

sustainability report 2025

a century of passion for everyday life

[read the report in full-screen mode →](#)



scroll down

table of contents

foreword	<u>p. 3</u>	human	<u>p. 67</u>
		our employees	<u>p. 68</u>
true HEMA	<u>p. 5</u>	workers in the production chain	<u>p. 83</u>
our value chain	<u>p. 9</u>	customers	<u>p. 94</u>
our value creation model	<u>p. 11</u>		
sustainability at HEMA	<u>p. 13</u>	organisation	<u>p. 102</u>
stakeholders and interested parties	<u>p. 20</u>	our culture	<u>p. 104</u>
		governance and organisational structure	<u>p. 104</u>
environment	<u>p. 25</u>	due diligence statement	<u>p. 108</u>
climate change	<u>p. 26</u>	risk management	<u>p. 109</u>
nature	<u>p. 43</u>	basis for reporting	<u>p. 111</u>
materials & the circular economy	<u>p. 58</u>		
		imprint	<u>p. 113</u>
		about HEMA	<u>p. 114</u>
		ESRS table	<u>p. 115</u>
		statement by the independent auditor	<u>p. 118</u>

foreword with Saskia Egas Reparaz (CEO) and Jurriaan Pouw (CFO)

a better everyday life in a more beautiful world

Sustainability is embedded in our strategy and forms an integral part of our direction. For 100 years, HEMA has stood for a love of everyday life: products that make life more beautiful, more practical and better. From the very beginning, our focus has been on quality that is accessible and affordable for everyone. This conviction has never changed.

HEMA's strength lies in products that last longer. Products that are carefully designed last longer and are therefore better for the world around us – as well as for your wallet. It is precisely for this reason that sustainability and affordability can go hand in hand. Accessibility and quality are central to our strategic direction.

Sustainability is therefore not just a standalone goal, but is woven into everything we do. In this sustainability report, we outline the steps we took in 2025 to further embed ESG into our strategy. We provide a clear overview of the decisions we have made, the areas we are focusing on, and the results this has yielded.

We report on a wide range of KPIs. That is what is expected of us, and it is something we do deliberately: because we want to be transparent about what we do and where we stand. Things do not always go to plan –

sometimes we take two steps forward and sometimes one step back. Nevertheless, we make tough decisions. KPIs are the element we focus on most, and which we can actually influence and use to steer our day-to-day operations. These are the issues where we can really make a difference. The most important thing for us is that we demonstrate clear and measurable progress in the long term.

The results for 2025 show that our strategy is working. Thanks to high ambitions and confidence in the strength of the brand, HEMA has entered a new phase. We are raising the bar. More and more customers are choosing HEMA – more often. Expanding our product range remained a key priority, and this was evident: customers embraced the revamped range of practical, beautifully designed products that last longer. The revamp was also clearly evident in the shops, with an increasing number of (franchise) shops switching to the fresh new shop concept. The fact that we have been named the Netherlands' most customer-friendly retailer for the second year running makes us extremely proud and shows that our colleagues make a real difference every single day.

However, we live in a world that is turbulent and uncertain. Geopolitical tensions, supply chain pressures and rising costs are a daily reality. This calls for resilience, clear decisions and sticking to what works. For HEMA, now is precisely the time to stay the course and keep building. A key moment in 2025 was therefore the announcement that the Van Eerd family was acquiring all the shares in HEMA – a wonderful and meaningful step. They know our industry like no one else and share our passion for our customers. Jumbo and HEMA are brands that play a part in people's everyday lives, and we have long considered this shared strength to be particularly valuable. We look forward to this next phase of our collaboration.

Despite challenging market conditions, we are achieving strong results and continuing to invest for the long term. In 2025, we focused on making specific improvements. By doing so, we managed to further reduce our CO₂ emissions and took steps towards achieving a living wage throughout our supply chain. In this report, we are also reporting for the first time on ESG targets linked to our financing through Sustainability Linked Loans. Two of the three objectives have been achieved – which we are very proud about. We also joined the ACT initiative in Cambodia, where we are working together to achieve structural wage improvements. The energy transition and social conditions within our supply chains remain key priorities for us, particularly in a world under pressure.

In this way, day after day, we continue to work towards the same goal that has driven us for a century: a better everyday life, in a better world.

Saskia Egas Reparaz
CEO HEMA

Jurriaan Pouw
CFO HEMA



true HEMA

In 2026, HEMA will celebrate its 100th anniversary. HEMA is an integral part of the daily lives of many generations of Dutch people, and believes that happiness lies in the little things. It is the little things that bring us together. As we all share the same deep love for our children, the desire to enjoy life with our loved ones, to look out for one another; the same joy in the little everyday moments.



about HEMA

our product range

HEMA is an integral part of the daily lives of millions of customers, offering a wide range of products in the areas of home, cooking, fashion, personal care, baby and children's products, office supplies, and food and drink. Every year, we sell tens of thousands of different products. It is this scale and diversity that make our choices regarding quality, design and sustainability so important.

our employees and locations

More than 16,000 colleagues work for HEMA every day, across more than 770 shops in the Netherlands, Belgium, Luxembourg, France, Germany and Austria. We also have purchasing offices in Hong Kong, Shanghai, Bangladesh and Istanbul. Our distribution centres in the Netherlands form the heart of our supply chain to the shops.

franchisees and partners

In addition to our own shops, the Dutch market has also been served by franchisees since 1958. Since 1977, around half of HEMA's shops in the Netherlands have been 'Affiliated Businesses' (AB), as we call our franchise shops. Many of today's family-run businesses began their partnership with

HEMA back in the 1960s; today, it is often the third or fourth generation at the helm.

own design

Since we design our products ourselves, we have a say in how they are made, what they are made from, and under what conditions. Our designers create products that are more practical, more attractive and better. We make a conscious choice to prioritise quality and reusable alternatives, and are increasingly moving away from a throwaway culture. We are on hand day and night to meet all our customers' needs, every day, in every season, all year round. For everyone.



number of shops per country ⁺

569

the Netherlands
since 1926

109

Belgium
since 1984

69

France
since 2009

17

Germany
since 2002

7

Austria
since 2018

4

Luxembourg
since 2006

more than **770** HEMA shops
more than **125** HEMA shops
refurbished to the latest shop
concept by 2025

2.237 billion
euros in gross sales

6 million fans
with a loyalty
card

in the Netherlands and Belgium

16,233
employees

working at HEMA
on average in 2025
of whom 6,306 work
for franchisees

number of shops per country

country	total	of which franchise
Netherlands	659 (+14)	255
Belgium	109 (+4)	
France	69 (+2)	
Germany	17	
Austria	7	
Luxembourg	4	

employees working at HEMA

on average in 2025

country	number
Netherlands	8.089
Working for franchise	6.306
Belgium	845
France	602
Germany	219
Luxembourg	36
China and Hong Kong	47
Bangladesh	21
Turkey	5
Austria	63

ESRS 2 SBM-1

our value chain: from design to customer

What really defines HEMA are our own-brand products: distinctive, practical, simple, playful and built to last. After all, products that last longer are the most sustainable.

HEMA designs, sells and distributes products through its own shops, franchise shops, online shops and its partner Jumbo. Our value chain tracks every product from design to the customer and beyond, ensuring that we pay attention to key areas of impact, such as the environment and human rights, at every stage. We do this not only with a view to the risks involved, but also with consideration for the opportunities we create. The visualisation shows what our value chain looks like and the role HEMA plays within it.

upstream: suppliers and raw materials

Our upstream value chain encompasses the procurement of materials and ingredients, our suppliers' production sites and the logistics up to our distribution centres. As our suppliers operate worldwide, this can give rise to risks relating to human rights and the environment. That is why we monitor working conditions, improve labour standards

and are committed to the reduction of CO₂ emissions, nature conservation, biodiversity and the circular economy.

All logistics up to our distribution centres in the Netherlands are managed externally and therefore form part of our upstream value chain.

own operations: shops, distribution and offices

At the heart of our value chain are our own operations: shops, online shops, distribution centres and (purchasing) offices.

Our employees and customers are at the heart of what we do, and we strive to create an accessible and enjoyable shopping experience for everyone.

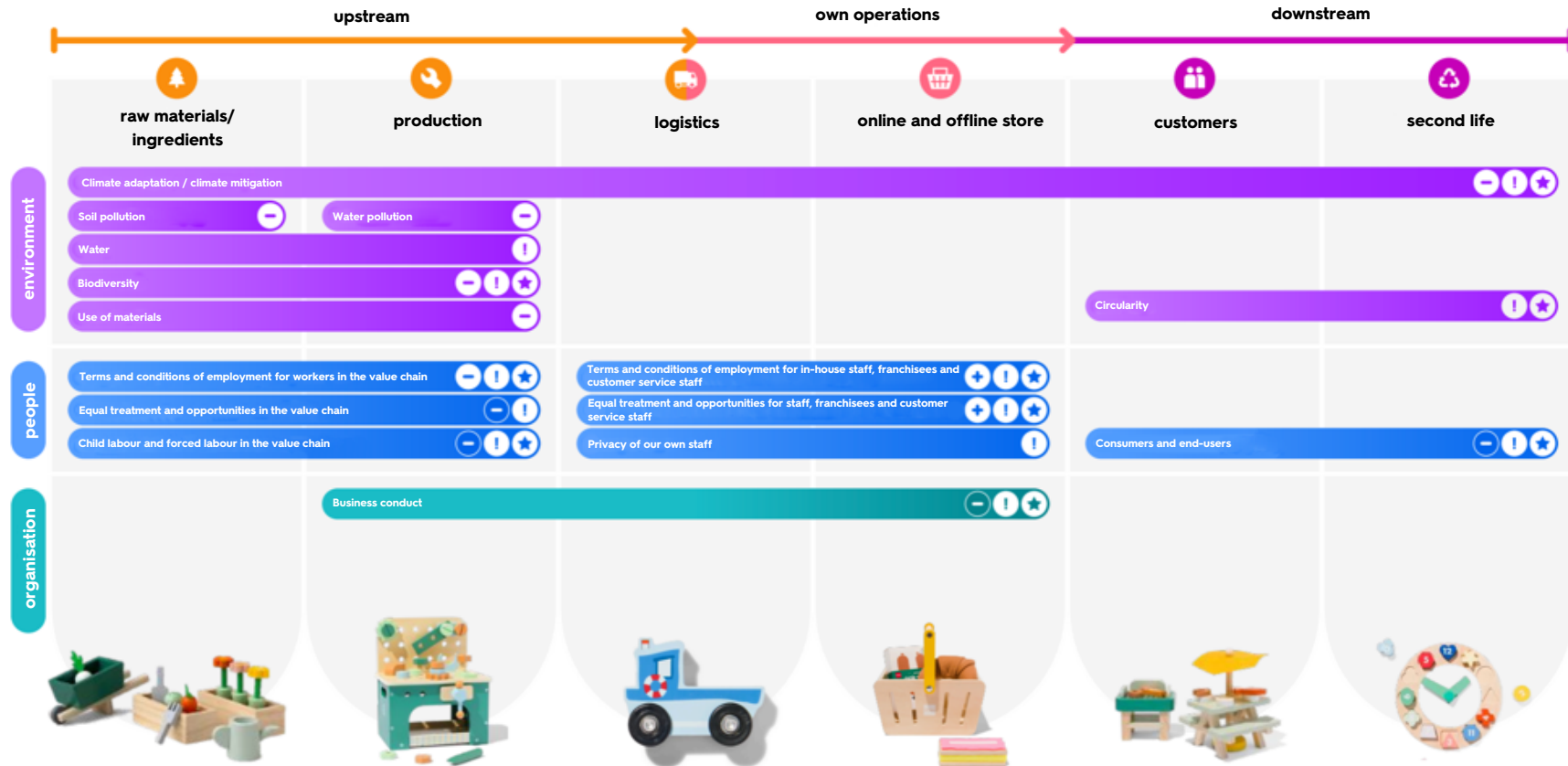
downstream: customers and usage

Downstream, our customers use our products and services. We ensure that products last longer, are affordable and accessible to everyone. By combining quality with affordable prices, we make our products appealing to a wide audience. We also encourage customers to reuse, pass on or give a new lease of life to products.



value chain

- (+) current positive impact (-) current negative impact (!) risk
 (●) potential positive impact (●) potential negative impact (★) opportunity



our value creation model

Our value creation model clarifies where and how we add value in our operations and in the supply chain. Besides financial capital, we deploy people and resources. The value creation model shows the results we achieve through this and our longer-term impact.

our strategy

Since 2021, HEMA has been following a successful strategic path, and our results confirm that we are on the right track. However, our brand has much more potential, both in shops and online, in the Netherlands and beyond. In the autumn of 2024, we entered the next phase of our strategy, whilst remaining true to our mission: to improve everyday life in a better world.

four strategic focal points

We are continuing to build on the solid foundation we have laid in recent years. So even more remodelled modern shops and further improving the product offering by making it more practical, more beautiful and better, and therefore more sustainable. So that absolutely everyone enjoys shopping at HEMA and does so often.

We are focusing on four strategic focal points to achieve our ambitions in 2028.

product objectives

We continue to build a range of attractive, high-quality products with typical HEMA design elements, at competitive prices and which last longer. From grow-along romper to pass-down coat. We make everyday products that are so good and affordable that everyone wants them. So a HEMA bra for every woman and HEMA pyjamas for every child.

efficient chain from start to finish

To remain affordable at a time when everything is becoming more expensive, we are reviewing our entire supply chain from start to finish: from design to responsible sourcing and sale of our products.

all our customers are omnichannel customers

We do this by investing further in typical omnichannel categories where customers like to shop online. We are focusing on personalisation and driving 'cross-sell'.

HEMA conquers the Netherlands, Belgium and also France

We are strengthening and expanding our shop offering, opening more and more of our own shops and affiliates in the Netherlands,

Belgium and France and converting them to our latest shop format.



input	results	impact
financial - equity capital - investments - collaboration with Jumbo	financial - 2.237 billion euro gross sales - 689 HEMA shelves in Jumbo supermarkets in the Netherlands and 42 in Belgium - Sustainability-linked loans	financial ESG is an integral part of our strategy; in addition to our financial results, we also take environmental and social impact into account. SDGs: 8 & 12
production - more than 770 shops in Europe: in the Netherlands, Belgium, Luxembourg, France, Germany and Austria - 2 distribution centres - 4 purchasing offices in Dhaka, Hong Kong, Shanghai and Istanbul - head office in Amsterdam - supporting offices in Belgium, France and Germany - online shops in the Netherlands, Belgium, France and Germany	production - approx. 45,000 products - In the Netherlands, all our own shops have switched to 100% wind energy.	production We make products of durable quality that last longer. Right from the design stage, we think about all life phases of the product and focus our attention on quality and customer requirements. SDGs: 8, 12 & 17
natural - true HEMA design - raw materials and products - packaging (recycled, recyclable and other) - commitment to environmentally friendly transport	natural - our climate footprint is 592.8 kt CO₂-eq. in 2025 (compared to 2019, the total climate footprint has decreased by 17.3% in the period to 2025) - 100% of our lease cars (passenger cars) in the Netherlands are electric - tea, coffee and cocoa: 100% certified - 65% certified organic cotton in fashion - 36% less plastic in consumer packaging in 2025 than in 2019 - Wolkat collection bins in shops	natural HEMA wants to use sustainable materials as much as possible for production. We strive to minimise environmental impact and set criteria for the materials used. SDGs: 8, 12, 13 & 17
social - HEMA customers in shops and online discussions with stakeholders - collaboration with Pink Ribbon, COC Netherlands and Too Good to Go.	social - inclusive range - more than 6 million customer pass holders in the Netherlands and Belgium - stakeholder meetings - HEMA Netherlands donated €522,814 to Pink Ribbon, Team Alzheimer, War Child, the Oranje Children's Hospitals, COC, Serious Request – Spieren voor Spieren and Bednet - donations in the form of goods worth €199,287 to organisations including the Jarige Job Foundation, the Poverty Fund and the Ukraine Foundation	social HEMA is for everyone. With us, you can be yourself. We offer a diverse and inclusive range of products and enter into partnerships with organisations that share our core values. SDGs: 5, 10 & 17
human - more than 16,000 employees across our offices, purchasing centres, distribution centres and shops (average in 2025). - training and development - strengthening the position of workers in the supply chain	human - 81.2% of employees at HEMA are women, 18.7% are men and 0.1% who neither identify as women nor men. - 56% of HEMA's board and the management teams led by board members are women, and 44% are men. - A score of 8.3 by employees in the satisfaction survey. - Great Place to Work in Belgium and France - Representation of certain groups within HEMA by Young HEMA and HEMA Pride - 135 MRQ social compliance audits based on human rights and environmental criteria. - 95% of improvement plans after the first MRQ-sc audit are implemented within the agreed time. - We support the ACT programme, a pioneering initiative in Cambodia, as part of our Roadmap to a living wage - Two factories in Bangladesh have received training on trade union freedom - 32% of the cocoa used in our products is sourced through the Tony's Open Chain initiative.	human We offer HEMA employees an inclusive, safe and pleasant workplace. Throughout the supply chain, we are strengthening the position of employees. SDGs: 3, 5, 8 & 10

sustainability at HEMA

At HEMA, we create products that are more practical, more attractive and of higher quality. With a focus on people and the environment. We believe that good quality is the key to a better life in a more beautiful world. As good quality lasts longer, which is good for the planet and your wallet.

Right from the product development stage, our designers are already thinking about how to make our products last longer. After all, the most sustainable approach is to ensure that our customers can enjoy products for as long as possible. Take our baby romper with a double row of buttons, for example: it grows with your baby through two sizes and is made from organic cotton. Or our lipstick: vegan, microplastic-free and refillable.

We design **smarter** so that products can be used frequently. Right from the design phase, our designers are already looking at smart designs. We also take great care in selecting our materials. We prefer renewable materials and we have minimum requirements in the form of quality marks for different materials we use for textiles as well as hard goods.

We design products that **last longer** at doing what they were made for. This is why we test our products for quality in our own in-house laboratory. We also encourage our customers to look after their products properly so that they last longer. Products are given a new lease of life when a customer reuses, passes on or repairs them.

We use materials **more often**. We are using more and more recycled materials and exploring what can get in the way of recycling. This is how we move towards more recyclable products.

We work with suppliers around the world to improve working conditions, through training programmes in factories and our roadmap towards a living wage. And we are aiming to halve our CO₂ emissions by 2030. That is why we are increasingly opting for reusable and certified materials.

Even in times of economic uncertainty and global climate change, we remain committed to our mission and continue to build a resilient, customer-focused and responsible organisation.

So at HEMA, you can feel confident choosing items that are more attractive, more practical and better for you and for the world. That is true HEMA.

highlights 2025

- Our total climate footprint has fallen by 17.3% compared with 2019
- We have linked our objectives to our loans. We are proud to have achieved two out of three objectives, which has earned us a reduction in our interest rate.
- We support the ACT programme – a pioneering international initiative in Cambodia aimed at improving wages throughout the supply chain.
- **75.6%** of our suppliers with production sites in high-risk countries are long-term partners who have been supplying HEMA for more than five years. No fewer than **48.7%** of these suppliers have been working with us for over ten years.
- 65% of the cotton used in our fashion items is organic.

ESRS 2 SBM-3, IRO-1 & IRO-2

CSRD

We want to organise ourselves in a way that is fit for the future. Since 2023, we have therefore been taking targeted steps to comply with the Corporate Sustainability Reporting Directive (CSRD). Not only to meet reporting requirements, but above all to embed sustainability systematically in our decision-making process.

Our approach is a phased one:

- **2023:** we have launched a double materiality analysis (DMA) to identify the key issues.
- **2024:** we have structured our report on the basis of these findings.
- **2025:** we are laying the foundations for structural management by establishing KPIs, defining terms and organising internal ownership.
- **2026:** we will publish our first CSRD-light report for 2025, as an important intermediate step towards full compliance.

double materiality analysis

How do we bring focus to our strategy?

We have selected our material topics using a two-stage materiality analysis. In this context, 'material' means: most relevant, or most important to HEMA. This means that we identify both the key sustainability issues on which HEMA has an impact (inside-out) and the issues that influence our business operations (outside-in).

This has given us an understanding of which issues are important to HEMA and to our value chain, enabling us to take targeted action. We have identified nine material topics.

annual update

Our most recent analysis was carried out in 2023. Every three years, we ask our stakeholders which issues are relevant to HEMA so that we can focus our efforts accordingly, based on a comprehensive analysis. In 2026, we will carry out a new double materiality analysis. We also review annually whether there are any new material issues or whether existing issues have ceased to be relevant. Based on this year's analysis, we conclude that these issues remain relevant. So we haven't made any changes over the past year.

process of our double materiality analysis

1. understanding the value chain

We began by gaining a comprehensive understanding of our value chain and stakeholders by analysing the lifecycle of our products: from design to reuse. Based on ESRS 2 and the EFRAG guidelines, we determined HEMA's interpretation of impact and financial materiality, including the materiality thresholds. Once these frameworks had been defined, we drew up an overview of the potentially material impacts, risks and opportunities within our value chain.

2. involve stakeholders

To get valuable input on our material topics, HEMA identified the key stakeholder groups we want to involve in the analysis. Important because the outcomes guide our strategy and reporting.

We gathered input from about 130 people through a survey of various internal and external stakeholders. They assessed all topics from the European Sustainability Reporting Standards (ESRS), and indicated what importance they believe those topics have for HEMA. Our stakeholders are described later in this report.

3. in-depth interviews and analysis

The next step was to conduct in-depth interviews and analysis of the information. Our ESG manager held 15 interviews with a selected group of stakeholders. Here, the focus was on identifying why certain topics scored high and others low. This is how we got to the heart of the matter: what does HEMA have an impact on? By analysing the information provided, with stakeholders also commenting on opportunities and risks, we have identified the opportunities and risks for HEMA.

Topics are doubly material to us if they have a HEMA-induced impact on people or the environment, and if the topic represents a significant risk and/or opportunity for our own business operations.

4. internal validation

Every step of the process was reported to the management team, with our CEO and CFO very much involved. In addition, the process and the findings have been submitted to our Audit Committee, which includes members of the Supervisory Board. No new insights or feedback came out of this, so the results remained the same.

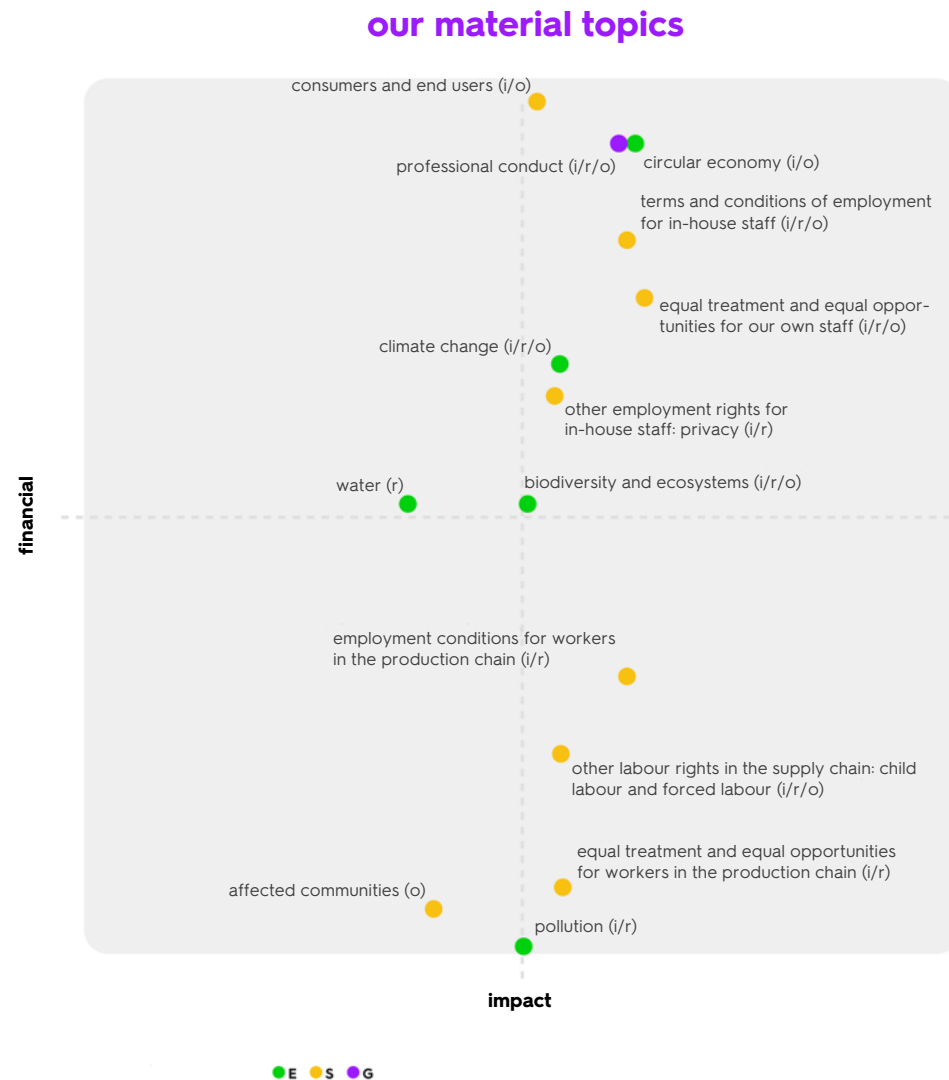
5. annual update

We carry out an annual review to check whether there are any pressing issues we need to add and/or whether any topics have become less relevant to HEMA.

matrix showing the results of the double materiality analysis

This matrix sets out the results of our dual materiality analysis. The vertical axis shows financial materiality: the higher a topic is on the axis, the greater the financial risk or opportunity for HEMA. The horizontal axis shows the impact of materiality: the further to the right a topic is, the greater its impact on society or the environment.

The lines in the matrix indicate the threshold value. Items that lie above the threshold on the vertical axis or to the right of the threshold on the horizontal axis are tangible. This means that they are financially significant, have a significant social or environmental impact, or both (dual material). Items located below or to the left of the threshold are not considered material.



explanation
(i) = impact
(r) = risk
(o) = opportunity

type

connectivity matrix

ESRS	material issue	sub-topic (IM = impact material, FM = financial material, DM = dual-use material)	impacts, risks and opportunities	type	location in the value chain	time horizon	SDGs
E1	climate change	climate mitigation (DM) climate adaptation (DM) energy (DM)	Greenhouse gas emissions from HEMA's own operations (scope 1 & 2) and from the wider value chain (scope 3) contribute to climate change.	impact (-)	own operations & upstream	short, medium, long	7, 12, 13
			Climate change can lead to physical risks such as extreme weather conditions and rising sea levels. These can cause damage to a company's own assets, disrupt distribution and supply chains, and ultimately lead to cost increases due to reduced availability of raw materials and transport capacity.	risk (physical)	upstream	short, medium, long	
			Changing sustainability legislation and societal expectations are increasing the risk of rising prices for products and energy. Furthermore, if sustainability efforts are insufficient, there is an increased risk of fines, non-compliance and reputational damage.	risk (transition)	own operations & upstream	short, medium, long	
			By investing in energy efficiency and sustainable business practices, HEMA can not only cut costs but also strengthen its brand positioning as an accessible and responsible retailer, thereby increasing customer loyalty and market share.	opportunity	own operations	short, medium	
E2	pollution	water pollution (IM)	Use of harmful chemicals in the manufacturing process of textile products can lead to the contamination of water sources in the countries where they are produced, which entails both environmental damage and reputational risks for HEMA.	impact (-)	upstream	short, medium, long	12
		soil pollution (IM)	Use of artificial fertilisers and pesticides in the production of agricultural raw materials and ingredients can damage soil quality, which in the long term reduces agricultural productivity and puts pressure on the availability of sustainable ingredients for HEMA.	impact (-)	upstream	short, medium, long	
E3	water	water abstraction (FM) water consumption (FM)	Water shortages in the supply chain can lead to production disruptions, price increases and lost revenue, as well as reputational risks when sourcing from water-scarce regions and rising compliance costs due to stricter regulations on water use.	risk	upstream	short, medium, long	6
E4	biodiversity	direct pressure factors biodiversity loss (IM)	The production of raw materials such as cotton, meat, cocoa, timber, paper and palm oil for HEMA products can lead to deforestation, land degradation and the loss of natural habitats. These processes pose a direct threat to biodiversity, as the habitats of plant and animal species are disappearing and ecosystems are becoming unbalanced.	impact (-) (potential)	upstream	short, medium, long	14, 15
		impacts on ecosystem services (IM) Dependencies on ecosystem services and biodiversity (FM)		risk	upstream	short, medium, long	

E5	circular economy	material inflows, including material use (DM)	Use of non-renewable raw materials leads to the depletion of the earth's resources.	impact (-)	upstream	short, medium, long	8, 12
		material outflows related to products and services (DM)	Governments may introduce increasingly stringent regulations to promote the transition to a circular economy, which could result in higher compliance costs and fines.	risk	upstream, own operations, downstream	short	
			Failure to keep pace with standards regarding responsible and circular business practices can lead to reputational damage and a decline in turnover.	risk	downstream	medium	
			Both circular products and services (such as repairs, product hire and second-hand sales) can create new sources of revenue, lead to a larger customer base and increase customer loyalty.	opportunity	own operations	medium, long	
S1	our employees	working conditions (DM)	Providing good employment conditions and an inclusive working environment for its employees, which contributes to high employee satisfaction.	impact (+)	own operations	short, medium	3, 5, 8, 10
		equal treatment and equal opportunities for all (IM)	Safety incidents and labour disputes can lead to increased absenteeism and employee turnover, legal consequences and damage to reputation.	risk	own operations	short, medium	
		other labour rights: privacy (DM)	A focus on DEI, development opportunities and a healthy work-life balance can lead to improved talent retention and employee productivity.	opportunity	own operations	short, medium	
S2	workers in the production chain	working conditions (IM)	Potential negative impacts on workers in the supply chain, for example if they do not receive a living wage, are subject to excessive working hours or are denied the right to organise. This could lead to operational and reputational risks. At the same time, improving working conditions offers opportunities for long-term supplier relationships, higher product quality and a stronger social standing.	impact (-), risk, opportunity	upstream	short, medium, long	1, 8, 12, 17
		equal treatment and equal opportunities for all (IM)	Potential negative impact on women in the supply chain when they face gender discrimination, such as unequal pay, limited career progression or a lack of protection against harassment. This could lead to financial and reputational risks. At the same time, promoting gender equality offers opportunities to empower women, improve the working culture and contribute to an inclusive and sustainable supply chain.	impact (-), risk, opportunity	upstream	short, medium, long	
		other labour rights: child labour and forced labour (IM)	Potential negative impact where child labour or forced labour occurs in the supply chain, which constitutes serious human rights violations. This entails legal, operational and reputational risks. Through proactive policies and collaboration with suppliers, HEMA can help prevent exploitation and promote fair and safe working conditions.	impact (-), risk, opportunity	upstream	short, medium, long	
S4	consumers and end-users	impact on information (DM)	Inadequate protection of customer data can lead to data breaches, resulting in potential breaches of privacy legislation (such as the GDPR), reputational damage and financial liability.	potential negative impact, risk	own operations, downstream	short	3, 12
		personal safety (DM)	Unsafe products and unsafe conditions in physical shops can lead to injury or discomfort for consumers, with potential reputational and liability risks for the business.	potential negative impact, risk	own operations, downstream	short, medium, long	
		social inclusion (DM)	An inclusive shopping experience improves accessibility for a diverse range of customers, which can lead to higher customer satisfaction, more visits to the shop and, ultimately, an increase in turnover.	opportunity	own operations, downstream	short, medium, long	
G1	business conduct	corporate culture (DM)	Unethical situations or behaviour can have negative consequences for stakeholders and pose reputational risks.	Risk	Upstream, own operations, downstream	Short, medium, long	8, 16, 17
		protection of whistleblowers (DM)					
		animal welfare (DM)					

		relationship with politics and lobbying activities (DM)	A positive, widely embraced corporate culture and strong supplier relationships can help ensure a company is future-proof and achieve its business objectives.	Opportunity	Upstream, own operations	Short, medium, long	
		managing relationships with suppliers, incl. payment practices (DM) corruption and bribery (DM)	As a purchaser of products and raw materials, we have an impact on people, animals and the environment.	Impact (-/+)	Upstream, own operations, downstream	Short, medium, long	

ESRS 2
SBM-2

stakeholders and interested parties

Working together with our affected and interested parties (also known as 'stakeholders') is essential to bring our mission to life. We are constantly working with suppliers, partners and community organisations to make improvements. By engaging in open conversation, we stay up to date on opportunities and challenges.

We work with our stakeholders on three levels:

- 1) strategic
- 2) thematic partnership
- 3) day-to-day business operations

Our collaboration with stakeholders is based on four core principles:

- **Transparency:** open and honest communication with all stakeholders.
- **Discussion partner:** listening to stakeholders' concerns and suggestions and taking these into account in decision-making processes.

- **Responsibility and ethical leadership:** taking into account the impact of our decisions and activities on all stakeholders.
- **We put our words into action:** promoting more sustainable practices that contribute to long-term value for both HEMA and our stakeholders.



that's how we do it

stakeholder group	objective	communication	interaction	place in the value chain
suppliers	sharing information and stimulating continuous improvement	contract terms, reviews and feedback sessions, collaboration initiatives, strategy days, supplier newsletter	thematic partnership	production
employees	Discuss HEMA's strategy and progress and let colleagues provide feedback	team meetings, company meetings, updates via the intranet, strategy days	HEMA strategy	online and offline store logistics
unions	consultation on collective agreement and gather feedback	consultations, works council	HEMA strategy	online and offline store logistics
landlords	sharing information and stimulating continuous improvement	consultations on the premises and shops	stakeholder management in day-to-day business activities	online and offline store logistics
entrepreneurs	Discussing HEMA's strategy and progress	contract terms, works council meeting with management, strategy days, updates via the intranet, newsletter	HEMA strategy	online and offline store
customers	consult, explain strategy and products, gather feedback, and test concepts	customer satisfaction surveys, social media, product reviews, customer service, customer panel, information on our websites and in shops, advertising, press	HEMA strategy	online and offline store: a second life
shareholders	provide and evaluate information and determine strategy	annual report and financial updates, meetings with the SB	HEMA strategy	overarching
credit institutions	explain strategy and sustainability and gather feedback	annual report and financial updates, sustainability report, strategy days, stakeholder event	HEMA strategy	overarching
governments and regulators	explain strategy and sustainability and gather feedback	annual sustainability report, working visits from ministries or local authorities, stakeholder event	stakeholder management in day-to-day business activities	overarching
local communities, vulnerable groups and NGOs	explain strategy and sustainability and gather feedback	collaborative initiatives, participation in/membership of alliances (see collaborations), strategy days, stakeholder events	thematic partnership	overarching
knowledge institutions	explain strategy and sustainability and gather feedback	collaborative initiatives, participation in/membership of alliances (see collaborations), strategy days, stakeholder events	thematic partnership	overarching
industry organisations	explain strategy and sustainability and gather feedback, interest representation	collaborative initiatives, participation in/membership of alliances (see collaborations), strategy days, stakeholder events, consultations	thematic partnership	overarching

transparent and reciprocal

stakeholder communication at HEMA

Stakeholders provide us with that valuable, objective outside perspective; insights, expertise and experiences that we do not possess. This applies to a wide range of topics, but certainly also to sustainability. To make real progress, we need each other.

Equally, the conversation is a two-way process. We also openly share the challenges we face, the dilemmas we encounter and the decisions we have to make. It is precisely through that transparency that understanding and scope for joint progress are fostered.

how does that work in practice?

Nina Moers, Senior Public Affairs Advisor, talks about stakeholder management at HEMA: "Stakeholder management takes various forms. A significant part of this involves personal contact: discussions, working sessions and meetings during which we actively gather and provide feedback."

We work closely with government bodies to build a network, particularly with ministries responsible for implementing legislation and regulations. Legislation often has clear social objectives, but applying it in a retailer's day-

to-day operations requires specific knowledge of business management and supply chain processes. By engaging in conversation, we can help shape regulations that are both effective and workable.

We also work in partnership with community organisations and charities. On the one hand, they act as a partner in achieving social impact; on the other, they serve as a sounding board for sensitive or complex issues. By discussing dilemmas openly with organisations that deal with specific issues on a daily basis, we can make more careful and better-informed decisions.

transparent communication

By 2025, we will have taken a significant step forward in the way we communicate about sustainability. Nina explains: "Historically speaking, we've always been cautious: no grandstanding, just getting on with the job. That modesty is valuable, but the risk is that we don't share enough about what we *do* do."

That is why we have developed a clear communication calendar, which provides a structured overview of our sustainability goals, the progress we are making, the successes we are celebrating and the challenges we are facing. Read [here](#), for example, how Marieke de Haan-

Doolaard, Director of Sustainability, explains how sustainability is embedded in everything we do in an article by ABN AMRO.

"We want to create beautiful products that our customers can enjoy for as long as possible. That's the crux of it; that's where our responsibility lies."



Marieke de Haan-Doolaard
Head of Sustainability at HEMA

annual strategy days

A highlight of 2025 was the expansion of our annual strategy days to include a wider group of stakeholders. Whereas these meetings used to be aimed at employees and suppliers, we now also invited community organisations, NGOs, financial institutions and external experts.

During these meetings, we outline our strategic direction, encourage feedback, and gather specific input to further refine our plans. Stakeholders said they found it particularly noteworthy that they were actively involved in our strategy, rather than just focusing on the specific area in which they are normally involved.

"Over the coming years, we want to communicate our sustainability story even more clearly and consistently, whilst continuing to invest in two-way communication with our stakeholders," says Nina. "Gathering input is important, but it is just as important to provide feedback, so that everyone can see what we do with their feedback and we can make a real difference together."



collaborations

To bring our partnerships to life, we work with a range of partners: from memberships and projects to (international) agreements and conventions. We believe in the power of working together, sharing knowledge and learning from one another.

memberships

- amfori (BSCI Standard, BEPI Platform, complaints mechanism)
- CRIB (Children's Rights and Business)
- Textile Exchange
- Modint
- Inretail
- SBTi
- Open Supply Hub
- Thuiswinkel.org
- EVOFENEDEX

partnerships/projects

- ROOT for our CO₂ measurements
- Spirefly for our nature impact assessment
- Enact for due diligence support
- Awaj Foundation for Trade Union Freedom
- IDH Living Wage Steering Group
- ACT Living Wage – Cambodia

signed agreements

- International Accord
- Transparency Pledge
- Charter on Diversity in the Workplace
- Plastic Pact
- Equal Opportunities Statement

international conventions

- ILO conventions
- OECD guidelines
- UN Guiding Principles on Business and Human Rights
- the Universal Declaration of Human Rights
- Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)

charities

Through financial contributions and product donations, HEMA supports a range of charities. In 2025, this resulted in a total of €522,814 in financial contributions and €199,287 in product donations. Through the HEMA loyalty card scheme, customers can donate their saved points to charities. For example, Pink Ribbon Netherlands, Team Alzheimer, the Baby Spullen Foundation, the Jarige Job Foundation and the Poverty Fund received financial contributions and product donations through the loyalty programme in the Netherlands. Pink Ribbon Belgium and Bednet received donations in Belgium. War Child, Kinderziekenhuizen van Oranje, COC and Serious Request also received a financial donation, derived from a portion of the sale price of specially developed products or campaigns, such as the War Child pyjamas. Other organisations, such as the Wilhelmina Children's Hospital, Because We Carry, the Salvation Army, the Linda Foundation, Mohuka, Pride, the Ukraine Foundation, the Food Bank and Too Good to Go, received support in the form of product donations.

environment

HEMA has been a shop for everyone – for 100 years. With attractive, practical and affordable products of good quality. That's what makes HEMA unique: we're there for you from your baby's very first grow-with-me bodysuit right through to the last mourning candle that burns. A lot has changed in a hundred years, but that love for everyday life has always remained the same.



environment

We design smarter so that products can be used for a long time. This also includes carefully selecting our materials. We carry out in-house quality testing and encourage customers to look after their products properly so that they last longer.

To produce high-quality products, we need a healthy environment. From the cotton used in our vests to the wood used for our kitchenware and the fertile soil for our coffee: our products have their origins in nature. That is why we are taking responsibility. Step by step, we are reducing our negative impact on the environment. We are focussing on five interlinked themes, organised into the following three pillars:

- **climate change**
- **nature (pollution, water, biodiversity)**
- **use of materials and the circular economy**

The themes are closely interlinked, so we have opted for an integrated approach. Through strategies and action plans covering our entire product range, we are reducing our negative impact across a range of areas simultaneously, including through circular

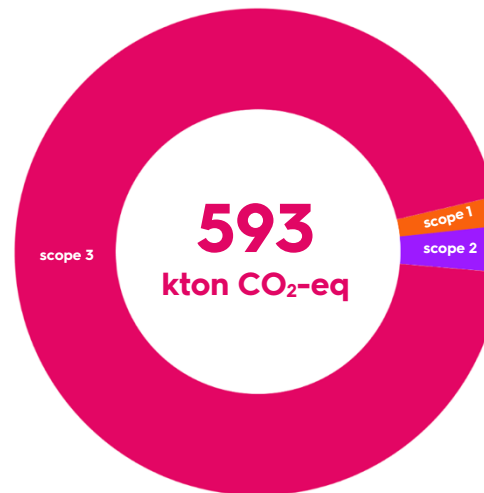
design, more sustainable materials, reduced packaging and more efficient production.

climate change

our material impacts, risks and opportunities

The impact of climate change is evident everywhere. Global temperature rises, shortages of raw materials and more extreme weather are affecting us both as individuals and as a company. At the same time, we know that our own activities also contribute to climate change. We emit greenhouse gases from our own operations (scope 1 & 2) and throughout the value chain (scope 3). That is why we are working hard to reduce our carbon footprint. In addition, we are preparing for the consequences of climate change, so that we can continue to operate responsibly in the long term.

our climate footprint in 2025



E1-1
IRO-1

overview of KPIs and objectives

E1 climate change

IRO	topic	description	value chain	time horizon
⊖	Our climate footprint	Greenhouse gas emissions from HEMA's own operations (scope 1 & 2) and from the wider value chain (scope 3) contribute to climate change.	🌱 🍷 🚚 🏪 👤 ♻️	
⚠️	Physical climate risks	Climate change can lead to physical risks such as extreme weather conditions and rising sea levels. These can cause damage to a company's own assets, disrupt distribution and supply chains, and ultimately lead to cost increases due to reduced availability of raw materials and transport capacity.	🌱 🍷 🚚	
⚠️	Transition to a more sustainable economy	We will have to comply with changing sustainability legislation, with the risk of fines if we fail to comply in time.	🌱 🍷 🚚 🏪 👤	
★	Making HEMA future-proof: more sustainable processes and building trust	Promoting gender equality offers opportunities to empower women, improve the working culture and contribute to an inclusive and sustainable supply chain.	🌱 🍷 🚚 🏪 👤 ♻️	

⊕ current positive impact ⊖ current negative impact ⚠️ risk 🌱 raw materials/ingredients 🍷 production 🚚 logistics
 ★ potential positive impact ⊖ potential negative impact ★ opportunity 🏪 online and offline store 👤 customers ♻️ second life

short medium long

objectives and results

Scope 1 & 2: 75% reduction in emissions by 2030 compared with 2019.



Scope 3: 46.2% reduction in emissions by 2030 compared with 2019.



policy

- Materials policy
- Ingredients policy
- Supplier policy
- CO₂ reduction in the production chain

climate footprint

Last year, we reported on our climate footprint for 2023, due to the time required to calculate our CO₂ emissions. In this report, we are catching up; we are reporting on our climate footprint for 2024 and 2025 and have had it validated by our external auditor.

Every year, we take significant steps forward and continue to invest in improving the quality of our data. Whereas we previously relied on sector averages, we now have a clear understanding of the specific composition of products and can link these directly to appropriate emission factors. This enables us to implement more targeted reduction measures, both within our own operations and across the value chain.

A key example of this is that, for the 2024 carbon footprint, we have included the energy consumption and sources of production sites in the measurement for the first time. This gives us a clearer picture of which sites account for the largest share of our emissions, enabling us to further refine our focus.

To make these improvements possible, we are working with a new partner, Root Sustainability, to calculate our carbon

footprint for 2024 and 2025. The switch to this platform enables us to monitor our impact more accurately and focus our efforts more effectively on reducing it.

“We used to work with averages a lot. We can now see, for each product and each factory, where the greatest impact lies. That makes our approach to reducing emissions much more targeted,”

says Fuusje Schlette, who is responsible for calculating our carbon footprint at HEMA.

In 2025, HEMA’s total climate footprint stood at 592.8 kilotonnes of CO₂-eq. Of this, 2.6% is attributable to our own operations (scope 1 and 2). The remaining 97.4% consists of indirect emissions within our value chain (scope 3), primarily arising from the production of purchased goods that we sell to our customers.

Compared with 2019, our total climate footprint has fallen by 17.3% in the period up to and including 2025, from 717 to 592.8 kilotonnes of CO₂-eq.

2024: In 2024, we saw an increase in CO₂ emissions, as we included energy consumption during production at the factories that supply HEMA. As a result,

HEMA’s overall carbon footprint has increased, but without this addition, emissions per product have actually fallen. A sign that we are measuring more accurately and heading in the right direction.

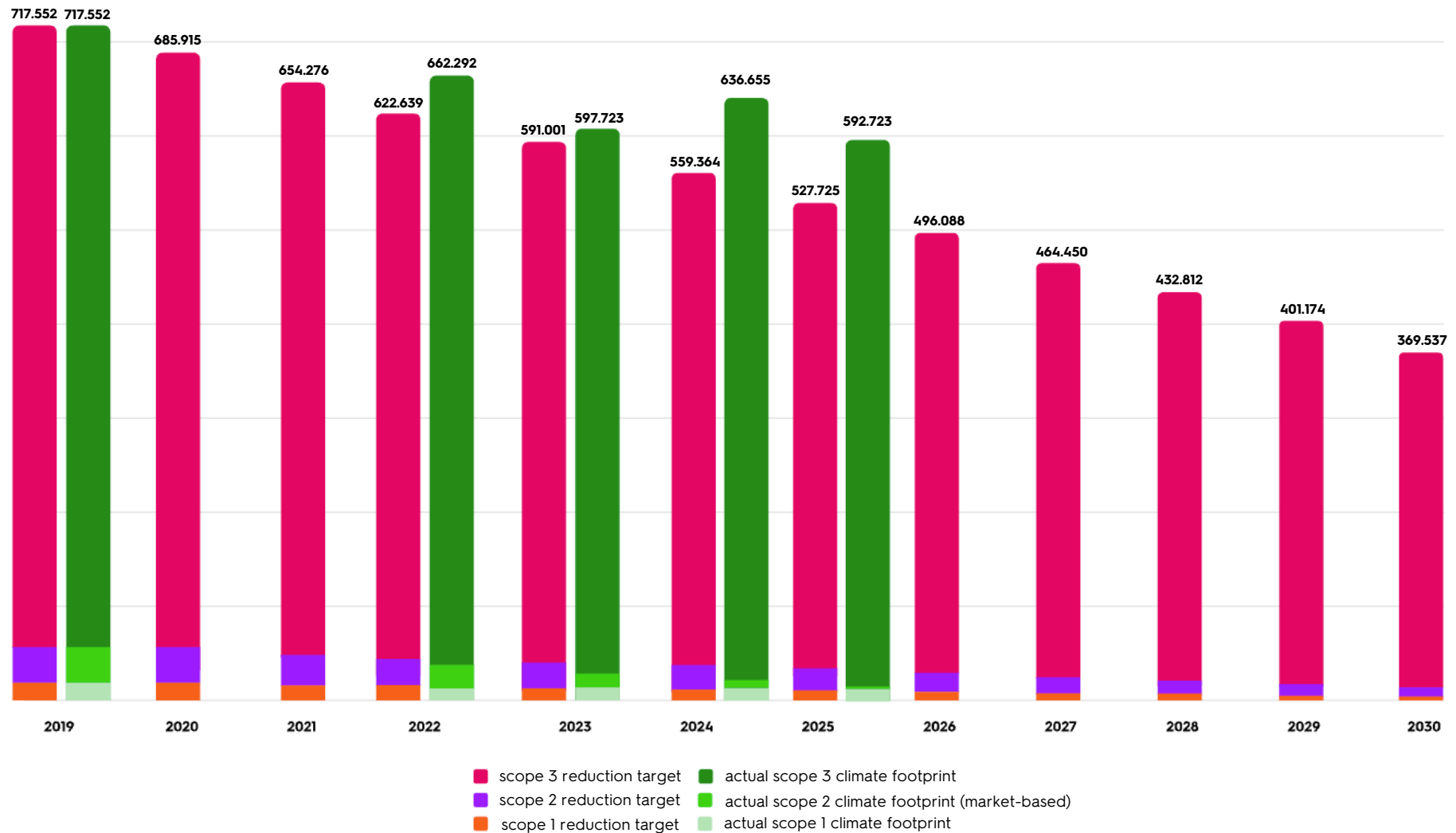
2025: By 2025, CO₂ emissions will have fallen compared with 2024, and also compared with 2023! We’re very proud of that.

This was mainly due to a number of steps:

1. We have a new energy contract under which we source 100% wind energy for our Dutch shops.
2. We have improved the quality of our data by adding quality marks to material data.
3. We have sourced more sustainable materials
4. We take into account not only the energy consumption of our plants, but also the energy mix (comprising both renewable and fossil fuels) of our 40 strategic plants, who together are responsible for 75% of the emissions from all our factories.

our climate footprint in focus

2019-2030



scope 1 & 2 own operations

Running our own business takes a lot of energy. We heat and light our shops, keep products cool and transport goods from our distribution centres to our branches.

Our scope 1 emissions fell by 30% in 2025 compared with 2019, to 13.2 ktonnes of CO₂-eq. These are all direct greenhouse gas emissions resulting from the combustion of gas and fossil fuels within our own operations. The majority of these emissions are caused by gas consumption for heating shops, refrigerant consumption by refrigeration systems, and fuel consumption by our lorries.

By 2025, scope 2 emissions had fallen by 93% compared with 2019, to 2.6 kilotonnes of CO₂-eq. This includes all indirect emissions resulting from the consumption of purchased energy, such as electricity, district heating and cooling. Electricity consumption in our shops is the biggest source of emissions. From 2025, we will be sourcing 100% European wind energy for our own offices in the Netherlands. In addition, our entire fleet of passenger cars in the Netherlands will be electric by 2025.

scope 3 value chain

Scope 3 covers all indirect CO₂ emissions within our value chain, such as the extraction of raw materials, the production of our products, transport from factories to our distribution centres, employees' commutes, business travel and waste disposal. We also take into account the energy consumption by customers when using our products, such as boiling water with our kettle.

Between 2019 and 2025, total scope 3 emissions fell by 13%, from 660 ktonnes to 577 ktonnes of CO₂-eq.

The majority of our scope 3 emissions come from category 3.1: purchased goods and services, accounting for 74.9% of our total climate footprint. Given the large volume of products we purchase and the fact that product manufacturing (from the extraction of raw materials to assembly) has the greatest impact, this is the largest category within our overall climate footprint.



**climate footprint in 2024 and 2025:
breakdown**

category	2019	2022	2023	2024*	2025*	% difference compared to 2019
Scope 1	18.809	12.465	13.932	13.550	13.156	-30%
1.1 combustion in own buildings	7.387	5.573	4.252	3.150	2.610	-65%
1.2 combustion of fuels in own means of transport	4.900	3.384	3.042	2.225	2.096	-57%
1.3 other direct emissions (e.g. refrigerants)	6.522	3.508	6.638	8.175	8.449	+30%
Scope 2 (location-based)	26.235	21.201	15.241	14.976	15.755	-40%
2.1 purchased electricity	25.846	20.303	14.786	14.582	15.417	-40%
2.3 purchased heat	274	897	456	394	338	+23%
2.4 purchased cooling	115					
Scope 2 (market-based)	38.564	25.362	10.379	8.127	2.566	-93%
2.1 purchased electricity	38.174	24.465	9.924	7.734	2.228	-94%
2.3 purchased heat	274	897	456	394	338	+23%
2.4 purchased cooling	116					
Scope 3	660.179	624.465	572.925	614.978	577.084	-13%
3.1 purchased goods and services	482.323	485.846	430.497	483.249	443.921	-8%
3.3 fuels or energy outside scopes 1 and 2 (market-based)	7.718	6.521	4.668	2.235	2.026	-74%
3.4 transport and distribution in the supply chain	15.092	17.663	15.981	19.827	19.723	+31%
3.5 waste processing	4.028	3.521	3.996	5.017	4.752	+18%
3.6 business travel	465	188	258	276	314	-32%
3.7 commuting	12.250	12.415	5.187	6.200	5.842	-52%
3.11 use of products sold	75.263	39.326	49.961	53.634	56.871	-24%
3.12 processing of sold products at end-of-life	31.041	37.522	41.999	33.658	33.163	+7%
3.14 franchisees	31.999	21.463	20.378	10.883	10.473	-67%
Total market-based	717.552	662.292	597.723	636.655	592.805	-17%
Total location-based	703.893	657.588	602.098	643.504	610.591	-13%

methodology and assumptions

* Data in 2024 and 2025 is presented based on the accounting policies and definitions described below, and is subject to a limited assurance engagement under NV COS 3000. We refer to page 118 for the auditor's Limited Assurance report.

We report our CO₂ emissions from electricity consumption using both the location-based and market-based methods set out in the GHG Protocol. These are shown in the table. As HEMA's SBTi targets have been set using the market-based approach, all CO₂ figures published in this report are based on our market-based emissions.

The market-based method reports emissions based on the electricity actually purchased, as specified in contracts. Market-based emissions show the conscious choices we make to reduce our climate impact. By signing up to renewable energy contracts, we can actively reduce our carbon footprint.

The location-based method uses the average emission factor of the electricity grid in the country where the organisation operates, thereby showing the emissions theoretically associated with the consumption of the average electricity mix.

methodology and assumptions

HEMA uses the Greenhouse Gas (GHG) protocol and adheres to its guidelines. HEMA's carbon footprint is calculated using the LCA method, which means that all emissions released throughout a product's entire life cycle are taken into account. We do this in collaboration with our partner, Root Sustainability.

In the calculation of our carbon footprint, there are eight categories that are excluded:

- 1.4 Emissions from chemical or physical processes
 - HEMA does not produce steel, cement or chemicals.
- 2.2 Indirect emissions from steam
 - HEMA does not purchase steam or heat from external suppliers, as it does not have any industrial facilities.
- 3.2 Capital goods
 - Capital goods are included in scope 3.1.
- 3.8 Upstream leased assets
 - The energy consumption of leased assets is included in scope 1 and 2 or in scope 3.1.
- 3.9 Downstream transport and distribution
 - All transport is included under scope 3.4.
- 3.10 Processing of sold products
 - HEMA products are finished goods and are therefore not processed further.
- 3.13 Downstream leased assets
 - HEMA does not lease out any assets.
- 3.15 Investments
 - HEMA has no significant investments in other companies.

scope 1 and 2

Our scope 1 and 2 emissions consist of the electricity and gas consumption of our shops, distribution centres and offices, the refrigerant consumption of our refrigeration systems, and the fuel consumption of our own transport fleet and our leased vehicles.

- Electricity and gas consumption figures for shops are based on billing data. If this is not available, we make an estimate based on the average consumption per square metre.

- Refrigerants, fuel consumption for our own transport, and the leased vehicle fleet are all based entirely on invoice data.
- We use emission factors from Ecoinvent 3.11 and CO₂emissiefactoren.nl.

scope 3.1 Purchased goods and services

This covers all goods purchased by HEMA during the financial year, including MVA investments (capital goods). For the calculation, we use quantities, weights, the material composition and amounts.

The following assumptions were made in the calculation for 3.1:

- If a product's material composition is unknown, a proxy is selected from a similar product whose composition is known.
- Operating and capital expenditure (opex and capex): each expenditure item is assigned a category, to which an impact reference is then linked. These categories account for 95% of expenditure; the remaining 5% is extrapolated.

The emission factors we have used are taken from the following sources: Ecoinvent version 11, Exiobase, Agrifootprint and specific EPDs.

scope 3.3 Fuel- and energy-related emissions not already included in scope 1 or 2

This refers to 'upstream' activities, such as the extraction, production, refining and transport of fuels to the fuel tank or the electricity grid. This refers to the emissions generated during the production of fuel and energy under scopes 1 and 2. The emission factors used for this purpose are sourced from CO₂emissiefactoren.nl and Ecoinvent 3.11.

scope 3.4 Upstream and downstream transport

Upstream transport is measured in tonne-kilometres. This examines the route from the manufacturer to our distribution centre. The route is estimated based on the producer's location and the seaport known to be used by that producer. Here, we look at the most common mode of transport for each producer. HEMA uses Ecoinvent 3.11 for its calculations.

Distribution to HEMA's shops outside the Netherlands is handled by external transport companies. They share the distances they have cycled with us. For online orders, we receive data on the parcels delivered and emission factors from our carriers.

scope 3.5 Waste from own operations

When calculating waste generated by our own operations, we look at the bulk of the waste volume in kilograms. Missing data points are extrapolated. Projections are made on the basis of data from previous years, or (for shops) on the basis of kg/m². We use Ecoinvent 3.11 for the emission factors, broken down by waste stream and treatment method.

scope 3.6 Business travel

The impact of business travel is calculated based on distance in kilometres and mode of transport. The emission factors used for this are taken from Ecoinvent 3.11.

Scope 3.7 Employee commuting

The impact of commuting is based on an employee survey. This form asks for the distance and mode of transport. The data from this survey is extrapolated to make it applicable to all active employees. Emission factors from Ecoinvent 3.11 are used.

Scope 3.11 Use of products sold

During the usage phase of products sold, we take the following products into account:

- Textile products that are being washed. To work this out, we look at the number of washes and the lifespan of a product.
- Electrical products with a cord. We exclude battery-powered products from the scope, unless the product is rechargeable. To calculate the environmental impact, we look at the product's lifespan and average annual energy consumption.

This is calculated on the basis of goods purchased. For both textile and electrical products, the lifespan has been determined on the basis of industry averages.

HEMA sells products in several countries. That is why we apply a sales breakdown by country. We use the country-specific location-based (average grid mix) emission factors from Ecoinvent 3.11.

Scope 3.12 Processing of products sold

The processing of sold products is calculated on the basis of the total weight purchased, the type of waste per main category, and customised factors. The customised factors have been derived from waste management data provided by the World Bank, Statista and Eurostat.

Scope 3.14 Franchises

The electricity and gas consumption of HEMA's franchise shops has been extrapolated based on measurement data from 2024. For the emission factors, we use the average energy mix from CO₂ emission factors.

E1-2

policy

Our climate policy is underpinned by our reduction levers: the measures that have the greatest impact on the structural reduction of our emissions. The policy translates strategic ambitions into concrete guidelines and actions, and focuses on both the company's own operations (scope 1 & 2) and the value chain (scope 3).

our climate policy

Our climate policy is set out in various internal policy documents that focus on materials, ingredients and the supply chain.

The **materials policy** provides guidelines on use of materials with a lower environmental impact for textiles and hardware. For **textiles**, the focus is on recycled, organic, regenerative and certified materials in accordance with Textile Exchange guidelines. The policy also sets out how risks in the supply chain for certain textile materials can be mitigated. For **hardware**, the focus is on increasing the proportion of recycled materials. The aim is to systematically increase the proportion of preferred materials and reduce the carbon footprint of products.

The **ingredients policy** focuses on use of ingredients with a lower environmental impact in food and personal care products. The aim is to reduce both the environmental and health impacts of products by increasing the proportion of sustainable and responsible ingredients. For **skincare products**, this means plant-based and microplastic-free.

In addition, our **supplier policy** sets out transparency and environmental requirements. This involves eliminating hazardous chemicals at every stage of production, carefully managing water and energy consumption and waste streams, and continuously monitoring and improving environmental performance through BEPI assessments.

In our policy on **CO₂ reduction in the supply chain**, we describe how HEMA works with suppliers to minimise the environmental impact at production sites. This includes, for example, optimising energy efficiency in the factories and purchasing green electricity.

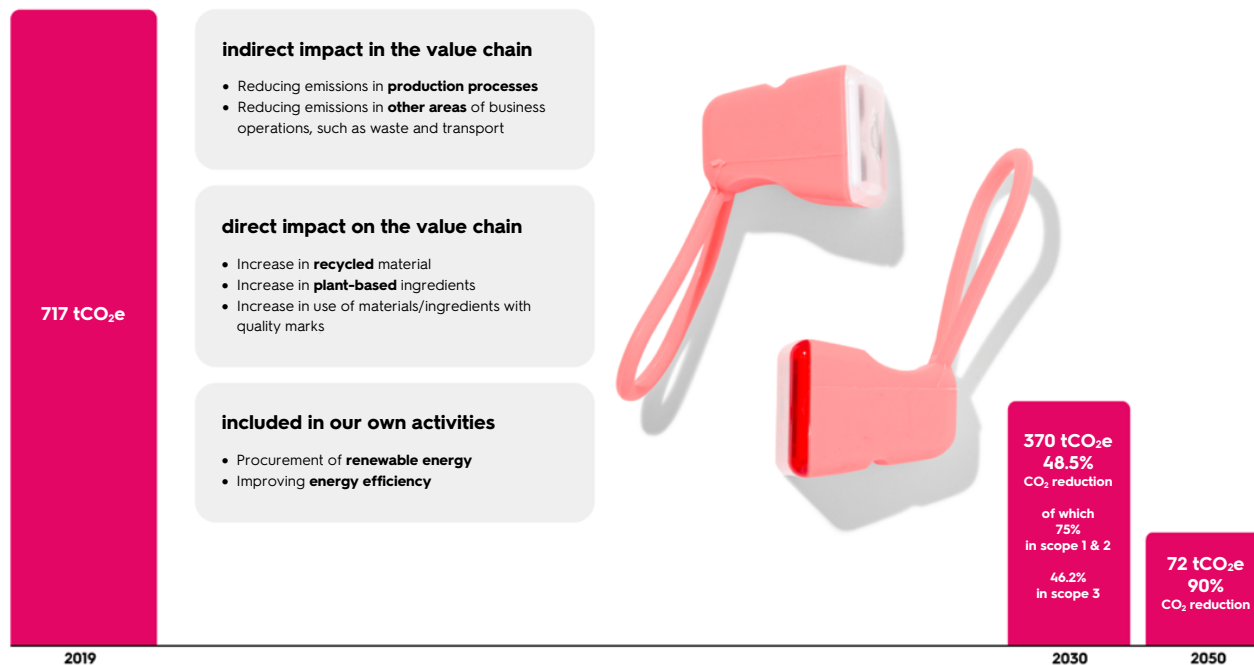
E1
SBM-3

climate strategy

We follow the scientific guidelines of the Science Based Targets initiative (SBTi) and have scientifically validated targets for 2030 and 2050. These targets are in line with the Paris Agreement, which aims to limit global warming to well below 2°C.

E1-4

climate transition plan



E1-3

actions

Our strategy for reducing CO₂ emissions is built around five reduction levers: specific actions we take to make a difference. Each lever focuses on a specific aspect of our business operations and value chain: from energy consumption in our own operations to product development and collaboration with suppliers.

lever 1: transition to renewable energy in our own operations (scope 1 & 2)

Our shops, distribution centres and offices use energy for lighting, heating, cooling and logistics. To reduce these emissions, we are committed to the transition to renewable energy sources:

- We install solar panels on the roofs of buildings where this is technically and economically feasible. This allows us to generate sustainable energy locally and reduce our reliance on the electricity grid.

- At as many sites as possible, we are switching to 100% renewable electricity, so that our energy supply comes from renewable sources.
- We use biofuel (HVO30) for transport from our distribution centres to our shops. Our aim is to switch to electric lorries. We are currently looking into the options available.

2025: In the Netherlands, all our own shops have switched to 100% wind energy. In addition, over the past year we have completely switched to a fleet consisting entirely of 100%* electric passenger cars. Last year, this figure stood at 97.4%.

* Data in 2025 is presented based on the accounting policies and definitions described below, and is subject to a limited assurance engagement under NV COS 3000. We refer to page 118 for the auditor's Limited Assurance report.

methodology and assumptions

On reference date 1 February 2026, an export was made of all driving passenger cars in HEMA Netherlands' leased car fleet. The total fleet of leased cars in the Netherlands on the reference date consists of 78 cars. Only fully electric passenger cars are classified as electric.

lever 2: saving energy and working more efficiently in our operations (scope 1 & 2)

As well as switching to renewable energy, we are focusing on reducing our energy consumption. By working smarter and more efficiently, we are further reducing our CO₂ emissions:

- We are replacing existing lighting with energy-efficient LED lighting, improving the insulation of buildings and optimising heating, ventilation and air-conditioning (HVAC) systems.
- In our shops, we use automatic sliding doors to minimise heat loss and energy-efficient refrigeration systems for our products.
- We are introducing smart meters and energy monitoring systems so that we can gain immediate insight into our energy consumption. This enables us to identify and address inefficiencies more quickly.
- We are implementing cost-saving measures from the RVO's list of approved measures.
- In our shops, offices and distribution centres, we are implementing energy efficiency programmes aimed at optimising energy-intensive systems and processes.

lever 3: reducing indirect emissions in our products – materials and ingredients (scope 3)

The largest source of our scope 3 emissions is the products we purchase and sell. It is the materials and ingredients in particular that determine the environmental impact. That is why we are implementing (where possible) more sustainable product design and use of materials:

- We are increasing the proportion of recycled materials in our textiles and hardware, and are increasingly using materials with a lower carbon footprint.
- We are reducing our use of packaging materials by designing more intelligently and opting for packaging that is recyclable or reusable.

2025: For a large proportion of our **denim**, we are taking a significant step forward: from now on, we will use at least 20% pre-consumer recycled yarn. This way, we give valuable materials a new lease of life, without compromising on quality. This is how we reduce the environmental impact of our denim, whilst ensuring it lasts just as long as

you've come to expect from us. These items will be available in shops from 2026 and 2027.

lever 4: reducing indirect emissions in production processes at our manufacturing sites (scope 3)

To reduce our overall environmental impact, we are working with suppliers to make their production processes more sustainable:

- We have a responsible procurement policy, through which we encourage suppliers to improve their environmental performance.
- We use the amfori platform to collect data from our production sites on, among other things, energy consumption, energy sources, water consumption, waste streams and recycling. Using this information, we identify where the majority of emissions occur within our supply chain and work with suppliers to achieve CO₂ reductions.
- We work with suppliers to achieve CO₂ reductions. We do this by engaging in dialogue, agreeing on objectives together, and learning how we can support suppliers.

2025: By 2025, we will have actively collected data from our production sites on energy consumption, energy sources, water consumption, waste streams and recycling through BEPI audits. This data gave us a quick insight into where the highest CO₂ emissions in our production chain are and which suppliers have the greatest impact, enabling us to set specific priorities in collaboration with them. In 2026, we will be holding discussions with these suppliers to jointly explore specific measures for improvement, such as more efficient energy use, more sustainable energy sources and smarter waste and water management. We want to work with our suppliers to share more knowledge and set up initiatives to reduce CO₂ emissions in our supply chain, step by step.

“We don’t claim to have all the answers.” It really is a partnership between us and the supplier. They have such a wealth of knowledge about their production processes. “We can then look together at what is feasible,” said Fuusje Schlette

lever 5: reducing indirect emissions in other areas of our business operations (scope 3)

In addition to category 3.1, scope 3 emissions include indirect emissions from property, transport and employee mobility. These

emissions call for targeted measures to reduce energy consumption and make processes more sustainable, both upstream and downstream.

- We optimise routes, load lorries more efficiently and are increasingly using more sustainable fuels.
- We are reducing (residual) waste, partly by minimising wastage in shops as much as possible and by improving waste separation so that a higher percentage can be recycled.
- We are looking into ways of encouraging more sustainable commuting.

2025: In 2025, we began preparations for the **separate collection of organic waste (swill) and *past-their-best* products from shops**, with the roll-out scheduled for 2026. By collecting these waste streams separately, we can make better use of them and process them sustainably, rather than letting them end up in the general waste. In this way, we reduce the amount of residual waste that is incinerated and help to reduce scope 3 emissions.

rookworst (smoked sausage) and ookworst 2.0 (vegetarian smoked sausage)

tradition meets innovation

At HEMA, we are celebrating 100 years of entrepreneurship and our close relationship with our customers. In 2025, we will demonstrate that tradition and innovation can go hand in hand. Our iconic smoked sausage continues to offer the familiar flavour that the Dutch have enjoyed for generations, whilst at the same time we are taking a major step forward with our fully plant-based smoked sausage.

new vegetarian sausage: entirely plant-based

The decision to make the smoked sausage entirely plant-based was a straightforward one: we wanted a smoked sausage that everyone could enjoy. From plant-based food lovers and flexitarians to those with a dairy allergy: everyone can now enjoy the distinctive crunch, juiciness and smoky flavour that make our smoked sausage so unique. The biggest challenge was the 'casing', which previously contained animal proteins. Together with our supplier, we have replaced this with a plant-based alternative.

We're now confident enough to say that we have the best plant-based smoked sausage on the market! Feedback from customers, ranging from enthusiastic reviews to posts on social media, confirms that we have succeeded in this.

The classic HEMA smoked sausage is once again being made according to the original recipe

In 2024, HEMA switched to a different supplier in order to comply with the Beter Leven quality mark. This altered the distinctive HEMA flavour, which not all customers recognised. That is why we have decided to bring back the classic smoked sausage, whilst retaining the Beter Leven 1-star quality mark. Thanks to careful choices throughout the supply chain, traditional preparation methods and close collaboration with our supplier. We also offer our organic smoked sausage, which has been awarded a 3-star Beter Leven rating.



E1
SBM-3

climate adaptation

The consequences of climate change are posing ever-greater physical risks to HEMA's business operations and value chain. Extreme weather, heatwaves, water stress and flooding are becoming more frequent and unpredictable. This has a direct impact on the continuity of our shops, as well as on production sites within our supply chain and the availability of raw materials. The rise in coffee prices due to poor harvests caused by climate change is a good example of this. In addition, disruptions to transport and logistics may occur more frequently, for example when severe storms or flooding render ports, roads or rail links temporarily unusable. Geopolitical tensions can also disrupt key trade routes, leading to delays in the supply of goods and, ultimately, to empty shelves.

E1-2 & E1-3 & E1-4

our objectives, initiatives and policies

Our aim is to systematically identify climate risks within both our own operations and the supply chain, and to develop targeted adaptation plans to address them.

We expect to have identified the key climate risks and drawn up the corresponding adaptation plans by **2026**.

In **2027** we will integrate these plans into our business operations and make climate adaptation a standard part of our due diligence cycle.

HEMA has been awarded the Thuiswinkel Sustainability Certification

Since 2025, our online shop has been certified with the Thuiswinkel Sustainability Certificate. Our online platform has therefore been independently assessed across six sustainability themes: strategy, the circular economy, product range, packaging, delivery and returns.

Various teams worked closely together throughout the certification process. Colleagues at the EDC (e-commerce distribution centre) provided insights into our packaging and dispatch processes; packaging specialists analysed how much 'air' we transport; the sustainability team contributed input on products, quality marks and circularity; and the customer service team provided additional information pages. That's how all the pieces of the puzzle fell into place, drawing on a range of expertise.

This certification is a great recognition for colleagues who have been committed to more sustainable processes, products and choices for many years. At the same time, the process acted as a catalyst: it confirmed what we were already doing well and brought new insights and awareness to the organisation.

We therefore carried out an in-depth study into the use of bicycle couriers. Although the 'last mile' by bike is sustainable, it appears that non-sustainable lorries are often still used for the 'first mile', from the EDC to the first delivery hub. The overall savings from introducing the bicycle courier are therefore less significant than they might appear at first glance. By asking critical questions about the entire supply chain, we also engaged in discussions with our regular shipping partner, DHL, about their approach. Thanks to their scale, they are actually taking significant steps towards making the first mile more sustainable and are incorporating bicycle couriers where this proves beneficial.

The process was therefore not only reaffirming, but above all instructive and inspiring. It challenged us to look beyond what appears sustainable at first glance and to make increasingly well-informed choices.

"First and foremost, I am proud of the fact that our extensive network of shops contributes to our low return rate, which is well below the norm. 91% of all returns are processed in shops, without the need for additional packaging or extra transport. The products can be sold there straight away. This shows that an omnichannel player can

really have an edge when it comes to sustainability.

We have also been proud of the efficiency of our automated EDC for many years. It turns out that this also means we use packaging materials very efficiently: no filler material and hardly any air being transported. In fact, we are already well ahead of legislation that does not come into force until 2030. "That feels like a great head start," said Karlijn van den Berg (e-commerce manager).



nature

Overview of KPIs and objectives

E234

nature

IRO	topic	description	value chain	time horizon
⊖	Pollution of rivers and groundwater	Use of harmful chemicals in the manufacturing process of textile products can lead to the pollution of rivers and groundwater in the countries where they are produced, causing environmental damage.	🌳 🗑️	short medium long
⊖	Deterioration of soil quality	Use of artificial fertilisers and pesticides in the production of agricultural raw materials and ingredients can damage soil quality.	🌳 🗑️	short medium long
⚠️	Water shortages	Water shortages in our supply chain can lead to crop failures, higher raw material prices and a loss of revenue. In addition, sourcing from water-scarce regions carries reputational risks, and stricter regulations on water use could increase compliance costs.	🌳 🗑️	short medium long
⊖ ⊖	Deforestation, land degradation and loss of natural habitats	The production of raw materials such as cotton, meat, cocoa, timber, paper and palm oil for HEMA products can lead to deforestation, land degradation and the loss of natural habitats. These processes pose a direct threat to biodiversity, as the habitats of plant and animal species are disappearing and ecosystems are becoming unbalanced.	🌳 🗑️	short medium long
⚠️	Loss of biodiversity	Declining biodiversity and less stable ecosystem services, such as pollination, could lead to a reduction in the availability of essential raw materials and ingredients on which HEMA relies. Furthermore, a lack of effort in this area also entails reputational risks and can lead to increasing pressure from consumers, NGOs and legislation to operate in a more transparent and sustainable manner.	🌳 🗑️	short medium long

+

 current positive impact

⊖

 current negative impact

⚠️

 risk

🌳

 raw materials/ingredients

🗑️

 production

🚚

 logistics

⊕

 potential positive impact

⊖

 potential negative impact

★

 opportunity

🏪

 online and offline store

👤

 customers

♻️

 second life

short

medium

long

objectives and results

Water pollution: 100% of our textile production sites (involving wet processes) will comply with the ZDHC Wastewater Guidelines by 2030.

49%

Overfishing: By 2027, we will source 100% of our fish (excluding the hospitality sector) through quality marks.

96%

Animal welfare: We source 100% of our meat, down, leather and wool responsibly, thereby actively contributing to improved animal welfare throughout the supply chain by 2028.

1/4 achieved

Water pollution: Since 2024, we have been sourcing 100% of our palm oil responsibly through quality marks.

100%

Soil pollution: Since 2021, we have been sourcing 100% of our cotton, cocoa and coffee responsibly through quality marks.

100%

Water consumption: Since 2021, we have been sourcing 100% of our cotton responsibly through quality marks.

100%

policy

- Materials policy
- Ingredients policy
- Supplier policy
- Nature policy
- Restricted Substances List (RSL)
- Animal welfare policy

E2/3/4
IRO-1

our material impacts, risks and opportunities

The products we make and the raw materials we use account for the lion's share of our environmental impact, including our impact on nature. That is why we are working to gain a better understanding of that impact. We analyse where nature is under pressure within our supply chain, which raw materials pose the greatest risks, and where our actions can have the greatest impact.

In 2025, we will assess our impact on nature using Spirefly, a platform aligned with international frameworks such as Science Based Targets on Nature (SBTN) and the Taskforce on Nature-related Financial Disclosures, thereby ensuring our nature strategy is aligned with the best available science.



We assess the HEMA product range across five categories of impacts and risks:

We analyse our impact on nature and the environment from two perspectives: impacts and risks.

We calculate the **environmental impact** of our products using impact factors from the Ecoinvent database, in the same way that we determine our CO₂ impact. Here, we are looking at the following impacts: land use, soil pollution, water use and water pollution.

In addition, for each raw material, we assess the extent of the **natural risk** at the location where it is produced. In doing so, we take into account the local conditions that exacerbate the impact. For example, the impact of water use is many times greater in an area where water is scarce. The risks we take into account in our assessment:

- **land degradation.** This means that the soil is gradually losing its fertility. Think of soil that is becoming less fertile, making it harder for plants to grow there.
- **deforestation.** Deforestation is the loss of forests caused by trees being felled for agriculture, livestock farming or raw materials.

- **soil contamination.** When harmful substances end up in the soil, for example as a result of agricultural chemicals or industrial activity, the soil becomes contaminated.
- **water scarcity.** In some areas, there is simply not enough water available.
- **water pollution.** If water becomes polluted by, for example, chemicals, waste water or fertilisers, life in and around the water is affected.

By combining impact and risk, we gain a better understanding of where the greatest pressure on nature lies and where we should focus our efforts.

We carried out an initial pilot survey in 2023. For the 2025 survey, we have significantly broadened our scope. We now include our hardware as well; we have a better understanding of where our ingredients come from, and we know the composition of our products much more precisely. Thanks to these improvements, the new assessment provides a more comprehensive picture of our impact on the natural world.

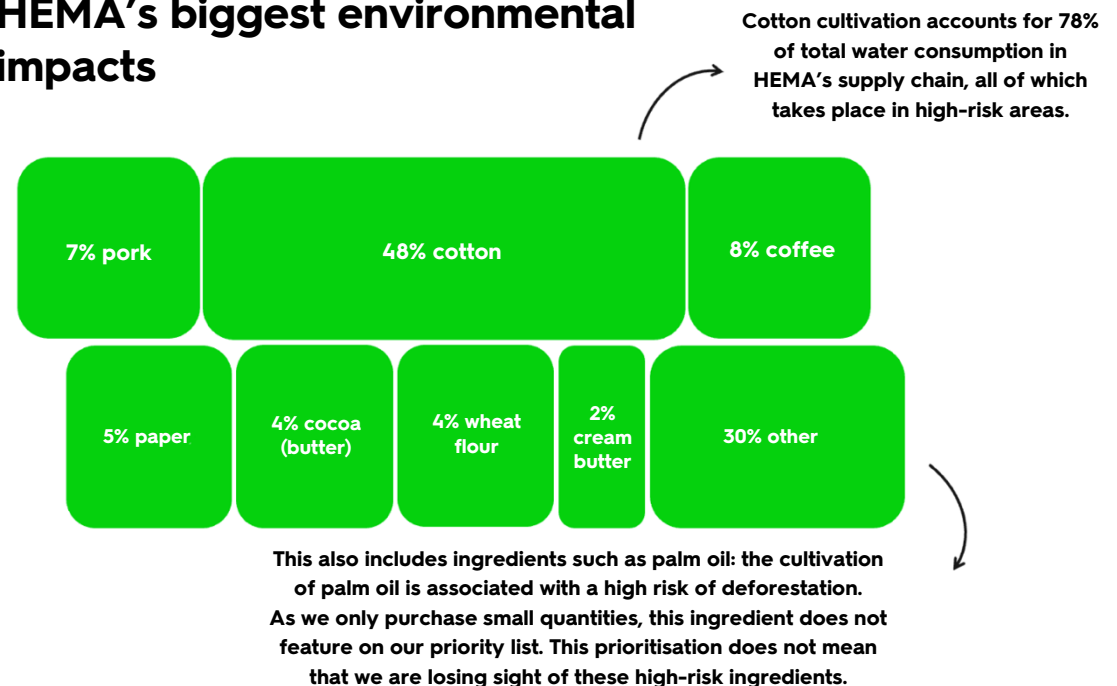
Based on our analysis of our impacts and risks to nature and the environment (land degradation, deforestation, soil contamination, water scarcity and water consumption), we see that our priorities, amongst others, lie with the following raw materials:

- **Cotton:** Growing cotton requires a lot of water. Cotton cultivation is therefore responsible for 78% of total water consumption in HEMA's supply chain. This is despite the fact that a large proportion of cotton production takes place in areas where water scarcity is a problem.
- **Coffee and cocoa:** Coffee and cocoa come from areas at high risk of deforestation. The expansion of coffee plantations can therefore lead to the loss of forest and biodiversity, particularly if cultivation is not managed sustainably. Around 15% of the land used in HEMA's supply chain is used for growing coffee and cocoa, making these raw materials a priority.
- **Pork:** Our pork comes from Europe. In countries such as the Netherlands, France and Germany, soil quality is under pressure, partly due to an excess of nutrients in the soil. Pig manure can contribute to this.

In addition, pigs require a lot of feed, such as soya. The cultivation of soya requires large areas of farmland and takes place partly in regions with a high risk of deforestation.

- **Paper:** Paper comes from forests. If these are not managed responsibly, we run the risk of deforestation.

HEMA's biggest environmental impacts



As the greatest environmental impact arises during the production of materials and ingredients, this is also where our greatest opportunity for improvement lies. This is why we are increasingly making a conscious choice to use materials that have a reduced environmental impact during the production phase. Take, for example, the use of recycled cotton; this reduces the environmental impact as less new cotton needs to be grown. Another example is purchasing paper bearing the Forest Stewardship Council (FSC) quality mark. This quality mark prohibits deforestation of valuable natural areas and sets out requirements for the responsible management of forests. For example, the harvest focuses on what has grown naturally, and new trees are planted after existing ones have been felled. We are currently looking into what we can do to reduce our environmental impact in the coming years.

E2/3/4-1

policy

Our nature policy covers the entire value chain. We are examining the impact of raw material production, suppliers and the usage phases, as these processes place pressure on ecosystems. To manage this effectively, we adopt a targeted approach that focuses on the key levers for limiting the loss of nature and promoting its recovery.

environmental policy

In addition to the materials policy, ingredients policy and environmental requirements for suppliers described above, we have set out our nature policy in the following policy documents:

In our **environmental policy**, we describe how we treat the natural environment with care in the areas where our products and raw materials are sourced. We outline our priorities regarding our impact on ecosystems, biodiversity and raw materials, and the measures we are taking to prevent and minimise this impact and, where possible, make a positive contribution. We use the SBTN Action Framework (AR3T: avoid, reduce, restore, regenerate, transform) as a guide to inform our actions and decisions.

Our **Restricted Substances List (RSL)**

provides guidelines for the safe use of chemicals in products. The aim is to protect human health and the environment by preventing the use of harmful substances. The list is based on international legislation, such as REACH, and industry best practices. HEMA monitors compliance with this policy through regular audits of suppliers and product testing. The RSL applies to all HEMA products.

Our **animal welfare policy**

focuses on treating animals with respect and minimising the negative impact of animal products. The policy is based on the 'five-domain' model, which aligns with the five freedoms of animal welfare and guides efforts to both reduce negative experiences and promote positive ones.

Later in this chapter, we will explain the quality marks that contribute to animal welfare, such as RWS and RMS (for merino and mohair wool). This policy applies to all animal-derived ingredients and materials used by HEMA.



quality marks

Making better choices is what we're all about. Certificates and quality marks play an important role in this. Whether it's ingredients or materials. We feel it is important to talk about this.

Quality marks and labels help us make clear agreements on environmental impact and animal welfare. Think of quality marks such as the Roundtable on Sustainable Palm Oil (RSPO) for palm oil, the Beter Leven quality mark (BLK) for meat, or FSC for wood and paper. This allows us to improve our impact in a reliable and measurable way.

View the certificates, specifications and quality marks we use on [our website](#).

food

quality marks	2024	2025
cocoa Fairtrade or Rainforest Alliance	99,3%	100%
cocoa Purchased via Tony's Open Chain	24%	32%
tea Fairtrade	100%	100%
coffee Fairtrade or Rainforest Alliance	100%	100%
palm oil RSPO	99,8%	100%
meat Organic or Beter Leven	63%	99%
fresh dairy products Organic or Pasture	96%	95%
fish MSC or ASC	93%	96%
soy ProTerra	-	11%

By 2025, **100%*** of HEMA's own-brand coffee, tea and cocoa products (supplied in the 2025 financial year) will carry a Rainforest Alliance, Fairtrade or Organic quality mark (excluding restaurant/takeaway and baked goods).

32%* of the cocoa used in HEMA's own-brand products (kg) (supplied in the 2025 financial year) was sourced through the Tony's Open Chain initiative (excluding restaurant/takeaway and patisserie).

cocoa, palm oil, meat, dairy and fish:
Percentage by weight of the ingredient supplied

* Data in 2025 is presented based on the accounting policies and definitions described below and is subject to a limited assurance engagement under NV COS 3000. We refer to page 118 for the auditor's Limited Assurance report.

methodology and assumptions

The scope covers (own-brand) products supplied to HEMA in the 2025 financial year. In addition, the survey focused solely on the non-perishable and fresh products sold in the shop. Products sold in our restaurants, takeaways and in our bakery section are not included. Under coffee and tea, hot drinks are included, so not, for example, Easter eggs with coffee extract. The weights per product from the food specification system were linked to the quantities of products delivered in order to calculate the total weight of products delivered.

For cocoa, all products containing cocoa as an ingredient were included. We looked at the weight of cocoa ingredients in these products.

Rainforest Alliance, Fairtrade and organic are quality marks certified by an independent party. These are the only quality marks that HEMA accepts for coffee, tea and cocoa.

Tony's Open Chain

Tony's Open Chain is an initiative that aims to create a transparent cocoa chain, where farmers receive a fair price for their cocoa. In 2023, we announced that we were joining Tony's Open Chain. In this way, we support Tony Chocolonely's mission to source cocoa in accordance with their five sourcing principles and thus put an end to exploitation in the cocoa industry.

methodology and assumptions

The KPI relates to products supplied to HEMA in the 2025 financial year. Only HEMA own-brand products are included in the scope. In addition, only long-life and fresh products sold in the shop were considered; products sold in our restaurants, takeaways and in our pastry department were not included. The weights of the cocoa ingredients for each product, as recorded in the food specification system, have been linked to the quantities of products delivered in order to calculate the total weight of cocoa purchased.

non-food

pieces	2024	2025
cotton with a quality mark Better Cotton, GOTS, OCS, GRS	96,4%	99,7%
organic cotton in fashion GOTS, OCS	62%**	65%*
wood & paper FSC	96%	90%
natural rubber FSC	-	34%
kg	2024	2025
Recycled polyester in fashion	-	39%
palm oil (cosmetics) RSPO	99%	98%
down and feathers GRS	100%	100%
viscose Ecovero	-	43%

* Data in 2025 is presented based on the accounting policies and definitions described below, and is subject to a limited assurance engagement under NV COS 3000. We refer to page 118 for the auditor's Limited Assurance report.

** Data for the second half of 2024 is presented based on the accounting policies and definitions set out below, and is subject to a limited assurance engagement under NV COS 3000. We refer to page 118 for the auditor's Limited Assurance report.

methodology and assumptions

This KPI covers all products delivered to the fashion department in the second half of 2024 and the 2025 financial year. We checked whether an item contains cotton and, if so, whether that cotton bears a GOTS or OCS quality mark and has been certified as such by an independent body. The analysis looked at the total number of items supplied that contain organic cotton, divided by the total number of items purchased that contain cotton.

textiles

	total weight		total weight
cotton	68%	synthetic	26%
organic	31%	% recycled	29%
BCI (Better Cotton Initiative)	67%	other	5%
GRS cotton	1%	total recycled	8%

E2/3/4-2

actions

Our strategy for reducing our negative impact on the natural world is built around five key areas. Each lever focuses on a specific part of the chain. For example, by 2025 we will have made choices to use more (pre-consumer) recycled materials and more organic cotton.

lever 1: Conscious procurement of materials and ingredients (E2/E3/E4)

By using recycled and renewable materials, we become less dependent on new raw materials. This makes our supply chain more resilient and reduces the pressure on ecosystems. When purchasing materials and ingredients, we take the following measures:

- We give preference to renewable materials in textiles, so that fewer microplastics end up in the environment during the product's life cycle.
- We are using more (pre-consumer) recycled materials in textiles and are exploring ways to reprocess post-consumer textiles into new products.

- When it comes to hardware, we are also aiming to increase the proportion of recycled materials. Post-consumer where possible.
- We do not use certain materials, such as loose glitter (due to microplastics) and leather that is not a by-product of the meat industry.
- We are exploring ways to increase the proportion of plant-based proteins, as they have a lower environmental impact than animal proteins.

2025: We are increasingly using linen in our clothing, a natural fibre that is inherently strong and requires less water and fewer pesticides than cotton. Almost the entire plant can be used, meaning there is very little waste. What's more, a large proportion of our linen comes from Europe, where the flax can grow largely on natural rainwater. This is how we create comfortable, high-quality clothing with a lower environmental impact.

•

We also organised a **Food Impact Event** for our suppliers, innovation partners and employees. The day was all about innovation, supply chain collaboration and future-proof choices. The programme began with an introduction by Jurriaan, our CFO, on the importance of integrated value creation,

followed by inspiring talks from, among others, Hille van der Kaa (Those Vegan Cowboys) on innovative solutions in the food sector. At the food market and in the innovation labs, suppliers, partners and colleagues worked together on new ideas and shared technologies and products, with a particular focus on tasty plant-based innovations.

Our materials matrix helps us make better choices

textiles

best	better	preferred	not preferred
Recycled cotton	Organic	BCI cotton	Conventional cotton
Recycled polyester	Recycled polyester (PET)	Bio-based polyester	Conventional polyester
Recycled viscose/lyocell	TENCEL lyocell, TENCEL modal, ECOVERO viscose		Conventional viscose
Recycled acrylic/nylon			Conventional acrylic/nylon
Recycled wool	RWS merino wool, RMS mohair wool, RWS sheep's wool	RWS (mulesing-free) or RMS wool yarn	Conventional wool
Recycled down and feathers			Conventional / RDS down and feathers

hardware

Better	preferred	not preferred
FSC-certified recycled wood/paper	FSC-certified wood/paper	Conventional wood/paper
Recycled plastic / bio-based plastic	Conventional plastic	
FSC-certified recycled rubber	FSC rubber	Conventional rubber
RSPO (segregated) palm oil	RSPO (mass balance) palm oil	Conventional palm oil
Recycled leather	LWG-certified leather	Conventional leather

source: <https://textileexchange.org/fiber-materials-matrix/>

lever 2: purchasing raw materials and supplies with recognised quality marks and certifications) (E2/E3/E4)

Quality marks are an important tool for ensuring that products meet minimum sustainability and animal welfare criteria. When it comes to the environment, for example, FSC-certified timber, which reduces the risk of deforestation, and regenerative cotton, which helps farmers improve soil health, have a significant impact.

We are aware that quality marks do not in themselves offer a complete guarantee: risks remain even within certified supply chains. That is why we combine quality marks with additional measures, such as improving traceability, conducting supplier assessments and analysing risks. In this way, we are working to reduce our negative impact throughout the supply chain. We continuously review the policy and update it where necessary, in consultation with stakeholders. Further information on this can be found in the due diligence policy.

2025: We have increased the proportion of organic cotton in our fashion collections by 2.7% compared with 2024, to 65% of items.

This means that, for the organic cotton used in our fashion collections, no artificial fertilisers, chemical pesticides or genetically modified organisms (GMOs) are used in the cotton production process.

lever 3: tackling water pollution in textile supply chains (E2)

Water pollution is a key concern within our textile supply chain. Production sites use chemical processes that increase the risk of pollution of local water sources. That is why we base our policy on the international *ZDHC Wastewater Guidelines*, which set requirements for the quality of wastewater and its effective filtration. Compliance with these guidelines is monitored via the amfori platform and represents an important step towards cleaner production and the protection of local ecosystems.

2025: By 2025, we will have set **specific targets** for the implementation of the ZDHC Wastewater Guidelines within our textile supply chain. These objectives include improving the quality of wastewater, effectively filtering out harmful substances, and monitoring compliance at production sites via the amfori platform.

This marks an important step towards cleaner production processes and the protection of local aquatic ecosystems. The aim is to ensure that all our textile production sites (with *wet processes*) comply with the ZDHC Wastewater Guidelines by 2030.

lever 4: ensuring the traceability of the supply chain for raw materials with a high risk of deforestation (E4)

We are working to ensure that raw materials with a high risk of deforestation can be traced. With the implementation of the EUDR (Deforestation Regulation), we are increasing the certainty that timber and other raw materials have been produced legally since 2020 and do not contribute to recent deforestation.

Improved traceability enables us to take further action and continue to combat deforestation in the supply chain, in close collaboration with our suppliers. We are looking into the best way to do this.

lever 5: improving the efficiency of water use during the raw materials phase and production processes (E2)

Water is an essential resource in the production of many HEMA products: from cotton and crops for food products to chemical processes for cosmetics and household goods. The raw material stage of these products often involves the use of large amounts of water, which can lead to the depletion of local water sources and put pressure on ecosystems. The impact and risk analysis we carry out using Spirefly helps us to identify water-intensive supply chains and hotspots and take targeted action. BEPI audits also provide insight into water usage at production sites.

At the same time, we are aiming to increase the proportion of cotton that carries quality marks promoting water efficiency, such as organic, regenerative and recycled cotton.

2025: Over the past year, we have conducted extensive research into opportunities to source **regenerative and recycled cotton**, with a focus on reducing water consumption and improving soil health. By 2026, we will be able to specifically increase the proportion of these cotton varieties used in our products, thereby contributing to more

efficient water use and a reduced impact on local ecosystems.

materials and circularity

Overview of KPIs and objectives

E5

circularity

IRO	topic	description	value chain	time horizon
⊖	Use of non-renewable raw materials	HEMA uses raw materials sourced from global supply chains, including non-renewable raw materials. In doing so, we are contributing to the depletion of the earth's resources.	 	  
!	Strict and evolving legislation	Governments may introduce increasingly stringent regulations to promote the transition to a circular economy, which could result in higher compliance costs and fines.	     	
!	Damage to reputation	If HEMA fails to keep pace with standards on responsible and circular business practices, this could result in reputational damage and a decline in turnover.	 	
★	Circular business practices	Both circular products and services (such as repairs, product hire and second-hand sales) can create new sources of revenue, lead to a larger customer base and increase customer loyalty.	 	  

⊕ current positive impact ⊖ current negative impact ! risk  raw materials/ingredients  production  logistics
 ⊕ potential positive impact ⊖ potential negative impact ★ opportunity  online and offline store  customers  second life

 short  medium  long

objectives and results

incoming materials: By 2030, 30% of the weight of textile materials we purchase within Fashion & Home will be recycled.

8%

incoming materials: By 2030, 100% of the textile materials we purchase by weight for our Fashion & Home ranges will be more sustainable, according to HEMA's materials matrix.

78%

Waste stream: 25% less plastic consumer packaging in 2025 than in 2019.

36%

Outflow of materials: 100% of packaging will be recyclable by 2025.

77%

Waste: 80% of our operational waste has been reused or recycled.

66,4%

policy

- Materials policy
- Waste policy

E5
IRO-1

our material impacts, risks and opportunities

We design products that last longer, can be reused or recycled, and we choose materials and production methods that have a lower environmental impact. We realise that every product, however carefully designed, has an impact on people and the environment. We are committed to reducing that impact. In our own operations, too, we minimise waste and focus on reuse and recycling.

Our approach is in line with the Ellen MacArthur Foundation's (EMF) definition of a circular economy, which is based on three core principles:

1. Preventing waste and pollution.
2. Reusing products and, where this is no longer possible, repairing or recycling them.
3. Making informed choices about materials and implementing efficient production processes.



our products last longer

From smart design to high quality: we make products that last longer. We carry out extensive testing in our own lab to ensure that our clothing and hardware remain in good condition, are comfortable to use and are easy to repair or pass on. Step by step, we are increasing the proportion of recycled materials and helping customers to keep their products in good condition for longer.

This is how we've created a **true HEMA** range, featuring products that last longer, need replacing less often, and are better for your wallet and the planet.

jersey shirts

Our jersey shirts: one of the most popular items in our collection for years. Jersey is a stretchy, supple and comfortable knitted fabric. Nevertheless, in our own HEMA quality lab, we're always looking at ways to improve our products so that they last even longer. That's why we've set about improving our jerseys, step by step.

For the new shirts, we opted for organic cotton and longer cotton fibres, which produce a stronger, smoother fabric that is less prone to wear and pilling. One example of how we are constantly improving to offer products that last longer.



E5-1

policy

Our policy to promote circularity focuses on the entire supply chain, from design and procurement to use and reuse. At every stage, there are opportunities to reduce the use of primary raw materials and keep materials in the cycle for as long as possible. We therefore focus on the areas where we can make the greatest impact, such as design choices, use of materials and waste prevention.

In addition to the materials policy described above, we have set out our policy in the following documents:

The **waste policy** sets out how we manage our **waste, packaging, food waste and end-of-life products**. The guiding principle is to minimise (residual) waste and to process it in as circular a manner as possible. We achieve this by preventing wastage and unsold stock, and by continuously improving the way we sort our waste.

We try to prevent food loss and waste as far as possible; if there are any leftovers, we try to offer them in our shops via Too Good To Go, donate them to the Food Bank, or process them in the most sustainable way

possible. In addition, we work with Wolkat to collect textiles and ensure they are processed responsibly, so that materials can be reused and the pressure on primary raw materials is reduced. In 2025, we collected 22,309 kg of textiles from customers (post-consumer) and sent them for reuse or recycling.

For **packaging**, we focus on three key areas:

1. Reducing packaging materials: where possible, use alternatives made from paper, cardboard or single-material products.
2. Use of recycled and renewable materials:
 - Paper and cardboard, preferably FSC-certified or recycled.
 - Plastic: a target of 20% recycled or bio-based.
3. Promoting recyclability and reusability: single-material products where possible, refillable packaging, and collaboration with research institutions to continuously improve policy.

E5-2

actions

HEMA's strategy to operate in an increasingly circular manner is built around four reduction levers. Each lever focuses on a specific aspect of our supply chain and business operations, from material selection to product design and collaboration with supply chain partners. "Around 80% of a product's environmental impact is determined as early as the design stage." "That's why colleagues are already making informed choices at that stage," says Milou America, Senior sustainability specialist (environmental impact).

That is why, since 2025, we have had a materials library for our colleagues and use checklists covering sustainability, repairability and recyclability in new product designs.

lever 1: conscious procurement of materials

By using recycled and renewable materials, we reduce our reliance on new raw materials, which may become scarce.

- We give preference to renewable materials in textiles, so that fewer microplastics end up in the environment during the product's life cycle.

- We are using more (pre-consumer) recycled materials in textiles and are exploring ways to reprocess post-consumer textiles into new products.
- When it comes to hardware, we are also aiming to increase the proportion of recycled materials used, including post-consumer materials where possible.
- We do not use certain materials, such as loose glitter (microplastics), leather that is not a by-product of the meat industry, angora wool, and plastic for disposable products in the hospitality sector.

2025: Last year, we developed a sustainability checklist for designers. This helps designers to make informed choices right from the start of the design process, for example regarding the use of materials, energy consumption, and the repairability and recyclability of products.

In addition, an online materials library has been developed where designers can compare different materials based on their properties and CO₂ emission factors. This gives designers a better understanding of the environmental impact of their material choices. Work is also underway to create a physical materials library to further support

this. These tools help designers make more sustainable choices and are in line with our design approach: smarter, longer, more often.

lever 2: circular product design

As well as using more sustainable materials, we are focusing on circular product design. This means that a product can be reused, be multifunctional, or be adaptable as the user grows.

- We design smarter so that products can be used frequently. Our designers come up with clever solutions such as multifunctional, adaptable, energy-efficient or timeless products.
- We also give preference to renewable materials.
- We design products that last longer. To ensure quality and durability, we test our products in our own laboratory. Products can be given a new lease of life when a customer reuses, passes on or has them repaired.
- We use materials more often. We are using more and more recycled materials and moving towards products that are easier to recycle.

2025: By 2025, we will also have improved the **quality and sustainability of various products based on customer feedback and product testing**. For example, we have adapted the production process for knitted viscose shirts by using less fabric softener and packing the products less tightly, thereby preventing marks and white stains. For muslin products, such as muslin squares, we have modified the fabric construction to make the seams stronger and more durable. We have also improved the finish of the fabric used in our viscose nappy rompers, meaning they are now more resistant to wear and tear and meet our strength testing standards. These improvements help ensure that products remain attractive and functional for longer.

lever 3: minimising waste and ensuring high-quality processing

At HEMA, we take a responsible approach to waste, both in our own operations and for our customers. By sorting and recycling waste properly, it can be reused as a secondary raw material.

- We reduce operational waste, optimise waste sorting (including residual waste streams) and, together with our supply chain partners, increase the recycling rate.

- The biggest source of household waste is packaging. We are reducing packaging material wherever possible and replacing it with materials that contain less plastic and are more reusable, refillable or recyclable.
- For textile collection, we work in partnership with Wolkat to reuse the textiles or recycle them in a more sustainable way.
- We are reducing food waste by partnering with Too Good To Go and the Food Bank and by improving stock planning.

2025: Last year, we switched to a new specification system that allows us to record our packaging data in much greater detail. This gives us a better understanding of our impact and enables us to prepare thoroughly for the upcoming European packaging legislation.

This is also a significant moment for HEMA: the conclusion of its previous **packaging targets** and an opportunity to look back on the results achieved, with new ambitions for 2030. In 2025, the focus was on three key areas: reducing plastic, using recycled and renewable materials, and improving recyclability and reusability. This applied to

consumer packaging as well as transport and outer packaging.

We have completely revamped our **beauty range**: lipstick, blush and powders are now all refillable, and whereas previously only eyeshadow was refillable, the entire range has been updated.

We've learnt a great deal from the packaging for our refillable eyeshadows; we've applied those insights to all our other make-up products. We learn from past innovations and apply this knowledge across the board.

It was clear, however, that refillable packaging requires a change in consumer behaviour. It takes time and explanation for refillable products to be accepted and adopted. HEMA has supported this with a targeted communication campaign to guide consumers through the process step by step: how refilling works and why it is sustainable. We also learnt that make-up packaging simply has to look good; it's about more than just its function. The colour needs to be right, the packaging must be attractive, and the whole thing must fit in with the rest of the collection.

Over the past year, we have once again **replaced plastic packaging** with cardboard. Beauty accessories are now displayed on cotton cards, and underwear and T-shirts are wrapped in cardboard sleeves rather than plastic bags. Feedback from shop employee was taken into account to ensure that the packaging remained functional and sturdy.

Nienke van der Veen, Packaging Specialist at HEMA:

“By 2023, we had already exceeded our plastic reduction target.” At the same time, we came up against a problem: reducing our total packaging weight turned out to be more complex than we had anticipated.

In preparation for the new **European PPWR legislation**, HEMA collected detailed information on packaging in 2025: type of plastic, colour, recyclability, recycled content and reusability. Suppliers, particularly those outside Europe, were informed and trained, and the manuals were updated.

lever 4: exploring circular business models

HEMA is constantly exploring ways to make its products circular. This can be done, for example, by repairing, reusing, renting out or selling products second-hand. We are

mapping out various models and working with potential supply chain partners to explore how we can put these concepts into practice.

E5-5

KPIs and results

packaging

context and progress 2025

The results paint a largely positive picture. We have managed to reduce the amount of plastic in our consumer packaging by 36 per cent. We measure this by comparing the amount of plastic packaging per item with the amount in 2019. In our previous sustainability report, we already indicated that the overall reduction target was unlikely to be met, as plastic is frequently replaced by cardboard, which is naturally heavier. Nevertheless, we are achieving an overall reduction of 5 per cent.

In order to use more sustainable materials, we aim to use only recycled or certified paper and cardboard, and as much recycled plastic as possible. The use of recycled plastic is falling short of the target, partly due to the higher price and limited availability of post-consumer recycled plastic. That is why we are carrying this objective forward to 2030, when we will further tighten the requirements.

The final objective focuses on recyclability. Although we haven't quite reached 100 per cent yet, 77 per cent of our packaging is already recyclable. For some types of packaging, there is not yet a suitable recycling route, such as small packaging for mascara, for example. We will also carry this objective forward to 2030 and align it with the forthcoming European PPWR regulations.

2025 targets

target: 25% less plastic consumer packaging than in 2019

result: -36%

target: 25% less consumer packaging than in 2019

result: -5%

target: all consumer plastic packaging is made from recycled plastic (at least 20% PCR) or bio-based plastic

result: 19%

target: all consumer packaging is recyclable

result: 77%

new targets for 2030

reduce

- 75% of the items in the shop are packaged without plastic (excluding food & beauty)

Packaging is considered plastic-free if it contains less than 5% plastic by weight.

- A 10% reduction in the total amount of packaging material compared to 2025

measured as a reduction in the total weight of packaging (kg) purchased, across all packaging layers and all items.

recycled and renewable materials

- at least 35% recycled plastic or bio-based plastic for all packaging
measured as the weight of recycled or bio-based plastic as a proportion of the total weight of plastic.
- all paper and cardboard packaging is made from recycled or certified sources.

recyclability

- all packaging is recyclable (including reusable packaging)
in this regard, we follow the guidelines and frameworks set out in the PPWR

waste

We work closely with our waste processors to ensure that waste streams are processed in the most circular way possible. Proper waste sorting is essential in this regard. Some of the waste is returned to our distribution centre, where it is collected; other waste streams are collected directly from the shops. We always do this in accordance with the applicable legislation, and where possible, we go the extra mile. Over the coming year, we will be taking steps to improve the sorting of food waste, prevent wastage in shops through smart (stock) planning, and collect unsold textiles separately. At the same time, our waste management companies continue to invest in better recycling techniques, enabling more and more of our waste to be reused. In this way, we are working step by step towards reducing waste and increasing reuse.

material outflow

KPI	details	2025		
Waste		Hazardous waste	Non-hazardous waste	Total
Total waste	For the financial year (in tonnes)	65.851	11.735.764	11.801.616
Completely diverted from disposal	For the financial year (in tonnes)	65.817	11.577.223	11.643.040
Total sent for disposal	For the financial year (in tonnes)	34	158.541	158.575
Proportion of non-recycled material	As % of the total	33,6%		
Textile collection				
Post-consumer textiles collected and sent for reuse or recycling	For the financial year (in tonnes)			22.309

people

We believe that everyone is equal, however different they may be. This applies to our colleagues in shops, distribution centres and offices, as well as to those working in our supply chain and at our partner organisations. Every day, we strive to value diversity, look out for one another and provide a safe, inclusive working environment. This is how we ensure that everyone feels welcome, and together we work to improve the everyday lives of our colleagues, partners and customers.



our employees

playing to win

We continue to build on the foundation we have laid. Over the past year, we have refurbished and modernised even more shops and worked on improving our product range: making it more practical, more attractive and of higher quality. So that absolutely everyone shops at HEMA often and with pleasure.

This growth doesn't happen by itself. The world around us is changing rapidly, and if we are to continue to make a real difference, we must keep working in a fundamentally different way. HEMA has a lot of potential that we are currently not fully exploiting. This calls for a new mindset, a winning mindset: we 'play to win'.

By 2025, we've raised the bar even higher. On the content of our work and also on each other. Challenging each other to take responsibility, seize opportunities and striving to get the best out of ourselves and each other. In a safe working environment where we enjoy our work.

Through four themes – be yourself, dare to take the plunge, keep it simple and grow with us – we put into practice what we believe is important. Everything we do is in line with this, so that employees want to work for HEMA and continue to do so.

- **Be yourself:** open up. Be vulnerable and honest with yourself and each other. Listen and give honest feedback and ask for help when needed.
- **Have the courage to act:** take responsibility and risks, push boundaries and seize opportunities.
- **Keep it simple:** think big and start small. Experiment and learn from mistakes. Always think how it can be easier.
- **Grow with us:** Hold each other accountable and be open to feedback. Leverage our talents.

We're proud of our team!

friendliest staff

HEMA Netherlands has won the award for having the friendliest shop staff at Brands in Retail 2025. Customers enjoy shopping with us and feel welcome.

Great Place To Work

HEMA Belgium and France have once again been recognised as a Great Place to Work. The fact that we have received this certificate once again demonstrates that our employees feel valued, engaged and supported, which is exactly what we strive for every day.

Gold Trophy: Best Customer Satisfaction Award

HEMA France has won the Gold Trophy: Best Customer Satisfaction Award with a score of 4.88 out of 5 based on 13,142 Google reviews. This is down to the enthusiastic shop team and their constant dedication to customers.

Overview of KPIs and objectives

S1

own employees

IRO	topic	description	value chain	time horizon
	Working conditions for our own employees and an inclusive working environment	HEMA provides good employment conditions and an inclusive working environment for its employees, which contributes to high employee satisfaction.	 	 
	Safety incidents and labour disputes, increased absenteeism and employee turnover, legal consequences and reputational damage.	Safety incidents and labour disputes can lead to increased absenteeism and employee turnover, legal consequences and damage to reputation.	 	 
	Improved talent retention and employee productivity.	A focus on DEI, development opportunities and a healthy work-life balance can lead to improved talent retention and employee productivity.	 	 
	Working conditions of employees at HEMA franchisees and the customer service department	If the employees of HEMA franchisees and the customer service team are subjected to poor working conditions, discrimination or harassment, this can also have negative consequences for HEMA. (S2)		 

 current positive impact
  current negative impact
  risk
  raw materials/ingredients
  production
  logistics
  short
  medium
  long

 potential positive impact
  potential negative impact
  opportunity
  online and offline store
  customers
  second life

objectives and results

General: Average score for organisational assessment >8.0 (ongoing).

8,3

Be yourself: The weighted gender pay gap will be less than 5% by 2028.

1,9%

Be yourself: At least 50% of senior management (MT and MT+) will identify as women (or non-binary) by 2028.

56%

Be yourself: 100% of SpeakUp reports are followed up (on an ongoing basis).

77,4%

Be yourself: Employees at HE MA score over 8.0 for inclusivity (ongoing).

8,6

Keep it simple: 95% of shops will have emergency response teams that meet the standards.

66%

Keep it simple: By 2028, 100% of reportable incidents in NL EV shops will be correctly recorded in the IRS within 24 hours of occurring.

no reportable incidents have occurred

Keep it simple: 100% of HEMA employees will receive a living wage.

100%

Grow with us: Employees who progress internally to other roles >35% on an annual basis (HEMA office).

27%

Grow with us: 75% of HE MA employees (salaried staff in the Netherlands) have set personal goals in SuccessFactors.

80%

policy

- Code of conduct
- Privacy policy
- Bsafe handbook
- Terms and conditions of employment

S1
SBM-3

our material impacts, risks and opportunities

Over the past few years, we have restored HEMA to its true self. Now is the time to press ahead: we are building an even stronger brand, with growth in shops and online, and an organisation that our colleagues can be proud of.

This calls for smarter collaboration and embracing new ways of working: seizing opportunities, taking responsibility, demonstrating resilience and achieving goals with conviction. At the same time, we remain true to who we are: a safe, enjoyable and inclusive working environment where everyone can be themselves, we keep each other on our toes, and equal opportunities are at the heart of our training and development.

With this in mind, we focus on three key areas that make a real difference to our people: good employment conditions, equal treatment and opportunities, and a careful approach to privacy.

definitions

Our workforce consists of employees on permanent contracts with HEMA, working in shops, distribution centres, the head office and offices outside the Netherlands. Unless otherwise stated, this report concerns this group. From now on, we will refer to them as: colleagues.

In addition, there are non-employees ('outsourced service providers') who provide services to HEMA and are either self-employed or employed by other organisations. In practical terms, this means our franchisees (and employees) and our customer service team.

S1-1

employee policy

Our obligations towards our colleagues, and our colleagues' rights and responsibilities, are set out in the employee policy. This policy is country-specific and can be found in policy documents and handbooks, which are available to all employees via our intranet. The policy falls under the remit of HR, with the Chief People Officer having overall responsibility. Below is an overview of the key overarching policies.

Equality and respect form the basis of our actions and are enshrined in our **code of conduct**. This document contains guidelines on, amongst other things, diversity and inclusion, professional conduct, freedom of association, safety in the workplace and the procedures for dealing with reports of inappropriate behaviour.

Read the [code of conduct](#) here

At HEMA, we consider privacy and safe handling of personal data important. In the **privacy policy**, we explain how we at HEMA handle our employees' personal data to ensure that this is done carefully and securely.

The privacy statement for employees describes what personal data HEMA processes from the employee and how HEMA handles it. For example, in payroll or personnel management. The privacy statement also outlines employee rights, such as a right to view records.

We offer our colleagues appropriate **terms and conditions of employment**, as set out in the applicable collective agreement for the country in question. This covers pay, leave, social security and company-specific schemes such as bonus or travel allowance schemes.

A pleasant and safe working environment where everyone feels at home is important. For such a working environment, it is essential that employees can report unwanted situations, abuses or integrity issues in an accessible and reliable way. We keep it simple: with a single, clear and practical **complaints procedure** that deals effectively with both complaints about inappropriate behaviour and reports of misconduct.

Workplace safety is set out in the **Bsafe handbook**, which is regularly updated by the Safety department.

S2

SBM-3

The policy documents also apply to our affiliated companies and customer service. In addition, there are supplementary arrangements for franchisees, as set out in franchise agreements and legislation.

S2-4

We maintain an ongoing dialogue on policy, taking into account the interests of HEMA, the companies and their employees.



S1-2

stakeholder management

employee representation and engagement

At HEMA, we place great importance on open dialogue with our employees and their representatives. Works councils operate both at central level and within various business units. Members are elected through a transparent and democratic process, ensuring that employees have a representative voice in key decision-making.

In addition to formal employee participation, we encourage engagement through employee satisfaction surveys and regular team and company-wide meetings. In this forum, we share our strategy and progress, and provide an opportunity for questions, feedback and discussion. This is how we ensure that employees are listened to and actively involved in HEMA's development.

S1-6

collective agreements

For us, freedom of association, collective bargaining and constructive social dialogue form the foundation of fair labour relations. In 2025, 96.7% of HEMA employees were covered by a collective agreement.

The table provides an overview of the countries in which HEMA is party to collective agreements, the total percentage of its employees covered by such agreements, and where employee representation exists. This applies to those countries where HEMA has at least 50 employees (in terms of headcount) and which account for at least 10% of HEMA's total workforce.

social protection

Social protection refers to the range of measures and provisions designed to protect employees against social and economic risks, such as illness, incapacity for work, unemployment or old age.

We have reviewed and assessed this on the basis of the legal framework in each country. Our findings show that all employees assessed have access to social protection against loss of income resulting from major life events such as illness, unemployment, work-related accidents and occupational disability, parental leave and retirement, provided they meet the standard local eligibility criteria, such as age or a minimum length of service, in accordance with local regulations and market practices.

	Employees (for countries with more than 50 employees, representing more than 10% of the total workforce)	Employee representation for countries with more than 50 employees, representing more than 10% of the total workforce
0-19%		
20-39%		
40-59%		
60-79%		
80-100%	Netherlands, France, Belgium	Netherlands, France, Belgium

S1-3

remediation processes

At HEMA, the principles set out in our code of conduct form the basis of all our partnerships: integrity, respect, openness and trust. If an undesirable situation arises, we will ensure that employees can report their concerns safely, without fear of reprisals. Our procedure for complaints regarding inappropriate behaviour and misconduct (including the whistleblower scheme) consists of the following steps:

1. *In conversation with those involved*

We encourage employees to speak to the person concerned first, if necessary together with their line manager or HR. This presents an opportunity to improve the situation and prevent it from happening again. In the event of serious breaches of integrity (such as discrimination, sexual harassment, fraud or bribery), we ask that you always report the matter to your (line) manager.

2. *Confidential advisor*

If a face-to-face meeting is not possible or the employee requires independent advice, they may contact an external confidential advisor. These confidential advisors share an anonymised report with HEMA every year,

so that trends and patterns can be identified and action taken where necessary.

3. *Anonymous report via Speak Up*

Employees can also report concerns (anonymously) via Speak Up, either online or by telephone. All reports are assessed by an independent team. An investigation will be carried out to establish the facts and determine what action is required. Results are not always shared with those concerned in order to ensure confidentiality. Where complaints are justified, corrective and preventive measures will be taken. The aim is to follow up on 100% of the reports received via Speak Up. The HEMA Works Council is kept informed of trends in reports and the measures HEMA is taking.



S1-4

actions**be yourself**

At HEMA, everyone is welcome: it has always been that way. Everyone is different, and it is precisely that diversity that makes the work more enjoyable. It is the combination of different perspectives, individual qualities, talents and ideas that leads to the creative and surprising solutions for which HEMA is renowned.

Diversity makes work more enjoyable*five generations*

Five generations are currently working together at HEMA. We believe it is important that they support one another and learn from each other's experiences. We organise intergenerational events and panel discussions to foster mutual understanding and cooperation.

Young HEMA

Young HEMA is a network for and by young HEMA colleagues up to 35 years old. Colleagues in shop management, at the office or at the distribution centre are welcome to take part in networking drinks, informative

lunch updates, workshops and training sessions, voluntary activities and sporting events.

HEMA pride

HEMA pride aims to raise awareness of the LGBTQI+ community. The working group is committed to creating connection and a safe environment, and keeping policies focused. For example, in 2025 they helped develop HEMA's transition leave scheme and the Pride-themed products on the shelves.

more diverse talent

HEMA France has recruited 12 employees with disabilities, in line with the commitment made at the start of the year.

diversity month

In 2025, we once again organised diversity day at our head office. A day dedicated to fostering connections and recognising the unique qualities that our employees bring to the table. Throughout October, we organised additional inspiring activities and training sessions to follow on from this day.

international women's day

On International Women's Day, we take a moment to reflect on the important contribution women make to our society. More than 13,500 women work in a wide variety of roles at HEMA and our partner

businesses. Saskia Egas Reparaz (our CEO) and Filippien Wagenmakers (our CPeO) spoke to colleagues about 'being yourself at work'.

inclusiveness and safety as a prerequisite*bereavement leave*

Grief requires space. That is why we have had bereavement leave since 1 January 2026. Staff can take up to four weeks' leave (two weeks on full pay), to be taken flexibly over the course of a year. In addition, support is available through the occupational health and safety service, and there is a bereavement protocol for teams and managers.

transition leave

Since 1 January 2026, we have had transition leave: up to 33 weeks' paid leave for colleagues undergoing gender transition, which can be taken flexibly over a period of ten years. The scheme was developed in collaboration with colleagues from HEMA Pride, Transgender Network Nederland and the CoC.

inclusive workplace

We are constantly looking into what our colleagues need to enjoy their work. For example, there is a room for expressing milk, and we are constantly looking at ways to expand our facilities for colleagues with

diverse needs, including those with disabilities or neurodivergence. To monitor whether our employees feel able to be themselves at HEMA, our goal is to achieve a score of 8.0 or higher in our organisational survey on the topic of inclusivity.

proud employees

Several times a year, we use digital questionnaires to ask employees in the Netherlands whether they feel valued, listened to and involved, and whether they feel they can be themselves. In May, our employees gave an average rating of 8.2, and in November this rose slightly to 8.3*. This questionnaire helps us gather feedback, which in turn helps us identify areas for improvement across the organisation. In addition, managers discuss the team results with their teams.

* Data in 2025 is presented based on the accounting policies and definitions described below and is subject to a limited assurance engagement under NV COS 3000. We refer to page 118 for the auditor's Limited Assurance report.

methodology and assumptions

The scope of the organisational measurement includes employees of all HEMA business units in the Netherlands who have been employed for at least 6 months. An exception applies to

trainees and temporary employees, and until the end of May it also applied to employees on long-term leave (due to long-term illness or maternity leave). The questionnaire consists of eight questions in the areas of strategy, work experience and culture. Employees are asked to give a numerical rating between 0 and 10

dare to do

At HEMA, daring to do things is in our DNA. We respond quickly to tomorrow's changes. This entrepreneurial attitude among our employees truly makes HEMA what it is. And you can see that everywhere.

This is what it's like to work at HEMA

experimenting and learning

At HEMA, we believe in thinking big and starting small. We encourage colleagues to test new ideas on a small scale first, so that we can remain agile and apply what we've learnt quickly. Then we'll make it bigger. We support this approach through inspiration and training.

courageous conversations

At HEMA, we encourage our colleagues to speak up and hold each other to account, with the aim of improving together. These discussions are not just about content, but

also about behaviour. We help employees to conduct these conversations effectively through training sessions, workshops and team days.

inspiration for our shops

Twice a year, we organise an inspiration fair for branch managers and franchisees. They get an exclusive preview of new collections, discover the latest retail technologies and draw inspiration from in-house experts. This enables them to run their business with courage and vision. We are making this inspiration available digitally to shop employees.

initiative to improve work-life balance

HEMA France and the Works Council (CSE) are launching digital holiday vouchers (Chèques-Vacances Connect). This allows employees to spend their money wisely on holidays, transport, leisure activities and cultural events. Thanks to co-funding, the scheme is accessible to a wide range of employees and contributes to their well-being, recovery and a better work-life balance.

keep it simple

We keep it simple, with no fuss. We are always looking for simpler or more convenient solutions and we welcome new ideas and

technologies with open arms. That saves on costs, and it allows us achieve pace. Innovation is wonderful if it simplifies our work. This frees up time for new initiatives.

no fuss in our HR processes

revised bonus scheme and bonus targets

We share success together. That is why, together with the Works Council, we have simplified the bonus scheme to include a more gradual accrual structure. This means there is a greater chance of receiving a bonus if results are good.

New health insurance helps keep costs down

HEMA France has chosen a new health insurer. The same high level of cover for employees, but costs can be up to 87% lower. What's more, the experience is more modern and convenient thanks to an intuitive app that provides access to healthcare professionals, prevention programmes and guaranteed reimbursement within 24 hours.

handy solutions in our shops

RFID: always know what's in stock

With RFID, products are automatically recognised and easily counted. This way, we know exactly what we have in stock, we ensure our shops are better stocked, and

we have more time to spend with customers. In this way, our supply chain is becoming more flexible, stronger and more cost-effective, step by step. By 2025, all our own-brand shops in the Netherlands will be equipped with RFID in the fashion, bed and bath textiles categories. Belgium and our franchisees' shops will follow in 2026. We will also be gradually rolling out RFID across more and more product categories.

safety in our shops

Emergency response and incidents

Our aim is to ensure that all our shops have a sufficient number of emergency response team members; at least 95% of our shops must meet the standards for emergency response teams. In addition, 100% of incidents involving accomplices in Dutch shops (our own branches) must be accurately recorded in the systems within 24 hours.

growing with us

We stay true to ourselves and our course, which we adjust without hesitation to move with the world. Always something new, always flexible. We want our employees to grow, as people and in their profession. Raising the bar.

growth & learning

My Personal Review

As in previous years, My Personal Review is a standard part of the appraisal year for employees. There are several meetings between managers and employees: goal-setting meetings (75% of our employees are required to set goals in SuccessFactors), a progress review, and a final appraisal. Our aim is to fill 35% of vacancies with employees who have progressed through the ranks within the company.

OpenUp

We consider the mental wellbeing of our employees to be important. Through the 'OpenUp' digital platform, employees can speak to a professional about their mental and physical wellbeing free of charge within 24 hours. OpenUp also offers a range of online training courses that all employees can take.

shops

training sessions in the new shops

Prior to a shop opening or reopening, we train all employees in customer experience (customer service), logistics processes and product knowledge. Shop managers will receive leadership training, whilst employees at restaurants and takeaways will receive food

safety training at head office. By 2025, we will have reopened 125 new shops.

training sessions on flexible stock management in shops

In the women's, men's and children's fashion departments, our shops are adopting a new way of working, by responding more quickly to trends and restocking the range more seamlessly. We developed an e-learning course and delivered training sessions in the shops. We're also hard at work in Belgium: the local team has trained the Belgian shop teams.

management training programme for French shop managers

By 2025, the management training programme for all shop managers in France will have been completed, comprising three modules: local manager, exemplary manager, and leader and their environment. In this way, we strengthen leadership, team cohesion and the ability to support change.

team leaders in training

From March 2026, future team leaders in shops across the Netherlands will be offered a new training programme. The course consists of classroom sessions and practical assignments. Participants will obtain the MBO certificate in Management.

leadership programme for branch managers

In Belgium and Luxembourg, we ran a four-day leadership training programme for all branch managers.

retail management diploma

In Belgium, 14 employees have been given the opportunity to start a two-year course through HEMA leading to a Graduate Diploma in Retail Management.

leadership training for middle management in shops and offices

We have launched a leadership training programme for HEMA's middle management (shop managers and head office managers). By 2025, a total of nearly 100 colleagues will have been trained. The training session focuses on playing to win: how, as a leader, you can get the best out of yourself and your team, and how you can foster commitment, motivation and a focus on results.

office

summer parade

In 2025, we once again organised the annual summer parade for all our office colleagues. The event was centred around the Olympic Games, with the theme of 'playing to win'. We worked on meaningful conversations and

impactful plans, and created opportunities for connection, learning and fun. We rounded off the day together with a summer party.

fast-growing companies

In 2025, a development programme was launched for 'high-potential employees' within HEMA's Dutch office. By 'high-potential employees', we mean colleagues who have the skills and ambition to progress faster than average (both horizontally and vertically) within the organisation. Various development programmes have been launched for the employees.

A distinctive employer brand: HEMA is there for everyone

employer's account

We have laid the foundations for a distinctive employer story, and are visible always and everywhere with real stories from our people. This is how we ensure that everyone wants to work at HEMA, which is important because the labour market remains tight. HEMA France has also further developed its employer brand on the French 'Working at HEMA' website.

research into our employer brand

HEMA is seen as an accessible, people-oriented and reliable employer. A survey of 835 potential employees shows that 89% are

aware of us and 23% are considering us as an employer, with the highest scores coming from retail and distribution employees.

At the same time, there are opportunities to highlight employment conditions and career development opportunities more effectively. This baseline assessment provides a clear starting point for further strengthening our position as an employer.

source: Markteffect – Employer Branding Image Survey (conducted in November/December 2025)

popular part-time job

A recent survey by the Intelligence Group of more than 2,000 school and university students shows that HEMA is once again a popular choice for part-time work. In 2024, HEMA will rise to 6th place (13th in 2023). Young people particularly value HEMA as an accessible and reliable employer for their first work experience.

source: <https://www.werf-en.nl/defensie-grootste-stijger-voor-bijbanen/>

S2-4

developments at member companies

In 2025, the focus was on health and safety policy, as these are key areas where we can make a direct impact.

Following an assessment of the validity of the RI&E (Risk Inventory and Evaluation), it has been agreed that all member companies must have an updated RI&E in place by April 2026, through a centralised approach in collaboration with the Association of Member Companies and InRetail.

A central agreement has also been drawn up regarding the availability of an independent confidential advisor. This new procedure has been communicated personally to all employees and displayed in the canteens of the affiliated companies.

colleagues

number of employees by gender (headcount as at 31 January 2026)

total	women	men	other
number of employees			
9.948	8.081	1.865	2
number of permanent employees			
5.734	4.778	956	0
number of temporary employees			
4.214	3.303	909	2
number of employees with contracts without a guaranteed number of hours			
0	0	0	0
number of full-time employees			
1.380	757	623	0
number of part-time employees			
8.568	7.324	1.242	2

number of employees by region (headcount as at 31 January 2026)

Netherlands	Belgium	Luxembourg	Austria	France	Germany	purchasing offices
number of employees						
8.118	849	35	59	586	225	76
number of permanent employees						
4.162	724	27	59	577	109	76
number of temporary employees						
3.956	125	8	0	9	116	0
number of employees with contracts without a guaranteed number of hours						
0	0	0	0	0	0	0
number of full-time employees						
637	182	10	6	469	3	73
number of part-time employees						
7.481	667	25	53	117	222	3

number of employees by age (headcount as at 31 January 2026)

total	% women	% men	% other
<30 years			
5.084	83,04%	16,92%	0,04%
30-50 years			
2.562	76,89%	23,11%	0%
>50 years			
2.302	82,06%	17,94%	0%

training sessions

the training sessions to shop employees
in the Netherlands.

training	number of training hours
Online	
Online training	3.800
Offline	
Offline training for offices: an average of 15 hours per employee per year	11.900
Offline training for DC: 8 hours per employee per year	4.000
Offline training for shops	2.961

living wage

HEMA believes it is important to pay its own employees a fair and decent wage. For us, the minimum requirement is paying a living wage. In the countries where HEMA has shops, the statutory minimum wage is higher than the living wage. This does not always apply to the countries where our purchasing offices are located. Here, we check annually whether wages are still above the living wage benchmark. This was indeed the case by 2025; all HEMA employees now receive a living wage.

accidents at work

HEMA places great importance on the safety of its employees and at its business premises. In the 2025 financial year, there were no fatal accidents involving our employees, nor were any deaths reported as a result of occupational illnesses. Furthermore, there have been no fatal accidents involving external personnel at HEMA's business premises.

gender pay gap

In 2025, the unadjusted pay gap between men and women at HEMA stood at 20.7%, with men earning more. Part of the explanation for this pay gap lies in our company's workforce: HEMA employs a significant number of female employees in its shops, where pay levels are lower than, for example, those of employees in office roles, where the gender balance is more

even. As a result, the average pay for male employees at our company is higher than that of their female counterparts, resulting in an overall pay gap in favour of men.

Below, we break down the pay gap further into an explained and an unexplained pay gap.

- The stated pay gap encompasses differences in pay that can be attributed to objective factors, such as job role, education, work experience, responsibilities and location.
- The unexplained pay gap represents the part of the pay gap that cannot be explained by these factors.

HEMA's aim is to ensure equal pay for equal work (or work of equal value) for women and men. In light of the limitations of the overall pay gap described above, we have compared the average salaries by job category and by country for women and men. The global pay gap between men and women stood at 1.9%, with men earning more.

employees in the production chain

Overview of KPIs and objectives

S2

workers in the supply chain

IRO	topic	description	value chain	time horizon
⊖ !	Working conditions for employees	HEMA may have a negative impact on workers in the supply chain if, for example, they do not receive a living wage, are subject to excessive working hours or are denied the right to join a trade union. This could lead to operational and reputational risks.	👤 👤	short medium long
★	Promoting fair and safe working conditions, long-term supplier relationships and higher product quality	Improving working conditions offers opportunities for long-term supplier relationships, higher product quality and the strengthening of HEMA's social standing. Through proactive policies and collaboration with suppliers, HEMA can help prevent exploitation and promote fair and safe working conditions.	👤 👤	short medium long
⊖ !	Unequal treatment and opportunities among employees	HEMA may have a negative impact on women in the supply chain when they face gender discrimination, such as unequal pay, limited career progression or a lack of protection against harassment. This could lead to financial and reputational risks.	👤 👤	short medium long
★	Empowering women	Promoting gender equality offers opportunities to empower women, improve the working culture and contribute to an inclusive and sustainable supply chain.	👤 👤	short medium long
⊖ !	Child labour or forced labour and reputational damage	HEMA may have a negative impact if child labour or forced labour occurs within the supply chain, which constitutes serious human rights violations. This entails legal, operational and reputational risks.	👤 👤	short medium long

+

 current positive impact

⊖

 current negative impact

+

 potential positive impact

⊖

 potential negative impact

!

 risk

★

 opportunity

👤

 raw materials/ingredients

👤

 production

👤

 logistics

👤

 online and offline store

👤

 customers

👤

 second life

short

medium

long

our material impacts, risks and opportunities

HEMA products are manufactured worldwide. In some regions, workers face an increased risk of human rights violations, such as long working hours, low wages or a lack of say in workplace decisions. We believe it is important that everyone involved with our products is treated safely and fairly. That is why we are working step by step to improve working conditions in our supply chain.

Annefloor Alting, Sr. Sustainability specialist for the supply chain explains: **“At HEMA, we work together with suppliers, local partners and other customers to ensure that initiatives and insights have a step-by-step impact, leading to better conditions and greater trust between employees and management.”**

Our approach is based on the OECD’s ‘Guidelines on Human Rights and Environmental Due Diligence’ and the ‘UN Guiding Principles on Business and Human Rights’. Transparency is essential: we publish details of our production sites on our website and via the Open Supply Hub. In this way, we want to show that improvement within the supply chain is not an abstract goal, but is about real people and their daily lives.

our due diligence trip

- A member of amfori BSCI since 2013
- 2016–2021: signed up to the textile agreement, including participation in projects relating to freedom of association
- Since 2019: Transparency Pledge (all our factories are publicly listed and can be found online)
- 2021 HEMA risk analysis & supplier feedback collected
- From 2023, we will be working with Enact to improve our due diligence policy, including a revised risk analysis and priorities
- 2024 online due diligence statement, including annual progress report
- 2025 food products and supply chains involved

strategy & transparency section

- Monthly ESG committee
- Annual stakeholder events
- Since 2024: due diligence statement & progress report

complaints mechanisms

- International Accord
- AmforiSpeak4change

part of various projects and initiatives

- Awaj/FNV project in Bangladesh at FoA
- ACT project on a living wage in Cambodia
- IDH living wage training courses

policy

HEMA's commitment to human rights throughout the value chain and our due diligence approach are set out in various policy documents, based on international treaties such as the ILO Conventions, the International Bill of Human Rights, the Convention on the Rights of the Child and the Convention on the Elimination of All Forms of Discrimination Against Women. The documents were drawn up in collaboration with internal and external stakeholders.

Our **Social Compliance policy** ensures social compliance across supply chains, with a focus on production sites in high-risk countries. Suppliers must meet minimum labour standards, undergo social audits and (as members of amfori) comply with the BSCI 'Code of Conduct'.

Our **Two-way Supplier Code of Conduct** sets out the standards of conduct for all our suppliers, including requirements relating to working conditions, human rights, the environment and animal welfare. Suppliers must ensure safe working environments, fair wages and the prohibition of child labour and forced labour, and must work together transparently to bring about improvements. The document also emphasises HEMA's own responsibility and the importance of sustainable, future-proof relationships with suppliers.

The **Responsible Purchasing Strategy** outlines how HEMA conducts responsible procurement, with a focus on sustainable and fair purchasing practices, future-proof relationships with suppliers, transparent agreements on production planning and payment terms, and the integration of sustainability objectives.

In our **Due diligence statement**, we describe how HEMA implements the OECD's 'Human rights and environmental due diligence guidelines', from risk assessment to monitoring and reporting. HEMA identifies risks, draws up action plans and works with suppliers to implement improvements. Transparency and continuous improvement are key. We also outline the policy in broad terms in the 'Organisation' chapter.

The **Grievance Mechanism Policy** provides employees, suppliers and other stakeholders with a safe and accessible way to report complaints and concerns regarding abuses within the supply chain, including working conditions and human rights. HEMA bases this approach on international guidelines, such as the OECD guidelines, with the aim of identifying risks at an early stage and implementing structural improvements.

The **Emergency Response Procedure** sets out HEMA's approach to serious abuses in the supply chain, such as human rights violations or environmental damage. It sets out a step-by-step plan for rapid and effective intervention, investigation and corrective action. The aim is to minimise damage, prevent recurrence, provide appropriate redress to those affected, and ensure transparency.

HEMA terminates its partnerships with suppliers in a responsible manner to minimise any negative impact on employees and communities. Our **Responsible Exit Strategy** is implemented in the event of a lack of improvement or serious breaches, and follows a clear step-by-step process: notification, consultation on improvement measures, a transition period, and a controlled termination.

HEMA's **Child labour policy** requires suppliers to have clear protocols in place to prevent, identify and address child labour. This includes risk assessment, monitoring and remedial measures that prioritise the best interests of the child, such as access to education and family support. The policy forms part of HEMA's broader due diligence approach and is actively shared and discussed with suppliers.

stakeholder management

HEMA takes the views of people in the supply chain (or employee representatives) into account in its decision-making in a variety of ways. They also have the opportunity to voice their concerns. Through the following projects, memberships and partnerships, we gather feedback from workers in the production chain and/or ensure that workers in the production chain are well represented.

remediation processes

Effective complaints mechanisms are essential for identifying and addressing abuses in the supply chain in a timely manner, and for strengthening the position of workers. Employees and other stakeholders must be able to raise their concerns safely, confidentially and easily, without fear of reprisals.

HEMA's approach involves multiple channels:

- 'International Accord' for factories in Bangladesh and Pakistan. HEMA follows the Accord's procedures to ensure that complaints are handled with care, resolved and, where necessary, remedial action is taken.

- amfori Speak for Change for factories in Vietnam, India, Bangladesh, Turkey and Cambodia. Complaints are handled in accordance with the amfori procedure, with the same care and focus on remediation.
- Stakeholders can submit complaints directly via our internal complaints mechanism, using 'Speak Up' channels or email (as outlined in the 'grievance policy', on our website and in our newsletters). All reports are dealt with in accordance with internal procedures.

We expect suppliers to have adequate recovery processes in place, as set out in the 'HEMA Supplier Code of Conduct'.

objective: By 2030 at the latest, HEMA aims to have an effective external complaints mechanism in place in all high-risk countries.

result: In the high-risk countries where products are manufactured for HEMA, 40% of suppliers have access to an external complaints mechanism.

Over the past year, 23 complaints have been received through various channels. Below is an overview of the number, status and HEMA's involvement in the restoration:

channel	number of complaints	status	topic	HEMA involvement in remediation
Direct	3	3 closed	• Severance pay, annual leave & terms of employment • Unfair dismissal • Wages	• Investigation into validity and seriousness (interviews with employees and management) • Consult with management on appropriate remedial measures • Monitoring of implementation
amfori	1	1 open	• Freedom of association • Health & safety • Fair pay	• Adherence to Speak for Change protocols • The WE Programme supports transformative dialogue and improvement plans at this factory • HEMA is closely involved in updates
Int. Accord	19	3 open, 16 closed	• Unpaid wages & allowances • Severance pay, annual leave & terms of employment • Unfair dismissal • Building and fire safety	• Applying Accord protocols • Direct communication with the supplier/manufacturer

actions

Our initiatives and objectives fall into three categories:

1. Measures to improve and implement our own policies
2. Measures in factories
3. Measures to mitigate risks further down the supply chain

measures aimed at improving and implementing our own policies

social compliance (development approach)

HEMA ensures fair working conditions through a development-oriented approach. Suppliers in high-risk countries are guided, step by step, towards full compliance with social standards. Their production sites are assessed against HEMA's 'Minimum Requirements for Social Compliance' (MRQ-sc). This audit is carried out by an external body before the factory is permitted to supply HEMA. The factory must then comply with a recognised social standard within one year. As a member of amfori, we expect suppliers to undergo BSCI audits or comply with a comparable standard.

objective: All production sites in high-risk countries have a social compliance standard.

result: By 2025, **96.06%*** of factories where HEMA has been manufacturing for more than one year as of 1 February 2026, located in one of the high-risk countries defined by HEMA, will have a valid 'social compliance' standard accepted by HEMA (BSCI, SA8000, Sedex/Smeta).

* Data in 2025 is presented based on the accounting policies and definitions described below and is subject to a limited assurance engagement under NV COS 3000. We refer to page 118 for the auditor's Limited Assurance report.

methodology and assumptions

To qualify countries as high-risk countries, we use the amfori risk classification. We see all high-risk and medium-risk countries according to amfori as high-risk countries. On the reference date 012/02/2026, we looked at which factories that have supplied HEMA for more than 1 year and make HEMA finished products (Tier 1). These factories must have a valid social compliance certificate accepted by HEMA. HEMA accepts the following social compliance certificates:

- BSCI score A, B, C
- SA-8000
- Sedex

We rate a BSCI score D, BSCI score E, an expired audit or no audit as insufficient.

Total production sites in high-risk countries	566
Total production sites in high-risk countries (supplying for less than one year)	135
Total production sites in high-risk countries (supplying for over a year)	431

Number of active production sites in high-risk countries in 2025 (excl. A-brand articles).

# MRQ-sc audit	135
# MRQ-sc initial OK	14
# MRQ-sc initial CAP (corrective action plan)	120
# MRQ-sc initial Not-OK + corrected	1
# MRQ-sc current OK	124
# MRQ-sc current CAP	11
# MRQ-sc current Not-OK	0
# closed CAPs	112

Results of the MRQ social impact assessments in 2025 (OK = compliant, NOK = non-compliant).

Notes regarding table:

An MRQ-sc audit is HEMA's MRQ social compliance audit. An initial audit means the first audit conducted at the new plant. A current audit is the renewed audit in which improvements have been requested and implemented based on the first audit. The number of closed CAPs (corrective action plans) indicates that the factory made improvements on social compliance prior to delivery.

amfori BSCI criteria

As a member of amfori (the organisation that manages the social compliance standard BSCI), we ask production sites that supply HEMA for more than a year to schedule a BSCI audit. In it, production sites can score an A to E, with A and B being the best scores. We monitor the scores and insights on the corresponding BSCI platform. Last year, 363 BSCI audits took place. In case of a D-score, we immediately contact the supplier to implement improvements as soon as possible. There were no E-scores in 2025.

Besides BSCI, we also accept standards that we can verify and that are equivalent in our view, such as Sedex/SMETA. We see an SA8000 certificate as a good assessment of working conditions and working conditions for a factory. With such a certificate, an MRQ social compliance audit is not necessary for this plant.

	2023	2024	2025
BSCI A-score	21	20	16
BSCI B-score	57	67	70
BSCI C-score	316	304	298
BSCI D-score	5	2	2
Suppliers with other accepted standards (such as SEDEX)	32	17	20
Suppliers with SA8000 certificate	10	9	10
No audit yet, or expired audit.	13%	12,5%	3,48%

BSCI audit scores over the years.

	2023	2024	2025
MRQ-sc audit	96	96	135
BSCI-audit	467	399	363

MRQ social compliance audit results over the years.

responsible sourcing

Responsible sourcing is important to HEMA. We want our suppliers to recognise HEMA as a responsible buyer. We strive to build long-term, equal partnerships with suppliers, based on mutual respect. Our responsible procurement strategy and 'Supplier Code of Conduct' are supported by internal training sessions, working groups and KPIs to measure progress.

In 2025, **75.6%** of our suppliers with production sites in high-risk countries were long-term partners who had been supplying HEMA for more than five years. No fewer than **48.7%** of these suppliers have been working with us for over ten years. These relationships form an important basis for responsible procurement and for working together to improve working and environmental conditions throughout the supply chain.

2025: We have taken significant steps to further improve our procurement practices. We conducted a **supplier survey** among our suppliers from various product groups and countries via our supplier newsletter. This survey was completed (anonymously) by 166 suppliers and provides valuable insights into how suppliers view our working relationship and where there is room for improvement.

The results show that HEMA is generally regarded as a responsible and reliable partner. **Suppliers give us an average rating of 4.36 out of 5***. At the same time, suppliers also identify room for improvement in terms of contractual clarity, forecasting, support when they face production setbacks due to external circumstances, and prices that take into account factors such as rising labour costs in manufacturing countries.

In 2026, we will take further steps to strengthen our responsible procurement policy. Together with an external expert in the field of responsible procurement, we are working on refining and embedding our strategy in practice.

objective: By 2030, 50% of our suppliers in high-risk countries will be long-term partners (suppliers who have been supplying HEMA for more than five years).

objective: HEMA aims to ensure that, by 2030, suppliers rate us on average as a responsible purchaser with a score of at least 4.5 on a scale of 1 to 5.

*The questionnaire comprised 17 questions which, taken together, provide insights into HEMA as a responsible buyer. These questions are based on the ACT Purchasing Practices Survey.

Each question had five possible answers: always (5 points), often (4), sometimes (3), rarely (2) and never (1). The 166 suppliers gave an average score of 4.36.

operations carried out in factories

living wage

Unfortunately, there are many people around the world who are unable to make ends meet. This also applies to employees within HEMA's value chain. A fair wage strengthens their position and enables them and their families to provide for themselves in terms of food, education and housing. There is often a significant difference between the minimum wage and a living wage. That is why, in 2024, HEMA drew up a roadmap to work with suppliers towards fair wages.

Annefloor: **"A living wage is a complex issue and cannot be resolved by a single party alone. That is why we are working together with our suppliers, other retailers and industry partners on this issue."**

Direct collaboration with suppliers: working towards tangible improvements

HEMA is working with individual suppliers to take tangible and measurable steps towards fair pay. An understanding of pay data and any living wage gaps forms an essential basis for this. These insights help us to engage more effectively with suppliers and drive improvements where they are most needed.

We use various data sources for this purpose. Audit results provide an initial picture of pay practices, but they also have their limitations: for example, they do not always use the correct living wage benchmarks and therefore sometimes provide an incomplete picture.

That is why, every year, we ask a selected group of production sites to complete the IDH Salary Matrix. This tool provides a much more relevant and detailed picture of pay structures and living wage gaps at the factory level. Based on these findings, we help suppliers identify bottlenecks and improve their pay structures.

2025: Seven factories have completed the Salary Matrix, with support from HEMA colleagues who attended an IDH training course in 2024. A living wage is also a key topic in our regular discussions with strategic suppliers, enabling us to continuously drive further progress. We are also rolling out capacity-building initiatives on related topics, such as social dialogue, freedom of association and working hours.

Collaboration with the sector: driving structural change across sectors

Although direct collaboration with suppliers is important for making tangible progress, HEMA believes that genuine, sustainable improvement is only possible if wage development is embedded at sector level. That is why we invest

in initiatives that bring about structural change, improve procurement practices and strengthen social dialogue in producing countries.

2025: As an active member of the IDH Business Action Committee (BAC) (formerly the Steering Group), HEMA is contributing to the international roadmap for a living wage. Within the BAC, we contribute insights from our supply chain, help refine strategies and encourage other companies to take action as well. This creates a broader, collective impact than individual brands can achieve on their own.

The most extensive and promising aspect of our sector-specific efforts is our recent participation in the ACT programme in Cambodia. ACT is an international partnership between brands, trade unions and manufacturers that focuses on improving wages through robust social dialogue and binding collective agreements. The ACT programme in Cambodia is the first initiative of its kind worldwide to support collective agreements through contractual arrangements with brands. The collective agreements include, among other things, a pay top-up, improved terms and conditions of employment, and additional maternity and paternity leave, which helps to promote gender equality. In addition, a Skills & Training Fund is used to finance training programmes that systematically enhance employees' skills and career prospects.

In 2026, HEMA will work with two suppliers and factories in Cambodia to ensure that the collective agreement is signed and implemented there. This means that we take part in tripartite consultations between manufacturers, trade unions and ACT, and that we fulfil our own commercial obligations, such as incorporating fair labour costs into purchase prices and contributing to the Skills & Training Fund. In doing so, we are not only supporting pay rises, but also the development of employees' skills, a crucial component of the ACT model.

excessive working hours

A well-known risk for workers in our value chain is excessive working hours, as revealed by the amfori BSCI audits. This risk is particularly high in China. We have therefore selected our Chinese suppliers with the highest number of overtime hours to work with us on drawing up improvement plans and reducing working hours.

2025: At these sites, we carried out a survey in 2025 to assess the extent of overtime and its underlying causes. In addition, a brochure has been produced for supplier management, aimed at reducing overtime and implementing structural improvement measures. The distribution of this brochure to all suppliers in China is scheduled for 2026.

Annefloor: **“By taking concrete steps with suppliers, such as increasing the number of rest days, we’ve found that even small measures lead to better working hours and a healthier work-life balance.”**

social dialogue

Freedom of association is essential for a fair supply chain. Nevertheless, workers in countries such as Bangladesh, Turkey and India are still often under pressure when they seek to make their voices heard collectively. In some cases, trade unions are actively discouraged or even obstructed, leaving workers without access to a safe and effective means of improving their working conditions.

That is why, since 2019, HEMA has been working on this issue in partnership with FNV and local partners, such as the Awaj Foundation, offering training courses to workers and management in factories in Bangladesh with a view to improving working conditions.

“We discovered that the key to a compliant factory is not just more rules, but above all better communication. By equipping both employee representatives and management with knowledge, we transformed a place of conflict into a place of cooperation,”

said Md. Firoz Mahmud, CSR manager at our purchasing office in Bangladesh.

The training sessions focused on strengthening worker participation committees (employee representation) in order to promote social dialogue in the workplace. Feedback from employees indicates that trust in management has increased, particularly when it comes to raising issues and concerns. Our CSR specialist in Bangladesh has also visited factories to monitor and support the implementation of the agreements and improvement measures. We are exploring the possibilities of whether and how the programme can be rolled out in our other production countries.

2025: By 2025, we will have trained employees on trade union freedom at two of the factories where our production takes place.

objective: By 2030, 100% of our active production sites in Turkey, Bangladesh and India will have an independently elected trade union or employee representative body.

result: In 2025, this stood at 97.87%.

gender equality

Gender equality is a fundamental human right. Nevertheless, women in many manufacturing countries, including China, Turkey, India, Pakistan and Bangladesh, still frequently face unequal treatment in the workplace. These include lower pay for the same work, limited career prospects, discrimination during pregnancy or motherhood, and a lack of protection against harassment and violence. HEMA recognises their vital role in the supply chain and is committed to equal opportunities, recognition and protection.

objective: In 2026, a roadmap will be drawn up in collaboration with suppliers and partners to implement awareness-raising, training and policies on gender equality.

measures that mitigate risks further down the supply chain

child labour

Child labour occurs in global supply chains, particularly in countries where there is poverty, limited access to education and weak enforcement of labour laws. This risk is particularly prevalent in the downstream sectors of the textile, hardware and food production industries. HEMA does not tolerate any form of child labour.

Our Supplier Code of Conduct sets out measures to prevent child labour, and factories are audited to assess their policies and systems. Both external monitoring, through our social compliance programme, and internal monitoring, such as unannounced visits by our CSR specialists. If child labour is suspected, HEMA applies an additional policy which is available online.

2025: By 2025, we will be affiliated with the 'Centre for Child Rights and Business'. This collaboration not only helps us to better identify and verify risks of child labour, but also to put in place effective remedial processes when actual risks or abuses come to light. The Centre provides us with practical expertise, local knowledge and guidance, enabling us to take more targeted action and strengthen our due diligence approach within our supply chain.

objective: By 2026, we will develop a roadmap to combat child labour in high-risk supply chains at the raw material level (such as cotton and mica).

forced labour

Forced labour poses a risk worldwide, particularly in the lower tiers of the supply chain where oversight is often limited. HEMA expects its suppliers to implement active policies to prevent forced labour and to be transparent about their supply chain, including beyond tier 1.

2025: We have begun a targeted risk analysis based on the 'Forced Labour Indicators' of the International Labour Organization (ILO). This analysis helps us to better understand where the greatest risks lie and forms the basis for further action. In addition, we are conducting a gap analysis to identify where our policies and practical implementation are still falling short, and how we can further strengthen our due diligence approach in the run-up to upcoming legislation.

During audits, specific checks are carried out for signs of forced labour. Employees can use the complaints mechanism to report concerns or breaches of employment rights anonymously.

objective: To prevent forced labour deep within the supply chain, HEMA will develop a roadmap by 2026 setting out targeted actions in high-risk supply chains, focused on prevention and monitoring.

customers

S4
SBM-3

Overview of KPIs and objectives

S4 customers

IRO	topic	description	value chain	time horizon
⊖ !	Cybersecurity vulnerabilities and the protection of customer data	Vulnerabilities in cybersecurity and the protection of customer data can lead to data breaches, resulting in potential breaches of privacy legislation (such as the GDPR), reputational damage and liability.	🏠 👤	short
⊖ !	Unsafe products and conditions in high-street shops	Unsafe products and unsafe conditions in physical shops can lead to injury or discomfort for consumers, with potential reputational and liability risks for HEMA.	🏠 🏠	short medium long
★	An inclusive and accessible shopping experience, high customer satisfaction, more visits to the shop and an increase in turnover	An inclusive shopping experience improves accessibility for a diverse range of customers, which can lead to higher customer satisfaction, more visits to the shop and, ultimately, an increase in turnover.	🏠 👤	short medium long

⊕ current positive impact ⊖ current negative impact ! risk 🏠 raw materials/ingredients 👤 production 🚚 logistics
 ★ potential positive impact ⊖ potential negative impact ★ opportunity 🏠 online and offline store 🏠 customers 🏠 second life

short medium long

policy

- Privacy policy
- Product safety
- Food safety
- Shop safety
- Shop rules
- Customer service policy
- Social inclusion

our material impacts, risks and opportunities

Over the course of almost 100 years, HEMA has won a place in the hearts of our customers. Everyone is welcome in our accessible and welcoming shops, where we strive to offer the best quality at the lowest price – a core value of HEMA since 1926.

safety comes first

Product and food safety form the basis of the trust that customers place in HEMA. Whether it's baby vests, smoked sausages or household goods: our customers must be able to use our products with complete peace of mind. We also take the utmost care to protect our customers' personal data.

inclusion and engagement

At HEMA, we want everyone to feel welcome. That is why we strive to create inclusive products and communications. We listen to our customers so that we can incorporate their feedback into our product range and services. We show what HEMA stands for and ensure that all our customers can be themselves. Our analysis highlights three material issues for customers:

1. personal safety
2. social inclusion
3. privacy

5.2 million
loyalty card holders

in the Netherlands and 885,000 loyalty card holders in Belgium

1 million
cups of coffee
as a gift

270,000
birthday
mille-feuilles
gift

most popular: **limited edition**
Takkie & Siepie
cups
with points saved up

3rd **year of**
Ster Gouden
Loeki
for our Christmas
advert

S4-1

policy

social inclusion

HEMA is for everyone: that's been our aim for around 100 years. We are a reflection of a society that is constantly changing. We are moving in the same direction.

in our shops

We want everyone to feel welcome in our shops and for our employees to be able to be themselves. Inclusivity is deeply rooted in our organisation and has traditionally attracted a diverse range of people. This doesn't happen by itself; that's why we actively focus on it, both internally and externally. For example, we use internal and external communications featuring our own diverse models, so that everyone can see themselves reflected and feel at home at HEMA.

in our range

We also want everyone to feel that our range speaks to them. We take the cultural diversity of the Netherlands into account, for example by tailoring our festive collections to different occasions. Another example is our collaboration with queer designer Paul Goos, with whom we launched a complete Pride collection in 2025.

Not just for Pride, but products you can wear with pride all year round.

in our online shop

We make sure our website and app are easy to use. For everyone. This also applies to people with disabilities. Think of people who have difficulty seeing, hearing or moving. [Read our digital accessibility statement here.](#)

general customer policy

We handle our customers' personal data with care, in accordance with the requirements of the Dutch Data Protection Authority and the applicable GDPR legislation, as set out in our **privacy policy**. This means that only necessary data is collected and processed, and that appropriate technical and organisational measures have been put in place to protect this data. HEMA maintains a data processing register to ensure transparency regarding data processing, and a data breach register to monitor incidents and make improvements. In addition, a privacy and cookie policy clearly sets out what data is used, for what purpose, and what rights data subjects have.

In our shops, we focus on ensuring quality, safety and a pleasant shopping experience for our customers. We have guidelines for **product safety**. The MRQ process is one of the methods used to ensure product safety. **Food safety** is

ensured through hygiene and quality standards, including procedures such as HACCP and cleaning guidelines. In addition, there are guidelines for **shop safety and health and safety at work**, and procedures for working safely, including the handling of hazardous substances. There are also measures aimed at preventing incidents, such as shoplifting prevention and first-aid facilities. In addition, we have **company rules, a complaints procedure and a customer service policy** to provide clarity on expectations, responsibilities and how to handle feedback and incidents within the shops.

Our products are designed with one goal in mind: to be accessible and relevant to as wide an audience as possible.

Everyone should be able to identify with our products and feel comfortable using them. Our mission? We design versatile products that remain relevant for longer, thereby reducing the need for excessive variation in our product range. That's how we produce everything our customers need on a daily basis. Every day, every season, all year round.

shared routines and needs

We focus specifically on common customer issues and routines. Sarie, Strategic Concept Developer at HEMA, explains: "It's not just about a woman aged 35 or 70, but about similar issues." "You find the overlap among people who struggle to put their mobile phones down or who sleep with a cuddly toy." By designing on the basis of shared needs, we create solutions that work for many people and thus have a greater social impact.

design principles

Our design principles are therefore based on the premise that products must, at their core, be relevant, accessible and usable for as wide a group of people as possible. In doing so, we do not primarily design for traditional, demographically defined personas, but instead

work with overarching style groups and shared needs. As Sytze, Senior Designer for Home & Seasonal at HEMA, explains: "We don't have a single persona, but rather several style groups." "That way, you can put together a collection that spans a spectrum and caters to a wider audience." These style groups represent a range of aesthetic preferences: from classic and cosy to modern and bold.

Ease of use is also an important principle. Sytze emphasises: "Everyone benefits from a pepper mill that grinds more effectively, even if you have less strength in your hands." By making products more intuitive and physically accessible, we improve their usability for people with a wide range of motor skills.

balance between design, choice of materials and functionality

We consider the balance between design, choice of materials, functionality and cost right from the start of the design process. To this end, design teams make use of an in-house materials library (available online and in-house) containing materials, finishes and construction methods, enabling us to select the best materials by taking both sustainability and cost into account. This makes it possible to make immediate decisions that strike a balance between design, functionality and sustainability. This results in products that are stylish, well-designed and

efficient to manufacture, whilst also delivering real added value for the customer.

A true HEMA product: a USB-rechargeable bike light

One design that illustrates our process very well is the USB-rechargeable bike light. Everything comes together here: from carefully identifying customer problems and needs (the familiar frustrations of flat batteries, rummaging through your bag and always having to buy a set of front and rear lights) to smart design choices that maximise ease of use. The result: a single lamp that can be charged via USB and emits both red and white light, encouraging customers to use it more often and for longer. And, not unimportantly for HEMA, he looks cool too.



S4-2

stakeholder management

consultation with our customers

Customer and market insights play a crucial role in our strategy. The information customers share with us helps us to improve the customer experience, anticipate future needs and, in doing so, drive both customer satisfaction and sustainable growth.

customer research

HEMA regularly conducts customer surveys to better meet customers' wishes and needs. These surveys provide insights into product reviews, HEMA's appeal to various target groups, market trends and the company's image. The results are shared with procurement teams and designers and summarised in the internal newsletter.

We also have a HEMA customer panel, which is a representative sample of our customers based on age, household composition and region. The panel gives customers a direct say in HEMA's direction.

customer satisfaction

Satisfaction with HEMA's customer service is measured via a survey sent out after every point of contact. Customers indicate whether

they would recommend the service, whether their query was resolved to their satisfaction, and how they rate the friendliness and knowledge of our employees (CSAT, Customer Satisfaction Score).

Our customers gave the following scores for 2025:

NPS: 50.4* (scale from -100 to +100)

The NPS is the average transactional NPS in the Netherlands and Belgium, based on customers with a HEMA loyalty card who have visited our shop and completed the questionnaire. In 2024 and 2023, the NPS stood at 52.4 and 45 respectively.

CSAT: 8.2 (on a scale of 1 to 10)

The CSAT score is our customers' rating of our customer service on a scale of 1 to 10. In 2024, the CSAT was 8.1, compared with 8.5 in 2023.

* Data in 2025 is presented based on the accounting policies and definitions described below and is subject to a limited assurance engagement under NV COS 3000. We refer to page 118 for the auditor's Limited Assurance report.

methodology and assumptions

Customers who used a HEMA card when making a purchase in a HEMA shop (in the Netherlands and Belgium) during the period under review (financial year 2025) will receive an invitation to rate the purchasing process. We apply some

filters: photo product purchases are excluded, as well as returns and people who have already received an e-mail in the past 90 days.

Customers rate on a scale of 0 to 10 whether they would recommend HEMA. On a daily basis, we retrieve the answers and process them in a dashboard. To calculate the NPS, we process the score on whether the customer would recommend HEMA as follows:

- Score 0 - 6 = detractors
- Score 7 + 8 = passives
- Score 9 + 10 = promoters

NPS = % promoters - % detractors.

S4-3

remediation processes

HEMA always strives to resolve every complaint as effectively as possible. We have a dedicated complaints procedure for any questions or issues relating to our products and services. In 2025, HEMA's customer service team assisted around 900,000 customers across all the countries where HEMA operates, for example with enquiries about orders, our loyalty programme or HEMA products.

Customers can contact us by phone, via our website, via chat (on our website and app), by email, on Facebook, X and Instagram. Our digital assistant also helps many customers to sort things out for themselves, meaning that

questions are answered quickly and directly. Most questions are about online orders and collection in shops or home delivery.

We continue to implement new technologies in our customer service operations, enabling employees to work more efficiently and spend more time on personal interaction. In this way, we improve both customer satisfaction and our employees' experience.



S4-4

actions**product safety**

At HEMA, product safety is always our top priority. Our designers and quality control department (PK&V) ensure that our products are safe and go beyond the legal requirements. Additional checks, regular audits and modern software help to identify risks at an early stage. We also provide clear instructions for use and warnings, so that consumers can use our products with confidence.

PK&V is involved in, amongst other things:

- Product analyses, labelling and instructions for use
- Complaints handling
- National and international legislation
- Communication with the authorities
- Quality and safety processes
- Product inspections

Among other things, we detect risks by using modern product inspection software, further refining risk assessment formats for all our products and conducting periodic audits. In addition, we naturally ensure that our products contain clear instructions for use and warnings so that consumers can use them safely.

Through regular reporting and reviews, we ensure our safety measures remain up to date and continuously improve our processes.

food safety

Good food starts with food safety. HEMA sets strict standards for its suppliers and carefully monitors production, packaging and storage. In shops, employees are responsible for ensuring compliance with procedures, supported by external specialists and HEMA store auditors.

Our approach complies with the Food Act and the STOR hygiene code, under the supervision of the NVWA. All employees who handle food undergo annual online food safety training. Our food suppliers comply with the standards of the Global Food Safety Initiative (GFSI). HEMA Netherlands therefore has a positive status for its catering outlets.

shop safety

HEMA creates a safe environment for customers and employees. Clear walkways, good lighting and well-organised shops contribute to physical safety. Employees have been trained as company emergency response officers (BHV) and there is an up-to-date evacuation plan in place for emergencies.

Social safety is also important: we are committed to preventing shoplifting and inappropriate behaviour through CCTV surveillance and cooperation with local law enforcement agencies. This is how we ensure that customers and employees feel safe and welcome.

accessibility

We want everyone to be able to shop with us. We do this by ensuring our shops and website are accessible. Last year, we took part in a project run by MKB Toegankelijk, in which we assessed the accessibility of our shops through a shop scan and a series of workshops. We apply what we have learnt here to the design of new shops.

What's more, our website has become much more accessible since June 2025! An independent agency has tested our website. In October, we implemented the first major improvements. The second round took place in early 2026. You can now navigate the entire website and place orders using just the keyboard, so you no longer need a mouse. We're still working on the finer details, such as improving the colour contrast. In everything we create, we pay close attention to accessibility.

Our app has long been far more accessible; for example, it works well with screen readers, you can navigate using a keyboard, and it offers additional options such as high contrast, reduced motion and dark mode.

cybersecurity

Cybersecurity protects HEMA's digital assets and information, as well as those of its customers, against cybercrime. The HEMA Security Office (HSO) oversees these security measures and acts as a point of contact and advisor for employees, management and partners. The team works closely with the privacy, legal and procurement departments to ensure the security of the services and software procured. Through 'vendor security assessments', HSO checks whether suppliers meet HEMA's security requirements.

Our employees also receive training in the field of cyber security. HEMA is investing in raising awareness through a training programme that includes banners, posters, simulated phishing emails and various training sessions. These initiatives keep employees alert and help foster a sustainable security culture, in which information security is an integral part of day-to-day work.

Information security strategy and policy are discussed monthly in the information security and privacy committee, which includes colleagues from the Security Office and the privacy team.

privacy

HEMA considers it important to handle the personal data of customers and employees with care and in strict confidence. Our privacy policy and privacy statement(s) set out how we process data and how we comply with applicable data protection legislation. In addition, we have put in place appropriate security measures to protect personal data against loss, misuse or unauthorised access, amongst other things. Over the past year, we have further refined a number of our privacy processes, including by using standard privacy impact assessments that help us identify risks more effectively. In addition, we have a clear process in place to handle privacy requests (such as requests for data erasure) from data subjects effectively.

charities

We are part of society and believe it is important to contribute to it. That is why we work with initiatives and charities that are close to us, both literally and figuratively.

Customers using the HEMA app can collect points that they can donate to charities. In 2025, this raised €522,814 in financial contributions for Pink Ribbon, Team Alzheimer, War Child, the Oranje Children's Hospitals, COC, Serious Request – Spieren voor Spieren and Bednet. Donations in the form of goods, totalling €199,287, were also made to the Jarige Job Foundation, the Baby Spullen Foundation, the Poverty Fund, the Wilhelmina Children's Hospital, Because We Carry, the Salvation Army, the Linda Foundation, Mohuka, Pride, the Ukraine Foundation, the Food Bank and Too Good to Go. In addition, HEMA supported War Child by donating a portion of the sale price of specially designed War Child pyjamas.

organisation

Overview of KPIs and objectives

G1

organisation

IRO	topic	description	value chain	time horizon
 	Our corporate culture Unethical situations or behaviour	We see our corporate culture as our greatest asset in helping us achieve our business objectives. We have identified unethical situations or behaviour as a risk that could have a negative impact.	           	  

 current positive impact
  current negative impact
  risk
  raw materials/ingredients
  production
  logistics
  short
  medium
  long

 potential positive impact
  potential negative impact
  opportunity
  online and offline store
  customers
  second life

policy

- Code of conduct
- Corporate code
- Complaints procedure
- Speak Up scheme
- Supplier Code of Conduct
- External complaints mechanisms

G1 IRO-1

Business conduct forms the basis of how HEMA operates, creates value and works with employees, customers, suppliers and other stakeholders. Acting with integrity, transparency and mutual respect are essential to the success of our strategy and to building trust in HEMA as a brand and an organisation.

This means that at HEMA, we make conscious and responsible choices in our day-to-day operations as well as in the structure of our organisation and value chain. In this chapter, we describe how our corporate culture, governance, risk management and due diligence help us to manage risks and capitalise on opportunities in the areas of integrity, compliance and sustainability.

material impacts, risks and opportunities

Our open and ethical corporate culture creates opportunities for HEMA by strengthening collaboration, ownership and trust. This helps to foster employee engagement, build long-term supplier relationships and maintain a positive reputation among customers and other stakeholders.

At the same time, unethical behaviour, such as fraud, corruption, non-compliance with laws and regulations, or a lack of due diligence within

the value chain, entails material risks.

These could have negative impacts on people and the environment, as well as causing financial loss and damage to HEMA's reputation.

The supply chain also involves inherent risks relating to human rights, working conditions and environmental impacts.

Through targeted policy frameworks, clear lines of responsibility and the implementation of governance, risk management and due diligence processes, we manage these risks and strengthen our long-term value creation.

our culture

At HEMA, good business conduct is reflected in the way we work together on a daily basis. Our culture is characterised by openness, collaboration and a sense of responsibility. Employees are encouraged to take the initiative, share ideas and offer constructive feedback to one another.

We create an environment where mistakes can be discussed and lessons learnt from them, provided this is done in an open and respectful manner. This open communication helps us to spot warning signs in good time and contributes to a safe working environment in which people feel heard and are happy and proud to contribute to HEMA.

code of conduct and reporting

code of conduct as a basis

In our working relationships, both internally and with suppliers, we act in accordance with the principles set out in our code of conduct. This forms the basis for ethical, respectful and responsible conduct within HEMA and throughout the entire value chain. Among other things, the code of conduct provides guidelines on dealing with conflicts of interest, gifts and invitations, and makes it clear that corruption and bribery will not be tolerated.

In 2024, a revised code of conduct for suppliers was introduced, with a particular focus on suppliers in high-risk areas. This code sets out mutual responsibilities and encourages cooperation based on transparency, fair payment terms, capacity planning and production coordination, and emphasises the importance of transparency throughout the supply chain. Read more about the code of conduct for suppliers [here](#).

[View our code of conduct here](#)

reports and whistleblowers

HEMA believes it is important that employees and other stakeholders are able to report suspected misconduct safely and confidentially. Reports may relate to breaches of laws and regulations, the code of conduct or other internal guidelines.

Employees can report concerns via HR, their line managers, the compliance officer or anonymously via the 'Speak Up scheme*'. Whistleblowers are protected against discrimination. The legal department carries out an initial assessment of incoming reports and refers them to the relevant departments, such as HR or Risk & Internal Audit, in order to find an appropriate solution.

External confidential advisors submit an anonymised report each year. This provides insight into the nature and scale of reports and helps us to identify patterns and implement improvements.

*The Speak Up complaints procedure is currently only in place in the Netherlands.

the role of our board in business dealings

HEMA's management team is responsible for the strategy and its implementation. At HEMA, we value integrity, respect and trust: from how we work together to how we make decisions. With clear management, openness and room for initiative, we are building a HEMA that everyone is proud of.

The Supervisory Board has an Audit Committee, which also oversees the internal control system and risk management, as well as the integrity and quality of financial and non-financial reporting and the financial and non-financial reporting process.

ESRS 2 | GOV-1 & GOV-2

governance and organisational structure

HEMA operates a two-tier governance structure, comprising an Executive Board and a Supervisory Board, both of which are accountable to the shareholders.

The Board of Directors has overall responsibility for the day-to-day management of HEMA and is supported by the management team, which is responsible for the organisation's strategy, policy implementation and operational management.

executive board

The executive board constitutes HEMA's statutory management and consists of the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO). Sustainability is a key component of the organisation's strategy: the CEO has overall responsibility for the sustainability policy and its implementation.

management team

The management team consists of the CEO, CFO, Chief Commercial Officer, Chief Operations Officer, Chief Technology Officer and Chief People Officer. The division of responsibilities is structured in such a way that strategic direction, operational delivery and customer-focused offerings are well aligned.

diversity within the management team and their teams

The executive team (board of directors and management team) comprises two women and four men, with a diversity ratio of 33%.

By 2025, 56%* of the management team and of the managers who report to a member of the

management team (in paid employment) will identify as women. Last year, this figure was 53%.

* Data in 2025 is presented based on the accounting policies and definitions described below and is subject to a limited assurance engagement under NV COS 3000. We refer to page 118 for the auditor's Limited Assurance report.

methodology and assumptions

The members of the leadership team who identify as women, as at reference date 31 January 2026. The leadership team at HEMA is defined as follows: 'all positions held by a member of the executive board within a management team'.

We only look here at employees employed by HEMA, so external employees are not part of the scope. While a number of positions report to a board member on reference date, positions do not qualify as managerial.

To calculate the KPI, a list was made of all employees and the manager. Based on manager, taking into account the above exceptions, the list of leadership was compiled and then the gender ratio was calculated.

supervisory board

The supervisory board oversees the executive board and the general conduct of business within HEMA. In addition, the board provides advice on strategy, operational performance and governance. 40% of the members are independent members.

An Audit Committee operates within the supervisory board. This committee supports the oversight of the integrity and quality of financial and non-financial reporting, the financial and non-financial reporting process, compliance with

CSRD regulations, the internal control system and risk management, and advises on the appointment of HEMA's external auditor. The current members of the Audit Committee are Ronald Latenstein van Voorst and Ronald van der Vis.

remuneration

Individual agreements have been reached with the management team regarding fixed remuneration. For the fixed salary, pay scales have been established within which salaries can increase. Based on the annual appraisal, the salary may increase up to the maximum level of the relevant pay scale. Compensation for termination of employment is determined on a case-by-case basis.

The variable remuneration for the management team is dependent on performance versus the company's targets. In case of underperformance, the right to the variable remuneration lapses. All employees are covered by the compulsory Retail Industry Pension Fund. As such, the management team is affiliated to the same pension scheme as all other employees.

management team

(incl. executive board), 1 February 2026



Saskia Egas Reparaz
(executive board)
CEO

start date: 1 June 2021
gender: Female

Previously, Saskia was CEO of drug store chain ETOS and a member of the European leadership team at Ahold Delhaize.



Jurriaan Pouw
(executive board)
CFO

start date: 1 April 2022
gender: Male

Before HEMA, Jurriaan worked in various management positions in retail as CFO at C1000 and e-commerce manager at Jumbo.



Machiel Lagerweij
COO

start date: 1 August 2021
gender: Male

Machiel has worked at companies such as De Bijenkorf and MS Mode. Before joining HEMA in 2021, he had several long-term tenures at HEMA.



Bas Verheijen
CCO

start date: 1 June 2021
gender: Male

In his career, Bas has worked at Albert Heijn, C1000, Blokker and Picnic, among others.



Pieter Heij
CTO

start date: 1 June 2021
gender: Male

In his career, Pieter has worked at De Bijenkorf and the Selfridges Group, among others.



Filippien Wagenmakers
CPeO

start date: 1 October 2022
gender: Female

Filippien has held various positions in retail at Ahold Delhaize and Gall & Gall.

supervisory board

1 February 2026

Pieter Haas

Chairman appointed in accordance with HEMA Works Council's right of recommendation

start date: 1 February 2021
gender: male

An experienced executive specialising in digital transformation within the retail sector. Between 2001 and 2018, he held various board positions at Ceconomy, MediaMarkt Saturn Retail Group and METRO AG, where he served as CEO of Ceconomy / MediaMarkt Saturn Retail Group from 2013 to 2018.

Ronald van der Vis

Independent supervisory board member & member of audit committee

start date: 1 February 2021
gender: male

An experienced director with 20 years' experience as CEO at various companies, including Esprit, GrandVision and Koninklijke Ahrend, and has served since 2013 as chairman of the supervisory boards of Mediq and Basic-Fit and as a non-executive director at Douglas and Beter Bed.

Ronald Latenstein van Voorst

Independent supervisory board member & member of audit committee

start date: 26 May 2025
gender: male

As a new member of the supervisory board, Ronald brings a strong background in financial services, transformation and governance; he was previously CEO of SNS Reaal and has held various non-executive and advisory roles across a range of sectors.

Bas Becks

Parcom supervisory board member

start date: 1 February 2021
gender: male
end date: 11 February 2026

A partner at the leading Dutch investment firm Parcom, which has invested in more than 130 (international) companies since 1982, and previously served as Managing Director at CVC Capital Partners and as a strategy consultant at McKinsey & Company; he studied International Business at Maastricht University and obtained an MBA from INSEAD.

Colette Cloosterman-van Eerd

Supervisory board member

start date: 26 May 2025
gender: female

As a new member of the supervisory board, Colette brings with her extensive retail experience and in-depth knowledge of brand development, entrepreneurship and family businesses. Co-owner of the family-run business Jumbo Supermarkets, and has held managerial and supervisory roles within various retail and consumer-focused organisations.

ESG committee

HEMA's management is responsible for the company's strategy, in which sustainability is a key priority. All sustainability issues and preparations for the CSRD are discussed at the ESG committee's monthly meeting. In attendance are the CEO, CFO, CCO, CPO, and representatives from the communications, legal, procurement, risk and internal audit departments.

CSRD project group

In 2025, we continued to work with a multi-disciplinary CSRD project group to ensure the timely and effective implementation of the CSRD. The project group operates on a project basis and comprises the CFO, representatives from corporate finance, data & analytics, the sustainability team and the risk management team. Chaired by the CFO, the project group is responsible for decision-making regarding HEMA's CSRD roadmap and monitors progress. The group meets monthly.

stakeholder engagement

The board (MT and SB) are involved and present at stakeholder consultations. The MT as a whole attends strategy days (employees, suppliers), stakeholder meetings (colleagues, NGOs, cooperation partners) and other contact points with internal and external stakeholders. Feedback from these consultations is continuously taken into account in shaping the sustainability policy.

sustainability team



Marieke Doolaard
director of sustainability



Annefloor Alting
sr. sustainability specialist
(supply chain)



Milou America
sr. sustainability specialist
(environmental impacts)



Fuusje Schlette
sustainability specialist



Demi Coenraads
jr. sustainability specialist

departments involved

Other departments involved, such as legal, procurement and quality, have a designated sustainability specialist.

due diligence statement

We follow the OECD guidelines on due diligence in the areas of human rights and the environment. In doing so, we apply the six steps of due diligence to organise and manage our operations and value chain in a responsible manner.

Our due diligence statement reads as follows:

integrate corporate social responsibility

Sustainability is an integral part of HEMA's strategy. We have established policies and systems that guide our actions on environmental, social and governance issues and are aligned with the CSRD requirements. This policy is underpinned by clear procedures that apply throughout our value chain. We publish these policy frameworks and review and update them regularly.

identify and assess negative consequences

We identify risks relating to human rights, working conditions, the environment and corruption. We do this through risk analyses, internal assessments and by working with external experts and stakeholders. This gives us an insight into where the greatest risks and opportunities lie.

stop, prevent or limit negative consequences

Based on these analyses, we take targeted measures. We prioritise risks based on their severity and the possibility of recovery. This may involve implementing improvement programmes with suppliers, encouraging more sustainable working practices, or supporting initiatives that contribute to positive social and environmental outcomes.

track and monitor implementation

We regularly monitor whether our measures are having an effect. We do this through a range of measures, including internal and external audits, dialogue with stakeholders, and the measurement of environmental and social performance. Where necessary, we refine our approach and draw up improvement plans, the implementation of which we monitor closely.

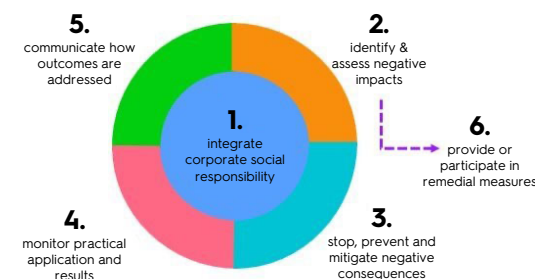
communication and reporting

HEMA places great importance on transparency. We regularly report on our policies, progress and results in the area of ESG. We do this both internally and externally, including through our sustainability report. In addition, we organise annual meetings with stakeholders to discuss developments and gather feedback.

complaints mechanism and remediation

We have accessible complaints mechanisms in place for employees, suppliers and other stakeholders. Reports are dealt with carefully and promptly. Where negative consequences have arisen, we take appropriate remedial action and work to prevent them from happening again.

Through this structured approach, we ensure due diligence is exercised throughout the value chain. In this way, we minimise negative impacts and contribute to sustainable development, in line with the OECD Guidelines.



Source: [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#).

ESRS 2
GOV-5

risk management

For HEMA, risk management is an integral part of doing business. It enables us to both create and protect value. We focus on the risks associated with implementing our strategy in the short, medium and long term. When making important decisions, we identify the risks and weigh them up carefully. We identify risks at an early stage, assess their potential impact, implement control measures where necessary, and monitor their development on an ongoing basis. Our established risk appetite forms the basis for this.

organisation and risk management

To keep risks under control and ensure robust internal controls, we have structured our risk management as follows:

- a specialist 'Risk & Internal Audit' department that carries out risk analyses and conducts independent audits of critical processes;
- second-line teams, including those responsible for privacy, information security and safety, which manage risks and ensure compliance with laws and

regulations in all countries where HEMA operates;

- internal control frameworks covering areas such as finance, cyber security and IT;
- a fixed planning and monitoring cycle comprising a multi-year plan, annual budgets, regular forecasts and management reports;
- established procedures and guidelines for financial policy, including a clear authorisation and procurement policy;
- a whistleblower scheme that allows for the anonymous reporting of suspected misconduct;
- a cyber strategy, supported by monthly meetings of the Information Security and Privacy Committee.

monitoring and reporting

The executive board and the Risk & Internal Audit department report regularly to the Audit Committee on the functioning of risk management and internal controls. Sustainability issues are an explicit part of this. The follow-up to internal and external audit findings is discussed on a quarterly basis. Risk management provides independent insight into the effectiveness of our control measures.

risk appetite

In 2022, HEMA established its risk appetite. We review these twice a year and update them where necessary. In this way, we maintain a healthy balance between entrepreneurship, financial prudence and the creation of long-term value.

Our risk appetite is clear: "Generally speaking, we accept limited risks." "When it comes to reputation, cybersecurity, product safety and compliance, we deliberately opt for a risk-averse approach."

key risk areas

Through our risk management process, we identify risks and opportunities at an early stage and monitor them continuously. We have grouped the key themes into three categories: strategic, operational, financial and compliance.

monitoring, results and objectives

HEMA monitors business conduct and integrity using a range of tools. Although specific KPIs have not yet been established for all aspects, we record the number of reports received through our reporting procedures, incorporate business conduct into onboarding and training programmes, and actively inform employees about the Speak Up scheme.

Specific measures are being implemented to prevent corruption and bribery. In 2025, no final convictions were handed down by the courts for breaches of anti-corruption and anti-bribery legislation, and no financial penalties were imposed. These findings confirm that the measures and procedures put in place contribute to acting with integrity and responsibility.

Over the coming years, our objectives will focus on further strengthening our corporate culture, ensuring robust governance and risk management, enhancing due diligence throughout the value chain, and increasing transparency regarding ESG performance and business conduct.

strategic	• Reputation • Sustainability, ESG and the CSRD • Competitive position • Adaptability and innovation
operational	• Cybersecurity and privacy • Product and food safety/quality • Business and IT continuity • Recruitment and retention of staff
finance and compliance	• Non-compliance • Economic and geopolitical situation • Internal control environment

ESRS 2 BP-1 & BP-2

basis for reporting**about this report**

This sustainability report covers the period from 3 February 2025 to 1 February 2026.

standards

In this report, we provide an overview of our non-financial performance and working practices. We report clear, consistent and comparable information that is relevant to the decision-making of our key stakeholders. We are taking targeted steps to align our reporting as closely as possible with the ESRS.

consolidation

The report has been prepared on a consolidated basis, with the same scope as the consolidated financial statements. This means that the information in this report relates to HEMA as a whole, including all its subsidiaries.

For some measures, we report solely on our largest region, the Netherlands. Where applicable, we will state this explicitly.

value chain

To provide a clear picture of the key impacts, risks and opportunities relating to HEMA, we have included information on our (upstream and downstream) value chain where relevant and where available. This is in line with the findings of our dual materiality analysis.

estimates and assumptions

For some of the sustainability information, we use estimates and assumptions, for example where direct measurement data is not (yet) available. As a result, actual results may differ from previous forecasts. In the notes to the financial statements, we explain the principles applied.

time horizons

Unless otherwise stated, we use the following time horizons:

- Short term: within one year of the reporting date
- Medium term: one to five years
- Long term: more than five years

changes compared with previous sustainability reports

Since 2001, HEMA has published annual [sustainability reports](#). These were initially drawn up in accordance with the guidelines of the 'Global Reporting Initiative' (GRI) and complied

with the GRI Standards *Core* level, and with the GRI Standard revision in 2021 '*relating to*'.

Since 2023, we have been gradually aligning our reporting with the ESRS guidelines. In addition, we have updated our reporting in the following areas since the 2023 financial year:

- Material issues determined on the basis of the dual materiality principle.
- A structure aligned with Environmental, Social and Governance principles.
- Additional data points, both qualitative and quantitative, relating to our material topics.

Where there are significant changes to the preparation or presentation of the sustainability information, we explain this as follows:

- We describe what changes have been made and why.
- We adjust comparative figures where possible.
- If the adjustment is not feasible, we will make this clear.
- We explain the impact of the change.

other legislation and regulations

Where relevant, we have also included information in this report based on other recognised sustainability standards and legislation. These are listed by topic to provide a comprehensive and coherent overview of our sustainability performance.



imprint

explanatory notes on limited assurance

No 'Limited Assurance' has been provided on the CSRD. The 'Limited Assurance' engagement focuses on specific KPIs in accordance with NV COS 3000. Please refer to page A-B for the auditor's 'Limited Assurance' report.

This report was published on 30 July 2026.

copyright

© 2026 HEMA BV All rights reserved. No part of this publication may be reproduced, stored in a computerised database, or published, in any form or by any means, whether electronic, mechanical, by photocopying, recording, or any other means, without prior written permission from HEMA. Despite all the care taken in compiling this report, HEMA cannot be held liable for any damage resulting from any error in this publication.

This report was developed in collaboration with Schuttelaar & Partners.

Photography: HEMA

want to know more about HEMA and sustainability?

If you have a question or comment, please let us know. You can send an email to sustainability@hema.nl.



about HEMA

As at 1 February 2026, and with reference to Article 379(2) of Book 2 of the Dutch Civil Code, the subsidiaries wholly owned by HEMA B.V. are:

The Netherlands

HEMA Duitsland B.V.*, Amsterdam
 HEMA Ridderkerk B.V., Amsterdam
 HEMA België B.V.*, Amsterdam

Europe

HEMA Luxembourg branch, Luxembourg
 HEMA Deutschland GmbH, Essen, Germany
 HEMA GmbH & Co. KG**, Essen, Germany
 (indirect subsidiary)
 HEMA France S.A.S., Paris, France
 HEMA Austria GmbH, Vienna, Austria
 HEMA EMEA Mağazacılık Limited Şirketi,
 Istanbul, Turkey
 HEMA UK I Limited***, Birmingham, United Kingdom
 HEMA UK II Limited***, Birmingham, United Kingdom

Rest of the world

HEMA Far East Ltd., Hong Kong

- HEMA Far East Ltd. liaison office, Bangladesh
- HEMA Far East Ltd. representative office, Shanghai, China

HEMA (Shanghai) Trading Consultancy Co., Ltd., Shanghai, China

With effect from 2 February 2025, HEMA Financial Services B.V., HEMA Financiering B.V. and HEMA Krimpen B.V., all of which are based in Amsterdam, have been legally merged with their parent company, HEMA B.V.

With effect from 2 February 2026, HEMA België B.V., with its registered office in Amsterdam, will be subject to a cross-border conversion of legal form and will become a legal entity under Belgian law, with its registered office in Uccle, Belgium. The declaration of liability within the meaning of Section 403 of Book 2 of the Dutch Civil Code has been withdrawn with effect from the date of this change of legal form.

*) Pursuant to Section 403 of Book 2 of the Dutch Civil Code, HEMA B.V. has issued declarations of liability for these subsidiaries.

**) HEMA GmbH & Co. KG, Essen, Germany, makes use of the exemption provided for in Section 264b of the German Commercial Code with regard to the preparation, auditing and publication of its annual financial statements.

***) No activities planned for the period 2020–2025. These entities will be dissolved and will be wound up after the reporting date of 1 February 2026.

ESRS table

ESRS	section	sub-topic	location in the report
<i>general information</i>			
BP	Basis for preparation of information	• General basis for preparing sustainability statements • Reporting on specific circumstances	Organisation/about this report
GOV	Governance	• The role of governance, management and supervisory bodies • Information provided to and handling of sustainability issues by management and supervisory bodies of the company • Integrating sustainability performance into remuneration schemes • Due diligence statement • Risk management and internal controls for sustainability reporting	Organisation/our organisational structure, organisation/our board
SBM	Strategy	• Strategy, business model and value chain • Stakeholder interests and views • Material impacts, risks and opportunities and their interaction with strategy and business model	Real HEMA/our strategy
IRO	Impact, risk and opportunity management	• Description of processes to identify and analyse material impacts, risks and opportunities • Reporting requirements in ESRS included in company's sustainability statement	Real HEMA/our double materiality analysis

MDR	Measures and targets	• Policy adopted to manage material sustainability issues • Measures and resources in terms of material sustainability themes • Measures of material sustainability themes • Monitoring effectiveness of policies and measures against targets	Real HEMA/value creation model
ESRS	topic	sub-topic	location in the report
<i>environment</i>			
E1	Climate change	Climate adaptation Climate mitigation Energy	Environment/climate change
E2	Pollution	Air pollution Water pollution Soil pollution	Environment/nature
E3	Water	Water abstraction Water consumption	Environment/nature
E4	Biodiversity	Direct pressure factors biodiversity loss impact on size and condition of ecosystems impacts on and dependencies on ecosystem services	Environment/nature
E5	Circular economy	Material inflows, including material use Material outflows related to products and services Waste	Environment/materials & circular economy

people			
S1	Own employees	Terms and conditions of employment Equal treatment and equal opportunities for all	People/our employees
S2	employees in the production chain	Terms and conditions of employment Equal treatment and equal opportunities for all Other labour rights: child labour and forced labour	People/employees in the production chain
S4	Consumers and end-users	Impact on information Personal safety Social inclusion	People/customers
organisation			
G1	Business conduct	Corporate culture Protection of whistleblowers Animal welfare Relationship with politics and lobbying activities Managing relationships with suppliers Corruption and bribery	Organisation/our culture