

HVEG

INVESTMENTS B.V.



Modern Slavery Statement

This statement has been issued pursuant to the UK Modern Slavery Act 2015. It sets out the activities undertaken by the subsidiaries of HVEG Investments B.V. (hereafter called HVEG) to prevent modern slavery and human trafficking in its own business and in its supply chains in the financial year beginning January 1st 2018. Modern slavery is a comprehensive term which covers slavery, servitude, forced and compulsory labour, and human trafficking. These are violations of human rights such as the right to be free from slavery, servitude or forced labour and the right to freedom of movement and other human rights, which are upheld by both international and national legislation. According to available data and research experts, these offences are prominent and occur in all parts of the world and economies, and affect all sectors and industries.

Introduction

We consider ourselves responsible for all the activities carried out in our name worldwide. We are committed to sourcing our products in an ethical, legal and responsible manner and are working closely with industry peers, business partners and various global stakeholders to increase our capability to respect and uphold human rights principles. We do not tolerate forced, bonded or involuntary labour, human trafficking or any forms of slavery and are committed to taking the necessary steps to prevent it within our operations and supply chain.

Our business

HVEG is an international wholesale company of womenswear, menswear, children's clothing and accessories. Products are being sold under private label to large retailers and purchase combinations within Europe. The company focusses on the total value chain, from design to sales, whereby production is outsourced to Asia and Eastern Europe. HVEG has offices in the Netherlands, Germany, China, Hong Kong and Bangladesh. The group employs about 300 people, realizing a turnover of around 100 million euros.

Policies and contractual controls

HVEG's CSR programme, based upon the UN Guiding Principles on Business and Human Rights and OECD Guidance on Due Diligence, monitors and manages the ethical, social and environmental impacts of our business. HVEG's Code of Conduct prescribes the desired and expected behaviour when it comes to doing business. It outlines our values and expectations to our employees and business partners in the international supply chain. The Code of Conduct is an integral part of HVEG's general procurement policy which applies to all contracts and orders between HVEG and its suppliers. By signing the Code of Conduct, the supplier agrees to provide supply chain transparency and help implement our social compliance policy. We take seriously any allegations that human rights are not properly respected. We operate a Whistleblowing Policy, which encourages staff to report any wrongdoing which extends to human rights violations like Modern Slavery. All reports will be fully investigated and appropriate remedial actions taken.

Due diligence, audits and risk assessment

HVEG's Social Compliance policy is based on a development approach. Production locations producing our goods are visited (before order placement) and will have to show compliance with HVEG's minimum requirements. Once onboarded, new suppliers and factories/sites are subject to due diligence checks in the form of compliance audits. Such audits are also regularly conducted for existing suppliers and factories/sites. As an Amfori member, we use the BSCI platform to monitor our factories. Within BSCI Code of Conduct modern slavery is at the core of at least two of its principles: No Precarious Employment and No Bonded Labour. Since we do not conduct these audits ourselves, we regularly visit our factories to review remediation progress, to train and support the factories, and encourage open dialogue and full transparency. We recently also started to identify the higher-risk areas of our business based on external reports and standards, country and sector risk profiles. We plan to expand our risk assessment efforts to better understand modern slavery risks associated with the numerous layers of our different supply chains, including more detailed mapping and assessment of sector and geographic risks.

Board of Directors HVEG Investments B.V.