employs internal logical checks. In addition to logical checks, the collected data is also validated during a meeting with the different providers. By doing so Van de Velde aims to minimize any errors or discrepancies in the collected data and ensure accuracy and reliability of its data.

The methodologies and significant assumptions behind the metrics related to this topic and topics on S1 further on, are based on internal data collection processes and standardized calculations. The measurement of these metrics has not been validated by an external body other than the assurance provider.

## Collective bargaining coverage and social dialogue | (S1-8)

Objective of below disclosure is to enable an understanding of the coverage of collective bargaining agreements and social dialogue for the undertaking's own employees.

Region	Coverage
Total of all countries	85.53%
Countries with significant employment EEA	100%
Countries with significant employment non-EEA	100%

Table 5 Employees covered by a collective bargaining agreement

Region	Coverage
Percentage of employees covered by workers' representatives - Countries with significant employment EEA	100%

Table 6 Percentage of employees covered by workers' representatives

Currently, there is no agreement in place for representation by a European Works Council (EWC), Societas Europaea (SE) Works Council, or Societas Cooperativa Europaea (SCE) Works Council at Van de Velde.

## Diversity metrics | (S1-9)

The objective of this disclosure is to enable an understanding of gender diversity at top management level and the age distribution of its employees. Top management refers to the Management Team, which is responsible for carrying out certain tasks delegated by the Board of Directors.

	Gender	Headcount at top management level	Percentage
End of 2024	Male	2	33%
	Female	4	67%
Current	Male	3	50%
	Female	3	50%

Table 7 Gender distribution at top management level

Age group	Headcount	Percentage
Under 30 years old	235	21.23%
30-50 years old	509	45.98%
Over 50 years old	363	32.79%

Table 8 Distribution of employees by age group

## Adequate wages | (S1-10)

All employees are paid an adequate wage, in line with applicable sectoral benchmarks per country.

## Health and safety metrics | (S1-14)

The objective of the disclosure below is to allow an understanding of the coverage, quality and performance of the health and safety management system established to prevent work-related injuries.

	Employees	Non-employees	Value chain workers
Percentage of own workers who are covered by health and safety management system based on legal requirements and (or) recognized standards or guidelines	92%		
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	0	0	0
Number of recordable work-related accidents for own workforce	14	0	
Rate of recordable work-related accidents for own workforce	1.59%		
Number of cases of recordable work-related ill health of own workforce	4		

Table 10 Health and safety metrics

## Remuneration metrics (pay gap and total remuneration) | (SI-16)

Van de Velde reports a gender pay gap of 41.09%, reflecting the difference in average remuneration between female and male employees. The ratio between the remuneration of the highest-paid individual and the median remuneration of employees is 10.65.

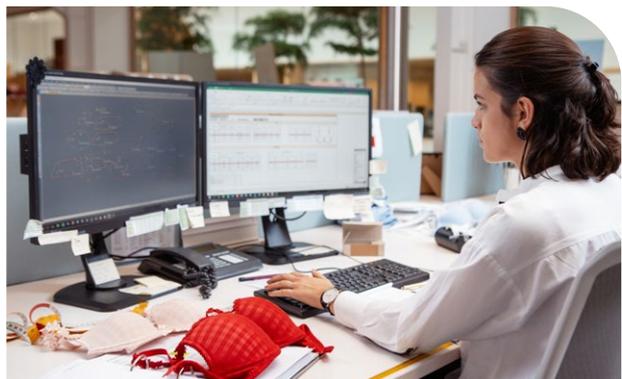
To provide context for these figures, it is important to note that women are disproportionately represented in roles and regions where the average gross hourly wages are the lowest. For instance, women are overrepresented in blue-collar functions and retail staff positions, as well as in countries such as Tunisia, which has the lowest gross hourly wages among all locations where the company operates.

- In **Tunisia**, the majority of the workforce is female, and the gross hourly wages are significantly lower compared to other countries.
- In **Belgium**, the majority of the population is female. A large part of this population is active as a blue-collar worker, a category that generally earns lower hourly wages compared to white-collar employees.
- The entire workforce in the company's **retail shops** across various countries is female, reflecting the nature of the work. Retail staff earn lower gross hourly wages on average compared to white-collar positions.

Despite these disparities, it is essential to emphasize that wages are determined by standardized baremic scales, which ensure equal pay for men and women within the same roles. However, the concentration of women in lower-paying roles and locations explains the observed gender pay gap.

The data underpinning these analyses were compiled using gross hourly wage information collected across multiple countries for the year 2024. For employees receiving a lump sum gross monthly salary, their gross hourly wages were calculated by multiplying the monthly amount by three (months) and dividing by 13 (weeks in three months) and the average number of working hours per week, which varies by country. To ensure comparability, all wages were standardized and converted into euros (€) using current exchange rates. This approach allows for direct cross-country comparisons while accounting for currency-related differences.

The measurement of the metrics related to compensation, including the pay gap and total compensation, has been analyzed and validated by an external partner based on our internal data.



## Incidents, complaints and severe human rights impacts | (SI-17)

This chapter will allow an understanding of the extent to which work-related incidents and severe cases of human rights impacts are affecting our own workforce.

Van de Velde ensures that employees have various channels to raise concerns and address any issues they may face. These channels include confidants, HR Business Partners, social partners and the whistleblowing procedure. Employees can trust that their concerns related to privacy regulations, work-related incidents or discrimination will be handled confidentially and appropriately.

Additionally, the company encourages the reporting of unethical or illegal activities through the whistleblowing procedure, allowing employees to bring forward any issues in the workplace. If necessary, employees can also reach out to an employee representative. At the end of the review period, the

HR Business Partners, HR Director, and Head of Legal, Risk & Compliance will compile and establish a list of reported concerns, ensuring that the confidentiality obligations outlined in the whistleblowing policy are respected. Currently, no fines, penalties, or compensation for damages related to social or human rights violations have been recorded, and no such amounts are presented in the financial statements.

	2024
Number of incidents of discrimination	5
Number of complaints filed through channels for people in the undertaking's own workforce to raise concerns	5
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0
Amount of fines, penalties, and compensation for damages as result of incidents of discrimination, including harassment and complaints filed	0





# Workers in the value chain

# Workers in the value chain



## ESRS S2

### Workers in the value chain

	Material impact or risk/ opportunities	Description
<b>Working conditions</b>		
<b>Opportunity (potential – upstream)</b>	Systematic screening of our external suppliers and sub-contractors.	While monitoring our suppliers and subcontractors in a structural way, we can reduce/avoid health and safety risks, regulatory violations, employee turnover, claims and reputational damage. Being able to guarantee that our products are made under the best working conditions will finally end up in good reputation for the brands.
<b>Risk (actual – upstream)</b>	Insufficient understanding and follow-up on potential labor rights violations in our value chain (wages, overtime, child labor, safety).	Due to the lack of in-house audits, or follow-up CAPs from external audit reports, the chance of labor law violations is still actual. This can result in reputational damage and claims for Van de Velde.

## Approach and policies

At Van de Velde, we are dedicated to upholding legal standards and protecting human rights across all operations, expecting the same commitment from our suppliers and subcontractors. Value chain workers are a key group of affected stakeholders and we believe that ethical production and distribution rely on shared responsibility. For more details on the value chain, including workers, impacts and risks, we refer to the General disclosures (ESRS 2).

The textile and apparel industry is still prone to challenges such as child labor, inadequate wages, and unsafe working conditions. As a global company with an extensive network of partners, we are focused on proactively monitoring our supply chain. This approach not only reduces risks and enhances transparency but also fosters initiatives that promote a positive social impact.

Van de Velde collaborates with over 1,000 suppliers across various sectors, including: Textile production, apparel assembly, transportation, HR-services, Business and IT-consulting, retail sector as most important. During the assessments, we took into account as well upstream as downstream partners, including subcontractors that are working on our own sites. Each sector has its own challenges and risks when it concerns business models, strategies and material impact.

Below a description of the categories that we considered to be most vulnerable and where human rights could be most impacted.

## Entities in the upstream value chain

---

### Fabric suppliers:

Van de Velde sources over 70% of its textile components, such as knitted and woven fabrics, from European suppliers in Belgium, France, Italy, Switzerland, and Spain, amongst others. Our largest supplier is located just 35 km from our headquarters in Belgium. 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 partners offers a distinct advantage, as it allows for frequent site visits to closely monitor working conditions. Given the robust local and European regulations, we consider the risk of human rights violations in this segment to be relatively low.

For the remaining textiles—less than 30%—sourced from suppliers in the Far East, we recognize a heightened risk of issues like child labor and forced labor. In these regions, we follow-up on a structural basis to monitor protection of basic human rights.

### Subcontractors for apparel assembling

Producing and stitching high-quality lingerie is a complex process that demands specialized expertise, which is why Van de Velde is highly selective in choosing assembly partners. We have deliberately limited the number of production facilities to centralize knowledge and ensure continuity.

This approach is reflected in our decision to operate our own atelier in Tunisia and collaborate with only one long-term subcontractor in the Far East and two small subcontractors in Tunisia. The data of our own plant in Tunisia are disclosed in ESRS S1. Top Form International in the Far East and the subcontractors in Tunisia, are subject of S2.

Our dedicated assembly partners in Tunisia and the Far East were chosen for their expertise, commitment to quality, and focus on innovation. These partners are not merely a producer but an integral business collaborator, working closely with us

to enhance our products. The subcontractors in Tunisia are monitored by the management of our own atelier in Tunisia. With this approach, we mitigate risks concerning working conditions and human rights.

In the Far East Van de Velde is a member of the company's board and is actively participating in long-term strategy and vision-setting. Through this close partnership, we maintain open communication, addressing new initiatives and challenges together. This collaboration allows us to closely monitor working conditions in a region where human rights risks, such as child labor, insufficient wages, and excessive overtime, may be more prevalent.

## Impacts

Van de Velde strongly believes that long-term partnerships are essential for business continuity. These relationships foster mutual understanding and expertise in our niche products, while also contributing to economic stability and consistent employment for our partners. In the fashion industry, the seasonal nature of demand can lead to fluctuations in orders for textile suppliers and subcontractors, making forecasting challenging. By establishing long-term partnerships with a carefully selected group of key suppliers, we aim to create a more balanced and predictable workflow. This approach supports the sustainability and growth of these often-smaller organizations and enables a constant workload for workers in our (upstream) value chain, generating positive impact.

## Risks and opportunities arising from impacts and dependencies on value chain workers

An overall introduction on our value chain and its workers is given in the General disclosures.

The specific seasonal nature of the fashion industry can lead to risks like fluctuating workloads, which may impact the continuity of work for:

- Workers in assembly factories, who may face periods of reduced workload or increased time pressure with overtimes;
- Employees of fabric suppliers and their subcontractors, who depend on consistent demand from Van de Velde.

This variability can potentially disrupt operations, affecting job stability and balanced workload. Van de Velde's reliance on key partners, such as transport suppliers, also carries the risk of operational interruptions, further challenging the consistency of supply chain activities.

To mitigate the above mentioned risks, Van de Velde monitors fluctuations on weekly basis via forecast and planning dashboards. Our close collaboration with our partners ensures that we can inform them timely to take actions if necessary.

## Risks for Vulnerable Worker Groups

We recognize that workers in specific regions, such as the Far East, may face heightened risks related to working conditions. Issues such as fair wages, health and safety standards, and women's rights are ongoing challenges. The fashion industry is very labor intensive and employs mostly women, of all ages. In certain countries, like Tunisia and other countries in the Far East region, the inflow of new hires concerns often younger women, especially for assembling activities. This group faces increased risks concerning fair wages, working overtime, health and safety, and the potential for child labor.

Maintaining strong partnerships with our suppliers in these areas is essential to ensuring fair and safe working conditions and to upholding our values in all circumstances, also during periods of fluctuating workload.

Our policy is based on risk analysis per region and per category type of supplier and is implemented through actions that are described in more detail further in this chapter.

### Business partner Code of Conduct

In 2023, Van de Velde introduced a comprehensive Business Partner Code of Conduct to affirm our commitment to respecting human rights and promoting responsible practices across our value chain. This Code sets clear expectations for all business partners – including textile suppliers, subcontractors, and service providers – in areas of social responsibility, environmental stewardship and business integrity.

Our Code of Conduct outlines specific principles that all partners, their suppliers, and subcontractors must adhere to, including:

#### Social Responsibility via our Supplier Code of Conduct

The social and ethical charter mandates that business partners adhere to all relevant local, national, and international laws and industry standards, including the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights or OECD Guidelines for Multinational Enterprises. Our charter, also aligned with all relevant laws mentioned above, specifies nine fundamental principles that all partners, as well as their suppliers and subcontractors, must follow:

- **No forced labor:** Employment must be voluntary and based on free will.
- **Freedom of association and the right to collective bargaining:** A commitment to an open and straightforward dialogue with all parties involved in the business activities is required.
- **A safe and healthy workplace environment:** General welfare for each worker in the value chain must be ensured.
- **No child labor:** No engagement and employment of workers who have not reached the minimum working age required by local law.
- **Living wages:** Remuneration that meets at least legal minimum standards and that can provide workers with more than the basic needs for themselves and for their families must be ensured.

- **Maximum working hours:** At least the legal limits of working hours must be respected and a good balance between private and professional life for all employees pursued.
- **No discrimination:** Any form of discrimination based on race, national or social origin, gender, age, religion, disability, sexual orientation, union membership, marital status, political opinion or any other condition that could give rise to discrimination must be prohibited. All employees must be treated in the same, equal and correct way.
- **Regular employment:** All work must be performed based on a recognized employment relationship established through national law and practice.
- **No disciplinary practices:** Harsh and inhumane treatment and as such, any form of violence, either physical, mental or verbal harassment, must be condemned.

Currently, “trafficking of human beings” and “provisions addressing precarious work” have not been included in our policy. We plan to add this to the Supplier Code of Conduct during 2025.

In 2024, no cases - related to human rights and above listed topics – have been flagged.

#### Environmental stewardship via our Environmental Policy

We expect our business partners to comply with all applicable environmental laws and to actively seek improvements in their environmental performance. Partners are encouraged to propose initiatives that contribute to these improvements while collaborating with Van de Velde. A clear environmental strategy and regular progress updates are expected.

**Business integrity via our Supplier Anti-Corruption and Whistleblowing Policy**

Van de Velde requires business partners to operate with integrity and comply with all relevant laws. This includes:

- Appropriate Behavior: Partners are expected to maintain politeness, good manners, and respect in all business dealings.
- Confidentiality: Ensuring the confidentiality of professional secrets and other non-public information is mandatory.
- Conflict of Interest: Business partners must avoid conflicts of interest and comply with relevant laws.
- Anti-Corruption: The Code condemns corruption in all forms, expecting full compliance with anti-corruption laws.
- Compliance with Customs and Security Laws: Partners must adhere to all applicable customs legislation.
- Gifts and Entertainment: Acceptable within established limits and should never be offered with expectations of something in return.
- Insider Trading: Compliance with insider trading laws is required, especially given Van de Velde’s status as a listed company.
- Anti-Money Laundering: Measures must be taken to prevent operations from being used for money laundering.
- Data Protection: Partners must comply with data protection laws and sign necessary agreements.

- Respect for Competition Laws: Partners must comply with competition laws, including prohibitions on anti-competitive practices.
- Compliance with Trade Restrictions and Sanctions: Adherence to evolving international trade restrictions and export control laws is required.
- Transparency: Partners must provide clear and accurate information about their operations and refrain from making misleading claims.
- Whistleblowing: The Code encourages reporting of any violations, with mechanisms in place to raise concerns confidentially.

**Monitoring and compliance**

Finally, the Code of Conduct includes provisions for **monitoring compliance** among business partners, their suppliers, and subcontractors. Van de Velde may request information or conduct site visits to verify adherence. If deficiencies are found, partners must address them. Failure to do so may result in termination of the partnership.

This Business Partner Code of Conduct applies to all suppliers, subcontractors, or service providers engaged with Van de Velde NV and its subsidiaries, regardless of their location. Each year, the Management Team reviews the Code of Conduct, considering any violations from the previous year. Adjustments may be made with Board of Directors’ approval as needed. The policy is made available to relevant stakeholders and can be accessed on Van de Velde’s website at [www.vandavelde.eu](http://www.vandavelde.eu).



## Processes to remediate negative impacts and channels for value chain workers to raise concerns | (ESRS -S2-3)

---

### General approach

Van de Velde is committed to addressing negative impacts on value chain workers. The company has not adopted a specific process to engage directly with workers in the value chain but provides multiple channels for them to raise concerns promptly and effectively.

These mechanisms, established by Van de Velde itself, aim to ensure fair treatment, address grievances, and promote open communication. There is not one remedy for the possible negative impacts. Every negative impact demands an individual solution. We believe our channels enable value chain workers to raise their concerns and enable us to address each negative impact individually. We have designed these channels to foster an ethical and transparent value chain, ensuring accessibility and trust for all workers involved.

### Channels for Workers to Raise Concerns

Workers in the value chain **can reach out to their SPOC** within the Van de Velde organization (e.g. in the procurement or transport department) as there is frequent personal contact via e-mail, calls or during on-site visits. Van de Velde associates also visit subcontractors and textile suppliers in the Far East regularly to conduct compliance checks in line with our Ethical and Social Charter. During these visits, they are also available to address concerns from value chain workers. Due to travel restrictions during the pandemic, virtual meetings were set up weekly to stay informed on the local situation, a practice that continued through 2023. The Managing Director of Van de Velde Tunisia maintains close contact with the subcontractors in that region and monitors their activities through visits. No breaches were identified in 2023, and physical visits resumed in 2024.

Alternatively, workers in the value chain can use **the whistleblowing reporting channel** that is publicly available on [www.vandavelde.eu](http://www.vandavelde.eu). Van de Velde's whistleblowing policy encourages workers to first utilize regular reporting channels, such as contacting their SPOC. However, if a worker feels uncomfortable using this route or wishes to report a concern about potential misconduct by the SPOC, they may choose to submit an anonymous or confidential report through the whistleblowing channel. This channel allows workers to report illegal, immoral or dangerous practices, such as violations of laws, policies, or Van de Velde's Code of Conduct.

The identity of the worker will only be accessible to the report manager (head of the Legal, Risk & Compliance Department at Van de Velde's headquarters in Belgium) who shall keep this confidential. Every measure is taken to protect the identity of the worker, who can even report anonymously. Van de Velde is committed to an absolute prohibition on any possible retaliation measure with regard to the worker. Feedback on the report will be provided to the worker within three months of submission.

### Processes supporting the availability of channels

Van de Velde's Business Partner Code of Conduct requires suppliers, as well as their subcontractors, to uphold freedom of association and the right to collective bargaining. Suppliers are expected to foster open and straightforward dialogue with workers, creating an environment conducive to addressing grievances and concerns.

## Tracking and monitoring effectiveness of channels

Whistleblowing reports are accessible solely to the report manager. Upon receiving a report, the report manager will investigate to determine if there has been, or may in the future be, any immoral, illegal, or dangerous practices.

Since the launch of the whistleblowing policy and reporting channel in March 2023, **no reports have been received up to December 31, 2024**. Consequently, the effectiveness of the reporting channel cannot yet be assessed in terms of user feedback or performance metrics.

Soon, the focus will be on raising awareness about the whistleblowing reporting channel. The goal is to encourage reporting by

emphasizing confidentiality and protective measures in place, thereby making users more comfortable with the process.

An annual review of the whistleblowing policy by the Management Team is planned, with the first review scheduled for 2024.

## Ensuring effective remedies

Van de Velde is committed to providing or contributing to remedies where it has caused or contributed to negative impacts on value chain workers. This includes monitoring the effectiveness of solutions through follow-up processes and stakeholder engagement. The goal is to ensure concerns are addressed fairly, transparently, and in a manner that resolves underlying issues.

## Actions to prevent or mitigate potential negative impact on workers in the value chain | (ESRS-S2-4)

---

As an international group with an extensive network of partners and activities, we aim to proactively support and manage due diligence with our business partners. We work with business partners across various sectors, including textile production, apparel assembly, transportation, HR services, and business and IT consultancy.

Below are some concrete actions that have been implemented over the past two years. At first we want to get a better understanding of the maturity of our suppliers. So no specific targets are set today. In the coming year, we will continue developing efficient monitoring tools and methods, later on we will define more concrete objectives and targets.

### Risk assessment and mapping of actual suppliers

In 2022, we launched a project to assess the social and ethical performance of all our business partners. A multidisciplinary team developed a methodology and dashboard to identify social risks among our suppliers. This methodology was reviewed and approved by an external SGS auditor and was

created in consultation with the internal Van de Velde social performance team.

The supplier portfolio was mapped by activity, and a risk score was assigned to each supplier based on factors such as turnover, presence of codes of conduct or ethical policies, social certification (e.g., SA8000, STeP by Oeko-Tex, Ecovadis), and country of origin. These criteria ensured a systematic approach to evaluating social risks across the supply chain. Partially based on these insights, we further elaborated our Business Partner Code of Conduct, as implemented in 2023.

### Survey and response

In 2023, Van de Velde started the survey for 140 suppliers, focusing on those with the highest turnover and raw material suppliers identified as the highest risk group. In 2024 another 40 suppliers were assessed. Key outcomes of the survey today included:

- A **72% response rate**, with 130 out of 180 suppliers responding after no more than two reminders.
- Of the respondents, **31 suppliers** hold third-party certifications, such as Ecovadis.

This survey helps as a starting point to understand the maturity of our suppliers when it comes to managing working conditions and respect for human rights. For suppliers where areas of concern are addressed, actions are set up.

### Performance Monitoring

The survey results are recorded in our ERP system and reviewed by relevant business unit managers. These insights are also incorporated into the semi-annual review of the approved supplier list, conducted by the design and purchasing departments for new season collections. If specific actions are needed with a supplier, the business responsible takes the lead and follows up on progress.

This approach resulted in measurable progress: the risk management score improved from 47 at the start of the project to 55,6 by the end of 2024, indicating a significant reduction in social risks across our supply chain.

Based on the outcome of this project, we considered the investment for development of a new dashboard for vendor monitoring. The setup and integration of this new tool is planned in the first quarter of 2025.

### Revised screening process for new suppliers

In 2023, Van de Velde revised its supplier screening process by implementing a comprehensive Business Partner Code of Conduct, which includes:

- Supplier Code of Conduct
- Environmental Policy
- Supplier Anti-Corruption and Whistleblowing Policy

This revised screening process was continued in 2024 and ensures a consistent and thorough approach to selecting and evaluating new suppliers across all domains, including transport, raw materials, marketing, and services. Accompanying procedures were communicated to all business units to standardize practices and uphold Van de Velde's commitment to responsible sourcing. We plan to continue this adopted screening process of new suppliers in the coming years.

By embedding these processes into our operations, Van de Velde demonstrates its dedication to preventing and mitigating material negative impacts on value chain workers.

### Additional initiatives or processes with primary purpose of delivering positive impacts for value chain workers

At Van de Velde, we are dedicated to delivering collections on time and maintaining the highest product quality. This commitment relies on our long-standing partnerships with suppliers and subcontractors. Through regular consultations and collaborative projects, we support our partners in implementing efficient production processes that enhance product quality and reduce worker strain.

#### Fabric suppliers: description of initiatives

Van de Velde primarily purchases raw materials from long-standing European suppliers in Belgium, France, Italy, Switzerland, and Spain, many of whom we have partnered with for over 30 years. This enduring relationship ensures a steady workload for these suppliers, benefiting their workers.

Our deep collaboration has led to a strong mutual understanding of our needs for creativity, innovation, and technology. This ongoing partnership supports seasonal innovation and enables our suppliers to continuously improve their operations, indirectly benefiting their workforce.

To strengthen these long-term relationships and ensure optimal working conditions, we have focused in 2024 on refining our supplier manual and contracts, addressing all aspects of our supplier relations. These efforts contribute to better prospects for their workforce. We plan to revise the manual and contracts on a frequent base.

#### Subcontractors: description of initiatives

Stitching high-quality lingerie is complex and requires specialized expertise. Consequently, Van de Velde carefully selects its stitching workshops and limits the number of production houses to centralize know-how and ensure continuity. During frequent visits on the plants, Van de Velde follows up on working conditions and keeps close contact with local workforce. Through these initiatives, Van de Velde not only mitigates risks but actively contributes to the well-being, security and professional development of workers within its value chain.



# Consumers & end-users



# Consumers and end-users



## ESRS S4

### Consumers and end-users

	Material impact or risk/ opportunities	Description
<b>Personal safety of consumers and/or end-users</b>		
<b>Positive impact (actual – downstream)</b>	Set up systems, processes, capacity, certificates,... for continued assurance of product safety of the products.	This entails efforts and costs but will result in consumer satisfaction, reputation benefits and customer loyalty.
<b>Positive impact (actual – downstream)</b>	Research and innovation regarding the high quality and fit of products for maximum comfort and longevity.	This entails efforts and costs but will result in consumer satisfaction, reputation benefits and customer loyalty (trusted fit for all body shapes).
<b>Risk (potential – downstream)</b>	Incidents involving customer privacy data (e.g. digital fitting data).	Fine may arise, maybe limited, however reputation risk may be high (though low likelihood).
<b>Social inclusion of consumers and/or end-users</b>		
<b>Opportunity (potential – downstream)</b>	Price accessibility of Van de Velde products	Higher prices can lead to the loss of potential sales and will potentially slow down the entry of younger end-users on the brands. Providing a broader price range may therefore result in reputation benefits and reaching new customer groups.
<b>Opportunity (potential – Van de Velde)</b>	Attention for strong customer communication regarding high quality and longevity of Van de Velde products. (e.g. via website or loyalty program)	Strong customer communications regarding high quality and longevity of Van de Velde products (incl. washing instructions) can result in reputation benefits and reaching new customer groups.
<b>Positive impact (actual – downstream)</b>	Purpose-driven communication: women empowerment, body positivity & inclusivity (language, communication, visualization, mannequins, etc.)	Purpose-driven communication can result in reputation benefits and reaching new customer groups (inclusivity), and can benefit the self-image of our customers.
<b>Positive impact (actual – downstream)</b>	Research and innovation regarding the expansion of sizes and styles.	Women with larger cup sizes often face unique challenges when it comes to finding lingerie and swimwear that not only fits well, but also makes them feel confident and comfortable. The lack of options and limited availability of stylish designs in larger cup sizes can be disheartening.
<b>Preferences of consumers and/or end-users</b>		
<b>Risk (actual – upstream)</b>	Use of virgin fossil fuel-based materials (such as Polyamide, Polyester, Elastane,...) can lead to reputational damage.	There is an increasing pressure to reduce the use of virgin fossil fuel-based materials as they have a higher carbon footprint. The use may lead to reputational damage for brands, also price increases for fossil fuel-based materials is expected. Even the availability of the fossil fuel based materials might be at risk due to scarcity in the long term.

We consider that our end-users are also our consumers and will hereafter refer to both end-users and consumers jointly as '**consumers**'.

## Our approach and policies | [ESRS S4 – SBM-3]

### Introduction

---

Van de Velde's **purpose** is '*We ignite the power in women*'. We believe deeply in the strength of people—and especially in the unique power that lies within women.

In line with our purpose, it is essential that the interests, views and (human) rights of our consumers inform our strategy and business model. Throughout this reporting standard, we explain how we take these into account. Our approach is summarized as follows:

1. We make sure to **identify and understand** the interests and views of our consumers, by identifying material impacts, risks and opportunities relating to consumers (S4 – SBM-3) and by seeking feedback from our consumers as well as assessing the effectiveness of our engagement with consumers (S4-2). The positive material impacts we identified during the reporting period reflect our purpose. We continue to **invest** in research to expand our range of sizes and styles **while upholding our trusted standards** of safety, quality and comfort, ensuring that a wide variety of consumers can safely wear and enjoy our products;
2. We make sure to **implement** the necessary policies and procedures to align with the interests and views of our consumers, while respecting their (human) rights (S4-1) ;
3. We make sure to **remediate** any concerns and track the effectiveness of our remediation measures. This allows us to identify areas where improvements can be made (S4-3).
4. We identify **actions** and track their effectiveness in order to respond to evolving interests and views of our consumers (S4-4).

With this approach, we refine our strategy and business model on an ongoing basis to better serve our consumers.

## Positive material impacts

---

### Approach to Positive Material Impacts on Consumers

Van de Velde believes that all consumers, regardless of size, age, body shape, and skin tone, are exposed to the same positive material impacts on personal safety and social inclusion.

#### Personal safety of consumers

Ensuring **product safety** is our top priority. Our quality process includes the necessary systems, processes, capacity and certificates to guarantee that our products are safe to wear.

Furthermore, we continuously invest in research and innovation regarding the **quality and fit** of our products. Our design process includes the necessary systems, processes and capacity enabling us to offer products with a high level of quality and comfort. To help consumers in finding the best possible fit, we provide expert fit advice through our retail partners and across other channels. Our Van de Velde Academy supports retail partners by offering training and resources, while our digital fitting tools ensure consumers receive personalized fit guidance.

As part of our process, we enlist fitting ladies, a diverse group of employees and external volunteers, to wear our products during a test phase to identify any potential safety, comfort or quality issues. Moreover, any product complaints related to safety, quality, or comfort are thoroughly investigated.

#### Social inclusion of consumers

Our dedication to inclusivity drives us to create lingerie that fits perfectly across all sizes, ages, body shapes, and skin tones. This commitment is woven into every step of our product development and communication strategy.

We continuously invest in research and innovation regarding the **expansion of our sizes and styles** to accommodate a wide variety of body shapes. Different sizes, styles, and shapes are taken into account from the beginning of our production process, ensuring each size and style offers optimal fit and comfort. Within Primadonna, sizes go up to an M cup. Within Marie Jo and Sarda, sizes go up to an F cup. This increases the accessibility of our products for women with larger cup sizes.

Our marketing campaigns feature a **realistic image of women**, including professional models, influencers, and consumers with diverse body shapes, sizes and skin tones. For example, our 2024 *Shine in Primadonna* campaign proudly showcased loyal Primadonna consumers modeling our latest collections.

### Consumers receptive towards positive material impacts

Certain consumer groups may be especially receptive to the positive impacts our products offer:

#### Consumers with a larger cup size

Our quality process ensures that our products provide the ultimate fit and comfort for all consumers. Consumers with a **larger cup size** in particular may benefit from the support offered by our Primadonna products, as studies have shown that a larger cup size can cause chest pain, discomfort and be an obstruction to exercise.

#### Consumers dependent on accessible information

Many consumers may not fully understand the benefits of our products, particularly regarding quality, fit and longevity. Ensuring consumers have access to accurate information regarding these benefits allows them to fully experience the advantages of our products. This underscores the importance of continued efforts to make this information readily available and easy to follow.

To **maximize the enjoyment and longevity of our products**, consumers benefit from:

- Fit advice: a good fit is instrumental when wearing our products;
- Our maintenance instructions: if maintained correctly, our products can last for years without losing their quality.

Our retail partners play an essential role in giving the right advice on size and fit and how to take care of our products. Additionally, our digital fitting tools ensure consumers are given personalized fit guidance, regardless of their specific consumer journey.

## Negative material impacts

---

We did not identify negative material impacts during the reporting period.

## Risks and opportunities

---

We have identified material risks and opportunities arising from the above mentioned positive material impacts on consumers:

### Risks

#### Incidents involving consumer privacy

To help consumers find the best possible fit, we provide digital fitting tools that may involve processing sensitive data, such as bra sizes, body scans or images. While these tools enhance the fitting experience, they also introduce risks in case of a data breach. To mitigate these risks, we implement strict technical and organizational measures, such as immediate deletion of images or scans after use of a tool. The primary risks to Van de Velde in such incidents include potential reputation damage and fines for privacy legislation violations. Notably, we have not experienced any privacy incidents related to our digital fitting tools to date.

#### Change in consumer preferences

With growing pressure to reduce reliance on virgin fossil fuel-based materials due to their higher carbon footprint, shifting consumer preferences may impact demand. This potential shift drives us to explore more sustainable alternatives in our product design, while still ensuring we meet both quality and environmental expectations.

### Opportunities

#### Price accessibility of Van de Velde products

We offer high-quality, comfortable products that require investment in qualitative raw materials, product development, research, and innovation. As a result, our products are priced at a premium level. While this ensures exceptional quality, higher prices may limit sales potential and make it harder to attract new consumers. To address this, we implement strategies such as entry pricing to appeal to new consumers.

#### Communication regarding quality, longevity and comfort of our products

Many consumers are unaware of the quality, longevity and comfort of our products. Therefore we are committed to strengthening communication towards consumers regarding these aspects. We believe that transparent communication on these qualities can result in reputation benefits, consumer loyalty and reaching new consumer groups.

#### Impacts on specific consumer groups

The identified risks and opportunities can have impacts on specific consumer groups:

##### Consumers in isolated or remote areas

If a data breach would lead to our digital fitting tools being deactivated, this might impact consumers who otherwise do not have access to fit advice. Mostly this would impact consumers who do not live within a vicinity from a retail partner who can provide them with fit advice in their physical store. Van de Velde is therefore taking the necessary organizational and technical measures to prevent such data breach.

##### Consumers focused on ethical and sustainable fashion

In case there is a public issue related to the use of virgin fossil fuel-based materials incorporated in lingerie or swimwear products, this will mainly impact consumers who are focused on ethical and sustainable fashion. Van de Velde is therefore committed to transparent communication on the quality, longevity and comfort of our products and our sustainability initiatives.

##### Financially restricted consumers

In case we develop a broad range of entry priced products, this will mainly impact consumers who are otherwise not financially able to purchase our products. Van de Velde is therefore committed to continue its development of entry pricing for each of its brands.

Van de Velde has implemented a range of policies to ensure personal safety, quality and comfort, privacy, and social inclusion.

**Privacy Policy for Consumers:** We recognize the right to privacy as a fundamental human right. In today's digital environment, where personal information is increasingly vulnerable to misuse or unauthorized access, we understand the critical importance of maintaining robust privacy measures to protect our consumers.

We have a comprehensive privacy policy that governs the use and protection of consumer data across all websites. This policy is aligned with the Belgian Data Protection Act (2018), the UK Data Protection Act (2018), and Regulation (EU) 2016/679 (GDPR). It is publicly available to all stakeholders, including website visitors, consumers, and newsletter subscribers on our websites. The policy is reviewed annually to ensure it remains up-to-date and compliant. The Management Team is responsible for its implementation.

Our privacy framework includes key measures such as a data retention policy, data processing agreements, Data Protection Impact Assessments (DPIAs), and regular internal privacy audits. We also implement strong security measures, including data encryption and access controls, to safeguard consumer data.

**Code of Conduct for Own Workforce:** This Code of Conduct outlines ethical standards for our workforce, ensuring respect, honesty, and trust in our dealings with consumers. It promotes transparency and fairness, including respect for consumer privacy and the protection of consumer rights. The Management Team is responsible for its implementation. We refer to S1-1 for a detailed overview.

**Product Quality Policy:** Our Product Quality Policy ensures that all products meet the highest standards for safety, comfort, and quality. The Head of Operations and Supply Chain is accountable for implementing this policy, which is made available to the relevant stakeholders.

Our Product Quality Policy complies with Regulation (EU) 1907/2006 (REACH) and the OEKO-TEX® Standard. We only work with suppliers who meet these standards to ensure our products are safe and free from harmful chemicals. Regular testing of raw materials is conducted in accordance with ISO standards, with additional tests carried out in our own lab or through accredited third-party labs.

**Tone of voice for customer inclusion:** We have a policy in place to ensure that our communications with consumers are inclusive, respectful, and aligned with our commitment to inclusivity. The Head of Marketing is accountable for its implementation.

**Procedure for the identification, reporting and follow-up of data breaches:** Van de Velde has a procedure for identifying, reporting and following up on data breaches concerning personal data of suppliers, employees, retail partners and consumers. This procedure ensures quick action in the event of a breach, with the Head of Legal, Risk & Compliance overseeing its implementation. The procedure is aligned with Regulation (EU) 2016/679 (GDPR) and is made available to all privacy champions within the organization.

During the reporting period, the Code of Conduct for Own Workforce was reviewed, further developing its chapters on reporting of suspicious situations and protection against retaliation. Otherwise, no significant changes were made to the mentioned policies.

## Human Rights and consumer engagement

Van de Velde is committed to respecting the human rights of all consumers. While we do not have a specific policy dedicated to human rights of consumers, the following principles are integrated into our core values, practices and policies:

- **Privacy:** Van de Velde respects the right to privacy of each consumer. We have robust data protection policies and procedures in place to ensure that personal data is processed securely and responsibly.
- **Non-discrimination:** We firmly believe in treating all consumers with fairness and equality, regardless of their race, age, size, body shape, skin tone, sexual orientation or any other characteristic. This commitment is reflected in our policies and practices promoting inclusivity.
- **Accessibility:** We strive to make our products and services accessible to all consumers on an equal basis, without any form of discrimination or bias. This includes offering a wide range of sizes and styles across our different brands.
- **Representation:** We are committed to ensuring that our marketing and advertising materials are inclusive. We avoid stereotypes and aim to promote realistic images of people from all backgrounds.
- **Accountability:** We hold ourselves accountable for upholding these commitments. We regularly review our policies and practices to ensure they align with our values and the expectations of our consumers.
- **Engagement:** We value the input of our consumers and seek their feedback to help us improve our approach.

Van de Velde's frameworks align with the **UN Guiding Principles on Business and Human Rights** and the **OECD Guidelines for Multinational Enterprises** for the following reasons:

- Van de Velde's policies **adhere to all relevant laws and regulations** in the countries where it operates. We actively seek to understand and comply with Regulation (EU) 2016/679 (GDPR), Regulation (EU) 1907/2006 (REACH) and other relevant legislation to ensure the protection of human rights of our consumers.
- Van de Velde has a responsibility to avoid causing or contributing to human rights abuses. We implement **strict codes of conduct and ethical guidelines for our own workforce and business partners** in relation to activities that could impact consumers.
- Van de Velde recognizes the significance of providing victims of human rights abuses with access to justice and remedies and has established channels for consumers to **address any grievances or complaints** related to its operations.

The ILO Declaration on Fundamental Principles and Rights at Work is not relevant as it relates specifically to labour practices.

During the reporting period, we did not identify any cases of non-compliance with above mentioned human rights instruments involving our consumers. Both our Customer Service Department and our Legal, Risk & Compliance department monitor compliance with these human rights instruments based on consumer complaints and touch base with each other if appropriate. We refer to S4-3 for a detailed overview of the remediation of material negative impacts.

While engaging with our consumers, we adhere to several principles. By upholding these principles, we strive to build strong and meaningful relationships with our consumers based on trust and mutual respect.

- **Respect and Appreciation:** One of the Van de Velde's core values is **'we focus on consumers and customers'**. This affirms that we prioritize listening to consumers and treat them with respect. To ensure that we live up to this value, we have included an extension of it in our Code of Conduct for Own Workforce. This Code outlines the expectations for our employees when engaging with consumers. It emphasizes the importance of politeness, good manners, and respect in all interactions. We have a zero-tolerance policy for any inappropriate behavior towards our consumers.

- **Appropriate Language:** Language use is another aspect that we carefully consider in our interactions with consumers. Both our Marketing and Customer Service Departments have guidelines in place to ensure the use of appropriate language. Any wording that is deemed offensive by any of our consumers, is immediately removed from all future communications. We strive to create a safe and inclusive environment.
- **Feedback:** We encourage consumer feedback and actively incorporate it into our processes, ensuring our decisions reflect their needs and preferences.



# Customer engagement strategy | [ESRS S4-2]

## General approach

---

Van de Velde prioritizes consumer feedback as a key driver of the decision-making process. We gather insights through multiple channels and actively engage with consumers before, during and after their purchase. This continuous feedback helps us to better understand their needs, preferences and satisfaction levels.

Engagement with consumers involves direct communication with consumers, retail partners, or representatives such as lawyers or consumer ombudsmen. Email remains our primary communication method, but we also engage via phone calls, letters, and social media platforms like Facebook and Instagram.

## Channels

---

### Consumer reviews

After purchasing from one of our brand websites, consumers are invited via email to complete a TrustPilot survey. This survey allows them to provide feedback on the product they purchased, giving us insights into their satisfaction levels and identifying areas for improvement.

We also collect feedback from our retail partners. Twice a year, we distribute an NPS survey to them, asking about their satisfaction with various aspects such as assortment and product quality. Since retail partners are in direct contact with consumers daily, their feedback is a reliable reflection of overall consumer sentiment.

### Consumer complaints

Our Quality and Customer Service Departments hold weekly meetings to address **returning product quality-related complaints**. These complaints are carefully analyzed, and a monthly overview is created to track the corrective actions taken. These actions may involve adapting future production to prevent similar issues, helping Van de Velde continuously improve product quality.

In addition to quality-related complaints, the Customer Service Department compiles a monthly **report detailing other types of complaints** from both retail partners and consumers. This report is a valuable tool for identifying areas where products or service delivery may be lacking. Based on the findings, Customer Service collaborates with the relevant departments to implement necessary corrective actions.

### Consumer interviews

Van de Velde conducts consumer **interviews** for specific projects to directly gather insights from our target audience. These interviews play a vital role in shaping new collections and guiding strategic decisions. For instance, during the launch of our Sarda brand in 2024, consumer feedback was a key factor in shaping the brand's development.

### General market trends

We closely monitor industry trends to understand the evolving preferences and demands of consumers. This helps us align our product offerings with market expectations, such as the growing demand for specific product types, including swimwear, sports bras, nursing bras, and wireless bras.

## Employee feedback

In addition to consumer feedback, Van de Velde values the **input of our workforce**. As our own workforce is predominantly female, their feedback is integrated into our design, production, and marketing processes, ensuring that our products and messaging resonate with our target audience. Feedback is continuously exchanged between members of our own work-

force in meetings or emails. We refer to S1-2 for a more detailed overview of engagement mechanisms.

In conclusion, Van de Velde has a comprehensive approach to collecting consumer feedback. This valuable feedback helps us continuously enhance our products and services, ensuring we meet the evolving needs and preferences of our consumers.

## Type and frequency

---

Van de Velde considers 3 stages at which engagement can occur:

### Engagement before purchase

Engagement before purchase is essential to build awareness, generate interest, and provide necessary information to (potential) consumers. Engaging with consumers during this phase can help us understand consumer needs, address any concerns or questions;

- **Consumer interviews** are conducted regularly. We include consumer opinions in shaping new collections and strategic decisions. These interviews can be conducted as a questionnaire or a Teams call. This is a one-time interview conducted within the framework of a specific project.
- Our **Customer Service Department** is always available to assist consumers with any questions or concerns they may have. In recent times, we have noticed an increase in the number of consumers reaching out to us for assistance regarding fit and product advice. To address these questions, we not only rely on our own expertise but also refer to our retail partners and digital fitting tools.
- One of the ways we engage with our consumers is through our **lingerie styling service**. This service allows us to provide personalized advice and guidance on correct sizing, suitable styles, pricing, and even considerations for different skin sensitivities. We have dedicated lingerie stylists available in our own stores, and regularly train lingerie stylists in retail partner stores.

### Engagement at any time

At any time, consumers can engage with Van de Velde by making use of the following channels:

- **Newsletters:** Consumers can reply to newsletters they receive on a regular basis. Customer service will provide feedback within 2 working days.
- **Liveshopping:** Consumers can chat with us on Instagram during a liveshopping event. These events were organised twice for our Marie Jo and Primadonna brands during 2024.
- **Online contact form:** Consumers can send in a question or concern through our online contact form on our brand and retail websites. Customer service will provide feedback within 2 working days.
- **Social media:** Consumers are able to post comments to Van de Velde's social media pages (such as Instagram or Facebook). The Marketing department may respond to these comments.
- **Privacy mailbox:** Consumers may ask questions or report concerns regarding their personal data. The privacy team provides feedback within 30 days.

## Engagement after purchase

Engagement after purchase involves activities like post-purchase follow-ups, gathering feedback, resolving issues or complaints, and providing ongoing support. This stage of engagement is crucial for Van de Velde to nurture long-term relationships with our consumers and ensure their continued satisfaction with our products or services. Consumers can engage with Van de Velde by using the following channels:

- **Transactional e-mails:** Consumers can reply to transactional e-mails they receive after having made a purchase. Customer service will provide feedback within 2 working days.
- **Trustpilot survey:** Consumers can leave a product review after having made a purchase. One e-mail with a request to review is sent out after each purchase. Any questions or complaints are answered by customer service.
- **NPS survey:** The NPS survey is completed by our retail partners twice a year. As our retail partners are in touch with our consumers on a daily basis, the survey answers can be seen as representative for consumers. Any questions or complaints are answered by customer service.
- **Physical stores:** consumers can always reach out to a store where they purchased one of our products with questions or concerns.

## Reporting process

---

### Reporting

Our **CEO** holds the highest position with regards to operational responsibility for ensuring engagement. The CEO oversees and manages all aspects of the company's interactions and relationships with consumers.

The **Head of Brands and Design** holds the highest position with regards to operational responsibility for ensuring that the results from engagement activities are utilized to inform Van de Velde's approach. This role involves analyzing and interpreting consumer feedback and engagement data to shape Van de Velde's branding and design strategies. By doing so, this role ensures that Van de Velde's brand and design choices are aligned with the preferences, desires, and feedback of its consumers.

Together, these two senior roles at Van de Velde have **distinct yet complementary responsibilities** in driving consumer engagement. Their combined efforts are instrumental in shaping the company's strategy and ensuring its ongoing success in the market.

### Assessing the effectiveness of customer engagement

Van de Velde uses several methods that provide insights into how well we are meeting customer needs and fostering strong relationships. By using methods such as conversion tracking, scoring, and analyzing complaints, Van de Velde can gain valuable insights and make data-driven decisions to enhance our engagement strategies.

One way to measure effectiveness is through **conversion**, which measures the percentage of consumers who take a desired action, such as making a purchase or signing up for a newsletter. This metric allows Van de Velde to measure how successful any engagement efforts are in terms of driving tangible results.

Another method is through **product review scores**. These scores give an indication on the consumer satisfaction ratings. By using a scoring system, we can track our performance over time and identify areas for improvement.

In addition, the **number and type of complaints** can serve as an indicator of engagement effectiveness. Complaints can provide valuable feedback on areas where consumers are dissatisfied or where there may be gaps in the engagement process. By monitoring complaints, Van de Velde can identify patterns and take proactive steps to address them.

## Understanding the needs of marginalized and vulnerable groups

We are committed to inclusivity, ensuring every woman feels beautiful and empowered, regardless of her cup size. This belief drives us to create a diverse range of products that cater to women's varied needs.

We actively seek the **input and feedback** of women with larger cup sizes in the development of our lingerie and swimwear collections. We recognize that these women face unique challenges in finding products that not only fit well but also make

them feel **confident and comfortable**. The limited availability of stylish, well-fitting options can be disheartening, leaving them feeling overlooked by the industry when it comes to fashionable choices that meet their specific needs.

Therefore, we believe it is essential to **involve these women in the design process** to ensure that their needs and preferences are taken into account. By collaborating with them, we gain valuable insights into their experiences, preferences, and challenges. This enables us to create products that offer both the necessary support and functionality, while also incorporating fashionable and stylish designs.

## Remediation and raising concerns | [ESRS S4-3]

### General approach

---

Van de Velde has not identified any **material negative impacts** on consumers during the reporting period; therefore, no actions are currently planned to mitigate, or remediate such impacts.

### Consumers at greater risk of material negative impacts

During 2024, a work group with representatives of various departments within Van de Velde (marketing, digital commerce, design, sustainability, legal, customer service and quality) assessed that **no types of consumers** are at greater risk of experiencing negative impacts. Van de Velde thoroughly evaluated various factors such as the design and manufacturing process, materials used, processing of personal data and potential usage scenarios of products and services. We found no significant concerns that could pose a higher risk of harm to consumers with particular characteristics, working in particular contexts or undertaking particular activities.

### Preventing material negative consumer impacts

We ensure that our own practices do not cause material negative impacts on consumers by respecting specific processes set up in terms of product quality and safety, consumer feedback, consumer privacy and social inclusion.

#### Product quality

We enforce strict controls throughout our supply chain and production process. All raw material suppliers conduct necessary inspections and tests, with reports reviewed by our team. Tests are always performed in accordance with the applicable ISO standards. Additionally, Van de Velde performs additional checks on raw materials, testing for washing durability, water resistance, color fastness, yellowing, chlorine, seawater exposure, spotting, and friction.

We collaborate with accredited laboratories for independent verification, ensuring reliability in our quality assessments. Supplier performance is continuously monitored through Quality Performance reports, requiring corrective actions if defects arise.

We conduct multiple quality checks throughout the production process. Spot checks are continuously performed during fabric cutting, stitching, and other stages of assembly. Before packing and distribution, each finished product undergoes a 100% quality inspection to identify any material defects, verify finished dimensions, and ensure stitching accuracy. Market complaints and returns are closely monitored, with corrective actions implemented as needed to maintain our high standards.

### Product safety

Van de Velde only collaborates with suppliers who comply with REACH standards and provide OEKO-TEX certification for their materials, ensuring our products remain free of prohibited or harmful chemicals.

### Consumer feedback

Consumer insights play an essential role in product development. By gathering feedback, we tailor our products to consumer preferences and enhance user satisfaction. This consumer-focused approach ensures that our designs meet real-world needs.

### Consumer privacy

Our Privacy Champion work group meets on a monthly basis to discuss projects that involve personal data of consumers. During these meetings, the group discusses the various projects and identifies any privacy risks that may be associated with them. This allows them to take necessary measures to ensure the protection of consumer data.

As part of their efforts to protect consumer privacy, the work group also creates Data Protection Impact Assessments (DPIAs) for each project involving personal data. These assessments help to identify any potential privacy risks and determine the necessary technical or organizational measures that need to be implemented. By conducting DPIAs, we can proactively address privacy concerns and ensure compliance with regulations.

### Social inclusion

In today's diverse society, it is important for businesses to be inclusive and ensure that their marketing efforts reach a wide range of audiences. This involves creating marketing campaigns that are sensitive to different cultures, backgrounds, and identities. By embracing social inclusion in our marketing strategies, we can build a positive brand image and attract a more diverse customer base.

In conclusion, product development and design, privacy protection, consumer feedback and social inclusion are all important aspects of limiting any material negative impacts on consumers.

## Remediation of negative impacts

Below we outline our **general approach** to providing remedies should any negative impact on a consumer arise. The Customer Service Department identifies, together with the relevant department mentioned below, what action is needed and appropriate to remediate a particular negative impact towards a consumer. Our approach will depend on the **type of negative impact**:

- **Impact on Product Quality and Safety:** In the event of a product safety or quality issue, our quality department conducts a thorough investigation to identify the root cause and assess potential impacts on consumer well-being. This investigation allows them to identify any flaws or vulnerabilities in the production process. The quality department takes prompt and appropriate corrective actions to prevent the recurrence of similar incidents in the future. These corrective actions may involve modifying the production methods, implementing additional quality control measures, or updating safety protocols. Our Customer Service Department provides the consumer with detailed feedback on the corrective measures that were taken, which may include a refund of the product or a voucher for our online stores.
- **Impact on social inclusion:** When a consumer raises a question or complaint on the use of certain wording in a newsletter or certain images in our campaigns, our Customer Service Department investigates the issue in detail. If relevant, the marketing and digital commerce department are involved in the investigation. Once the investigation is complete, we provide the consumer with clear feedback on the corrective actions taken.

- **Impact on consumer privacy data:** Van de Velde's privacy team immediately investigates any incident with regard to a consumer's privacy. Regardless of how the issue arises—whether through a consumer inquiry or discovery by our team—the privacy team follows its internal procedures to assess whether the incident constitutes a data breach under GDPR.
- **Non-Data breach incidents:** If no data breach occurs (e.g., an unwanted newsletter being sent despite opt-out requests), corrective measures are taken to prevent further impact, and the consumer is informed of the steps taken. Any data incidents are logged in the service desk system of IT.
- **Data breach incidents:** If a data breach occurs, we immediately notify the Head of IT, CEO, and the relevant privacy authority within 72 hours, as required by law. If the breach poses a high risk to the

rights and freedoms of consumers, affected individuals are notified. Corrective measures are implemented to mitigate further risks, and steps are taken to prevent future breaches. All data breaches are logged in our IT service desk system.

**Any other type of impact:** For any other type of negative impact, when a consumer raises a concern, our Customer Service Department conducts a thorough investigation. Once resolved, we inform the consumer of the corrective actions taken, and if relevant, offer alternative solutions or anticipate additional questions. By addressing any material negative impacts, we maintain our commitment to consumer satisfaction and continuously improve our products, services, and policies. Our goal is to ensure that consumers feel heard, supported, and confident that their concerns are addressed in a timely manner.

## Channels

---

Van de Velde provides various channels for consumers to raise concerns or address their needs. These channels are designed to be convenient and accessible, ensuring that customers can easily communicate with us. Each request from a consumer is treated in a confidential manner (with exception from the TrustPilot survey, which is public information) and in line with data privacy legislation. The requests cannot be raised anonymously as we require an email address to respond, except for concerns raised with a retail partner. The most effective ways to reach us include:

- **Customer service contact forms:** Consumers can always reach our Customer Service Department via contact forms available on our brand and retail websites. We aim to respond within two working days.
- **TrustPilot survey:** After a purchase, consumers can provide feedback through the TrustPilot survey. Any questions or complaints raised are addressed by our customer service team.
- **Privacy concerns:** For privacy-related issues, consumers can directly contact our privacy team through the dedicated privacy mailbox at [privacy@vandevelde.eu](mailto:privacy@vandevelde.eu). These concerns are responded to within 30 days.

- **Retail partners:** Consumers may also approach the retail partner where they purchased our products to raise concerns. The retail partner can then reach out to our customer service team on their behalf.
- **Transactional emails and newsletters:** Consumers may respond to transactional emails or newsletters they receive, with our customer service team ready to answer any questions.

These channels allow us to address issues promptly and effectively. We assess that consumers are aware of and trust these channels as a way to raise their concerns or needs based on the fact that each of the channels are frequently used by our consumers.

We do not have policies in place to protect consumers from retaliation in case they use one of the mentioned channels. Van de Velde does not require its business partners to make a channel available for consumers to raise concerns.

## Reporting process and effectiveness tracking

---

### Reporting

**Customer centricity** is a core value for our company. We recognize that providing accessible channels for consumers to raise concerns or offer feedback is essential to creating an environment where they feel heard and valued. To support this, we have established several reporting processes and cross-functional work groups that rely on consumer feedback. These processes play a crucial role in helping us identify areas where improvements can be made. Whether it is in terms of product design, logistics, or communication with our consumers, these reporting processes provide us with valuable information on how to enhance our customer experience. The key reporting processes that help us address consumer concerns include:

1. **Weekly quality meetings:** Once a week, our Quality and Customer Service Department discuss **recurring product quality related complaints**. The purpose of these meetings is to address any issues or incidents that affect product quality. The quality department compiles a monthly report that summarizes all complaints and outlines the corrective actions taken. These actions may include adjustments to production processes or the implementation of new quality control measures to prevent similar issues in the future. This proactive approach ensures that we continuously improve product quality and swiftly address any emerging concerns.
2. **Monthly meetings regarding other complaints:** Once a month, our Customer Service Department produces a report listing all other complaints besides quality related complaints, both from retail partners and from consumers regarding our products and services. Following this report, the Customer Service Department discusses corrective actions with the relevant departments.
3. **Data breach register:** Any privacy breach or incident is registered in the **data breach register**, which serves as a centralized system to record and track any breaches or incidents related to data privacy. The number of incidents or breaches is checked as part of the annual internal privacy audit, ensuring that the company is actively monitoring and addressing any potential data privacy concern.

Through these structured reporting processes, Van de Velde effectively tracks, monitors, and resolves issues raised by consumers. By doing so, we are able to ensure the ongoing effectiveness of our engagement channels.

### Assessing effectiveness

To assess the effectiveness of our processes for addressing consumer concerns and needs, our Customer Service team conducts regular analyses and produces a monthly report. This report details all complaints received in both B2B and D2C contexts, excluding product quality-related issues. The report also compares the complaint-contact ratio to previous months and years, offering valuable insights into the impact of corrective actions and strategies implemented for various complaint categories.

The complaint-contact ratio helps us evaluate the frequency of complaints in relation to the overall number of customer interactions, highlighting trends and patterns in consumer dissatisfaction. This data enables us to identify areas that may require further improvement or attention.

Although Van de Velde does not actively send out questionnaires to consumers specifically asking about their experiences with customer service, the monthly report remains a key tool for assessing our performance. It focuses on both the number and nature of complaints, allowing the leadership team to pinpoint recurring issues and opportunities for refinement.

## Actions and future actions towards impacts | [ESRS S4-4]

We identified a **material positive impact** on social inclusion for consumers and implemented a range of initiatives aimed at strengthening this positive impact during the reporting period. In the future, we plan on further developing the initiative on price accessibility in particular, while at least maintaining the other initiatives. We do not set a specific timing on the completion of the initiative on price accessibility, because we see it as part of our journey of continuous improvement. The initiative on accessibility to information aligns with the goals set out in our Product Quality Policy, otherwise these following initiatives do not relate directly to a policy or target under S4.

### Inclusivity

As part of our commitment to inclusivity, we welcome feedback from consumers to ensure our campaigns and marketing materials are respectful and inclusive. In 2024, we received valuable feedback on social media from several consumers regarding a particular **Primadonna campaign image**. According to the feedback received, some consumers found the image to be offensive, due to the model's pose.

We thoroughly reviewed the feedback and decided to **remove the image** from the current and all future campaigns. Additionally, we decided to avoid using images featuring models in similar poses to ensure our future campaigns are more inclusive and align with our consumers' expectations.

Also in 2024, we implemented **mannequins created with real-life body shape and skin tone data** across the majority of our own and franchise stores. These mannequins replace traditional mannequins. By showcasing a more realistic representation of how our products fit on a diverse range of body types, we empower our consumers to see themselves in our products.

Additionally, we tailored mannequins specifically for our Primadonna and Marie Jo

brands to ensure accurate representation of each brand's unique sizing and style. This attention to detail allows consumers to better understand the fit and appearance of products within the context of their own body shapes.

### Price accessibility

In response to consumer feedback on product pricing, we introduced a broader price range for our brands. By offering more options, we are enabling new consumer groups, including younger demographics, to discover our brands. While our products are priced according to their high quality, comfort, design, and longevity, we developed new, more affordable products for Primadonna in 2023 and for Marie Jo and Sarda in 2024. These products maintain our trusted quality and have been well-received by consumers.

### Accessibility to information

To improve consumer experience and product longevity, we introduced a new practice in 2024 where consumers receive an email with detailed washing instructions after purchasing from the Marie Jo and Primadonna websites (for those who have not opted out of communications). This initiative aims to help consumers properly care for their products, ensuring their

longevity and vibrant colors. Key instructions include:

- fastening hooks and putting our products separately in a sealable laundry bag;
- not putting our products in a dryer;
- choosing a delicate washing program;
- rinsing swimwear immediately in clear water after use.

This action addresses consumer feedback indicating that improper care can lead to product damage. By providing this information in an easily accessible format, we aim to help consumers maintain the quality of their lingerie and swimwear.



## Other initiatives

Gender inequality is not just a ‘women’s issue’, but everyone’s battle. To illustrate, the empowerment of women drives economic growth, enhances social cohesion, and increases the well-being of all people. But despite progress in recent years, gender inequalities persist in social and economic life. That’s why we aim to make positive contributions through collaborative initiatives. A selection ...

### Donations to women in need

A large part of our leftover stock is donated to (local) organizations that help women in need, such as shelters and hospitals for women escaping abuse. Van de Velde also has a structural

partnership with Doctors Without Borders, which distributes products to underprivileged women.

### Partnership with Plan International

Plan International is an organization fighting for the empowerment of young girls and women – a mission that matches perfectly with our own. In 2024, we provided financial and material support to a technical school that runs fashion industry courses for girls.

### Support for medical research and applications

Our actions range from the sponsorship of a PhD in oncology research all the way to developing a bra that’s suitable for radiation treatment.



## How effectiveness of actions is tracked and assessed

The effectiveness of our actions is primarily tracked through positive consumer feedback, which serves as a key indicator of success. Positive reactions can take many forms, from social media engagement, where consumers share their experiences and recommend our brands to others, to product reviews and testimonials. For example, Trustpilot review scores for Marie Jo (4.7 stars with 84% of reviews at 5 stars) and Primadonna (4.7 stars with 82% of reviews at 5 stars) highlight high levels of consumer satisfaction.

Such feedback not only strengthens customer loyalty but also attracts new consumers who are influenced by the positive experiences of others. When consumers also actively partici-

pate in marketing campaigns, it speaks volumes about their satisfaction with our brands. Primadonna’s successful Shine campaign, where consumers enthusiastically participate, is a clear indicator of the brand’s success.

Positive feedback from our retail partners further affirms the effectiveness of our efforts. Retail Partners, who directly interact with consumers, play a critical role in the brand’s success. Additionally, the low amount of complaints associated with our brands is another key indicator of success. While no brand is entirely complaint-free, a low number of complaints demonstrates that we are effectively meeting consumer expectations and resolving issues promptly and satisfactorily.

## Future actions towards risks and opportunities

---

### Addressing material risks and evolving consumer preferences | [ESRS S4-4]

Van de Velde recognizes that success is closely tied to consumer preferences, which are continuously evolving. To mitigate potential risks associated with changes in consumer preferences, we are planning and implementing several initiatives. These initiatives are still in the early stages, so effectiveness-tracking methods are not yet established. We do not set specific timings on the completion of each of these initiatives, because we see them as part of our journey of continuous improvement. However, we've progressed steadily during the reporting period. The following initiatives do not relate directly to a policy or target under S4. Our future actions focus on three key areas:

- **New product development**

There is an increasing desire among consumers to move away from products made with virgin oil-based materials. In response to this, we are increasing the percentage of recycled materials used in our products. Additionally, we are exploring the possibility of incorporating more eco-friendly raw materials into our manufacturing processes.

- **Slow fashion**

A part of our consumer base demands "slow" fashion and a shift away from seasonal trends and "fast fashion". Our focus on timeless, versatile products is nothing new as our assortment of Never Out of Stock

(NOS) items has been extensive for many years. Just think of our Primadonna Deauville or our Marie Jo Avero. Our strategy includes increasing our range of NOS items, which are non-seasonal pieces with enduring popularity. By optimizing our SKU (Stock Keeping Units) lineup to include more of these long-lasting styles, we support consumers' preference for high-quality, versatile items that stand the test of time.

- **Promoting sustainability through product longevity**

Understanding the importance of sustainability and waste reduction in the fashion industry, we are committed to emphasizing the durability and extended wearability of our products. By promoting the long-lasting quality of our lingerie and swimwear, we aim to encourage consumers to make conscious choices that help extend each product's lifecycle.

To further support this initiative, we are actively exploring ways to educate consumers on the benefits of investing in high-quality, durable pieces. This includes developing objective criteria to measure and communicate the longevity of our products, empowering consumers to make informed, sustainable choices.

In summary, our company is actively responding to evolving preferences of consumers. We aim to stay ahead of the curve and meet the changing needs of our consumers.



## Allocated resources to management of material impacts

---

Various departments within Van de Velde have dedicated employees or work groups to manage material impacts. Some examples are:

- The legal department supports a dedicated work group specifically focused on privacy matters. The work group consists of representatives ('privacy champions') from departments where personal data is processed on a wider scale, such as the IT, HR or digital commerce department. The primary objective of this work group is to offer expert guidance and support in navigating the complex landscape of privacy laws and regulations. The legal department assists all other departments in understanding and complying with data protection and privacy requirements.
- There is also a dedicated quality department in place. This department is responsible for ensuring that quality control measures are implemented effectively. They oversee various aspects of quality, including quality control of finished products and qual-

ity of incoming goods. By monitoring and evaluating the quality of products or services, this department helps maintain high standards and minimize the risk of defects or subpar performance.

- Furthermore, there is a dedicated customer service team that serves as the Single Point of Contact (SPOC) for quality complaints. This team is solely focused on handling customer inquiries and issues related to returns. They provide assistance, guidance, and resolution to consumers who wish to return a product or have encountered any issues with their purchase.
- There is also a dedicated customer service team that serves as a SPOC for direct consumer questions or complaints, apart from quality complaints.

Van de Velde is not aware of any severe human rights issues or incidents connected to consumers during the reporting period.

## Metrics

Van de Velde has set the following targets, starting from base year 2025:

- **0 data breaches concerning consumers** during the reporting period in line with the objectives set out in our Privacy Policy for Consumers and Regulation (EU) 2016/679 (GDPR);
- **0 incidents concerning product safety** during the reporting period in line with the objectives set out in our Product Quality Policy, the OEKO-TEX Standard and Regulation (EU) 1907/2006 (REACH);
- **0 human rights incidents concerning consumers** during the reporting period in line with the objectives set out in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

These targets were set by the Sustainability Committee and apply to all consumers, regardless of their geographic location. Each target is absolute (not relative). The targets are not based on conclusive scientific evidence, but are considered self-evident targets by our Sustainability Committee as they concern the safety and dignity of our consumers. No significant assumptions are used to define the targets.

We did not engage directly or indirectly with consumers in relation to setting these targets, nor do we have plans to do so in relation to tracking our performance against these targets or identifying improvements as a result of our performance.

Our performance against these targets will be reviewed at the end of the reporting period by the Legal, Risk & Compliance Department, based on input by the Customer Services Department, Quality Department and other relevant departments.



# Business Conduct



# Business Conduct



## ESRS G1

### Business Conduct

	Material impact or risk/opportunities	Description
<b>Corporate culture</b>		
<b>Risk (potential – Van de Velde)</b>	Insufficient knowledge of regulations and internal procedures (among employees) on ESG topics (e.g. waste reporting, CSRD, EPR, etc. )	This can lead to fines, legislative violations and lack of impact due to insufficient awareness.
<b>Corruption and bribery</b>		
<b>Risk (potential – Van de Velde)</b>	Risk of theft (sales samples, products in our O&O shops)	This can cause a financial loss.
<b>Risk (potential – upstream)</b>	Fraudulent wrongdoing by suppliers in terms of financial management and product (e.g. violation of REACH legislation)	This can cause quality problems, delivery problems, fines, reputational damage, etc. As a result, a financial loss may also develop.
<b>Risk (potential – Van de Velde)</b>	Insufficient knowledge and training regarding the detection of fraud or other malpractice	This can cause fines, reputational damage or violations of laws.
<b>Risk (potential – Van de Velde)</b>	Malpractice in terms of fraud, corruption, money laundering, etc. due to insufficient internal control.	This can cause fines, reputational damage, regulatory violations or financial loss.
<b>Cyber-security</b>		
<b>Risk (potential – Van de Velde)</b>	Cyber security incident	This can lead to reputational damage, financial loss, as well as operational problems.
<b>Ethics</b>		
<b>Risk (potential – downstream)</b>	Lack of a formal ethics policy or charter regarding respect, privacy, use of photos, behavior at shoots, etc.	This can lead to reputational damage.



## ESRS G1

### Business Conduct

	Material impact or risk/opportunities	Description
<b>Governance</b>		
<b>Positive Impact (actual – Van de Velde)</b>	High share of diversity in governing body and management team	There is a need to focus on diversity share in management and board: age, gender and sufficient ESG knowledge. A lack of this can lead to incompetence and reputational damage.
<b>Management of relationships with suppliers including payment practices</b>		
<b>Opportunity (actual – Van de Velde)</b>	Central management of payment.	Central management and payment system for suppliers and internal control system for payments will avoid bad payment practices.
<b>Opportunity (actual – Van de Velde)</b>	Commit to agile short chains.	This benefits flexibility and will ensure lower financial risk.
<b>Opportunity (potential – Van de Velde)</b>	Integrating ESG screening into our (new) supplier evaluation process.	This is not only an opportunity vis-à-vis our suppliers, but also for our internal Risk Assessment.
<b>Risk (potential – upstream)</b>	Greater shift of production to the Far East, in a context of macro-economic shifts and geopolitical crises as well as exchange rate fluctuations.	This creates a risk of Supply chain instability, labor shortage in Far East which can lead to social malpractice and rising costs.
<b>Protection of whistleblowers</b>		
<b>Risk (potential – Van de Velde)</b>	Breach of procedure regarding protection of whistleblowers.	This can cause fines, reputational damage and violations of laws.
<b>Stakeholder relations</b>		
<b>Risk (potential – Van de Velde)</b>	Increasing sustainability expectations of Van de Velde stakeholders (banks, investors, governing body, B2B customers, end consumers, media, influencers, etc.)	This can lead to reputational damage, increasing reporting and communication costs, lost sales, etc.

## Our approach | (ESRS 2 GOV-1)

### Core values and business conduct

---

#### Approval of values and policies

Van de Velde's core values and business conduct policies are carefully reviewed and approved by the Board of Directors. These values and policies define the corporate culture and serve as a guiding framework for employees in their interactions with colleagues, suppliers, customers and other stakeholders.

One of Van de Velde's core values is **"We are Authentic"**, emphasizing reliability, honesty, and pragmatism in all actions. To uphold this value, Van de Velde has established several key business conduct policies as safeguards:

- **Respect for individuals**; reflected in the Social and Ethical Charter, Code of Conduct for Own Workforce, Privacy Policy for Own Workforce, and Privacy Policy for Consumers.
- **Integrity and honesty**; reflected in the Policy on Inside Information, Policy Against Corruption and Bribery, Policy Against Price Fixing, and Whistleblowing Policy.

Van de Velde also holds its business partners to high standards of integrity. The *Business Partner Code of Conduct* outlines principles of business ethics, human rights, and environmental stewardship that suppliers are required to follow, ensuring alignment with Van de Velde's commitment to responsible and ethical practices.

Van de Velde does not source materials derived from animals and therefore does not have policies in place regarding animal welfare.

#### Implementation of values and policies

The Management Team is responsible for overseeing the implementation of the core values and business conduct policies. This includes monitoring compliance, organizing trainings and awareness campaigns and conducting regular checks.

The Management Team works closely with various internal stakeholders, including the Head of Legal, Risk & Compliance and the Sustainability Manager, to review and suggest updates to the policies as needed. These collaborative efforts ensure that the policies remain relevant and effective in promoting ethical conduct at Van de Velde. A thorough review of the policies took place during the reporting period.

#### Evaluation of compliance with policies

In line with our Corporate Governance Charter (under *Tasks of the Board of Directors*'), the Board of Directors evaluates compliance with the Code of Conduct for Own Workforce at least once per year. The Code of Conduct for Own Workforce refers to the various business conduct policies mentioned above. Any incidents in violation with these policies and corrective measures taken by the Management Team in response to such incidents are discussed by the Board. Following this evaluation, additional measures may be taken if deemed appropriate.

The measurement of any incidents throughout all disclosure requirements under G1 is not validated by an external body other than the assurance provider.

Furthermore, starting from 2024 the Audit and Risk Committee validates the results of the annual internal GDPR audit. As such the Audit and Risk Committee evaluates compliance with the Privacy Policy for Own Workforce and the Privacy Policy for Consumers.

## Expertise and training

---

Van de Velde understands the importance of staying up-to-date with various business conduct topics. This is why all members of the Management Team are required to undergo online training modules on a regular basis. Each of the training modules is completed at onboarding and repeated every three years to ensure that the team remains well-informed. The trainings are interactive and are evaluated before being able to proceed until the end of the training.

A grasp of the key topics covered in these training modules:

1. **Competition law.** The training explains the importance of complying with competition law and provides an explanation of illegal horizontal and vertical practices. Trainees receive practical guidelines on how to deal with competition law concerns.
2. **Corruption and bribery.** The training explains the concept of bribery, explores the countries which have specific anti-bribery laws and clarifies to what extent corporate hospitality is allowed and how to deal with bribery concerns.
3. **Privacy.** The training explains the main principles of the GDPR: the requirement of a legal basis for the processing of personal data, sensitive personal data, data subject rights and safely sharing personal data. With practical guidelines on what to do in case of a data incident and what is required to start a new project involving personal data, employees receive the necessary guidance to respect the GDPR rules and procedures.
4. **Social and ethical business conduct.** The training explains the Van de Velde Code of Conduct for Own Workforce and Social and Ethical Charter and gives guidance on what to do in case of concerns.
5. **Inside information.** The training explains legal obligations and restrictions surrounding the use and disclosure of inside information. It provides a list of proactive measures in order to protect confidentiality of information within Van de Velde and provides guidance on Van de Velde share transactions.
6. **Whistleblowing.** The training explains what whistleblowing is, which protective measures are granted to whistleblowers and who can be entitled to these protection measures. Trainees also receive practical guidance in making a whistleblowing report.

By educating themselves on these topics, the Management Team aims to ensure that they have an understanding of relevant laws and regulations. In addition, all members can contact the Head of Legal, Risk & Compliance for advice on the mentioned topics. As a result, the Management Team is equipped with the knowledge and tools necessary to lead Van de Velde with integrity and responsibility, and in compliance with legal standards.



# Impact, risk and opportunity management

## Business conduct policies and corporate culture | (G1-D)

Van de Velde has implemented an extensive set of policies to foster a strong corporate culture. These policies serve as a framework for ensuring transparency, integrity and accountability across all activities. Key policies include:

- **Social and Ethical Charter:** We refer to S1-1 for a detailed overview.
- **Whistleblowing Policy:** Provides a secure channel for employees and stakeholders to report unethical or unlawful activities without fear of retaliation.
- **Code of Conduct for Own Workforce:** We refer to S1-1 for a detailed overview.
- **Policy on Inside Information:** Establishes guidelines for handling sensitive information responsibly and in compliance with legal requirements.
- **Policy Against Corruption and Bribery:** Emphasizes a zero-tolerance approach to corruption and clarifies how to foster transparency and ethical decision-making. This policy is consistent with the United Nations Convention against Corruption.
- **Policy Against Price Fixing:** Preventing anti-competitive practices, ensuring adherence to fair trade principles.
- **Business Partner Code of Conduct:** Sets clear expectations for suppliers and partners, covering business ethics, human rights, and environmental standards.
- **Environmental Policy:** Demonstrates Van de Velde's commitment to sustainability and minimizing its ecological footprint.
- **Privacy Policy for Own Workforce:** We refer to S1-1 for a detailed overview.
- **Privacy Policy for Consumers:** We refer to S4-1 for a detailed overview.

### Reporting channels

Detecting dangerous, unlawful or unethical behavior (hereafter referred to as '**irregularities**') is a critical task that requires regular analysis and checks on data and procedures within Van de Velde.

At the same time, it is important to note that such behavior is often identified through **reports from internal and/or external stakeholders**. Therefore, it is crucial to encourage and stimulate stakeholders to share and report concerns. To ensure that concerns are properly addressed, each business conduct policy at Van de Velde specifies to whom reports of (suspected) irregularities can be addressed.

- For **internal stakeholders**, in most cases the designated internal party or parties are the line manager, a member of Management Team or the Head of Legal, Risk & Compliance, depending on the policy in question. In addition, Van de Velde has an internal whistleblowing channel in place. This channel can be used by internal stakeholders with concerns about irregularities who don't feel comfortable reporting to the designated internal party.
- **External stakeholders** who have obtained information regarding irregularities concerning Van de Velde within a work related context, such as suppliers or clients of Van de Velde, are also encouraged to use the internal whistleblowing channel to report such behavior. Moreover, the internal whistleblowing channel can be used beyond the work-related context if the (suspected) violation involves topics like financial services, products or markets, or the prevention of money laundering and terrorism financing.

Any incidents reported via the internal whistleblowing channel are investigated in accordance with Belgian legislation transposing Directive (EU) 2019/1937 (hereafter referred to as '**Whistleblowing Legislation**'). Van de Velde does not apply investigative procedures beyond what is foreseen in this legislation.

In order to address concerns related to the processing of personal data, consumers are advised to report any irregularities to the Head of Legal, Risk & Compliance through the designated email address [privacy@vandavelde.eu](mailto:privacy@vandavelde.eu).

## Safeguards for reporting irregularities

When individuals come forward and report irregularities, they often have concerns about the **negative consequences** they may face. These concerns can range from losing their job, disciplinary measures, or even being subjected to threats or other negative treatment, such as losing access to job-specific training opportunities. To address these concerns and ensure the protection of those who report irregularities, Van de Velde has undertaken the following measures:

- **Objective and confidential investigation:** Every business conduct policy emphasizes that reports of (suspected) irregularities are treated with urgency, objectivity and confidentiality. Upon receipt of a report, an investigation will be initiated within a short timeframe. If an investigation is not initiated, the reporting individual is informed, where possible, to provide clarity on the decision-making process. When reports are made using the internal whistleblowing channel, the time limits set out in Whistleblowing Legislation are respected. Whistleblowers will receive a confirmation of receipt within 7 days from the report and feedback within 3 months from the confirmation of receipt.

- **Enhanced confidentiality for whistleblowing reports:** Specific safeguards are in place to protect the identity of whistleblowers in accordance with Whistleblowing Legislation. Only the report manager, the Head of Legal, Risk & Compliance, has access to the whistleblower's identity, ensuring strict confidentiality throughout the investigation. Additionally, reports can be submitted anonymously, as a measure to further enhance protection.
- **Prohibition of retaliation:** Each business conduct policy explicitly prohibits any form of retaliation against individuals who report irregularities in good faith. This also applies to reports made using the internal whistleblowing channel in accordance with Whistleblowing Legislation. Importantly, this protection applies even if the reported issue is later found to be unsubstantiated. Employees who believe they have faced negative treatment—such as threats, dismissal, or denial of opportunities—due to their reporting can file a complaint through the internal whistleblowing channel.
- **Comprehensive guidance on retaliation:** The Whistleblowing Policy provides detailed guidance on identifying retaliation measures by listing actions or behaviors that may qualify as such. This helps individuals recognize and address any negative treatment they may encounter after reporting.
- **Support measures provided by national authorities:** Van de Velde's Whistleblowing Policy highlights the availability of support services provided by national authorities in accordance with Whistleblowing Legislation. This ensures that employees who come forward have access to external resources for additional guidance and protection.

By implementing these measures, Van de Velde fosters a culture of trust and accountability. Employees and stakeholders are encouraged to report irregularities confidently, knowing they are protected and supported throughout the process.

## Prompt, independent and objective investigations

Van de Velde is dedicated to ensuring that all business conduct incidents, including those related to corruption and bribery are investigated promptly and independently in an objective manner. Each of Van de Velde's business conduct policies includes a dedicated chapter on reporting (suspected) irregularities. These chapters outline the steps for handling reports and emphasize confidentiality, thoroughness and impartiality in investigations. Key aspects of this approach include:

- **Mandatory reporting to the CEO:** Line managers or members of the Management Team receiving a report of a possible irregularity must immediately escalate the matter to the CEO who will carefully evaluate if an investigation is warranted.
- **Independent handling of whistleblowing reports:** To ensure impartiality in the investigation process, reports submitted through the whistleblowing channel are managed by the Head of Legal, Risk & Compliance who is not part of the Management Team. This role maintains a direct line of communication with the Board of Directors and will use this channel if needed.
- **Transparency for reporters:** If an investigation is not initiated, the individual who reported the (suspected) irregularity is informed, and provided with additional context to ensure transparency, where possible.

Although Van de Velde has not received any whistleblowing reports up until 31 December 2024, we are committed to publishing an anonymized summary of pending and processed whistleblowing reports in our future sustainability reports.



## Policy for training on business conduct

---

To ensure our workforce is well-informed about business conduct policies, Van de Velde has implemented a range of training and awareness initiatives. These efforts aim to equip employees with the knowledge to make ethical decisions and adhere to our guidelines.

### Training

New white-collar employees joining Van de Velde must all follow **online training** modules covering key business conduct topics. These modules are designed to ensure that employees get familiar with Van de Velde's policies and ethical standards and know how to use these in their daily work. These trainings are repeated every three years to ensure up-to-date knowledge among our employees.

Van de Velde has developed six core training modules, which are rolled out periodically. Participation to these trainings is mandatory for our white-collar employees. Blue-collar workers are not required to complete these training sessions.

The training schedule is as follows:

- **In 2024 and every three years hereafter:** trainings on inside information and whistleblowing.
- **In 2025 and every three years hereafter:** trainings on social and ethical entrepreneurship (Code of Conduct and Social and Ethical charter) and privacy.
- **In 2026 and every three years hereafter:** trainings on corruption/bribery and competition law.

It is important to note that members of the Management Team and other members of the leadership team who are non-employees, are also required to complete these training modules. Other non-employees are not obligated to participate in these trainings.

In addition to online training, we periodically organize **classroom sessions** to address specific business conduct topics. During the reporting period, two sessions were held:

1. Sales representatives and retail field managers (both employees and non-employees) participated in a classroom training focusing on competition law and with a deep dive in price fixing. These sessions offered an interactive environment for participants to engage in face-to-face discussions and ask questions, deepening their understanding of our Policy Against Price Fixing.
2. The design and procurement department attended a classroom training on corruption and bribery. This session provided practical guidelines on managing supplier relationships, including supplier visits and business gifts, ensuring compliance with our Policy against Corruption and Bribery.

Another effective method of training we deploy is the organization of **short presentations** or **lunch and learn sessions**. These sessions provide an opportunity for our workforce to gather and learn more about our policies in an interactive and engaging manner. During the reporting period, we organized short presentations and a lunch and learn session concerning our Code of Conduct for Own Workforce.

Overall, these training measures help to ensure that our own workforce is well-informed about our business conduct policies, enabling them to make ethical decisions in their day-to-day work.

## Awareness moments

To strengthen adherence to our business conduct policies, Van de Velde has implemented a range of awareness initiatives. These initiatives serve as key tools to educate and engage our workforce.

One of our primary methods for generating awareness is through the creation of **awareness posts** on our internal platform called 'the Conversation Room'. Through this platform we send regular reminders about the significance of our business conduct policies. Additionally, we leverage the reach of social media by posting awareness content on Van de Velde's Facebook group. This enables us to connect with a wider audience, including blue-collar employees, making our policies more accessible and visible to the entire workforce.

To further reinforce our message, we display **posters** in high-traffic areas like hallways and restrooms. These posters serve as constant reminders of our business conduct policies throughout the workday.

In 2024, we launched a comprehensive **awareness campaign** focusing on our Code of Conduct for Own Workforce. This campaign was strategically designed to maximize impact and engagement, using a varied set of channels and activities to create a culture of awareness and responsibility within Van de Velde.

## Accessibility of policies

To ensure accessibility of our policies, we made these available online. Our workforce can access them through the Conversation Room or our corporate website [www.vandevelde.eu](http://www.vandevelde.eu). We have taken measures to make the policies accessible in five languages: Dutch, English, French, Spanish, and German. This multi-language approach ensures that our own workforce, regardless of their native language, can easily understand and adhere to our business conduct policies.

## At-risk functions

Each year, the *Audit and Risk Committee* of Van de Velde is responsible for validating a **risk matrix**. The risk matrix is ultimately approved by the Board of Directors. In this risk matrix, bribery and corruption are categorized as having a 'low impact' and 'low likelihood'. The reason for this categorization is the nature of Van de Velde's business operations. Van de Velde does not participate in public procurement processes, require permits or licenses on a regular basis, or engage in lobbying.

Nevertheless, certain roles within Van de Velde pose **elevated risks for corruption and bribery** due to their involvement in contract negotiations and interactions with suppliers, customers or competitors. We consider two categories that are most at risk in respect of corruption and bribery.

- The first category consists of members of the **Management Team** of Van de Velde. As key decision-makers within Van de Velde, their involvement in contract negotiations and interactions with external parties increases the potential for such risks.
- The second category consists of employees who have **direct contact with suppliers of raw materials or finished products, customers or consumers, and competitors**. Within this category, specific roles have been identified as being particularly vulnerable to corruption and bribery. These roles include those within the commercial team (sales, retail, and digital commerce), the marketing team, the design team and the supply chain team (roles in purchasing and customer service).

During the reporting period, a **classroom training** was organized for our design and procurement department regarding corruption and bribery as mentioned above.

## Management of relationships with suppliers | (G1-2)

---

### Supplier screening

As an international group with a global network of partners and activities, our ambition is to take a **proactive role** in supporting and managing due diligence with our business partners on sustainability matters. Not only to mitigate risk and improve transparency, but also to encourage positive initiatives.

We work with over 1.000 suppliers, active in various sectors, mostly textile production and apparel assembly but also transport, HR services and IT consultancy.

Van de Velde implemented a **supplier screening** method. The purpose of this screening is to understand the current status and maturity of the supplier's organization, as well as to establish their commitment to comply with certain human rights, environmental and integrity principles. Each Van de Velde business partner (suppliers, subcontractors and service providers) is asked to perform the supplier screening which entails three steps:

1. Completing a questionnaire that includes disclosure of the number of employees, company structure, reliance on subcontractors or homeworkers.
2. Providing a copy of any valid social or environmental certificate.
3. Signing the Business Partner Code of Conduct as confirmation of their acceptance.

The Business Partner Code of Conduct entails human rights principles, environmental engagement and business integrity principles.

Additionally, based on our own purchase behavior, we occasionally perform a balance analysis or credit check of a supplier. This helps us to establish their reliability.

Today, we are not taking environmental criteria into account yet. For the selection of contractual partners we are still gathering information on environmental topics (such as use of water and energy), allowing us to make informed future decisions.

### Fair behavior towards suppliers

When it comes to fair behavior towards our suppliers, we can refer to S2 (Workers in the value chain) where we explain our approach to long-term partnerships, in particular with our textile suppliers and subcontractors, aiming to create a balanced and predictable workflow.

### Preventing late payment

Although there is no formal policy on prevention of late payments within Van de Velde, setting up processes that allow timely payments towards suppliers, especially SME's, is an important step in ensuring smooth financial operations for Van de Velde.

Once supplier invoices are approved by the relevant internal stakeholders, they are marked as 'approved' in our ERP system. This ERP system allows storage of information on payment terms and conditions. This is how Van de Velde ensures that **payments are automatically aligned with the underlying payment terms and conditions**. By automating the alignment of payments with payment terms, we optimize our financial operations.

## Procedures to address corruption and bribery | (G1-3)

---

### Procedures to prevent and detect corruption or bribery

Our finance and controlling department is a crucial guard in preventing and detecting corruption and bribery incidents. This department implements **preventive measures and regular checks** in relation to our upstream value chain, for all activities and geographic locations where Van de Velde is active. We ensure transparency and accountability in financial transactions with measures like:

- Each payment must be justified by an invoice, or a credit note in our ERP system, eliminating the possibility of unauthorized or fraudulent payments;
- A standard supplier creation process is followed for each new supplier;
- Payments are approved following a 4 eyes principle, ensuring that there is oversight and accountability in the payment process;
- If an existing supplier asks to change standing data (such as a bank account number), there is contact by phone to check the validity of the request;
- All expenses need to be justified by a copy of the receipt and a justification and description of the expense. Expenses are approved by the line manager and HR department before payment is executed;
- Regular checks are conducted by comparing the terms agreed upon in contracts with received invoices. This control ensures that Van de Velde is being charged accurately without any discrepancies. These checks are conducted at least once a year on an ad hoc basis;
- A monthly OPEX and CAPEX check is performed on the costs per department, comparing costs with the initial budget.

These enable us to identify irregularities or potential signs of corruption or bribery. No major irregularities were identified during the reporting period. For 2025, we plan to continue these controls on the same basis and we expect the same outcome.

In addition to these measures and checks, Van de Velde has implemented a comprehensive **Policy against Corruption and Bribery**. This policy applies to Van de Velde's entire own workforce and emphasizes a zero-tolerance approach towards bribery and corruption. Each member of Van de Velde's workforce is expected to comply with the policy in relation to our upstream and downstream value chain, for all activities and geographic locations where Van de Velde is active. The Management Team is accountable for implementation of the policy within Van de Velde.

The policy clearly defines what constitutes bribery or corruption, outlines the conditions under which business gifts and hospitality services are permitted, and specifies actions that are strictly prohibited. To assist our workforce in recognizing bribery or corruption, the policy includes a list of "red flags." These serve as indicators that can help our workforce to identify suspicious activities that may involve bribery or corruption.

By raising awareness and providing guidance, Van de Velde aims to create a **culture of vigilance and integrity**. Van de Velde encourages its own workforce to report any concerns related to corruption or bribery. Reports can be made to a line manager or a member of the Management Team. In addition, Van de Velde has an internal whistleblowing channel in place as detailed in G1-1 (under '*reporting channels*'). Reports submitted through this channel are investigated by the Head of Legal, Risk & Compliance who is not part of the Management Team as detailed in G1-1 (under '*prompt, independent and objective investigations*').

Once a report of a (suspected) violation is made, Van de Velde ensures that an **objective and confidential investigation** is conducted within a short timeframe as detailed in G1-1 (under 'safeguards for reporting irregularities' and 'prompt, independent and objective investigations').

To further safeguard the interests of those coming forward with bribery or corruption concerns, Van de Velde strictly **prohibits any form of retaliation** as detailed in G1-1 (under 'safeguards for reporting irregularities').

Van de Velde's targets for 2025 concerning corruption and bribery are:

- 0 incidents of bribery or corruption
- 0 convictions for violations of anti-corruption and anti-bribery laws
- 0 amount of fines for violations of anti-corruption and anti-bribery laws

We verify these targets using the methodology detailed in G1-4 (under 'Incidents of corruption or bribery').

## Communication towards own workforce

We ensure that our policies on preventing and detecting corruption or bribery are effectively communicated and well understood by employees through several measures. During the onboarding process, all white-collar employees are required to

complete an online training program. This training is repeated every three years to maintain awareness and reinforce key principles. Additionally, regular awareness posts are shared on our internal communication platform, the Conversation Room. To ensure easy access, all policies are always available on the Conversation Room and on our website [www.vandavelde.eu](http://www.vandavelde.eu).

## Anti-corruption training

Van de Velde has developed a comprehensive computer-based training program on anti-corruption. This online training has been successfully completed by the majority of white-collar employees at Van de Velde. The program covers essential topics such as the definition of bribery, identifying bribes and red flags, an overview of anti-bribery laws across various countries, guidelines for corporate hospitality, and strategies for addressing bribery concerns. Designed to be interactive, the training incorporates quizzes to reinforce learning. Participants must succeed in a test on each topic to progress, ensuring a thorough understanding of the material and maximizing the program's effectiveness.

Members of the Management Team are expected to follow an online anti-corruption training upon their start at Van de Velde. Every 3 years, the members of the Management Team are requested to repeat this training. Members of the Board of Directors were not invited to follow this training (except our CEO).

	At-risk functions	Managers	Members Management Team	Members Board of Directors
<b>Training coverage</b>	79%	74%	83%	10%
<b>Delivery method</b>	Online	Online	Online	Online
<b>Frequency</b>	Every 3 years	Every 3 years	Every 3 years	Every 3 years
<b>Topics covered</b>				
- Definition corruption	X	X	X	X
- Policy				
- Procedures on suspicion/ detection				

Table 1 Anti-corruption training

# Metrics

## Incidents of corruption or bribery | (G1-4)

---

During 2024, no violation of our Policy against Corruption and Bribery was identified. Consequently, Van de Velde has not taken any specific actions to address any violations.

Van de Velde identifies violations of the Policy against Corruption and Bribery by:

- Questioning members of the Management Team and the president of the Board of Directors every 6 months on awareness of any irregularities, as they are the designated internal parties for reporting mentioned in our **Policy against Corruption and Bribery**;
- Verifying with the Head of Legal, Risk & Compliance whether there were any incidents, claims or court cases (including through whistleblowing reports);
- Identifying irregularities while performing our procedures to prevent and detect incidents of corruption or bribery as detailed in G1-3 (under '*procedures to prevent and detect corruption or bribery*').

The measurement of incidents is not validated by an external body other than the assurance provider.

The absence of any incidents, reports, or convictions demonstrates Van de Velde's commitment to compliance and ethical business practice. Despite the absence of incidents, Van de Velde **remains committed to ensure transparency and compliance** in the future, by undertaking the following actions:

- In the event that we are confronted with an incident of corruption or bribery in the future, we will investigate the matter as a matter of urgency;
- We will cooperate with the competent authorities;
- We will communicate the number of corruption and bribery incidents in a transparent way in the annual sustainability report;
- We are committed to complying with all relevant anti-corruption and anti-bribery laws and regulations;
- We will impose disciplinary measures on any employee who violates our Policy against Corruption and Bribery. This may lead to dismissal for serious misconduct as stipulated in our Code of Conduct for Own Workforce.

Incidents of corruption or bribery	
<b>Number of convictions for violation of anti-corruption and anti-bribery laws</b>	0
<b>Amount of fines for violation of anti-corruption and anti-bribery laws</b>	0

*Table 2 Incidents of corruption or bribery*

## Payment practices | (G1-6)

Van de Velde has established standardized payment terms based on the category of suppliers, ensuring efficiency in financial operations while maintaining strong supplier relationships:

- For **raw materials**, Van de Velde aims to make prompt payments, typically within 10 days of the invoice date, allowing Van de Velde to take advantage of early payment discounts and reduce overall procurement costs.
- For **other goods and services**, the payment terms are generally set within a 30 to 60-day window from the invoice date, balancing cash flow flexibility with the timely payment of suppliers.

By differentiating payment terms, Van de Velde optimizes cash flow while fostering positive, long-term relationships with suppliers and taking advantage of discounts.

In terms of process, Van de Velde applies specific payment procedures for each category:

- For **raw materials**, invoices are paid immediately upon receipt, as long as they match the corresponding Purchase Order (PO), ensuring that discrepancies or errors are prevented.
- For **other goods and services**, the approval process involves a 4-eyes principle, where invoices are reviewed and approved by two individuals. Once approved, invoices are automatically marked as approved in our ERP system, which contains the agreed payment terms and conditions for each supplier. This system allows for approved invoices to be automatically included in a specific payment batch, ensuring a timely payment.

As a result of these processes, we estimate that over 99% of payments are made in accordance with the agreed-upon payment terms, demonstrating the effectiveness of the payment practices in place and our commitment to timely payments.

Payment practices	
Average number of days to pay invoice	32,9
Percentage of payments aligned with standard payment terms	99%
Number of legal proceedings currently outstanding for late payments	0

Table 3 Payment practices

# Overview of disclosure requirements

The following table lists all ESRS disclosure requirements in ESRS 2 and the topic standards material to Van de Velde as well as the relevant page(s). Additionally, this table includes the reference to datapoints that derive from other EU legislations: SFDR (1), Pillar 3 (2), Benchmark Regulation (3) and EU Climate Law (4). The following disclosure requirements are considered not material for Van de Velde: ESRS E1 – 7/8/9, E2 – 5/6, E3 – 5, E5 – 6, S1 – 7/11/12/13/15, S2 – 2, S3 - 4, G1 – 5. For ESRS S1 – 14, the phase-in possibility was used for disclosure requirement 88 (e).

Disclosure Requirement		Page	Reference to datapoints from other EU legislations
<b>ESRS 2 – General disclosures</b>			
BP-1	General basis for preparation of the sustainability statement	p. 110 - 116	
BP-2	Disclosures in relation to specific circumstances	p. 116	
GOV-1	The role of the administrative, management and supervisory bodies	p. 117 - 127	(1), (3)
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	p. 128	
GOV-3	Integration of sustainability-related performance in incentive schemes	p. 128	
GOV-4	Statement on due diligence	p. 129	(1)
GOV-5	Risk management and internal controls over sustainability reporting	p. 129	
SBM-1	Strategy, business model and value chain	p. 110 - 115 p. 132 - 135	(1), (2), (3)
SBM-2	Interests and views of stakeholders	p. 136 - 137	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 138 - 140	
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	p. 130 - 131 p. 138	
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	p. 236 - 239	
<b>ESRS E1 – Climate change</b>			
ESRS 2 IRO-1 / SBM-3	Material climate change-related impacts, risks and opportunities	p. 142 - 144	
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	p. 144	
E1-1	Transition plan for climate change mitigation	p. 145 - 146	(2), (3), (4)
E1-2	Policies related to climate change mitigation and adaptation	p. 145	
E1-3	Actions and resources in relation to climate change policies	p. 147 - 149	
E1-4	Targets related to climate change mitigation and adaptation	p. 146 - 147	(1), (2), (3)
E1-5	Energy consumption and mix	p. 154	(1)
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	p. 154 - 157	(1), (2), (3)

Disclosure Requirement		Page	Reference to datapoints from other EU legislations
<b>ESRS E2 - Pollution</b>			
ESRS 2 IRO-1 / SBM-3	Material pollution-related impacts, risks and opportunities	p. 159 - 161	
E2-1	Policies related to pollution	p. 161	
E2-2	Actions and resources related to pollution	p. 162	
E2-3	Targets related to pollution	p. 162	
E2-4	Pollution of air, water and soil	p. 162	(1)
<b>ESRS E3 – Water and Marine Resources</b>			
ESRS 2 IRO-1 / SBM-3	Material water and marine resources-related impacts, risks and opportunities	p. 164 - 165	
E3-1	Policies related to water and marine resources	p. 165 - 166	(1)
E3-2	Actions and resources related to water and marine resources	p. 166	
E3-3	Targets related to water and marine resources	p. 166	
E3-4	Water consumption	p. 166	(1)
<b>ESRS E5 - Resource Use and Circular Economy</b>			
ESRS 2 IRO-1 / SBM-3	Material resource use and circular economy-related impacts, risks and opportunities	p. 168 - 170	
E5-1	Policies related to resource use and circular economy	p. 170	
E5-2	Actions and resources related to resource use and circular economy	p. 171	
E5-3	Targets related to resource use and circular economy	p. 171	
E5-4	Resource inflows	p. 171 - 172	
E5-5	Resource outflows	p. 172 - 174	(1)

Disclosure Requirement		Page	Reference to datapoints from other EU legislations
<b>ESRS S1 - Own workforce</b>			
ESRS 2 IRO-1 / SBM-3	Material own workforce-related impacts, risks and opportunities	p. 176 - 180	(1)
S1-1	Policies related to own workforce	p. 181 - 183	(1), (3)
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	p. 184	
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	p. 185 - 186	(1)
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	p. 186 - 187	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 187	
S1-6	Characteristics of the undertaking's employees	p. 188 - 189	
S1-8	Collective bargaining coverage and social dialogue	p. 189	
S1-9	Diversity metrics	p. 190	
S1-10	Adequate wages	p. 190	
S1-14	Health and safety metrics	p. 190	(1), (3)
S1-16	Remuneration metrics (pay gap and total remuneration)	p. 191	(1), (3)
S1-17	Incidents, complaints and severe human rights impacts	p. 192	(1), (3)
<b>ESRS S2 - Workers in the value chain</b>			
ESRS 2 IRO-1 / SBM-3	Material workers in the value chain-related impacts, risks and opportunities	p. 194 - 196	(1)
S2-1	Policies related to value chain workers	p. 197 - 198	(1), (3)
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	p. 199 - 200	
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	p. 200 - 201	(1)
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 200	

Disclosure Requirement		Page	Reference to datapoints from other EU legislations
<b>ESRS S4 - Consumers and end-users</b>			
ESRS 2 IRO-1 / SBM-3	Material consumer and end-user-related impacts, risks and opportunities	p. 203 - 206	
S4-1	Policies related to consumers and end-users	p. 207 - 209	(1), (3)
S4-2	Processes for engaging with consumers and end-users about impacts	p. 210 - 213	
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	p. 213 - 216	
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	p. 217 - 220	(1)
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 220	
<b>ESRS G1 - Business Conduct</b>			
ESRS 2 IRO-1 / SBM-3	Material business conduct-related impacts, risks and opportunities	p. 222 - 223	
ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	p. 224 - 225	
G1-1	Business conduct policies and corporate culture	p. 226 - 230	(1)
G1-2	Management of relationships with suppliers	p. 231	
G1-3	Procedures to address corruption and bribery	p. 232 - 233	
G1-4	Incidents of corruption or bribery	p. 234	(1), (3)
G1-6	Payment practices	p. 235	

# Report of the statutory auditor on the consolidated sustainability statements

## Limited assurance report of the statutory auditor to the general shareholders' meeting on the consolidated sustainability statement of Van de Velde NV for the accounting year ended on 31 december 2024

---

We present to you our statutory auditor's report in the context of our legal limited assurance engagement on the consolidated sustainability statement of Van de Velde NV (the "Company") and its subsidiaries (jointly "the Group"). The consolidated sustainability statement of the Group is included in the 'Sustainability report' section of the Annual Report on 31 December 2024 and for the year then ended (hereafter "the consolidated sustainability statement").

We have been appointed by the general meeting d.d. 24 April 2024, following the proposal formulated by the board of directors and following the recommendation by the audit committee and the proposal formulated by the works' council to perform a limited assurance engagement on the consolidated sustainability statement of the Group.

Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2026. We have performed our assurance engagement on the consolidated sustainability statement for 1 year.

### Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of the Group.

Based on the procedures we have performed and the assurance evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated sustainability statement of the Group, in all material respects:

- has not been prepared in accordance with the requirements of article 3:32/2 of the Companies' and Associations' Code, including compliance with the applicable European Sustainability Reporting Standards (ESRS);
- is not in accordance with the process (the "Process") carried out by the Group, as disclosed in note '1. General disclosures | ESRS 2 - section Double Materiality Assessment' to identify the information reported in the consolidated sustainability statement on the basis of ESRS;
- does not comply with the requirements of article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") disclosed in note '2. Climate change - section EU Taxonomy'.

### Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)"), as applicable in Belgium.

Our responsibilities under this standard are further described in the “Responsibilities of the statutory auditor on the limited assurance engagement of the consolidated sustainability statement” section of our report.

We have complied with all ethical requirements that are relevant to assurance engagements of sustainability statements in Belgium, including those related to independence.

We apply International Standard on Quality Management 1 (ISQM 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our limited assurance engagement.

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Other matter

The scope of our work is limited to our limited assurance engagement regarding the consolidated sustainability information of the Group. Our limited assurance engagement does not extend to information related to the comparative figures included in the consolidated sustainability statement.

## Responsibilities of the board of directors relating to the preparation of the consolidated sustainability statement

The board of directors is responsible for designing and implementing a Process and for disclosing this Process in note ‘1. General disclosures | ESRS 2 - Double Materiality Assessment’ of the consolidated sustainability statement. This responsibility includes:

- understanding the context in which the activities and business relationships of the Group take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect the Group’s financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long- term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

The board of directors is further responsible for the preparation of the consolidated sustainability statement, which includes the information established by the Process:

- in accordance with the requirements referred to in article 3:32/2 of the Companies’ and Associations’ Code, including the applicable European Sustainability Reporting Standards (ESRS);
- in compliance with the requirements of article 8 of EU Regulation 2020/852 (the “Taxonomy Regulation”) disclosed in note ‘2. Climate change - section EU Taxonomy’.

This responsibility comprises:

- designing, implementing and maintaining such internal control that the board of directors determines is necessary to enable the preparation of the consolidated sustainability statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The audit committee is responsible for overseeing the Group’s sustainability reporting process.

## Inherent limitations in preparing the consolidated sustainability statement

In reporting forward-looking information in accordance with ESRS, the board of directors is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected and the deviation from that can be of material importance.

## Responsibilities of the statutory auditor on the limited assurance engagement on the consolidated sustainability statement

Our responsibility is to plan and perform the assurance engagement with the aim of obtaining a limited level of assurance about whether the consolidated sustainability statement contains no material misstatements, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), as applicable in Belgium, we apply professional judgment and maintain professional scepticism throughout the engagement. The work performed in an engagement aimed at obtaining a limited level of assurance, for which we refer to the section "Summary of work performed," is less in scope than in an engagement aimed at obtaining a reasonable level of assurance. Therefore, we do not express an opinion with a reasonable level of assurance as part of this engagement.

As the forward-looking information in the consolidated sustainability statement and the assumptions on which it is based, are future related, they may be affected by events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different from the assumptions, as the anticipated events frequently do not occur as expected, and the deviation from that can be of material importance. Therefore, our conclusion does not provide assurance that the reported actual outcomes will correspond with those included in the forward-looking information in the consolidated sustainability statement.

Our responsibilities regarding the consolidated sustainability statement, with respect to the Process, include:

- obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- designing and performing work to evaluate whether the Process is consistent with the description of the Process by the Group, as set out in note '1. General disclosures | ESRS 2 - Double Materiality Assessment'.

Our other responsibilities regarding the sustainability statement include:

- acquiring an understanding of the entity's control environment, the relevant processes, and information systems for preparing the sustainability information, but without assessing the design of specific control activities, obtaining supporting information about their implementation, or testing the effective operation of the established internal control measures;
- identifying where material misstatements are likely to arise, whether due to fraud or error, in the consolidated sustainability statement; and
- designing and performing procedures responsive to where material misstatements are likely to arise in the consolidated sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## Summary of work performed

A limited assurance engagement involves performing procedures to obtain evidence about the consolidated sustainability statement. The procedures carried out in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing, and extent of procedures selected depend on professional judgment, including the identification of areas where material misstatements are likely to arise in the consolidated sustainability statement, whether due to fraud or errors.

In conducting our limited assurance engagement with respect to the Process, we have:

- obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the Group's internal documentation relating to its Process; and
- evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Group was consistent with the description of the Process set out in note '1. General disclosures I ESRS 2 - Double Materiality Assessment'

In conducting our limited assurance engagement, with respect to the consolidated sustainability statement, we have:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its consolidated sustainability statement by obtaining an understanding of the Group's control environment, processes and information system relevant to the preparation of the consolidated sustainability statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control;
- evaluated whether the information identified by the Process is included in the consolidated sustainability statement;

- evaluated whether the structure and the presentation of the consolidated sustainability statement is in accordance with the ESRS;
- performed inquiries of relevant personnel and analytical procedures on selected information in the consolidated sustainability statement;
- performed substantive assurance procedures on selected information in the consolidated sustainability statement;
- evaluated the methods/assumptions for developing estimates and forward-looking information as described in the section 'Responsibilities of the statutory auditor concerning the limited assurance engagement regarding the consolidated sustainability statement';
- obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the consolidated sustainability statement.

## Statement related to independence

Our registered audit firm and our network did not provide services which are incompatible with the limited assurance engagement, and our registered audit firm remained independent of the Group in the course of our mandate.

Ghent, 27 March 2025

The statutory auditor  
PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL  
Represented by

Lien Winne\*  
Bedrijfsrevisor/Réviser d'entreprises

*\*Acting on behalf of Lien Winne BV*



# Van de Velde

MARIE JO

PRIMADONNA

SARDA

RIGBY & PELLER  
LINGERIE STYLISTS LONDON

Lincherie  
LINGERIE STYLISTS