

Responsibility at Essentiel Antwerp

A journey — not a destination.



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Sustainability report 2022

ESSENTIEL
ANTWERP

Message from the founders



“We aim to permanently challenge ourselves by exploring innovative solutions and business models. By embedding sustainability into our business strategy, we hope to play our role in reshaping the fashion industry. On this path towards more consciousness, we couldn’t be more thankful to see this engagement of both our teams and our community.”

—
Esfan Eghtessadi and Inge Onsea
co-founders Essentiel Antwerp

2022: Setting the pace with our sustainability action plan

Deteriorating macroeconomic and geopolitical conditions heavily impacted the world in 2022. Despite this, we still managed to strengthen our position at Essentiel Antwerp. Let us take you through our 2022 sustainability highlights:

- We took new steps in our sustainability roadmap, focusing on social due diligence and environmental improvements in our shops.
- The collections created in 2022 used more sustainable materials, which allowed us to exceed our yearly target.
- We set up our first carbon footprint calculation.
- We launched the second-hand platform RE—SENTIEL in Belgium, the Netherlands and France.
- We continued to optimize our rental service in a selection of stores.
- We took further steps in our digital transformation roadmap, delivering a better customer experience and better tools and processes for our team.
- We launched our Learning Management System (LMS), for HQ and stores, reinforcing the learning, alignment and development of our teams.

2022 trends

Resilience, flexibility and innovation were the key words of 2022 for Essentiel Antwerp. It was a year that pushed the fashion industry to change, reinvent and transform. For Essentiel Antwerp, five trends in particular have driven the acceleration of our sustainability efforts:

Production

The global crisis of 2022 has affected so many people's lives, and also put significant pressure on production, planning and distribution schemes. Our supply chain and production team has been making a tremendous effort to find solutions to cope with these exceptional situations.

Consumer behavior

As a consequence of this global turmoil, we anticipated there would be difficult times ahead for the fashion sector, leading to negative impacts throughout the full value chain. But it's in challenging times like these that companies really prove their worth, and Essentiel Antwerp has demonstrated its unique positioning as the go-to brand for customers to express their personality, dress up and create bold identities.

Key account expectations

Since we started formalizing our sustainability path, we have seen a growing demand for sustainability data and practices from our global

key accounts. Thanks to our previous efforts to report on sustainability matters we have been in a great position to respond to these expectations efficiently. This trend has further motivated us to stay on track and further strengthen our data-driven approach to tackling sustainability challenges.

Increased regulations

The industry is under pressure with increased formal reporting and due diligence rules, as well as regulations on packaging and waste. We are anticipating these by gradually building our compliance.

Internal movement

Although 2022 was a challenging year, it has also been a year of growth with regards to the involvement of our teams around sustainability topics. We have observed strong dedication, interest and knowledge-building around sustainable practices throughout the company. Our styling team sourced more sustainable options, our logistics department worked towards improved solutions, and our marketing team continued to put sustainability at the heart of the messages we send out to the world. We also observed growing interest and motivation to create an impact from our colleagues in stores.

Ownership of responsibility, a shared effort

As sustainability is a challenging and complex topic, we seek external advice and use technology as an enabler for change. Moving towards a greener business model is a highly complicated process and cannot happen overnight, but it's very encouraging to see our team become more confident and knowledgeable about sustainability and building internal expertise. Essentiel Antwerp has a sustainability steering group and together with an internal

group of sustainability ambassadors from all departments we come together on a quarterly basis to discuss our progress on sustainability topics.

In 2023 we will continue this way of working and have set extra objectives to screen upcoming legislations related to reporting, due diligence, product information, communication and waste.

Getting serious about the planet.

One of the milestones of our sustainability trajectory defined in 2022 is the measurement of our company's carbon footprint. This exercise has helped us to learn which are our main impacts and gives us insight into how we can prioritize improvements and set targets. Since we know that the main source of our emissions is our indirect emissions, we decided to carry out a full analysis of our scope 1, 2 and 3 emissions: a challenging exercise which we will further refine in the future.

We are committed to:

- reducing the footprint of our products.
- reducing footprint in inbound and outbound transport.
- undertaking energy analysis in stores and HQ and implementing a follow-up process.
- further integrating a circular mindset in our daily operations to reduce waste and select the least polluting materials for sales and marketing purposes.

Products with less impact

2022 brought a raft of economic challenges, with the costs of workmanship, transport and resources rising dramatically. Nevertheless, we managed to realize our ambition to purchase more sustainable fabrics.

The purchasing process for the Spring and Summer 2023 collection saw us take a big step forward in collaboration with two of our Tier One manufacturers. They were able to offer a more sustainable alternative for almost 70% of the materials, including organic cotton, lenzing, ecovero viscose, recycled polyester and polyurethane. For the upcoming Fall and Winter 2023 collection, we will completely replace one of our most widely used fabrics with a more sustainable viscose variant, with less environmental impact — a considerable achievement. Whilst the issue of sustainable fabrics has been challenging in the past, thanks to the steps taken, the price and hand feel of the sustainable alternatives are no longer an issue for Essentiel Antwerp as the alternatives proposed by the suppliers are better than before.

If the quality of these sustainable fabrics meets our standards, they are always our preferred choice. We are gradually trying to replace our regular materials with sustainable

alternatives. This remains challenging as we are sometimes still faced with large minimum quantities, or substantial surcharges, but we are noticing a shift in supplier behavior as more and more sustainable options become available.

Our ambition is for 50% of our materials to be sustainable by 2025. According to our initial groundwork, this requires an increase of 5% every season.

For the Spring Summer 2023 season, created and purchased in 2022, we managed to increase sustainable materials by 16%. With strong foundations laid, we are hopeful that — without too many economic setbacks — we can achieve our goal.

We use our Corporate Product Policy to help us move towards more sustainable design and fabrics, which explains our criteria for considering a fabric 'sustainable' to our staff and to suppliers. To guarantee compliance with sustainable standards of fibers and textiles, we require the necessary supporting certificates from suppliers.

“Despite the difficult economic conditions, we continue to succeed in integrating more sustainable fabrics into our collections. For some of our most important print materials, we have completely switched to more sustainable alternatives: organic cotton, lenzing, ecovero viscose and recycled materials. The price and hand feel are now no longer an issue.”

(Tom Depoortere, Art Director)

Collection	Sustainable material	Monomaterial	Sustainable trims	Sustainable lining	Jersey organic cotton
Fall 2021	9%	33%	—	—	—
Spring 2022	14%	46%	2%	7%	—
Fall 2022	18%	14%	3%	8%	23%
Spring 2023	34%	41%	2%	10%	48%

A team effort

Knowledge of and interest in the use of sustainable fabrics truly grew into a team effort over the past year. An inspiring workshop for the entire styling team ensured that everyone is now involved. Instead of focusing on the less-desired aspects of certain sustainable fabrics, we focus on innovation and the possibilities. Though this has been a real test for the design team, everyone is motivated to challenge the manufacturers to come up with an innovative and sustainable range.

This innovative attitude connects us all. There is now much more awareness, vision and knowledge in the design team. We think a lot about how we want to define sustainability for Essentiel Antwerp, and how we can do it our way. We also challenge ourselves to focus on something new and sustainable for each collection. For example, setting up a collection with natural, non-chemical yarns; the search for high-quality, vegan leathers; the use of waste-free knitting machines and more...

Monomaterials

At Essentiel Antwerp, we strive to make collections that are made of so-called 'monomaterials', where the fabric is comprised of only one material — 100% cotton or polyester or viscose, for example. This offers important advantages in the post-consumer recycling process. Monomaterial items have a much higher recycling rate and post-recycling quality compared to mixed material items, which are difficult to separate for recycling. Last year, approximately 30% of Essentiel Antwerp collections were made of monomaterials.

Depending on the seasonality of our collections, some items are more difficult to create from monomaterials and require the use of more mixed-fiber fabrics.

Upcycling

In our commitment to a greener Essentiel Antwerp, we've teamed up with Valentine Tinchant, the creative mind behind Studio Circulaire. She recently created an upcycled capsule collection with our leftover stock. [Read more here.](#)

Rental

Our rental service is here to stay. We organized this initiative for the second time in 2022, taking our learnings from each campaign to the next one to improve the service, as well as exploring new possibilities like adding a buying option, experimenting with the duration of the campaign and selecting new locations to try out. As we manage this process entirely ourselves, we can adapt and improve the service, which is continuously updated in our rental manual.

Responsible denim

Since 2020, all our denims are produced in an environmentally friendly way, with significant water and energy savings. In 2021, our Turkish denim manufacturer even invested in a fully closed water loop system. This manufacturer also uses computer-driven laser technology to finish our denim wear without water, chemicals or stones, and fully loaded washing machines have been replaced by e-flow technology, minimizing water and chemical use. For Spring 2023, we also featured denim items made of Tencel. Circularity and innovation are driving our sustainable transformation.

We are aware that the fashion industry today still follows a linear model of take-make-waste. To decrease the impact of textile waste on our planet, we must move to a more circular economy, where reuse, upcycling and recycling are the new normal. Essentiel Antwerp wants to contribute by bringing new circular initiatives to life. At Essentiel Antwerp, we want to be known as an innovative brand by thinking outside the box and providing services alongside our regular business.

We see innovation in two ways: as a means to lead us through the digital transformation era, and as a way to facilitate experiments with new business models like rental services and secondhand services. This requires a good understanding of the retail of the future, and we are eager to further explore this topic.

“In the search for the right fabrics, we focus on innovation and what is possible. This makes the search for sustainable alternatives more exciting. This idea now unites the entire team. Everyone is motivated to challenge the manufacturers to come up with innovative, sustainable alternatives.”

(Lotte Lijnen, Assistant Designer)

Working on a digital transformation roadmap

We continuously review the organization to improve our ways of working and make life easier, more transparent, and more integrated for our staff and customers. To create a great customer experience, our teams need to work together across departments. The expertise of our technical and digital experts is therefore very

important to run a successful e-shop, a user-friendly B2B sales tool and good internal cashier systems and rental process flows. In 2022 we launched the RE—SENTIEL secondhand platform. Without the dedication of our full team, this project could not have been introduced as quickly and successfully as it was.

Secondhand and reselling

When we thought about this business model five years ago, we thought the customer wasn't ready for a secondhand model. But when we met a partner at the beginning of 2022 who could support us in refurbishing, washing, photographing, and facilitating the logistics flow, we decided the time was right to go ahead. In September 2022, we launched our reselling platform under the name RE—SENTIEL, supported by a large campaign. This made us the first Belgian brand to create its own online secondhand business model. We want to continuously propose new services for our customers to cater for ever-changing ways of consuming. Though colorful and outspoken, our collections are made to last, manufactured to the highest quality standards. RE—SENTIEL will allow our customers to extend the lifecycle of their items. We decided to integrate our reselling

platform on our own website, and this direction immediately proved its potential as our customers turned out to be more than ready for this new business model. Of course, we experienced some growing pains, but in reflecting on this first year, we can look forward to 2023 having seen that this business model is a viable sales channel. We are excited about further optimizing the process and exploring more options related to secondhand selling. Thanks to this initiative and the community around it, 997 Essentiel Antwerp items were given a new life in 2022.

We believe that innovation needs a "can do" mentality and an entrepreneurial mindset, and many of our innovation tracks come from the minds of our co-workers. That is why our teams are given the necessary opportunities and freedom to build these initiatives bottom-up.



“This additional way of working proves the potential of new business models for sustainable growth and innovation.”

(Charles Duchêne, PR and communication manager)

Transport and distribution

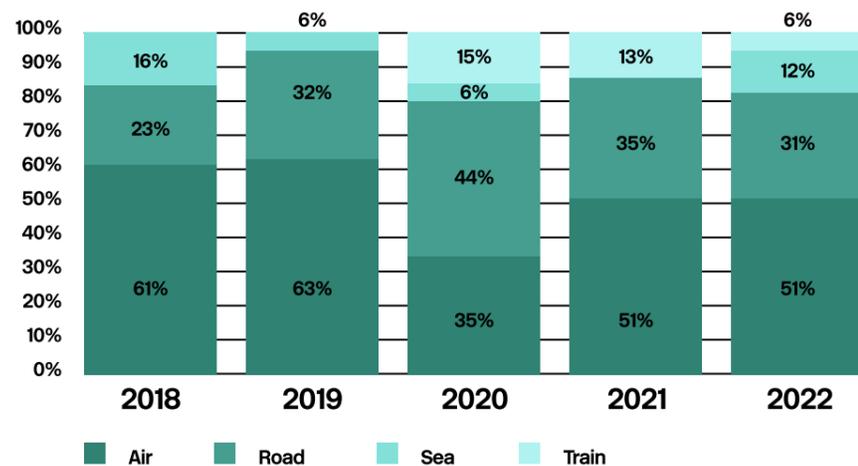
We have always maintained good relations with our suppliers, many of which are located overseas, but we are also aware of the immense impact of inbound transport on CO₂ emissions. To reduce our emissions, we have been working on streamlining processes within our organization, from styling to production, and we apply a guideline in which we focus on the use of boats and trains for long-haul transportation, reducing the use of air shipping.

In 2022, we still had to deal with the aftermath of the 2021 shipping crisis, but by managing our collection and order timeline as well as possible we were able to mitigate further negative impacts. While we were not able to decrease our air transports in 2022, we were able to maintain them to the level of 2021. We did manage to optimize delivery lead time and costs through direct shipments from the Far East to our customers in South Korea and the US, avoiding transit via Belgium. This required appropriate

research and good communication with our suppliers, transport companies and customers but proved to work well.

When we deliver goods to our customers, we make conscious choices and work on optimizing our logistic flows and services to minimize our carbon footprint. Examples include:

- the option for shop advisers to send non-available stock items directly from the warehouse to the customer's home.
- improving our delivery process for wholesale packages by analyzing and optimizing outbound distribution.
- Reducing web returns by launching innovations for our e-shop including better product information as well as fitting information and advice on our product labels.



Choosing the right option

We are strongly committed to raising awareness internally about the waste streams that our operations entail. We want to deal with this consciously in our distribution chain, in our stores and in terms of the materials that we use

for our e-shop. With this in mind, we have defined three focus areas: our packaging solutions, our use of paper, and circular design for our shops. This has resulted in us implementing a number of concrete actions in 2022.

Packaging

For all our packaging, we investigate the best options in terms of sustainable materials, options for reuse and recycling opportunities. We are looking for ways to improve our management and use of the plastic polybag. We have already switched to polybags made of recycled or recyclable plastic. We're currently taking further steps to improve on our packaging initiatives.

In previous years we already implemented the use of paper bags, eliminating laminated layers. For our e-commerce packages we have fully shifted to the use of Kraft paper and cardboard boxes. The production of paper bags requires less material and has a lower impact on the environment, and using paper bags enables us to reduce the volume that our packages take up during transportation by a range of between 34 – 80%, depending on the type of product. This means one journey allows us to carry more goods, so we can decrease the number of transports needed, reducing fuel and emissions. In 2022 we launched a new branded luxury box, available in different sizing and designed to reuse.

For all paper-based packaging — from hangtags and giftwrapping materials to the shopping bags we use in our stores and the bags and boxes we use for our web orders — we use recycled and/or FSC certified paper. FSC certification guarantees that our paper materials have been produced according to industry standards. We also pay attention to the recyclability of our shopping bags, which is why we no longer use laminated paper products. In 2022 we brought our use of purely recycled sources for paper and cardboard up to 31% of total use. Up to 28% remained a mixed group of both virgin and recycled cardboard and we aim to further increase our use of recycled packaging materials.

By switching to soy ink for printing purposes, we have reduced the use of harmful substances and improved our recycling potential. To reduce the total amount of paper we use, we have examined all our stationery requirements carefully. We already decided to stop producing paper look books and brochures in 2020. We also evaluated the number and use of shopping bags and made choices that entail lower volume consumption. This conscious use of paper has become the new normal within our team, resulting in a minimal use of printed materials for marketing purposes. In 2022 we started to measure our packaging waste streams based on the use of polybags, Kraft paper bags and cardboard boxes for further transparency and analysis purposes. Today, we are already compliant with local requirements for multiple countries we operate in.

Concerning our stores, we love to create inspirational shop windows and align our shop design with the Essentiel Antwerp vision. We look for high-quality materials for shop furniture, with a focus on long-lasting design. In our visual merchandising operations, we value sustainable materials and avoid the use of plastics and non-reusable materials. Circular design always wins. In setting up our shop windows, our motto is that it's the clothes that tell the story. All the extra visuals and materials are selected in the light of this principle. We collect our materials in our warehouse in Antwerp, and our creative team is always finding new ways to use them. Any materials that cannot be reused are donated to second-hand and specialized recycling partners to avoid incineration of materials.

Material	Mixed	Recycled	Virgin
Cardboard Paper	28%	29% 2%	39% 2%

Paper and cardboard use for shops and ecommerce 2022 per material source (% of total weight)

Impact in stores

In recent refurbishment projects, we have redecorated several stores by reusing materials from stores we have relocated or closed over the past years. We are not only proud of the result, but also of the creative and circular mindset of our team.

As we all know, 2022 was also more than a challenging year around the theme of energy. Given that the large majority of our retail locations are leased, we do not have full control over energy management. In order to reduce costs

and our negative impact on the environment, in 2022 Essentiel Antwerp carried out an analysis of the use of energy and water in our stores. Areas for improvement were identified and numerous actions were also carried out, such as an accelerated systematic replacement of lighting with LED lighting. Furthermore, we have shared clear guidelines and instructions with our retail sales team regarding the use of heating, lighting and the closure of store doors, to responsibly address the energy crisis.

Our carbon footprint report

Because we want to better mitigate our environmental impact, we decided to calculate a carbon footprint for the year 2022. This will be our base year for determining improvement actions and objectives. For this first comprehensive exercise, we analyzed our scope 1, scope 2 and scope 3 carbon emissions, as explained in the table below. For now, the use of product and end-of-life phase of our downstream scope 3 emissions are excluded. Calculating our footprint has been an excellent learning exercise for our team: discovering the potential of our current sustainability efforts and areas of improvement.

The result of our first carbon footprint calculation indicates that we have a total emission of 6079 tCO₂ equivalents. Due to the nature of our business, our scope 3 emissions account for up to 92% of our total emissions. Within that category, 54 percent of our total emissions and our inbound transports account for 22% of our total emissions. The heaviest impact in this inbound transport is caused by the use of air transport for inbound deliveries.

As concerns the products, we identified our most polluting materials including wool and silk. Researching alternatives for the most

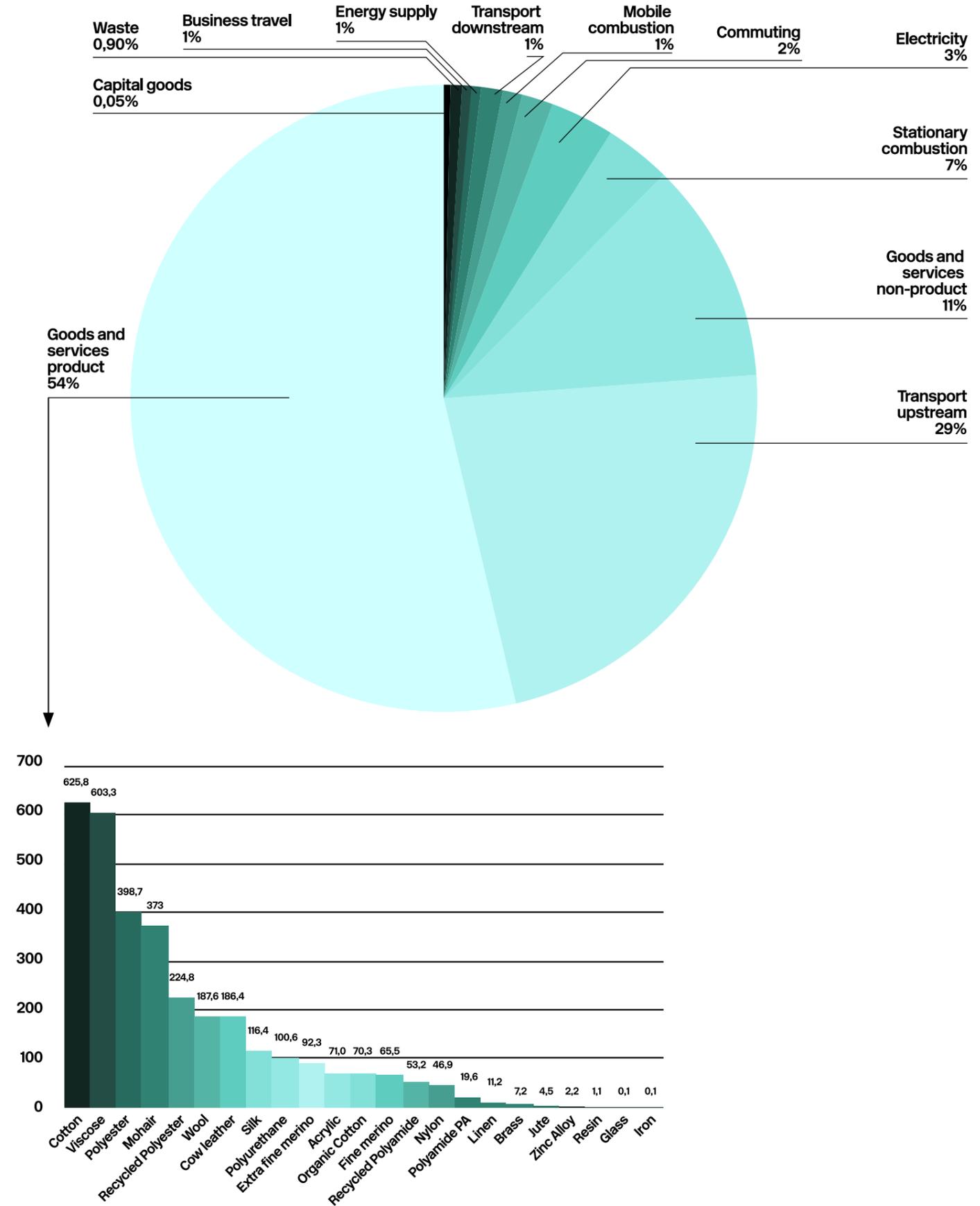
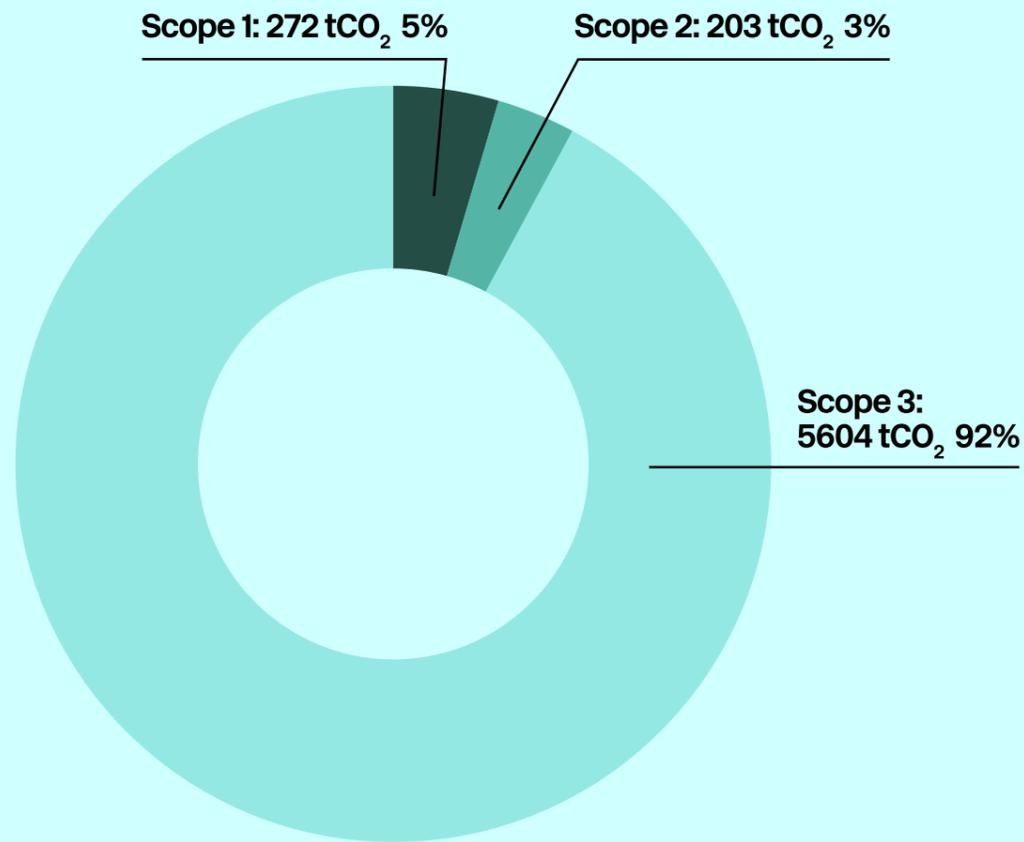
polluting materials is already part of our strategy and this exercise has further helped us in prioritizing our shift to more sustainable material options.

Our next step is to learn from this first measurement, and so over the course of 2023 we will draft a climate plan, tackling multiple challenges:

- Conscious selection and use of materials for our products. We want to build a deeper understanding of the impact of our materials, and how to improve it.
- Continuing to work on our inbound distribution flow to lower our air transport.
- Increasing awareness. With our team, we want to explore how we can all contribute in our daily jobs, from travel to energy use in our stores, store design and waste management.
- Further exploring the possibilities of innovation and alternative business models, aiming to prolong the lifecycle of our garments among our customers.



Scope 1	Scope 2	Scope 3
<p>Scope 1 emissions are direct GHG emissions that occur from sources that are owned or controlled by Essentiel Antwerp:</p> <ul style="list-style-type: none"> – Stationary combustion – Mobile combustion 	<p>Scope 2 emissions are indirect GHG emissions that occur from the generation of purchased electricity:</p> <ul style="list-style-type: none"> – Electricity 	<p>Scope 3 emissions include all other indirect GHG emissions:</p> <ul style="list-style-type: none"> – Our products: clothing, accessories and shoes – Purchased goods and services (packaging, etc.) – Capital goods. – Energy supply – Transport upstream – Business travel – Commuting – Waste – Transport downstream



Resources: 54% of total emissions are linked to the production of the Essentiel Antwerp garments, accessories and shoes.

A more responsible supply chain.

There's no denying that the fashion industry has become one of the most polluting sectors in the world, with more and more stories of unacceptable working conditions in clothing factories emerging as well. Here at Essentiel Antwerp we realize that, as an international fashion brand, we must take responsibility for our own business practices in this regard, and

customers rightly ask us questions about this. Our company aims to be completely accountable for the social and environmental conditions under which our products are manufactured — accountable to garment workers, to the companies we do business with, to customers, and ultimately to all those impacted by our choices in our shared world.

Code of conduct

In light of this, we have a Code of Conduct, which guides all our operations worldwide. We aim to work with suppliers that are as committed as we are to operating in a responsible and ethical manner, by respecting social, environmental and economic standards and upholding them in their business practices. Our Code of Conduct sets out the principles and standards to be followed by all suppliers, factories and subcontractors. It mainly

covers labor practices, based on the Fundamental International Labour Organization Conventions, as well as environmental commitments. The Code of Conduct is signed by the suppliers and/or subcontractors and returned to Essentiel Antwerp. Currently, 97% of our suppliers have agreed to our Code of Conduct and we are committed to reaching 100%.

Audits and risk analysis

The signing of our Code of Conduct by our suppliers represents a strong commitment, however, this does not guarantee compliance in practice. For this reason, we also ask our suppliers for social audit reports, in which their working conditions are evaluated by an independent third party. We have received recent audit reports (no older than three years) from many of our suppliers. These are mostly BSCI or SEDEX/SMETA audits. This means that more than 50% of our production is covered by social audits. Additionally, 25% of our collections are produced in Europe, where fair working conditions are guaranteed under the applicable European regulations. We strive

to constantly increase this percentage. We analyze the audit reports that we receive, and based on these findings, we made up a risk analysis at supplier level.

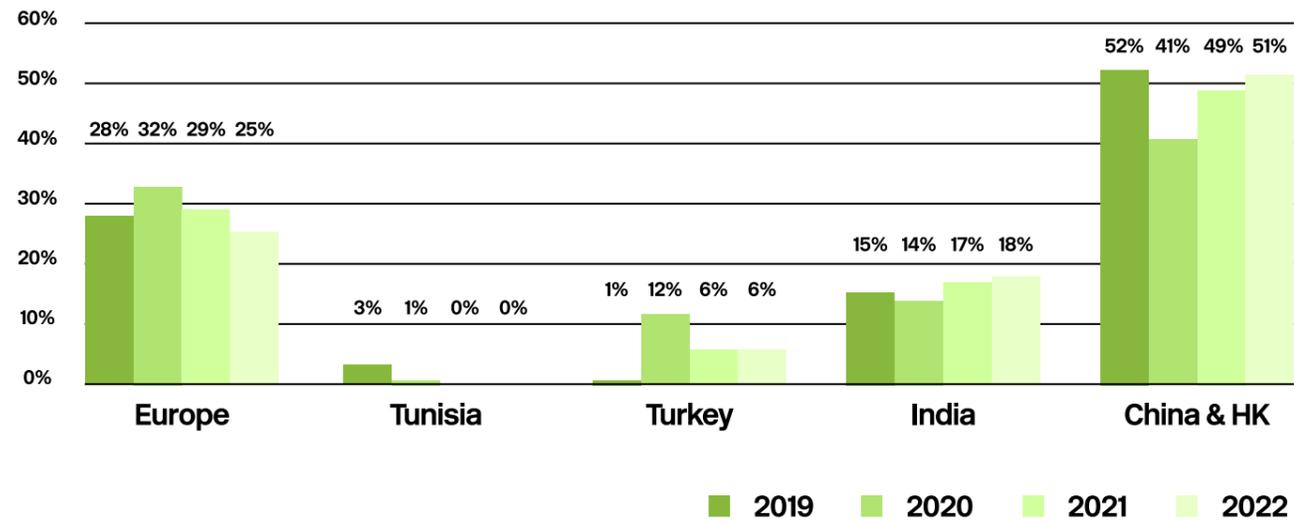
We stay alert as we are aware that systematic overwork and a lack of social dialogue are structural challenges in foreign manufacturing countries. We are committed to further dialogue with our suppliers on these issues, to gain a better understanding of the root causes of this and whether we, as Essentiel Antwerp, can play a meaningful role.

Transparency

The call for more transparency in the clothing industry is getting louder. NGOs and customers not only want to know where garments are produced, but also whether the working conditions of garment workers are acceptable. It is not always easy to have complete insight into the production of clothing, as the chain from the cotton field to your wardrobe is often long and complex. But at Essentiel Antwerp, we maintain good relationships with our suppliers in an atmosphere of trust. In 2022, around 75% of our clothes were produced in China, India

and Turkey, and 25% in Europe. Each supplier has its own unique capabilities and expertise in the product type they produce. To promote transparency, as of 2021 we have been working with a specific questionnaire for our suppliers. We ask them about the number of employees in their factory, the proportion of men and women, and we ask them to identify their subcontractors and suppliers of fabrics, yarns and lining, with names, address and contact details. Furthermore, we request them to provide social and environmental audit reports in their possession.

Percentage of items/country of production



Suppliers relations

Increased transportation and freight costs, material shortages and longer production lead-times meant 2022 had the potential to be a challenging year for supplier relations. But even in difficult economic circumstances, we enjoy a good working relationship with our suppliers and there is great confidence in our cooperation. We aim for long-term partnerships — we have been collaborating with some of our suppliers

for over 20 years. We take a strong standpoint in not putting pressure on prices and honoring our payment commitments.

To prevent time pressure on our suppliers — which we know is a root cause of overtime in production countries — we make sure that our retro plan is available in good time and that samples are approved quickly.

“The strengths of our supplier relations? We maintain long term partnerships, there is transparent and cooperative communication with all our suppliers, and we appreciate their expertise in the product types they produce.”
(Ludo Olleac, Head of Production)



Our people and customers.

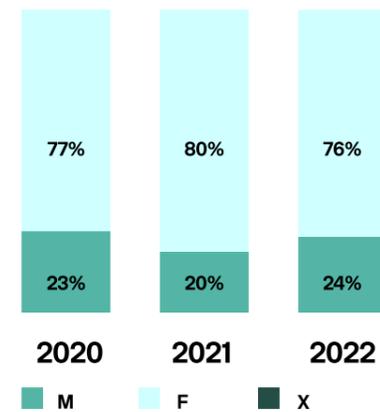
A diverse team with international appeal

What connects us at Essentiel Antwerp is our absolute passion for what we do. Our people are open-minded, and we cherish the international and diverse backgrounds of our team as this is the perfect recipe for creativity and positive vibes. Our playful spirit and joie-de-vivre helps opportunities come to us in a very organic way. As for our employees, we can count 14 different nationalities on the team. Diversity is not only reflected in nationality, but also the cultures and backgrounds of all our people, who create our identity and the Essentiel Antwerp spirit.

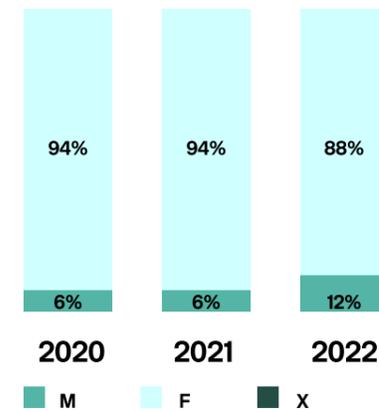
We are also proud of the strong loyalty of our team and our below-average turnover rate.

An important strategy for building this loyalty is the respectful management of our teams and that is why we avoid working with temporary contracts, offering up to 95% of our employees a permanent contract. A good work-life balance is important, and with up to 45% part-time contracts we create an open dialogue with our employees to understand their needs. This is something we cherish and to enhance this loyalty, we aim to further formalize some of our HR processes and build on the strengths and potential of our team. In 2023 we will focus on deepening our learning and development offer for our employees, developing an evaluation process and expanding initiatives for the wellbeing of our employees.

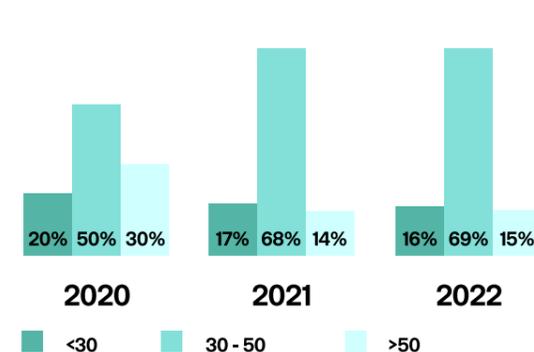
HQ and warehouse



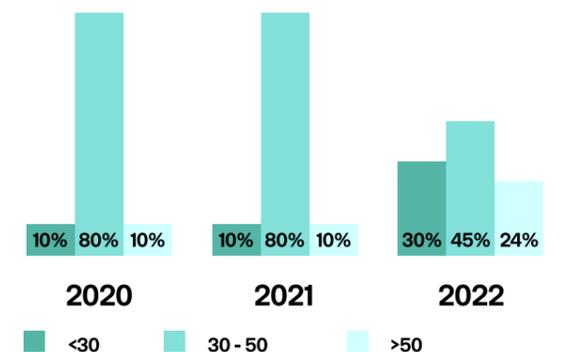
Stores



HQ and warehouse



Stores



Age and gender of Essentiel Antwerp employees.

Recruitment and development (KPI)

When hiring new team members, we look for applicants who connect with our values. Although we use a formal recruitment process, the diverse and international composition of our team has grown in a very organic and genuine way. We have a considerable number of team members who have come to us spontaneously, whether via an internship, or just by happening upon us at the right moment in time.

While the right skills and competencies are important, candidates must also connect with our positive spirit and love for our product and customers.

We're very proud to build long-term relationships with our employees. A number of our core team have been with us from the early Essentiel Antwerp days, building their careers and growing along with us. It's fantastic to see an intern evolve through being hired as an employee and then taking on new challenging opportunities within the company.

This happens often, because we encourage people to explore and come up with new ideas, trying to give them the help they need for their projects to succeed. In 2022 we facilitated internal career changes for several colleagues who moved from working in our stores to taking on new roles in our HQ. All employees deserve the same respect and opportunities and it's our duty to support our team in their career development.

This also entails open-mindedness and a commitment to equal opportunities in terms of age, gender, personal expression and background. It's not unusual for our employees to move across departments, functions and locations as their skills and ambitions grow and develop.

In 2023 we want to improve our onboarding process. As part of this plan, an onboarding guide with training and information in the Learning Management System is planned.

Inclusion, diversity, equality

The Essentiel Antwerp woman is someone young at heart, who knows and loves fashion but isn't afraid to be herself. She is proud to stand out and be bold, fun and creative, but she has her feet on the ground. With our open mindset, topics such as equality, inclusion and non-discrimination seem natural to Essentiel Antwerp. Nevertheless, we know that this is not self-evident for everyone. That is why we still regard inclusivity as a very important pillar in our policy.

Although our organizational culture is defined by openness and acceptance, we still maintain a comprehensive policy on these topics to define best practice throughout the organization. This is because we believe we can use our brand and voice to promote our beliefs to our customers and our own organization.

This is about creating vacancies without barriers for groups for which the threshold may already be high. It is about training our staff to approach and help customers without prejudice. It is about integrating relevant fitting information for our e-commerce customers so that they can have a fantastic customer experience, while respecting and helping all of them.

This is also about using our voice to speak out in favor of equality and non-discrimination, and in 2022 we continued to do so through the good causes we supported (including LGBTQIA+ initiatives and women's rights). In 2023 we will continue to build these partnerships, aiming to have a further positive impact on societal challenges.



Pride

We're proud to celebrate, honor and support the LGBTQIA+ community always and everywhere — but especially during Pride month. In 2022, we created nine slogan T-shirts which were sold online and at Antwerp Pride. All proceeds went to Antwerp Pride, a local organization that stands for the acceptance of and equal opportunities for the LGBTQIA+ community, which is very close to our heart.

Additionally, the people who took part in the promotional campaign were all part of the community. The campaign featured their personal responses to the question 'what does pride mean to you?' as a way of educating our wider audience.



Girls just wanna have fundamental rights

Together with Plan International Belgium, we celebrated International Women's Day 2022 by supporting their Safer Cities project. This project helps young people in the fight against sexual harassment in cities. We repurposed some existing stock to create a limited edition run of sweaters with the slogan "Girls just wanna have

fundamental rights!", of which all proceeds were donated to the organization. To highlight the organization and alert our customers to this cause, we created a communication campaign. [Read more here.](#)

Aligning art, culture and fashion

Another way of expressing our open mindset is our strong connection with the world of art. Co-founder Esfan's often-quoted saying "Art is Essentiel and Essentiel is art" reflects the role Essentiel Antwerp aims to have in supporting artists and offering a platform for their work. In the past we have set up multiple collaborations and have particularly supported young artists.

Antwerp is the home base of Essentiel but also the home of the newly opened Royal Museum of Fine Arts Antwerp (KMSKA). As part of the reopening celebrations, Essentiel Antwerp designed a set of collectors' kimonos featuring prints based on the museum's collection. This was a unique opportunity to express our belief in the importance of culture and art. [Read more here.](#)



Communication, information and marketing

We're all about creating valuable connections with our customers. We aim for engaging and transparent communication across all our channels, both online and offline. We're always there for our customers, constantly analyzing our services and working on improving the customer experience. In 2020 we decided to actively integrate sustainability actions in our general communication lines and this quickly became a habit, as information related to environmental, social or societal topics now feature in our socials, newsletters and website. In 2022 we also issued specific communications related to some sustainability campaigns such as our new edition of the sustainability report 2021, the launch of our RE—SENTIEL platform, our upcycling campaign and repetition of our rental revolution campaign 2022.

We strongly believe that it is also our responsibility to share sustainability information with our customers, explaining why we are now choosing sustainable options instead of repeating what the fashion industry has always done. That's why we also go beyond just integrating a few sustainability messages in our communication. We are also focused on informing our own team and main stakeholders. Whenever we organize a presentation of a new collection to our agents or shop managers, we now include knowledge-sharing points on sustainability. During these moments, our international team

of shop managers have a chance to learn about our sustainability policy and bring up any thoughts or questions they have on the topic, as well as thinking about how they can integrate feedback from customers. In 2022 our external partner Studio D organized a workshop with our international team of shop managers, focusing on the different aspects of our sustainability policy and how they could translate this in their daily work in the shops and motivate their local teams to spread the word.

Finally, to cover our full value chain, we also share our report with our suppliers, who feel positive about the steps that are being taken. Whenever we communicate and speak out, we can make mistakes. At Essentiel Antwerp we see these mistakes as learning experiences. Our customers have an important voice here, and one which we value deeply. In 2022 the demand for sustainability information from our B2B partners was also higher and more detailed than ever before. We see a trend of our large partners also taking responsibility and preparing for the shifting landscape of communicating about sustainability topics. We can only applaud this trend and commit ourselves to further prepare for more formal sustainability reporting in preparation of the European Corporate Sustainability Reporting Directive and the Corporate Sustainability Due Diligence Directive.



Our top priorities for 2023.

As we look ahead to 2023, our top priorities will be further deepening our efforts in the following areas:

- Learning from our carbon footprint calculations to set targets for our scope 1, 2 and 3 emissions.
- Further expanding the use of more sustainable materials in our garments, accessories and shoes.
- Continuing to build a transparent supply chain.
- Building on the success of our experiments with new business models and continuing this track to extend the lifecycle of quality garments.
- Supporting and nurturing our excellent teams with a focus on learning and development.

About this report.

Name and location of the organization:
Essentiel Antwerp's registered head office is located at Arenbergstraat 21, 2000 Antwerp, Belgium

Reporting scope:
This report is the second sustainability report published by Essentiel Antwerp and covers the sustainability policy, achievements and ambitions of the company in the near and mid-term future.

Reporting period:
Publication date: 28 September 2023
Reporting period: 1 January 2022 — 31 December 2022.
We will continue to publish reports on an annual basis.

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