ESSENTIEL ANTWERP



Sustainability report 2025

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Intro

A year of deeper roots

2025 was a year in which we gave structure to our ambitions. We turned commitments into processes, and processes into habits. Where previous years saw us build our sustainability foundations—for example, by creating an internal ESG function, reviewing the materials we use, introducing a code of conduct and a supplier questionnaire, and measuring our carbon footprint with increasing precision—this year we focused on embedding these practices into our day-to-day operations.

It was not a straightforward year. Global uncertainty continued to shape how we operate, and geopolitical tensions, evolving trade conditions, and persistent logistics complexity all had an impact on our decisions—from sourcing geography to transportation modes. At the same time, the regulatory landscape across Europe continued to develop rapidly, and its requirements are real and immediate. We spent significant time in 2025 ensuring that we understand what is expected of us and that we are positioned to comply with the regulations.

We are proud to be able to share some of the results of this work already. Our total carbon footprint decreased by 19% compared with our corrected 2024 baseline—a meaningful result, even as we acknowledge that part of this improvement reflects methodological refinement as much as operational change. We reached

100% Code of Conduct sign-off across our supplier base. Our RE—SSENTIEL circular platform continued to grow in reach, welcoming more sellers and visitors than ever before. Our training program also expanded significantly, with 46% more store employees completing modules through our training app and logging 52% more hours than last year. Across all departments, we are more aware of the various challenges we face and the actions that need to be taken to meet them.

Sustainability in fashion is a journey, not a destination. We've made progress, but we know there is more to do. This report shares where we've moved forward and where challenges remain, because meaningful progress starts with transparency.

The regulatory context

The European legislative agenda for sustainable fashion has moved from policy proposals to binding requirements. In 2025, we dedicated considerable resources to ensuring compliance with incoming requirements, from packaging and product design to supply chain due diligence. These are complex changes with far-reaching consequences, creating challenges not only for us but for all actors across the supply chain. Much of the groundwork concerns regulations that will come into force over the next few years. We continue to build on our previous efforts and, rather than viewing regulatory changes as a constraint, see them as an opportunity to formalize practices we already believe in and build data infrastructure that will make us a stronger, more resilient business in the long term.

Key insights

A quick look at past year

We focused on our use of materials, analyzing availability, use, price, and other factors that affect whether they can be incorporated into our collections. We began working with a preferred materials list, a practical framework that guides our design and production teams toward lower-impact choices from the earliest stages of product development.

Progress has been challenging, especially when it comes to material use, which is why we have made this a particular focus. The availability of organic cotton was lower than we had hoped, resulting in our reverting to conventional cotton. Likewise, we could not secure recycled polyester to the same extent as last year because heightened geopolitical tensions and disruption in the Middle East and Red Sea region affected supply chains in 2025.

However, we also made progress worth reporting. Our carbon footprint is down by 19% compared with last year. This is due both to our operational efforts and to updated emission factors. Nonetheless, it is a step in the right direction.

Social responsibility continues to play a pivotal role for us. We succeeded in having 100% of our suppliers sign our Code of Conduct, and we intend to keep it that way. This helps us focus on how our clothing and accessories are produced, which matters more than where they are produced. With local legislation, workers' welfare, working conditions, and the environment in mind, we continue working with audits of our partners and maintaining the long-term partnerships that matter to us. We have worked with some suppliers from day one, while a large majority have collaborated with us for more than 10 years.

Finally, we worked on awareness-raising and training on sustainability topics across the company. A number of training courses and workshops were implemented, involving key colleagues who will help embed environmental, social, and governance (ESG) considerations systematically across departments under the coordination of our ESG manager. We are dedicated to balancing business success with social and environmental impact, and we need to build this from the ground up and make it an integral part of our processes.



Our approach

How we think about sustainability

Sustainability is a dynamic and continually evolving field that is affected by a myriad of factors. Our approach to sustainability follows that lead: we monitor the latest developments, continuously work to balance business needs with environmental and social impacts, update our emission factors and methodologies when appropriate, and try to maintain a steady course, guided by our values and long-term goals.

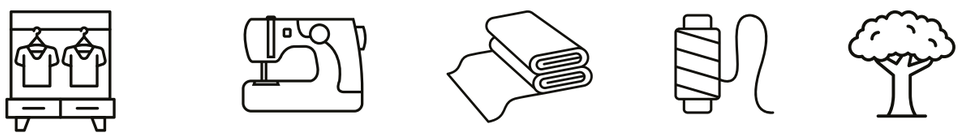
Our approach to sustainability is grounded in a double materiality assessment (DMA), an approved and structured process through which we identify the topics most relevant to our business and to the world around us. Conducted in 2025 before the shift in Corporate Sustainability Reporting Directive (CSRD) legislation, this assessment brings together the perspectives of both internal and external stakeholders to determine where our impact is greatest and where the risks and opportunities for our business are most significant.

While we are not subject to mandatory double materiality reporting under the Corporate Sustainability Reporting Directive (CSRD) at this stage, we chose to undertake this exercise to understand where we currently stand, what topics to focus on and what efforts will have most impact. We believe it is the right foundation for a credible, focused sustainability strategy—one that is honest about trade-offs and grounded in evidence rather than aspiration.

Our assessment identified five priority areas for our 2025–2030 sustainability strategy: climate and greenhouse gas emissions, material sourcing, supply chain due diligence, product use and circular services, and our people.

Product— at the heart of our existence

Product is at the heart of our existence. Everything revolves around designing and making products that bring our vision into the world. Every collection is an invitation to play. We create pieces that surprise, delight, and inspire self-expression. We pay close attention to detail, fit, and materials, as well as the entire process from an idea to a finished product. Each product passes through a long and complex chain of people and processes, and we do our best to identify and mitigate risks and make improvements wherever we can.



A fashion brand's supply chain extends far beyond the factory where the final garment is made. It is typically divided into tiers, each one further from the brand and less visible to consumers, but no less important.

Tier 1 is the manufacturer: the factory that cuts, sews, and finishes the clothes we sell. This is where most brands have direct relationships and the greatest oversight.

Tier 2 is the fabric mill: the facility that weaves or knits yarn into the fabric used by the manufacturer.

Tier 3 is the spinner: the facility that processes raw fiber into yarn. This is where material certifications, such as organic cotton or recycled content, are most relevant.

Tier 4 is the fiber source: the farm, forest, or recycling facility where the raw material originates. This is the point furthest from the brand and the hardest to trace, but also where the largest environmental impacts often occur.

The materials that go into making our clothes play a crucial role, not merely in how the clothes look, feel, and function, but also in their impact on the environment and people.

Cotton provides a useful example. At the farming stage, it requires soil, water, fertilizer, and labor to grow successfully. Spinning and weaving are energy-intensive processes, often powered by fossil fuels, while yarn and fabric finishing may also involve chemical treatments. Proper wastewater discharge from dyeing and processing is important. When it comes to cutting, sewing, and finishing the product, we also need to consider energy consumption, fabric waste, and labor conditions, among others. There are many stages to consider, and we do our best to address the associated risks through our processes and partnerships.

We have several safeguards in place to help us monitor our supply chain. Our Code of Conduct sets out the standards we expect our suppliers to meet, helping to ensure that business is conducted responsibly and ethically. In addition, all our suppliers are required to provide audit reports covering both environmental impacts and labor conditions, including compliance with local legislation. We also collect certificates to verify the certified materials we work with. Every garment we sell complies with REACH, the European Union's legislation on chemical safety in products. This means that harmful substances, including certain heavy metals, dyes and chemical finishes, are controlled and kept below legally permitted limits.

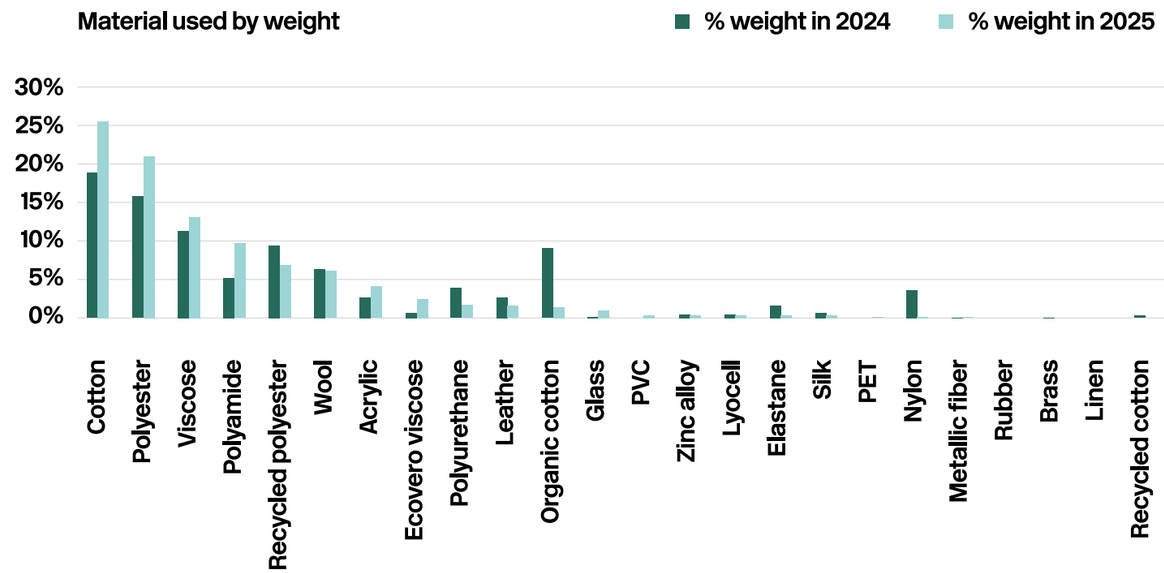
This is why materials were a key focus for us in 2025.



Preferred materials

In 2025, we formalized our preferred materials list—a practical framework that guides our design and production teams toward lower-impact choices from the earliest stages of product development. The list reflects the internationally recognized certifications and standards that are considered credible and meaningful and that contribute to reducing our impact on climate, water consumption and pollution, land use, chemical use, and biodiversity. These standards cover environmental considerations, while social aspects such as labor standards and animal welfare are also taken into account. Lastly, where possible, we work with certified materials, which provide traceability and confirm that the relevant standards have been adhered to.

In practice, the application of this list is subject to real-world constraints. Minimum order quantities, price differentials and availability—particularly for organic cotton—continue to limit how quickly we can shift our material mix. Material prices have also risen due to geopolitical instability, higher energy costs, environmental conditions and subsequent fluctuations in natural fiber availability. Combined with our own pricing strategy, these factors sometimes mean that we must rely on conventional materials. We are transparent about this tension: our preferred materials list sets a direction, but it is not a guarantee. Implementing it consistently across all product categories remains challenging also for us.



In fact, the results for 2025 moved in the opposite direction from what we had aimed to achieve. The percentage of preferred materials in 2025 was lower than in previous years, meaning we relied more heavily on conventional materials. Our design team considers material use at a collection level, whereas the final result reflects what is actually produced and selected for our own stores and e-commerce channels, as well as by our wholesale partners. This can impact on the intended results quite significantly, depending on which styles—and therefore which material compositions—perform best.

Our three most used materials consequently also contribute more than 50% of emissions. By total volume produced, cotton took the top spot among all our materials, representing 26% of total material weight. Global organic cotton supply continued to represent only a small share of total cotton production, about 2,9%. In our collection, organic cotton represented 1,6% of all material by weight. Its availability depends primarily on forecasting, minimum order quantities, and certified processing capacity, which favors large companies that are able to contract it in advance.

When it comes to polyester, we produced fewer items containing recycled polyester because some of our most popular styles were made with conventional polyester, which is responsible for the shift in this direction. Some collection decisions were made before the updated preferred material list targets were integrated into sourcing. Polyester represented 21,3% of total material use by weight, while recycled polyester represented 6,9%.

Viscose is our third most popular material, moving up from fifth place last year and representing a total of 13,3% of all material use by weight. We are happy to report that we have more than tripled the production of more sustainable viscose this year, which has an environmental impact around 50% lower than conventional viscose. We aim to continue this progress in the coming years.

We discuss the emission factors for different materials in more detail in the carbon footprint section below.



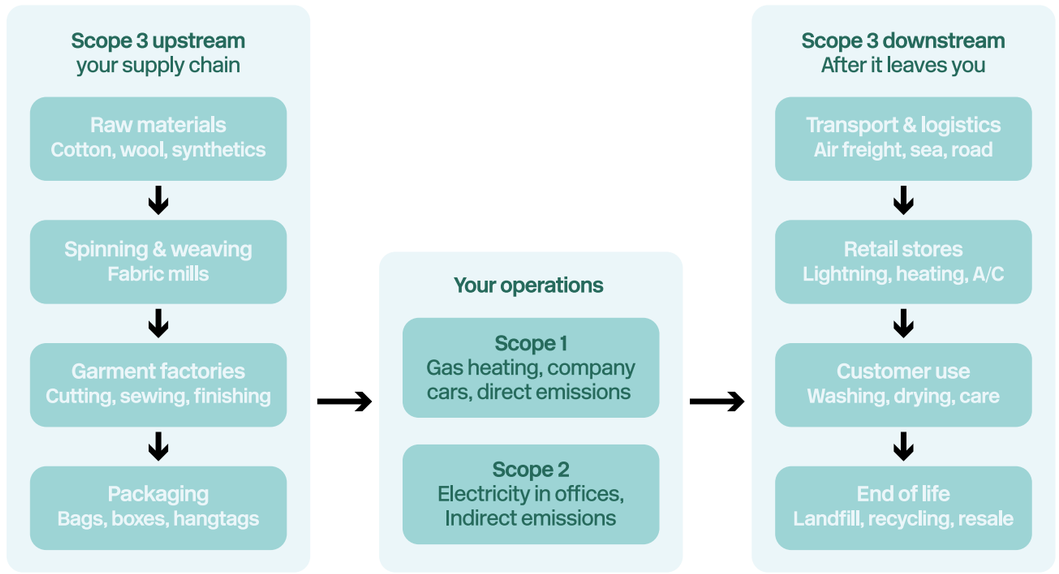
Carbon footprint 2025

Fashion is one of the most resource-intensive industries in the world. From growing raw materials to manufacturing, shipping and eventually disposing of clothes, every garment leaves a carbon trail. Publishing our carbon footprint is how we hold ourselves accountable—it forces us to measure what we effectively emit, understand where those emissions come from, and track whether our actions are making a real difference. Without measurement, improvement is guesswork.

This is our fourth carbon footprint calculation. Each year, we aim to measure with greater precision, and 2025 is no exception. Our measurements follow the Greenhouse Gas Protocol for Scope 1, Scope 2, and Scope 3 emissions, covering the entire value chain.

Scope 1 and Scope 2 cover direct and indirect emissions from sources owned or controlled by the company. This includes office-related emissions from electricity, heating, and air conditioning, as well as fuel consumption by the vehicle fleet. These emissions represent a small part of our carbon footprint, amounting to about 6% this year.

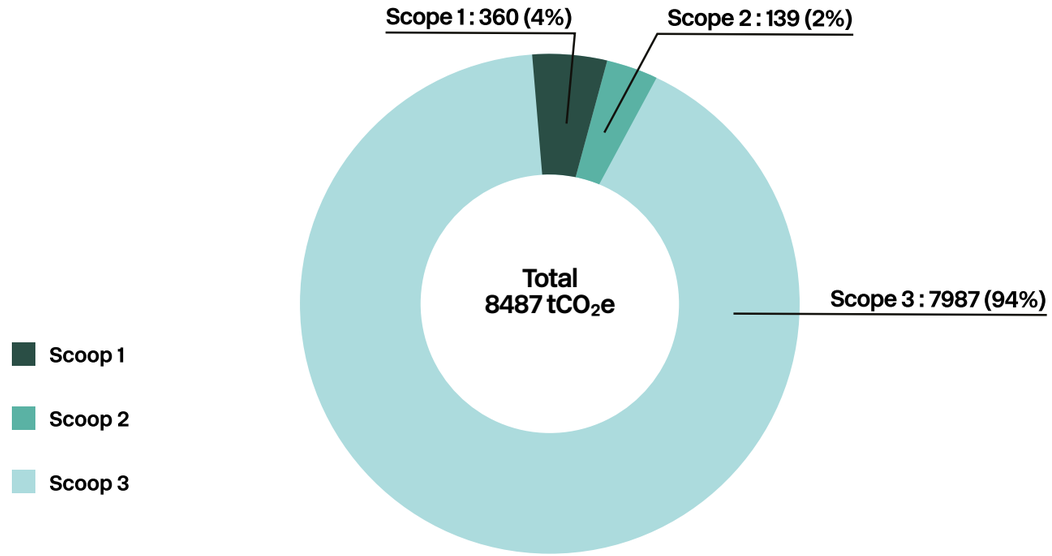
Scope 3 covers all other indirect emissions. The majority come from the production of our garments, which represents about half of all emissions and covers everything from raw materials to the final product, logistics, retail stores, and everything around them.



2025 results

Our total carbon footprint for 2025 is 8,487 tCO_2e—a reduction of 19% compared with our corrected 2024 baseline*. This is the most significant reduction we have recorded, and we are encouraged by the progress. At the same time, we want to be transparent about the causes of this reduction.

Carbon footprint 2025



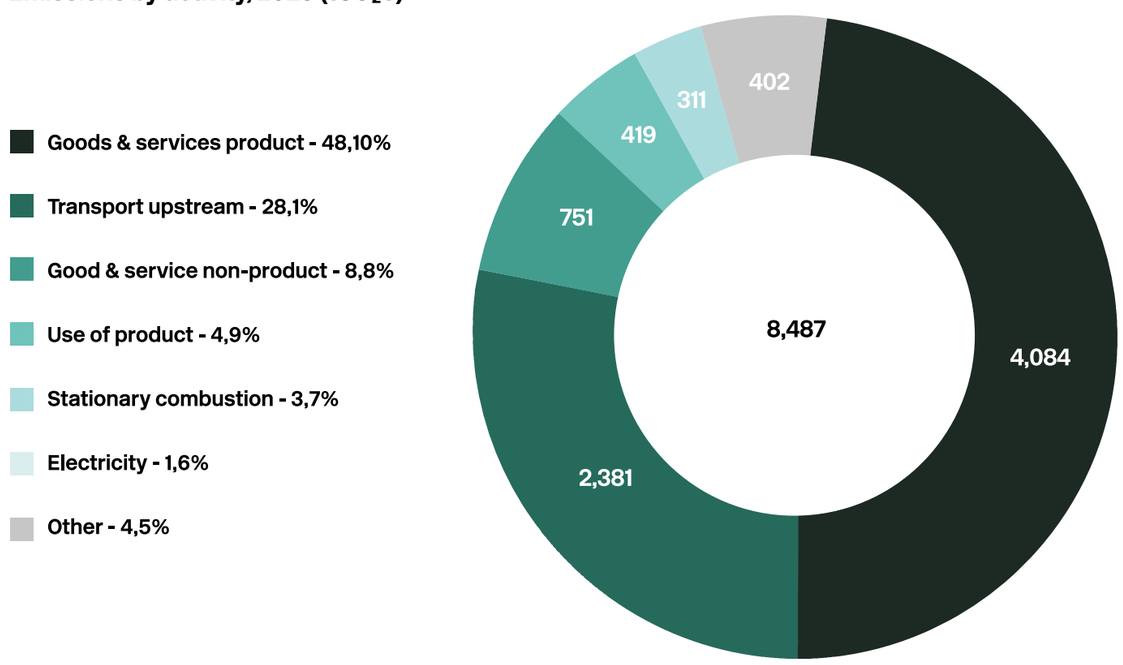
Category	Scope	2024 Corrected (tCO_2e)	2025 (tCO_2e)	% of total	Change
Goods & Services—product	3	5,150	4,084	48%	-26%
Transport upstream	3	2,604	2,381	28%	-9%
Goods & Services—non product	3	843	751	9%	-11%
Use of product	3	447	419	5%	-7%
Staionary combustion	1	323	311	4%	-4%
Electricity	2	162	139	2%	-14%
Energy supply	3	139	117	1%	-16%
End-of-life of product	3	132	122	1%	-7%
Mobile combustion	1	79	49	1%	-38%
Commuting	3	84	43	1%	-48%
Business travel	3	86	43	1%	-50%
Capital goods	3	24	14	0%	-41%
Waste	3	15	13	0%	-17%
Total		10,086	8,487	100%	-19%

Every category decreased compared with 2024. The largest driver of the reduction was the Goods and services Products category (our materials), which fell by 26%. This reflects a combination of optimized production and updated emission factors, particularly for cotton, wool, and polyester. It is important to note that part of this reduction is due to changes in emission factors rather than purely operational changes.

Furthermore, we have made significant reductions across multiple modes of transportation. Emissions from both employee commuting and business travel decreased significantly. We recorded a greater level of detail for those categories, enabling us to make precise calculations for the first time instead of resorting to educated estimates, as in the past.

Also worth mentioning is our production and stock optimization, which has been streamlined considerably. Overproduction is a common phenomenon in fashion and has a negative impact, as resources are used to produce items that ultimately remain unsold and unworn. We have worked for years to improve this process and focus on keeping production quantities at levels that are optimal for the business while avoiding overproduction. As an omnichannel player we operate across several sales channels making execution complex; however, it also gives us an opportunity to correct our forecasts by moving stock between channels. We meticulously plan production and manage stock for different channels, avoiding overstock where possible. This is another way of being mindful of our environmental impact.

Emissions by activity, 2025 (tCO_2e)





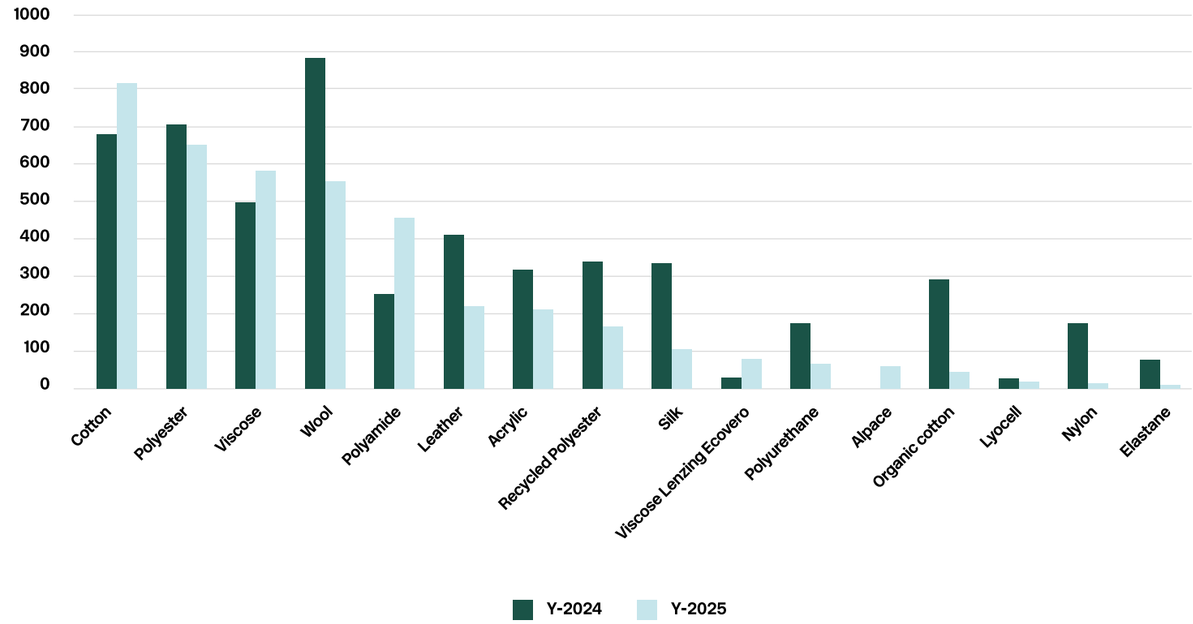
The impact of materials

Products accounted for 48% of our total carbon footprint in 2025. The material choices we made in design and production have a direct and significant impact on this figure. We described our material choices above; here, we focus on their associated emission factors and environmental impact.

In 2025, cotton, polyester, viscose, wool, and polyamide together accounted for approximately 75% of our material-related emissions, which is consistent with previous years. This is due to the combination of the volumes of materials used and their respective emission factors. The emission factors we use for these materials are developed by our external consultants, based on the ecoinvent database and updated annually to reflect the latest available data. A number of changes were made in both directions in 2025; these are explained in the methodology notes at the end of this report.

	Fossil emissions factor ($kgCO_2e$/unit)	Fossil emissions (tCO_2e)	% total fossil emissions of materials
Materials	**Y-2025**	**Y-2025**	**Y-2025**
Silk	148,40	105,31	3%
Alpaca	91,71	61,79	2%
Leather	54,00	220,61	5%
Wool	39,89	556,56	14%
Aluminium	22,99	0,25	0%
Polyamide	19,00	459,26	11%
Nylon	19,00	13,24	0%
Viscose	18,01	584,93	14%
Lyocell	17,87	16,93	0%
Acrylic	16,25	169,09	4%
Polyurethane	15,82	67,30	2%
Elastane	13,21	10,15	0%
Cotton	12,94	820,02	20%
Enamel	12,52	0,75	0%
Ecovero viscose	12,51	78,85	2%
Polyester	12,51	653,39	16%
Organic cotton	11,40	45,92	1%
Recycled cotton	11,19	2,00	0%

GHG emissions per material used [tCO_2e]



There were a few material trends in 2025 that deserve attention. Organic cotton volumes fell sharply—by approximately 84% in emissions terms—reflecting ongoing availability challenges. This made conventional cotton the largest source of greenhouse gas emissions among our materials. This is a disappointing result in light of our ambition to increase preferred material use, and something we continue to work on.

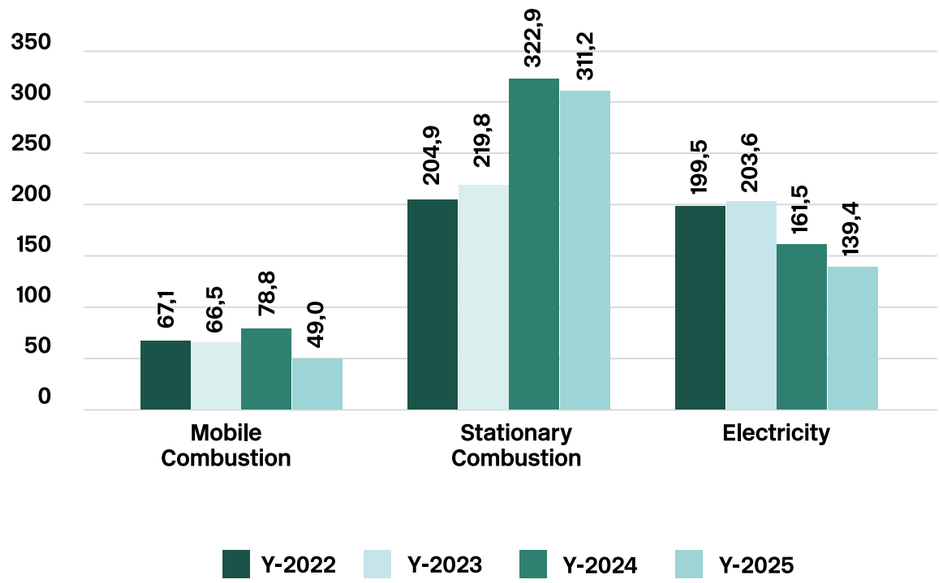
Recycled polyester use also decreased, both in volume and as a share of total polyester used, resulting in a shift toward virgin polyester that we want to reverse. Recycled polyester remains central to our preferred materials list, and we are actively working with suppliers to rebuild these volumes.

Polyamide also became more prominent in 2025. It is used in compositions that have a more technical feel and allow us to create our signature knitwear styles. Because of the popularity of these styles, production increased more than expected, resulting in a greater presence of polyamide than last year.



Scope 1 and 2 — our own operations

Scope 1 and 2 emissions together represent 6% of our total footprint—360 tCO_2e and 139 tCO_2e, respectively. All three subcategories decreased in 2025.



Gas consumption fell, reducing stationary combustion emissions by 4%. Mobile combustion—our company vehicle fleet—decreased by 38%, though we note that the 2024 figure was based on an estimate, whereas the 2025 figure uses primary data, so the comparison should be interpreted with caution. While the reported electricity consumption increased in 2025 for ESSENTIEL ANTWERP compared to 2024, the overall emissions associated with electricity decreased because it was offset by lower emission factors reflecting the decarbonization of the European electricity system.

We're looking into steps that we as a company can take to further reduce our impact. When it comes to our fleet, 24% of our cars were electric in 2024, while this figure increased to 54% in 2025. We will continue moving in that direction with each new car replacement upon contract renewal, and we aim to be fully electric in the future.

Looking ahead, our action plan focuses on increasing the share of electricity covered by renewable electricity contracts, applying our defined preferred-material criteria in product development, reducing avoidable air freight and improving shipment planning, and providing customers with clearer information on product care and repair.

Transportation

Transportation accounts for 28% of our total emissions in 2025—2381 tCO_2e—and remains one of the areas where our operational choices have the most direct impact. Inbound transportation (products moving from suppliers to our distribution center) represents 90% of our transportation footprint. In 2025, 80% of our inbound volume by weight was transported by air—an increase from 77% last year.

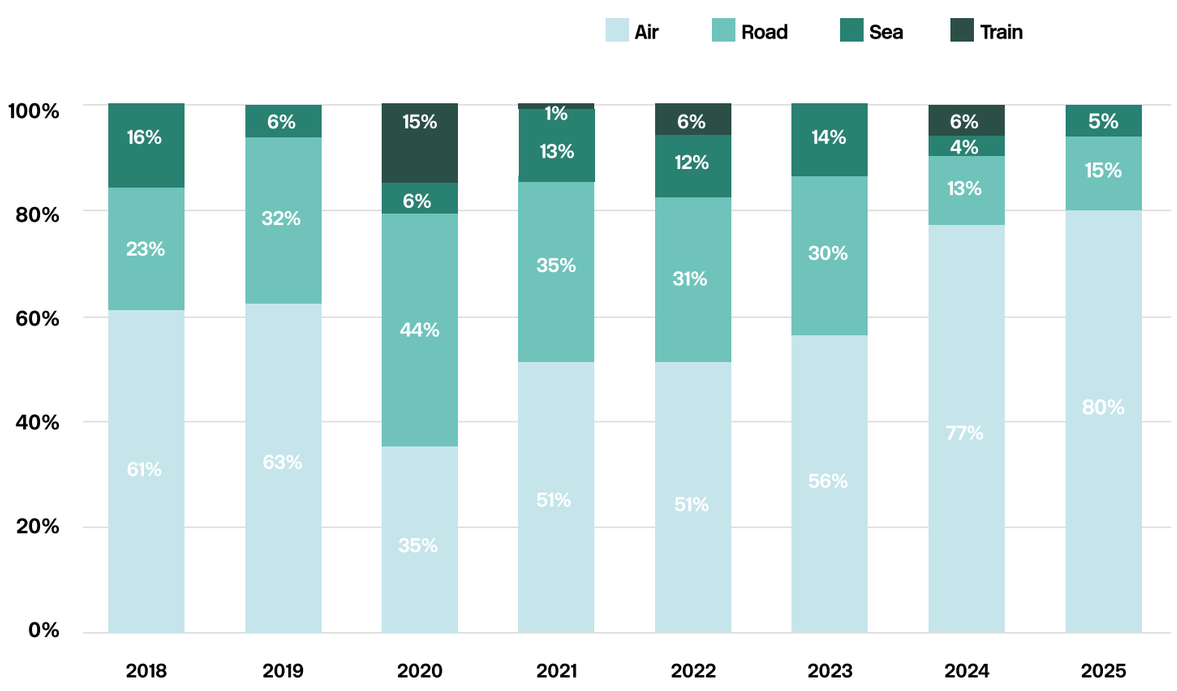
We previously reported on ongoing tensions in Europe, Russia, the Middle East, and Asia, none of which have eased in terms of supply chain conditions. Regional instabilities and Red Sea disruptions last year forced us to use more air freight to ensure business continuity for us and our partners.

The increase in air freight was a step in the wrong direction, both environmentally and financially, even though it was driven by factors beyond our control. Despite our continued commitment to shift toward sea and road transportation, the global logistics environment in 2025 remained challenging. Geopolitical events in 2025 further increased the difficulty of navigating the global supply chain, although we continue to work on this and test different approaches. We also remain part of our transportation partner's carbon-neutral and carbon-offset program.

Notwithstanding the higher share of air freight, total transportation emissions still decreased by 9% compared with 2024. This is largely explained by a significant update to the UK government emission factors for freight—an 18% reduction in the air freight emission factor—rather than by operational improvement.

On the outbound side—goods moving from our distribution center to stores and partners—we continued the initiatives introduced in 2024: direct shipping to customers when items are unavailable in store and in-store returns to reduce unnecessary return journeys to the warehouse. These might not seem like major steps, but long journeys are made one step at a time, and the cumulative effect delivers tangible results.

When it comes to our US customers, we have increased direct shipping from our suppliers to our business partners to secure the shortest and fastest transport route, saving time, money and emissions. We are exploring more opportunities to further optimize shipping routes.





Packaging

We established lower-impact packaging practices several years ago and continue to adhere to them. Today, 62% of our cardboard is recycled, and 68% of all packaging materials come from non-virgin, closed-loop sources—consistent with 2024.

All paper and cardboard remain FSC-certified (at least FSC Mix 70% Certified), soy-based inks are used for printing to avoid heavy metals, and shopping bags are made from paper made from 100% recycled fiber and certified to the FSC Recycled standard. We continue to avoid laminated paper products, making them easier to recycle.

In 2025, we dedicated significant effort to understanding our obligations under the EU Packaging and Packaging Waste Regulation (PPWR), which introduces new requirements for recyclability, labelling and producer responsibility and comes into effect in 2026. This work will become visible to consumers through updated recycling information on our packaging and additional changes in the upcoming years.



Circularity

Extending the life of what we make

RE—SSENTIEL

RE—SSENTIEL was launched in the summer of 2022 as the first brand-owned circular secondhand platform in Belgium, with a focus on prolonging the use of existing garments.

We continue to experiment with and refine our secondhand model as we work toward making it an integral part of our business. Three years into this journey, we've gained valuable insights into what it takes to build a sustainable and scalable resale proposition. Like any retail business, creating a viable long-term model requires continuous fine-tuning across pricing, assortment, marketing, and the overall customer experience.

While the journey has brought its share of lessons and adjustments, it has also enabled us to engage with a broader community, with both the number of sellers on our platform and sales continuing to grow. We remain convinced that developing a successful secondhand business is an ongoing process, one that is both challenging and rewarding, and we are committed to continuously optimizing the model for the long term.

2025 in numbers:

— 378 561 visitors explored our secondhand platform
— 42 high-demand styles were published and made available for sale
— 71% of items were in "excellent" or "as new" condition
— 3320 hours (or around 4,5 months) were spent handling secondhand clothes, including repairs
— 3753 ESSENTIEL ANTWERP customers sold their pre-loved items
— 6372 items found a new owner

Our team spent 3320 hours—a total of approximately four and a half months—handling second-hand items, performing repairs, and conducting quality checks. In addition to platform management, this operational commitment reflects how seriously we take our circular offer.

Repair

We have offered repair services to our customers for many years in collaboration with local tailors and cobblers. This service covers both general wear and tear and production faults, helping customers extend the life of pieces they love. Spare parts are kept available to ensure that repairs can be carried out with minimal visible impact.

We are currently reviewing and developing our repair strategy with the aim of making it a more integral and visible part of our offer across all channels. We look forward to sharing more about this in our next report.



All our people

The people who make ESSENTIEL ANTWERP

The diversity and energy at the heart of ESSENTIEL ANTWERP is reflected in the people we work with and the community we serve. We value close collaboration, mutual respect, and a shared commitment to building something we are all proud of.

Inge Onsea, our co-founder, has long supported humanitarian projects. This work was not always made public. However, when Inge was appointed as an ambassador for Orange Babies, we announced the appointment to raise awareness of its work. Orange Babies is a Dutch foundation that “fights the HIV epidemic on multiple fronts, focusing on both prevention and support. With a range of initiatives like mobile clinics, homes for orphans, and schools, Orange Babies creates a lasting impact.” Their work focuses on South Africa, Namibia, and Zambia.

In 2025, Inge hosted an inspirational talk at ESSENTIEL ANTWERP’s headquarters in Antwerp, held a personal closet sale and gave five talks to other organizations, with all speaker fees and proceeds directed to Orange Babies. A dedicated sweatshirt was created for the cause, with proceeds from sales also donated to the foundation. If you would like to support their work, you can make a donation.

Our employees

At the end of 2025, ESSENTIEL ANTWERP employed 277 people across Belgium, the Netherlands, Germany, the United Kingdom, France, and the United States. In full-time equivalent (FTE) terms, this represents approximately 218 FTEs.

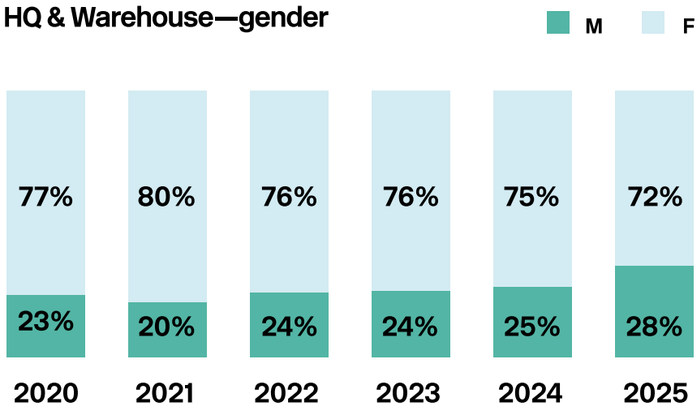
All employees are on permanent contracts. We do not rely on temporary contracts as a structural staffing model, though interim and flexible workers supplement our team at peak moments and are not included in these figures.

Training was provided both in person and through our digital training app, which forms part of our onboarding process and ongoing skills development. The app's accessibility and convenience are much appreciated, and it can easily be supplemented with in-person training.

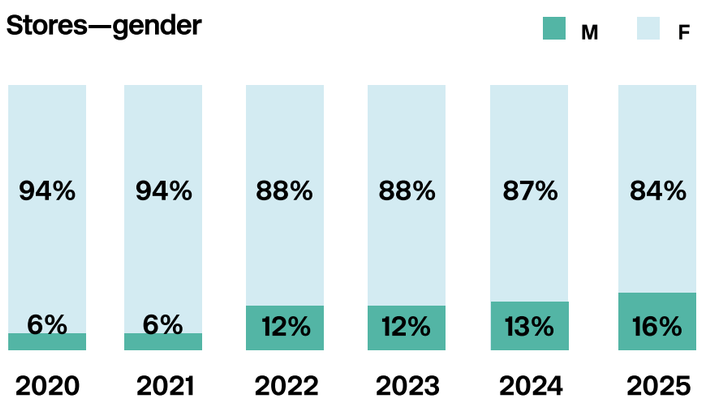
In 2025, 134 store employees completed training modules through the app—an increase of 46% compared with 2024. Together, they completed 886 modules and logged 275 hours of training. Additional training in other parts of the company resulted in a further 198 hours. Topics ranged from product knowledge and customer service to radio-frequency identification (RFID), first aid, sustainability, and visual merchandising.

All of the above reflects our commitment to keeping our workforce content, skilled, and ready for any challenge.

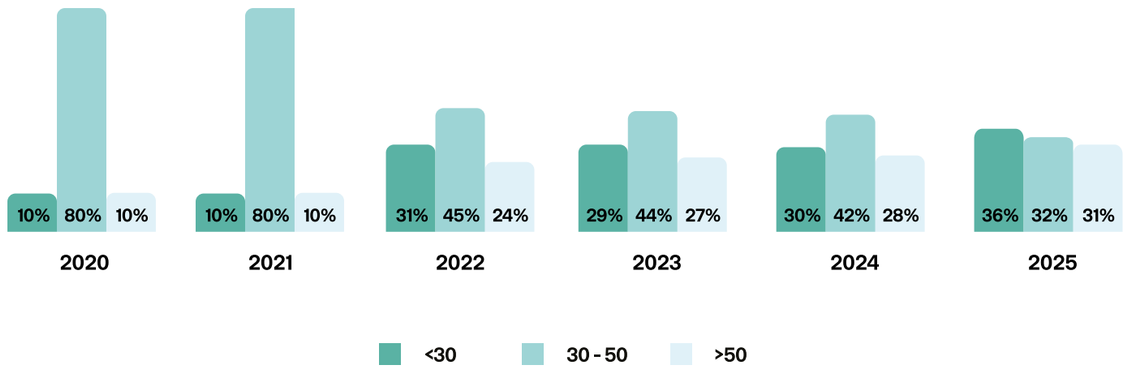
HQ & Warehouse—gender



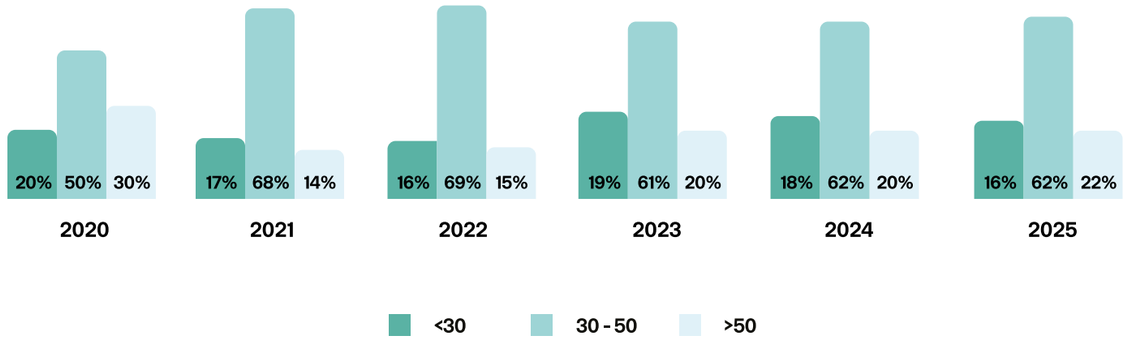
Stores—gender



Stores—age



HQ & Warehouse—age



Diversity, equality, and inclusion

Diversity, equality, and inclusion have been core company values since the very beginning of ESSENTIEL ANTWERP, and they remain central to how we work and who we are. We realize that this continues to be a hot topic in society; for us, however, it has always been innate. We respect all individuals and are committed to inclusivity and freedom of expression. While these topics have received particular attention in previous reports, we now see them as principles that should be embedded throughout everything we do, rather than treated as separate areas of focus.

The same applies to our Fluid collection. In the past, we launched Fluid collections featuring styles to be worn by everyone, regardless of gender, reflecting our belief that clothing should not be constrained by convention. Following a positive response, we decided to incorporate these styles into our main collection, giving customers the freedom to choose from across our range. We no longer feel the need to give these styles a separate label. We design for individuals, not for a specific gender, and our customers have responded positively to this approach.

People throughout our supply chain

When we say, "all our people," we mean everyone who contributes to our business—not only our direct employees. Our supply chain workers matter to us, and we have put practices in place to help ensure accountability for the conditions in which our products are made. Supply chain workers bring their knowledge, expertise, and skills together to transform our designs into wearable, fashionable pieces of clothing that we all cherish. Every person involved plays an important role in bringing our products to life.

Long-term partnerships.

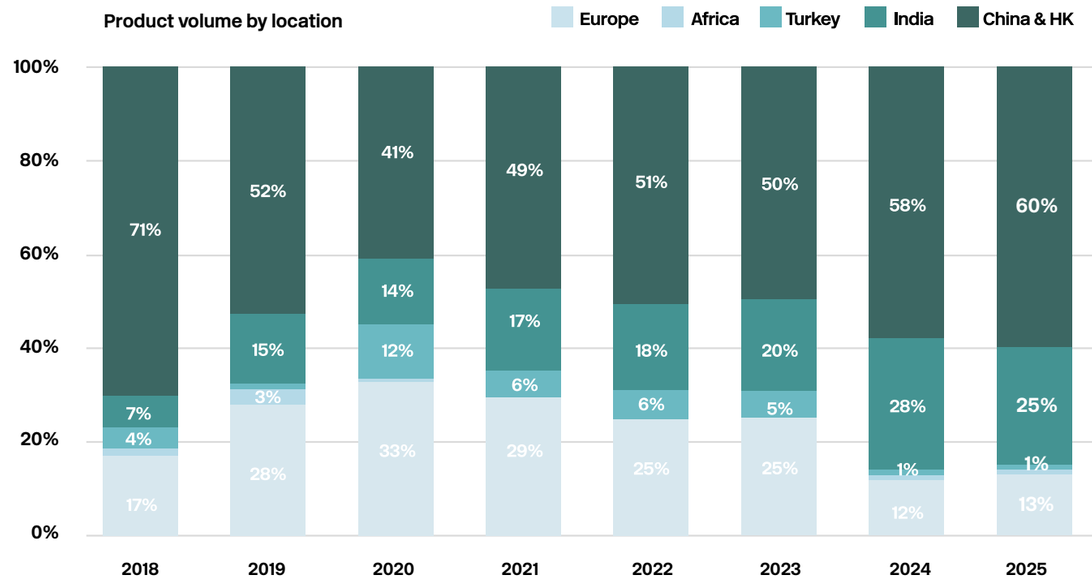
We have worked with some of our suppliers for more than 20 years, and with the majority for more than 10 years. This longevity is not accidental—it is the result of mutual respect, fair business practices, and a shared interest in quality. Being transparent about planning and timelines, respecting payment terms, and avoiding undue pricing pressure are standard practices in our supplier relationships. This is not always easy and can come at a cost, but we believe it is the right thing to do. We prioritize building strong, transparent relationships so that we can work together and achieve our long-term goals, including our sustainability goals.

Code of Conduct.

In 2025, we reached 100% Code of Conduct sign-off across our entire supplier base—an important milestone for us. The Code requires everyone to conduct business in a responsible and ethical manner by respecting and integrating social, environmental, and economic standards. It contains principles and standards based on the conventions of the International Labor Organization (ILO) and the Universal Declaration of Human Rights.

Transparency and production.

Our production is 100% outsourced across a global network of partners chosen for their technical expertise and the quality of their work. In 2025, our production was distributed geographically as follows:



China remains our main production location, reflecting the technical expertise and capacity available there—particularly for our accessories and more complex garment construction. We continue to explore nearshoring opportunities, while recognizing that establishing new supplier relationships takes time, investment, and thorough due diligence.

Turkey's share decreased in 2025, from 5% to 1%. This reflects a shift in the product mix compared with previous years, with our existing partners receiving different order volumes in response to current trends. We consider this part of the normal year-to-year fluctuation in our production mix.

We believe that establishing an appropriate framework for good collaboration, nurturing long-term partnerships based on mutual trust and respect, and verifying production practices are more important than assumptions based solely on location. We strongly believe that how you choose to produce is more important than where you produce.

Due diligence.

Our Due Diligence Policy, formalized in 2024, was further expanded in 2025 and continues to guide how we identify, assess, and address risks in our supply chain. This will require further scrutiny in the near future, as multiple regulations require greater transparency and traceability.

This review will build on our current efforts to collect and review environmental and social audits. In 2024, more than half of our partners provided us with audits assessing their social and environmental practices. In 2025, we continued working to increase that number, and we are happy to report that by the end of the year, all but one of our Tier 1 suppliers had provided an audit. Though initiated in 2025, the final audit results were only supplied after the turn of the year, due to scheduling. We aim to uphold this level in the future.

In 2025, the plan was to develop a comprehensive corrective action plan—a structured framework that will help us and our partners address issues in a more predictable and supportive way, rather than reacting on a case-by-case basis. We have already laid the foundations for this project and will continue working on it in 2026 to further refine our approach. We remain committed to responsible exit practices: when issues are identified, our first instinct is to work with suppliers to find solutions, not to end relationships prematurely, and to continue working toward mutual improvement and continued collaboration.



Conclusion

Looking back, looking ahead

2025 was a year of consolidation and commitment. We reduced our carbon footprint, reached full Code of Conduct coverage across our supplier base, almost achieved the same level of audit coverage, with only one audit outstanding at year-end, grew our circular platform, and deepened our investment in our people. These are real achievements, and we are proud of them.

We are also transparent about where we fell short. Volumes of organic cotton and recycled polyester declined despite our aim to increase them, air freight rose when we had hoped to reduce it, and we need to continue refining our corrective action plan. These challenges highlight the complexity of making meaningful progress on sustainability.

We go into 2026 with a clearer strategy, better data, and a stronger foundation than ever before. The regulatory environment will continue to demand more of us, and we welcome that—not because compliance is easy, but because these requirements align with the direction we are already taking and the principles that guide our work.

Plans for 2026

What comes next

As we publish this report, 2026 is already underway. The following priorities are guiding our work this year.

Human resources

With people at the core of our business and concerns, we are further expanding our human resources team to provide better support and expand initiatives that prioritize employees, ranging from onboarding to upskilling. Additionally, we plan to create dedicated roles to coordinate and manage further staff training, giving employees the necessary tools and skills to thrive in their jobs.

Regulatory compliance

Several regulations come into force in 2026, and we are at various stages of preparedness. August 2026 deadline for the EU Packaging and Packaging Waste Regulation was our most immediate priority, and we met the applicable requirements by the deadline.

The Ecodesign for Sustainable Products Regulation (ESPR) will require us to look into the minutiae of our design processes to capture the full lifecycle of products and address multiple topics. The requirements are not yet clear; however, we will begin preparatory work and expand our knowledge of the relevant topics.

We will also prepare for the Greenhouse Gas Protocol Land Sector and Removals Standard, which takes effect in January 2027, by collecting the data needed in 2026 to report fossil and land-use emissions separately.

Supply chain

We will focus on preparatory work for the Digital Product Passport (DPP) to prepare for upcoming EU requirements and consistently and systematically provide relevant product data, such as country of origin and preferred material use. We already collect most of this information; however, it needs to be stored and processed in a way that improves data transparency.

We will continue working toward developing and launching a corrective action plan framework as the next phase of our Due Diligence Policy, giving our supplier relationships a more structured path for improvement when issues arise.

Materials

For materials, a key priority will be identifying where we can make the greatest impact within the constraints we currently face. We will continue to review our practices and work to increase the share of preferred materials in our production, with a particular focus on restoring our use of organic cotton and recycled polyester to previous levels. Our experiences have reaffirmed the importance of building long-term, strategic partnerships with our material suppliers.

Circularity

We will formalize and launch our updated repair strategy, making repair a more visible and accessible part of our service offer. We will also continue to invest in RE—SSENTIEL, focusing on improving conversion and integrating this initiative seamlessly into our business ecosystem.

About this report

Scoping and methodology

Name and location
ESSENTIEL ANTWERP's registered head office is located at Arenbergstraat 21, 2000 Antwerp, Belgium (Kadine BV, VAT BE 0437.697.256).

Reporting scope
This is the sixth sustainability report published by ESSENTIEL ANTWERP. It covers the company's sustainability policy, achievements, and ambitions for the near and medium term

Publication date
September 2026

Reporting period
1 January–31 December 2025. We publish reports annually.

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Carbon footprint methodology

Carbon footprint calculations require specialized knowledge. ESSENTIEL ANTWERP works with external consultants, Studio D, for this purpose.

For each activity, the most relevant and geographically appropriate emission factor was selected. Other considerations included how up to date the data was, its availability, and its consistency across the report and reporting years. In cases of ambiguity, the highest emission factor was selected as a precautionary measure. In 2025, significant changes were made to the emission factors used compared with 2024, primarily for materials (Studio D/ecoinvent database) and transportation (UK government).

Publisher	Publication version	Usage
UK. gov GHG Reporting Factors	v2025 1.0	79,5%
Exiobase	3.8.2	5,0%
Association of Issuing Bodies	y2025	2,5%
Essentiel Antwerp		4,8%
ADEME Base Carbone	v23.6	0,8%
ecoinvent	3.12	6,9%
IEA Emission Factors for Energy	v2025.01	0,4%
Studio D		0,1%

Emission factors

Studio D developed fabric emission factors based on different production stages, including fiber production, spinning, and dyeing. These were based primarily on data from the ecoinvent database. The Higg Materials Sustainability Index (MSI) was used in some cases where ecoinvent emission factors were unavailable or differed significantly from other available data, making their suitability uncertain. Some Higg MSI factors are contested. In these cases, we chose to use alternative, more conservative emission factors, including polyester, silk, and leather. In cases of ambiguity, the highest emission factor was chosen as a precaution.

Textile type	2024 kg CO_2e/kg	2025 kg CO_2e/kg	Difference
Acrylic/polyacrylic	15,51	16,25	0,74
Alpaca	81,49	91,71	10,22
Cotton	13,20	12,94	-0,26
LENZING ECOVERO viscose	11,38	12,51	1,13
Elastane	8,78	13,21	4,43
Leather	54,00	54,00	0,00
Linen (flax fiber)	12,83	10,21	-2,62
Lyocell	16,27	17,87	1,60
Metallic fiber		10,89	
Modal	20,11	19,68	-0,43
Nylon/polyamide	17,18	19,00	1,82
Organic cotton	11,66	11,40	-0,26
Polyester	16,41	12,51	-3,90
Polyurethane (PU)	15,92	15,82	-0,10
Recycled cotton	11,45	11,19	-0,26
Recycled nylon/polyamide		15,77	0,00
Recycled polyester	13,38	9,70	-3,68
Recycled wool		11,99	0,00
Silk		147,38	0,00
Viscose	16,17	18,01	1,84
Wool	49,83	39,89	-9,94

A note on carbon reporting methodology — looking ahead

Studio D developed fabric emission factors based on different production stages, including fiber production, spinning, and dyeing. These were based primarily on data from the ecoinvent database. The Higg Materials Sustainability Index (MSI) was used in some cases where ecoinvent emission factors were unavailable or differed significantly from other available data, making their suitability uncertain. Some Higg MSI factors are contested. In these cases, we chose to use alternative, more conservative emission factors, including polyester, silk, and leather. In cases of ambiguity, the highest emission factor was chosen as a precaution.

Correction to the 2024 carbon footprint

Following a detailed review of our 2024 carbon footprint calculation, two errors were identified that require correction. As mentioned in the carbon footprint section of this report, the 2024 total has been corrected from 11,349 tCO_2e to 10,086 tCO_2e, a total reduction of 1,263 tCO_2e.

The first error was a data entry mistake in the volume input for the Use of product category, which resulted in an overstatement of 563 tCO_2e. The second was a methodological refinement: upon further review of the underlying ecoinvent database and consultation with additional LCA experts, our carbon consultants identified that emissions from cotton fiber production and yarn formation had been double counted in calculations up to and including 2024. In the corrected approach, these upstream emissions are no longer counted separately, reducing the cotton emission factor from 22.84 to 13.20 kg CO_2e/kg. The same correction was applied to organic cotton and recycled cotton, resulting in a correction of an additional 700 tCO_2e.

Emission factors are continually evolving and were selected based on the best available information at the time of each report. We have chosen not to restate the 2022 and 2023 figures. However, all year-on-year comparisons in this report use the corrected 2024 figure of 10,086 tCO_2e as the baseline, enabling a more accurate comparison.